



**2018/2019**

**THEMBISILE HANI  
LOCAL  
MUNICIPALITY  
DRAFT ANNUAL  
REPORT**

# Chapter 1

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## CHAPTER 1 – MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

### COMPONENT A: MAYOR'S FOREWORD

#### 1. EXECUTIVE MAYOR'S FOREWORD



Our performance as a Municipality for each financial year is measured by whether we have achieved the key objectives set out in our IDP within the allocated budget.

#### VISION

The Municipality's vision is as follows:

"To better the lives of our people through equitable, sustainable service delivery and economic development"

#### MISSION

Thembisile Hani Local Municipality aims to work towards achieving its long-term vision by:

- Participatory Integrated Development Planning
- Sustainable, accountable and accelerated service delivery
- Promoting socio-economic development
- Intensifying community participation
- Shared economic growth
- Allocating resources within budgetary constraints
- Ensuring effective and efficient financial governance
- Applying good and transparent corporate governance and Batho pele principles in order to create a high performing Municipality

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## THEMBISILE HANI LOCAL MUNICIPALITY VALUES & PRINCIPLES

The Municipality will continue to be driven by and observe the following service delivery principles:

- Showing compassion and care to all Municipal customers
- Treating all residents equally and with integrity and respect
- Attending to and responding to all queries efficiently
- Conducting the Municipal business processes in an ethical and professional manner

## KEY POLICY DEVELOPMENTS

Council in 2017 adopted a five year Integrated Development Plan, which is a single, inclusive and strategic plan for the development of the Municipality as a whole. It links, integrates, coordinates plans and aligns resources and the budget. Council also approved the budget in 2017/2018, SDBIP and reviewed the IDP.

The 2018/2019 Annual Report reflects on whether our performance is gearing us towards our objective of becoming one of the top 5 best performing municipalities – whether the limited resources at our disposal are enabling progress of meeting our service delivery obligations – or whether the goals we set ourselves to achieve have been a highest mountain to climb resulting in an unsatisfactory report. Effective financial policies and systems are envisaged to ensure financial viability and sustainability.

As alluded in the 2018/2019 budget speech, there are challenges facing Thembisile Hani Local Municipality as a fast growing Municipality. These are the highlights which further confirm that *we are yet not where we were before*:

- Improving access to potable water in Thembisile Hani Local Municipality remains an apex priority. I am proud to say that there has been significant work completed on water infrastructure projects during the 2018/ 2019 financial year. The construction of a 10 Ml/ Day Water Treatment Plant (known as Bundu Weir/ Moses River) is currently under implementation, and the first phase will be completed in December 2019, where 2.5 Ml/ Day will be commissioned, and the remainder of 7.5 Ml/ Day will be commissioned on/ or before the end of 2019/2020 FY. The New Reservoir and Pipeline in Kwamhlanga project will be completed on/ or before August 2019.

## KEY SERVICE DELIVERY IMPROVEMENTS

During the period under review, a concerted effort to implement projects and programs that were budgeted for and encapsulated in our IDP were undertaken and the outcomes thereof are evident within our area of jurisdiction.

Our IDP and Budget consultation meetings gave us the opportunity to listen to the community's needs and we acted on delivering the much needed services. Amongst the completed 2018/ 2019 projects the following are highlights:

- Allocation of an additional R3 500 000.00 to the Municipality due to good performance on the Municipal Infrastructure Grant (MIG).
- 100% expenditure on the Municipal Infrastructure Grant (MIG).
- 73% expenditure on the Water Services Infrastructure Grant (WSIG). The Municipality will apply for roll over of 27% of the unspent funds.
- Upgrading of Existing infrastructure from project to augment Boreholes water supply in Bundu (multiyear project). Completion of the whole project anticipated to be completed by end of November 2019.
- New Reservoir and Pipeline at Kwamhlanga for Phola park and Mountain view Communities Ward 6, 14, 32 Phase 2 (Multiyear Project). Works be completed by end of August 2019.

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- Construction of Sun City AA Bus route Ward 20 designs at 100%. Construction to commence in the 2019/2020 FY.
- Construction of Chris Hani Bus route Ward 18 designs at 100%. Construction to commence in the 2019/2020 FY.
- Construction of Kwamhlanga B Link road Ward 32 designs 100%, Construction to commence in the 2019/2020 FY.
- Construction of Moloto North Bus route Ward 2 designs 100%, Construction to commence in the 2019/2020 FY.
- Construction of Luthuli Link Road Ward 22, Contractor appointed and has commenced with the works.
- Upgrading of Kwaggafontein Stadium Ward 26, new consultant to be appointed in the 2019/2020 FY 1<sup>st</sup> quarter.
- Upgrading of Kwaggafontein landfill site Ward 25 construction at 66% based on Progress Report for December 2018 from Supplier.
- Construction of Multi-purpose centre Phumula Ward 23 construction 99%, remedial works outstanding on the artificial soccer pitch.

Though we had to journey through the harsh realities of economic meltdowns, job-losses resulting in an increased unemployment rate and people living below poverty lines, factors which affected payment for services negatively, the report indicates improvements that reaffirm that *even though we are still not where we want to be, we are indeed moving forward.*

## PUBLIC PARTICIPATION

The Municipality uses Ward Committee meetings, Mayoral outreach meetings, Budget and IDP indaba, radio interviews, loud-hailing and stakeholder meetings to engage the public in decision making process like budget consultation meetings and to improve accountability to communities.

## FUTURE ACTIONS

Good governance, leadership and good financial management were enhanced for the period under review through functional Portfolio Committees, Municipal Public Accounts Committee and the Audit Committee (external). The task ahead is to attain 100% of our developmental goals in the remaining financial years through good leadership, good governance and sound financial management to ensure the following:-

- To provide households with basic services including water, adequate sanitation, adequate public lighting and accessible roads
- To create integrated and sustainable human settlements through the proactive planning and development of land
- To create a safe, clean and healthy environment conducive for social development and recreation
- To improve the financial status of the Municipality through prudent budget planning, stringent financial management and improved revenue collection
- To create a conducive environment for economic development, investment attraction and job creation.
- To improve organizational efficiency and promote a culture of professional conduct in order to render quality services
- To deepen democracy and promote active community participation in the affairs of the institution

## AGREEMENTS / PARTNERSHIPS

The Municipality in Partnership with Sector Departments in the province, participates in a number of service delivery initiatives through their annual performance plans where departments collaborate in a comprehensive way to among others, build libraries, houses, assists communities in agriculture and encourage SMME's in the project they initiate.

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## CONCLUSION

The journey of transforming our society and unblocking process of change continues. Commitment by all in this Municipality without reservations is on the rise. The political will is evident and will continue to add value to the required changes. I pledge my competence, commitment and knowledge to this municipality.



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Cllr. N.S. Mtsweni  
Executive Mayor

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## COMPONENT B: EXECUTIVE SUMMARY

### 1.1. MUNICIPAL MANAGER'S OVERVIEW



#### MUNICIPAL MANAGER'S OVERVIEW

As the Municipal Manager of Thembisile Hani Local Municipality, I am privileged to have this opportunity in presenting the 2018/2019 Annual Report.

The 2018/2019 Annual Report will reflect on the progress made in achieving the objectives of the municipality as outlined in our Service Standards, the Integrated Development Plan (IDP), Budget and Service Delivery and Budget Implementation Plan (SDBIP). There are various factors that we consider in our planning, the primary ones being the population and households. The population and number of households is proving to be increasing rapidly as compared to the statistics of 2011. This rapid growth affects the planning of the municipality as the demand for service delivery increases.

The Municipality is committed to providing clean drinking water to the community. During the year under review we have managed to get 2.5 mega litres from the Bundu Weir project through a temporary gantry that was constructed as an interim measure while the project is still under construction. During the construction of the project we have experienced some technical glitches which caused delay in the completion period of the project, however we are confident that the project will be completed by the end of March 2020.

In addition to water projects, we have commenced with the implementation of the Moloto Ground Water Scheme Development project where we are equipping existing boreholes with electric pumps and construction of an on-site water treatment facility with bulk water supply lines and pump stations. When the project is completed it is expected that we will get 4 mega litres per day. We believe that these projects and other water related projects that we are implementing will yield good results in alleviating water challenges in THLM.

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The Municipality has obtained a qualified audit opinion for the 2018/2019 financial year and some improvement has been recorded as compared to the previous year's qualified audit opinion in which we were qualified on various aspects. We have since managed to fix the previous year's basis of qualifications through the enhancement of our financial policies and monitoring.

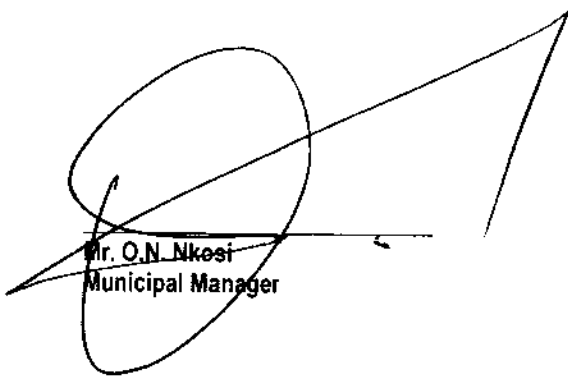
The Municipality is financially stable, however we are still encountering challenges with revenue collection. We are currently implementing the revenue enhancement strategy and it is yielding good results. We are seeing an improvement in the collection rate since we have introduced the Amnesty (90% discount) for consumers as per the strategy. We have also extended our pay points. Consumers can now pay for Municipal services at Spar, Shoprite, Checkers, Pep, Boxer and Post Office.

The THLM's waste management unit's mandate is to ensure that the socio-economic development, the health of its citizens, and the quality of its environmental resources are enhanced by well-controlled and well-coordinated waste management. The Municipality acquired a waste license for Kwaggafontein landfill site and managed to put aside budget for construction on financial year 2017/2018.

The Expanded Public Works Programme (EPWP) is central in our waste collection programme. The programme assists us in ensuring that our environment is clean and healthy for the people of THLM. Waste is collected in all the 32 wards, however the frequency of waste collection is low due to lack of resources. The EPWP has also played a vital role in a project where members of the community were elected to be safety ambassadors. The project assisted school learners with basic assistance in emergencies and has also assisted elderly people in safe crossing of roads. Through the training offered by the Municipality, the safety ambassadors acted as visible law enforcers to any violent situation and actively participated in safety & health promotional activities.

We are satisfied with the developments that are taking place on R573. Through our Local Economic Development Unit (LED) we are working closely with SANRAL by monitoring the processes and ensuring that the interests of the people of THLM are catered for, as the project will boost the local economy.

I would like to take this opportunity and thank the Executive Mayor, Members of the Mayoral Committee, Councillors, official and our different stakeholders for their role in improving the lives of the people of THLM. Together we are moving THLM forward.



Mr. O.N. Nkosi  
Municipal Manager

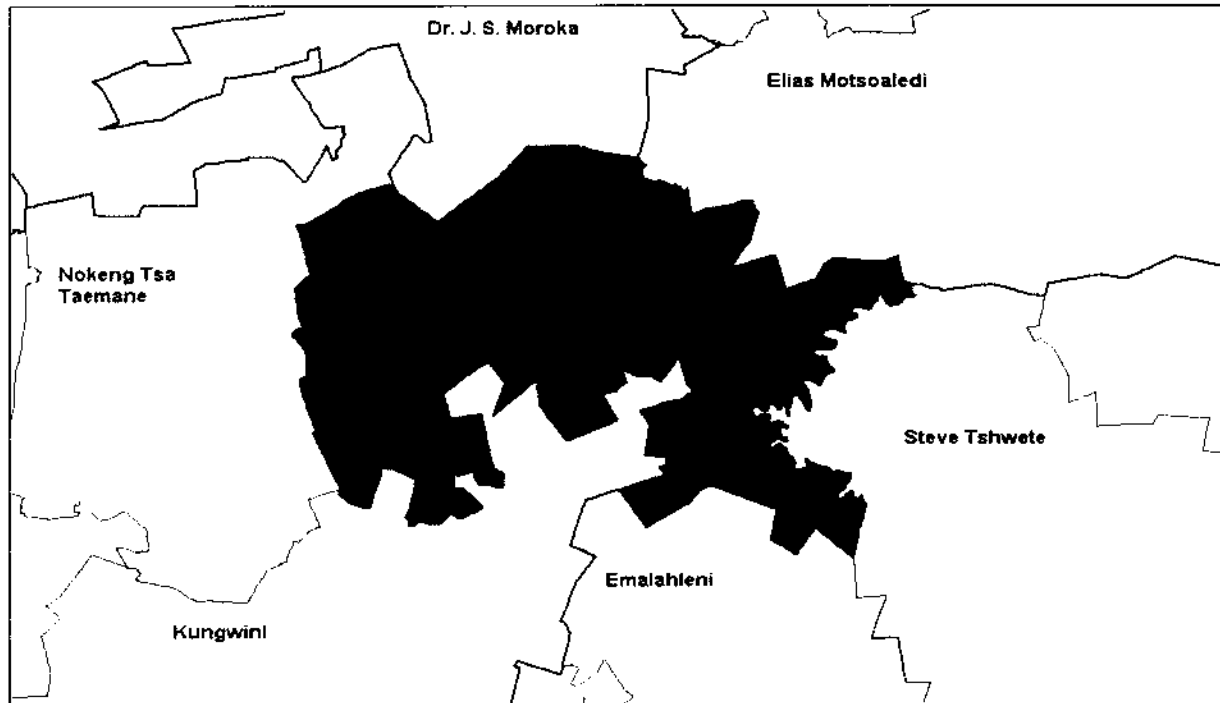


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## 1.2. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

### ABOUT THEMBISILE HANI LOCAL MUNICIPALITY

#### LOCALITY MAP – ADJACENT LOCAL MUNICIPALITIES



#### SOCIO-ECONOMIC OVERVIEW

Mathyzensloop, Boekenhouthoek, Bundu, Enkeldoornog, Goederede, Moloto North & South, Sun CityA-C, Phola Park, Buhlebesizwe, Vlaklaagte 1, Mzimuhle, Sybrandskraal, Vlakfontein, Witnek, Skoongesight, Modderfontein, Valchspruit, Blesbokfontein, Taaifontein, Rietfontein A, Rietfontein( Bly N Bietjie), Papskuil, Vandykspruit, Loopspruit, Nooitgedaght, Serengkop, Rooipoort, Swaartkoppies, Waterval Farm, Rooiground, Gemsbokfontein.

The majority of the urban areas are informal settlements with limited infrastructure. Urban sprawl due to un-contained and unplanned extensions of settlements is apparent and leads to challenges in providing bulk and reticulation infrastructure. Population density in urban areas is high and low in rural residential areas. Mathyzensloop, Kwaggafontein, Verena, Milliva, Kwamhlanga and Moloto can be regarded as principal business nodes with a neighbourhood shopping centre with some anchor tenants such as chain stores in each node. Secondary nodes exist along the R573 provincial road leading to Marble Hall. Similar nodes exist along the R25 provincial road which links Kempton Park, Bronkhorstspuit and Verena to Groblersdal. To some extent, the two above mentioned Provincial Roads Act as regional activity spines.

Most of the urban, peri-urban and agricultural settlements are situated along the R573 provincial road also known as the Moloto road. The road serves as a major communication and transportation route for the Municipality, linking it with Marble hall and Groblersdal to the east and Gauteng to the south- west. Many future residential and economic developments in the region are planned along the Moloto road.

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The economic analysis of the area indicates that Thembisile Hani Local Municipality's local economy is dominated by community services, trade (formal & informal, with the latter performing higher than the former) and manufacturing. The remaining sectors are all relatively small. The municipal area's economy is very small when its gap is compared to that of the other municipalities. Agriculture has a high potential and needs to be nurtured. So is eco-tourism encompassed with rehabilitation of dilapidating tourist destinations and formation of a tourist belt? Therefore specific actions need to be undertaken to broaden the tax base and improve participation in these activities.

There are a few mining activities around the area and these contribute to the creation of jobs and their service levels programs need to contribute to the upliftment of the community of THLM. This issue is pursued by both Council and Municipality. There is a need to sign MOU's by the Municipality and mine owners. The application for expansion of the Palesa mine is receiving the attention of the Municipality and the Department of Energy.

## VISION AND MISSION

### VISION

"To better the lives of our people through equitable, sustainable service delivery and economic development".

### MISSION

Thembisile Hani Local Municipality aims to work towards achieving its long-term vision by:

- Participative Integrated Development Planning
- Sustainable and accountable, accelerated service delivery
- Promotion of socio-economic development
- Intensified community participation
- Shared economic growth
- Allocate resources within annual budgetary constraints

## DEMOGRAPHIC PROFILE

### Population Size

According to Stats SA (2011 census), 310 458 people were recorded in 2011 which accounts for 23.7% of Nkangala's population. The population grew by 1.9% pa between 2001 & 2011. The population number is estimated to be in the area of 447 250 people by 2030 given the historic population growth rate per annum. Of the total population 52.4% are female and 47.6% are male and approximately 99.2% are Africans. Youth up to 34 years of age is estimated at 68.7% of the population and the number of households is 75 634 which amounts to 4 people per household and 21.2% of the total households in Nkangala. Female headed households are estimated at 46.1% and child headed (10-17 years) households at 0.9 % in 2011. The Municipality's population has increased by about an additional 33 000 households in 2015. To date the total number of households in Thembisile is 109 282. According to the Community survey 2016 the population growth now stands at 333 331 and is estimated to reach 416 282

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Table 2.1: population size

Demographic indicators	Stats SA Census	Stats census	SA	Share of Nkangala's figure	Share of Mpumalanga's figure	Ranking: highest (1) – lowest (18)
	2001	2011		2011	2011	
<b>Population number</b>	258 871	310 458		23.7%	7.7%	5
<b>Number of households</b>	58 797	75 634		21.2%	7.0%	6
<b>Area size – km<sup>2</sup></b>		2 385		14.2%	3.1%	15
<b>Population per km<sup>2</sup></b>		130				

Source: statistic South Africa, 2011.

## Population Composition

### The gender composition

The gender composition of the Municipality indicates that 47.6 % of the population is male and 52.4 % is female. The dominance of the female population is evident over the whole age spectrum. Figure 3.2.2a below shows that there is an increased distortion in gender composition in the age groups ranging between 15 and 54 where there are noticeably less males as compared to females. This can be attributed to the migration of the male populace to the Gauteng region to seek better employment opportunities.

Table 3.2.2.1a: geography by gender

Geography	Year	Male	Female	Total
<b>Thembisile</b>	2001	119 928	138 944	258 872
	2011	147 659	162 775	310 434
<b>Nkangala</b>	2001	491 225	529 363	1 020 588
	2011	656 247	651 882	1 308 129
<b>Mpumalanga</b>	2001	1 497 325	1 625 661	3 122 986
	2011	1 974 055	2 065 883	4 039 938

Source: statistic South Africa, 2011.

Table 3.2.2.1b: geography by gender (percentages)

Geography	Year	Male	Female	Total
<b>Thembisile</b>	2001	46.3%	53.7%	100.0%
	2011	47.6%	52.4%	100.0%
<b>Nkangala</b>	2001	48.1%	51.9%	100.0%
	2011	50.2%	49.8%	100.0%
<b>Mpumalanga</b>	2001	47.9%	52.1%	100.0%
	2011	48.9%	51.1%	100.0%

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Source: statistic South Africa, 2011.

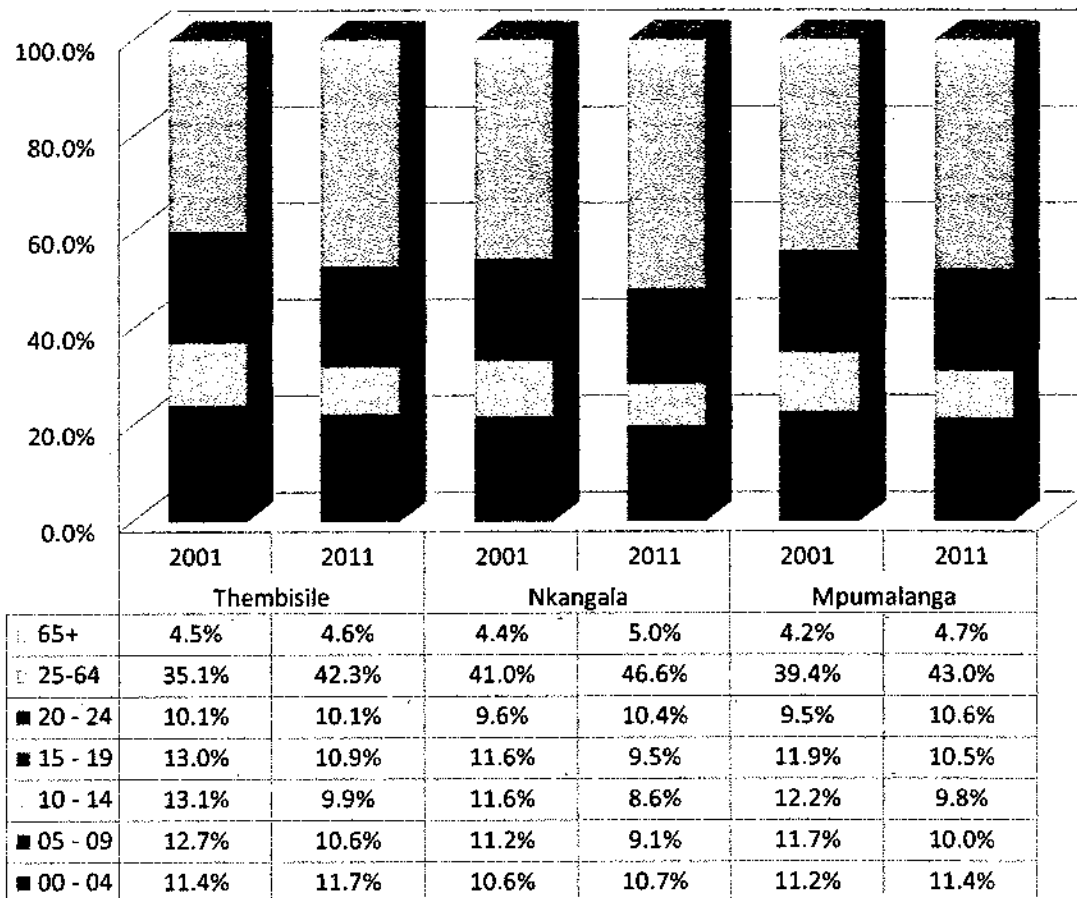
## The age structure

The age structure of the Municipality shows a youthful population distribution. In 2001, there was strong evidence of declining fertility, which is indicated by a steady decline in the population groups 10-14, 5-9 and 0-4, this is also evident in 2011. It is also evident that the population of the Municipality is concentrated in the younger age groups, with the population group between 10 and 19 being the largest. The distribution is similar for both males and females, except for the notable larger female population at all age groups. It is further evident from the graph that there is a noticeable decline in both men and women in the age category 15 – 20 years. The economically active population is standing at 62, 9%, and these are people between the ages of 15 and 64. The Municipality also has a dependency ratio of 58, 9% because the rest of the population is either too young or too old to generate income. (See figure 3.2.2c below)

Table 3.2.2.2: Age structure

<b>Geography</b>	<b>Year</b>	<b>00 - 04</b>	<b>05 - 09</b>	<b>10 - 14</b>	<b>15 - 19</b>	<b>20 - 24</b>	<b>25-64</b>	<b>65+</b>	<b>total</b>
<b>Thembisile</b>	2001	29 611	32 806	33 817	33 671	26 242	90 929	11 775	258 851
	2011	36 232	32 859	30 643	33 778	31 337	131 333	14 124	310 306
<b>Nkangala</b>	2001	108 079	114 044	118 592	118 038	98 433	418 671	44 597	1 020 454
	2011	140 505	119 150	113 132	124 098	136 115	609 710	65 419	1 308 129
<b>Mpumalanga</b>	2001	348 681	364 704	379 895	370 283	295 409	1 231 135	132 662	3 122 769
	2011	461 559	402 772	396 348	424 278	427 541	1 737 728	189 714	4 039 940

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## Socio-economic development

### Employment and unemployment indicators

About 97 744 people are economically active out of these 37% which is 36 165 are unemployed, 61 579 which is 63% are economically active youth (between age of 15 – 34 years) almost half which is 30 790 are unemployed. Out of the 37% unemployment rate the highest is the female population as a result of the loss of jobs and the decline in new job opportunities in the neighbouring urban areas such as Witbank, Middelburg and Pretoria exacerbate the unemployment rate. The Socio Economic Report and Outlook further indicates the following about the Municipality:

- Unemployment rate of 37.0% (strict definition) in 2011 amounted 36 139 unemployed as a percentage of the year of 97 744 - decreasing trend (estimated 2013 unemployment figure by IHS global insight 36.4%).
- Unemployment rate for females 39.9% and males 34.1% - youth unemployment rate of 49.4% in 2011.
- Highest unemployment in Ward 30 (50.1%) & lowest unemployment in Ward 1 (29.0%).
- Employment number 17.3% of Nkangala's employed.
- Employment increased by 27 468 between 2001 & 2011 according to the census – almost 3 000 new jobs per annum – 4% of provincial job creation target.
- Formal employment 54.3% & informal employment 22.5%.

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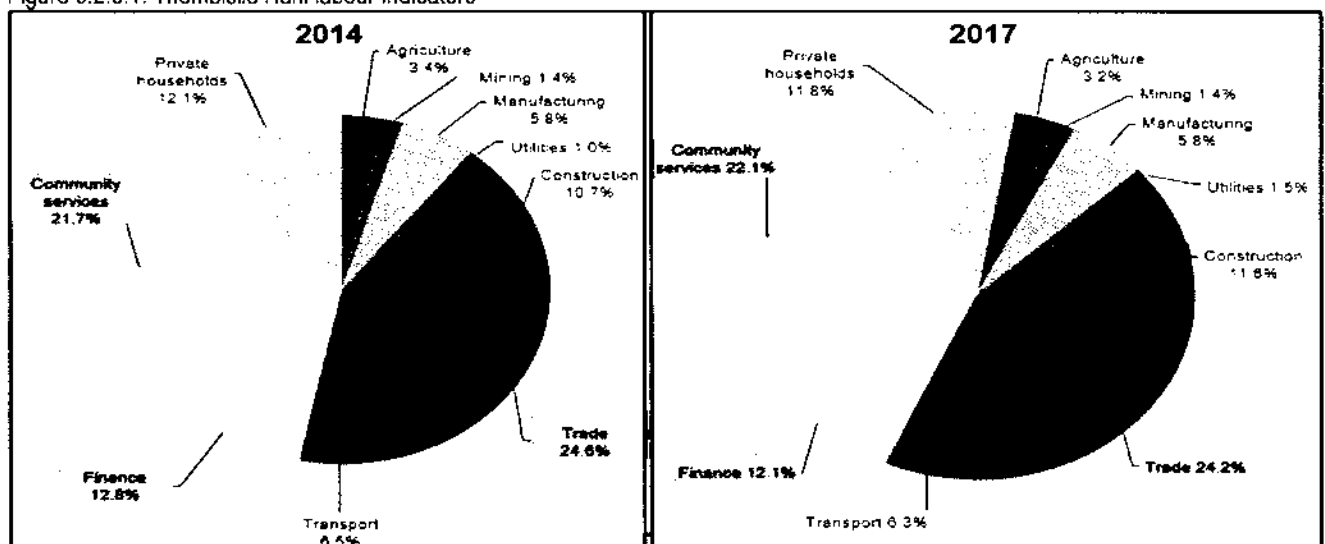
Table 3.2.3.1: Thembisile Hani labor indicators

Labour Indicators	Census	Census	Share Of Nkangala's Figure	Ranking: Best (1) – Worst (18)
	2001	2011	2011	
Working Age Population	151 714	195 457		
Economically Active Population (Eap)/Labour Force	69 910	97 744		
Number Of Employed	34 137	61 605	17.3%	
Number Of Unemployed	35 773	36 139	23.7%	
Unemployment Rate (%)	51.2%	37.0%		15

Source: socio-economic report and outlook for Mpumalanga, 2014

The Socio-economic report and outlook (sero) report further illustrated that the leading employment industries within the Municipality are community services at 21.2% and trade at 24.2%. Prevailing trends have also shown a decreasing role/share of manufacturing and trade and increasing role/share of community services & finance as the main employers. These figures appear to be declining as they went down from 21.7% and 24.6% respectively.

Figure 3.2.3.1: Thembisile Hani labour indicators



Source: socio-economic report and outlook for Mpumalanga,

# Chapter 1

## Poverty rate

Thembisile's poverty rate is estimated at around 40% or 128 890 poor people and this makes the Municipality the poorest in the district and forth poorest in the entire province, this is however a declining trend. The bottom 40% of households shared 12.2% of the total income in 2013. Statssa's multidimensional poverty index (sampi) in Thembisile Hani has improved from 0.07 in 2001 to 0.02 in 2011.

Table 3.2.3a poverty and inequality

Indicators	Trend			Latest figure	Better (+) or worse (-) than nkangala	Better (+) or worse (-) than province	Ranking: best (1) – worst (18)
	2001	2004	2009				
<b>Poverty rate</b>	53.3%	52.8%	47.7%	40.8%	(-) (30.6%)	(-) (36.9%)	15
<b>Number of people in poverty</b>	145 068	145 708	142 877	128 890			15
<b>Poverty gap (r million)</b>	r176	r240	r339	r346			14

Source: Mpumalanga socio-economic outlook report, Mpumalanga department of finance, 2014

## Individual income

Table 3.2.3b: geography by individual income (R)

		No income	1-400	401 - 800	801 - 1 600	1 601 - 3 200	3 201 - 6 400	6 401 - 12 800	12 801 - 25 600	25 601 - 51 200	51 201 +	Total	Average
<b>Thembisile</b>	2001	880	4 498	9 169	1 1259	5 132	2 254	747	210	0	0	34 149	1 589
	2011	131 799	85 110	8 946	39 693	19 563	8 613	4 344	2 025	429	225	300 747	907
<b>Nkangala</b>	2001	4 137	22 046	40 579	49 193	41 283	24 612	12 732	5 272	0	0	199 854	2 644
	2011	401 493	44 643	29 014	96 955	80 664	62 900	48 168	33 747	12 323	4 826	814 733	3 182
<b>Mpumalanga</b>	2001	12 619	134 766	139 875	131 103	100 495	64 222	32 064	14 831			629 975	2 239
	2011	1 243 674	159 802	103 097	310 187	211 586	150 589	122 607	84 152	30 239	12 436	2 428 369	2 720

Source: statistic South Africa, 2011.

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## Education indicators

In the Municipality citizens that are 20 years of age and older with no schooling account for 18.0% (31 711) total population of the Municipality (34.4% of nkangala's district), and this is one of the highest in the province. The total population that are 20 years of age and older with matric & higher qualification account for the 31.6% of the total population and this has shown an improvement but is still however lower than both district and provincial averages (third lowest in the province). The functional literacy rate (15+ with grade 7+) is also improving but is still lower than the district and provincial averages. The matric pass rate was sitting at 73.0 % in 2013 and the university/degree admission rate was only 18.0% in 2013. Thembisile Hani municipal area has 72 government funded ecd (early childhood development) centers in 2014/15 financial year.

Table 3.2.3.4: education indicators

Education indicators	Trend 2001	Latest figure 2011	Better (+) or worse (-) than nkangala	Better (+) or worse (-) than province	Ranking: best (1) – worst (18)
Number of people 20+ with no schooling	43 736	31 711			15
Population 20+ with no schooling (%)	33.9%	18.0%	(-) (11.5%)	(-) (14.0%)	13
Population 20+ with matric & higher (%)	19.6%	31.6%	(-) (40.2%)	(-) (38.8%)	16
Functional literacy rate (%)	57.5%	71.8%	(-) (79.0%)	(-) (76.9%)	14

Source: socio-economic report and outlook for Mpumalanga, 2014

## Population groups

Thembisile Hani Local Municipality has a total population of 310 458 people, of whom 99, 2% are black African, and 0, 3% are Indian/Asian. The other population groups make up the remaining 0, 5%. Based on the aforementioned, it is evident that the municipal population is predominantly composed of black Africans.

## Percentage distribution of Thembisile Hani Local Municipality

Group	Percentage
Black african	99,2%
Coloured	0,2%
Indian/asian	0,3%
White	0,1%
Other	0,2%



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## Household trends

The number of households in Thembisile Hani Local Municipality have increased by about 13.5%, from 65 394 in 2007 to 75 634 in 2011. The average household size is 4 persons per household and 46, 1% of households are headed by females. only 16,3% of households have access to piped water inside the dwelling, 72,1% of households have access to piped water inside the yard and 4,6% have no access to piped water. Table 2.2.2 below shows the current household trends in the Municipality.

### Household trends (source s statistics South Africa, 2011)

Enumeration type	Figures and percentages
Number of households	75,634
Average household size	4,1
Female headed households	46,1%
Formal dwellings	85,6%
Housing owned/paying off	76,1%
Flush toilet connected to sewerage	6,8%
Weekly refuse removal	4,6%
Piped water inside dwelling	16,3%
Electricity for lighting	92,3%

### Population languages: source: stats SA

Language	Percentage
Afrikaans	0,4%
English	1,2%
Isindebele	58,4%
Isixhosa	1%
Isizulu	12,5%
Sepedi	12,6%
Sesotho	4,8%
Setswana	1,9%
Sign language	0,3%
Siswati	2,9%
Tshivenda	0,4%
Xitsonga	2,6%
Other	0,9%
Not applicable	0,1%

## Education profile

The attainment of education is a key indicator of a developing society. The level of education of a society influences its welfare through its indirect influence on health, fertility and life expectancy. In Thembisile, of those aged 20 years and older, 18,3% have completed some primary school, 32,4% have some secondary education, 26,2% have completed matric, and 5,2% have some form of higher education, while 18% have no form of schooling. considering that the labor absorbing market requires at least some level of skilled labour for decent work, the Municipality's population is largely unskilled with only 5,2% of the population having some form of higher education and training. This therefore, further exacerbates unemployment rates.

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## Highest educational levels

Group	Percentage
No schooling	2,6%
Some primary	44,8%
Completed primary	6,5%
Some secondary	33%
Completed secondary	11,7%
Higher education	1,3%
Not applicable	0,1

## Employment profile

About 97 744 people are economically active (employed or unemployed but looking for work), and of these, 37% are unemployed. of the 48 741 economically active youth (15 – 34 years) in the area, almost half (49, 4%) are unemployed. the unemployment rate in the municipality is currently standing at 37% with the female population accounting for most of the unemployment status. the loss of jobs and the decline in new job opportunities in neighbouring urban areas such as Witbank, Middeburg and Pretoria exacerbate the unemployment rate.

Employment status	Number
Employed	61 605
Unemployed	36 139
Discouraged work seeker	13 477
Not economically active	84 188

Source: Statistics South Africa, 2011

## Income categories

The main labour absorbing markets in the Municipality are social services, business services, retail, trade and agriculture. These markets provide the basis for employment and income within the Municipality and suggest that the Municipality must concentrate on labour intensive programmes and skills development when rendering services. Approximately 13, 8 % of the households within the Municipality have no income and more than 50% of the households earn less than r 50 000 per annum.

## Household income

Income	Percentage
None income	13,8%
R1 - R4,800	5,6%
R4,801 - R9,600	9,7%
R9,601 - R19,600	20,3%
R19,601 - R38,200	23,6%
R38,201 - R76,4000	15,2%
R76,401 - R153,800	7,4%
R153,801 - R307,600	2,9%
R307,601 - R614,400	1%
R614,001 - R1,228,800	0,2%
R1,228,801 - R2,457,600	0,1%
R2,457,601+	0,1%

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## **Economic analysis**

The City of Tshwane and areas such as Bronkhorstspuit and Witbank provide a regional function to areas in Thembisile (e.g. trade services, banking, manufacturing, storage, transport, etc.), because of its size and level of sophistication. The economy is unable to generate a significant number of direct employment opportunities for the local communities. The economies of surrounding townships and rural areas comprise mostly of informal activities and largely serve the immediate consumption needs of local people.

The Municipality is further characterised by limited job opportunities and high levels of unemployment and illiteracy. As a result, there are very limited industrial activities and high levels of dependency and poverty. The dependency on neighboring towns and cities to provide job opportunities has necessitated a culture where a significant amount of the population commutes on a daily or regular basis to areas such as Tshwane, Ekurhuleni, Johannesburg and Emalaheni.

Economic activities within the Municipality are dominated by public services and informal trade particularly those found at main intersections in Moloto, Kwamhlanga, Tweefontein, Verena and Kwaggafontein. The Municipality also has potential for mining, agriculture and eco-tourism. The municipal area is largely suitable to agriculture, both for ploughing and stock farming. The indigenous knowledge of communities within the Municipality should also be sustained. These include knowledge and skills in bead work, traditional painting, weaving, and grass work.

The small industrial parks that were developed by the Kwandebele government are now in disuse. There is a need for the Municipality to resuscitate these small industrial parks in order to contribute to sustainable employment within the municipal area.

## **Employment status comparison with district and province**

Area	Employed	Unemployed	Discouraged work seekers
Thembisile	61 611	36 141	13 476
Nkangala	355 478	152 250	42 554
Mpumalanga	969 771	448 126	150 844

## **Economic sectors and activities**

### **Agriculture**

Apart from the urban settlements highlighted above, the rural parts of the Thembisile Hani Local Municipality are predominantly utilized for agricultural purposes. The agricultural land towards the east of Verena is predominantly utilized by large scale farmers while the agricultural land to the west of Verena in the Thembisile Hani area is utilized by local and emerging farmers. Extensive agriculture, particularly cattle and game farming is the predominant form of farming.

### **Mining**

There are currently limited mining activities occurring in the southern portions of the Municipality along the R568 road. A number of external stakeholders have shown interest in developing mining opportunities within the Municipality.

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## **Tourism**

The tourism attraction sites in the Municipality include the Zithabiseni holiday resort in the Mabusa nature reserve (to be restored to its former glory) and the main tourism node: the Kgodwana village and Loopspruit winery at Schoongezicht, just east of the R568 between Kwamhlanga and Ekangala in the south.

## **Trade and local business**

The economic activity around the intersection of routes R568 and R573 in the vicinity of Kwamhlanga represents the highest order activity node in the Municipality this is probably the most strategic intersection in the entire municipal area, and it is surrounded by a fairly large number of households (formal and informal). The result is a fairly high concentration of economic activity with a variety of shopping facilities (formal and informal), a taxi rank, and community facilities which include, amongst others, the Solomon Mahlangu stadium and the former Kwandebele government offices.

The second most significant activity node in the Thembisile Hani area is found in Kwaggafontein b at the intersection between route R573 and the link road between Kwaggafontein and Verena where a large shopping Centre (Kwaggafontein Mall) exists. The Thembisile Hani Local Municipality offices are also located in this precinct.

There are about five other emerging/secondary activity nodes that can be distinguished in the Thembisile Hani area: the first is in the vicinity of Moloto, the second at Enkeldoornog b, the third one at Vlaklaagte 2, the fourth at mathys zyn loop to the North, and the fifth at Verena around the intersection between routes R25 and R544 in the southern parts of the Thembisile Hani Local Municipality. These are all smaller nodes (second order) that are still in the process of development, and comprise a mixture of formal and informal retail, commercial and service industry activities.

## **Job creation initiatives**

The Municipality must focus on maximizing its contribution to job creation, by ensuring that service delivery and capital projects implementation use labor intensive methods wherever appropriate. The Municipality furthermore supports job creation initiatives through the community works programme and the pew programmes.

## **Social analysis**

### **Integrated and sustainable human settlements and housing**

The lack of housing has been highlighted as one of the key challenges facing communities during many community outreach meetings. A housing survey conducted in 2009 indicated a huge backlog in housing delivery. Many people within the Municipality live in informal houses (mud houses and shacks) which are either too old to be inhabited or a structurally weak and are thus vulnerable to being destroyed by bad weather (storm/rain during the summer). The housing survey revealed that there was a housing backlog of about 9764 units, and there are currently no recent statics to gauge whether or not this backlog has increased or subsided.

The unavailability of an integrated human settlements plan and the retention of land for integrated human settlements have over time resulted in the eruption of informal settlements in almost all the Municipal areas. This is exacerbated by the allocation of land by some traditional authorities without having considered the necessary impact.

The Municipality has also participated in housing delivery programmes with national and provincial departments of human settlements over the years. The programmes that were used to fund some of the housing development projects in the Municipality include:

- Projects link programme (Greenfields programme)
- Peoples housing programme

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- Community based rural subsidy programme
- Disaster/emergency programme
- Community based individual programme

## Health

Thembisile is served with health care facilities such as clinics and visiting points. The following health facilities are provided within the Municipality:

Facility name	Location	Number
Kwamhlanga hospital	Kwamhlanga	1
Community health center (24 hour service)	Buhlebesizwe / Vlaklaagte 2, Kwaggafontein, Moloto, Verena, Kwamhlanga and Thembaletu	6
Clinics (8 hour service)	Empilweni, Gemsbokspruit / Mzimuhle, Goederede, Vlaklaagte 1, Kameelpoortnek, Tweefontein C, Tweefontein D, Tweefontein A, Tweefontein M, Vriesgewacht,, Tweefontein H, Boekenhouthoek/ Zithabiseni and Kwagga A, Tweefontein G clinic	15
Mobile clinics	Verena CHC mobile, Thembaletu CHC mobile, Kwaggafontein CHC mobile and Moloto CHC mobile table: 37 time table for mobile clinics	4

Both primary and secondary health care facilities are problematic in certain areas due to limited resources, which make it difficult to ensure that all the communities are provided with the minimum acceptable levels of health services. Most of the clinics do not provide a 24-hour service due to lack of staff and resources, but the Municipality is fairly well served with health facilities.

## Sports, Art and Culture

Thembisile Hani Local Municipality has two stadiums namely, Solomon Mahlangu stadium and the Kwaggafontein stadium, located in Kwamhlanga and Kwaggafontein respectively. The Solomon Mahlangu stadium has an array of facilities to support different sporting codes including netball, tennis, basketball and boxing. In order to fortify the potential of the sporting hub all sporting facilities in the vicinity of the stadium should be upgraded, maintained and integrated to the existing hub. The regional sport and recreation master plan conducted for the Nkanngala District Municipality in 2003 provides an assessment of the type of facilities currently in the Municipal area (e.g. soccer, netball, athletics etc.), together with their location and condition. (See municipal sdf for further detail). The two libraries in the Municipality need to be maintained and furnished with books in order to encourage the community to read and write. The mobile libraries in Verena and Boekenhouthoek are also not functioning because of the lack of personnel to administer their functioning.

### Some of the challenges relating to sport, arts and culture include:

- Lack of a funding model for the naming, renaming and signage of geographical features, streets, heritage sites and settlements;
- Heritage sites and tourist attraction sites in the Municipality are not formalised and promoted;
- Lack of access to sporting facilities by the local community;
- Sport committees at ward level exist but are dysfunctional;
- There is a need for community gymnasium to encourage the wellness of community;

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## **Telecommunication and postal services**

There are four post offices within the Municipality. These are located at Kwaggafontein, Verena, Kwamhlanga and Somarobogo. There were 24 lobby post boxes serving the community, two were removed from Verena and one from Somarobogo by the South African post office. These were removed because of the ineffectiveness of the service and were consequently replaced by street delivery service. The street delivery system might be effective but might be hindered by the lack of street names and proper house numbering. The Municipality and the post office must develop the mechanism of ensuring that farm communities have access to this service. On average the Municipality is well serviced with telecommunication services including cellphone networks. Approximately 68, 2% of the households reported that they had access to telephone facilities at home or nearby, while 27, 8% had access to a cell phone only. Only 1, 4% of the population had no access to any form of telecommunication.

### **The following problems have been raised by the community:**

The delivery of letters is delayed due to contradicting stand numbers.

## **Public transport**

Most of the residence of the Municipality work in Gauteng and commute to Tshwane and the surrounding areas on a daily basis. Buses and taxis are used as a staple mode of transport to work. This makes the R573 (Moloto road) very busy during peak hours and poses a higher risk of motor car accidents. Transport infrastructure in the form of bus/taxi terminals are also not adequately provided to cater for the business. Existing infrastructure is dilapidated and needs to be restored or upgraded. The public transport traffic volumes put considerable strain on the road infrastructure.

## **Moloto rail corridor development initiative**

The Moloto rail corridor development initiative was launched at national and provincial government level and enjoys the full support of the Nkangala District Municipality and local municipalities in the district. The main focus of the initiative is to replace the bus commuter system along the Moloto road with a rail commuter system. The objective is to provide safer, faster and more efficient rail transport, while buses and taxis will be used as part of a feeder system to the railway stations along the Moloto rail corridor.

The railway line and stations will form the basis for the nodal system, which will be used as a tool to promote the development of retail and community facilities at stations. Stations will be developed in accordance with the concept of transit orientated development, which promotes high density, mixed land use within walking distance from stations. These nodes will create the critical mass required to stimulate viable economic activity. Through careful planning, a range of community services can be provided along the railway line, ensuring that the community has access to a full range of community services through use of the railway system.

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## 1.3. SERVICE DELIVERY OVERVIEW

### SERVICE DELIVERY INTRODUCTION

The Municipality provided communities with portable water and sanitation. The portable water is purchased from three external water source because the Municipality does not have its own source. The water systems are operated and maintained according to the blue water requirements. Blue drop rating which Thembisile Hani Local Municipality received equals to an average score of 67.56%. The Municipality is committed to achieve green drop status in future.

The Municipality provides waste management services that include waste collection, street cleaning, clearing of illegal dumping, health care risk waste management. Regular solid waste collection service is provided to business, institutions and households within the jurisdiction of the Municipality. Waste collection from residential premises is carried out on fortnight basis. The growing Municipal population is exacerbating the demand on resources and services, and increasing the generation of waste to meet many of these demands.

The Municipality has recorded the below amount of services and the receipt of the water quality

- Provided 82 653 households with access to basic water
- Provided 32 675 households with access to basic refuse removal
- Provided 79 122 households with access to basic electricity
- Provided 2 287 households with access to basic sanitation (water borne system)
- Provided 56 507 households with access to free basic water (6 kl)
- Received a 67.56% blue drop for drinking water quality
- Received an 25.68% green drop status for effluent water quality

### CHALLENGES

- The provision of free basic electricity in Thembisile Hani Local Municipality where Eskom is the supplier.
- No proper indigent register
- Community of Thembisile Hani Local Municipality requires water borne sanitation system and not the VIP toilets anymore
- Inadequate and inconsistent water supply
- Shortfall of 36.1 mega litres per day in water supply water supply
- Lack of own water source
- Inadequate water storage in Moloto
- Huge backlog on gravel roads

# Chapter 1

## 1.4. FINANCIAL HEALTH OVERVIEW

### Financial Overview - 2018/2019

Financial Overview - 2018/2019			
R			R
Details	Original budget'000	Adjustment Budget	Actual
Income			
Property Rates	44 492 339	13 547 266	42 287 013
Grants	538 752 000	556 252 000	538 709 517
Service Charges	155 104 159	169 866 000	92 794 583
Public Contribution & Donation	0	0	7 286 549
Fines, Penalties & Forfeits	79 680 568	16 553 108	17 610 950
Other Revenue	48 980 484	55 593 303	1 234 448
Sub Total	867 028 647	811 812 627	860 450 650
Less Expenditure	926 602 372	945 908 069	739 850 315
Net Total*	(213 298 458)	(315 700 828)	229 670 045
* Note: surplus/(- deficit)	Note: operational and capital included on the expenditure		T1.4.2
<b>2018/2019 Operating Ratios (adjusted budget)0</b>			
<b>Detail</b>			<b>%</b>
Employee Cost			14.80%
Councillors Cost			2.77%
Repairs & Maintenance			4.0%
Finance Charges & Depreciation			19.04%
			T1.4.3

### LIQUIDITY RATIO

Liquidity ratio for 2017/2018 was 3.43 and for 2018/2019 is 1.86



# Chapter 1

## COMMENT ON OPERATING RATIOS

Employee costs is within the acceptable norm of approximately 14.80% plus 2.77% for Councillors costs which is equals to 17.57% to total operating cost. Repairs and maintenance constitute 4.0%. Although the percentage is below the norm, there are no major repair and maintenance backlogs. Finance charges and depreciation is 19.04% to total operating cost. This medium percentage informs that the Municipality is in a position to take up additional external funding.

<b>Total Capital Expenditure</b>			
	<b>R</b>		
<b>Detail</b>	<b>2016/2017</b>	<b>2017/2018</b>	<b>2018/2019</b>
Original Budget	117 504 000	153 363 889	153 982 751
Adjustment Budget	117 504 000	156 325 325	163 005 000
Actual Expenditure	117 503 000	152 125 325	164 949 725
%	100%	97.31%	80.29%

## 1.5. ORGANISATIONAL DEVELOPMENT OVERVIEW

Thembeisile Hani Local Municipality has an organizational structure which is aligned to the IDP and is reviewed annually to ensure operational effectiveness.

The organogram has the following departments:

- Department: Municipal Manager's Office
- Department: Corporative Services
- Department: Budget and Treasury Office
- Department: Technical Services
- Department: Social Development Services
- Department: Development and Town Planning Services

The Municipal Manager and all Managers have signed employment contracts and annual performance agreements

The percentage of vacant posts on the Municipality's organogram is at 9.5% by the end of the financial year.

The major priority for the Municipality in terms of organisational development relates to organisational reengineering wherein the Municipality has contracted a service provider on a multiyear agreement to undertake this process. The service provider is expected to assist the Municipality in developing relevant job descriptions for each employee, assisting the Municipality in conducting the job evaluation for the purpose of the proper grading of the Municipality and embedding and cascading Performance Management System to all levels. The second priority in the continuous capacity building of Municipal employees in terms of the Municipal finance under the mfip programme as well as other capacity building initiatives for other employees. . The Municipality's record management unit plays an important role in the affairs of the Municipality in line with the archives Act of South Africa Act no. 43 of 1996. Another development for the Municipality was the use and adoption of grap standards by the finance department to guide on the accounting standards and the adoption of Mscoa that the Municipality is currently using.

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## 1.6. 2018/2019 AUDITOR GENERAL REPORT

As required by section 188 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996) and section 4 of the Public Audit Act, 2004 (Act No. 25 of 2004) (PAA), the responsibility of the Auditor General is to express an opinion on the Municipality's financial statements based on conducting an audit in accordance with International Standards on Auditing.

For the financial year (2018/2019) Thembisile Hani Local Municipality received qualified opinion.

The Municipality was qualified on Property rates.

## 1.7. STATUTORY ANNUAL REPORT PROCESS

No	Activity	Timeframe
1	Consideration Of Next Financial Year's Budget And IDP Process Plan. Except For The Legislative Content, The Process Plan Should Confirm In-Year Reporting Formats To Ensure That Reporting And Monitoring Feeds Seamlessly Into The Annual Report Process At The End Of The Budget / IDP Implementation Period	July
2	Implementation And Monitoring Of Approved Budget And IDP Commences (In Year Financial Reporting).	
3	Finalise The 4th Quarter Performance Report For Previous Financial Year	
4	Submits Draft Annual Report Including Annual Financial Statements And Performance Report To Auditor General	August
5	Annual Performance Report As Submitted To Auditor General To Be Provided As Input To The IDP Analysis Phase	
6	Auditor General Audits Annual Report Including Annual Financial Statements And Performance Data	September - October
7	Municipalities Receive And Start To Address The Auditor General's Findings	
8	Commencement Of Draft Budget/ IDP Finalisation For Next Financial Year. Annual Report And Oversight Reports To Be Used As Input	November
9	Receive Management Letter And Provide Final Comments On Findings	
10	Auditor-General Submit Audit Opinion	January
11	Executive Mayor Tables Annual Report And Audited Financial Statements To Council Complete With The Auditor- General's Report	
12	Audited Annual Report Is Made Public And Representation Is Invited	February
13	Oversight Committee Assesses Annual Report	
14	Council Adopts Oversight Report	March
15	Council Table Next Financial Year Budget / IDP And Invite Public Representation	
16	Oversight Report Is Made Public	April
17	Oversight Report Is Submitted To Relevant National & Provincial Stakeholders And Legislature	
18	Council Approve Next Financial Year Budget / IDP	May
19	Make Public Approved Budget And IDP	June
20	Finalize SDBIP And Performance Agreements For Next Financial Year	
21	Make Public SDBIP And Performance Agreements	July

# Chapter 1

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## COMMENT ON THE ANNUAL REPORT PROCESS

It is necessary that the Municipality derives maximum benefit from its efforts in submitting reports. Such benefits are typically obtained in the form of being able to compare and benchmark against other municipalities and to learn from the feedback mechanisms.

The Annual Report process flow provides a framework for the Municipality to follow in completing various reports within each financial year cycle. It is recommended that Municipal Manager study this process flow and ensure that reports are submitted timeously. If the process flow is followed, the Municipality should be able to provide an Unaudited Annual Report in August of each year, which is consistent with the MFMA.

One of the advantages of compiling an Unaudited Annual Report in August is that it can be used to influence the strategic objectives indicated in the IDP for the next financial year as well as the budgetary requirements related to each vote.

An Unaudited Annual Report submitted in August will further provide the Municipality with an opportunity to review the functional areas that received attention during the current financial year and take the necessary corrective actions to align the IDP and budget to other priority areas needing attention.

The Annual Report of a Municipality must be tabled in the Municipal Council on or before 31 January each year (MFMA section 127). In order to enhance oversight functions of the Council, this must be interpreted as an outer deadline; hence the Municipality must submit the Annual Report as soon as possible after year end, namely, August. The entire process is concluded in the first or second week of December for all municipalities, the same year in which the financial year ends and not a year later, as is currently the case. It is expected that effective management of performance will also result from this change.

The Annual Report must be aligned with the planning documents and Municipal budget for the year reported on. This means that the IDP, budget, SDBIP, in-year reports, Annual Performance Report and Annual Report should have similar and consistent information to facilitate understanding and to enable the linkage between plans and actual performance.

The above can only occur if the Municipality set appropriate key performance indicators and performance targets with regards to the development of priorities and objectives in its IDP and outcomes (MSA s41). This requires an approved budget together with a resolution of approving measurable performance objectives for revenue from each source and each vote in the budget (MFMA, s24).

The Annual Report content will assist Municipal Councillors, residents, oversight institutions and other users of Annual Reports with information and progress made on service delivery. It must align with the Integrated Development Plan (IDP), budget, Service Delivery and Budget Implementation Plan (SDBIP), and in year reports. The contents will also assist with the annual audit. Other key aspect of the reform in combining the relevant information into the new Annual Report format will assist the Municipality to streamline operations and processes through combined Committees, reduce costs, time and effort. There will be a limited need for the Municipality to have different Committees to deal with financial and non-financial related matters.

# Chapter 2

## **THE 2016 LOCAL GOVERNMENT ACT**

To govern is to exercise political, economic and administrative authority to manage the nation's affairs. Governance is the complex mechanisms, processes and institutions through which citizens and groups articulate their interests, exercise their legal rights and obligations, and mediate their differences.

The political and administrative components of Council maintain a sound working relationship by ensuring respect of procedures and protocols. Communities as an interest group in municipal affairs participates through Public Participation mechanisms and processes in the decision making systems of Council.

This includes interaction with the stakeholders in shaping the performance of the Municipality in order to enhance a healthy relationship and minimizing conflict.

### **COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE**

#### **INTRODUCTION TO POLITICAL AND ADMINISTRATIVE GOVERNANCE**

Political governance ensures regular communication with the community at large by means of Municipal outreach's, IDP and budget consultations. This ensures that the community participates in identifying needs and make inputs on the performance of the Municipality. This process ensures healthy relations with the community and minimizes conflict. Administrative governance ensures transparent administration, regular feedback to the community, compliance to the required rules, processes and laws by which Council is operated, regulated and controlled.

The political structure of Thembisile Hani Local Municipality comprises of the Executive Mayoral System that consists of:

- Executive Mayor
- Hon. Speaker
- Chief whip
- Mayoral Committee
- Councillors

The Municipal Manager is the administrative head and acts as a link between the politicians and the administration. The Municipal Manager is supported by the following section 56 managers appointed in terms of the Municipal Systems Act:

- Manager Corporate Services (MCS)
- Manager Technical Services (MTS)
- Manager Social Development Services (MSDS)
- Chief Financial Officer (CFO)
- Manager Development and Town Planning Services (MDTPS)

# Chapter 2

## 2.1 POLITICAL GOVERNANCE

### INTRODUCTION TO POLITICAL GOVERNANCE

*MFMA section 52 (a): the Mayor must provide general political guidance over the fiscal and financial affairs of the Municipality.*

The Executive Mayor is the political head of the Municipality. The position of Speaker is a full-time post, and takes responsibility for the running of Council meetings. The speaker is the chairperson of the Council. The office of the chief-whip is established to create synergy and to maintain discipline among Councillors from various political parties. The role of the chief-whip of the Council covers both the political and administrative domains of Council with emphasis on the political aspect. The chief whip deals with the well-being and attendance of all Councillors.

The Municipal Council consists of 32 Ward Councillors and 32 PR Councillors. The Council meetings are governed according to the approved rules of order. Council has established the Mayoral Committee system with section 79 and 80 Committees who makes recommendations to Council.

Section 79 Committees of the Council report directly to Council, in accordance with the terms of reference of such Committees approved by Council. This Committee provide general oversight and monitor the activities in the Municipality over both the administrative and executive arms of the Municipality. This section 79 Committees are chaired by independent Councillors other than members of the Mayoral Committee.

Section 80 Committees assist and report to the Executive Mayor. The Executive Mayor has appointed the Mayoral Committee members as chairpersons for each of the Committees.

The Municipality has its own Audit Committee. The Audit Committee meets a minimum of four times per year and is an independent advisory body that advises Council, Political Office-bearers, the Accounting Officer and the Management of the Municipality on matters related to Internal Control, Internal Audits, Risk Management, Accounting policies and adequacy reliability and accuracy of financial reporting and information, performance management, effective governance compliance with the MFMA, the division of revenue Act and provide comments to Municipal Public Account Committee (MPAC) and Council on the Annual Report.

MPAC is an oversight Committee which comprises of non-executive Councillors, with the specific purpose of providing oversight over the executive functionaries of Council to ensure good governance in the Municipality. MPAC also make comments and recommendations on the Annual Report separately to Council.

# Chapter 2



## EXECUTIVE MAYOR

**Cllr. N.S. Mtsweni** (Political Head)

The Executive Mayor identifies the needs of the Municipality, review and evaluate those needs, in order of priority, recommend to the Municipal Council strategies, programme and services to address priority needs through the Integrated Development Plan, and estimates the value of revenue and expenditure, taking into account any applicable national and provincial development plans, recommends and determine the best way to deliver strategies, programmes and services to the maximum benefit of the community. The Executive Mayor also performs a ceremonial role.



## SPEAKER

**Cllr. N.E. Hlophe** (Chair Person Of Council)

Presides at meetings of the Council. Maintain order during meetings and ensure that meetings are conducted in accordance with the rules of order of the Council.

# Chapter 2



## Chief Whip

**Cllr. J.J. Tau**

Manage Councillors and maintain discipline in Council

The chief whip ensures that Councillors are accountable to the communities, that code of conduct is respected and adhered to by all Councillors. The chief whip ensures discipline during Council and Committee meetings. She facilitates political debates, workshop for all Councillors

# Chapter 2

## MEMBERS OF MAYORAL EXECUTIVE COMMITTEE:



**CLLR. T.J. MAKHWITING**

### **MMC TECHNICAL SERVICES**

Provisioning of infrastructure development, maintenance and service delivery to ensure sustainable services to all communities.



**CLLR. L.M. TSHABANGU**

### **MMC FINANCE SERVICES**

Provide and manage financial services to ensure financial viability, compliance and reporting.



# Chapter 2

 A black and white portrait of a man with short hair, wearing a dark suit jacket, a white collared shirt, and a patterned tie. He is looking directly at the camera with a neutral expression.	<p><b>CLLR.T.L. MABENA</b></p> <p><b>MMC LOCAL ECONOMIC DEVELOPMENT</b></p> <p>Ensures that the LED unit's mandate of coordinating LED related activities is realized and the push towards the eradication of poverty and job creation fulfilled</p>
 A black and white portrait of a woman with dark, wavy hair, wearing a dark top. She is looking slightly to the right of the camera.	<p><b>CLLR. M.P. MSIZA</b></p> <p><b>MMC SOCIAL DEVELOPMENT SERVICES</b></p> <p>Render integrated community services to all its communities</p>

# Chapter 2



**CLLR.N.E. PHAKATHI**

**MMC CORPORATE SERVICES**

Provides Corporate Services to ensure efficient support of organisational processes

## **Councillors**

Councillors provide a vital link between communities they serve and the Municipality. They are responsible for representing the needs and interests of the people they represent, regardless of whether they voted for them. Although Councillors are not usually full time professionals, they are bound by a code of conduct. The Councillors serve for five years.

Thembisile Hani Local Municipality comprises 32 Ward Councillors and 32 pr Councillors. See **Appendix A** where a full list of Councillors can be found (including Committee allocations).

Award Councillor has to balance the expectations of his/her Ward and that of their political party. the Ward Councillor is the chairperson of the Ward Committee, responsible for convening the constituency meeting to elect Ward Committee members, calling Ward Committee meetings, ensuring that a schedule of meetings is prepared, handling queries and complaints in the Ward, resolving disputes and making referrals of unresolved disputes to the Municipality, ensuring that the Ward Committee does what the Municipality expects about reporting procedures.

See **Appendix B** which sets out Committees and Committee purposes.

The Ward Councillors should be fully involved in all community activities that the Ward Committee is engaged with and communicate the activities and meetings schedules to the pr Councillors. PR means proportional representation, where voters vote for a political party not an individual candidate within a party. The ballot paper just shows the political parties. The party gets the same share of the number of Councillors as the share of total PR votes it got. The party decides which members fill those Councillor places. A PR Councillor is allocated to a Ward and provides support to the Ward Councillor in things that relate to the Ward or the Ward Committee.

A PR Councillor handles queries and complaints in consultation with the Ward Councillor, assist with resolving of disputes and making referrals, help with implementation of projects, support the Ward Councillor without replacing the Ward Councillor, attend Ward Committee meetings, constituency meetings and special meetings

## **Political decision-making**

The legal framework empowers the Executive Mayor to provide political leadership for policy and outcomes, and holds the Municipal Manager and other senior managers responsible for implementation and outputs.

# Chapter 2

The Executive Mayor presides at meetings of the Mayoral Committee and performs the duties, including any ceremonial functions, and exercises the powers delegated by the municipal Council except those powers that are reserved by the constitution of the republic of South Africa and other applicable Regulations.

The Executive Mayor appoints members of the Mayor Committee to assist with carrying duties in terms of section 80 of the Municipal Systems Act. The Executive Mayor reports to Council on the execution of his delegated powers.

Council is chaired by the speaker and the Executive Mayor chairs the Mayoral Committee meetings and executive duties through Council resolutions, delegations and Committees.

Council has also formed section 79 Committees which meet monthly except the Audit Committee and MPAC, which normally meet quarterly. This section 79 Committees are chaired by an independent Councillors other than members of the Mayoral Committee. Their main function is to monitor the activities of the members of the Mayoral Committee.

The administration is charged with the responsibility to implement Council resolutions and to submit monthly progress reports to the relevant MMC'S who in turn report to the section 79 Council Committees. All Council resolutions are monitored and implemented.

## 2.2 ADMINISTRATIVE GOVERNANCE

### INTRODUCTION TO ADMINISTRATIVE GOVERNANCE



*MFMA section 60 (b): The Municipal Manager of a Municipality is the accounting officer of the Municipality for the purposes of this Act and must provide guidance on compliance with this Act to political structures; political office bearers, and officials of the Municipality and any entity under the sole or shared control of the Municipality.*

The administration is led by the Municipal Manager (MM), who is appointed in terms of section 54a of the Municipal Systems Act. The Municipal Manager is employed on a contract basis, which includes a contract of employment, an annual performance agreement with performance objectives and targets and procedures for evaluating performance. The Municipal Manager is the accounting officer of the Municipality.

Together with other Managers the mm leads the administration by amongst others implementing Council resolutions, advising Council and its Committees, lead the IDP and budget planning and implementation processes. There are functions that are delegated by Council to the Municipal Manager, who in turn sub-delegates certain functions to the CFO and other managers. Under their leadership, municipal officials attend community consultative meetings, report in management meetings on plans and progress in addressing community issues.

# Chapter 2

## TOP MANAGEMENT

ADMINISTRATIVE STRUCTURE	FUNCTIONS
 <p data-bbox="437 913 635 969"><b>Municipal Manager</b> Mr O.N. Nkosi</p>	<p data-bbox="863 409 1461 860">As head of administration and accounting officer of the Municipality the Municipal Manager is subject to the policy directions of the Municipal Council, responsible and Accountable for duties and responsibilities outlined under section 55 of the Municipal Systems Act and any other relevant duties as may be delegated from time to time to the Municipal Manager by the Executive Mayor and Council. The Municipal Manager is also responsible for duties outlined under sections 60 to 75 of the Municipal Finance Management Act. Implementing a monitoring and evaluation methodology in line with legislative requirements. provide leadership and directive in operating of the performance management system and monitoring and evaluation, development of the SDBIP, quarterly performance reports and Annual Report</p> <p data-bbox="863 869 1461 981">units: IDP, Performance Management System, Youth Development, Local Economic Development, Public Participation, Risk Management, Internal Audit and Communication</p>
 <p data-bbox="379 1541 676 1597"><b>Manager Corporate Services</b> Ms.L. Nxumalo</p>	<p data-bbox="863 994 1461 1182">Establishing and maintaining structures that will, within the parameters of legality and good governance provide the administration that will be appropriately relevant, timeous and effective execution of tasks and be transparent as well as provide conducive environment to stimulate Public Participation within the co-operative governance</p> <p data-bbox="863 1211 1461 1301">Units: Human Resources Management and Development, ICT and Administrative Services, Legal and Council Secretarial Services and Fleet Management</p>

# Chapter 2



**Acting Chief Financial Officer  
Mr. J.S. Mzobe**

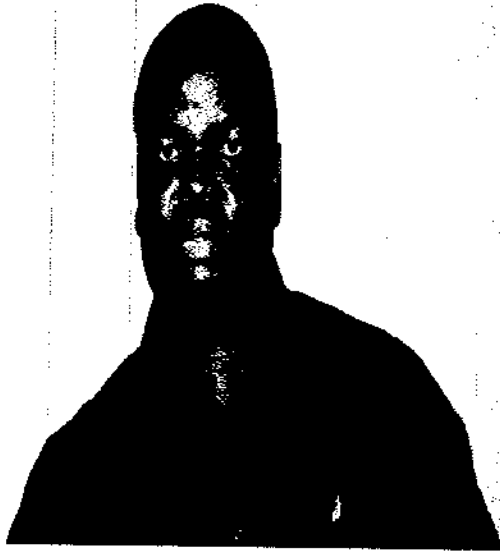
Ensure effective and efficient strategic management of the finance portfolio, which includes Budgetary Management, Financial Accounting Management, Supply Chain Management, Credit Control Management, Investments and Banking, Treasury Management.



**Acting Manager Technical  
Mr D Mahlangu**

Providing water, roads, storm-water and sanitation through a well-established and maintained infrastructure that will stimulate growth resulting in a broader income base and will encourage taxpayers to sustain payments through a well-established and maintained infrastructure.

# Chapter 2



**Manager Social Development Services  
Mr. A.K. Chego**

Developing and maintenance of recreational facilities by establishing a friendly, green, clean, neat and beautiful city, developing and maintaining the cultural heritage of and to render a sustainable cleansing service to all residence of the Thembisile Hani Local Municipality. establishing a safe and crime free environment where all people can develop to their full potential by promoting safer communities through prevention, preparedness, response, recovery, education and enforcement

All the above mentioned positions are section 56 positions.

# Chapter 2

## COMPONENT B: INTERGOVERNMENTAL RELATIONS

### INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

Thembisile Hani Local Municipality, relates to the other spheres of government and organised local government bodies through the intergovernmental policy framework, communities as an interest group in Municipal affairs, participates through Public Participation mechanisms and processes in the decision making system of Council.

### 2.3 INTERGOVERNMENTAL RELATIONS

The constitution (1996) states that '*government is constituted as national, provincial and local spheres of government which are distinctive, interdependent and interrelated*' (section 40(1)). The '*distinctive*' element refers to the autonomy enjoyed by the spheres; that is, the degree to which each sphere is the final decision-maker on a particular matter that falls within its area of competence.

The creation by the constitution of this decentralised governance system, which comprised the three distinct but inter-related spheres of government, also gave rise to the need for a systematic system of igr to give effect to the principles of cooperative government.

To realise these principles, the IGRF Act was promulgated on 15 august 2005. The Act provides for an institutional framework for the three spheres of government to facilitate coherent government, effective provision of service, monitoring implementation of policy and legislation, and realization of developmental goals of government as a whole.

In spelling out the principles of cooperative government and igr, the constitution binds all spheres of government and organs of state in each sphere of government to three basic principles:

- (i) **A common loyalty to the republic as a whole.** This means that all spheres are committed to secure the well-being of the people of the republic and, to that end, must provide effective, transparent, accountable and coherent government for the republic as a whole. This is the object of cooperative government.
- (ii) **The distinctiveness of the spheres should be respected.** A sphere must remain within its constitutional mandate, and when exercising those powers, must not do so in a manner that encroaches on the geographical, functional or institutional integrity of another sphere, except where specifically directed otherwise.
- (iii) **The spheres of government must take concrete steps to realize cooperative government by –**
  - a) fostering friendly relations;
  - b) assisting and supporting one another;
  - c) informing one another of, and consulting one another on, matters of common interest;
  - d) coordinating their actions and legislation with one another;
  - e) Adhering to agreed procedures; and avoiding legal proceedings against one another.

### PROVINCIAL INTERGOVERNMENTAL STRUCTURE

The Executive Mayor and the Municipal Manager represent and participate in the premiers coordinating Committee, where issues affecting the province and the municipalities are discussed. The speaker and officials in the office of the speaker attends and participate in the provincial speaker's forum, provincial Ward Committee forum and the provincial anti-corruption forum.

# Chapter 2

There are expanded public works programme projects in progress for cleaning the environment that will be registered as projects at the department of public works. Furthermore, the department of environmental affair appointed 270 pews and department of corporative governance and traditional affairs appointed 60 EPWP's for clearing illegal dumping sites.

## DISTRICT INTERGOVERNMENTAL STRUCTURES

Elected Councillors and officials represent the Thembisile Hani Local Municipality in neighbouring municipalities such as Nkangala District Municipality, where issues of mutual interest such as the IDP and budget are discussed and implemented.

Nkangala District Municipality provide support to Thembisile Hani Local Municipality Internal Audit in implementing Internal Audit annual plan, the following two (2) audits were assisted by Nkangala District:

- ICT audit
- Supply Chain Management audit

## COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

### OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

The introduction of Public Participation office has become a catalyst in ensuring that izimbizo and outreach meetings are meaningful to communities. This office has been strategically introduced to ensure that izimbizo's and outreaches constitute a communication approach that will underpin participatory democracy. The office is also central to governance as it brings government closer to the people. It is further to ensure that izimbizo's and outreaches remain a unique platform for communities to raise issues, share views and build strategic partnerships between the Municipality and its constituencies.

Thembisile Hani Local Municipality has established Ward Committees as a mechanism for public accountability and Public Participation. The Ward Committees assist Ward Councillors in the execution of their duties, which includes the handling of complaints and feedback to communities. Provincial government has also provided community development workers to the Municipality, to assist with the dissemination of information and the mobilisation of communities in government programmes.

Ward Councillors convene community meetings on a monthly basis to discuss matters affecting the community and give feedback on matters reported on a monthly basis. The Executive Mayor undertakes a Mayoral outreach programme which provides a platform for further interaction and engagement with the communities on regular intervals.

### 2.4 PUBLIC MEETINGS

The Executive Mayor led consultative meetings in all Wards during the months of October to December 2016 as part of the strategy for ensuring adequate Public Participation in the preparation for the compilation of the IDP and budget review for the 2017/2018 financial year. The community consultative meetings were followed by the IDP/budget indaba during May 2017. The meeting was attended by all Councillors, Ward Committee members, community development workers, political organisations, tribal authorities, sector departments and other interested community representatives.

The Municipal Systems Act provides for municipalities to establish structured mechanisms for Public Participation in order to ensure community participation in all the affairs of the Municipality. The Act stipulates that the Municipality must develop and adopt a community communication strategy/plan. The strategy should serve as the guiding tool on how the community is engaged to give their inputs and suggestions on services, projects and programmes offered by the Municipality. In order to comply with the Municipal Systems Act, Thembisile Hani Local Municipality will have to develop a revised Public Participation policy/strategy in the coming financial year.



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The Municipality like any local government has a three legged structure, which is integrated and interdependent. The legs of the Municipality are the Council, administration and the community. The cohesion of these parts underpins a successful developmental local government.

The Municipality needs a formal consultation, participation and communication policy/strategy, special attention with regard to the development of the policy/strategy are the following:

- Continuation the Mayoral outreach programme, which affords local leaders the opportunity to interact with communities on issues of service delivery.
- Continued engagement of sector departments and utilities in the various processes and forums for Integrated Development Planning (IDP).
- utilisation of the various mechanisms to communicate, such as local newspapers, local radio stations, flyers, Ward Councillors, community development workers, Ward Committees, account statements and loud hailing.
- Ongoing negotiations with provincial departments that no project will be implemented in the Municipal area of jurisdiction prior to consultation with the Council.
- Ongoing bi or multi-lateral processes around a number of developmental challenges and initiatives such as the youth agriculture and the Moloto rail corridor.

The local government Municipal systems states that "a Municipality through appropriate mechanisms, processes and procedures established in terms of chapter 4, must involve the local community in the development, implementation and review of the Municipality's Performance Management System, and, in particular, allow the community to participate in the setting of appropriate key performance indicator and performance targets for the Municipality". thus the Municipality has held its IDP Indaba in May 2017 to ensure that communities are afforded the opportunity to set the performance target for the Municipality. in attendance among others were:-

- Councillors
- Community Development Workers
- Ward Committees
- Traditional Leadership
- Traditional Health Practitioners (THP)
- Interfaith Organisation
- Business Forums
- Religion Formations
- Progressive Youth Structures
- Community Based Care Structures
- Government Departments

## ASSESSMENT OF COMMUNITY NEEDS

The Municipality has collected the following community needs during the 2017/2018 financial year to inform the 2018/2019: IDP

Ward	Issues
Traditional leaders	<ul style="list-style-type: none"> <li>• Enquiring and complaining about new areas that are recently being developed and having project starting in new other areas</li> <li>• Complaining about land invasion and requesting the Municipality to interfere</li> <li>• Requesting water and electricity at Vezubuhle (the whole of Vezubuhle)</li> <li>• Complaining about Ward 7 cemeteries not being fenced</li> <li>• Requesting a satellite office for service fee payment at Luthuli</li> <li>• Requesting a storm water control</li> <li>• Complaining about water meters. Some residence don't have them at Tweefontein K</li> <li>• Requesting and complaining about road to cemeteries to be re-gravelled.</li> </ul>

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	<ul style="list-style-type: none"> <li>• Complaining about road re-gravelling</li> <li>• Requesting re-gravelling of roads at Luthuli</li> <li>• Requesting recreational facilities at Luthuli</li> <li>• Requesting a community hall for pensioners</li> <li>• Requesting a researcher to research in the community and report back to the traditional leaders</li> <li>• Requesting high mast lights at the cemeteries</li> <li>• Complaining and requesting road gravelling at mountain view</li> </ul>
Ward 1	<ul style="list-style-type: none"> <li>• <i>Requesting a satellite office at Ward 1</i></li> <li>• <i>Requesting a high mast light at main road block 7 centre babazon</i></li> <li>• <i>Requesting water supply and street lights at babazon</i></li> <li>• <i>Complaining and requesting water and a community hall</i></li> <li>• Complaining about high mast lights being few at Moloto North</li> <li>• Requesting tap water in the Ward</li> <li>• Complaining about not having water at Block D</li> <li>• Complaining about the waste collecting truck not collecting along every street</li> <li>• Requesting a satellite office where the community will go and pay their services</li> <li>• Requesting a school at Moloto North</li> <li>• Complaining about incomplete projects around Moloto North</li> <li>• Requesting electricity, the whole block of Section D.D</li> <li>• Requesting bus roads at block d.d</li> <li>• Complaining about their RDP houses not being issued in a formal manner</li> </ul>
Ward 2	<ul style="list-style-type: none"> <li>• <i>Requesting electricity supply at Moloto North</i></li> <li>• Requesting a tap water</li> <li>• Complaining about not having water at Block D</li> <li>• Complaining about septic Tanks , some of them being broken, some leaking</li> <li>• Complaining about the waste collecting truck not collecting every street</li> <li>• Requesting a satellite office where the community will go and pay their services</li> <li>• Complaining about incomplete projects around Moloto North</li> <li>• Requesting electricity, the whole block of Section D.D</li> <li>• Complaining about road bus. They are incomplete</li> <li>• Requesting bus roads at Block D.D</li> <li>• Complaining about their RDP houses not being issued to them in a formal way.</li> <li>• Requesting a school</li> </ul>
Ward 3	<ul style="list-style-type: none"> <li>• <i>Requesting water , high mast lights inside where he is residing</i></li> <li>• <i>Requesting roads to be re-gravelled</i></li> <li>• <i>Requesting a satellite office</i></li> <li>• <i>Requesting tarring of internal roads at block 5</i></li> <li>• <i>Complaining and requesting re-gravelling of internal roads at Block 5 Moloto</i></li> <li>• Complaining about payment of flat rate.</li> <li>• Requesting water meters and roads at Moloto</li> <li>• Requesting a RDP houses</li> <li>• Requesting street lights at Block 5 Ward 3</li> <li>• Requesting water (the whole of block 5 near the garage at Ward 3 Moloto south)</li> <li>• Requesting a community hall and a library</li> <li>• Requesting yellow bins</li> <li>• Requesting a RDP house</li> <li>• Requesting a tar road at Moloto Block 5</li> <li>• Complaining about water tank not delivering to every house</li> <li>• Requesting roads and a primary school at Moloto south</li> <li>• Requesting that all the valves be monitored and maintained</li> <li>• Requesting high mast lights at block 5</li> <li>• Requesting a community hall at Moloto</li> <li>• Requesting a road to cemeteries of Moloto</li> </ul>

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Ward 4	<ul style="list-style-type: none"> <li>• <i>Requesting water supply at Leratong</i></li> <li>• <i>Complaining about un-improvement at Leratong</i></li> <li>• <i>Requesting a bridge between Luthuli and Ward 4</i></li> <li>• <i>Requesting a RDP house</i></li> <li>• <i>Requesting bus routes at Zakheni</i></li> <li>• <i>Requesting a bridge at Zakheni</i></li> <li>• <i>Requesting a primary school at Zakheni ext</i></li> <li>• <i>Complaining about holding a meeting during a week</i></li> <li>• <i>Requesting the main road of Zakheni to be completed</i></li> <li>• <i>Requesting that projects done around Zakheni be monitored.</i></li> <li>• <i>Requesting a RDP house</i></li> <li>• <i>Complaining about a hole that was left after the bridge was built at Zakheni</i></li> <li>• <i>Requesting water</i></li> <li>• <i>Complaining about Zakheni residence misusing water</i></li> </ul>
Ward 5	<ul style="list-style-type: none"> <li>• <i>Requesting houses at Thembaletu</i></li> <li>• <i>Requesting a storm water control</i></li> <li>• <i>Complaining about the positioning of high mast lights</i></li> <li>• <i>Complaining about un-energised high mast light</i></li> <li>• <i>Requesting three high mast lights at Thembaletu outline</i></li> <li>• <i>Requesting the flat rate(water) to be decreased to R40-50</i></li> <li>• <i>Requesting a community hall at Thembaletu</i></li> <li>• <i>Requesting a post office and a community hall for next year</i></li> <li>• <i>Requesting water</i></li> <li>• <i>Requesting a high mast light at Thembaletu outline</i></li> <li>• <i>Lack of service delivery at Thembaletu</i></li> <li>• <i>Roads not being properly gravelled</i></li> <li>• <i>Complaining about unemployment</i></li> <li>• <i>Extension of the tar road (clinic)</i></li> <li>• <i>Extension of high mast lights</i></li> <li>• <i>Requesting storm water drainage to control water that is damaging tar road</i></li> <li>• <i>Complaining about roads that need to be constructed</i></li> </ul>
Ward 6	<ul style="list-style-type: none"> <li>• <i>Complaining about a stream of water that requires a bridge to be build.</i></li> <li>• <i>Requesting fixing of road via Phola Park community hall</i></li> <li>• <i>Complaining about a bridge that over flows when it's raining at jordan</i></li> <li>• <i>Complaining and requesting electricity</i></li> <li>• <i>Requesting a high mast light at the main road of Phola Park</i></li> <li>• <i>Complaining about a dam, and requesting a storm water</i></li> <li>• <i>Requesting a high mast light next to sizamile primary school</i></li> <li>• <i>Requesting recreational facilities (sports ground) at Phola Park ext.</i></li> <li>• <i>Requesting a bridge. Next to/close to ziphakamiseni</i></li> <li>• <i>Requesting electricity at new stands and a RDP house</i></li> <li>• <i>Requesting a clinic at Phola Park</i></li> </ul>
Ward 7	<ul style="list-style-type: none"> <li>• <i>Requesting a tarred road at Mathysensloop</i></li> <li>• <i>Requesting re-gravelling at Mathysensloop stadium</i></li> <li>• <i>Requesting a tarred road Ward 7 mabhala street</i></li> <li>• <i>Requesting a borehole at madala stand</i></li> <li>• <i>Requesting water Reticulation the whole of madala portion</i></li> <li>• <i>Requesting recreational facilities</i></li> <li>• <i>Requesting a borehole at Mathysensloop</i></li> <li>• <i>Requesting a borehole</i></li> <li>• <i>Requesting fixing of road via Phola Park community hall</i></li> <li>• <i>Complaining about a bridge that over flows when it's raining at jordan</i></li> <li>• <i>Complaining and requesting electricity</i></li> <li>• <i>Requesting a high mast light at the main road of Phola Park</i></li> </ul>

# Chapter 2

	<ul style="list-style-type: none"> <li>• Complaining about the cemetery issue (entrance fee)</li> <li>• Requesting the Municipality to work hand in hand with the traditional leaders</li> <li>• Requesting a storm water control at Boekenhouhoek</li> <li>• Complaining about not having water at mhlamunyene, the whole section.</li> <li>• Complaining about receiving un-hygienic water from the water</li> <li>• Requesting a high mast light at boekenhouhoek, close to ruben</li> <li>• Requesting a special school (hearing and low iq) for disabled candidates</li> <li>• Requesting the Municipality to assist the local candidates with a Saturday school (extra classes)</li> <li>• Requesting a storm water control/ storm water drainage</li> <li>• Requesting a high mast light at ruben boekenhouhoek</li> <li>• Requesting high mast lights to be maintained and energised</li> <li>• Complaining about incomplete projects ( roads at chilli entrance boekenhouhoek</li> </ul>
Ward 8	<ul style="list-style-type: none"> <li>• <i>Requesting electricity, water and tarred road at Ward 08</i></li> <li>• <i>Requesting a clinic / mobile clinic at Langkloof</i></li> <li>• <i>Requesting street lights at Langkloof</i></li> <li>• <i>Requesting water at Langkloof</i></li> <li>• <i>Requesting pot holes to be covered at Langkloof</i></li> <li>• <i>Requesting a solar system at Ward 08</i></li> <li>• <i>Requesting meter readers and requesting each and every house hold to have a tank</i></li> <li>• <i>Requesting electricity at Ward 8</i></li> <li>• <i>Requesting network at Ward 8</i></li> <li>• <i>Requesting recreational facilities</i></li> <li>• <i>Requesting water at doorfontein</i></li> <li>• <i>Requesting re-gravelling of roads at farm water</i></li> <li>• <i>Requesting electricity at farm water</i></li> <li>• <i>Requesting roads/re-gravelling of roads at thabakhubedu</i></li> <li>• <i>Requesting a pumping machine to operate kwa-jiyane</i></li> <li>• <i>Requesting a solar power/boreholes</i></li> <li>• <i>Requesting RDP houses</i></li> <li>• <i>Request the tar road in internal roads</i></li> <li>• <i>Request the bridge in a bus road</i></li> <li>• <i>Request the dust bin for waste collection</i></li> <li>• <i>Request the apollo</i></li> <li>• <i>Request water reticulation</i></li> <li>• <i>Request skill centre</i></li> <li>• <i>Request extension of tar road</i></li> <li>• <i>Request the satellite office for payment of services</i></li> <li>• <i>Request the grave yard to be fenced</i></li> <li>• <i>Request primary &amp; secondary school</i></li> <li>• <i>Request job opportunities</i></li> <li>• <i>Request chairs for community hall</i></li> <li>• <i>Request sports field to be graded</i></li> </ul>
Ward 9	<ul style="list-style-type: none"> <li>• <i>Requesting a tap inside where she is residing</i></li> <li>• <i>Requesting a RDP house</i></li> <li>• <i>Requesting a community clinic at Tweefontein J</i></li> <li>• <i>Complaining about Thembisile Hani Local Municipality not assisting in arts and culture</i></li> <li>• <i>Requesting tarred and Tweefontein J</i></li> <li>• <i>Complaining about Tweefontein J not being included in the coming budget for financial year of 2014/2015</i></li> <li>• <i>Requesting water reticulation at Sheldon, the whole of Sheldon</i></li> <li>• <i>Requesting water supply on all important areas like clinics and police stations.</i></li> <li>• <i>Complaining about leakages and not being attended when they are being reported</i></li> <li>• <i>Requesting a community hall for senior citizen</i></li> <li>• <i>Requesting all high mast lights to be energised at buhlebusile</i></li> <li>• <i>Requesting a multi- purpose centre for the residence</i></li> <li>• <i>Roads to einel 2 experience some water leakage.</i></li> </ul>

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	<ul style="list-style-type: none"> <li>• Community member is concerned about water leakages</li> <li>• Requesting a multi-purpose centre</li> <li>• Requesting toilets</li> <li>• In need of a Municipal satellite office so that they can pay their services easily</li> <li>• Road maintenance</li> <li>• Requesting php houses</li> <li>• Requesting a primary school at zenzele</li> <li>• Complaining about crime</li> <li>• Complaining about unemployment and their advising the Municipality to employ local people in local projects.</li> </ul>
Ward 10	<ul style="list-style-type: none"> <li>• <i>Complaining about projects not being allocated to Ward 15</i></li> <li>• <i>Requesting a sports ground at skhahia Ward 10</i></li> <li>• <i>Requesting a public transport for primary school students</i></li> <li>• <i>Requesting a storm water control at Ward 10</i></li> <li>• <i>Complaining and requesting a bridge</i></li> <li>• <i>Enquiring about the solar system request-when are they getting</i></li> <li>• <i>Requesting toilets at Ward 10</i></li> <li>• <i>Complaining about the waste tank not collecting/ entering each and every street</i></li> <li>• <i>Complaining about rural residents not getting water</i></li> <li>• <i>Complaining about the water tank not servicing all the residents</i></li> <li>• <i>Complaining about not being told the correct service fee rate</i></li> <li>• <i>Complaining about taps that are leaking</i></li> <li>• <i>Complaining about other residents receiving free services</i></li> <li>• <i>Requesting a RDP houses</i></li> <li>• <i>Requesting a storm water control at Mzimuhle</i></li> <li>• <i>Requesting that all high mast lights be energies</i></li> <li>• <i>Requesting more high mast lights at Mzimuhle</i></li> <li>• <i>Requesting a storm water control at Mzimuhle</i></li> <li>• <i>Requesting a VIP toilets</i></li> <li>• <i>Requesting a notice board (where all public notices will be pasted )</i></li> <li>• <i>Requesting a free public transport for kids to be transported to school</i></li> <li>• <i>Complaining about the Municipality not intervening in sports and arts affairs.</i></li> <li>• <i>Requesting a waste truck to collect all the waste being dumped by surrounding residents of Mzimuhle</i></li> <li>• <i>Requesting a giant yellow waste bin at Mzimuhle</i></li> <li>• <i>Complaining about a storm water that is being blocked by sand at Mzimuhle</i></li> <li>• <i>Complaining about a disaster house. A complain was laid but up until now, it wasn't attended</i></li> </ul>
Ward 11	<ul style="list-style-type: none"> <li>• <i>Complaining about high mass lights that were supposed to be 24 but they are 10 and they are un-energised</i></li> <li>• <i>Complaining about a bore hole that was build inside someone's house hold</i></li> <li>• <i>Requesting a community hall at Ward 11</i></li> <li>• <i>Requesting a storm water at Verena c</i></li> <li>• <i>Sports facilities are being requested at Ward 11</i></li> <li>• <i>Requesting regravelling at "new stands"</i></li> <li>• <i>Requesting storm water control</i></li> <li>• <i>Requesting a satellite office at Verena.</i></li> <li>• <i>Requesting indigent forms to be</i></li> <li>• <i>Requesting jojo tanks, filled with water each and every resident of Verena</i></li> <li>• <i>Requesting bore holes at Verena d</i></li> <li>• <i>Enquiring about electricity on when is it going to be installed at Verena c</i></li> <li>• <i>Requesting bore holes at block d and block c.</i></li> <li>• <i>Requesting flashing toilets at Verena d and c</i></li> <li>• <i>Requesting a primary and high school (institution)</i></li> <li>• <i>Complaining about pot holes at Verena d main tarred road</i></li> <li>• <i>Requesting speed humps at Verena four way (main road)</i></li> <li>• <i>Request water tap</i></li> <li>• <i>Request electricity</i></li> <li>• <i>Support the payment of services</i></li> </ul>

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	<ul style="list-style-type: none"> <li>• Complain about the pampers that are all over the village</li> <li>• Request the meter box of electricity</li> <li>• Cost for services</li> <li>• Request centre of hiv&amp; aids</li> <li>• Request the support from the Municipality regarding HIV/AIDS activities</li> <li>• Request access to public transport via Mpumalanga road which is known as Witbank road.</li> <li>• Request the road regravelling</li> <li>• Request the Mayor to look after indigent families</li> <li>• Request food parcel</li> <li>• Request job opportunity</li> <li>• Request road regravelling</li> <li>• Request RDP houses</li> <li>• Request job opportunities</li> <li>• Request sewerage toilet</li> <li>• Request the extension of high mast light</li> <li>• Request to be in a list of indigent</li> <li>• Request water reticulation</li> </ul>
Ward 12	<ul style="list-style-type: none"> <li>• <i>Complaining and requesting tarred road at "dk" Tweefontein cCand water network</i></li> <li>• Community complaining about youth unemployment</li> <li>• Crime</li> <li>• Water leakage and wasting water</li> <li>• No taps in his stand and his paying municipal service</li> <li>• Lake of service delivery (Municipality)</li> <li>• Unemployment (no contract but permanent jobs by the residents)</li> <li>• Nepotism</li> <li>• Requesting spots facilities</li> <li>• High rate of crime</li> <li>• Unemployment</li> <li>• Requesting for industrial area for job creation</li> <li>• Shortage of water</li> <li>• Unemployment</li> <li>• Complaining about water leakages.</li> <li>• No electricity</li> </ul>
Ward 13	<ul style="list-style-type: none"> <li>• <i>Requesting the Municipality to install proper water pipes</i></li> <li>• <i>Requesting high mast lights at B2 to be energised all of them</i></li> <li>• <i>Requesting a storm water control and tarred</i></li> <li>• <i>Requesting a community hall at B2 and Tweefontein K</i></li> <li>• <i>Requesting a clinic at Ward 13</i></li> <li>• <i>Complaining about not having a title deed</i></li> <li>• <i>Requesting the cemeteries at Ward 13 to be fenced</i></li> <li>• Complaining about a meter that is not operating in a proper manner</li> <li>• Complaining about the waste truck not keeping/sticking to the time slot</li> <li>• Complaining about not having a title deed</li> <li>• Complaining about a high mast light that causes distraction</li> <li>• Complaining about not having water</li> <li>• Requesting sewerage toilet</li> <li>• Requesting storm water</li> <li>• Request the high mast light to maintained</li> <li>• Request RDP house</li> <li>• Request the community hall for pensioners</li> <li>• Request storm water in a bus road</li> <li>• Development of the community park</li> <li>• Request the office of led to support cooperatives</li> <li>• Request the collection of waste</li> <li>• Request job opportunity</li> </ul>

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	<ul style="list-style-type: none"> <li>• Request php houses</li> <li>• Request community hall</li> <li>• Requesting electricity</li> <li>• Requesting road regravelling</li> <li>• Requesting the plastic &amp; dustbin</li> <li>• Request clinic</li> <li>• Request outline road to be maintained</li> <li>• Requesting clinic at outline of B2</li> <li>• Requesting water pipe to be maintained</li> <li>• Requesting two pedestrian bridge next to sofuyile Tweefontein B1&amp; B2</li> </ul>
Ward 14	<ul style="list-style-type: none"> <li>• <i>Requesting a school (primary school)</i></li> <li>• <i>Requesting a tarred road at simunye street</i></li> <li>• <i>Requesting water at Ward 14</i></li> <li>• Requesting re-gravelling</li> <li>• Requesting a grader to dig at the cemeteries (free of charge)</li> <li>• Requesting a mini-reservoir for next year</li> <li>• Requesting a public-park at mountain view</li> <li>• Requesting a community hall at mountain view</li> <li>• Requesting a mobile clinic at mountain view</li> <li>• Requesting a satellite office at mountain view</li> <li>• Requesting electricity at mountain view zone 6</li> <li>• Complaining about a stream (river) across zone1 and zone 2 and requesting it to be fixed</li> <li>• Requesting toilets (flashing ones) at mountain view</li> <li>• Requesting water at mountain view zone 6</li> </ul>
Ward 15	<ul style="list-style-type: none"> <li>• <i>Requesting a tarred road at Ward 15 (inside houses)</i></li> <li>• <i>Requesting the road at masese to be fixed. It has a lot of pot holes</i></li> <li>• <i>Complaining and requesting water reticulation at Ward 15</i></li> <li>• <i>Requesting a high mast lights at Ward 15 (outline)</i></li> <li>• <i>Complaining about projects not being allocated to Ward 15</i></li> <li>• Complaining about cemetery fee.</li> <li>• Requesting a community hall for the pensioners</li> <li>• Requesting monitoring when it comes to local projects.</li> <li>• Requesting a satellite office for service (fleet rate) fee payment</li> <li>• Requesting flashing toilet</li> <li>• Requesting RDP house</li> <li>• Complaining about pot holes that where left after construction work</li> <li>• Requesting a RDP house</li> <li>• Complaining about high mast lights that are not energised around Tweefontein</li> <li>• Requesting a storm water control at Tweefontein e</li> <li>• Requesting roads at Tweefontein e</li> <li>• Requesting a clinic at Tweefontein e</li> <li>• Requesting a satellite office at Tweefontein e</li> <li>• Requesting street names at Tweefontein e</li> <li>• Requesting a RDP house.</li> </ul>
Ward 16	<ul style="list-style-type: none"> <li>• <i>Requesting a satellite office at Buhlebesizwe no:2</i></li> <li>• <i>Requesting re-gravelling of roads at Ward 16</i></li> <li>• <i>Complaining and requesting jobs and job creation</i></li> <li>• <i>Complaining about projects not being allocated to section aa</i></li> <li>• <i>Requesting flushing toilets at section aa</i></li> <li>• Requesting a storm water control at Buhlebesizwe no:2 Sun Citylocation</li> <li>• Requesting vip toilets at Buhlebesizwe no: 2</li> <li>• Requesting a honey sucker for the VIP toilets at Buhlebesizwe no: 2</li> <li>• Complaining about the waste truck not collecting each and every street</li> <li>• Complaining about the Municipality not interfering in public transport issues</li> </ul>

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	<ul style="list-style-type: none"> <li>• Requesting recreational facilities/sports ground at Buhlebesizwe no:2</li> <li>• Requesting a community hall</li> <li>• Requesting an office/centre to work at/ do her projects</li> <li>• Complaining about title deeds. They must be fixed first before residents pay their services</li> <li>• Requesting regravelling of extra sand that was left after construction work at RDP open space Buhlebesizwe no:2</li> <li>• Requesting electricity around RDP ext new stand</li> <li>• Complaining about being side lined in terms of corporative projects</li> <li>• Complaining about RDP houses that are not well build at RDP Buhlebesizwe</li> <li>• Complaining about storm water control that are not well build at Buhlebesizwe no:2 RDP</li> <li>• Requesting electricity and water at Buhlebesizwe no:2</li> </ul>
Ward 17	<ul style="list-style-type: none"> <li>• <i>Requesting electricity network at Ward 17, extension.</i></li> <li>• <i>Requesting a high school and a primary at Ward 17</i></li> <li>• <i>Requesting a storm water control at Milliva RDP</i></li> <li>• Complaining about not getting water.</li> <li>• Complaining about water meters that are leaking inside</li> <li>• Complaining about a bridge (to be extended )this issue was reported last year but it was un-attended</li> <li>• Requesting a storm water control</li> <li>• Requesting a geyser and a stove.</li> <li>• Requesting an apollo's Tweefontein n</li> <li>• Complaining about incomplete road</li> <li>• Requesting roads at Tweefontein n</li> <li>• Requesting a sports facilities</li> <li>• Requesting a tertiary (high institution)</li> <li>• Requesting a satellite office at Tweefontein f</li> <li>• Requesting Nkangala District Municipality to assist in job creation</li> <li>• Requesting electricity at Tweefontein f</li> <li>• Requesting a satellite office at Tweefontein f for fleet rate payment and other service payment</li> <li>• Complaining about un-energised apollo's</li> <li>• Requesting taps at Tweefontein f</li> <li>• Requesting a satellite office at Tweefontein f</li> <li>• Requesting recreational facilities ( sports ground )</li> <li>• Requesting ground to be re-gravelled</li> <li>• Complaining about the road at 1st stop Tweefontein f all the apollo's there, they are not energised</li> <li>• Complaining about un-energised lights at Tweefontein f</li> <li>• Requesting a community hall for pensioners or a tent for min-while</li> <li>• Requesting a bridge at Tweefontein f</li> <li>• Complaining about not having a post box/ not receiving his mail</li> <li>• Requesting a shopping complex at Tweefontein f</li> <li>• Requesting street humps at Tweefontein f</li> </ul>
Ward 18	<ul style="list-style-type: none"> <li>• <i>Requesting a storm water control that will lead water to gandi</i></li> <li>• <i>Requesting re-gravelling at Ward 18. The whole of it</i></li> <li>• <i>Requesting water reticulation at Thokoza/requesting Thokoza to be included in the next financial year projects concerning water</i></li> <li>• <i>Complaining /requesting about electricity at Thokoza</i></li> <li>• Requesting a storm water control at simunye street</li> <li>• Complaining about not having water at Thokoza</li> <li>• Requesting a community hall at Thokoza</li> <li>• Requesting road signs that indicate the location (Thokoza)</li> <li>• Requesting re-graveling of roads at Thokoza</li> <li>• Requesting high mast lights to be energised</li> <li>• Requesting roads at ghanda street , Thokoza</li> <li>• Requesting water at Thokoza ext.</li> <li>• Requesting storm water control at Thokoza ext.</li> <li>• Requesting a tap where he is residing at the given address</li> </ul>



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	<ul style="list-style-type: none"> <li>• Requesting a RDP house</li> <li>• Requesting water at Thokoza where his old age centre is residing ( he owns an old age centre)</li> <li>• Requesting re-gravelling of street at new stands, Thokoza</li> <li>• Requesting a youth centre</li> <li>• Requesting a storm water control</li> <li>• Requesting maintenance at Thokoza, all roads</li> <li>• Requesting sports grounds to be re-gravelled at Thokoza</li> <li>• Requesting job opportunities</li> </ul>
Ward 19	<ul style="list-style-type: none"> <li>• <i>Requesting a storm water control at Sun City C</i></li> <li>• <i>Requesting a school at Ward 19 and water</i></li> <li>• <i>Requesting water at Sun City A and a tarred road to the clinic and a storm water</i></li> <li>• <i>Requesting farring of internal roads</i></li> <li>• <i>Complaining about a bridge that needs to be fixed. Reason being it over-flows and residents can't walk</i></li> <li>• <i>Requesting boreholes at Sun City D</i></li> <li>• Requesting high mast lights at Sun City AA</li> <li>• Requesting roads at a.a</li> <li>• Requesting water</li> <li>• Requesting water the whole of Sun City AA</li> <li>• Requesting water and a community hall</li> <li>• Requesting a satellite office for service payment around Sun City AA</li> <li>• Requesting an internship programme from agriculture to accommodate all the un-employed youth.</li> <li>• Requesting a jojo tank</li> <li>• Requesting street names at Sun City AA</li> <li>• Requesting a community hall</li> <li>• Requesting a clinic</li> <li>• Requesting recreational facilities</li> <li>• Requesting a satellite office at Sun City AA</li> <li>• Requesting street lights to be monitored and maintained at Sun City AA</li> <li>• Requesting water at Sun City AA</li> <li>• Requesting pedestrian tar roads and pedestrian bridge</li> <li>• Requesting speed humps at Moloto road near Sun City AA</li> <li>• Requesting re-gravelling of roads at Sun City A, B, C and AA</li> <li>• Requesting a community hall at Sun City</li> <li>• Requesting recreational facilities</li> </ul>
Ward 20	<ul style="list-style-type: none"> <li>• <i>Requesting a pavement, community hall and toilets at Ward 22</i></li> <li>• <i>Requesting dongs to be closed after any construction has been done.</i></li> <li>• <i>Complaining and requesting electricity at Sun City AA and Vezubuhle</i></li> <li>• <i>Requesting a high school at sun-city AA</i></li> <li>• <i>Requesting internal streets to be named</i></li> <li>• Requesting that cemeteries be re-gravelled at Sun City AA next to an open space</li> <li>• Requesting a satellite office to pay services fleet rate</li> <li>• Requesting roads at Sun City AA</li> <li>• Requesting roads at Sun City AA and may they be made solid</li> <li>• Requesting/complaining about not having water. The whole of nyabela street</li> </ul>
Ward 21	<ul style="list-style-type: none"> <li>• <i>Enquiring about Viaklaagte number 1 on why it's not included on 2014 projects?</i></li> <li>• <i>Requesting an RDP house.</i></li> <li>• <i>Requesting a community hall and requesting it at ward 21</i></li> <li>• <i>Requesting high mast lights to be energised at ward 21</i></li> <li>• Requesting a clinic</li> <li>• Requesting a hall</li> <li>• Requesting electricity</li> <li>• Enquiring about the RDP houses</li> </ul>
Ward 22	<ul style="list-style-type: none"> <li>• <i>Requesting tarred to be fixed including pot holes</i></li> </ul>

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	<ul style="list-style-type: none"> <li>• <i>Requesting inspectors to come from human settlement and inspect those RDP houses</i></li> <li>• <i>Requesting a community hall</i></li> <li>• <i>At maboko, they are requesting a bus for primary and secondary students. They are also requesting water.</i></li> <li>• <i>Complaining about un-energised high mast lights at Ward 21</i></li> <li>• <i>Requesting more RDP houses at Ward 21</i></li> <li>• <i>Requesting farning of internal roads at Msholoz</i></li> <li>• <i>Requesting high mast lights at Msholoz</i></li> <li>• <i>Requesting roads at cemeteries</i></li> <li>• <i>Requesting a public parking at the cemeteries</i></li> <li>• <i>Requesting a no parking sign at the cemeteries</i></li> <li>• <i>Requesting more street lights at Mandela</i></li> <li>• <i>Complaining about water (not getting water , the whole of section 10 at Mandela)</i></li> <li>• <i>Complaining about livestock that is loitering around</i></li> <li>• <i>Requesting a primary school at Luthuli</i></li> <li>• <i>Requesting a community hall at Mahlabathini</i></li> <li>• <i>Requesting a RDP house</i></li> <li>• <i>Requesting a taps</i></li> <li>• <i>Requesting a clinic that will accommodate mahlathini, Luthuliand Msholoz</i></li> <li>• <i>Complaining about Luthuli being side lined when it comes to other project like storm water control and roads</i></li> <li>• <i>Requesting re-gravelling of roads at Luthuli</i></li> <li>• <i>Requesting roads and bus routes at Luthuli</i></li> <li>• <i>Requesting street signs</i></li> <li>• <i>Complaining about electricity at Luthuli</i></li> <li>• <i>Requesting re-gravelling at Luthuli</i></li> <li>• <i>Requesting storm water control at Luthuli</i></li> </ul>
Ward 23	<ul style="list-style-type: none"> <li>• <i>Requesting a RDP house</i></li> <li>• <i>Complaining about not receiving service delivery from the local Municipality</i></li> <li>• <i>Requesting sports/playground at Phumula A1, A2, B1 and C1</i></li> <li>• <i>Requesting the Municipality to set an appointment with Eskom for the community ( something like imbizo)</i></li> <li>• <i>Requesting toilets at a1 Phumula</i></li> <li>• <i>Requesting high mast lights at A1 Phumula</i></li> <li>• <i>Requesting tarred at section A1</i></li> <li>• <i>Requesting a storm water control at Phumula.</i></li> <li>• <i>Requesting high mast lights to be energised at Phumula</i></li> <li>• <i>Requesting a community hall at Phumula</i></li> <li>• <i>Requesting a community hall at Phumula</i></li> <li>• <i>Requesting a platform for the community of Phumula where they are going to state their issues</i></li> <li>• <i>Requesting a shopping centre for the Phumula community</i></li> <li>• <i>Requesting fencing at the cemeteries of Phumula</i></li> <li>• <i>Requesting an office where he can do his HIV/AIDS programme for the community</i></li> <li>• <i>Requesting a community clinic (not a mobile one ) for the community of Phumula</i></li> <li>• <i>Requesting toilets at Phumula</i></li> <li>• <i>Requesting electrcity</i></li> </ul>
Ward 24	<ul style="list-style-type: none"> <li>• <i>Requesting water and bore holes at Machipe</i></li> <li>• <i>Requesting speed humps at main street of Machipe</i></li> <li>• <i>Requesting water supply at Machipe</i></li> <li>• <i>Requesting a storm water control at Machipe</i></li> <li>• <i>Requesting high mast lights to be energised at Machipe</i></li> <li>• <i>Requesting the Municipality to assist with corporative</i></li> <li>• <i>Requesting a storm water control</i></li> <li>• <i>Requesting that after construction , the holes that are left be closed</i></li> <li>• <i>Requesting a community clinic at Bundu</i></li> <li>• <i>Requesting a storm water control at Boekenhouthoek kwa- jane</i></li> <li>• <i>Requesting a high mast light at Boekenhouthoek, close to Ruben</i></li> <li>• <i>Requesting that the Municipality must not issue previous statements from previous years</i></li> </ul>

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	<ul style="list-style-type: none"> <li>• Requesting a special school (hearing and low iq) for disabled candidates</li> <li>• Requesting the Municipality to assist the local candidates with a Saturday school (extra classes)</li> <li>• Requesting a storm water control/ storm water drainage</li> <li>• Requesting a high mast light at Ruben Boekenhouthoek</li> <li>• Requesting a high mast lights at Boekenhouthoek. The whole of boekenothoek</li> <li>• Requesting high mast lights to be maintained and energised</li> </ul>
Ward 25	<ul style="list-style-type: none"> <li>• <i>Requesting a storm water control at wad 25</i></li> <li>• Enquiring about the pavement (the street is incomplete, the street to masombuka emaqwetheni)</li> <li>• Requesting that the grader be used on weekends to fladder the spots grounds.</li> <li>• Enquiring about the feedback report how its being draft</li> </ul>
Ward 26	<ul style="list-style-type: none"> <li>• <i>Complaining about a stream river and requesting a bridge or storm water control</i></li> <li>• <i>Requesting a sports ground</i></li> <li>• <i>Complaining about people who haven't received their RDP houses even though they were on the list</i></li> <li>• <i>Complaining about incomplete bus routes at thembalethu that are not complete</i></li> <li>• <i>Requesting high mast light (6) at Mzimuhle (four way stop at the main entrance)</i></li> <li>• <i>Requesting a pavement in Ward 9</i></li> <li>• Requesting a satellite office for service fee payment at Luthuli</li> <li>• Amakhosi are complaining about not being invited in some of the meetings</li> <li>• Requesting a storm water control for next year</li> <li>• Requesting a researcher to research in the community and report back to the traditional leaders</li> <li>• Requesting high mast lights at the cemeteries</li> <li>• Requesting toilets ( flashing ones) at kwagga c</li> <li>• Requesting a high mast light at kwagga c next to mphephulo</li> <li>• Complaining about the shortage of water around kwagga c</li> <li>• Requesting flashing toilets at kwagga c</li> <li>• Requesting the Municipality to assist in job creation</li> <li>• Complaining about unemployment rate around Ithembisile. ( its high)</li> <li>• Requesting a RDP house</li> <li>• Requesting flashing toilets</li> <li>• Complaining about electricity and requesting it at Kwaggafointein C</li> </ul>
Ward 27	<ul style="list-style-type: none"> <li>• Request water , high mass lights and roads maintenance</li> <li>• Request tar roads</li> <li>• Do not want the vip toilets but flushing toilets</li> <li>• Skills development centre</li> <li>• Roads maintenance</li> <li>• Street lights/high mast light</li> <li>• Disaster management to assist families that need houses</li> <li>• Request for electricity</li> <li>• Palesa mine uses THLM water but not charged</li> <li>• Request community hall</li> <li>• Asbestos pipe changed to pvc plastic pipes</li> <li>• Completion of water reticulation</li> <li>• Regravelling of internal roads</li> </ul>
Ward 28	<ul style="list-style-type: none"> <li>• <i>Complaining about not being notified as a Ward Committee member</i></li> <li>• <i>Requesting an appointed contractor to be punctual and work on a time frame</i></li> <li>• Requesting the Municipality to communicate with the community</li> <li>• Requesting storm water control</li> <li>• Requesting a jojo tank</li> <li>• Requesting water meter all the residence of bhundu</li> <li>• Requesting roads</li> <li>• Requesting a high mast light next to spar kwagga a</li> <li>• Requesting a community park</li> <li>• Requesting assistance from the Municipality to assist him with his corporative</li> </ul>

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	<ul style="list-style-type: none"> <li>• Requesting a storm water control at Ward 28</li> <li>• Requesting a special school for low iq/disabled candidates around kwagga a</li> <li>• Requesting an RDP house</li> <li>• Requesting a community hall/temporally tent</li> <li>• Complaining about potholes at the cemeteries of kwagga a</li> <li>• Requesting re-gravelling/ maintenance of the roads outlined roads at kwagga a</li> <li>• Requesting speed humps from sifikile to R573</li> </ul>
Ward 29	<ul style="list-style-type: none"> <li>• Php houses completion in Ward 29</li> <li>• Mobile clinic introduction and the schedule of dates be given by the department of health</li> <li>• Installation of street lights or high mast light in crime spot areas</li> <li>• Request community hall</li> <li>• Sports grounds development in Ward 29</li> <li>• Request businesses sites to be released when they apply</li> <li>• Meter box for electricity installation</li> <li>• Completion of the vip toilets in Ward 29</li> <li>• Job opportunities for the youth</li> <li>• Park or recreational facilities in the form of multipurpose functions</li> <li>• Darla to clarified the land issue especially farm in Ward 29</li> <li>• By-law on land requisition in Ward 29</li> <li>• Asbestos pipe changed to pvc plastic pipes</li> <li>• Regravelling of internal roads</li> </ul>
Ward 30	<ul style="list-style-type: none"> <li>• <i>Enquiring about water, when would this problem be solved and requesting a satellite office</i></li> <li>• <i>Complaining about incomplete tarred/roads at Tweefontein j closed to the high school</i></li> <li>• <i>Requesting a toilet</i></li> <li>• <i>Requesting a storm water control</i></li> <li>• Municipality to do feasibility study before building RDP houses to avoid the issue of wetland</li> <li>• In need of vip toilet</li> <li>• In need of storm water drainage to control water that damage houses</li> <li>• They complaining about water from dam stream that are destroying the tire road and cemetery</li> <li>• Highmast light are not operating</li> <li>• In need of apollo's</li> <li>• Proper inspection was not done well when RDP houses were built</li> <li>• In need of community hall</li> <li>• Request extension of highmast light and repair those that are there</li> </ul>
Ward 31	<ul style="list-style-type: none"> <li>• <i>Complaining about un-energised high mast lights</i></li> <li>• <i>Requesting storm water control at Ward 31</i></li> <li>• <i>Requesting water supply at section d (entabeni)</i></li> <li>• <i>Requesting our road to be tarred at Kwaggafontein d</i></li> <li>• Requesting the Municipality to assist with home based care (khomani home base care)</li> <li>• Requesting storm water control and roads at kwagga d</li> <li>• Complaining about un-energised high mast lights around kwagga d</li> <li>• Requesting road and electricity</li> <li>• Requesting a RDP house</li> <li>• Requesting a high mast light at kwagga d</li> <li>• Requesting speed humps at d-line</li> <li>• Requesting recreational facilities at kwagga d</li> <li>• Requesting a community hall at kwagga d</li> <li>• Requesting that the agenda/report be written in isindebele</li> <li>• Requesting re-gravelling</li> <li>• Requesting re-gravelling of roads next to the dum/farm</li> <li>• Requesting temporally tents mine while her RDP house is still being build</li> <li>• Requesting a jojo tank where he is located. He owns a little farm</li> <li>• Requesting assistant from the Municipality to assist her with a disability school and senior citizen school</li> <li>• Requesting a tlb (re-gravelling )</li> </ul>

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Ward 32	<ul style="list-style-type: none"><li>• <i>Requesting that, all the requested needs be implemented</i></li><li>• <i>Requesting a bus-waiting room</i></li><li>• <i>Complaining about the shopping centre at kwa-mhlanga cross roads. Requesting it to be extended.</i></li><li>• <i>Complaining about not getting food parcels</i></li><li>• <i>Complaining about poor service delivery</i></li><li>• <i>Complaining about a meter that was inserted and it was leaking</i></li><li>• <i>Complaining about a proof of residents that are being issued at the Municipality. They are not permitted at other banks</i></li><li>• <i>Complaining about being side-lined by the Municipality in teams of food parcels</i></li><li>• <i>Complaining about kwamhlanga not being clean</i></li><li>• <i>Requesting maintenance in every infrastructure</i></li><li>• <i>Requesting maintenance at thembisile show ground</i></li><li>• <i>Complaining about pot holes at section c kwa-mhlanga</i></li></ul>
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# Chapter 2

## WARD COMMITTEES

In terms of the Municipal Structures Act, (Act 117 of 1998) municipalities are required to establish Ward Committees to enhance community participation in Municipal development processes. In compliance with this legislative requirement the Municipality has established 32 Ward Committees which are functional. The Ward Committees have since their establishment added much value to Municipal processes by providing inputs from a community perspective. They play a major role in the IDP process, both in terms of highlighting community priorities but also in maintaining constant communication between the Council and the communities. A number of training opportunities were made available for Ward Committee members to augment their capacity. Proportional representative Councillors are deployed in Wards to strengthen participation and communication.

## MAYORAL OUTREACH MEETINGS

The following Mayoral outreach meetings were held during the 2018/2019 financial year.

Date	Time	Cluster	Wards/Structures	Venue
2 October 2018 (Tuesday)	09H00- 12H00	All	Ward Councillors/Ward Committee Secretaries/ CDW's	Municipal Council Chamber
2 October 2018 (Tuesday)	14H00 – 16H00	All	Media houses	Municipal Council Chamber
3 October 2018 (Wednesday)	09H00- 12H00	All	Traditional Leaders	Municipal Council Chamber
3 October 2018 (Wednesday)	14H00- 16H00	All	Traditional Healers	Municipal Council Chamber
4 October 2018 (Thursday)	09H00- 12H00	All	Religious Organisations	Municipal Council Chamber
4 October 2018 (Thursday)	15H00- 17H00	All	Businesses	Municipal Council Chamber
9 October 2018 (Tuesday)	09H00- 12H00	Cluster 01	07 & 24	Endlini ya bo Gogo (Mathyzensloop)
9 October 2018 (Tuesday)	14H00- 16H00	Cluster 02	25, 26, 27, 28, 29 & 31	Spar Open space (Kwagga A)
10 October 2018 (Tuesday)	09H00- 12H00	Cluster 03	01,02 & 03	Matimba School Open Ground (Moloto)

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10 October 2018 (Tuesday)	14H00-16H00	Cluster 04	04,06,14,19,20,22 & 32	Vezubuhle Community Hall (Vezubuhle)
11 October 2018 (Wednesday)	09H00-12H00	Cluster 05	05,09,15,17,18,20 & 30	Esihlahleni Kwa Mabona (Thembaletu)
11 October 2018 (Wednesday)	14H00-16H00	Cluster 06	12,13,16,17,21 & 23	Miliva Taxi Rank (Miliva RDP)
12 October 2018 (Friday)	09H00-12H00	Cluster 09	32 (Farms)	Hokai School Open Space (Hokai)
16 October 2018 (Tuesday)	09H00-12H00	Cluster 07	08 (Farms)	Bly 'n Bletjie School Ground (Rietfontein)
16 October 2018	14H00-16H00	Cluster 08	08, 10 & 11	Langkloof Community Hall (Langkloof)

## IDP PROCESS PLAN

IDP PHASES	ACTIVITIES	DATES
<b>Pre-Planning Phase</b>	Before starting the planning process, an IDP process plan must be drawn up. This plan is meant to ensure the proper management of the Integrated Development Planning process. The plan must be set out in writing, in terms of the legislation and must comply with the provisions of the district framework plan in terms of the binding national and provincial planning frameworks, mechanisms and processes stipulated in the framework plan of the district.	All municipalities must adopt their IDP process plans by August 2015 subsequent to the adoption of the district framework plan by the 30 August 2018
<b>Analysis Phase</b>	During this phase information is collected on the existing conditions within the Municipality. When assessing the existing level of development in the Municipality, the level of access to basic services and those communities that do not have access to these services must be identified. Focus must be on the types of problems faced by community in the area and the causes of these problems. The identified problems are assessed and prioritized in terms of what is urgent and what needs to be done first. Information on availability of resources is also collected during this phase. Priority issues highlighted during the 2015/16 IDP processes will also be revised and confirmed during this phase. Community meetings, stakeholder meetings, surveys, opinion polls and researched information should form the basis of this phase.	This phase should be completed by 31 October 2018
<b>Strategies Phase</b>	Municipalities must begin to contemplate on the best possible strategies to tackle the identified challenges. critical in this process in order to ensure a focused analysis, the municipal vision must be	This phase should be completed by 31 January 2019

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	confirmed and development objectives containing clear statements of what the Municipality would like to achieve in the medium term to deal with the problems outlined in the first phase be confirmed. Internal transformation needs, Council's development priorities must be taken into account when formulating Council objectives. This process should involve strategic workshops, targeted stakeholder engagements, public hearings, sector provincial and national department's engagements, social partners, interest-based groups and organized civil society. once the Municipality has worked out where it wants to go	
<b>Projects Phase</b>	During this phase the Municipality works on the designs and content/specifications of projects identified during the prior phases. Clear details for each project have to be worked out. Clear targets must be set and indicators worked out to measure performance as well as the impact of individual programmes and projects. The identified projects must have a direct link to the priority issues and objectives identified in the previous phase. Municipalities must ensure engagement of internal technical Committees, possibly with selected key stakeholders. The needs and views of the affected communities must be taken as a priority. The project technical Committees and their subcommittees must be able to distinguish between the strategic Municipal wide development programmes and the localized community-level projects.	This phase should be completed by 31 January 2019
<b>Integration Phase</b>	Thembezi Hani Local Municipality embarked on Mayoral outreach programme from September to November 2015 in all 32 Wards. Once all projects have been identified, the Municipality must confirm that the identified projects will achieve the desired impact in terms of addressing the identified challenges and are aligned with the objectives and strategies and comply with legislation. the identified programmes/projects will set the pace and direct the trajectory emanating from the overall picture of the development plans of all the stakeholders, including sector departments and social partners	By 28 February 2019
<b>IDP Indaba</b>	amendment of IDP according to comments	By 29 March 2019
<b>Approval Phase</b>	submission of draft IDP to Council road show on Public Participation and publication submissions of IDP to Council for approval and adoption	By 30 May 2019

## Schedule of key dates

IDP Phase	Activity	IDP Steering Committee	Mayoral IDP/Budget Steering Committee	Strategic Planning Workshop	IDP/Budget Indaba	Mayoral Comm. Sitting	Council Sitting	Community Meetings	Public Notice Date	Due date for Completion of Processes
Preparation	Preparation and Adoption of	07 August 2018	N/A	N/A	N/A	14 August 2018	30 August 2018	N/A	By 08 Septem	30 August 2018



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01 July- 30 August	IDP Process Plan								ber 2017	
Analysis 01 August-30 October	Community Meetings  Preparation of IDP Analysis Report	23 October 2018	N/A	N/A	N/A	N/A	N/A	September-October 2018	N/A	31 October 2018
Strategies 01-30 November	Refinement of Objectives and Strategies	11 November 2018	N/A	15/16 January 2019	N/A	N/A	N/A	N/A	N/A	30 January 2019
Projects 01 December- 30 January	Project confirmation  Budget/IDP steering Committee meeting	29 January 2019	N/A	N/A	N/A	N/A	N/A	N/A	N/A	30 January 2019
Integration 01-28 February	Consultation with Sector Departments, Confirmation of budgets, Integration with Sector plans	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	28 February 2019
Approval 01-February to 30 April	Preparation of IDP/Budget for Council Approval  Community Engagements	26 February 2018	N/A	N/A	N/A	20 March 2018	27 March 2018	10-20 April 2018	By 14 April 2018	29 March 2019

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	Publication of Notices									
Adoption of amendments to the IDP and Budget	Publication of Notices	23 April 2019	25 April 2019	N/A	10 May 2019	22 May 2019	30 May 2019	N/A	By 15 June 2019	30 June 2019
	Final Approval of IDP and Budget									

## Summary

For the purpose of reviewing the IDP, the Municipality conducted a series of Public Participation/ Mayoral Izimbizo meetings during the months of September, October and November, January, February and March to get inputs from communities regarding current service delivery issues and needs. according to the Municipal Systems Act (32 of 2000) the "Municipality must within 14 days of the adoption of the IDP give notice to the public of the adoption of the plan and that copies of the extracts from the plan are available for public inspection at specified places". As such a notice was issued inviting communities to give inputs within a period of 21 days after publishing the notice. The Municipality further dedicated the month of April 2018 for holding community consultation meetings in order to provide an opportunity for further inputs from community members, stakeholders and representatives.

## Comment on the effectiveness of the public meetings held

Council benefits positively as a result of the above systems, in that consultation is done with the broader community of Thembisile Hani on matters of service delivery.

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## 2.5 IDP PARTICIPATION AND ALIGNMENT

IDP participation and alignment criteria*	Yes/no
Does the Municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPI's, and development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPI's in the strategic plan?	Yes
Do the IDP KPI's align to the section 57 managers	Yes
Do the IDP KPI's lead to functional area KPI's as per the SDBIP?	Yes
Do the IDP KPI's align with the provincial KPI's on the 12 outcomes	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes
* section 26 Municipal Systems Act 2000	

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## COMPONENT D: CORPORATE GOVERNANCE

The scope of corporate governance includes the political, administrative, intergovernmental governance and public accountability and participation to ensure that the Municipality is managed to the required desires of the community within the rules, processes and laws by which the Municipality is operated, regulated and controlled.

The national and provincial outcomes for local government can be seen in **appendix n**

### 2.6 RISK MANAGEMENT, ANTI-CORRUPTION AND FRAUD

The Municipality has established a functional Risk Management Unit which is headed by Chief Risk Officer and it strives to maintain an effective, efficient and transparent system of risk management. This unit use the national treasury risk management framework as a guideline to discharge its day to day responsibilities and operations.

The following risk management related policies has been developed and approved by Council in order to intensify the effectiveness, efficiency and transparency systems of risk management within the Municipality:

- Risk management policy
- Risk management strategy
- Risk management methodology
- Risk management charter
- Whistle blowing policy
- Gift policy
- Risk appetite and tolerance framework

The Municipality is under shared Risk Management Anti-Fraud and Anti-Corruption Committee (RMAFACC) services with Nkangala District Municipality (NDM) which meets on quarterly basis and is chaired by an independent external person. The Committee oversee the risk management and anti fraud and anti-corruption related matters and ensures that risk assessments are conducted on annual basis, monitoring reports submitted on quarterly basis and risk management related policies are reviewed and approved by the appropriate structures. The RMAFACC Chairperson further liaise with the Accounting Officer and submit the RMC report to Audit Committee on quarterly basis.

The Top 5 risks of the Municipality are:

1. Inadequate revenue collection.
2. Inadequate fleet management.
3. Land invasion and encroachment.
4. Unwillingness to pay services by stakeholders.
5. Inadequate physical security management.

### 2.7 ANTI-CORRUPTION AND FRAUD

#### FRAUD AND ANTI-CORRUPTION STRATEGY

The Municipality strongly discourage the activities of theft, fraud and corruption internally and externally. The matters relating to corruption and fraud are advocated under risk management unit and Audit Committee by Risk Management Committee and Chief Risk Officer.

Chief Risk Officer by-annually conducts anti- fraud and corruption awareness campaigns to educate both Municipal staff members and honourable Councillors about the risks relating to fraud and corruption.

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During awareness campaigns stakeholders are encouraged to report any fraud and corrupt related matters and the whistle blowers may remain anonymous and will be protected.

The Anti-Fraud and Corruption Strategy, Fraud Prevention Plan, the Whistle Blowing Policy and Gift Policy has been developed and approved by Council and these documents are aligned to the Prevention of Corrupt Activities Act (POCA) and Prevention and Combatting of Crime Activities Act (PRECCAA) the whistle blowing policy was developed in line with the protected disclosure Act.

Risk Management unit, Internal Audit unit and Legal unit has a vital role to play in ensuring that the Municipality become free from fraudulent and corrupt activities, by conducting preliminary investigations and special Internal Audit assignment on any fraud and corruption reported matters.

Part of the annual risk assessment report which developed was the fraud risk register. The register indicates all the possible risks which relates to fraud and corruption. The register is monitored on quarterly basis together with the operational and strategic risks and the report is escalated to Council through Audit Committee.

Anyone found to have contravened any Act or policy, by being involved in the activities of theft, fraud and corruption is subjected to the disciplinary Committee.

## CONCLUSION

For its success, the risk management framework describes its reliant upon gaining commitment from senior management and Council, establishing the business processes, including assigning responsibilities for change, resourcing, communication, training and reinforcing a risk culture throughout the Municipality.

The implementation of a risk management framework will enable the Municipality to improve its management of risks, and drive performance, i.e. improvement of stakeholder value.

An effective risk management framework will enable senior management to understand the potential upside and downside of actions, and to understand the management of risk in order to raise the likelihood of issues while reducing the likelihood of failure and decrease the uncertainty of overall financial performance.

The risk management framework will assist the Municipality to better allocate risk management resources, provide better performance indicators and monitoring opportunities and improve risk reporting throughout the Municipality.

In addition, the framework will assist the Municipality with identification of unidentified risks, and highlight control gaps and unnecessary and excessive controls, elimination of which will produce cost saving. Such a framework will necessarily present risk awareness throughout the Municipality.

## 2.8 SUPPLY CHAIN MANAGEMENT

### OVERVIEW SUPPLY CHAIN MANAGEMENT

The SCM policy of Thembisile Hani Local Municipality was adopted by Council and is reviewed every year together with the budget related policies. It is efficiently, effectively and transparently implemented and there are not visible failures on its implementation. There were also no material findings from the office of the Ag regarding the implementation of the policy and the scm processes. The emergency situation caused the user department to deviate on normal scm processes. To avoid recurrence of anomalies is to ensure service providers are appointed for as and when required basis on all service or good that were procurement through deviation. Furthermore procurement plans will be development on operational and capital projects.

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Challenges	Impact	Measures To Improve Performance
deviations by user department	irregular expenditure	proper planning to avoid deviation

## 2.9 BY-LAWS

### COMMENT ON BY-LAWS PERFORMANCE OVERALL

No by-laws were gazetted during 2018/2019 financial year

## 2.10 WEBSITES

Municipal Website: Content And Currency Of Material			
Documents Published On The Municipality's Website	Yes /No	2017/2018	2018/2019
Current annual and adjustments budgets and all budget-related documents	Yes	Apr-18	Mar-19
All current budget-related policies	Yes	Jun-18	Jun-19
The previous Annual Report (2016/17)	Yes	Sep-17	Sep-18
The Annual Report 2016/17 published	Yes	Sep-17	Sep-18
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (2000) and resulting scorecards	Yes	Jun-18	Jun-19
All service delivery agreements	No	None	None

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All long-term borrowing contracts	No	None	None
Contract register	yes	Jun-18	Jun-19
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during 2017/18	Yes	None	None
Public-private partnership agreements referred to in section 120 made in 2017/18	yes	None	None
All quarterly reports tabled in the Council in terms of section 52 (d) during 2017/18	Yes	Jun-18	Jun-19

## 2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

The Municipality has not conducted any public satisfaction survey. However, the Municipality has conducted Public Participation meetings as part of the Mayoral outreach. These participation meetings to some extent were a mirror with which to gauge public satisfaction on the service provided by the Municipality. These meetings serve to address some of the constraints and challenges the Municipal Council and communities face. About 27 Mayoral outreach meetings were held during 2018/2019 financial year.

# Chapter 3

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE OVER COMMUNITY PERIOD (2018/2019)

### INTRODUCTION

Service delivery is in terms of the constitution of the republic of South Africa, schedule 4, part b determines the functions of the Municipality and therefore its responsibility towards the community. In terms of the IDP and the departmental objectives of the Thembisile Hani Local Municipality, certain issues are set out to be achieved during the financial year.

The following have been achieved during 2018/2019 as per community survey:

- Provided 88 451 households with access to basic water
- Provided 32 675 households with access to basic refuse removal
- Provided 79 122 households with access to basic electricity
- Provided 22 207 households with access to basic sanitation (water borne system)
- Provided 56 507 households with access to free basic water(6 kl)
- Received a 79.44% blue drop for drinking water quality
- Received an 25.68% green drop status for effluent water quality

### COMPONENT A: BASIC SERVICES

This component includes: water; waste water (sanitation); electricity; waste management; and housing services; and a summary of free basic services.

#### INTRODUCTION TO BASIC SERVICES

BASIC SERVICE PROVISION	CHALLENGES
Water	<ul style="list-style-type: none"> <li>• lack of water storage in Kwamhlanga, Suncity and Moloto,</li> <li>• lack of own water source/need for purification plant</li> <li>• water losses</li> <li>• inconsistency bulk water supply from City of Tshwane and Dr.Js Moroka</li> <li>• ageing infrastructure (asbestos pipes)</li> <li>• Theft of solar panel on boreholes</li> </ul>
Refuse removal	<ul style="list-style-type: none"> <li>• shortage of staff</li> <li>• inadequate waste collection waste trucks</li> <li>• limited funding</li> </ul>
Sanitation	<ul style="list-style-type: none"> <li>• huge sanitation backlog</li> <li>• limited funding for operation and maintenance</li> <li>• community of Thembisile Hani Local Municipality requires water borne sanitation system and not the VIP toilets anymore</li> <li>• lack of maintenance on VIP toilets</li> <li>• high risk rating on green drop</li> </ul>
Electricity for energising high mast light and maintenance	<ul style="list-style-type: none"> <li>• lengthy Eskom process</li> <li>• limited funding and resources for own maintenance team</li> </ul>
Roads and storm-water drainage	<ul style="list-style-type: none"> <li>• flooded gravel roads</li> <li>• limited funding for maintenance and construction of new roads</li> <li>• Limited resources for internal maintenance for gravel roads</li> <li>• Storm water challenges through all Wards</li> <li>• huge backlog on gravel (unpaved) roads</li> </ul>



# Chapter 3

- Limited budget to reseal roads

## DEFINITION OF A HOUSEHOLD / HOUSING UNIT

Household: a *household* consists of a person, or a group of persons, who occupy a common dwelling (or part of it) for at least four days a week and who provide themselves jointly with food and other essentials for living. In other words, they live together as a unit. People who occupy the same dwelling, but who do not share food or other essentials, were enumerated as separate households. For example, people who shared a dwelling, but who bought food and ate separately, were counted as separate households. Visitors, both foreign and south African, as well as boarders who stayed with a household on *census night*, were counted as part of that household. People who were absent on census night, but were not counted elsewhere (either because they were working, travelling, at a church vigil, at an entertainment centre, and so on), and returned to the household on Tuesday, 10 October, were counted as part of the household. Live-in domestic workers and live-in employees were regarded as separate households. (Statistics: south Africa, census 2011)

Housing unit: it is a unit of accommodation for a household, which may consist of one structure, more than one structure, or part of a structure. Examples of each are a house, a group of rondavels, and a flat. In informal areas and overcrowded conditions a housing unit may hold more than one household.

## DEFINITION OF AN INFORMAL SETTLEMENT

Informal settlements are groups of people living on land they have no legal claim to. It is also known as an unplanned settlement on land which has not been surveyed or proclaimed as residential, consisting mainly of informal dwellings. Informal settlements are also referred to as a squatter settlement, slum or a shanty town. (Statistics: South Africa, Census 2011).

### 3.1 WATER PROVISION

As Thembisile Hani Local Municipality, we do not have our own source of water; we depend on other water service authorities for bulk water supply. Currently the supply of water to THLM from the two sources is very poor and inconsistent that:

Rand Water is contracted to supply 30 MI per day, and Rand Water is currently supplying 30 – 35 MI per day.

Dr Js Moroka is contracted to supply 5 MI per day, and there has been minimal supply since November 2017, never supplied since 8 March 2019.

City of Tshwane is contracted to supply 16.6 Kls per day it currently when it does supply it is 8 MI per day, however, there is no consistent supply due to alleged frequent breakdown of their water treatment plant in Bronkhorstspuit. There are frequent long periods of breakages in their water treatment plant resulting in no supply sometime.

Based on the 2011 statistics report, THLM had a total number of 75 634 household's. Based on the general households survey conducted in 2014 by THLM, there has been an additional 33 648 households, of which the total households are then 109 282, which is a total population of 448 056.

With the above-mentioned, the actual demand on the basis of a population of 448 056 is 74.1 MI per day. Currently THLM is getting a supply of 43 MI per day from its water suppliers, which amounts to a shortfall of 36.1 MI per day.

Remedial measures implemented by THLM to address/ alleviate the water shortage challenges are as follows:

Water Conservation and Demand Management Projects, and the War on Leaks programme through the Water Services Infrastructure Grant to reduce the water losses by and estimated 18 MI per day.

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Borehole projects implemented in the 2015/ 16 FY to supplement the existing/ current shortfall by 4 MI per day. These Boreholes were left vandalised and certain solar panels stolen, hence the Municipality is electrifying them.

The Upgrading of Existing Infrastructure from Agricultural Project to Augment Borehole Water Supply in Bundu (Moses River) Multi-Year Project, which will supplement the current shortfall by 10 MI per day, the project will be completed in December 2019.

Construction of 4ML Moloto ground water scheme, the project will be completed in October 2019.

Construction of a Matheysensloop, Tweefontein A, Vreisgevagt and Enkeldooring C reservoirs to increase the storages of water

## COMMENT ON WATER SERVICES PERFORMANCE OVERALL:

DWS to fast track abstraction of 20 MI per day from Loskop Dam as directed by the President in June 2016.

Feasibility study for the Rust de Winter Dam Water Scheme which is implemented by Rand Water for Western Highveld, of which the scheme will increase bulk water supply for THLM by 10 MI per day.

The baseline information below was sourced from 2011 statistics

<b>water service delivery levels</b>		
<b>Households</b>		
<b>Description</b>	<b>2017/2018</b>	<b>2018/2019</b>
	<b>actual no.</b>	<b>actual no.</b>
<b>water: (above min level)</b>		
piped water inside dwelling	12 300	12 300
piped water inside yard (but not in dwelling)	76 902	76 902
using public tap (stand pipes )	0	0
other water supply (within 200m)	2 281	2 281
<i>minimum service level and above sub-total</i>	<b>91 483</b>	<b>91 483</b>
<i>minimum service level and above percentage</i>	<b>95.4%</b>	<b>84%</b>
<b>water: (below min level)</b>		

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using public tap (more than 200m from dwelling)	1 051	1 051
other water supply (more than 200m from dwelling)	2 281	33 469
no water supply	3 459	1 160
<i>below minimum service level sub-total</i>	6 791	35 680
<i>below minimum service level percentage</i>	4.6%	32.6%
<b>total number of households*</b>	109 282	109 282

\* - to include informal settlements

The wording "within/more 200m from dwellings" be replaced with "stand pipes" as it challenging to measure.

<b>households - water service delivery levels below the minimum</b>			
<b>Households</b>			
Description	2016/2017	2017/2018	2018/2019
	actual no.	Actual no.	Actual no.
<b>formal settlements</b>			
total households	72 920	75 635	88 335
households below minimum service level	2 680	3 459	35 680
proportion of households below minimum service level	4%	4.6%	32.6%
<b>informal settlements</b>			
total households	2 680	3 456	35 680
households ts below minimum service level	1 160	3 456	990

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proportion of households ts below minimum service level	43%	4.6%	2.7%
---	-----	------	------

The information below is as per the community survey.

Description	households	
	2017/2018	2018/2019
	actual no.	actual no.
<b>water: (above min level)</b>		
piped water inside dwelling	12 300	12 300
piped water inside yard (but not in dwelling)	76 902	76 912
using public tap (stand pipes )	0	0
other water supply (within 200m)	2 281	2 281
<i>minimum service level and above sub-total</i>	<b>91 483</b>	<b>91 493</b>
<i>minimum service level and above percentage</i>	81%	84%
<b>water: (below min level)</b>		
using public tap (more than 200m from dwelling)	1 051	1 051
other water supply (more than 200m from dwelling)	33 469	33 469
no water supply	1 160	1 160
<i>below minimum service level sub-total</i>	<b>35 680</b>	<b>35 680</b>
<i>below minimum service level percentage</i>	32.6%	32.6%
<b>total number of households*</b>	<b>109 282</b>	<b>109 282</b>
* - to include informal settlements		

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The wording "within/more 200m from dwellings" be replaced with "stand pipes" as it challenging to measure.

<b>Households - Water Service Delivery Levels Below The Minimum</b>			
<b>Households</b>			
Description	2016/2017	2017/2018	2018/2019
	Actual No.	Actual No.	Actual No.
<b>Formal Settlements</b>			
Total Households	70 542	88 335	88 335
Households Below Minimum Service Level	5 058	35 680	35 680
Proportion Of Households Below Minimum Service Level	7%	32.6%	32.6%
<b>Informal Settlements</b>			
Total Households	5 058	35 680	35 680
Households Ts Below Minimum Service Level	3 441	990	990
Proportion Of Households Ts Below Minimum Service Level	68%	2.7%	2.7%

## EMPLOYMENT INFORMATION

<b>Employees: Water Services</b>					
Job Level	2017/2018	2018/2019			
	Employees	Posts	Employees	Vacancies (Fulltime Equivalents)	Vacancies (As A % Of Total Posts)
	No.	No.	No.	No.	%
3	1	1	1	0	0%
4 To 6	0	0	0	0	0%
7 To 9	12	17	11	6	35.3%
10 To11	15	15	13	2	13.3%
13 To 15	38	38	38	0	0%
Total	66	71	63	8	11.3%

# Chapter 3

## FINANCIAL PERFORMANCE AND CAPITAL EXPENDITURE 2017/2018 AND 2018/2019 TECHNICAL SERVICES

VOTE	DETAILS	2017/2018 BUDGET	2017/2018 ACTUAL	2018/2019 BUDGET	2018/2019 ACTUAL
105	SALARIES	1 399 550	1 391 999.92	1 545 175	1 176 232
105	BONUS	161 569	116 229.16	134 940	97 812
105	SALGBC	693	693.00	792	630
105	ACTING ALLOWANCES	15 000	8 069.12	16 130	9 378
105	PENSION CONTRIBUTIONS	277 700	277 699.68	320 040	241 250
105	MEDICAL AID CONTRIBUTION	111 393	113 010.40	122 196	86 011
105	HOUSING SUBSIDIES	0	0	0	0
105	UIF CONTRIBUTION	11 711	11 599.90	12 876	10 023
105	STANDBY ALLOWANCE	0	0	0	0
105	TRAVEL ALLOWANCES	0	0	0	0
105	CELLPHONE ALLOWANCE	0	0	4 800	0
105	SKILLS DEVELOPMENT LEVY	11 772	15 384.48	17 580	12 836
105	TOLL GATE FEES	1 500	0	1 580	270
105	ACCOMODATION	50 004	36 337.70	52 656	10 834

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105	FOOD AND BEVARAGES	5 004	4 907.17	5 260	2 570
105	TRAVEL AND SUBSTANCE	13 851	6 925.59	14 580	0
105	UNIFORM	788 140	394 070.00	76253	195 582
105	MULTIPURPOSE CENTRE IN PHUMULA	5 904 000		0	0
105	OVERTIME	0	0	1430	1 430

## FINANCIAL PERFORMANCE AND CAPITAL EXPENDITURE 2017/2018 AND 2018/2019 PMU

VOTE	DETAILS	2017/2018 BUDGET	2017/2018 ACTUAL	2018/2019 BUDGET	2018/2019 ACTUAL
500	SALARIES	2 779 812	2 444 249.89	2 926 687	2 632 796
500	BONUS	189 065	190 991.65	225 419	225 419
500	SALGBC	792	775.50	823	823
500	Acting Allowances		10 653.57	34 370	29 749
500	PENSION CONTRIBUTIONS	398 188	418 689.83	469 821	455 737
500	MEDICAL AID CONTRIBUTION	113 220	132 637.80	177 588	177 588
500	UIF CONTRIBUTION	15 336	13 780.96	13 984	13 984
500	STANDBY ALLOWANCE	0	0	0	0

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500	Travel Allowances	504 000	490 500.00	426 000	415 500
500	CELLPHONE ALLOWANCE	40 272	39 400.00	37 800	36 700
500	SKILLS DEVELOPMENT LEVY	49 392	30 679.70	33 364	33 364
500	COMPUTER EQUIPMENT	120 000	29 970.24	0	0
500	PROFFESIONAL CONSULTANT FEES	492 315	355 016.18	794 600	0
500	RENTAL OF OFFICE EQUIPMENT	59 772		17 940	0
500	ADVERTISEMENT TENDERS	100 391	68 210.16	124 120	123 949
500	ENTARTAINMENT	134 616	134 466.30	124 664	108 417
500	PRINTING STATIONERY	68 078	75 599.38	56 250	28 471.26
500	TRAINING	410 154	203 473.68	60 000	1 950
500	ACCOMODATION	171 000	126 366.40	241 140	77 605
500	FOOD AND BEVERAGES	1 536	26 182.74	44 568	30 510
500	AIR TRANSPORT	15 000	0	5 000	4 269
500	CAR RENTAL	5 000	0	0	0
500	TRAVEL SUBSISTENCE	96 724	43 706.38	112 272	85 054
500	PRINTING & STATIONERY	0	0	56 250	28 471



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## FINANCIAL PERFORMANCE AND CAPITAL EXPENDITURE 2017/2018 AND 2018/2019 WATER SERVICES

VOTE	DETAILS	2017/2018 BUDGET	2017/2018 ACTUAL	2018/2019 BUDGET	2018/2019 ACTUAL
540	SALARIES	10 446 553	9 992 619	11 149 655	10 750 204
540	CLUSTER 3 B/HOLES L/KLOOF	279 427	0.00	279 427	0.00
540	CLUSTER 3 B/HOLES VERENA D	573	0.00	573	0.00
540	WARD 1 BOREHOLES	118 104	0.00	118 104	0.00
540	WARD 25 B/HOLE KWAGGA CDE	118 105	122 172	118 105	122 171.54
540	BOREHOLE KWAGGA A	369 968	0.00	369 968	0.00
540	BOREHOLE VERENA D	224 363	338 787	224 363	338 787
540	CAPITAL WORK IN PROGRESS WARD	379 863	399 848	379 863	399 848.00
540	BOREHOLE & BOOSTER Pump MOLOTO	60 000	0.00	60 000	0.00
540	ELECTRIFICATION OF BOREHOLE LUTHULI	30 000	84 139	30 000	84 139
540	BOREHOLE & INSTAL BOOSTER Pump Moloto	100 000	0.00	100 000	0.00
540	Borehole Kwagga C	100 000	0.00	100 000	0.00
540	Borehole Bundu Ward 24	1 040 000	0.00	1 040 000	0.00
540	BOREHOLE ENGWENYAMENI WARD 19	90 000	0.00	90 000	0.00
540	BOREHOLE KWAGGA B WARD 25	100 000	0.00	100 000	0.00
540	BOREHOLE LUTHULI WARD 22	90 000	0.00	90 000	0.00
540	BOREHOLE MACHIPE WARD 24	120 000	0.00	120 000	0.00
540	BOREHOLE SUN CITY WARD 19	90 000	0.00	90 000	0.00

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540	BOREHOLES T/FONTEIN C	40 000	0.00	40 000	0.00
540	BOREHOLES T/FONTEIN D	90 000	0.00	90 000	0.00
540	BOREHOLES WOLVENKOP WARD 11	60 000	0.00	60 000	0.00
540	CAPITAL WORK IN PROGRESS MATHYSENSLOOP	120 000	0.00	120 000	0.00
540	WATER PIPELINE BUNDU WARD	10 568 448	10 577 627.75	10 568 448	10 577 627.75
540	PIPELINES CIVIL ENGINEER WARD 5	2 141 906	1 910 480.52	2 141 906	1 910 480.52
540	WATER CIVIL ENGINEER VLAKLAAGTE/KWAGGA	4 300 399	4 237 804.20	4 300 399	4 237 804.20
540	AGRIC PROJECTS IN BUNDU WARD 24 CIVIL ENGINEER	29 433 650	29 157 000.80	29 433 650	29 157 000.80
540	PUMP STATION CIVIL ENGINEERS ENKELDOORNOOG B WARD 5	2 868 789	2 026 209.70	2 868 789	2 026 209.70
540	WATER INFRA CIVIL ENGINEER MATHYSENSLOOP	3 767 444	3 382 868.12	3 767 444	3 382 868.12
540	RESERVOIR CIVIL ENGINEER T/FONTEIN A WARD 23	4 505 151	4 262 726.48	4 505 151	4 262 726.48
540	WORK IN PROGRESSES BOREHOLES WARD 31	90	0.00	90	0.00
540	PIPELINE FROM KWAMHLANGA TO PHOLA WARD 6 & WARD 14	8 246 491	6 257 740.78	8 246 491	6 257 740.78
540	INDIGET RELIEF FREE BASIC WATER	38 203 560	42 672 042	85 514 005	78 331 806

# Chapter 3

540	WATER PURCHASE	124 403 148	148 084 470	127 673 404	126 908 314
540	REPLACEMENT OF LOCKABLE MANHOLE COVERS	3 627 717	3 624 763.59	0	0
540	MAINTENANCE TO PRESSURE RELEASE VALVE	1 965 145	1 968 060.20	0	0
540	REPAIRS TO ISOLATION VALVES	1 082 481	1 071 973.32	0	0
540	REPAIRS TO MANHOLE CHAMBERS	1 065 125	1 083 516.40	0	0
540	EMERGENCY REPAIRS TO PIPEWORK	4 527 380	4 596 592.22	0	0
540	CIVIL DEVEL OF WCD MP RAND WATER EVERRCHAGE	2 961 518		0	0
540	WATER SERVICE DEVEL PLAN	550 000	467 041	550 000	467 041
540	MAINTENANCE OF PUMP STATIONS MECH ISSUES	2 145 000	2 014 243.71	2 145 000	2 014 243.71
540	MAINTENANCE OF BOREHOLE MECH ISSUES	881 460	894 110.66	881 460	894 110.66
540	SAMPLE TESTING WATER SAMPLES	1 000 000	1 700 475.81	2 503 000	1 674 670
540	CORRECTIVE EMERGENCY REPORTS TO SAMPLING HOUSE	50 000	0.00	52 604	0
540	MAINTENACE OF BOREHOLES ELECTRICAL ISSUES	324 740	332 370.12	324 740	332 370.12
540	MAINTENANCE OF PUMP STATION	4 380 364	4 407 128	4 380 364	4 407 127.79
540	DELIVERY OF WATER	13 601 840	13,472,779	19 486 229	19 244 989.79

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540	CELLPHONE ALLOWANCES	77 000	65 400	103 400	77 494
540	HOUSING SUBSIDIES	9 708	0	10 436	0
540	SHIFT ALLOWANCE	31 854	64,715	297 677	156 465
540	STANDBY ALLOWANCES	695 731	681 146	840 577	748 586
540	TRAVEL ALLOWANCE	60 000	60 000	120 000	110 000
540	BONUS	938 100	849 492	1 048 073	869 308
540	SALGBC	8 311	6 509	7 524	6 615
540	MEDICAL AID CONTRIBUTION	867 890	752 620	2 401 688	2 188 810
540	PENSION FUND	2 381 138	2 012 367	120 167	107 516
540	UIF CONTRIBUTION	126 382	107 326	2 483 200	1788 638.58
540	MATERIAL SUPPLIES	1 600 000	1 601 891	2 683 200	1 145 842
540	RADIO & TV TRANSMISSIONS	30 000	0	34 000	0
540	PRINTING PUBLICATIONS AND BOOKS FLYERS & POSTERS	20 000	0	18 650	0
540	SKILLS DEVEL LEVY	129 612	118 701	136 608	127 225
540	TOLL GATE FEES	2 500		2 633	0
540	ACCOMODATION	46 236	25 858	48 687	19 434
540	FOOD AND BEVERAGES	5 004	4 790	5 269	4 819
540	TRAVEL AND SUBSISTENCE	32 643	13 942	34 373	16 360
540	UPGRADE RESERVOIR BUNDU WARD 24	18 048 034	0.00	18 048 034	0.00
540	UPGRADE RESERVOIR V/Gewaagd Ward 30	3 980 453	3 986 224	3 980 453	3 986 224.21

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540	NEW RES KWAMHLANGA & PHOLA PARK WARD 16 & 14	13 578 954	12 958 360	13 578 954	12 958 359.84
540	MAINTENANCE OF RESERVOIRS	150 000	0	150 000	0
540	REPAIRS AND MAINTENANCE	0	0	20 000 000	12 786 828

## 3.2 WASTE WATER (SANITATION) PROVISION

### INTRODUCTION TO SANITATION PROVISION

Majority of communities within the Municipality use pit toilets, 25% of the communities have VIP (Ventilated Improved Pit) toilets, 4% have septic tanks and only 4% have water borne system. since 2011/12 the communities have rejected the VIP toilets and prefer the water borne system, and the current backlog still remains at 75%. Areas making 4% are: Kwamhlanga serviced by 3 x 0.5 ml/day oxidation ponds and Tweefontein K by 1.5 ml/day waste water treatment works.

During the 2016/17 Tweefontein K waste water treatment works was upgraded with 0.75 ml/d which then make it to a total capacity of 1.5 ml/day. Designs for luthuli waste treatment works for 13ml/d for various villages within thembisile to eradicate the backlog which is huge on sanitation was conducted during the 2018/19 financial year, this a 20 year plan.

### MEASURES TAKEN TO IMPROVE PERFORMANCE

Through IDP processes all communities are involved in voicing their needs to the Municipal officials and Councillors. The sections providing service is aimed at ensuring proper rendering of sanitation services while preventing environmental pollution caused by poor sanitation services

sanitation service delivery levels		
Household		
Description	2017/2018	2018/2019
	Outcome no.	outcome no.
<b>sanitation/sewerage: (above minimum level)</b>		
flush toilet (connected to sewerage)	3 024	3 024
flush toilet (with septic tank)	3686	3940
chemical toilet	880	880
pit toilet (ventilated)	15 942	15 942
other toilet provisions (above min.service level)	0	0
<i>minimum service level and above sub-total</i>	23 532	23 532

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<i>minimum service level and above percentage</i>	31.1%	31.1%
<b>sanitation/sewerage: (below minimum level)</b>		
bucket toilet	0	0
other toilet provisions (below min.service level)	50 109	50 109
no toilet provisions	1 959	1 959
<i>below minimum service level sub-total</i>	52 068	52 068
<i>below minimum service level percentage</i>	68.9%	68.9%
<b>total households</b>	<b>75 600</b>	<b>75 600</b>
<b>*total number of households including informal settlements</b>		

<b>households - sanitation service delivery levels below the minimum households</b>		
	<b>2017/2018</b>	<b>2018/2019</b>
	<b>actual no.</b>	<b>Actual</b>
<b>formal settlements</b>		
total households	23 532	23 532
households below minimum service level	50 109	50 109
proportion of households below minimum service level	213%	213%
<b>informal settlements</b>		
total households	1 959	1 959
households ts below minimum service level	1 959	1 959
proportion of households ts below minimum service level	100%	100%

The information below is as per the community survey.

<b>sanitation service delivery levels</b>		
Household		
Description	<b>2017/2018</b>	<b>2018/2019</b>
	<b>outcome no.</b>	<b>outcome no.</b>
<b>sanitation/sewerage: (above minimum level)</b>		
flush toilet (connected to sewerage)	4 371	2287
flush toilet (with septic tank)	4 371	4 496

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chemical toilet	880	880
pit toilet (ventilated)	27 321	27 321
other toilet provisions (above min.service level)	0	0
<i>minimum service level and above sub-total</i>	<b>36 943</b>	<b>34 984</b>
<i>minimum service level and above percentage</i>	33.8%	32%
<b>sanitation/sewerage: (below minimum level)</b>		
bucket toilet	0	0
other toilet provisions (below min.service level)	72 339	72 339
no toilet provisions	1 959	1 959
<i>below minimum service level sub-total</i>	<b>74 298</b>	<b>74 298</b>
<i>below minimum service level percentage</i>	67.9%	67.9%
<b>total number of households</b>	<b>109 282</b>	<b>109 282</b>

## households - sanitation service delivery levels below the minimum

Households	2017/2018	2018/2019
	actual no.	Actual
<b>2016/17</b>		
<b>formal settlements</b>		
total households	36 943	36 943
households below minimum service level	74 298	74 298
proportion of households below minimum service level	49.7%	49.7%
<b>informal settlements</b>		
total households	1 959	1 959
households ts below minimum service level	1 959	1 959
proportion of households ts below minimum service level	100%	100%

## EMPLOYMENT INFORMATION

Employees: Sanitation Services					
Job Level	2017/2018	2018/2019			
	Employees	Posts	Employees	Vacancies (Fulltime Equivalents)	Vacancies (As A % Of Total Posts)
	No.	No.	No.	No.	%
3	1	1	1	0	0%
4 - 6	1	1	1	0	0%
7 - 9	2	2	2	0	0%

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10 - 12	7	9	9	0	0%
13 - 15	12	15	13	2	13.3%
Total	23	28	26	2	7.1%

## FINANCIAL PERFORMANCE AND CAPITAL EXPENDITURE 2017/2018 AND 2018/2019 SANITATION SERVICES

NOTE: water and sanitation using vote number 560

VOTE	DETAILS	2017/2018 BUDGET	2017/2018 ACTUAL	2018/2019 BUDGET	2018/2019 ACTUAL
560	WASTE WATER TREATMENT WORK PUMP STATION LITHULI	500 000	433 888.29	200 000	0
560	DESIGN APPROVAL CIVIL ENGINEER T/FONTEIN K	1 000 000	402 722.31	0	0
560	OPERATION OF SANITATION WORKS	960 000	877 499.85	350 016	257 205
560	MAINTENANCE OF ELECTRICAL PANEL AT WWT PLANT	110 000	0	350 000	264 472
560	MAINTENANCE OF MECHANICAL ISSUES ON PUMPS AT NWWT	110 000	0	350 000	229 242
560	ROUTINE MAINTENANCE OF SANITATION PUMPS	110 000	0	350 000	304 348
560	ROUTINE MAINTENANCE OF SANITATION PUMPS ELECTRICAL PSNELS	110 000	0	0	0
560	CELLPHONE ALLOWANCES	4 800	4 800.00	9 600	9 600
560	ACTING ALLOWANCES	39 348	26 700	50 354	50 354



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560	STANDBY ALLOWANCES	95 654	95 654.40	86 425	86 425
560	SALARIES	4 329 552	3 777 718.00	4 373 516	4 373 516
560	BONUS	360 792	292 508.14	364 509	364 509
560	SALGBC	3 072	2 582.25	2 772	2 730
560	PENSION CONTRIBUTIONS	823 392	762 751.78	888 610	869 524
560	MEDICAL AID CONTRIBUTION	305 556	214 529.40	239 021	239 021
560	HOUSING SUBSIDIES	0	0	0	0
560	UIF CONTRIBUTION	45 636	41 964.65	48 036	47 022
560	SKILLS DEVELOPMENT LEVY	47 172	41 573.32	53 313	49 824
560	TOLL GATES	0	0	2 633	0
560	REPAIR & MAINTENANCE OF SANITATION	0	0	1 400 016	1 151 473

# Chapter 3

## 3.3 ELECTRICITY

### INTRODUCTION TO ELECTRICITY

Thembisile Hani Local Municipality has no license for electricity on household connection and Eskom provides electricity at household level. The Municipality have reduced backlog on Electricity to 7.7% (STATS SA) and Eskom will electrify 1975 households by end of 2018/2019 financial year. The Municipality is installing and maintaining high mast lights and street lights. The challenges faced in 2018/2019 were due to limited funding to install high mast lights, street lights and energising of lights. The Municipality have a total number of 330 high mast lights and 1400 street lights.

The Municipality used the IDP processes to identify communities living in poverty and sourced funding from government through established programmes to respond to the need for basic services by the communities that are living in poverty.

### EMPLOYMENT INFORMATION

Employees: Engineering Services					
Job Level	2017/2018	2018/2019			
	Employees	Posts	Employees	Vacancies (Fulltime Equivalents)	Vacancies (As A % Of Total Posts)
	No.	No.	No.	No.	%
3	0	0	0	0	0%
4 - 6	0	0	0	0	0%
7 - 9	2	2	2	0	0%
10 - 12	0	0	0	0	0%
13 - 15	1	5	0	5	100%
Total	3	7	2	5	71.4%

Totals Should Equate To Those Included In The Chapter 4 Total Employee Schedule. Employees And Posts Numbers Are As At 30 June. \*Posts Must Be Established And Funded In The Approved Budget Or Adjustments Budget. Full-Time Equivalents Are Calculated By Taking The Total Number Of Working Days Lost (Excluding Weekends And Public Holidays) While A Post Remains Vacant And Adding Together All Such Days Lost By All Posts Within The Same Set (E.G. 'Senior Management') Then Dividing That Total By 250 To Give The Number Of Posts Equivalent To The Accumulated Days.

### FINANCIAL PERFORMANCE EXPENDITURE FOR 2017/18 AND 2018/2019 FINANCIAL YEAR: ELECTRICITY SERVICE

VOTE	DETAILS	2017/2018 BUDGET	2017/2018 ACTUAL	2018/2019 BUDGET	2018/2019 ACTUAL
530	SALARIES	697 069	386 622.00	860 711	453 888

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530	BONUS	42 156	32 218.50	74 604	37 824
		456	198.00	600	210
530	SALGBC			37 272	37 272
530	STANDBY ALLOWANCE				
530	PENSION CONTRIBUTIONS	117 822	69 592.08	161 136	81 700
530	MEDICAL AID CONTRIBUTION	65 170	23 518.80	61 320	33 048
530	UIF CONTRIBUTION	9 328	3 569.28	10 704	3 569
530	OVERTIME	0	0	0	0
530	CELLPHONE ALLOWANCE	3 200	3 200.00	9 600	9 600
530	STANDBY	0	0	2 808	37 272
530	FREE BASIC ELECTRICITY	3 178 639	1 443 261.31	3 215 470	1 794 803
530	SKILLS DEVELOPMENT LEVY	6 440	4 478.79	9 264	5 376
530	MATERIALS AND SUPPLIES	1 336 540	207,708.23	1 406 040	1 073 018
530	TRAVEL ALL	0	0	0	0
530	ELECTRICITY AND WATER	7 800 000	7 742 864.02	8 413 401	10 649 248
530	MEALS AND BEVERAGES	2 004	0	2 110	0
530	ACCOMODATION	9 966	0	10 510	0
530	TOLL GATE FEES	1 500	0	1 584	0
530	HIGHMAST LIGHT VERENA D	13 000	0		
530	HIGHMAST LIGHT BUHLEBESIZWE	141 500	122 251.67		
530	HIGHMAST LIGHT CHRIS HANI	91 500	0		
530	HIGHMAST LIGHT MILIVA RDP	131 500	122 251.67		
530	HIGHMAST LIGHT SUN CITY AA	131 500	122.251.67		
530	HIGHMAST LIGHT THEMBALETHU	91 500	48 041.67		
530	HIGHMAST LIGHT THOKOZA	131 500	122 251.67		
530	HIGHMAST LIGHT T/FONTEIN H	527 983	455 186.26		

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530	HIGHMAST LIGHT T/FONTEIN J	529 796	526 036.11		
530	HIGHMAST LIGHT SHELDON	920 796	914 281.23		
530	HIGHMAST LIGHT K/HLANGA B WARD 32	1 044 897	951 436.44		
530	HIGHMAST LIGHT MAHLABATHINI	595 592	559 378.45		
530	HIGHMAST LIGHT SUN CITY D	550 330	547 100.03		
530	HIGHMAST LIGHT WOLVENKOP	27 983	0		
530	HIGHMAST LIGHT MUZIMUHLE	147 815	31 618.60		
530	HIGHMAST LIGHT T/FONTEIN B2	64 022	50 605.00		
530	HIGHMAST LIGHT KWAMHLANGA	391 261	0.00		
530	HIGHMAST LIGHT T/FONTEIN F	521 595	518 577.30		
530	HIGHMAST LIGHT T/FONTEIN G	502 072	938 252.80		
530	HIGHMAST LIGHT T/FONTEIN	463 403	0		

## COMMENTS ON THE PERFORMANCE OF ELECTRICAL AND MECHANICAL ENGINEERING OVERALL

The electricity unit consist of only two artisan which makes it difficult for turnaround time on maintenance. There are 7 trainee student and two assistance of general workers to assist the unit temporarily, while we are looking at options on the organogram to adopt the well-established maintenance team for electrical unit during the coming financial years depending on the financial status of the Municipality.

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## 3.4 WASTE MANAGEMENT (THIS SECTION INCLUDES REFUSE COLLECTIONS, WASTE DISPOSAL, STREET CLEANING AND CEMENTORIES)

### INTRODUCTION TO WASTE MANAGEMENT

The waste management section's function is to provide an acceptable, affordable and sustainable waste collection to all the residents of Thembisile Hani Local Municipality.

Description of the activity:-

- Refuse removal
- Street cleansing
- Clearing of illegal dumping sites
- Cemeteries

<b>Solid Waste Service Delivery Levels</b>					
<b>Description</b>	<b>Households</b>				
	<b>2014/2015</b>	<b>2015/2016</b>	<b>2016/2017</b>	<b>2017/2018</b>	<b>2018/2019</b>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>
	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>No.</b>
<b><i>Solid Waste Removal: (Minimum Level)</i></b>					
Removed at Least Fortnight	66 495	111 595	109 282	234 484	15 085
<b>Total Number Of Households</b>	66 495	111 595	109 282	109 282	109 282

### Municipal Integrated Waste Management Plan

The primary objective of compiling an IWMP is to integrate and optimise waste management so that the efficiency of the waste management system is maximised, and the impacts and financial costs associated with waste management are minimised, thereby improving the quality of life of all South Africans.

The objective of the status quo, or gap analysis, as the first phase in the development of an IWMP for THLM, is to qualify and quantify all aspects related to current waste management services and practices carried out by the Municipality, with a view to using this information as a basis for future waste management planning. The report therefore includes a situational analysis of the various themes of solid waste management relevant to THLM e.g. the areas serviced, the waste management services rendered, their efficiency, cost effectiveness, social and environmental acceptability, etc. Specific objectives of the gap analysis phase, as outlined in the terms of reference for the project.

### The street cleaning and clearing of illegal dumping

The street cleaning and clearing of illegal dumping services is done by EPWP temporary employees for all the streets in towns, main entrances, and open spaces. Temporary employees are appointed to assist with street cleaning services. The clearing of illegal dumping is done through Municipal officials and private contractors.

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## **Waste storage and disposal**

Currently, there is one class B permitted landfill site in Kwaggafontein. The Kwaggafontein landfill site is currently under construction with six cells, offices, leachate pond, Weight Bridge and sorting and recycling facility. Two cells and leachate pond are finished. This will be the first landfill site to be constructed in Thembisile Hani LM. Construction of area 3600.491 m<sup>2</sup> and 3675 disposal cell was done in the 2018/2019 financial year through MIG funds. Additional cell 3 Area 6452.053 m<sup>2</sup>, Cell 4 area 7429.131m<sup>2</sup>, Cell 5 area 5678.571m<sup>2</sup>, cell 6 Area 7626,389 m<sup>2</sup> of disposal cells are still in the process of construction estimated completion time November 2019.

## **Recycling**

There is only one buy-back centre in KwaMhlanga, and reclamation activities are taking place at the landfill site in Kwaggafontein.

## **Environmental education and awareness**

A number of awareness campaigns were conducted during the course of the financial year. Environmental educators were appointed through the Expanded Public Works Programme (EPWP) called 'Green Good Deeds' for a duration of 24 months. This project had positive impact on the successful implementation of environmental awareness campaigns and other Environmental programmes.

## **Measures taken to improve performance**

The construction of Kwaggafontein landfill site and request to Department of Environment Forestry and Fisheries to license the KwaMhlanga illegal dumping site to acquire license. The waste collection and separation at source to be practiced at schools. The Municipality has provided 56 schools with receptacles to assist the schools with waste management.



## **STREET CLEANING**

# Chapter 3



**CLEARING OF ILLEGAL DUMPING SITES**



**REFUSE REMOVAL**

# Chapter 3

## EMPLOYEE INFORMATION

Waste Management & Environment					
0 0 18	2017/2018	2018/2019			
	Employees	Posts	Employees	Vacancies (Fulltime Equivalents)	Vacancies (As A % Of Total Posts)
	No.	No.	No.	No.	%
3	1	1	1	0	0%
4 - 6	0	0	0	0	0%
7 - 9	0	0	0	0	0%
10 - 12	17	17	19	2	10.5%
13 - 15	2	3	02	1	50%
Total	20	21	22	3	14.2%

## FINANCIAL PERFORMANCE AND CAPITAL EXPENDITURE FOR 2017/18 AND 2018/19 FINANCIAL YEAR: WASTE MANAGEMENT

VOTE	DETAILS	2017/2018 BUDGET	2017/2018 ACTUAL	2018/2019 BUDGET	2018/2019 ACTUAL
520	SALARIES	6 295 085	6 164 302	4 369 295	4 111 613
520	BONUS	328 008	325 122	376 272	346 328
520	SALGBC	23 070	2 038	2 280	2 065
520	ACTING ALLOWANCES	27 708	13 854	29 784	19 125
520	PENSION CONTRIBUTIONS	800 174	757 684.86	798 794	798 794
520	MEDICAL AID CONTRIBUTION	327 917	293 947.6	338 718	338 718
520	HOUSING SUBSIDIES	0	0	0	0



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520	UIF CONTRIBUTION	38 990	35 774.91	40 080	37 545
520	OVERTIME	0	0	0	0
520	TRAVEL ALLOWANCES	64 440	60 000	110 000	110 000
520	CELLPHONE ALLOWANCE	23 400	90 000	23 400	23 400
520	SKILLS DEVELOPMENT LEVY	46 617	43 362.64	46 485	46 485
520	PROVISION FOR LAND FILLSITE	1 500 000	2 693 309.21	1 579 500	2 418 793
520	EPWP	2 560 000	2,147,315.00	1 984 000	1 984 000
520	EPWP(OWN FUNDING)	0	0	700 000	302 830
520	TRANSPORT WITHOUT OPERATOR	24 996	18 877.29	41 210	41 210
520	ACCOMODATION	5 004	14 759.8	29 456	23 267
520	FOOD & BEVERAGE	0	0	6 870	6 827
520	TOLL GATE FEES	2 500	0.00	2 630	0
520	CAR HIRE	8 500	0.00	8 950	0
520	FLIGHT BOOKING	11 500	0.00	12 100	5 609
520	UPGADE KWAGGA LAND FILL CIVIL ENGINEER	18 324 634	16 709 433.83		
520	Phumula Multipurpose Center	5 882 154.05	5 140 012.85		

## COMMENTS ON THE PERFORMANCE OF WASTE MANAGEMENT OVERALL

There are Expanded Public Works Programme projects in progress for cleaning the environment that will be registered as projects at the Department of Public Works. 100 EPWP participants were appointed under this programme in 2018/19 financial year.

## INTRODUCTION TO CEMETERIES AND CREMATORIUMS

The Municipality has forty (40) cemeteries located in different scatted villages. Currently, one (1). The community in the rest of the incorporated areas in the Thembisile Hani Local Municipality area utilises the cemeteries in the nearest vicinity. The service delivery priorities are to provide and maintain cemeteries, to continuously update and keep record of cemetery registers – now captured on a manual database. Plan and develop maintain future cemeteries to ensure that sufficient space is available. Another priority is to maintain and upgrade the existing equipment, vehicles, system, and procedures to ensure a quality service to the community. The foregoing priorities were not met the maintaining of all cemeteries by cutting grass, removal of weeds,

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and planting of trees. The database is kept up to date, and the cemetery registers are updated regularly. The vehicles and machinery were maintained and repaired where necessary. EPWP projects will be introduced to clean cemeteries, and through that, local people will receive an income and cemeteries will be cleaned.

## CREMATORIUMS

Crematoriums not applicable to Thembisile Hani Local Municipality.

There are no Municipal entities rendering pollution control and bio diversity.

## 3.5 HOUSING

### INTRODUCTION TO HUMAN SETTLEMENTS

To accelerate housing delivery through efficient and effective management and quality service delivery as well as through integrated and collective sustainable housing programmes. Our priority is to eradicate informal settlements and give our communities a dignity they deserve as contained in the constitution of the Republic of South Africa.

Percentage Of Households With Access To Basic Housing					
Year End	Total Households (Including Formal And Informal Settlements)	Households In Formal Settlements	Percentage Of Hhs In Formal Settlements	Households In Informal Settlements	Percentage Of Hhs In Informal Settlements
2016/17	109 600	75 345	90%	34 255	60%
2017/18	109 600	75 345	90%	34 255	60%
2018/19	109600	75345	90%	34255	60%

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## EMPLOYEE INFORMATION

Employees: Human settlement Services (excluding town planning)					
Job Level	2017/2018		2018/2019		
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
3	1	1	1	0	0%
4 - 6	1	1	1	0	0%
7 - 9	0	0	0	0	0%
10 - 12	0	1	0	1	100%
13 - 15	0	0	0	0	0%
Total	2	3	2	1	33.3%

## COMMENTS ON THE PERFORMANCE OF HUMAN SETTLEMENTS OVERALL

The Thembisile Hani Local Municipality had 150 rural subsidy housing projects allocated on the IDP in 2016/2017 financial year. The housing project was implemented by the Provincial Department of Human Settlements. The Municipality perform the function to register housing needs register, identify and allocate beneficiaries for housing subsidies. In total from 2016/17 to 2017/18 the Municipality received 600 allocation for those two financial years. During the 2018/19 financial Municipality received 150 allocation although there is still a back log remaining.

## 3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

### INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

- The Council accepts that they are responsible for the rendering of services in terms of schedules 4 and 5 of the constitution as well as other services which may be delegated by national and provincial government.
- Main sources of income consist of transfers from other spheres of government of which intergovernmental transfers are the most important. a portion of this income (equitable share) is earmarked for indigent relief which will be used to alleviate and address poverty
- The Municipality gives 6kl in respect of water to all our residential clients and we do not have an approved indigent register wherein we can make projections with regard to spending, billing etc.
- There is a portion of money paid over to Eskom on behalf of our clients for the 50kw of electricity provided to each household

### CHALLENGES:

- no indigent register in place

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## COMPONENT B: ROAD TRANSPORT

### 3.7 ROADS AND STORM WATER

The Municipal road network which serves as feeder roads to national road known as Moloto road R573, forms the backbone of our transportation system, making it possible to access both personal and economic needs within its jurisdiction and to meet the mobility and socio-economic needs of the communities. As the responsible roads authority for the construction and operations maintenance of the Municipal road network, Thembisile Hani Local Municipality has ensured that its strategic planning processes are in line with the Municipal Acts e.g. Dora, which provide guidance to the allocated funds within the municipalities. Therefore the Municipality achieved its road planning strategy by entirely depending on the allocated Municipal infrastructure grants (mig) and its operational and maintenance funds. Major success in some villages of THLM, has been noticed through the work done by the Municipal maintenance teams and by the District Municipality. The challenges faced by the Municipality during 2018/19 FY, was again insufficient budget on both construction and maintenance due to the reprioritization of budget to cater water projects, insufficient resources and collection of revenue. In order to improve performance, the Municipality drafted a programme of action, and made sure that resources are utilized efficiently and effectively so. During this period, assistance was also received from Nkangala District Municipality. Based on the information compiled by trisano consulting engineering for Rural Roads Asset Management System (RRAMS) THLM comprises of 1893.7km unpaved, 249.2km paved and 15.4km interlocking block paved roads.

Gravel Road Infrastructure				
	Total Gravel Roads	New Gravel Roads constructed	Gravel Roads Upgraded To Tar/block paving	Gravel Roads Graded Or Maintained
2015/2016	967.37	88km	0km	2.2km
2016/2017	1 893.7	43.1km	0km	27.52km
2017/2018	1 893.7	0km	0.8km	79,2km
2018/2019	1893.7	0km	0km	80.35km

Asphalted Road Infrastructure Kilometres					
	Total Asphalted Roads	New Asphalt Roads(Km)	Existing Asphalt Roads Re-Asphalted (Km)	Existing Asphalt Roads Re-Sheeted(Km)	Asphalt Roads Maintained (No.)
2015/2016	95.48km	0km	0km	0km	12 Roads Maintained
2016/2017	249.2km	0km	0km	0km	11roads Maintained

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2017/2018	249.2km	0km	0km	0km	10 roads Maintained
2018/2019	249.2km	0km	0km	0km	10 roads Maintained

## Paved roads done by Thembisile Hani Local Municipality

(a) Mabhoko paving 0.8 km

## EMPLOYEE INFORMATION

Employees: Roads And Storm Water					
Job Level	2017/2018	2018/2019			
	Employees	Posts	Employees	Vacancies (Fulltime Equivalents)	Vacancies (As A % Of Total Posts)
	No.	No.	No.	No.	%
3	1	1	1	0	0%
4 - 6	1	1	1	0	0%
7 - 9	0	0	0	0	0%
10 - 12	28	34	34	0	0%
13 - 15	16	16	12	4	25%
Total	46	52	48	4	7.6%

## FINANCIAL PERFORMANCE AND CAPITAL EXPENDITURE 2017/2018 AND 2018/2019: ROAD AND STORM WATER

VOTE	DETAIL	2017/2018 BUDGET	2017/2018 ACTUAL	2018/2019 BUDGET	2018/2019 ACTUAL
550	SALARIES	8 360 668	7 118 479.59	8 540 590	8 542 055
550	BONUS	665 748	571 652.21	726 144	682 046
550	Bargaining Council	5 354	4 199.25	4 656	4 716

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550	ACTING ALLOWANCE	44 937	29 860.65	47 720	8 835
550	STANDBY ALLOWANCE	26 766	26 766.24	97 395	97 395
550	PENSION CONTRIBUTIONS	1 695 363	1 418 962.38	1 692 032	1 692 032
550	MEDICAL AID CONTRIBUTION	534 054	469 017.00	531 372	475 560
550	HOUSING SUBSIDIES	19 118	9 559	10 068	10 228
550	UIF CONTRIBUTION	81 850	71 896.99	82 128	77 823
550	CELLPHONE ALLOWANCES	30 600	28 400.00	32 600	32 600
550	TRAVEL ALLOWANCES	60 000	30 000.00	115 000	115 000
550	ROUTINE MAIN – ROADS & STORM	1 000 000	0	0	0
550	SKILLS DEVELOPMENT LEVY	81 276	79 724.94	94 008	94 008
550	MATERIALS AND SUPPLIES	1 800 000	151 053.77	953 000	595 520
550	SUBSISTANCE ALL	6 500	926.72	6 840	3 565
550	ACCOMODATION	15 000	0	15 790	15 054
550	Food and Beverages	5 000	0	5 260	3 763
550	TOLL GATE FEE	1 500		1 580	0
550	REGRAVELLING OF VARIOUS ROADS	0	0	1 600 000	0
550	DEVELOPMENT OF ROADS AND STORM WATER MASTER PLAN			2 000 000	1 486 288
550	CONSTRUCTION ROAD TO MABHOKO CEMETARY	3 500 000	3 214 301		
550	REGRAVELLING OF INTERNAL ROADS	3 000 000	2 167 816		

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550	REGRAVELLING OF INTERNAL ROADS	3 000 000	2 768 501		
550	CONSTRUCTION OF STORM WATER WARD 6	180 000	178,180.20		
550	CONSTRUCTION OF STORM WATER WARD 12	180 000	160,261.20		
550	CONSTRUCTION OF STORM WATER WARD 13	160 000	140,250.00		
550	CONSTRUCTION OF STORM WATER WARD 17	160 000	159,999.50		
550	CONSTRUCTION OF STORM WATER WARD 31	150 000	142,700.00		
550	CONSTRUCTION OF STORM WATER WARD 5	170 000	162,636.60		

## 3.8 BUSINESS LICENCING AND ADMINISTRATION

### INTRODUCTION TO LICENCING

The Municipality administers and manages business operations within its jurisdiction – specifically in the following categories; sale or supply of meals or perishable foodstuffs, provision of certain types of health facilities or entertainment, and hawking in meals or perishable foodstuffs in terms of Mpumalanga Business Act, no 2 of 1996.

#### Working Relationships

The environmental health practitioners under the Department of Health, acting on behalf of the District Municipality, together with Municipal staff perform environmental health inspections prior to issuing of licenses for purpose of compliance with standards for business buildings.

The Municipality inspects applications for liquor licenses to comment on compliance issues related to land-use management and operating times.

### COMMENT ON BUSINESS LICENCING AND ADMINISTRATION PERFORMANCE OVERALL

The Municipality has approved street trading by-law during 2012/2013 financial year. 281 business trading licences were processed during the year under review.

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## EMPLOYEE INFORMATION

Employees: Business licencing and administration					
Job Level	2017/2018	2018/2019			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
3	0	0	0	0	0%
4 - 6	1	1	1	0	0%
7 - 9	1	1	1	0	0%
10 - 12	0	0	0	0	0%
13 - 15	0	0	0	0	0%
Total	2	2	2	0	0%

### 3.9 SAFETY AND SECURITY (TRAFFIC LAW ENFORCEMENT AND LICENCING)

#### INTRODUCTION

According to schedule 4 part B and schedule 5 part B of the constitution municipal public transport and traffic policing is the competency of the Municipality.

#### A brief background of the municipal traffic

The Traffic department operates with 20 Traffic Officers – namely; 2 senior superintendents, 2 assistant superintendents, 2 superintendents, 14 traffic officers.

#### AARTO implementation

The roll out of the administrative adjudication of the Road Traffic offences Act has been approved by the Council under item number: the/ndc 37/08/2011.

NB: we are not implementing AARTO but the Criminal Procedure Act

#### Comment on safety and security performance overall

##### i) monthly joint security cluster plenary meetings:

The Traffic department attends Technical Committee munimec, safety forum, Mpumalanga LETCOM.



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The Traffic department attends Technical Committee MUNIMEC, Community Safety Forum, Mpumalanga LETCOM.

**ii) cash flow meetings :**

The traffic department attends monthly meeting to ensure smooth running of cases at courts.

**iii) joint police and traffic operations:**

The traffic department does ongoing operations with other law enforcement agencies in the Municipality.

**EMPLOYEE INFORMATION**

<b>Employees: Business licesing and administration</b>					
<b>Job Level</b>	<b>2017/2018</b>	<b>2018/2019</b>			
	<b>Employees</b>	<b>Posts</b>	<b>Employees</b>	<b>Vacancies (fulltime equivalents)</b>	<b>Vacancies (as a % of total posts)</b>
	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>%</b>
3	0	0	0	0	0%
4 - 6	1	1	1	0	0%
7 - 9	1	1	1	0	0%
10 - 12	0	0	0	0	0%
13 - 15	0	0	0	0	0%
Total	2	2	2	0	0%

**FINANCIAL PERFORMANCE EXPENDITURE 2017/2018 AND 2018/2019 FINANCIAL YEAR: TRAFFIC SERVICES**

<b>VOTE</b>	<b>DETAIL</b>	<b>2017/2018 BUDGET</b>	<b>2017/2018 ACTUAL</b>	<b>2018/2019 BUDGET</b>	<b>2018/2019 ACTUAL</b>
108	SALARIES	9 394 068	8 567 243.80	8 377 997	8 377 997
108	BONUS	782 844	716 260.38	697 659	697 659
108	SALGBC	5 039	4 174.50	3 762	3 675
108	ACTING ALLOWANCE	1 177	145 562.32	28 000	0

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108	OVERTIME	197 352	209 358.21	207 812	0
108	PENSION CONTRIBUTIONS	1 983 384	1 731 756.71	1 664 243	1 653 119
108	MEDICAL AID CONTRIBUTIONS	1 136 678	1 054 506.60	993 721	975 522
108	HOUSING SUBSIDIES	33 084	28 678.32	30 685	30 685
108	STANDBY ALLOWANCE	153 446	0	74 603	8 703
108	UIF CONTRIBUTIONS	106 068	74 225.51	67 816	62 105
108	CELLPHONE ALLOWANCES	8 000	20 200	49 601	49 600
108	SKILLS DEVELOPMENT LEVY	108 396	102 124.82	103 790	103 790
108	SUBSISTANCE AND TRAVELLING	25 000	898.00	0	0
108	REPAIRS & MAINTENANCE OF SPEED CAMERA	53 196	3,438.74	56 015	0
108	ACCOMODATION	39 996	5 536.00	42 116	2 553
108	FOOD AND BEVERAGES	9 996	1 978.30	10 526	901
108	FIRE ARMS FOR TRAFFIC OFFICERS	200 000	0	0	0
108	PROVISION BAD DEBTS TRAFFIC FINES	1 929 414	4 211 744.62	14 112 800	15 887 840
108	TOLL GATE FEES	24 996	259	2 633	1 125
108	SHIFT ALLOWANCE	153 446	0	728 236	842 180

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108	SECURITY	17 596 684	16 690 660.08	17 882 980	18 168 004
108	TRAFFIC UNIFORMS	450 000	0		
108	MATERIALS AND SUPPLIES			105 300	83 413
108	DEBT COLLECTORS FOR TRAFFIC FINES			1 380 898	1 108 429

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## COMPONENT C: PLANNING AND DEVELOPMENT

### 3.10 PLANNING INCLUDING TOWN-PLANNING

#### INTRODUCTION TO PLANNING

Physical Planning	
Opportunities	Challenges
High proportion of land use management application	<ul style="list-style-type: none"> <li>Delays in turnaround time in terms of finalising applications.</li> </ul>
Availability of developable land within THLM	<ul style="list-style-type: none"> <li>Most of the land is vested to national and provincial governments.</li> <li>Land invasion is perpetuated allegedly by tribal formations.</li> </ul>

#### SERVICE STATISTICS FOR PLANNING

Development planning and building control

#### EMPLOYEE INFORMATION

Employees: Town Planning Services					
Job Level	2017/2018	Posts	2018/2019		
	Employees		Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
3	0	0	0	0	0%
4 - 6	1	1	1	0	0%
7 - 9	5	5	4	1	20%
10 - 12	1	1	0	1	100%
13 - 15	0	0	0	0	0%
Total	7	7	5	2	40%

#### COMMENT ON TOWN PLANNING PERFORMANCE OVERALL

Nkangala District Municipality has appointed Sisonke development planners to facilitate a process of state land release on portion 1, 4 and 5 Vlaklaagte 221JR; other town planning activities are conducted in Mahlabathini, Vlaklaagteview, Gemsbokspruit ext.1, Gemsbokfontein 199JR, Tweefontein 'F' township, Kwaggafontein 'B' and Tweefontein 'A'.

Department of rural development and land reform is currently assisting the Municipality to develop land use by-law.

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## 3.11 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

The performance by the LED Unit is 77% for the 2018/2019 financial year. The Unit also in the process of re-establishing Local Economic Development (LED) forum with different stakeholders. These stakeholders range from government departments, SMME's, NGO's and Associations.

### LED STRATEGY

The Local Economic Development (LED) strategy has been redeveloped with the Nkangala District Municipality (NDM) assisting the unit with the development of the strategy. The draft strategy was presented to the LED forum for the members to understand it and make inputs in case they had. It is expected that the strategy will be a working document and will be improved from time to time as and when members feel so.

### INVESTMENT ATTRACTION STRATEGY

The Department has tabled to Council the investment attraction strategy. The draft strategy is aimed at wooing investors to the Municipal area. The draft investment strategy is being consulted upon and once inputs have been received, the document will be taken back to Council for adoption.

### COOPERATIVE AND SMME'S DEVELOPMENT

The LED Unit arranged a number of trainings for the cooperatives and SMME'S. the unit invited and collaborated with a number of sector departments (DEDET, Department of Rural Development and Land Reform, Nkangala District Municipality and the South African National Roads Agency Limited (SANRAL) to train SMME's and cooperatives . The SMME's and Cooperatives were mainly trained in:

- Financial Management
- Business Management,
- Corporate Management &
- Business Start Up
- Entrepreneurial skills
- Managing Teams
- Pricing Construction Contracts and
- Documentation

### OUTREACH MEETINGS

The Unit hosted 2 outreach meetings for the outgone year (2018/2019). These are meetings held with communities using stakeholders with a variety of skills and expertise aimed at enlightening members of the community on a particular subject: The outreach meetings are hosted in community halls, Kwaggafontein, Vezubuhle and Phola Park.

- Kwaggafontein Community Hall

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- Vezubuhle Community Hall (Ithemba Lomphakathi)

## CREATION OF JOB OPPORTUNITIES THROUGH THE CAP

The led unit coordinated the creation of 1 574 up from 1 450 job opportunities through Community Works Programme (CWP) EPWP and inclusive of MRTT trainings.

### JOBS CREATED

Description	Number Of Jobs Created	
	2017/2018	2018/19
Community Work Program (CWP)	1 251	1 287
EPWP (Environmental Sector)	108	100
EPWP (Social Sector)	96	-
MRTT	96	96
Total	1 551	1 483

### EMPLOYMENT INFORMATION

Employees: Local Economic Development Services					
Job Level	2017/2018	2018/2019			
	Employees	Posts	Employees	Vacancies (Fulltime Equivalents)	Vacancies (As A % Of Total Posts)
	No.	No.	No.	No.	%
3	1	1	1	0	0%
4 - 6	1	1	1	0	0%
7 - 9	1	1	1	0	0%
10 - 12	0	0	0	0	0%
13 - 15	0	0	0	0	0%
Total	3	3	3	0	0%

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## FINANCIAL PERFORMANCE EXPENDITURE 2017/2018 AND 2018/2019: LED AND IDP

VOTE	DETAIL	2017/2018 BUDGET	2017/2018 ACTUAL	2018/2019 BUDGET	2018/2019 ACTUAL
103	SALARIES	3 260 088	2 382 860	2 752 455	2 632 714
103	BONUS	382 361	223 913	229 371	204 140
103	SALGBC	1 092	734	888	823
103	ACTING ALLOWANCE	0	0	0	0
103	PENSION CONTRIBUTIONS	586 944	421 773	536 502	534 939
103	MEDICAL AID CONTRIBUTION	235 968	179 438	206 880	163 167
103	UIF CONTRIBUTION	19 476	13 385	14 424	13 980
103	CELLPHONE ALLOWANCES	22 800	12 000	18 600	13 800
103	TRAVEL ALLOWANCE	120 000	90 000	186 000	148 500
103	SUBSISTANCE ALLOWANCE	58 956	62 945	62 080	59 381
103	ACCOMODATION	39 996	26 940	42 170	26 168
103	PROMOTIONAL ITEMS	0	0	42 120	29 850
103	FOOD & BEVERANGE	6 243	4 363	6 570	6 636
103	TOWN PLANNING	47 880	0	750 000	561 800
103	REMOVAL OF LAND INVADORS			1 000 000	788 379
103	BUSINESS AND ADVISORY			56 020	0
103	LED PLAN	47 880	0		
103	TOLL GATE FEES	1 500	0	1 580	270
103	CAR HIRE	10 500	0	20 000	0
103	FLIGHT BOOKING	1 500	0	18 430	12 792
103	IDP PROCESS	305 200	87 689	230 818	32 660
103	CATERING SERVICES	189 200	53 500	105 300	24 000

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103	PRINTING AND PUBLICATION & BOOKS	100 000	11 450	250 000	85 217
103	SKILLS LEVY	35 088	28 256	32 268	34 747

## 3.12 STRATEGIC PLANNING AND REGULATORY (INCLUDING PMS, IDP, AND OFFICE OF THE MUNICIPAL MANAGER)

In today's organisational environment, budget oriented planning or forecast methods are insufficient for the organisation to prosper. There is a need to engage in strategic planning that clearly defines objectives and assesses both the internal and external situation to formulate strategy, evaluate progress and make judgments as necessary to stay on track.

Strategic plans therefore identify strategically important outcomes orientated goals and objectives against which the Municipality's medium-term results can be measured and evaluated by various identified stakeholders. Annual performance plans identify the performance indicators and targets that the institution will seek to achieve in the upcoming budget year. This performance information is important for effective management, including planning, budgeting, implementation, reporting monitoring and evaluation.

As a component of its strategic plan, annual performance plan or IDP the Municipality must adopt, monitor and evaluate strategies that describe the approach the institution is to follow to create and operate monitoring and evaluation systems which will produce credible, accurate information on an on-going basis that gets used to improve service delivery and governance.

### INTRODUCTION TO STRATEGIC PLANNING AND REGULATORY

Currently the department comprises the following units:

#### IDP UNIT

Integrated Development Planning is a **process** through which municipalities prepare a strategic development plan which extends over a five-year period. The Integrated Development Plan (IDP) is a **product** of the IDP process. The IDP is the principal strategic planning instrument which guides and informs all planning, budgeting, management and decision-making processes in a Municipality.

In terms of the Municipal Systems Act, 2000, (Systems Act) the Chairperson of the Executive Committee or Executive Mayor or the chairperson of the Committee of appointed Councilors has the responsibility to manage the drafting of the IDP or to assign this responsibility to the Municipal Manager. The Municipal Manager is responsible for the implementation and monitoring of the IDP process.

Thembisile Hani Local Municipality has an IDP unit, under the office of the Municipal Manager on its organizational structure. The key functions of the unit are as follows:

- providing inputs with regard to the development of the Municipal vision and strategy
- Ensures implementation and the productive execution of the Municipal vision.



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- Compiling reports on divisional activities and progress in terms of action plans for consideration by Municipal Manager and Council.
- Representing the Municipality in multi-sectorial functions such as spatial planning, local economic development, infrastructure planning and development forums and functions.
- Participate and represent the Municipality in the districts IDP technical Committee.
- Representing the Municipality in local, district and provincial public meetings and Committees by making presentations, providing strategic inputs, communicating information in order to ensure participation.
- Manage administrative and organizational support for the coordination of IDP related activities.
- Preparing and communicating the process plan to ensure the understanding of the roles and responsibilities of all stakeholders.
- Manage development and review of the IDP and ensure the integration of the IDP/PMS/Budget in terms of statutes.

## Office structure

The IDP office is located within the Development and Town Planning Services department. The following is a representation of positions in the IDP office as indicated on the 2018/2019 organisational structure.

Level	Position	Status 2018/2019
1	Manager: Development and Town Planning Services	Filled
4	IDP Coordinator	Vacant

## COMMENT ON IDP PERFORMANCE OVERALL

### OVERALL COMMENT

The IDP unit is understaffed and requires at least two coordinators to support the assistant manager. This further makes it difficult to adhere to set timeframes and complete the required phases on time. The Municipality also has financial problems and cannot adequately provide for a budget aimed at the facilitation of stakeholder engagement meetings and workshops. There are also inadequate sector planning to support the various chapters of the IDP, this further frustrates priority setting and informed planning.

### PERFORMANCE MANAGEMENT UNIT

The objective of performance management is to improve the performance of the Municipality as guided by the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) (MSA), Local Government: Municipal Planning and Performance Management Regulations, 2001 and Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) (MFMA). Performance Management is the central management tool which assist the Council to improve service delivery by channelling the efforts of its departments and employees to meet performance targets and in so doing ensure that the Municipality achieves its strategic objectives.

It is a strategic approach to management, which equips leaders, managers, employees and stakeholders at different levels with a set of tools and techniques to regularly plan, continuously monitor, periodically measure and review performance of the organisation in terms of indicators and targets for efficiency, effectiveness and impact. The PMS will therefore ensure that all leaders, managers and individuals in the Municipality is held accountable for their actions, which should bring about improved service delivery and value for money.

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## COMMENT ON PMS PERFORMANCE OVERALL

The Performance Management System unit (PMS) consists of Assistant Manager reporting to the Municipal Manager and PMS experiential learner. The unit is not fully functional as the post for PMS coordinator is vacant, all the 2018/2019 quarterly performance reports are in place and also audited by our Internal Audit unit. The 2018/2019 PMS policy framework was adopted by Council.

### Internal Audit Unit

Internal Audit is an independent function established within the Municipality to examine and evaluate the Municipality's activities. The purpose of Internal Auditing is to provide independent, objective assurance and consulting services designed to add value and improve the organization's operations.

The objective of Internal Audit is to assist the accounting officer and the Audit Committee in the effective discharge of their responsibilities; Internal Audit will provide them with independent analysis, appraisals, recommendations, counsel and information concerning the activities reviewed, with a view of improving accountability and performance.

### Internal Audit responsibilities

THLM Internal Audit unit draws its mandate from the MFMA section 165, standards for the professional practice of Internal Auditing and the Internal Audit Charter approved by the Audit Committee. We further make reference to king report on corporate governance (king iii) customized into local government environment.

MFMA section 165(2) states that the Internal Audit unit of a Municipality must:

- prepare a risk-based audit plan and an Internal Audit program for each financial year;
- advise the accounting officer and report to the Audit Committee on the implementation of the Internal Audit Plan and matters relating to-
  - Internal Audit;
  - Internal Controls;
  - Accounting procedures and practices;
  - Risk and Risk Management;
  - Performance Management;
  - Loss control; and
  - Compliance with this Act, the annual division of revenue Act and any other applicable legislation; and
- Perform such other duties as may be assigned to it by the accounting officer.

When executing its responsibilities, THLM Internal Audit Unit follows the standards for the professional practice of internal Auditing.

According to the Institute of Internal Auditors (IIA) Internal Auditing is defined as *"an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.*

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## EMPLOYEE INFORMATION

### COUNCIL-APPROVED INTERNAL AUDIT UNIT STRUCTURE

Level	Post	2018/19
3	Chief Internal Auditor	Filled
4	Internal Auditor	Filled
4	Internal Auditor	Filled

### COMMENT ON INTERNAL AUDIT PERFORMANCE OVERALL

THLM Internal Audit unit performed its 2018/2019 operations as per the risk-based Internal Audit Plan approved by the Audit Committee for the financial year. According to the plan, the unit had twenty-three (23) planned audits and with the support from Nkangala District Municipality, all the audits were executed.

As required by the MFMA, both the accounting officer and the Audit Committee were kept abreast of identified significant findings pertaining to internal controls; accounting procedures and practices; risk and risk management; performance management; loss control; and compliance with Acts relevant to the municipality through submission of audit reports. Progress reports on implementation of the Internal Audit Plan were also submitted.

## COMMUNICATION

### OBJECTIVE

The main objective of this unit is to ensure effective communication internally and externally. In order for the Municipality to be able to realise our vision "to better the lives of our people through equitable and sustainable service delivery" we need to work together. It is the constitutional right of each and every member of the community to know what is happening in their Municipality, this unit is there to close the gap between the Municipality and its stakeholders by communicating Municipal service delivery issues to the Municipal stakeholders

### EMPLOYMENT INFORMATION

Level	Post	2018/19
3	Assistant Manager: Communication	Filled

### COMMENT ON COMMUNICATION PERFORMANCE OVERALL

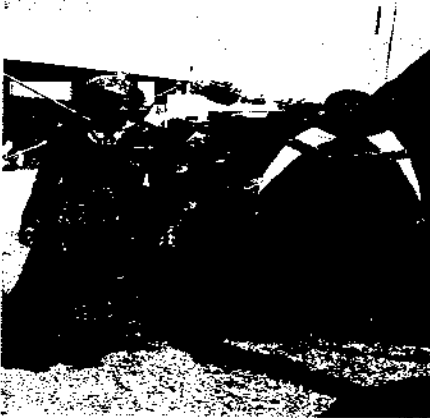
In our quest to ensure effective communication we have been frequently using radio slots at ikwekwezi FM to communicate service delivery issues, mainly water issues which have been a major challenge during this financial year. The Municipality was reporting on progress through the Executive Mayor, Municipal Manager and the head of Communication (HoC). In the media slots the listeners who are residents of Thembisile Hani Local Municipality (THLM) were given an opportunity to ask questions to the municipal representatives with regards to service delivery issues in THLM. We also had constant interviews with Moutse Community radio station (MCRS), Kangala Community Radio Station (KCRS), Ikutani FM, Inakekelo FM and eyethu FM through the HoC updating the public about programmes of the Municipality.

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The unit has been part of the planning teams for events organised by the Municipality and those organized by other departments (provincial and national). The unit is responsible for media mobilisation, drafting of Communication strategy and plan, branding and any other logistics that require Municipal interventions in the case of external events. The unit issue out public notices for the community on ikwekwezi FM, MCRS, KCRS, Eyethu FM, Ikutani FM and Inakekelo FM. Public notices are also placed on the Municipal notice boards that are mounted in our Municipal buildings. We issue out media statements when there are issues that need to be communicated or clarified by the Municipality. We also get coverage from Daily Sun,

The new age, Mpumalanga press and Thembisile news. We have also embarked on social media as it is currently growing as technology in advancing. Our Facebook page is active and it is updated as frequently as possible. We are currently also using a messaging portal to communicate with our stakeholders internally and externally, a tool which is proving to be very effective. The plan is to expand this messaging portal to a mini call Centre where we manage queries.

Below are some of the photos taken by the Communication unit during event or activities that are held at the Municipality?



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## FINANCIAL PERFORMANCE EXPENDITURE FOR 2017/2018 AND 2018/2019: MUNICIPAL MANAGER'S, TOWN SECRETARY AND CHIEF EXECUTIVE

VOTE	DETAIL	2017/2018 BUDGET	2017/2018 ACTUAL	2018/2019 BUDGET	2018/2019 ACTUAL
102	SALARIES	3 049 187	1 619 204	4 857 400	2 955 561
102	DEVELOPMENT & PLANNING MANAGER: ACTING ALLOWANCES	75 600	0	0	0
102	DEVELOPMENT & PLANNING MANAGER: MEDICAL AID	227 910	0	0	0
102	DEVELOPMENT & PLANNING MANAGER: PENSION	24 990	0	0	0
102	DEVELOPMENT & PLANNING MANAGER: UIF	447	0	0	0
102	BONUS	12 195	0		
102	SALGBC	21 609	321.75		377
102	ACTING ALLOWANCE	120 000	8 321	159 300	54 311
102	PENSION CONTRIBUTIONS	658 686	94 350	172 334	88 899
102	MEDICAL AID CONTRIBUTIONS	412 425	40 564.58	169 980	85 953
102	UIF CONTRIBUTIONS	447	0	11 154	7 203
102	DESIGNATION (DEVELOPMENT & PLANNING MANAGER) TRAVELLING MOTOR VEHICLE	27 708	0	0	0
	DESIGNATION (DEVELOPMENT & PLANNING MANAGER) CELLPHONE ALLOWANCE	6 750	0	0	0
102	TRAVEL ALLOWANCES	1 272 630	396 000	540 000	436 922
102	CELLPHONE ALLOWANCES	87 000	60 750	114 000	74 500
102	MEMBERSHIP FEES				
102	SKILLS DEVELOPMENT LEVY	64 950	32 616.84	107 232	36 559
102	TRAVELLING AND SUBSISTANCE	200 000	169 918.83	204 600	169 225
102	ACCOMODATION AND MEALS	125 008	6 632	131 628	100 280
102	FOOD AND BEVERAGES	24 992	18 225	32 316	35 219
102	EXTERNAL AUDIT	5 500 000	4 690 728	5 791 500	5 473 889
102	TOLL GATE FEES	15 000	712	15 000	0
102	CAR HIRE	20 000	0	21 060	0
102	FLIGHT BOOKING	45 000	0	47 380	7 372

## FINANCIAL PERFORMANCE EXPENDITURE FOR 2017/2018 AND 2018/2019: GOVERNANCE: INTERNAL AUDIT

VOTE	DETAIL	2017/2018 BUDGET	2017/2018 ACTUAL	2018/2019 BUDGET	2018/2019 ACTUAL
102	SALARIES	1 173 535	1 170 245	1 312 268	1 320 832
102	BONUS	231 828	97 044.5	109 348	109 116
102	SALGBC	1 080	297	636	315
102	SEMINAR, CONFERENCE WORKSHOP AND EVENTS	20 000	14 997	40 060	35 746
102	ACTING ALLOWANCE	20 004	0	21 240	0

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102	PENSION CONTRIBUTIONS	159 312	156 219	258 029	226 472
472	MEDICAL AID CONTRIBUTIONS	76 380	73 580	76 433	79 175
102	U I F CONTRIBUTIONS	5 436	5 354	5 350	5 800
102	OVERTIME	0	0	0	0
102	TRAVEL ALLOWANCES	108 488	97 874	120 000	114 000
102	CELLPHONE ALLOWANCES	9 000	9 000	9 000	9 000
102	MEMBERSHIP FEES	11 628	5 814	66 396	6 728
102	SKILLS DEVELOPMENT LEVY	14 786	13 651	14 520	15 190
102	TRAVELLING AND SUBSISTANCE	30 000	28 738	31 590	28 235
102	ACCOMODATION AND MEALS	60 000	51 278	36 830	25 484
102	FOOD AND BEVERAGES	20 000	7 540	8 450	8 712
102	TOLL GATE FEES	5 500	0	5 800	0
102	AUDIT COMMITTEE	51 004	45 836	0	0
102	CAR HIRE	20 000	0	21 060	0
102	FLIGHT BOOKING	35 000	0	36 850	21 634

## FINANCIAL PERFORMANCE EXPENDITURE FOR 2017/2018 AND 2018/2019: COMMUNICATION, PMS, YOUTH DEVELOPMENT AND OTHER UNITS)

VOTE	DETAIL	2017/2018 BUDGET	2017/2018 ACTUAL	2018/2019 BUDGET	2018/2019 ACTUAL
102	SALARIES	6 278 426	5 123 066.47	7 639 052	7 413 929
102	BONUS	659 880	418 332.07	700 790	595 050
102	SALGBC	1 254	1 427.25	8 580	2 249
102	ACTING ALLOWANCE	35 143	54 956.32	285 123	144 800
102	PENSION CONTRIBUTIONS	952 928	666 328.34	1 621 896	1 347 981
102	MEDICAL AID CONTRIBUTIONS	426 458	370 742.00	665 471	590 496
102	U I F CONTRIBUTIONS	47 438	27 058.35	41 052	38 221
102	TRAVEL ALLOWANCES	488 400	341 403.60	671 601	671 601
102	CELLPHONE ALLOWANCES	93 156	75 050.00	80 400	80 400
102	MEMBERSHIP FEES	0	0	0	0
102	SKILLS DEVELOPMENT LEVY	83 886	78 724.88	90 738	90 737
102	TRAVELLING AND SUBSISTANCE	312 348	220 671.41	328 908	89 000
102	ACCOMODATION	90 000	13 540.00	94 680	79 777
102	DOMESTIC:FOOD AND BEVERAGE (SERVED)		3 496.63	16 944	93 643
102	OVERTIME STRUCTURED		161 981.52	177 514	230 437
102	TOLL GATE FEES	5 500	278.00	2 628	256
102	CAR HIRE	0	0	4 740	2 196
102	FLIGHT BOOKINGS	0	0	10 000	7 787
102	CATERING	0	0	324 462	153 315
102	STAND BY ALLOWANCE	0	0	67 248	45 011
102	MEDALS FOR FUN RUN /WALK	0	0	26 900	26 900

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102	SPORTS AN RECREATION, REFEREES	0	0	10 500	0
102	ADVERTISING,PUBLICITY AND MARKETING	0	0	248 183	106 788
102	HIRE CHARGES	0	0	15 000	0
102	PRINTING PUBLICATIONS AND BOOKS	0	0	16 500	16 500
102	TRANSPORT PROVIDER	0	0	107 670	90 600
102	GRANT IN KIND FOR CO-OPERATIVE	0	0	200 000	53 212

## FINANCIAL PERFORMANCE EXPENDITURE FOR 2017/2018 AND 2018/2019: GOVERNANCE: RISK

VOTE	DETAIL	2017/2018 BUDGET	2017/2018 ACTUAL	2018/2019 BUDGET	2018/2019 ACTUAL
102	SALARIES	527 310	1 163 494.80	609 813	609 813
102	BONUS	42 924	97 044.60	49 993	50 004
102	SALGBC	360	297.00	96	105
102	ACTING ALLOWANCE	35 143	0	0	0
102	PENSION CONTRIBUTIONS	36 816	156 218.88	120 070	97 623
623	MEDICAL AID CONTRIBUTIONS	39 492	73 580.40	40 925	40 925
102	OWN TRANSPORT			30 000	7 115
102	U I F CONTRIBUTIONS	1 812	5 353.92	1 788	1 785
102	TRAVEL ALLOWANCES	78 000	84 000.00	120 000	113 000
102	CELLPHONE ALLOWANCES	9 000	9 000.00	9 000	9 000
102	MEMBERSHIP FEES	20 004	5 814.00	2 110	1 587
102	SKILLS DEVELOPMENT LEVY	2 000	13 650.99	7 615	7 615
102	TRAVELLING AND SUBSISTANCE	44 286	33 429.27	21 060	0
102	ACCOMODATION	30 000	51 278.00	40 840	12 166
102	FOOD AND BEVERANGES	15 000	7 540.03	15 800	4 131
102	TOLL GATE FEES	750	0	790	0
102	CAR HIRE	7 500	0	7 890	0
102	FLIGHT BOOKINGS	850	0	15 790	6 351
102	GIFT AND PROMOTIONS	25 000	0	25 000	0
102	SIGNS	25 000	9 450.00	25 000	0

### COMMENT ON STRATEGIC PLANNING PERFORMANCE OVERALL

The department of Municipal Manager does not dispose over any capital projects and functions mainly focus on compliance with various Acts and Regulations.

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## COMPONENT D: COMMUNITY & SOCIAL SERVICES

This Component Includes: Libraries; Sports, Art & Culture, Community Halls; A Child Care; Aged Care; Social Programmes, Gender.

### 3.13 LIBRARIES, EDUCATION, COMMUNITY FACILITIES AND SPORTS, CEMETORIES AND CREMATORIALS

#### INTRODUCTION TO LIBRARIES AND OTHERS

#### LIBRARIES

The Municipal library services play a very important role in the work, education, and culture. The services that the libraries provide help people to carry out their work, studies and leisure time activities. Librarians assist anyone who needs assistance in finding information from books, encyclopedias, Encarta, pamphlets, periodicals and internet to meet their needs.

Community members take part in special programs and events in the library section, e.g., school projects, storytelling, reading clubs, etc.

Service Objectives	Service Targets	2015/16	2016/17	2017/2018	2018/2019
-Library Campaigns		-Literacy Campaign conducted (Lopspruit Library)  -Library Week Campaign, conducted	-Library Marketing event at Phumula library  -Library Week Campaign at Thembisile Library.  -Youth Month Celebration at Boukenhouthoek Library.	-Library Marketing event at Phumula library	-Library marketing event was conducted in Phumula Library at See Unity Day Care Centre



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## EMPLOYEE INFORMATION

Employees: Libraries, Archives;Community Facilities;Other					
Job Level	2017/2018	2018/2019			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
3	1	1	1	0	0%
4 - 6	1	3	3	0	0%
7 - 9	1	1	1	0	0%
10 - 12	8	8	7	1	12.5%
13 - 15	41	41	37	4	9.7%
Total	52	54	49	5	9.2%

### COMMENT ON LIBRARY SERVICES PERFORMANCE OVERALL

- Library marketing event was conducted at Phumula Library 2018

### FINANCIAL PERFORMANCE AND CAPITAL EXPENDITURE FOR SOCIAL DEVELOPMENT SERVICES 2017/18 AND 2018/2019

VOTE	DETAIL	2017/2018 BUDGET	2017/2018 ACTUAL	2018/2019 BUDGET	2018/2019 ACTUAL
107	SALARIES	2 988 160	3 187 805.25	3 885 750	3 819 976
107	BONUS	388 629	264 459.02	336 960	316 501
107	SALGBC	1 370	1 410.75	1 584	1 470
107	ACTING ALLOWANCE	35 004	15 103.80	70 534	30 950
107	PENSION CONTRIBUTIONS	559 620	578 744.55	726 971	726 971
107	MEDICAL AID CONTRIBUTIONS	199 826	145 270.40	219 415	219 415
107	UIF CONTRIBUTIONS	23 048	23 675.44	24 086	24 086
107	TRAVEL ALLOWANCES	120 000	80 000.00	120 000	120 000
107	CELLPHONE ALLOWANCES	31 400	28 850.00	33 000	33 000

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107	SKILLS DEVELOPMENT LEVY	33 276	35 332.88	42 812	42 812
107	TRAVELLING AND SUBSISTANCE	15 000	29 004.66	83 160	83 160
107	ACCOMODATION	40 049	36 188.50	42 170	26 168
107	FOOD AND BEVERAGE	9 941	9 728.09	10 460	7 433
107	CATERING FOR HIV/AIDS	100 000	86,105.23	84 440	74 600
107	ADVERTISING PUBLICITY AND MARKETING FOR HIV/AIDS	0	0	42 120	29 850
107	TOLL GATE FEE	1 500	666.00	1 580	1 477
107	CAR HIRE	3 500	0	3 680	0
107	FLIGHT BOOKING	6 500	0	10 500	0
107	REPAIRS AND MAINTENANCE OF CEMETRY	200 000	140 800	600	0
107	MAINTENANCE OF MICHINERY AND EQUIPMENT	430 000	0	180 000	87 970
107	PAUPERS BURIAL	60 000	38 200	85 180	84

## FINANCIAL PERFORMANCE AND CAPITAL EXPENDITURE FOR SPORTS GROUND, STADIUMS AND SPORTS FACILITY MANAGEMENT FOR 2017/18 AND 2018/2019

VOTE	DETAIL	2017/2018 BUDGET	2017/2018 ACTUAL	2018/2019 BUDGET	2018/2019 ACTUAL
300	SALARIES	733 718	397 234.4	932 214	919 413
300	SALGBC	99	74.25	198	210
300	PENSION CONTRIBUTIONS	77 240	318 33	167 195	167 195
300	MEDICAL AID CONTRIBUTIONS	52 130	26 458.2	69 546	60 386
300	U I F CONTRIBUTIONS	2 994	1 338.48	7 343	3 569
300	TRAVEL ALLOWANCES	90 000	45 000	110 000	110 000
300	CELLPHONE ALLOWANCES	16 700	6 750	9 000	9 000

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300	SKILLS DEVELOPMENT LEVY	6 042	4 531.79	13 589	10 882
300	TOLL GATE FEES	3 000	0	1 579	500
300	BONUS	0	0	75 859	75 859
300	CAR HIRE	5 000	0	0	
300	FLIGHT BOOKING	9 000	0	10 000	0
300	MATERIALS AND SUPPLIES	0	0	135 110	27 620
300	CONTRACTORS	0	0	61 000	0
300	CATERING	0	0	107 800	29 900
300	ADVERTISING, PUBLICITY AND MARKETING	0	0	40 000	0
300	CONSUMABLES	0	0	83 000	70 893
300	TRANSPORT PROVIDER	0	0	200 953	157 000
300	ACCOMODATION SAMSRA GAMES	0	0	360 000	288 210
300	FOOD AND BEVERAGES SAMSRA	0	0	37 000	35 833
300	RADIO AND TV TRANSMISSION	0	0	10 000	0
300	INSTRUMENT FOR ARTS AND CULTURE	0	0	4 000	0
300	HIRE CHARGES	0	0	59 787	0
300	TROPHIES AND MEDALS	0	0	45 000	29 004
300	EVENT PROMOTER MARKETING OF ARTS EXHIBITIONS	0	0	20 000	0

## FINANCIAL PERFORMANCE AND CAPITAL EXPENDITURE FOR COMMUNITY HALLS AND FACILITIES FOR 2017/18 AND 2018/2019

VOTE	DETAIL	2017/2018 BUDGET	2017/2018 ACTUAL	2018/2019 BUDGET	2018/2019 ACTUAL
300	SALARIES	5 603 092	4 989 287	5 684 355	5 684 355
300	SALGBC	3 836	3 877.65	3 864	4 294
300	PENSION CONTRIBUTIONS	1 044 188	1 052 553	1 327 157	1 203 017
300	MEDICAL AID CONTRIBUTIONS	497 785	516 919.8	550 933	550 933
300	U I F CONTRIBUTIONS	60 788	60 441.01	121 488	73 007
300	SKILLS DEVELOPMENT LEVY	57 286	55 850.02	64 385	64 385
300	TOLL GATE FEES	15 000	0	15 800	270
300	DRAWING OF A BUILDING PLANS	29 000	29 100.00	0	0

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300	FLIGHT BOOKING	9 000	0	0	0
300	MATERIAL AND SUPPLIES	564 996	449 477.42	1 310 840	973,370
300	CONTRACTORS: BUILDING	800 000	692 446.04	242 400	184 250
300	CONSUMABLE : STANDARD RATED	100 000	59 333.86	105 300	29 000
300	BONUS	0	0	478 958	478 958
300	CELL PHONE	0	0	16 400	14 400
300	OVERTIME	0	0	0	8 978

## FINANCIAL PERFORMANCE AND CAPITAL EXPENDITURE FOR LIBRARY AND ARCHIVES FOR 2017/18 AND 2018/2019

VOTE	DETAIL	2016/2017 BUDGET	2016/2017 ACTUAL	2018/2019 BUDGET	2018/2019 ACTUAL
300	SALARIES	857 503	85 7503	1 222 872	1 008 780
300	SALGBC	396	396	420	420
300	PENSION CONTRIBUTIONS	167 833	16 7832.6	399 752	197 706
300	MEDICAL AID CONTRIBUTIONS	95 911	100 533.6	116 102	116 102
300	U I F CONTRIBUTIONS	7 138	7 138.56	17 772	7733.56
300	SKILLS DEVELOPMENT LEVY	10 046	9 752.85	13 812	11 333
300	TOLL GATE FEES	15 000	0	2 500	0
300	BONUS	0	0	101 904	84 065

### COMMENTS ON THE PERFORMANCE OF LIBRARIES, SPORTS AND OTHERS OVERALL

The Municipality graded thirty-two (32) sports field during 2018/2019 financial year. Bookings of facilities are on record for the hiring of these facilities.

# Chapter 3

## 3.14 HEALTH AND WELFARE

There is only one community hospital in the sub-region, Kwamhlanga hospital. There are six Community Health Centres (CHC) namely

- Kwaggafontein CHC
- Buhlebesizwe CHC
- Verena CHC
- Moloto CHC
- Thembaletu CHC
- Kwamhlanga CHC

There are fifteen clinics: namely

- Zithabiseni clinic
- Goederede clinic
- Mzimuhle clinic
- Mathyzensloop clinic
- Kwaggafontein "a" clinic
- Tweefontein "a" clinic
- Tweefontein 'c' clinic
- Tweefontein 'd' clinic
- Tweefontein 'h' clinic
- Veterinary clinic kwafene
- Tweefontein 'm' clinic
- Empilweni clinic
- Kameelpoortnek clinic
- Kwamhlanga clinic
- Vriesgewacht clinic
- Vlaklaagte no.1 clinic

The Municipality needs to strengthen the HIV/AIDS awareness campaign in its area of jurisdiction to minimise the infection rate. The high unemployment rate and the lack of skills creates poverty and increases the demand for social grants provision by government.

### COMMENT ON HEALTH SERVICES PERFORMANCE OVERALL

The health service unit consist of one person who is coordinator, reporting to the Manager Social Development Service. The unit is fully functional. The Municipality conducted dialogues, HIV counselling and testing (hot) campaigns and training to support and reduce the impact of the HIV/AIDS on individuals, family community and society by expanding access to appropriate treatment, adhere care and support in accordance with the South African Strategic Plan (NSP) 2017-2022 to address focus for impact, and reach the 90 90 90 goals by 2030. The Municipality conducted 12 HIV/AIDS related campaigns in 2018-19 financial year.

# Chapter 3

## COMPONENT E: HEALTH AND ENVIRONMENTAL PROTECTION

### 3.15 HEALTH INSPECTION OF PREMISE AND BUSINESS FOR LICENCING

Environmental health services continued to be provided without funding from national treasury. with a limited budget and diminishing resources the nine functional areas relating to environmental health services as defined in the National Health Act, no. 61 of 2003 were carried out but not fully to ensure effective and efficient service delivery within the areas of thembisile.

The service delivery priorities focused on water quality monitoring, food quality and safety, health surveillance of premises and vector control. However, the departmental of Technical Services was used for the monitoring of water quality.

#### COMMENT ON HEALTH INSPECTION AND ENVIRONMENTAL HEALTH PERFORMANCE OVERALL

The Municipal conducted (85) business inspections in (35) villages. Routine business inspections were conducted by the environmental health practitioner.

Employees: Health Inspection (Environmental Health)					
Job Level	2017/2018	2018/2019			
	Employees	Posts	Employees	Vacancies (Fulltime Equivalents)	Vacancies (As A % Of Total Posts)
	No.	No.	No.	No.	%
3	0	0	0	0	0%
4 - 6	1	1	1	0	0%
7 - 9	0	0	0	0	0%
10 - 12	0	0	0	0	0%
13 - 15	0	0	0	0	0%
Total	1	1	1	0	0%

#### POLLUTION CONTROL AND BIO DIVERSITY; LANDSCAPE

Pollution control, bio diversity and landscape are not applicable to Thembisile Hani Local Municipality

### 3.16 DISASTER MANAGEMENT

#### INTRODUCTION

The Municipality has a disaster management plan and plays a role in mobilizing a multi sectorial presentation respond to fire and other disaster are in the Municipality.

#### Strategies

- To ensure effective policing and access to emergency services.
- To promote inter-governmental relations.
- To develop disaster management plan.
- Development of risk management plan.

# Chapter 3

## COMMENT ON DISASTER MANAGEMENT PERFORMANCE OVERALL

The disaster management unit despite having only two officials and insufficient budget managed to respond to a number of disaster incidents in the financial 2018/2019.

## EMPLOYEE INFORMATION

Employees: disaster management					
Job Level	2017/2018	2018/2019			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
3	0	0	0	0	0%
4 - 6	1	1	1	0	0%
7 - 9	0	0	0	0	0%
10 - 12	1	1	1	0	0%
13 - 15	0	0	0	0	0%
Total	2	2	2	0	0%

## TRANSVERSAL

### INTRODUCTION

The special programmes unit in the office of the Manager SDS, (which comprises four sub-programmes: issues on the status of women, issues on the status of persons with disability issues on the rights of a child and issues on elderly) is amongst others mandated to monitor and evaluate mainstreaming of gender equality and women empowerment, rights of persons with disability, elderly and rights of children into programmes of the Municipality. The core functions of special programmes unit are: advocacy, capacity building, policy analysis, research, monitoring and evaluation.

### Strategies

- Guide the Municipality in developing appropriate programmes.
- Provide strategic interventions to facilitate gender policy implementation in the Municipality.
- Promote the integration of gender equity and equality, and women, persons with disability, elderly and children empowerment in the Municipality development programmes and service delivery
- Raise awareness on the constitutional and development roles and responsibilities of Municipal department stake holders as development agents.
- Alert stakeholders of the Municipality about the gender implications of their work.
- Contribute to the development of the performance systems by introducing gender-sensitive indicators

# Chapter 3

## COMMENT ON TRANSVERSAL PERFORMANCE OVERALL

The Municipality has two officials dealing with special programmes.

## EMPLOYEE INFORMATION

Employees: Transversal					
Job Level	2017/2018	2018/2019			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
3	0	0	0	0	0%
4 - 6	1	1	1	0	0%
7 - 9	0	0	0	0	0%
10 - 12	1	1	1	0	0%
13 - 15	0	0	0	0	0%
Total	2	2	2	0	0%

## Some of the performance related activities by Transversal Unit

Activity	Target	Expenditure	2016-2017	2017-2018	2018-2019
Awareness Campaign	Children rights and responsibility were clearly explained to the kids	-	distribution of school uniform for 150 learners 31 May 2017	203 disability people were encouraged to be in centers and they and were encouraged about the wellness	200 Elderly Persons Participated in elderly games to keep fit and active
Seminar	150 disabled people attended the seminar	-	-	Gender Summit 180 women attended the event	20 People with disability graduated and get certificates on Health and Safety Training both female and male.
Mandela Day Celebration	5 old aged people benefited walking sticks and 6	-	mandela day celebration renovation, painting and distribution of		MaxProf donated school uniform and battery/electric wheelchair



# Chapter 3

	disability people benefited wheel chairs		65 blankets at ekukhanyeni care for the age 18 july 2016		
Job Readiness For People With Disability	registering people with disability in the data base of department of labour for employment	-	-	05 People with disability benefited in a one year training of call center	05 people with disability employed on the EPWP
Source Donations for Orphans and elderly.	Clothing and toiletries were donated for orphans	-	-	Nedbank donated the cheque of R20.000 at Ngothando Dropping Centre	Eskom funded 1 electric wheelchair and 2 batteries for electric wheelchair  Christmas Vouchers for widows, Elderly, child headed families and people with disability donated by Nkangala DM and Eskom

## FINANCIAL PERFORMANCE 2017/18 AND 2018/19: CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

The child care, aged care and social programme are using the same vote with libraries under vote 107: Social Development Services.

# Chapter 3

## **COMPONENT F: CORPORATE POLICY OFFICES AND OTHER SERVICES**

This component includes: Corporate Policy Offices, Financial Services, Human Resource Services, ICT Services, and Property Services.

### **INTRODUCTION TO CORPORATE POLICY OFFICES**

Chapter 7 of the constitution of the republic of South Africa states that the Municipality comprise of Councillors, officials and the community. In order for the Municipality to govern its affairs correctly it must consult with the community to ensure that needs are correctly determined, explained and included in the IDP for service delivery purposes. Policies must be put in place which will address the needs of the community in terms of how service delivery matters will be addressed.

In order for the Municipality to be able to address the service delivery matters the Municipality must approve a budget that will be commensurate with the needs/projects identified for the particular year. This budget must also address matters of staff and this can only be achieved through the costed organogram that must be cost effective but also provide sufficient managerial and other positions in order to be able to render effective and satisfactory delivery of services.

Management must ensure that tools of trade are made available to the staff. This will include ICT services and networks including the necessary licenses. In order for the Municipality to finance the service delivery issues it must ensure that the budgetary expenditure will be redeemed through cash collection that will be generated by payment for services. The payment for services will be covered by the payments for rates and taxes and will include proper and sufficient Municipal service delivery networks like water pipes and reservoirs as well as sewer and electrical (street lights and high mast lights) networks and plant and equipment.

### **3.17 EXECUTIVE AND COUNCIL**

This component includes: executive office (Executive Mayor; Councillors; and Public Participation).

#### **INTRODUCTION TO EXECUTIVE AND COUNCIL**

In terms of chapter 7 section 151 (2) of the constitution of the Republic of South Africa, 1996, the executive and legislative authority of a Municipality is vested in its Municipal Council.

The Municipal Council of the Thembisile Hani Local Municipality is established as a Municipality with a Mayoral Committee system which is combined with a Ward participatory system in terms of chapter 12 of the Municipal Structures Act, 117 of 1998. Section 152 of the constitution spells out categorically clear, the objectives of local government and the powers and functions of municipalities are determined in Section 156 of the Constitution.

The executive authority of the Council is vested with the Executive Mayor who must however report to Council and is assisted by the members of the Mayoral Committee established by the Executive Mayor and can take decision. However there are certain matters on which the Executive Mayor as the head of the Municipality cannot take decisions i.e. the approval of the budget, IDP and by-laws, as these matters cannot be delegated and must be approved by Council.

In terms of delegation of powers certain matters may be delegated to the Executive Mayor by Council who will in turn also sub-delegate to the Municipal Manager. The Municipal Manager may also sub-delegate to managers who may in turn further sub-delegate to other officials.

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Section 152 of the constitution sets among others the following objectives for local government:

- (a) To provide democratic and accountable government for local communities
- (b) To ensure the provision of services to communities in a sustainable manner
- (c) To promote social and economic development

In order to ensure sustainable service delivery to the community's Council sets the top three service delivery priorities as follows in order to achieve good governance levels.

- Risk management: Council has developed risk management strategy or policy that enables Council to conduct risk assessment which has already been done. This exercise also enabled the Council to develop a plan on internal controls to mitigate and control.
- Internal Audit: Council managed to establish the Audit Committee and it sits regularly assisting on assessing the reporting on management of risk and other matters relating to good governance.
- Accounting and auditing: Council has established the Audit Committee which assists in reviewing the Annual Financial Statements and also to monitor the effectiveness of the internal controls and risk management.

## SERVICE STATISTICS FOR THE EXECUTIVE AND COUNCIL

Detail	2017/2018		2018/2019	
	Special Meetings	Ordinary Meetings	Special Meetings	Ordinary Meetings
Mayoral Committee	02	11	03	11
Technical Service Committee	00	05	00	04
Sds Committee	00	05	00	06
Audit Committee	02	04	01	04
Admin & Governance	02	12	00	09
Led Committee	02	07	00	07
Finance Committee	00	07	00	06
Council Meeting	06	06	06	06
Corporate Services Committee	0	9	00	04
MPAC	04	08	07	04

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## EMPLOYEE INFORMATION

Employees: The Executive And Council					
Job Level	2017/2018	2018/2019		Vacancies (Fulltime Equivalents)	Vacancies (As A % Of Total Posts)
	Employees	Posts	Employees		
	No.	No.	No.	No.	%
0 - 3	6	9	9	0	0%
4 - 6	22	55	55	0	0%
7 - 9	0	0	0	0	0
10 - 12	36	0	0	0	0%
13 - 15	0	0	0	0	0
Total	64	64	64	0	0%

## EXPENDITURE ON COUNCIL FOR 2017/2018 AND 2018/2019 FINANCIAL YEAR:

VOTE	DETAIL	2017/2018 BUDGET	2017/2018 ACTUAL	2018/2019 BUDGET	2018/2019 ACTUAL
100	SALARIES	2 641 788	1 489 975	4 319 796	3 862 408
100	MOBILE DATA BUNDLES	212 400	214 800	258 610	229 500
100	PENSION CONTRIBUTIONS	2 301 168	1 730 010	3 153 884	2 400 661
100	MEDICAL AID CONTRIBUTIONS	337 820	259 916	556 729	445 875
100	TRAVEL ALLOWANCES	4 548 672	3 979 346	5 688 967	5 114 850
100	CELLPHONE ALLOWANCES	1 386 000	1 779 950	2 609 640	2 601 000
100	CLR ALLOWANCES	9 348 456	10 257 294	9 656 110	9 523 289
100	BUSINESS AND FINANCIAL MANAGEMENT	80 000	131 579	82 160	0

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100	RADIO AND TV TRANSMISSION	100 000	0	100 000	20 000
100	PLANTS FLOWERS AND DECORATION (SOMA)	78 000	78 000	110 000	110 000
100	CATERING SERVICES	787 208	723 319.00	704 386	564 711
100	MEMBERSHIP FEES	1 533 756	1 485 023	1 453 536	135 454
100	SKILLS DEVELOPMENT LEVY	207 468	133 012	220 956	135 825
100	PUBLIC PARTICIPATION	885 362	278 728	450 033	262 575
100	PUBLIC & PHOTOGRAPH	450 000	70 000	5 000	5 000
100	TRAVELLING AND SUBSISTANCE	117 864	99 231	124 120	108 750
100	ACCOMODATION AND MEALS	70 000	230 600	652 328	444 778
100	WARD COMMITTEES EXPENDITURE	3 890 000	3 725 650	3 801 504	3 703 000
100	CORPORATE AND MUNICIPAL ACTIVITIES	290 000	203 644	190 000	236 012
100	FOOD AND BEVERAGES	485 196	369 380	196 100	119 119
100	ENTERTAINMENT MAYOR	80 000	47 435	84 240	29 767
100	OTHER TRANSPORT PROVIDER	650 000	230 572	175 000	32 900
100	TOLL GATE FEES	30 000	0	31 590	0
100	CAR HIRE	60 000	0	60 180	56 435

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100	FLIGHT BOOKING	55 000	9 718	140 910	138 370
100	CONTRIBUTION TO TRADITIONAL AUTHORITIES	1 000 000	281 874	902 000	424 400

## EXPENDITURE ON EXECUTIVE FOR 2017/2018 AND 2018/2019 FINANCIAL YEAR: COUNCIL GENERAL

VOTE	DETAIL	2017/2018 BUDGET	2017/2018 ACTUAL	2018/2019 BUDGET	2018/2019 ACTUAL
100	SOMA	0	0	128 500	106 500
100	GRANTS IN-KIND	0	0	50 000	0
100	PRINTING,PUBLICATION & BOOKS	0	0	230 000	138 350
100	SEMINARS, CONFERENCE WORKSHOP	0	0	171 000	57 797

### 3.18 BUDGET AND TREASURY OFFICE

#### INTRODUCTION TO BUDGET AND TREASURY OFFICE

The department deals with the administration of finances of the Municipality i.e. own budget as well as the money received from government fiscal i.e. allocation by government to the Municipality to enhance service delivery as in mig and equitable shares. In order for the Municipality to have effective service delivery, budget and IDP processes is being followed in order to ensure Public Participation to cover all community proposals in terms of projects.

The department must develop budget related policies and by-laws to govern consistently charging of moneys for services rendered to the communities. There will be internal and external audits in order to ensure management of risk and curbing corruption while encouraging the implementation of policies.

<b>Debt Recovery</b>		
<b>R</b>		
	<b>2017/2018</b>	<b>2018/2019</b>

# Chapter 3

Details Of The Types Of Account Raised And Recovered	Actual For Accounts Billed In Year	Proportion Of Accounts Value Billed That Were Collected In The Year %	Billed In Year	Actual For Accounts Billed In Year	Proportion Of Accounts Value Billed That Were Collected %
Property Rates	42 764 437	101.21	13 547 266	42 287 013	312.14
Water	96 796 165	100	173 175 802	65 633 906	100.99
Sanitation	2 635 321	126	2 198 098	1 200 776	78.64
Refuse	32 556 922	100	36 911 357	25 959 902	100.89
Total	<b>174 752 845</b>	<b>99.68</b>	<b>225 832 523</b>	<b>135 081 597</b>	<b>113.42</b>

The following problems were identified with regards to the below average collection rate and we have identified initiatives that will make a difference in the collection rate. One of the main is to make sure and educate community to pay Municipal services.

Different strategies have to be put in place for regular defaulters as opposed to consumers defaulting occasionally:-

- Through awareness campaigns, consumers need to be made aware of the services provided by the Council.
- We need to explain to the consumers why they have to pay for services
- Political support
- Issuing monthly statements to the consumer on regularly for payment of services
- The deposits of regular defaulters should be increased according to their liability profile
- Implementation of credit control policy

## EMPLOYEE INFORMATION

Employees: Financial Services					
Job Level	2017/18	2018/2019			
	Employees	Posts	Employees	Vacancies (Fulltime Equivalent)	Vacancies (As A % Of Total Posts)
	No.	No.	No.	No.	%
3	5	5	4	1	20%
4 - 6	12	13	13	0	0%
7 - 9	5	5	5	0	0%
10 - 12	19	20	19	1	5%
13 - 15	2	3	2	1	33.3%
Total	43	46	43	3	6.5%

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## FINANCIAL PERFORMANCE AND CAPITAL EXPENDITURE 2017/2018 AND 2018/2019: BUDGET AND TREASURY

VOTE	DETAIL	2017/2018 BUDGET	2017/2018 ACTUAL	2018/2019 BUDGET	2018/2019 ACTUAL
104	SALARIES	8 156 799	7 015 030	7 192 286	7 188 259
104	SALARIES INTERNS	683 064	569 236	586 310	586 310
104	BONUS INTERNS	56 920	33 694	95 351	95 351
104	BONUS	692 746	560 593	565 421	536 752
104	SALGBC	7 146	3 036	3 106	3 106
104	ACTING ALLOWANCE	75 000	51 139	140 928	140 928
104	PENSION CONTRIBUTIONS	1 297 949	1 129 332	1 443 357	1 443 357
104	MEDICAL AID CONTRIBUTIONS	612 301	560 159	588 680	549 301
104	HOUSING SUBSIDIES	17 526	13 543	15 343	15 343
104	UIF CONTRIBUTIONS	57 809	54 309	54 529	50 274
104	OVERTIME	0	0	12 500	2 981
104	TRAVEL ALLOWANCES	280 000	200 000	360 000	308 000
104	CELLPHONE ALLOWANCES	27 000	30 000	34 794	34 794
104	VALUATION ROLL	5 545 921	5 545 920	38 036	38 035



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104	PROFIT /LOSS: INVENTORY STANDS	0		0	0
104	PROVISION FOR BAD DEBTS	168 832 392	87 140 096	195 193 979	195 193 979
104	SEARCH FEE	50 000	756.00	52 650	0
104	BANK CHARGES	399 996	295 427	560 329	334 509
104	INTEREST CHARGES	0	215.82	0	0
104	SKILLS DEVELOPMENT LEVY	92 669	80 158	95 279	89 146
104	ACCOMODATION	195 935	116 762	237 870	177 639
104	FOOD AND BEVERAGES	27 556	26 149	59 017	41 661
104	FMG EXPENDITURE	0	0		
104	BUDGET REFORM GRANT (FMG) mSCOA	822 016	983 584	992 589	978 726
104	TRAINING FOR INTERNS	138 000	118 800	79 200	79 200
104	mSCOA	119 984	335 926	1 899 210	1 169 625
104	TRAVELLING AND SUBSISTANCE	307 580	44 585	296 180	26 568
104	MSIG	0	0	0	0
104	FINANCIAL STATEMENT	5 402 394	2 664 317	2 978 573	2 978 753
104	VAT RECOVERY	6 989 852	6 585 048	7 715 864	9 114 063

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104	DEBT COLLECTION	2 520 000	1 180 543	3 199 950	0
104	SECURITY SERVICES (FEDILITY)	90 000	72 669	175 954	167 458
104	TOLL GATE FEES	25 000	0	26 330	687
104	CAR HIRE	35 000	0	36 850	10 883
104	FLIGHT BOOKING	45 000	0	47 390	12 043
104	YEAR-END ACCRUALS	0	0	0	0
104	REGISTRATION FEES FOR CONFERENCES	0	0	65 000	8 448

## FINANCIAL PERFORMANCE AND CAPITAL EXPENDITURE 2017/2018 AND 2018/2019: SUPPLY CHAIN

VOTE	DETAIL	2017/2018 BUDGET	2017/2018 ACTUAL	2018/2019 BUDGET	2018/2019 ACTUAL
104	SALARIES	1 427 700	1 430 615	1 922 283	1 922 283
104	BONUSES	118 900	118 947	158 669	158 669
104	BARGAINING COUNCIL	1 800	495	2 760	630
104	ACTING AND POST RELATED ALLOWANCES	15 000	5 428	36 648	36 648
104	SOCIAL CONTRIBUTION PENSION	246 780	233 098	373 431	373 431
104	SOCIAL CONTRIBUTION MEDICAL	71 400	68 778	95 720	68 472
104	HOUSING BENEFITS	8 904	1593	10 272	3 409

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104	UNEMPLOYMENT INSURANCE	9 072	6 692	10 704	10 708
104	TRAVEL OR MOTOR VEHICLE	60 000	60 000	120 000	110 000
104	CELL PHONE ALLOWANCES	9 000	9 000	9 000	9 000
104	SKILLS DEVELOPMENT LEVY	13 752	16 238	21 743	21 743
104	ACCOMODATION	31 837	24 348	60 000	21 822
104	FOOD AND BEVERAGES	5 224	4 953	8 500	7 902
104	TRANSPORT WITHOUT OPERATOR	45 000	0	47 390	6 505
104	CAR HIRE	1 500	0	3 680	0
104	FLIGHT BOOKING	3 500	0	12 000	0
104	TOLL GATES	0	0	1 584	0

## FINANCIAL PERFORMANCE AND CAPITAL EXPENDITURE 2017/2018 AND 2018/2019: ASSET MANAGEMENT

VOTE	DETAIL	2017/2018 BUDGET	2017/2018 ACTUAL	2018/2019 BUDGET	2018/2019 ACTUAL
104	SALARIES	1 337 388	889 135	1 687 978	1 687 978
104	BONUSES	111 444	73 388	137 539	137 538
104	BARGAINING COUNCIL	1 800	297	8 928	525
104	ACTING AND POST RELATED ALLOWANCES	15 000	5 035	16 128	0
104	SOCIAL CONTRIBUTION PENSION	227 483	123 350	326 620	326 619

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104	SOCIAL CONTRIBUTION MEDICAL	105 061	61 160.40	130 681	130 680
104	HOUSING BENEFITS	0	0	0	0
104	UNEMPLOYMENT INSURANCE	9 072	5 354	9 756	8 923
104	TRAVEL OR MOTOR VEHICLE	120 000	120 000	120 000	120 000
104	CELL PHONE ALLOWANCES	9 000	9 000	9 000	9 000
104	SKILLS DEVELOPMENT LEVY	13 632	10 868	19 748	19 747
104	ACCOMODATION	70 378	57 669	75 383	52 493
104	FOOD AND BEVERAGES	18 337	17 613	18 784	16 135
104	TRANSPORT WITHOUT OPERATOR	54 996	43 130	57 912	48 519
104	EXCESS PAYMENTS	205 896	0	216 800	7 500
104	INSURANCE UNDERWRITING PREMIUM	2 000 004	1 553 851	1 831 000	1 629 022
104	GRAP IMPLEMENTATION	1 750 000	1 665 060	2 395 009	2 359 174
104	DEPRECIATION INFRASTRUCUTRE	119 382 633	70 981 966	113 138 910	63 297 247
104	DEPRECIATION COMMUNITY ASSETS	17 830 001	10 457 592	18 775 000	0
104	DEPRECIATION FURNITURE AND FITTINGS	1 188 667	553 475	1 314 252	695 492
104	DEPRECIATION OFFICE EQUIPMENT	59 433	45 876	1 877 496	915 515
104	DEPRECIATION MOTOR VEHICLES	2 971 667	2 831 968	3 129 170	6 131 410

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104	DEPRECIATION BUILDING	4 279 201	4 106 592	4 506 000	0
104	DEPRECIATION PLANT AND EQUIPMENT	23 773 335	21 213 658	25 033 320	684 358
104	TOLL GATE FEES	1 500	147	1 580	0
104	CAR HIRE	3 500	0	3 680	1 820
104	FLIGHT BOOKING	5 500	4 312	10 500	5 692

## 3.19 HUMAN RESOURCE(CORPORATE) SERVICES

### INTRODUCTION TO HUMAN RESOURCE SERVICES

The Municipality has submitted to the department of labour the employment equity report and return of earnings in terms of the Employment Equity Act and the compensation for occupational injuries and disease Act respectively. In addition to that, the work skills plan approved by Council has been submitted to the Local Government Seta

The approved organisational structure is in place and critical existing posts in the 2018/2019 financial year were filled based in line with structure. All the HR policies were reviewed and adopted by Council. The Municipality has undertaken the organisational reengineering to ensure that the organisation is in alignment with the IDP and budget as well as to ensure that the employee's job descriptions are aligned with these strategic documents.

### SERVICE STATISTICS FOR HUMAN RESOURCE SERVICES

Total personnel expenditure trends in the last two years

The following table reflects the total personnel expenditure trends from 2017/2018 to 2018/2019

Financial Year	(R)
2017/2018	117 024 560
2018/2019	131 696 525

### Pension Fund

The composition of membership for pension and provident funds was as follows

Pension Fund	Number Of Members	
	2017/2018	2018/2019
Municipal Gratuity Fund	17	19
National Fund For Municipal Workers	5	14
Joint Municipal Pension Fund	0	0

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Sala Pension Fund 96 92	0	0
Municipal Councillors Pension Fund	64	64
Municipal Employees Pension Fund	359	342
Meshawu Pension Fund	0	0
Samwu Pension Fund	0	0
Gepf	2	1

## Medical Aid Funds

The medical aid funds are accredited by the south African local government bargaining Council (slack). the Council 's actual expenditure for the 2018/2019 financial year towards the employer's contribution to total medical aid funds is R 7 116 184

Medical Aid Fund	2017/2018 Number Of Members	2018/2019 Number Of Members	2017/2018 Employer's Contribution (R)	2018/2019 Employer's Contribution (R)
Key Health/ LA Health	8	38	706 367	764 480
Hosmed	38	32	1 290 150	1 214 324
Bonitas	37	40	1 170 174	1 391 271
Munimed	25	5	141 532	152 273
Samwu Med	177	165	3 267 042	3 593 836
<b>Total</b>	<b>295</b>	<b>270</b>	<b>6 575 265</b>	<b>7 116 184</b>

## Outstanding Monies

MFMA circular 11 requires that municipalities disclose arrears (outstanding monies) by Councillors and section 56 Managers:-

Accounts in arrear as at present	Arrears: jun-2018 (R)	Arrears: jun-2019 (R)
Councillors	383 872	409 072

Note: the full report is on annual financial statement

## Disclosure concerning executive Councillors and section 56 managers

The following table reflects the remuneration for executive Councillors and section 56 managers:-

Designation	Remunerable( Package ) (R)	
	2017/2018	2018/2019
Executive Council	826 414	859 471
Section 56 Managers	3 301 854	5 791 969
Part Time/ Section 79	15 374 411	15 970 468

Designation	Remuneration (Package) (R)
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	2017/2018	2018/2019
Executive Mayor	859 471	877 709
Speaker	661 129	687 575
Chief Whip	619 811	644 603
MMC'S	3 099 055	3 223 015
Municipal Manager	1 104 255	1 129 229
Manager Corporate Service	884 770	932 548
Manager SDS	884 770	932 548
Manager Technical Services	1 019 774.12	932 548
CFO	884 770	932 548
DTPS	884 770	932 548

Designation	Additional (Benefits) (R)	
	2017/2018	2018/2019
Executive Mayor	44 400	44 400
Speaker	44 400	44 400
Chief Whip	44 400	44 400
MMC'S	222 000	222 000
Part Time/ Section 79	2 486 400	2 486 400
Municipal Manager	27 000	27 000
Manager Corporate Service	15 000	15 000
Manager SDS	15 000	15 000
Manager Technical Services	15 000	15 000
CFO	15 000	15 000
DTPS	15 000	15 000

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## EMPLOYEE INFORMATION

Employees: Human Resource Services					
Job Level	2017/2018	2018/2019			
	Employees	Posts	Employees	Vacancies (Fulltime Equivalents)	Vacancies (As A % Of Total Posts)
	No.	No.	No.	No.	%
3	1	1	1	0	0%
4 - 6	6	7	6	1	14%
7 - 9	1	1	1	0	0%
10 - 12	0	0	0	0	0%
13 - 15	0	0	0	0	0%
Total	7	9	8	1	11.1%

## FINANCIAL PERFORMANCE AND CAPITAL EXPENDITURE 2017/2018 AND 2018/2019: CORPORATE SERVICES (HR)

VOTE	DETAIL	2017/2018 BUDGET	2017/2018 ACTUAL	2018/2019 BUDGET	2018/2019 ACTUAL
		5 482 064	3 409 275.44	4 151 851	4 151 851
106	SALARIES				
106	BONUS	561 245	276 0445	350 472	344 740
106	SALGBC	4 284	1 221	1 386	1 365
106	ACTING ALLOWANCE	75 000	50 055	78 975	18 890
106	PENSION CONTRIBUTIONS	1 092 573	657 211	857 980	857 980
106	MEDICAL AID CONTRIBUTIONS	418 372	327 001	384 699	384 699
106	HOUSING SUBSIDIES	29 925	28 678	27 276	27 276
106	U I F CONTRIBUTIONS	43 923	23 944	24 985	23 200
106	W C C CONTRIBUTIONS	928 261	927 897	839 096	838 752
106	OVERTIME	0	0	0	0
106	TRAVEL ALLOWANCES	271 488	45 000	120 000	110 000
106	CELLPHONE ALLOWANCES	27 600	8 350	13 800	13 800
106	HARDWARE REPAIRS & MAINTENANCE	0	0	0	0
106	VEHICLES	0	0	0	0



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106	SKILLS DEVELOPMENT LEVY	137 936	39 263	46 674	48 070
106	ADVERTISMENT	283 176	214 932	254 858	230 551
106	FUEL	0	0	0	0
106	PRINTING AND STATINERY	2 648 287	963 646	1 211 386	967 488
106	LICENCES	0	0	0	0
106	RENTAL OF OFFICE EQUIP	846 679		891 558	921 614
106	MATERIAL OF SUPPLIES	0	0	63 180	0
106	STRATEGIC PLANNING	196 880	181 860	62 650	28 500
106	ENTERTAINMENT	0	0	0	0
106	TRAINING	1 539 000	527 008	1 538 913	964 920
106	LEGAL COSTS	0	0	0	0
106	SOFTWARE LICENCE	0	0	0	0
106	TRAVELLING AND SUBSISTANCE	150 000	13 001	35 000	14 256
106	ACCOMODATION AND MEALS	250 000	262 178	1 018 116	327 252
106	POSTAGE	0	0	0	0
105	HIRE CHARGES	78 000	44 160	82 134	0
106	COMPETENCY ASSESSMENT	100 000	56 072	105 300	51 934
106	OHS PROGAMMES	510 000	66 050	252 720	71 600
106	MACHINERY & EQUIPMENT	0	0	0	0
106	COMPUTER EQUIPMENT	0	0	0	0
106	FURNITURE	0	0	0	0
106	LEAVE DAYS	720 000	323 555	682 344	341 025
106	PROVISION FOR BONUS	6 445 840	259 510	6 929 278	372 158
106	PROVISION FOR LEAVE	3 988 509	777	4 287 647	1 017 602
106	PROVISION FOR ACTUARIES	3 192 000	657 000	3 431 400	0
106	TOLL GATE FEES	4 500	1 553	4 738	1 383
106	CAR HIRE	6 500	0	6 845	1 320
106	FLIGHT BOOKINGS	5 500	0	12 500	0
106	LONG TERM SERVICE	1 405 457	729 107	1 331 951	738 751

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106	STANDBY ALLOWANCE	0	0	56 966	23 129
106	EMPLOYEE WELLNESS	0	0	207 000	176 500

## FINANCIAL PERFORMANCE AND CAPITAL EXPENDITURE 2017/2018 AND 2018/2019: FLEET MANAGEMENT

VOTE	DETAIL	2017/2018 BUDGET	2017/2018 ACTUAL	2018/2019 BUDGET	2018/2019 ACTUAL
		2 662 109		4 269 569	
106	SALARIES		2 587 114		3 244 289
106	BONUS	250 274	221 379	394 798	261 290
106	SALGBC	1 800	1 221	1 386	1 365
106	ACTING ALLOWANCE	16 333	20 588	28 160	28 160
106	PENSION CONTRIBUTIONS	472 766	466 075	611 070	611 070
106	MEDICAL AID CONTRIBUTIONS	50 148	112 706	137 274	137 274
106	HOUSING SUBSIDIES	0	0	0	0
106	UIF CONTRIBUTIONS	21 698	21 100	24 985	23 200
106	TRAVEL ALLOWANCES	60 000	60 000	120 000	110 000
106	CELLPHONE ALLOWANCES	15 400	34 600	52 200	47 400
106	STANDBY ALLOWANCE	0	0	187 984	69 388
106	VEHICLES	7 963 736	0	807 000	760 883
106	CONTRACTORS:MAINTENANCE OF UNSPECIFIED ASSETS		2 293 200	3 392 033	2 922 137
106	SKILLS DEVELOPMENT LEVY	28 998	29 177	35 804	35 804
106	CONTRACTORS:MAINTENANCE OF EQUIPMENT	0	0	6 294 452	4 826 613
106	FUEL	5 700 000	6 423 207	6 681 238	7 099 624
106	LICENCES	864 950	744 868	960 792	939 937
106	RENTAL OF VEHICLE	3 600 000	326 806	266 004	117 345
106	LEASE OF VEHICLES	0	0	2 071 000	0
106	EXECSS PAYMENT	0	0	105 300	26 267
106	TRANSPORT WITHOUT OPERATOR	9 996	4 136	15 552	0
106	ACCOMODATION	9 996	2 460	10 524	0

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106	FOOD AND BEVERAGES	5 004	849	5 268	0
106	VEHICLE TRACKING	867 000	531 650	776 655	600 760
106	TOLL GATE FEES	1 500	588	1 580	1 333
106	CAR HIRE	4 500	0	0	0
106	FLIGHT BOOKING	5 000	0	10 000	0
106	MATERIAL OF SUPPLIES	200 000	198 033	469 377	248 914

## FINANCIAL PERFORMANCE AND CAPITAL EXPENDITURE 2017/2018 AND 2018/2019: ICT

VOTE	DETAIL	2017/2018 BUDGET	2017/2018 ACTUAL	2018/2019 BUDGET	2018/2019 ACTUAL
106	SALARIES	3 020 436	2 999 221	3 467 903	3 467 903
106	BONUS	251 700	249 775	291 724	291 724
106	SALGBC	4 320	1 188	1 188	1 260
106	ACTING ALLOWANCE	20 004	4 647	25 994	25 994
106	PENSION CONTRIBUTIONS	556 188	552 158	699 280	699 280
106	MEDICAL AID CONTRIBUTIONS	264 528	251 452	261 444	254 003
106	HOUSING SUBSIDIES	8 904	9 559	10 270	10 228
106	U I F CONTRIBUTIONS	21 600	21 348	21 420	21 358
106	POSTAGE/FRANKLING MACHINE	37 092	1 885	150 310	108 509
106	TELECOMMUNICATION	1 704 648	1 616 552	1 795 000	1 157 334
106	TRAVEL ALLOWANCES	80 000	82 000	120 000	114 000
106	CELLPHONE ALLOWANCES	9 000	9 000	11 209	9 000
106	HARDWARE REPAIRS & MAINTENANCE	422 404	272 619	494 210	240 049
106	CONUMABLE: STANDARD RATED	45 000	29 700	47 390	0
106	SKILLS DEVELOPMENT LEVY	34 328	34 085	35 448	39 348
106	MAIONTENANCE OF EQUIPMENT	53 688	8 850	372 850	279 100

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106	MAINTENANCE OF UNSPECIFIED ASSETS	140 004	43 733	147 424	29 280
106	ACQUISITION OF COMPUTER EQUIPMENT	0	0	880 000	771 571
106	BIO-MATRIX SYSTEM	0	0	316 318	308 414
106	REPLACEMENT OF SERVER	0	0	550 000	0
106	ACCOMODATION	30 000	11 192	31 596	4 248
106	FOOD AND BEVERAGES	5 004	3 456	5 268	1 448
106	TRAVELLING AND SUBSITENCE	33 733	31 199	35 520	11 232
106	MATERIAL OF SUPPLIES	265 000	0	310 640	123 953
106	PROFESSIONAL BODIES MEMBERS	24 000	13 200	25 270	12 650
106	GPS LICENCE FEES	60 000	0	63 180	0
106	SOFTWARE LICENCE	4 472 109	2 807 670	3 959 220	3 300 600
106	SPECIALISED COMPUTER SERVICES	712 600	0	833 810	0
106	TOLL GATE FEES	1 500	176.00	1 580	0
106	CAR HIRE	4 500	0	4 740	0
106	FLIGHT BOOKING	6 000	0	10 000	0

## FINANCIAL PERFORMANCE AND CAPITAL EXPENDITURE 2017/2018 AND 2018/2019: LEGAL

VOTE	DETAIL	2017/2018 BUDGET	2017/2018 ACTUAL	2018/2019 BUDGET	2018/2019 ACTUAL
106	SALARIES	855 348	855 026	960 730	960 730
106	BONUS	71 280	71 252	80 061	80 060
106	SALGBC	720	942	3 564	210
106	ACTING ALLOWANCES	9 996	29 574	21 039	21 039
106	PENSION CONTRIBUTIONS	176 568	176 507	197 116	197 116
106	MEDICAL AID CONTRIBUTIONS	71 580	70 323	79 956	73 008

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106	HOUSING SUBSIDIES	0	0	0	0
		3 624	2 826	3 816	3 867
106	U I F CONTRIBUTIONS				
106	TRAVEL ALLOWANCES	0	0	120 000	100 000
		10 600	9 753	9 000	9 000
106	CELLPHONE ALLOWANCES				
		8 136	9 753	10 188	11 549
106	SKILLS DEVELOPMENT LEVY				
		24 996	15 056	26 316	10 851
106	TRAVELLING AND SUBSISTENCE				
106	ACCOMODATION	30 000	0	31 560	782
		5 004	0	5 268	388
106	FOOD AND BEVERAGES				
		2 754 492	2 023 668	1 699 236	322 428
106	LEGAL COSTS				
106	TOLL GATE FEES	2 500	0	2 630	0

## 3.20 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

This component includes: Information and Communication Technology (ICT) services.

The ICT services are broadly defined as follows:-

1. Information Management Services
2. Information Technology Services
3. Information System Services
4. Network Management Services

### INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

The ICT unit is responsible for the delivery of ICT services across the Municipality. The unit is responsible for devising change programmes across the departments in order to deliver a modern ICT service function. The unit run the management and development of information and network systems which devise an effective ICT management

#### Brief Introductory Comments

Information, Communication & Technology services in the Thembisile Hani Local Municipality is regarded as a strategic resource. A strategic resource, which it is, viewed as both a critical and catalyst function for enabling service delivery at the customer face.

Key to the strategic nature of ICT in the Municipality is the enabling of the Municipal key objectives of the Municipality in order to meet its constitutional obligations. ICT enables the achievement of these obligations by deploying relevant information technology solutions.

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The following policies have been developed and the related it service provided daily to

Departments:-

Corporate services department

Finance department

Social services department

Technical services department

Municipal Manager's Office

Political office bearers

2017/2018 Adopted Policies	2018/19 Adopted Policies
Patch Management Policy	Patch Management Policy
Information Security Policy	Information Security Policy
Reviewed ICT Governance Framework	Reviewed ICT Governance Framework
Back-Up Policy	Back-Up Policy
ICT Change Management Policy	ICT Change Management Policy
Internet Usage Policy	Internet Usage Policy
Email Policy	Email Policy
Password Policy	Password Policy
Telephone Usage Policy	Telephone Usage Policy
THLM Corporate Governance Of ICT Charter	THLM Corporate Governance Of ICT Charter

## EMPLOYEE INFORMATION

Job Level	Employees: Information Technology				
	2017/2018	2018/2019			
	Employees	Posts	Employees	Vacancies (Fulltime Equivalents)	Vacancies (As A % Of Total Posts)
	No.	No.	No.	No.	%
3	1	1	1	0	0%
4 - 6	3	3	3	0	0%
7 - 9	0	0	0	0	0%
10 - 12	2	2	2	0	0%
13 - 15	0	0	0	0	0%
Total	6	6	6	0	0%

## COMMENT ON THE PERFORMANCE OF ICT SERVICES OVERALL

The Thembisile Hani Local Municipality has priority in its capital project running. This are: Maintain and ensure the smoth running of Municipality

- ICT hardware/software maintenance
- Renewal of 2013 Microsoft office, Anti-virus, financial system licences (Munsoft and SAGE 300 people).

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- Updated Municipal website
- Implemented Mscoa Compliant on financial system (Munsoft)
- Procurement of 34 laptops, Server, 15 Desktop, and 20 Desktop phones.financial server and 21 Desktop Phones
- Maintained 06 (Mathynsloop, Workshop, Tweefontein K, Traffic Centre, Kwamhlanga and Mandela satellite offices) satellite offices using wireless technology.

## 3.21 LEGAL AND ADMINISTRATION SERVICES

### INTRODUCTION TO LEGAL AND ADMINISTRATION SERVICES

The aim of legal services is to ensure a proper legal service to Council and the Municipal Manager, as well as the Executive Mayor and his members of Mayoral Committee and other structures in Council. Prepare and ensure approval of legal documents relating to Council.

Employees: Legal & Secretariat Services					
Job Level	2017/2018	2018/2019			
	Employees	Posts	Employees	Vacancies (Fulltime Equivalents)	Vacancies (As A % Of Total Posts)
	No.	No.	No.	No.	%
3	1	1	1	0	0%
4 - 6	2	2	2	0	0%
7 - 9	0	0	0	0	0%
10 - 12	5	5	3	2	40%
13 - 15	0	0	0	0	0%
Total	8	8	6	2	25%

Note: All the legal expenditures are included in the Corporate Service (vote 106)

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## 3.22 FLEET MANAGEMENT

### INTRODUCTION

The section provides fleet services for the Municipality and in doing so it is guided by the fleet management policy.

### STATUS OF COUNCIL FLEET AS OF JULY 2018 TO JUNE 2019

Thembeile Hani Local Municipality has a fleet management component responsible for the management and administration of One hundred and twenty six (126) fleet assets as per the revised fleet register for 2018/2019 financial year below. These fleet composition consist of vehicles, plant and equipment.

THEMBISILE HANI LOCAL MUNICIPALITY				
FLEET UNIT				
FLEET REGISTER 2018/2019				
WATER CARTS				
REGISTRATION NO.	MADE	TYPE	YEAR MODEL	FUEL
1. DVC 918 MP	NISSAN	WATER TANK	2007	DIESEL
2. FDV 718 MP	NISSAN	WATER TANK	2007	DIESEL
3.DXS 688 MP	FAW	WATER TANK	2007	DIESEL
4. DXS 693 MP	FAW	WATER TANK	2007	DIESEL
5. DXS 697 MP	FAW	WATER TANK	2007	DIESEL
6. FLZ 921 MP	ISUZU	WATER TANK	2010	DIESEL
7. FLZ 923 MP	ISUZU	WATER TANK	2010	DIESEL
8. FMF 292 MP	ISUZU	WATER TANK	2010	DIESEL
9. DSH 922 MP	ISUZU	WATER TANK	2008	DIESEL
10. DSH 909 MP	ISUZU	WATER TANK	2008	DIESEL
11. HDP 501 MP	NISSAN	WATER TANKER	2013	DIESEL
12. DHY 232 MP	NISSAN	WATER TANKER	2013	DIESEL
13. HCY 384 MP	NISSAN	WATER TANKER	2013	DIESEL
14. HCY 384 MP	NISSAN	WATER TANKER	2013	DIESEL
HONEY SUCKERS				
1.DSH 919 MP	ISUZU	HONEY SUCKERS	2008	DIESEL
2.DSH 914 MP	ISUZU	HONEY SUCKER	2008	DIESEL
3. FZB 485 MP	NISSAN	HONEY SUCKER	2013	DIESEL
4.FZB 487 MP	NISSAN	HONEY SUCKERS	2013	DIESEL
TIPPER TRUCKS				
1.DXT 171 MP	NISSAN	TIPPER	2009	DIESEL
2.DXT 176 MP	NISSAN	TIPPER	2009	DIESEL
3. DRH 754 MP	ISUZU	TIPPER	2009	DIESEL



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4. DRH 748 MP	ISUZU	TIPPER	2009	DIESEL
5. DVC 913 MP	NISSAN	TIPPER	2009	DIESEL
6. HDP 489 MP	NISSAN	TIPPER	2013	DIESEL
7. HDP 484 MP	NISSAN	TIPPER	2013	DIESEL
8. HDP 389 MP	NISSAN	TIPPER	2013	DIESEL
9. HDP 505 MP	NISSAN	TIPPER	2013	DIESEL
10. HDP 489 MP	NISSAN	TIPPER	2013	DIESEL
11. HFD 909 MP	NISSAN	TIPPER	2013	DIESEL
VARIETY				
1.DVC 923 MP	NISSAN	CASTAR	2009	DIESEL
2.HCD 563 MP	NISSAN	UD LOWBED	2013	DIESEL
3.HBP 383 MP	NISSAN	PICKER	2013	DIESEL
4.DRS 963 MP	FAW	PICKER	2013	DIESEL
5. HCD 587 MP	Payloader	Lowbed Trailer	2013	N/A
COMPACTORS				
1.DJN 789 MP	NISSAN	COMPACTOR	2009	DIESEL
2.FSP 929 MP	NISSAN	COMPACTOR	2009	DIESEL
3.FVP 717 MP	NISSAN	COMPACTOR	2009	DIESEL
4.HBY802 MP	NISSAN	COMPACTOR	2013	DIESEL
5.HGW 505 MP	NISSAN	COMPACTOR	2013	DIESEL
6.HGW 609 MP	NISSAN	COMPACTOR	2013	DIESEL
GRADERS				
REGISTRATION NO.	MADE	TYPE	YEAR MODEL	FUEL
1. DPX 610 MP	BELL	BELL	2007	DIESEL
2. DPX 617 MP	KOMATSU	KOMATSU	2007	DIESEL
3. FDV 722 MP	CAT	CAT	2008	DIESEL
4. FZL 582 MP	BELL	BELL	2013	DIESEL
5. FWX 044 MP	SHANTUI	SHANTUI	2012	DIESEL
6. CWY 815 MP	BELL	BELL	2002	DIESEL
7. HCY 357 MP	BELL	BELL	2013	DIESEL
TLBS				
REGISTRATION NO.	MADE	TYPE	YEAR MODEL	FUEL
1. CZN 065 MP	CAT	CAT	2000	DIESEL
2. FDV 720 MP	BELL	BELL	2012	DIESEL

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3. FVX 817 MP	BELL	BELL	2012	DIESEL
4. FVX 819 MP	BELL	BELL	2012	DIESEL
5. FVX 821 MP	BELL	BELL	2012	DIESEL
6. FYD 917 MP	BELL	BELL	2013	DIESEL
7. FYD 922 MP	BELL	BELL	2013	DIESEL
8. FYD 924 MP	BELL	BELL	2013	DIESEL
<b>EXCAVATORS</b>				
REGISTRATION NO.	MADE	TYPE	YEAR MODEL	FUEL
1. JCB	JCB	JCB	2011	DIESEL
2. BELL	BELL	BELL	2013	DIESEL
<b>BOMAG</b>				
REGISTRATION NO.	MADE	TYPE	YEAR MODEL	FUEL
1. FDR 834 MP	BELL	BELL	2012	DIESEL
2. BELL	BELL	BELL	2013	DIESEL
<b>DOZER</b>				
REGISTRATION NO.	MADE	TYPE	YEAR MODEL	FUEL
1. BELL	BELL	BELL	2012	DIESEL
<b>FRONT LOADER</b>				
REGISTRATION NO. MADE	TYPE	YEAR MODEL	FUEL	
1. FRONT END LOADER	LOADER	LOADER	2000	DIESEL
<b>KOMBIS</b>				
REGISTRATION NO.	MADE	TYPE	YEAR MODEL	FUEL
1. DGG 503 MP	TOYOTA	QUANTUM	2004	DIESEL
<b>TRACTORS</b>				
REGISTRATION NO.	MADE	TYPE	YEAR MODEL	FUEL
1. DDS 201 MP	MASSEY	MASSEY	2000	DIESEL
2. DDS 214 MP	MASSEY	MASSEY	2002	DIESEL
3. FPJ 632 MP	MASSEY	MASSEY	2012	DIESEL
4. FPJ 638 MP	MASSEY	MASSEY	2012	DIESEL
5. FPJ 642 MP	MASSEY	MASSEY	2012	DIESEL
6. HFY 726 MP	LANDINI	SOLIS	2013	DIESEL
7. HFY 731 MP	LANDINI	SOLIS	2013	DIESEL
8. HFY 733 MP	LANDINI	SOLIS	2013	DIESEL

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9. DXD 889 MP	MASSEY	MASSEY 400	2012	DIESEL
BAKKIES				
REGISTRATION NO.	MADE	TYPE	YEAR MODEL	FUEL
1. DWW 136 MP	NISSAN	BAKKIE	2007	DIESEL
2. DWW 137 MP	NISSAN	BAKKIE	2007	DIESEL
3. DWW 134 MP	NISSAN	BAKKIE	2007	DIESEL
4. DWW 141 MP	NISSAN	BAKKIE	2007	DIESEL
5. DWW 142 MP	NISSAN	BAKKIE	2007	DIESEL
6. DPY 734 MP	NISSAN	BAKKIE	2006	DIESEL
7. DPY 715 MP	NISSAN	BAKKIE	2006	DIESEL
8. DPY 707 MP	NISSAN	BAKKIE	2006	DIESEL
9. DPY 780 MP	NISSAN	BAKKIE	2006	DIESEL
10. DPY 701 MP	NISSAN	BAKKIE	2006	DIESEL
12. DPY 802 MP	NISSAN	BAKKIE	2006	DIESEL
13. DPY 747 MP	NISSAN	BAKKIE	2006	DIESEL
14. DPY 772 MP	NISSAN	BAKKIE	2006	DIESEL
15. DPY 725 MP	NISSAN	BAKKIE	2006	DIESEL
16. DFS 353 MP	FORD	BAKKIE	2012	PETRO L
17. FSB 801 MP	NISSAN	BAKKIE	2012	DIESEL
18. FSB 882 MP	NISSAN	BAKKIE	2012	DIESEL
19. FSB 887 MP	NISSAN	BAKKIE	2012	DIESEL
20. FSB 890 MP	NISSAN	BAKKIE	2012	DIESEL
21. DFY 131 MP	NISSAN	BAKKIE	2004	PETRO L
22. FYZ 065 MP	NISSAN	BAKKIE	2013	DIESEL
23. FYZ 066 MP	NISSAN	BAKKIE	2013	DIESEL
24. FYZ 067 MP	NISSAN	BAKKIE	2013	DIESEL
25. FYZ 069 MP	NISSAN	BAKKIE	2013	DIESEL
26. DRD 053 MP	ISUZU	BAKKIE	2007	PETRO L
27. HFN 945 MP	NISSAN	BAKKIE	2013	PETRO L
28. HFN 956 MP	NISSAN	BAKKIE BULK	2013	DIESEL
29. HFN 972 MP	NISSAN	BAKKIE ROADS	2013	DIESEL
30. HFJ 699 MP	TOYOTA HILUX	BAKKIE DISASTER	2013	DIESEL

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PRIVATE/SEDANS				
REGISTRATION NO.	MADE	TYPE	YEAR MODEL	FUEL
1. CXP 399 MP	ALMERA	SEDAN	2004	PETROL
2. DFS 347 MP	ALMERA	SEDAN	2004	PETROL
3. FSB 896 MP	TIIDA	SEDAN	2013	PETROL
4. FSB 895 MP	TIIDA	SEDAN	2012	PETROL
5. FSB 897 MP	TIIDA	SEDAN	2012	PETROL
7. FYZ 864 MP	TIIDA	SEDAN	2013	PETROL
8. FYZ 878 MP	TIIDA	SEDAN	2013	PETROL
9. FYZ 874 MP	TIIDA	SEDAN	2013	PETROL
10. DFT 019 MP	MAZDA	SEDAN	2002	PETROL
11. FYZ 872 MP	TIIDA	SEDAN	2013	PETROL
12. HVV 923 MP	MERC BENZ	SEDAN	2016	PETROL
DRAWN VEHICLES				
1. DCJ 096 MP	FID	TRAILER	N/A	DRAWN
2. DCJ 124 MP	FID	TRAILER	N/A	DRAWN
3. DDR 434 MP	TELCOM	TRAILER	N/A	DRAWN
4. DDR 438 MP	TELCOM	TRAILER	N/A	DRAWN
5. DDR 442 MP	TELCOM	TRAILER	N/A	DRAWN
6. DDR 447 MP	TELCOM	TRAILER	N/A	DRAWN
7. HCD 587 MP	KEARNEY'S TRA.	TRAILER	2013	DRAWN
8. HCJ 901 MP	H/CAN	TRAILER	2013	DRAWN
9. HJR 737 MP	H/CAN	TRAILER	2013	DRAWN
10. HJR 738 MP	H/CAN	TRAILER	2013	DRAWN
11. HJR 747 MP	H/CAN	TRAILER	2013	DRAWN
12. HJR 749 MP	H /CAN	TRAILER	N/A	DRAWN
13 HJR 752 MP	H/CAN	TRAILER	N/A	DRAWN

## REPAIRS AND MAINTENANCE

Small Council vehicles are repaired and maintained in house, plant and equipment are repaired and maintained through the service provider since 2017 /2018 financial year to date, we repair and maintain our Municipal fleet in order to render a cost effective fleet operations to meet day to day target in delivering services to our communities.

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## COMPONENT G: MISCELLANEOUS

### 3.23 ANNUAL PERFORMANCE REPORT

**THIS COMPONENT INCLUDES: ANNUAL PERFORMANCE SCORECARD REPORT FOR THE CURRENT YEAR.**

The Municipal Planning and Performance Management Regulations (2001) stipulates that a "Municipality's Performance Management System entails a framework that describes and represents how the Municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organized and managed, including determining the roles of the different role-players" (chapter 3, section 7, Municipal Planning and Performance Management Regulations, 2001).

The 2018/2019 performance management framework and policy was adopted by Council

The Annual Performance Report must be presented to the auditor general for auditing together with the Annual Financial Statements on 31 August 2019.

## COMPONENT K: ORGANISATIONAL PERFORMANCE SCORECARD

### INTRODUCTION AND BACKGROUND

This report is compiled in terms of the Municipal Systems Act (MSA), 32 of 2000, section 46(1) and (2). It covers the performance information of the Municipality from 1 July 2018 to 30 June 2019 and focuses on the implementation of the 2018/2019 Revised Service Delivery Budget and Implementation Plan (SDBIP), in relation to the objectives as encapsulated in the Municipality's Integrated Development Plan (IDP). In addition, the report provides an overview of improvements made to the Performance Management System (PMS) and an overview of financial performance.

In the year under review (2018/2019), Thembisile Hani Local Municipality had five (5) departments, namely; Technical Services, Social Development Services, Corporate Services, Finance Service, as well as the Municipal Manager's Office.

### PURPOSE

The purpose of this report is to provide the records of the activities for the financial year 2018/2019 to Cooperative Governance and Traditional Affairs, Provincial and National Treasury, and Auditor-General and to the citizens of Thembisile Hani Local Municipality on progress being made by Municipality towards achieving the overall goals. Furthermore, the report is a key performance report to the communities and other stakeholders in keeping with the principles of transparency and accountability of government to the citizens.

### METHODOLOGY FOLLOWED IN COMPILING THE REPORT

In terms of Section 46 of the Municipal Systems Act 32 of 2000,

- (1) A Municipality must prepare for each financial year a performance report reflecting-
  - (a) The performance of the Municipality and of each external service provider during that financial year;
  - (b) A comparison of the performances referred to in paragraph (a) with targets set for and performances in the previous financial year and

# Chapter 3

(c) Measures taken to improve performance.

(2) An Annual Performance Report must form part of the Municipality's Annual Report in terms of chapter 12 of the Municipal Finance Management Act.

In terms of Chapter 6 of the Municipal System Act, No. 32 of 2000 municipalities must monitor and measure the progress of their performance by preparing Quarterly, Mid-year and Annual Performance Reports.

## INSTITUTIONAL PERFORMANCE MANAGEMENT PROCESS OVERVIEW

In the 2018/2019 financial year, every attempt was made to ensure that the Municipality complies with the legislation concerning the development, operation and maintenance of a Performance Management System that is commensurate to the institutional service delivery objectives captured in the IDP. Thembisile Hani Local Municipality has continued to maintain an effective operation of the following mechanisms:

- The 2018/2019 IDP included strategic objectives, strategies and key performance indicators (KPI's) as required by the Municipal Systems Act, 32 of 2000;
- The budget for implementation of the IDP was approved within the prescribed timelines prescribed in the Municipal Finance Management Act, 56 of 2003;
- After approval of the budget, the SDBIP was developed to integrate the IDP and the budget and to ensure effective implementation of the institutional strategies;
- Performance agreements which incorporates performance plans were developed and signed as required by the Municipal Performance Regulations, 2006;
- Quarterly performance reports with supporting evidence were prepared by managers directly reporting to the Municipal Manager (MM);
- Quarterly performance reports were objectively and independently audited by the Internal Audit Unit verifying the accuracy and credibility of the reported performance information; and
- The Performance Audit Committee (PAC) functioned optimally in the year; in line with the Committee's approved terms of reference

## DEVELOPMENT OBJECTIVES

The following are the strategic objectives that the Municipality has set:

- To improve the organisational development capacity of the Municipality in order to render effective service delivery
- To enhance revenue and to ensure financial viability and sustainability.
- To reduce infrastructure and service backlogs and to establish a high quality environment with the associated physical infrastructure.
- To improve the quality of life of the community by providing them, with water supply, sanitation, roads as well as amenities such community halls and basic recreational facilities.
- To improve the quality of life of the community through providing them with community facilities and containing the HIV/AIDS epidemic in the area.
- To ensure that residents live within a safe environment by illuminating strategic nodal point.
- To utilize the Municipal area's agricultural potential to the maximum

# Chapter 3

- To promote local economic development and growth through the identification and facilitation of economic opportunities, tourism and mining.
- To deepen democracy and strengthen democratic institutions through active Public Participation

## MUNICIPAL PRIORITIES

The Annual Performance Report is structured to show how projects were implemented within the financial year to address the IDP priorities.

- issue 1: institutional development
- issue 2: financial viability
- issue 3: public participation and good governance
- issue 4: water
- issue 5: sanitation
- issue 6: electricity (communal and street light)
- issue 7: road and storm water
- issue 8: public transport
- issue 9: cemeteries
- issue 10: waste and environmental management
- issue 11: Municipal facilities, sport, recreation, art & culture
- issue 12: public safety, security and emergency services
- issue 13: spatial planning and land use management
- issue 14: local economic development
- issue 15: youth development
- issue 16: transversal issue

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## OVERALL CONCLUSION

During the 2018/2019 financial year the overall performance of Thembisile Hani Local Municipality is **59%** success rate achievement. As compared to **65%** success rate achieved during the 2017/2018 financial year.

KEY PERFORMANCE AREA	TOTAL NO. OF TARGET		TOTAL ACHIEVED		NOT ACHIEVED	
	No	%	No	%	No	%
1. Basic Service Delivery						
1.1. Technical Services	96	100%	42	43%	54	57%
1.2. Social Development Services	10	100%	06	60%	04	40%
2. Municipal Transformation and Institutional Development	35	100%	25	71%	10	29%
3. Municipal Financial Viability and Management	20	100%	13	65%	07	35%
4. Good Governance And Public Participation	53	100%	38	72%	15	28%
5. Local Economic Development	13	100%	10	77%	03	23%
<b>TOTAL</b>	<b>227</b>	<b>100%</b>	<b>134</b>	<b>59%</b>	<b>93</b>	<b>41%</b>

  
O.N. Nkosi

Municipal Manager

Date: 27/11/2019



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## KPA: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

### TECHNICAL SERVICE

The department of Technical Services overall performance for 2018/2019 financial year is 43% achievement. The department managed to achieve 42 targets out of the 96 planned targets, as compared to 51% achieved in 2017/2018 financial year, out of 75 planned targets 38 targets was achieved.

KPA PROJ CT CODE	BASIC SERVICE DELIVERY		REVIS ED ANNUAL TARGET 2018/2019	ADJUST ED ANNUAL BUDGET (INPUT INDICATO R)	ACTUAL PERFORM ANCE	EXPENDITU RE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/CO MMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	STRATEG IC OBJECTI VE	PROJECT NAME/ DESCRIPTIO N								
DTS001	To provide household services with basic services including water, adequate sanitation, adequate public lighting and accessible road	Construction of New Reservoir and at KwaMhlanga for Phola Park and Mountain View Communities - Phase 2	1 reservoir completed (10ML) by 30 <sup>th</sup> June 2019	R 2 000 000	1 reservoir practically completed	R 837 000	Yes	Snag List To be completed by the Contractor	Contractor not able to complete snag list due to non-payment by the Municipality. Snag list to be completed in 1 <sup>st</sup> quarter and payment submitted to be paid 2019/2020 Financial year.	Appointment letter, Quarterly progress reports, Completion certificates.
WATER										

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KPA		BASIC SERVICE DELIVERY										
PROJ CT CODE	STRATEG IC OBJECTI VE	PROJECT NAME/ DESCRIP TION	KEY PERFOR MANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTE D ANNUAL BUDGET (INPUT INDICATO R)	ACTUAL PERFORM ANCE	EXPENDITU RE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
DTSS004	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Upgrading of Existing Infrastructure from Agricultural Project to Augment Borehole Water Supply in Bundu - Construction of a Bulk Pipeline, Chambers and Fittings, and Surge Mitigation in Mathyvensloop and Boekenhouth oak	Number of km's of bulk pipeline constructed	6.7 km's of bulk pipelines completed	2.4 km's of bulk pipeline constructed by 30 <sup>th</sup> June 2019	R 19 177 392	2.6 km's of bulk pipeline constructed with pending snag list	R 22 967 070.03	Yes	Completion of chambers and the connection point.	Connection and bulk pipeline chambers to be completed in 1st quarter.	Appointment letter, quarterly progress report, completion certificate
DTSS005	To provide household with basic services including water, adequate sanitation, adequate	Upgrading of Existing Infrastructure from Agricultural Project to Augment Borehole Water Supply	Number of Water Treatment Plant constructed	Construction of a 2.5 Ml Water Treatment Plant	1 Water Treatment Plant (10 Ml) constructed by 30 <sup>th</sup> June 2019	R 41 059 158	1 Water Treatment Plant (2.5 Ml) constructed	R 43 123 891.38	No	Budget constraints that led to the stoppage of construction work by local sub-contractors.	Fast track the construction and development of acceleration plans by contractors.	Appointment letter, quarterly progress report, completion certificate

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BASIC SERVICE DELIVERY													
KPA	PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
		public lighting and accessible road	in Bundu - Construction of a Water Treatment Plant										
DTS006		To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Upgrading of Existing Infrastructure from Agricultural Project to Augment Borehole Water Supply in Bundu - Construction of a 10 Ml Reinforced Concrete Reservoir	Number of reinforce concrete reservoir constructed	Platform and foundation of the Reinforced Concrete Reservoir constructed	1 Reinforce concrete reservoir constructed by 30 <sup>th</sup> June 2019	R 10 470 680	1 Reinforce concrete reservoir constructed with pending snag list	R 10 925 407.67	Yes	Completion of the bulk line connection at Boekenhouthoek and chambers.	Testing and commissioning to be completed in the 1 <sup>st</sup> quarter	Appointment letter, quarterly progress report, completion certificate
DTS123		To provide household with basic services including water, adequate sanitation, adequate public	Water Infrastructure Malmysensloop Reservoir	Number of reinforce concrete reservoir constructed	Reservoir foundation casted Steel fixing for the reservoir walls	1 Reinforce concrete reservoir constructed by 30 <sup>th</sup> June 2019	R 987 000	1 Reinforced concrete reservoir constructed	R 848 218	Yes	None	None	Appointment letter, quarterly progress report, completion certificate

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KPA		BASIC SERVICE DELIVERY										
PROJ CT CODE	STRATEG IC OBJECTI VE	PROJECT NAME/ DESCRPTIO N	KEY PERFOR MANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTE D ANNUAL BUDGET (INPUT INDICATO R)	ACTUAL PERFORM ANCE	EXPENDITU RE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	lighting and accessible road											
DT5007	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Provision of households with water	Number of household provided with water	Household provided with water	82 653 households provided with water by 30 <sup>th</sup> June 2019	R 127 673 404	56 507 households provided with water	R 136 985 071.62	No	Our source of information is the billing report and we are still collecting data of households served through water carts.	To fast track the activity of data capturing for households supplied through water carts.	Water billing report water carts delivery reports
DT5008	To provide household with basic services including water, adequate sanitation, adequate public lighting and	Construction of Water Reticulation in Kwagqatontle n.A. Ward 29, Phase 1	Number of households connected to yard taps	Construction of n of reticulation and connection of 300 households to yard taps under Phase 1	300 households connected to yard taps by 31 <sup>st</sup> March 2019	R 2 112 000	506 households conned to yard taps	R 1 902 397.74	Yes	None	None	Appointment letter, quarterly progress report, completion certificate

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KPA		BASIC SERVICE DELIVERY										PORTFOLIO OF EVIDENCE
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/ISSUES	ACTION PLAN	PORTFOLIO OF EVIDENCE
DTS015	accessible road To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Construction of Enkeldoornog B Water infrastructure Phase 2	Number of electrical Pump Station infrastructure installed at Viaklaagte	Pipe laying of 500m bypass line constructed	1 electrical Pump Station infrastructure installed at Viaklaagte by 30 <sup>th</sup> June 2019	R 1 144 458	Pumps installed at the pump station. MCC. Distribution boxes manufactured	R 1 210 360	No	Delay in approval of Eskom application due to outstanding VAT payment	Reapplication process, installation of the Eskom transformer and commissioning of the pump station to be completed in the 1 <sup>st</sup> quarter 2019/2020	Appointment letter, quarterly progress report, completion certificate
DTS021	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Upgrading of Viaklaagte and Kwaggafontein Water Infrastructure	Number of Reinforced Concrete Reservoirs constructed	Reservoir concrete foundation base	1 Reinforced Concrete Reservoirs constructed by 31 <sup>st</sup> March 2019	R 8 613 686	1 Reinforced Concrete Reservoirs constructed with pending snag list	R 3 817 082.87	Yes	Delay on the pipework for the pump station.	Pumpstation to be completed on the 2019/2020 financial year	Appointment letter, quarterly progress report, completion certificate.

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KPA		BASIC SERVICE DELIVERY										
PROJ CT CODE	STRATEG IC OBJECTI VE	PROJECT NAME/ DESCRPTIO N	KEY PERFOR MANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTE D ANNUAL BUDGET (INPUT INDICATO R)	ACTUAL PERFORM ANCE	EXPENDITU RE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/CO MMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
DTS094	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Moloto Groundwater Supply Scheme Development	Number of Boreholes equipped and connected to Moloto Reservoir	Existing Drilled borehole	9 Boreholes equipped and connected to Moloto Reservoir by 30 <sup>th</sup> June 2019	R 15 670 885	Construction of 2 booster pumps, installation of treatment package plant, connection to Moloto Reservoir in progress	R 5 041 113.45	No	Delays on WP2 for Construction Of the Package Plant.	To fast track the construction of the package plant.	Appointment letter, quarterly progress report, completion certificate.
DTS095	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Construction of Two Gantres on the Dr. JSMLM and Cot Bulk Pipelines	Number of Gantres constructed	1 Existing Non sufficient Gantres	2 Gantres constructed by 30 <sup>th</sup> June 2019	R 1 616 429	Contractor appointed, steelwork, steel pipe fittings, bulk line connection and manhole and valves all in progress	R 1 467 807.20	No	Slow progress on site.	Fast track Project to be completed on the 3 <sup>rd</sup> September 2019	Appointment letter, quarterly progress report, completion certificate.
DTS096	To provide household	Upgrading of Moloto South,	Number of Designs for	No Designs	1 Designs for Upgrading of	R 1 000 000	1 Designs for	R 446 215.87	Yes	None	None	Appointment letter.

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BASIC SERVICE DELIVERY											
KPA	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	with basic services including water, adequate sanitation, adequate public lighting and accessible road	Upgrading of Moloto South, KwaMhlanga and Kameelpoort Water Infrastructure		Moloto South, KwaMhlanga and Kameelpoort Water Infrastructure by 31 <sup>st</sup> March 2019		Upgrading of Moloto South, KwaMhlanga and Kameelpoort Water Infrastructure by 31 <sup>st</sup> March 2019					quarterly progress report, completion certificate.
<b>BOREHOLES AND WATER SERVICES PLANS</b>											
DTS030	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Augmentation of Bulk Water Supply (Cluster 1 Boreholes) in Moloto South-East – Ward 3	Existing Drilled borehole	1 Borehole Electrified and Installed with Electric Submersible Pump by 30 <sup>th</sup> June 2019	R 25 335	Borehole assessment completed.	R 25 335	No	Borehole cannot be equipped due to Low yielding	New drilling of a borehole is required	Appointment letter, quarterly progress report, completion certificate.

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KPA		BASIC SERVICE DELIVERY										
PROJ CT CODE	STRATEG IC OBJECTI VE	PROJECT NAME/ DESCRIP TION	KEY PERFOR MANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTE D ANNUAL BUDGET (INPUT INDICATO R)	ACTUAL PERFORM ANCE	EXPENDITU RE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
DTS057	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Augmentation of Bulk Water Supply (Cluster 1 Boreholes) in Moloto South - Ward 1	Number of boreholes Electrified and Installed with Electric Submersible Pump	Existing Drilled borehole	1 Borehole Electrified and Installed with Electric Submersible Pump by 31 <sup>st</sup> March 2019.	R 0	Borehole assessment completed.	R 0	No	Borehole cannot be equipped due to Low yielding	New drilling of a borehole is required	Appointment letter, quarterly progress report, completion certificate.
DTS058	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Augmentation of Bulk Water Supply (Cluster 2 Boreholes) in Luthuli - Ward 22	Number of boreholes Electrified and Installed with Electric Submersible Pump	Existing Drilled borehole	1 Borehole Electrified and Installed with Electric Submersible Pump by 31 <sup>st</sup> March 2019.	R 0	Borehole assessment completed.	R 0	No	Borehole cannot be equipped due to Low yielding	New drilling of a borehole is required	Appointment letter, quarterly progress report, completion certificate.



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BASIC SERVICE DELIVERY													
KPA	PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/COMMITMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	DTS059	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Augmentation of Bulk Water Supply (Cluster 3 Boreholes) in Langkloof – Ward 8	Number of boreholes Electrified and Installed with Electric Submersible Pump	Existing Drilled borehole	1 Borehole Electrified and Installed with Electric Submersible Pump by 30 <sup>th</sup> June 2019	R 381 039	1 Borehole assessed and equipped Eskom Application for electrification completed	R 81 710	No	Eskom to install Customer consumer Eskom payment not paid by the Municipality	Payment to be paid 2019/2020 Financial Year	Appointment letter, quarterly progress report, completion certificate.
	DTS060	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Augmentation of Bulk Water Supply (Cluster 3 Boreholes) in Verena D – Ward 11	Number of boreholes Electrified and Installed with Electric Submersible Pump	Existing Drilled borehole	1 Borehole Electrified and Installed with Electric Submersible Pump by 30 <sup>th</sup> June 2019	R 291 026	1 Borehole assessed and equipped Eskom Application for electrification completed	R 84 965	No	Eskom to install Customer consumer Eskom payment not paid by the Municipality	Payment to be paid 2019/2020 Financial Year	Appointment letter, quarterly progress report, completion certificate.

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KPA		BASIC SERVICE DELIVERY										
PROJ CT CODE	STRATEG IC OBJECTI VE	PROJECT NAME/ DESCRIPTIO N	KEY PERFOR MANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTE D ANNUAL BUDGET (INPUT INDICATO R)	ACTUAL PERFORM ANCE	EXPENDITU RE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
DTS061	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Augmentation of Bulk Water Supply (Cluster 4 Boreholes) in Engwenyame ni - Ward 19	Number of boreholes Electrified and Installed with Electric Submersible Pump	Existing Drilled borehole	1 Borehole Electrified and Installed with Electric Submersible Pump by 30 <sup>th</sup> June 2019	R 201 013	1 Borehole assessed and equipped Eskom Application for electrification completed	R 80 979.01	No	Eskom to install Customer consumer box. Eskom payment not paid by the Municipality	Payment to be paid 2019/2020 Financial Year	Appointment letter, quarterly progress report, completion certificate.
DTS062	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Augmentation of Bulk Water Supply (Cluster 4 Boreholes) in Sun City C - Ward 19	Number of boreholes Electrified and Installed with Electric Submersible Pump	Existing Drilled borehole	1 Borehole Electrified and Installed with Electric Submersible Pump by 30 <sup>th</sup> June 2019	R 77 158	Borehole assessment completed.	R 77 158	No	Borehole cannot be equipped due to Low yielding	New drilling of a borehole is required	Appointment letter, quarterly progress report, completion certificate.

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KPA		BASIC SERVICE DELIVERY										
PROJ CT CODE	STRATEG IC OBJECTI VE	PROJECT NAME/ DESCRIPTIO N	KEY PERFOR MANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTE D ANNUAL BUDGET (INPUT INDICATO R)	ACTUAL PERFORM ANCE	EXPENDITU RE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/ COMMITMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
DTS064	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Augmentation of Bulk Water Supply (Cluster 5 Boreholes) in Bundu - Ward 24	Number of boreholes Electrified and Installed with Electric Submersible Pump	Existing Drilled borehole	1 Borehole Electrified and Installed with Electric Submersible Pump by 30 <sup>th</sup> June 2019	R 61 362	Borehole assessment completed.	R 61 362	No	Borehole cannot be equipped due to Low yielding	New drilling of a borehole is required	Appointment letter, quarterly progress report, completion certificate.
DTS065	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Augmentation of Bulk Water Supply (Cluster 6 Boreholes) in Machipe - Ward 24	Number of boreholes Electrified and Installed with Electric Submersible Pump	Existing Drilled borehole	1 Borehole Electrified and Installed with Electric Submersible Pump by 30 <sup>th</sup> June 2019	R 88 380	Borehole assessment completed.	R 88 380	No	Borehole cannot be equipped due to Low yielding	New drilling of a borehole is required	Appointment letter, quarterly progress report, completion certificate.

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KPA		BASIC SERVICE DELIVERY										
PROJ CT CODE	STRATEG IC OBJECTI VE	PROJECT NAME/ DESCRIP TION	KEY PERFOR MANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTE D ANNUAL BUDGET (INPUT INDICATO R)	ACTUAL PERFORM ANCE	EXPENDITU RE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
DTS066	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Augmentation of Bulk Water Supply (Cluster 6 Boreholes) in Mathysemsoo p - Ward 7	Number of boreholes Electrified and installed with Electric Submersible Pump	Existing Drilled borehole	1 Borehole Electrified and installed with Electric Submersible Pump by 30 <sup>th</sup> June 2019	R 64 264	Borehole assessment completed	R 64 264	No	Borehole cannot be equipped due to Low yielding	New drilling of a borehole is required	Appointment letter, quarterly progress report, completion certificate.
DTS067	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Augmentation of Bulk Water Supply (Cluster 7 Boreholes) in Tweefontein C - Ward 12	Number of boreholes Electrified and installed with Electric Submersible Pump	Existing Drilled borehole	1 Borehole Electrified and installed with Electric Submersible Pump by 30 <sup>th</sup> June 2019	R 25 335	Borehole assessment completed	R25 335	No	Borehole cannot be equipped due to Low yielding	New drilling of a borehole is required	Appointment letter, quarterly progress report, completion certificate.

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BASIC SERVICE DELIVERY												
KPA	PROJECT OBJECTIVE	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR R)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/ISSUES	ACTION PLAN	PORTFOLIO OF EVIDENCE
DTS068	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Augmentation of Bulk Water Supply (Cluster 7 Boreholes) in Tweefontein D – Ward 12	Number of boreholes Electrified and Installed with Electric Submersible Pump	Existing Drilled borehole	1 Borehole Electrified and installed with Electric Submersible Pump by 30 <sup>th</sup> June 2019	R 25 335	Borehole assessment completed.	R 25 335	No	Borehole cannot be equipped due to Low yielding	New drilling of a borehole is required	Appointment letter, quarterly progress report, completion certificate.
DTS069	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Augmentation of Bulk Water Supply (Cluster 8 Boreholes) in Wolvenkop – Ward 11	Number of boreholes Electrified and Installed with Electric Submersible Pump	Existing Drilled borehole	1 Borehole Electrified and installed with Electric Submersible Pump by 30 <sup>th</sup> June 2019	R 25 335	Borehole assessment completed.	R 89 972.51	No	Borehole cannot be equipped due to Low yielding	New drilling of a borehole is required	Appointment letter, quarterly progress report, completion certificate.

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KPA		BASIC SERVICE DELIVERY										
PROJ CT CODE	STRATEG IC OBJECTI VE	PROJECT NAME/ DESCRIP TION	KEY PERFOR MANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTE D ANNUAL BUDGET (INPUT INDICATO R)	ACTUAL PERFORM ANCE	EXPENDITU RE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
DTS070	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Augmentation of Bulk Water Supply (Cluster 8 Boreholes) in Verena C – Ward 11	Number of boreholes Electrified and installed with Electric Submersible Pump	Existing Drilled borehole	1 Borehole Electrified and installed with Electric Submersible Pump by 30 <sup>th</sup> June 2019	R 201 235	2X Boreholes assessment completed, Customer consumer box installed by Eskom	R 44 945	No	1x Borehole has collapsed and x1 Low yielding borehole.	New drilling of a borehole is required	Appointment letter, quarterly progress report, completion certificate.
DTS071	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Augmentation of Bulk Water Supply (Cluster 9 Boreholes) in Kwaggafontein B – Ward 25	Number of boreholes Electrified and installed with Electric Submersible Pump	Existing Drilled borehole	1 Borehole Electrified and installed with Electric Submersible Pump by 30 <sup>th</sup> June 2019	R 89 973	1 Borehole assessment completed.	R 89 972.51	No	Borehole cannot be equipped due to Low yielding	New drilling of a borehole is required	Appointment letter, quarterly progress report, completion certificate.

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BASIC SERVICE DELIVERY												
KPA	STRATEGIC OBJECTIVE	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR R)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
DTS072	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Augmentation of Bulk Water Supply (Cluster 10 Boreholes) in Kwaggatfontein C – Ward 26	Number of boreholes Electrified and installed with Electric Submersible Pump	Existing Drilled borehole	1 Borehole Electrified and installed with Electric Submersible Pump by 30 <sup>th</sup> June 2019	R 201 235	1 Borehole assessment completed.	R 25 335	No	Borehole cannot be equipped due to Low yielding	New drilling of a borehole is required	Appointment letter, quarterly progress report, completion certificate.
DTS073	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Augmentation of Bulk Water Supply (Cluster 10 Boreholes) in Kwaggatfontein D – Ward 31	Number of boreholes Electrified and installed with Electric Submersible Pump	Existing Drilled borehole	1 Borehole Electrified and installed with Electric Submersible Pump by 30 <sup>th</sup> June 2019	R 44 945	1 Borehole assessment completed.	R 25 335	No	Borehole cannot be equipped due to Low yielding	New drilling of a borehole is required.	Appointment letter, quarterly progress report, completion certificate.

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KPA		BASIC SERVICE DELIVERY										
PROJ CT CODE	STRATEG IC OBJECTI VE	PROJECT NAME/ DESCRIP TION	KEY PERFOR MANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTE D ANNUAL BUDGET (INPUT INDICATO R)	ACTUAL PERFORM ANCE	EXPENDITU RE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/CO MMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
DTS097	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Augmentation of Bulk Water Supply (Cluster 7 Boreholes) in Buhlesizwe - Ward 9	Number of boreholes Electrified and Installed with Electric Submersible Pump	Existing Drilled borehole	1 Borehole Electrified and Installed with Electric Submersible Pump by 31 <sup>st</sup> March 2019.	R 0	Borehole assessment completed.	R 0	No	Borehole cannot be equipped due to Low yielding	New drilling of a borehole is required.	Appointment letter, quarterly progress report, completion certificate.
DTS124	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Augmentation of Bulk Water Supply (Cluster 8 Boreholes) in Verina C - Ward 11	Number of boreholes Electrified and Installed with Electric Submersible Pump	Existing Drilled borehole	1 Borehole Electrified and Installed with Electric Submersible Pump by 30 June 2019	R 201 235	2X Boreholes assessment completed, Customer consumer box installed by Eskom	R 44 945	No	Waiting for Eskom to connect to the consumer box.	Continuous engagement with Contractor and Eskom to fast-track the progress	Appointment letter, quarterly progress report, completion certificate.



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BASIC SERVICE DELIVERY													
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DTS125		To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of boreholes at Mathysensloop Ward 7	Number of boreholes Electrified and installed with Electric Submersible Pump	Existing Drilled borehole	1 Borehole Electrified and installed with Electric Submersible Pump by 30 June 2019	R 701 350	Boreholes assessment completed, installation of borehole protection mechanism in progress	R 141 138.26	No	Finalization of the scope of borehole protection and existing borehole identification	To fast track the borehole protection mechanism installation and Eskom application	Appointment letter, quarterly progress report, completion certificate
DTS126		To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of boreholes at Boekenhouk Ward 24	Number of boreholes Electrified and installed with Electric Submersible Pump	Existing Drilled borehole	1 Borehole Electrified and installed with Electric Submersible Pump by 30 June 2019	R 701 351	2x Eskom application completed, 2x installation of borehole protection mechanism in progress	R 231 015.65	No	Finalization of the scope of borehole protection and existing borehole identification	To fast track the borehole protection mechanism installation and Eskom application	Appointment letter, quarterly progress report, completion certificate

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DTS127	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of boreholes at Sheldon Ward 14	Number of boreholes Electrified and Installed with Electric Submersible Pump	Existing Drilled borehole	1 Borehole Electrified and Installed with Electric Submersible Pump by 30 June 2019	R 701 351	2x Eskom application completed, 2x installation of borehole protection mechanism in progress	R 492 275.22	No	Drilled borehole not yielding enough water as anticipated	Drilling of another borehole	Appointment letter, quarterly progress report, completion certificate.
DTS128	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of boreholes at Kwaggafontein A Ward 28	Number of boreholes Electrified and Installed with Electric Submersible Pump	Existing Drilled borehole	1 Borehole Electrified and Installed with Electric Submersible Pump by 30 June 2019	R 645 711	X2 boreholes to be refurbished	R 639 119.34	No	Low yield on the boreholes	Two handpumps to be completed by the 1 <sup>st</sup> July 2019	Appointment letter, quarterly progress report, completion certificate

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DTS129	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of boreholes at Kwaggafontein A Ward 29	Number of boreholes Electrified and Installed with Electric Submersible Pump	Existing Drilled borehole	1 Borehole Electrified and installed with Electric Submersible Pump by 30 June 2019	R 645 711	X 1 new borehole, X 1 refurbish borehole, installation of 63mm pipe line and application for Consumer box Completed	R 567 794.10	No	Waiting for Eskom to install Consumer Box	Municipality to engage with Eskom to fast track the process	Appointment letter, quarterly progress report, completion certificate.
DTS130	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of boreholes at Kwaggafontein B Ward 25	Number of boreholes Electrified and Installed with Electric Submersible Pump	Existing Drilled borehole	1 Borehole Electrified and installed with Electric Submersible Pump by 30 June 2019	R 645 711	SCM procurement of contractor not assigned	R 0	No	The Contractor was not awarded to implement the project.	Variations for Additional scope of work to be awarded to the appointed boreholes contractors	Appointment letter, quarterly progress report, completion certificate.

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DTS131	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of boreholes at Kwagqatoronj n C Ward 26	Number of boreholes Electrified and Installed with Electric Submersible Pump	Existing Drilled borehole	1 Borehole Electrified and Installed with Electric Submersible Pump by 30 June 2019	R 645 711	X 1 new borehole, X 1 refurbish borehole, installation of 63mm pipeline and application for Consumer box Completed	R 387 898.02	No	Waiting for Eskom to install Consumer Box	Municipality to engage with Eskom to fast track the process	Appointment letter, quarterly progress report, completion certificate.
DTS132	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of boreholes at Kwagqatoronj n D Ward 31	Number of boreholes Electrified and Installed with Electric Submersible Pump	Existing Drilled borehole	1 Borehole Electrified and Installed with Electric Submersible Pump by 30 June 2019	R 645 711	X 1 new borehole, X 1 refurbish borehole, installation of 63mm pipe and application for Consumer box Completed	R 406 911.03	No	Waiting for Eskom to install Consumer Box	Municipality to engage with Eskom to fast track the process	Appointment letter, quarterly progress report, completion certificate.

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DTS133	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of boreholes at Kwaggafontein E Ward 31	Number of boreholes Electrified and installed with Electric Submersible Pump	Existing Drilled borehole	1 Borehole Electrified and installed with Electric Submersible Pump by 30 June 2019	R 645 711	X 1 refurbish borehole and application for Consumer box Completed	R 380 292.15	No	Waiting for Eskom to install Consumer Box	Municipality to engage with Eskom to fast track the process	Appointment letter, quarterly progress report, completion certificate.
DTS134	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of boreholes at Verina A Ward 8	Number of boreholes Electrified and installed with Electric Submersible Pump	Existing Drilled borehole	1 Borehole Electrified and installed with Electric Submersible Pump by 30 June 2019	R 645 711	X 1 new borehole, X 1 refurbish borehole. Installation of 63mm pipeline and application for Consumer box Completed	R 145 343.85	No	Waiting for Eskom to install Consumer Box	Municipality to engage with Eskom to fast track the process	Appointment letter, quarterly progress report, completion certificate.

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DTS135	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of boreholes at Bundu Ward 24	Number of boreholes Electrified and Installed with Electric Submersible Pump	Existing Drilled borehole	2 Borehole Electrified and Installed with Electric Submersible Pump by 30 June 2019	R 1 503 124	Eskom application processed and installation of Electric submersible pump, Boreholes Electrification in progress	R 1 199 901,19	No	Waiting for Eskom to install Consumer Box	Municipality to engage with Eskom to fast track the process	Appointment letter, quarterly progress report, completion certificate.
DTS136	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of boreholes at Machipe Ward 24	Number of boreholes Electrified and Installed with Electric Submersible Pump	Existing Drilled borehole	2 Borehole Electrified and Installed with Electric Submersible Pump by 30 June 2019	R 1 503 124	Eskom application progressed and installation of Electric submersible pump, Boreholes Electrification in progress	R 512 125,64	No	Waiting for Eskom to install Consumer Box	Municipality to engage with Eskom to fast track the process	Appointment letter, quarterly progress report, completion certificate.

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DTS137	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of boreholes at Rietfontein farm Ward 8	Number of boreholes Electrified and installed with Electric Submersible Pump	Existing Drilled borehole	2 Borehole Electrified and installed with Electric Submersible Pump by 30 June 2019	R 1 503 124	Eskom application progressed and Installation of Electric submersible pump, Boreholes Electrification in progress	R 752 161.94	No	Waiting for Eskom to install Consumer Box	Municipality to engage with Eskom to fast track the process	Appointment letter, quarterly progress report, completion certificate.
DTS138	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of boreholes at Sierngkop farm Ward 32	Number of boreholes Electrified and installed with Electric Submersible Pump	Existing Drilled borehole	1 Borehole Electrified and installed with Electric Submersible Pump by 30 June 2019	R 713 422	Installation of Electric submersible pump is complete.	R 450 271.21	No	The actual duration of Site Investigation and Testing of borehole took longer than the planned duration due to the complexity of the project.	The acceleration plan has been submitted by the service provider to complete the construction and installation to be completed by 30 <sup>th</sup> June 2019.	Appointment letter, quarterly progress report, completion certificate.

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DT/139	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of boreholes at Tweefontein C Ward 12	Number of boreholes Electrified and Installed with Electric Submersible Pump	Existing Drilled borehole	1 Borehole Electrified and Installed with Electric Submersible Pump by 30 June 2019	R 719 880	1 x Borehole assessment completed	R 261 413.31	No	Boreholes cannot be equipped due to Low yielding	New drilling of a borehole is required	Appointment letter, quarterly progress report, completion certificate.
DT/140	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of boreholes at Loopspuit Ward 32	Number of boreholes Electrified and Installed with Electric Submersible Pump	Existing Drilled borehole	1 Borehole Electrified and Installed with Electric Submersible Pump by 30 June 2019	R 719 880	1 Borehole Hand Pump has been completed.	R 595 971.12	No	No electricity around the area	THLM recommended Hand-pump borehole to supplement the water supply around the area.	Appointment letter, quarterly progress report, completion certificate.



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	DTS141	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of boreholes at Tweefontein DK Ward 12	Number of boreholes Electrified and installed with Electric Submersible Pump	Existing Drilled borehole	1 Borehole Electrified and installed with Electric Submersible Pump by 30 June 2019	R 713 422	1 x Borehole assessment completed, Borehole Hand Pump has been installed and completed.	R 253 054,21	No	Boreholes cannot be equipped due to Low yielding	Drilling of New Boreholes is recommended and recommend Hand-pump to supplement the water supply around the area.	Appointment letter, quarterly progress report, completion certificate.
	DTS033	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	6KI Free basic water	Number of HH provided with free basic water	82 653 HH provided with Free Basic Water	82 653 HH provided with Free Basic Water by 30 <sup>th</sup> June 2019	R 85 514 005	56 507 HH provided with Free Basic Water	R 85 451 562	No	Our source of information is the billing report and we are still collecting data of households served through water carts	To fast-track the activity of data capturing for households supplied through water carts.	Water billing report water carts delivery reports

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DTSO34	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Water Sample	Number of water samples tested	366 Water samples tested	366 Water Samples tested by 30 <sup>th</sup> June 2019	R 2 503 000	366 Water Samples tested	R 2 315 079 90	Yes	None	None	Water quality reports
<b>SANITATION</b>												
DTSO38	To provide households with basic services including water, adequate sanitation, adequate public lighting and	Uploading of data to the Integrated Regulatory Information System	Rate of updating data on the Integrated Regulatory Information System	Updating data online on the Green drop System	Monthly updating data on the Integrated Regulatory Information System by 30 <sup>th</sup> June 2019	In house	Monthly updating data on the Integrated Regulatory Information System	In house	Yes	None	None	12 monthly reports on Integrated Regulatory Information System

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KPA PROJECT CODE	BASIC SERVICE DELIVERY										PORTFOLIO OF EVIDENCE	
	STRATEGIC OBJECTIVE	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVED YES/NO	CHALLENGES/ COMMITMENTS		ACTION PLAN
DTS040	accessible road To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Luthuli Waste Water Treatment Works, Phase 1	Km's of outfall sewer lines constructed	Development of inception report	1 Km of outfall sewer line constructed by 30 <sup>th</sup> June 2019	R 200 000	Compiling of Environmental Assessment in progress	R 0	No	Insufficient budget	The project will be done in 2019/20 if budget permit	Preliminary report, Design report Appointment letter, completion certificate
DTS041	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Upgrading of Tweefontein K Waste Water Treatment Works, Phase 2	Km's of outfall sewer lines constructed	Inception report and service provider	1 km of outfall sewer lines constructed by 30 <sup>th</sup> June 2019	R 1 007 098	Environmental Assessment Report in progress	R 975 580 52	No	Design and Development not yet approved	Municipality to approve Detailed Design Report	Preliminary report, Design report Appointment letter, completion certificate

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DT5042	To provide household s with basic services including water, adequate sanitation, adequate public lighting and accessible road	Kwamhanga and Tweesfontein Wastewater Treatment	Number of households provided with Basic sanitation	2335 Household provided with Basic sanitation	2335 Households provided with Basic sanitation by 30 <sup>th</sup> June 2019	In house	2287 Households provided with basic sanitation	In house	No	This is done as per the billing report	None	Sanitation billing report
DT5098	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Outsourced sewage services (Operation and maintenance of WWTW)	Number of reports on Provision of Basic Sanitation	0	12 reports on Provision of Basic Sanitation by 30 <sup>th</sup> June 2019	R 1 400 016	12 reports on provision of Basic Sanitation	R 1 282 112.60	Yes	None	None	WWTW plant reports

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ELECTRICITY												
DTS076	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of High Mast Light in Tweelontein G – Ward 30	Number of High Mast Lights installed	No /Non sufficient High mast	2 High Mast Light installed by 30 <sup>th</sup> June 2019	R 558 975	1 High Mast Light installed	R 378 904.01	No	Finalization of MIG payments to contractor	Payment to be paid 2019/2020 Financial Year	Appointment letter, quarterly progress report, completion certificate
DTS077	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of High Mast Light in Tweelontein H – Ward 30	Number of High Mast Lights installed	No /Non sufficient High mast	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 558 975	X1 High mast installed	R 378 904.01	Yes	Finalization of MIG payments to contractor	Payment to be paid 2019/2020 Financial Year	Appointment letter, quarterly progress report, completion certificate

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DT\$078	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of High Mast Light in Tweefontein J – Ward 9	Number of High Mast Lights installed	No /Non sufficient Highmast	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 369 539	X1 High mast installed	R 369 538.53	Yes	Finalization of MIG payments to contractor	Payment to be paid 2019/2020 Financial Year	Appointment letter, quarterly progress report, completion certificate
DT\$079	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of High Mast Light in KwaMhlanga B – Ward 32	Number of High Mast Lights installed	No /Non sufficient High mast	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 328 714	X1 High mast installed	R 327 954.19	Yes	Finalization of MIG payments to contractor	Payment to be paid 2019/2020 Financial Year	Appointment letter, quarterly progress report, completion certificate

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DTS081	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of High Mast Light in Luthuli (Mahlabathini) – Ward 22	Number of High Mast Lights installed	No /Non sufficient High mast	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 563 975	X1 High mast installed	R 327 954.19	Yes	Finalization of MIG payments to contractor	Payment to be paid 2019/2020 Financial Year	Appointment letter, quarterly progress report, completion certificate
DTS086	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of High Mast Light in Buhlebesizwe RDP – Ward 16	Number of High Mast Lights installed	No /Non sufficient Highmast	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 369 690	X1 High mast installed	R 327 954.19	Yes	Finalization of MIG payments to contractor	Payment to be paid 2019/2020 Financial Year	Appointment letter, quarterly progress report, completion certificate

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DTS087	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of High Mast Light in Thembaletlu (Section 16) - Ward 5	Number of High Mast Lights installed	No/Non sufficient Highmast	1 High Mast installed by 30 <sup>th</sup> June 2019	R 537 975	X1 High mast installed	R 462 757.50	Yes	Finalization of MIG payments to contractor	Payment to be paid 2019/2020 Financial Year	Appointment letter, quarterly progress report, completion certificate
DTS099	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of High Mast Light in Phola Park - Ward 6	Number of High Mast Lights installed	No/Non sufficient Highmast	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 566 975	X1 High mast installation in progress	R 311 634.71	No	Finalisation of MIG payments to contractor. Energizing of the highmastlight outstanding.	Payment to be paid 2019/2020 Financial Year	Appointment letter, quarterly progress report, completion certificate



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KPA	PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR R)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	DTS100	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of High Mast Light in Msholzi - Ward 4	Number of High Mast Lights installed	No /Non sufficient Highmast	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 566 975	X1 High mast installed	R 369 689.71	Yes	Finalization of MIG payments to contractor	Payment to be paid 2019/2020 Financial Year	Appointment letter, quarterly progress report, completion certificate
	DTS101	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of High Mast Light in Kwaggafontein A (Mgobeni) - Ward 27	Number of High Mast Lights installed	No /Non sufficient Highmast	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 568 975	X1 High mast installed	R 369 538.53	Yes	Finalization of MIG payments to contractor	Payment to be paid 2019/2020 Financial Year	Appointment letter, quarterly progress report, completion certificate

# Chapter 3

KPA		BASIC SERVICE DELIVERY										
PROJ CT CODE	STRATEG IC OBJECTI VE	PROJECT NAME/ DESCRIP TION	KEY PERFOR MANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTE D ANNUAL BUDGET (INPUT INDICATO R)	ACTUAL PERFORM ANCE	EXPENDITU RE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/CO MMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
DTS102	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of High Mast Light in Molo (Section B7) - Ward 3	Number of High Mast Lights installed	No /Non sufficient Highmast	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 471 975	X1 High mast installed with pending snag list	R 232 661,88	Yes	Finalisation of MIG payments to contractor. Energizing of the highmast/light outstanding.	Payment to be paid 2019/2020 Financial Year	Appointment letter, quarterly progress report, completion certificate
DTS103	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of High Mast Light in Loopspruit Farms - Ward 32	Number of High Mast Lights installed	No /Non sufficient Highmast	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 495 975	X1 High mast installed	R 290 716,88	Yes	Finalization of MIG payments to contractor	Payment to be paid 2019/2020 Financial Year	Appointment letter, quarterly progress report, completion certificate

# Chapter 3

BASIC SERVICE DELIVERY													
KPA	PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	DTS104	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of High Mast Light in Kwaggafontein C - Ward 26	Number of High Mast Lights installed	No /Non sufficient Highmast	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 290 717	X1 High mast installed	R 290 716.88	Yes	Finalization of MIG payments to contractor	Payment to be paid 2019/2020 Financial Year	Appointment letter, quarterly progress report, completion certificate
	DTS105	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of High Mast Light in Niokozweni - Ward 17	Number of High Mast Lights installed	No /Non sufficient Highmast	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 537 975	X1 High mast installed	R 422 658.50	Yes	Finalization of MIG payments to contractor	Payment to be paid 2019/2020 Financial Year	Appointment letter, quarterly progress report, completion certificate

# Chapter 3

KPA		BASIC SERVICE DELIVERY										
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR R)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/ISSUES	ACTION PLAN	PORTFOLIO OF EVIDENCE
DTS106	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of High Mast Light in Mzimuhle - Ward 10	Number of High Mast Lights installed	No /Non sufficient Highmast	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 537 975	X1 High mast installed	R 421 802.50	Yes	Finalization of M/G payments to contractor	Payment to be paid 2019/2020 Financial Year	Appointment letter, quarterly progress report, completion certificate
DTS107	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of High Mast Light in Kwaggafontein A (Spartan Section) - Ward 28	Number of High Mast Lights installed	No /Non sufficient Highmast	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 167 813	X1 High mast installed	R 277 638.24	Yes	Finalization of M/G payments to contractor	Payment to be paid 2019/2020 Financial Year	Appointment letter, quarterly progress report, completion certificate

# Chapter 3

BASIC SERVICE DELIVERY												
KPA	STRATEGIC OBJECTIVE	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR R)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/ISSUES	ACTION PLAN	PORTFOLIO OF EVIDENCE
DTS108	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of High Mast Light in Kwaggafontein A (Corner Cafe) – Ward 28	Number of High Mast Lights installed	No/Non sufficient Highmast	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 492 975	X1 High mast installed	R 277 638.24	Yes	Finalization of MIG payments to contractor	Payment to be paid 2019/2020 Financial Year	Appointment letter, quarterly progress report, completion certificate
DTS109	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of High Mast Light in Vlaklaagte No. 1 – Ward 21	Number of High Mast Lights installed	No/Non sufficient Highmast	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 167 813	X1 High mast installed	R 277 638.24	Yes	Finalization of MIG payments to contractor	Payment to be paid 2019/2020 Financial Year	Appointment letter, quarterly progress report, completion certificate

# Chapter 3

KPA		BASIC SERVICE DELIVERY										
PROJ CT CODE	STRATEG IC OBJECTI VE	PROJECT NAME/ DESCRIP TION	KEY PERFOR MANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTE D ANNUAL BUDGET (INPUT INDICATO R)	ACTUAL PERFORM ANCE	EXPENDITU RE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/CO MMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
DTS110	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of High Mast Light in Vukhaagte No. 1 (Paraffin Area) – Ward 21	Number of High Mast Lights installed	No /Non sufficient High mast	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 492 975	X1 High mast installed	R 245 343,24	Yes	Finalization of MIG payments to contractor	Payment to be paid 2019/2020 Financial Year	Appointment letter, quarterly progress report, completion certificate
DTS111	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of High Mast Light in Rietfontein Farms – Ward 8	Number of High Mast Lights installed	No /Non sufficient High mast	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 378 904	X1 High mast installed	R 378 904,01	Yes	Finalization of MIG payments to contractor	Payment to be paid 2019/2020 Financial Year	Appointment letter, quarterly progress report, completion certificate

# Chapter 3

BASIC SERVICE DELIVERY												
KPA	STRATEGIC OBJECTIVE	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
DTS112	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of High Mast Light in Tweefontein K – Ward 13	Number of High Mast Lights installed	No /Non sufficient High mast	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 563 975	X1 High mast installed	R 327 954.19	Yes	Finalization of MIG payments to contractor	Payment to be paid 2019/2020 Financial Year	Appointment letter, quarterly progress report, completion certificate
DTS113	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of High Mast Light in Doornek Farms – Ward 8	Number of High Mast Lights installed	No /Non sufficient High mast	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 588 975	X1 High mast installed	R 387 711.71	Yes	Finalization of MIG payments to contractor	Payment to be paid 2019/2020 Financial Year	Appointment letter, quarterly progress report, completion certificate

# Chapter 3

KPA		BASIC SERVICE DELIVERY										
PROJ CT CODE	STRATEG IC OBJECTI VE	PROJECT NAME/ DESCRIP TION	KEY PERFOR MANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTE D ANNUAL BUDGET (INPUT INDICATO R)	ACTUAL PERFORM ANCE	EXPENDITU RE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/CO MMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
DTS114	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of High Mast Light in Swartkopies Farms – Ward 10	Number of High Mast Lights installed	No /Non sufficient High mast	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 588 975	X1 High mast installed	R 387 711,71	Yes	Finalization of MIG payments to contractor	Payment to be paid 2019/2020 Financial Year	Appointment letter, quarterly progress report, completion certificate
DTS115	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of High Mast Light in Woiwenkop (Phakama Section) – Ward 11	Number of High Mast Lights installed	No /Non sufficient High mast	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 642 975	X1 High mast installed	R 439 818,48	Yes	Finalization of MIG payments to contractor	Payment to be paid 2019/2020 Financial Year	Appointment letter, quarterly progress report, completion certificate



# Chapter 3

KPA		BASIC SERVICE DELIVERY										PORTFOLIO OF EVIDENCE
PROJEC T CODE	STRATEG IC OBJECTIVE	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/COMMITMENTS	ACTION PLAN	
DTS116	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of High Mast Light in Bundu (Marhoqo Section) - Ward 24	Number of High Mast Lights installed	No/Non sufficient High mast	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 642 975	X1 High mast installed	R 439 818,48	Yes	Finalization of MIG payments to contractor	Payment to be paid 2019/2020 Financial Year	Appointment letter, quarterly progress report, completion certificate
DTS142	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of High Mast Light in Kweggafontein C Ward 25	Number of High Mast Lights installed	No/Non sufficient High mast	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R300 000	X1 High mast installed	R 190 074,18	No	Finalisation of MIG payments to contractor. Energizing of the high mast light outstanding.	Payment to be paid 2019/2020 Financial Year	Appointment letter, quarterly progress report, completion certificate

## ROAD AND STORM WATER

# Chapter 3

KPA		BASIC SERVICE DELIVERY										
PROJ CT CODE	STRATEG IC OBJECTI VE	PROJECT NAME/ DESCRPTIO N	KEY PERFOR MANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTE D ANNUAL BUDGET (INPUT INDICATO R)	ACTUAL PERFORM ANCE	EXPENDITU RE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/CO MMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
DT5051	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Regraveling of internal Roads in Kwamthlang a	Number of km Regravelled road cleaned and Handed over	Regravelin g of 2 km's of roads	2 Km of regravelled road Cleaned and handed over by 30 <sup>th</sup> September 2018	R 0	2 Km of regravelled road Cleaned and handed over	R 0	Yes	None	None	Completion certificate.
DT5052	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Regraveling of Internal Roads in Various Villages (Vlakaagla No. 1 – Ward 21)	Number of km regavelled road cleaned and Handed over	Site establishments, construction of selected layer works and storm water	2 Km of regravelled road Cleaned and handed over by 30 <sup>th</sup> September 2018	R 0	2 Km of regravelled road Cleaned and handed over	R 0	Yes	None	None	Completion certificate.

# Chapter 3

BASIC SERVICE DELIVERY													
KPA	PROJEC CT CODE	STRATEG IC OBJECTI VE	PROJECT NAME/ DESCRIPTIO N	KEY PERFOR MANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTE D ANNUAL BUDGET (INPUT INDICATO R)	ACTUAL PERFORM ANCE	EXPENDITU RE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/CO MMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	DTS054	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Patching of potholes (Internal Team)	Number of potholes patched	160 potholes patched	200 of potholes patched by 30 <sup>th</sup> June 2019	R 953 000	450 potholes patched	R 595 520	Yes	None	None	Completion certificate
	DTS055	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Development of Road regravelling programme	Number of Roads Regravelling programme Developed	1 Road regravelling programme developed	1 Road regravelling programme developed by 30 <sup>th</sup> September 2018	In house	1 Road regravelling programme developed	In house	Yes	None	None	Road regravelling programme

# Chapter 3

KPA		BASIC SERVICE DELIVERY										
PROJ CT CODE	STRATEG IC OBJECTI VE	PROJECT NAME/ DESCRPTIO N	KEY PERFOR MANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTE D ANNUAL BUDGET (INPUT INDICATO R)	ACTUAL PERFORM ANCE	EXPENDITU RE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
DT3143	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Regraveling of roads around various villages in THLM	Number of kms regravelled around various villages in THLM	0	2 km regravelled around various villages in THLM by 30 June 2019	R 1 600 000	0	R 0	No	Service Provider not appointment of service providers	Service Provider to be appointed in 2019/20 FY	Completion certificate
DT3056	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Construction of Storm water channels, (Ward 14, 28 and 29)	Number of meters of Storm water channels constructed	Uncontrolled Storm water channels	200 m of storm water channels constructed in each wards/Ward 14, 28 and 29) by 30 <sup>th</sup> June 2019	R 520 000	320m Storm water channels constructed in ward 29 and 220m storm water channels constructed in ward 28	R 307 137.3	No	Ward 14 experienced delays due to Local business forums prevented the project to be implemented due to that the service provider was not from ward 14.	Construction of Storm water in ward 14 will be re-priorities in 2019/20 financial year	Completion certificate

# Chapter 3

BASIC SERVICE DELIVERY												
KPA	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/COMMITMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
DTS117	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Designs and Construction of Luthuli Link Road - Ward 22	Number of km road surfaced	Gravel road	0.35 km's of road surfaced by 30 <sup>th</sup> June 2019	R 1 472 837	Construction of 0.35 km's of surfaced road, installation of culverts and rehabilitation of Bridge in progress	R 272 837.30	No	Delay with starting of the project due to unavailability of funds	Project to be budgeted in 2019/20	Appointment letter, quarterly progress report, completion certificate
DTS118	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Designs for Construction of Sun City AA Bus Route - Ward 20 (Designs only)	Number of Designs for Sun City AA Bus Route	Gravel road	1 Detailed design for Sun City AA Bus Route by 31 <sup>st</sup> March 2019	R 280 330	1 Detailed design for Sun City AA Bus Route	R 224 728.26	Yes	None	None	Appointment letter, quarterly progress report, completion certificate.
DTS119	To provide household	Construction of Chris Hami	Number of Designs for	Gravel road	1 Detailed design for	R 265 000	1 Detailed design for	R2 77 445.65	Yes	None	None	Appointment letter.

# Chapter 3

KPA		BASIC SERVICE DELIVERY										
PROJ CT CODE	STRATEG IC OBJECTI VE	PROJECT NAME/ DESCRIP TION	KEY PERFOR MANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTE D ANNUAL BUDGET (INPUT INDICATO R)	ACTUAL PERFORM ANCE	EXPENDITU RE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/CO MMENT	ACTION PLAN	PORTFOLIO OF EVIDENCE
DTS120	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Construction of Kwamhlanga B Link Road - Ward 32	Number of Designs for Kwamhlanga B Link Road	Gravel road	1 Detailed designs for Kwamhlanga B Link Road by 31 <sup>st</sup> March 2019	R 280 000	1 Detailed designs for Kwamhlang a B Link Road	R 250 045 65	Yes	None	None	Appointment letter, quarterly progress report, completion certificate
	with basic services including water, adequate sanitation, adequate public lighting and accessible road	Bus Route - Ward 18	Chris Hani Bus Route		Chris Hani Bus Route by 31 <sup>st</sup> March 2019		Chris Hani Bus Route					quarterly progress report, completion certificate

# Chapter 3

KPA		BASIC SERVICE DELIVERY										
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR R)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/COMMITMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
DTS121	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Construction of Moloto North Bus Route - Ward 2	Number of Designs for Moloto North Bus Route	Gravel road	1 Detailed design for Moloto North Bus Route by the 31 <sup>st</sup> March 2019	R 338 750	1 Detailed design for Moloto North Bus Route 3	R 292 622.61	Yes	None	None	Appointment letter, quarterly progress report, completion certificate
DTS122	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Development of roads and storm water master plan	Number of roads and storm water master plan developed	None existence of road and storm water master plan.	1 Roads and storm water master plan developed by 30 <sup>th</sup> June 2019	R 2 000 000	1 Roads and storm water master plan developed	R 1 997 205	Yes	None	None	Appointment letter, Progress Report, Detailed report

**SPORTS AND WASTE REMOVAL**

# Chapter 3

KPA		BASIC SERVICE DELIVERY										
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVED YES/NO	CHALLENGES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
SDS001	To create a safe and healthy environment conducive for social development and recreation	Upgrading of Kwaggafontein Land fill site	Number of Landfill site upgraded	Existing Non complying landfill	1 Landfill site upgraded by 30 <sup>th</sup> June 2019	R 21 930 694	Upgrade of landfill site in progress	R 23 548 549,40	No	The late approval of design by DWS has delayed the Service providers in completing the project on time.	Extension of time has been approved by THLM to complete the project on the next financial year.	Appointment letter, quarterly progress report, completion certificate.
SDS006	To create a safe and healthy environment conducive for social development and recreation	Upgrading of Kwaggafontein stadium (Ward 26)	Number of football pitch installed with artificial grass	0	1 football pitch installed with artificial grass by 30 <sup>th</sup> June 2019	R 200 000	Re-Assessment of Existing Designs in progress	R 0	No	Insufficient Budget and Designs revision	Revise the Scope of prior procurement process and revise budget for 2019/20	Appointment letter, quarterly progress report, completion certificate.



# Chapter 3

BASIC SERVICE DELIVERY												
PROJ CT CODE	STRATEG IC OBJECTI VE	PROJECT NAME/ DESRIPTIO N	KEY PERFOR MANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTE D ANNUAL BUDGET (INPUT INDICATO R)	ACTUAL PERFORM ANCE	EXPENDITU RE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/ MIMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
SDS011	To create a safe clean and healthy environment conducive for social development and recreation	Construction of Multi-Purpose Centre in Phumula	Number of Multi-Purpose Centre constructed in Phumula	No Multi-Purpose centre	1 Multi-Purpose Centre constructed in Phumula by 31 <sup>st</sup> December 2018.	R 250 000	Artificial grass installed, abutment block completed	R 0	No	Rectification of artificial pitch	Engage Engineers for development of Rectification plan and commitment. Strict Adherence to GCC	Appointment letter, quarterly progress report, completion certificate.

## KPA: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

### SOCIAL DEVELOPMENT SERVICES

The department of Social Development Services overall performance for 2018/2019 financial year is 60% achievement. The department managed to achieve 06 targets out of the 10 planned targets, as compared to 67% achieved in 2017/2018 financial year, out of 12 planned targets 08 targets was achieved.

# Chapter 3

KPA BASIC SERVICE DELIVERY												
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVED YES/NO	CHALLENGES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
SDS001	To create a safe, clean and healthy environment conducive for social development and recreation	Expanded Public Works Programme	Number of FTE's and work opportunities created through the Expanded Public Works Programme	37 FTE's (100 Work opportunities created in environmental, culture and infrastructure sector)	545 FTE's (1 495 Work opportunities created in environmental, culture and infrastructure sector) by 30 <sup>th</sup> June 2019	R 2 664 000	86 FTE's (100 Work opportunities created)	R 2 664 000	No	Target was revised midyear and could not be achieved as it was not budgeted for.	Consolidate all EPWP work opportunities created in (Environment, culture and infrastructure sectors)	Appointment letters/ contracts of employment
SDS002	To create a safe, clean and healthy environment conducive for social development and recreation	Refuse Removal Kwahlhanga and Tweefontein K	Number of Households with access to refuse removal weekly	5000 Households provided with refuse removal weekly	4000 Households with access to refuse removal weekly by 30 <sup>th</sup> June 2019	In house	2 576 Households with access to refuse removal weekly	In house	No	Not enough compactors, Trucks & General Workers	To request additional funding	Monthly reports and Trip sheets
SDS003	To create a safe, clean and healthy environment conducive	Refuse Removal Thembele Areas	Number of Households with access to refuse	109 282 household s provided with refuse	105 282 Household s with access to refuse	In house	15 085 Household s with access to refuse	In house	No	Not enough compactors, Trucks & General Workers	To request additional funding	Monthly reports and Trip sheets

# Chapter 3

BASIC SERVICE DELIVERY													
KPA	PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
		for social development and recreation		removal fortnightly	removal fortnightly	removal fortnightly by 30 <sup>th</sup> June 2019		removal fortnightly					
	SDS008	To create a safe, clean and healthy environment conducive for social development and recreation	Landscaping and beautification of Municipal facilities	Number of Municipal facilities provided with landscaping	0	1 Municipal facilities provided with landscaping by 30 <sup>th</sup> June 2019	R 105 300	1 Municipal facilities provided with landscaping	R 29 000	Yes	None	None	Reports and pictures
	SDS009	To create a safe, clean and healthy environment conducive for social development and recreation	Grading of Sports Fields	Number of sports fields graded	23 sport fields graded	32 sports fields graded by 30 <sup>th</sup> June 2019	In house	32 sports fields graded	In house	Yes	None	None	Monthly reports
	SDS017	To create a safe, clean and healthy environment conducive for social development	Municipal Security Services reports	Number of quarterly status reports on Municipal security submitted to	0	4 status reports on Municipal security submitted to the Municipal	R 17 507 471	4 status reports on Municipal security submitted to the Municipal Manager	R 15 972 634.19	Yes	None	None	Quarterly status reports

# Chapter 3

BASIC SERVICE DELIVERY													
KPA	PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
		and recreation		The Municipal Manager		Manager by 30 <sup>th</sup> June 2019							
SDS018		To create a safe, clean and healthy environment conducive for social development and recreation	Conducting of Road Blocks	Number of road blocks conducted	18 road blocks conducted	24 road blocks conducted by 30 <sup>th</sup> June 2019	In house	24 road blocks conducted	In house	Yes	None	None	Attendance registers and quarterly reports
SDS019		To create a safe, clean and healthy environment conducive for social development and recreation	Conducting of Literacy Campaigns	Number of literacy campaigns conducted	1 literacy campaign conducted	1 literacy campaign conducted by 30 <sup>th</sup> June 2019	In house	1 literacy campaign conducted	In house	Yes	None	None	Attendance registers and reports
SDS020		To create a safe, clean and healthy environment conducive for social development	Conducting of Library Campaigns	Number of library campaigns conducted	1 Literacy and 1 library campaign held	1 library campaign conducted by 30 <sup>th</sup> June 2019	In house	0	In house	No	Potential partners pulled out	Confirm commitments with partners in advance and in writing	Attendance registers and reports

# Chapter 3

BASIC SERVICE DELIVERY													
KPA	PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	SDS021	Environment and recreation To create a safe, clean and healthy environment conducive for social development and recreation	Conducting of HIV/AIDS campaigns and dialogues	Number of HIV/AIDS campaigns and dialogues conducted	3 HIV/AIDS campaigns conducted	8 HIV/AIDS campaigns and dialogues conducted by 30 <sup>th</sup> June 2019	In house	11 HIV/AIDS campaigns and dialogues conducted	In house	Yes	None	None	Attendance registers and reports

## KPA: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT

### CORPORATE SERVICES

The department of Corporate Services overall performance for 2018/2019 financial year is 71% achievement. The department managed to achieve 25 targets out of the 35 planned targets, as compared to 87.5% achieved in 2017/2018 financial year, out of 29 planned targets 25 targets was achieved.

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MUNICIPAL TRANSFORMATIONS AND INSTITUTIONAL DEVELOPMENT													
KPA	PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET INPUT INDICATOR	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
DCS00	1	To improve organizational efficiency and promote a culture of professional conduct in order to render quality services.	Development of notch progression policy	Number of Notch progression policies developed and approved by Council		1 notch progression policy developed and approved by Council by 30 <sup>th</sup> June 2019	In house	0	In house	No	No consensus reached with organised labour on consultation	The policy will be adopted once consultation processes have been finalised	Notch progression policy and Council resolution.
DCS00	2	To improve organizational efficiency and promote a culture of professional conduct in order to render	Development and approval of employee job descriptions	Percentage of employees with signed job descriptions		100% of employees with signed job descriptions by 30 <sup>th</sup> June 2019	In house	100% of employees with signed job descriptions	In house	Yes	None	None	Signed job descriptions.

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	DCS003	quality services. To improve organizational efficiency and promote a culture of professional conduct in order to render quality services.	Development of individual performance management Policy	Number of IPMS policies developed and approved	1 IPMS policy developed and approved	1 IPMS policy developed and approved by 30 <sup>th</sup> June 2019	In house	1 PMS policy developed but not approved by Council	In house	No	No consensus reached with organised labour on consultation on consultation	The policy will be adopted once consultation processes have been finalised	PMS policy and Council resolution
	DCS004	To improve organizational efficiency and promote a culture of professional conduct in order to	Signing of Annual performance agreements by municipal staff	Percentage of employees at Level 3 with signed annual performance agreements	0	100% of employees at Level 3 with signed annual performance agreements by 30 <sup>th</sup> June 2019	In house	0	In house	No	Information gathering presentation on the cascading of PMS to the lower levels	Benchmarking with municipalities that have already cascaded PMS to lower levels	Signed Performance agreements

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MUNICIPAL TRANSFORMATIONS AND INSTITUTIONAL DEVELOPMENT													
KPA	PROJECT OBJECTIVE	STRATEGY	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVED YES/NO	CHALLENGES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
DCS005	To improve organizational efficiency and promote a culture of professional conduct in order to render quality services.	render quality services.	Filling of vacant positions	Number of vacant positions filled	1 Municipal Manager 1 HRM Manager 1 GIS operator 1 Plant operator 1 Traffic Officer 1 Assistant Manager 3 General Assistant 2 Cleaners	35 vacant positions filled by 30 <sup>th</sup> June 2019.	In house	25 Vacant positions filled	In house	No	Budget constraints	Vacant funded positions will be filled when budget is available	Appointment letters



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KPA	PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	DCS006	To improve organizational efficiency and promote a culture of professional conduct in order to render quality services.	Development and approval of Works Skills Plan to LGSETA	Number of work skills plans developed and submitted to LGSETA	1 Work skills plan developed	1 work skills plans developed and submitted to LGSETA by 30 <sup>th</sup> April 2019	In house	1 work skills plans developed and submitted to LGSETA	In house	Yes	None	None	Proof of submission LGSETA
	DCS007	To improve organizational efficiency and promote a culture of professional conduct in order to render	Operational revenue: Skills Development Levy Fund	Number of employees trained as part of the skills plan	62 Officials trained	75 employees trained as part of the skills plan by 30 <sup>th</sup> June 2019	R 2 345 000	66 Employee trained as part of the work skills plan 144	R1 585 446	No	Budgetary constraints	Planned training will be rolled out with the availability of budget	Training report and attendance register

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KPA	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE	
DCS008	To improve organizational efficiency and promote a culture of professionalism in order to render quality services.	Implementation of work skills plan	Percentage of municipal budget actually spent on implementing workplace skills plan	0.01% Of a Municipal budget spent on implementing work place skills plan	1% Municipal budget actually spent on implementing workplace skills plan by 30 <sup>th</sup> June 2019	In house	1% Municipal budget spent on implementing work place skills plan	In house	Yes	None	None	Section 71 report
DCS009	To improve organizational efficiency and promote a culture of professionalism in order to	Implementation of Employment Equity Plan	Percentage of vacancies filled in line with employment equity targets	90% vacancies filled in line with employment equity targets	100% vacancies filled in line with employment equity targets by 30 <sup>th</sup> June 2019	In house	10% vacancies filled in line with employment equity target	In house	No	Budgetary Constraints	Implementation will be done with availability of budget	Recruitment report

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MUNICIPAL TRANSFORMATIONS AND INSTITUTIONAL DEVELOPMENT													
KPA	PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
		render quality services.											
	DCS010	To improve organizational efficiency and promote a culture of professional conduct in order to render quality services.	Submission of Employment Equity Reports to Dept. of Labour	Number of EER submitted to Dept of Labour	1 EER submitted to Labour.	1 EER submitted to Dept. of Labour by 31 <sup>st</sup> January 2019	In house	1 EER submitted to Dept. of Labour by 13 <sup>th</sup> January 2019	In house	Yes	None	None	Proof of submission
	DCS011	To improve organizational efficiency and promote a culture of profession	Submission of Litigation reports to Municipal Manager	Number of litigation reports submitted to Municipal Manager	4 Litigation reports submitted to Municipal Manager	4 Litigation reports submitted to the Municipal Manager by 30 <sup>th</sup> June 2019	R 1 900 484	4 Litigation reports submitted to Municipal Manager	R 322 428	Yes	None	None	4 Litigation reports

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MUNICIPAL TRANSFORMATIONS AND INSTITUTIONAL DEVELOPMENT													
KPA	PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
DCS01	2	To improve organizational efficiency and promote a culture of professional conduct in order to render quality services.	Approval of Human Resource policies by Council	Number of Humana Resource policies approved by Council	8 Human Resource policies approved by Council	21 Human Resource policies approved by Council by 30 <sup>th</sup> June 2019 (education training and development, attendance and punctuality, succession planning and career path,PMS ,OHS,HR strategy, recruitment and employment,	In house	21 Human Resource policies approved by Council by 30 <sup>th</sup> June 2019 (education training and development, attendance and punctuality, succession planning and career path, PMS ,OHS,HR strategy, recruitment and employment,	In house	Yes	None	None	Council resolution

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MUNICIPAL TRANSFORMATIONS AND INSTITUTIONAL DEVELOPMENT													
KPA	PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
						leave, fleet management, acting allowance, learnership and internship, overtime, private work and declaration of interest, relocation, sexual harassment, smoking volunteers, retention strategy, HIV and AIDS, employee assistance, employees under the influence intoxicating substances)		leave, fleet management, acting allowance, learnership and internship, overtime, private work and declaration of interest, relocation, sexual harassment, smoking volunteers, retention strategy, HIV and AIDS, employee assistance, employees under the influence intoxicating substances)					

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## MUNICIPAL TRANSFORMATIONS AND INSTITUTIONAL DEVELOPMENT

KPA	PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	DCS01	To improve organizational efficiency and promote a culture of professional conduct in order to render quality services.	Issuing of Audit reports on OHS inspection	Number of Audit reports issued on OHS inspection	1 audit report issued on OHS inspection	2 Audit reports issued on OHS inspection by 30 <sup>th</sup> June 2019	In house	2 Audit report issued on OHS inspection	In house	Yes	None	None	Proof of submission
	DCS01	To improve organizational efficiency and promote a culture of professional conduct in order to render	Conducting Occupational Health and Safety Committee meetings	Number of OHS Committee meetings conducted	2 OHS meetings held	4 OHS Committee meetings conducted by 30 <sup>th</sup> June 2019	In house	4 OHS Committee meetings conducted	In house	Yes	None	None	Attendance register, minutes

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KPA	PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	DCS015	quality services. To improve organizational efficiency and promote a culture of profession at conduct in order to render quality services.	Submission of Occupational Health and Safety return on earnings to the Department of Labour	Number of OHS return on earnings submitted to the Department of Labour		1 OHS return earnings submitted to the Department of Labour by 30 <sup>th</sup> June 2019	In house	1 OHS return earnings submitted to the Department of Labour	In house	Yes	None	None	Proof of submission
	DCS016	To improve organizational efficiency and promote a culture of profession at conduct in order to	Conducting of induction for new and old employees	Number of inductions conducted for old and new employees	1 Inductions conducted	2 inductions conducted for old and new employees by 30 <sup>th</sup> June 2019	In house	0	In house	No	Planned induction was boycotted by staff in protest of other issues that affected them.	Inductions will be done as planned in the next FY	Attendance register

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KPA	PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET INPUT INDICATOR	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
		render quality services											
DCS01	7	To improve organizational efficiency and promote a culture of professional conduct in order to render quality services.	Sitting of the Local Labour Forum meetings	Number of LLF meetings conducted	3 LLF meetings held.	6 LLF meetings conducted by 30 <sup>th</sup> June 2019	In house	4 LLF meetings conducted	In house	No	Meeting did not quorate and planned meetings were disrupted by community protests.	Check availability of members before the meeting.	Attendance register
DCS01	8	To improve organizational efficiency and promote a culture of professional conduct	Procurement of Municipal fleet	Number of Municipal fleet procured for the Executive Mayor	0	1 Municipal fleet procured for the Executive Mayor by 30 <sup>th</sup> June 2019	R 807 000	1 Municipal fleet procured for the Executive Mayor by 30 <sup>th</sup> June 2019	R 806 000	Yes	None	None	Purchased order and Delivery note.



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KPA	PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE DATE	TARGET ACHIEVE YES/NO	CHALLENGES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
		In order to render quality services.											
DCS03	2	To improve organizational efficiency and promote a culture of professionalism at conduct in order to render quality services.	Leasing of Municipal fleet	Number of Municipal fleet procured	0	35 Municipal fleet procured by 30 <sup>th</sup> June 2019	R 2 301 111	37 Municipal fleet procured on lease by 30 <sup>th</sup> June 2019	R 1 565 236	Yes	None	Aging yellow fleet.	Purchased order and Delivery note.
DCS01	9	To improve organizational efficiency and promote a culture of profession	Development of operational plan for Municipal fleet	Number of operational plans developed for Municipal fleet	1 Operational plan developed and implemented on a monthly basis	1 operational plans developed for Municipal fleet by 30 <sup>th</sup> June 2019	In house	1 operational plans developed for Municipal fleet by 30 <sup>th</sup> June 2019	In house	Yes	None	None	Operational plan

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MUNICIPAL TRANSFORMATIONS AND INSTITUTIONAL DEVELOPMENT												
KPA	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
DCS020	To improve organizational efficiency and promote a culture of	Repairs and maintenance of Municipal fleet	Number of repairs and maintenance reports of Municipal fleet produced and submitted to the HOD	9 repairs and maintenance reports on Municipal fleet produced and submitted to HOD	12 repairs and maintenance reports on Municipal fleet produced and submitted to HOD by 30 <sup>th</sup> June 2019	R 10 492 635	12 repairs and maintenance reports on Municipal fleet produced and submitted to HOD.	R7 239 064	Yes	Aged yellow and some white plant	Produce yellow plant through appointed service provider to improve service delivery	Repairs and maintenance reports
DCS021	To improve organizational efficiency and promote a culture of	Monitoring the usage of fuel	Number of reports produced and submitted to the HOD on the	9 reports produced and submitted to the HOD on the usage of fuel	12 reports produced and submitted to the HOD on the usage of fuel by 30 <sup>th</sup> June 2019	R 6 002 100	12 reports produced and submitted to the HOD on the usage of fuel	R6 337 902	Yes	None	None	Fuel reports

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		professional conduct in order to render quality services.		usage of fuel									
DCS02	2	To improve organizational efficiency and promote a culture of professional conduct in order to render quality services.	Licensing of Municipal Fleet	Number of vehicle licenses renewed	132 vehicle licenses renewed	132 vehicles licenses renewed by 30 <sup>th</sup> June 2019.	R 910 792	132 vehicles licensed.	R 939 937	Yes	None	None	Motor vehicle license certificate
DCS02	3	To improve organizational efficiency and promote a	Development of business continuity plan	Number of business continuity plans developed and	0	1 Business continuity plan developed and approved by Council by	In house	1 Business continuity plan developed and approved by Council by	In house	Yes	None	None	Business continuity plan and Council resolution

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		culture of professional conduct in order to render quality services.	approved by Council		30 <sup>th</sup> June 2019		30 <sup>th</sup> June 2019					
DCSS02	Submission of Reports on the repairs and maintenance of ICT hardware	To improve organizational efficiency and promote a culture of professional conduct in order to render quality services.	Number of reports submitted to the HOD on the repairs and maintenance of ICT hardware	3 reports submitted to the HOD on the repairs and maintenance of ICT hardware	4 reports submitted to the HOD on the repairs and maintenance of ICT hardware by 30 <sup>th</sup> June 2019	R 550 000	4 Reports submitted to the HOD on the repairs and maintenance of ICT hardware by the 30 <sup>th</sup> June 2019	R 153 233	Yes	None	None	Reports
DCSS02	Renewal of software licenses renewed	To improve organizational efficiency and	Number of software licenses renewed	VIP 2 Server warranty, Munssoft VIP HR module licence,	VIP 4 Server warranty, Munssoft, 50 microsoft volume	R 3 959 220	VIP 4 Server warranty, Munssoft, 50 microsoft volume	R3 483 684	No	All licenses renewed except Server warranty was too high compare to	System Upgrade to be done in the new financial year.	License certificate

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		promote a culture of professional conduct in order to render quality services.				225 develop, 210 Symantec antivirus, Server monitoring system		225 develop, 210 Symantec antivirus, Server monitoring system			procuring new server		
DCS026		To improve organizational efficiency and promote a culture of professional conduct in order to render quality services.	Procurement of computer and equipment	Number of computers and equipment procured	14 laptops, 1 financial server	15 desktop, 34 laptops procured by 30 <sup>th</sup> June 2019	R 880 000	15 desktop, 34 laptops procured by 30 <sup>th</sup> June 2019	R 771 571	Yes	None	None	Invoices and delivery note
DCS027		To improve organizational efficiency	Approval of ICT policies	Number of ICT policies reviewed and approved by	7 ICT policies reviewed	7 ICT policies reviewed and approved by	in house	7 ICT policies reviewed and approved by	In house	Yes	None	None	Council resolution, Policies

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DCS02	and promote a culture of professional conduct in order to render quality services.		approved by Council		Council by 30 <sup>th</sup> June 2019		Council by 30 <sup>th</sup> June 2019					
8	To improve organizational efficiency and promote a culture of professional conduct in order to render quality services.	Conducting of ICT Steering Committee meetings	Number of ICT Steering Committee	3 ICT Steering Committee meetings held.	4 ICT Steering Committee meetings conducted by 30 <sup>th</sup> June 2019	In house	4 ICT Steering Committee meetings conducted by 30 <sup>th</sup> June 2019	In House	Yes	None	None	Attendance register, Minutes
9	To improve organizational	Formulation of Policy Development	Number of Policy Development	0	1 Policy Development Framework policies	In house	0	In house	No	Policy developed submitted to Mayoral Committee but	The policy will be submitted to Council at	Policy framework and Council resolution

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KPA	PROJECT STRATEGIC OBJECTIVE	PROJECT DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	efficiency and promote a culture of profession al conduct in order to render quality services.	Framework Policy	Framework policies formulated and approved by Council		formulated and approved by Council by 30 <sup>th</sup> June 2019					not tabled before Council.	the end of July 2019.	
DCS030	To improve organizational efficiency and promote a culture of profession al conduct in order to render quality services.	Development of a standardized procedure for the processing of internal and external communication	Number of standardized procedure manuals developed for the processing of internal and external communication	0	1 standardized procedure manuals developed for the processing of internal and external communication by 30 <sup>th</sup> June 2019	In house	1 standardized procedure manuals developed for the processing of internal and external communication by 30 <sup>th</sup> June 2019	In house	Yes	None	None	Procedure manuals
DCS031	To improve organizational	Installation of Biometric clocking system	Number of Biometric clocking	0	1 Biometric clocking system	R 600 000	1 Biometric clocking system	R 253 050	Yes	None	None	Completion certificate

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PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	onal efficiency and promote a culture of profession al conduct in order to render quality services.		systems installed		Installed by 30 <sup>th</sup> June 2019		Installed by 30 <sup>th</sup> June 2019					
MM009	To deepen democratic y and promote active community participatio n in the affairs of the institution	Updating of Municipal website	Rate of updating Municipal Website as per 75 of the MFMA	Updating of Municipal Website quarterly and as and when required to comply with Sec 75 of the MFMA	Updating of Municipal website quarterly and as and when required to comply with Sec 75 of MFMA by 30 <sup>th</sup> June 2019	In house	Updating of Municipal website quarterly and as and when required to comply with Sec 75 of MFMA	In house	Yes	None	None	Screen shots
MM013	To deepen democratic y and promote active	Sitting of Council meetings	Number of ordinary Council meetings conducted	4 ordinary Council meetings conducted	4 ordinary Council meetings conducted	In house	6 ordinary an 6 special Council meetings conducted	In house	Yes	None	None	Attendance register



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		community participation in the affairs of the institution				by 30 <sup>th</sup> June 2019							
MM014		To deepen democracy and promote active community participation in the affairs of the institution	Sitting of Mayoral Committee meetings	Number of Mayoral Committee meeting conducted	12 Mayoral Committee meeting conducted	12 Mayoral Committee meeting conducted by 30 <sup>th</sup> June 2019	In house	14 Mayoral Committee meeting conducted	In house	Yes	None	None	Attendance register

# Chapter 3

## **KPA: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT**

### **FINANCE SERVICES**

The department of Finance Services overall performance for 2018/2019 financial year is 65% achievement. The department managed to achieve 13 targets out of the 20 planned targets, as compared to 68% achieved in 2017/2018 financial year, out of 19 planned targets. 13 targets was achieved

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MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT												
KPA	STRATEGIC OBJECTIVE	PROJECT DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/ISSUES	ACTION PLAN	PORTFOLIO OF EVIDENCE
DBT001	To improve the financial status of the municipality through prudent budget planning, stringent financial management and improved revenue collection	Approve annual budget that are compliant with the MFMA and treasury standards	Number of annual budgets approved in line with MFMA and treasury standards	1 annual budgets approved in line with MFMA and treasury standards	1 annual budgets approved in line with MFMA and treasury standards by 31 <sup>st</sup> May 2019	In house	1 annual budgets approved in line with MFMA and treasury standards by 28 <sup>th</sup> May 2019	In house	Yes	None	None	Council resolution
DBT002	To improve the financial status of the Municipality through prudent budget planning, stringent	Budget adjustment in line with MFMA and treasury standards	Number of budgets adjusted in line with MFMA and treasury standards	1 budget adjusted in line with MFMA and treasury standards	1 budget adjusted in line with MFMA and treasury standards by 28 <sup>th</sup> February 2019	In house	1 budget adjusted in line with MFMA and treasury standards by 28 <sup>th</sup> February 2019	In house	Yes	None	None	Council resolution

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KPA		MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT										
PROJ CT CODE	STRATEGI C OBJECTIV E	PROJECT NAME/DESCR PTION	KEY PERFOR MANCE INDICATO R	BASELIN E 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATO R)	ACTUAL PERFORM ANCE	EXPENDITU RE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/CO MMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
DBT003	To improve the financial status of the Municipality through prudent budget planning, stringent financial management and improved revenue collection	Development of Audit Action Plan	Number of audit action plan developed	1 Audit action plan developed and implemented	1 Audit action plan developed by 31 <sup>st</sup> December 2018	In house	1 Audit action plan developed by 31 <sup>st</sup> December 2018	In house	Yes	None	None	Audit action plan
	financial management and improved revenue collection											

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MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT												
KPA	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE DATE	TARGET ACHIEVE YES/NO	CHALLENGES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
DBT005	To improve the financial status of the Municipality through prudent budget planning, stringent financial management and improved revenue collection	Revenue collection in line with the budgeted financial performance	Amount revenue collected excluding grants	Own revenue collected R34 123 888	(R208 866 000) revenue collected excluding grants by 30 <sup>th</sup> June 2019 Broken down as follows:-	In house	R15 317 321	In house	No	Low collection rate as a result of resistant payment from customers	The Municipality is in the process of implementing the revised Revenue Enhancement Strategy.	Section Monthly reports
				R7 950 596	1. Property Rates (R13 547 000)	In house	R4 952 563	In house	No	Low collection rate as a result of resistant payment from customers	The Municipality is in the process of implementing the revised Revenue Enhancement Strategy.	Section Monthly reports
				R1 846 811	2. Service charges (R123 172 000)	In house	R1 616 888	In house	No	Low collection rate as a result of resistant payment from customers	The Municipality is in the process of implementing	Section Monthly reports

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KPA		MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT										
PROJ CT CODE	STRATEGI C OBJECTIV E	PROJECT NAME/DESCR PTION	KEY PERFOR MANCE INDICATO R	BASELIN E 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATO R)	ACTUAL PERFORM ANCE	EXPENDITU RE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/CO MMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
				R3 322 649	3. Investment 1 Revenue (R6 336 000)	In house	R3 769 817	In house	No	The investments left for the Municipality in Call and Fixed Accounts could not generate the anticipate target for the quarter.	More money which is not immediately required for use must be invested.	Section 71 Monthly reports
				R21 003 832	4 Other own Revenue (R65 811 000)	In house	R4 978 053	In house	No	Low collection rate as a result of resistant payment from customers	The Municipality is in the process of implementin g the revised Revenue Enhanceme nt Strategy.	Section 71 Monthly reports

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MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT												
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				R463 689 981	Transfers (R538 712 000)	In house	R556 252 000	In house	Yes	None	None	Section Monthly reports 71
DBT006	To improve the financial status of the Municipality through prudent budget planning, stringent financial management and improved revenue collection	Revenue enhancement outreach meetings	Number of outreach meeting conducted	3 Outreach meetings conducted	12 Outreach meetings conducted by 30 <sup>th</sup> June 2019	In house	12 Outreach meetings conducted	In house	Yes	None	None	Attendance register
DBT007	To improve the financial status of the	Development of Data cleansing action plan	Number of data action plans developed	1 data action plan developed	1 data action plan developed	In house	1 data action plan developed	In house	Yes	None	None	Data cleansing action plan

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PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/ISSUES	ACTION PLAN	PORTFOLIO OF EVIDENCE
	Municipality through prudent budget planning, stringent financial management and improved revenue collection				by 30 <sup>th</sup> June 2019							
DBT008	To improve the financial status of the Municipality through prudent budget planning, stringent financial management and improved	Implementation of data cleansing process	Number of reports submitted to the Municipal Manager on data cleansing	100% of the data cleansing process completed	4 quarterly report submitted to the Municipal Manager on data cleansing by 30 <sup>th</sup> June 2019	In house	1 quarterly report submitted to the Municipal Manager on data cleansing	In house	No	Data collection plan has since being abandoned due to unavailability of data collectors	Pursue the collection of data base collection and update the billing information through the cleansing process	Data cleansing report



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DBT008	revenue collection To improve the financial status of the Municipality through prudent budget planning, stringent financial management and improved revenue collection	Registration of Indigents	Number of indigents registered on the indigent register	400 indigents registered on the indigent register	6000 indigents registered on the indigent register by 30 <sup>th</sup> June 2019	In house	564 indigents registered on the indigent register	In house	No	Slow application of indigents from the communities.	Address the challenge through communicating the programme to the communities during the implementation of the Revenue Enhancement Strategy by way of the different media platforms including the Road Shows.	Indigent register

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## MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

KPA	PROJECT NAME/DESCRIPTION	STRATEGIC OBJECTIVE	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR R)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/RISKS	ACTION PLAN	PORTFOLIO OF EVIDENCE
DBT010	Provision of services to indigent households	To improve the financial status of the Municipality through prudent budget planning, stringent financial management and improved revenue collection	Percentage of households earning less than R 1100 per month with access to free basic services	100% of households earning less than R1100 per month with access to free basic services	100% of households earning less than R1100 per month with access to free basic services by 30 <sup>th</sup> June 2019	In house	100% of households earning less than R1100 per month with access to free basic services	In house	Yes	None	None	Indigent register
DBT011	Fixed Asset Register compliance with GRAP	To improve the financial status of the Municipality through prudent budget planning, stringent	Number of action plan developed in line with FAR compliance with GRAP standards	0	1 action plan developed in line with FAR compliance with GRAP standards	In house	1 action plan developed in line with FAR compliance with GRAP standards	In house	Yes	None	None	Action plan in line with FAR

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MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT												
KPA	STRATEGIC OBJECTIVE	PROJECT DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
DBT012	financial management and improved revenue collection	Conduct asset verification	Number of asset verifications conducted	1 Assets verification sessions conducted	2 asset verifications conducted by 30 <sup>th</sup> June 2019	In house	2 asset verifications conducted	In house	Yes	None	None	Assets verification reports

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KPA		MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT										
PROJ CT CODE	STRATEGI C OBJECTIV E	PROJECT NAME/DESCR PTION	KEY PERFOR MANCE INDICATO R	BASELIN E 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATO R)	ACTUAL PERFORM ANCE	EXPENDITU RE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/ISS UES	ACTION PLAN	PORTFOLIO OF EVIDENCE
DB1013	To improve the financial status of the Municipality through prudent budget planning, stringent financial management and improved revenue collection	Updating of the fixed Asset register	Rate update of the Fixed Asset Register	Fixed Asset Register	Daily update of the Fixed Asset Register by 30 <sup>th</sup> June 2019	In house	Daily update of the Fixed Asset Register	In house	Yes	None	None	Assets register
DB1014	To improve the financial status of the Municipality through prudent budget planning, stringent	Submission of Section 71 monthly budget statements	Number of section 71 monthly statements submitted within 10 days after the end of each month to the	8 Section 71 reports submitted	12 Section 71 monthly statements submitted within 10 days after the end of each month to the Executive Mayor, the	In house	12 Section 71 monthly statements of which 05 submitted within 10 days after the end of each month to the Executive	In house	No	Due to non-integrations between VIP Sage and Munssoft during the salary exports and lead to late month end closure of the system.	VIP Sage consultant and Munssoft came on site to rectify all the errors unaccounted during salary import	Proof of submission of and 12 reports

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MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT													
KPA	PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE DATE	TARGET ACHIEVE YES/NO	CHALLENGES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
		financial management and improved revenue collection		Executive Mayor, the provincial treasury and national treasury		provincial treasury and national treasury by 30 <sup>th</sup> June 2019		Mayor, the provincial treasury and national treasury (other 07 submitted after 10 days.					
DBT015		To improve the financial status of the Municipality through prudent budget planning, stringent financial management and improved revenue collection	Submission of Supply Chain Management reports to Council	Number of Supply Chain Management reports submitted to Council	3 Supply chain management reports submitted to Council	4 Supply chain management reports submitted to Council by 30 <sup>th</sup> June 2019	in house	4 Supply chain management reports submitted to Council	in house	Yes	None	None	4 reports and Council resolution

# Chapter 3

## MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

KPA	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT R <sub>2</sub> )	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/ISSUES	ACTION PLAN	PORTFOLIO OF EVIDENCE	
DBT016	To improve the financial status of the Municipality through prudent budget planning, stringent financial management and improved revenue collection	Submission of budget statements to Council	Number of budget statements submitted to Council within 30 days after the end of a quarter	3 Budget statements submitted to Council	4 budget statements submitted to Council within 30 days after the end of a quarter by 30 <sup>th</sup> June 2019	In house	4 budget statements of which 02 were submitted to Council within 30 days after the end of a quarter and the other 02 were submitted after 30 days	In house	No	Late closure of the financial system due to the compilation of the AFS and the loading of the General Valuation Roll.	The system to be closed in time to allow for compilation of reports	Council resolution and reports
DBT017	To improve the financial status of the Municipality through prudent budget planning, stringent	Submission of bank reconciliation to the Municipal Manager	Number of Bank reconciliations submitted to the Municipal Manager within 10 days after	4 Bank reconciliations submitted to the Municipal Manager	12 Bank reconciliations submitted to the Municipal Manager within 10 days after the end of the month	In house	11 Bank reconciliations submitted to the Municipal Manager after 10 days after the end of the month	In house	No	The bank reconciliations were not done due to the fact that there was no specific person assigned to carry out the responsibility in the first quarter of the financial year.	A person has been assigned to take care of the responsibility in the second quarter wherein the	12 Bank reconciliation and proof of submission

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MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT													
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		financial management and improved revenue collection		the end of the month		by 30 <sup>th</sup> June 2019						recons has been done up to May 2019 and the workings for June 2019 has been done and now finalising the Bank Reconciliation.	
DBT018		To improve the financial status of the Municipality through prudent budget planning, stringent financial management and improved	Compilation and submission of Annual Financial Statements to the Auditor General	Number of Annual Financial Statements compiled and submitted to the Auditor General	1 Annual Financial Statement submitted to the AG	1 Annual Financial Statement compiled and submitted to the Auditor General by 31 <sup>st</sup> August 2018	R 2 772 018	1 Annual Financial Statement compiled and submitted to the Auditor General by 31 <sup>st</sup> August 2018	1 Annual Financial Statement compiled and submitted to the Auditor General by 01 <sup>st</sup> September 2018	No	The AFS were submitted a few minutes later due to the fact that the preparers were finalising the Fixed Asset Register.	The administration will ensure that it follows the AFS preparation programme thought so that delaying issues are avoided in order to	Annual Financial Statement; Acknowledgement of receipt

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KPA		MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT										
PROJ CT CODE	STRATEGI C OBJECTIV E	PROJECT NAME/DESCR PTION	KEY PERFOR MANCE INDICATO R	BASELIN E 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATO R)	ACTUAL PERFORM ANCE	EXPENDITU RE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/C OMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	revenue collection										make submission in time.	
DB1019	To improve the financial status of the Municipality through prudent budget planning, stringent financial management and improved revenue collection	Conduct stock taking	Number of stock taking sessions conducted	1 Stocktaking 9 sessions conducted	2 Stocktaking sessions conducted by 30 <sup>th</sup> June 2019	In house	2 Stocktaking sessions conducted	In house	Yes	None	None	report
DB1020	To improve the financial status of	Implementation of valuation roll	Percentage implementation of	100% of the valuation	100% of the valuation roll	In house	100% of the valuation roll	In house	Yes	None	None	Valuation report



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		the Municipality through prudent budget planning, stringent financial management and improved revenue collection		valuation roll	roll implemented on a monthly basis	implemented on a monthly basis by 30 <sup>th</sup> June 2019		implemented on a monthly basis					

## KPA: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

### OFFICE OF THE MUNICIPAL MANAGER

The Office of the Municipal Manager's overall performance for 2018/2019 financial year is 72% achievement. The department managed to achieve 38 targets out of the 53 planned targets, as compared to 70% achieved in 2017/2018 financial year, out of 44 planned targets 31 targets was achieved.

# Chapter 3

## KPA GOOD GOVERNANCE AND PUBLIC PARTICIPATION

PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE DATE	TARGET ACHIEVED YES/NO	CHALLENGES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
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### OFFICE OF THE SPEAKER

MM001	To deepen democracy and promote active community participation in the affairs of the institution	Conducting Mayoral Outreach meetings	Number of Mayoral Outreach Meetings conducted	14 Mayoral outreach meetings conducted	24 Mayoral outreach meetings conducted by 30 <sup>th</sup> June 2019	In house	27 Mayoral outreach meetings conducted	In house	Yes	None	None	Attendance registers
MM002	To deepen democracy and promote active community participation in the affairs of the institution	Submission of Mayoral Outreach Report to the Mayor	Number of Mayoral Outreach reports submitted to the Mayor	1 Mayoral outreach reports submitted to the Mayor	2 Mayoral outreach reports submitted to the Mayor by 30 <sup>th</sup> June 2019	In house	2 Mayoral outreach reports submitted to the Mayor	In house	Yes	None	None	Reports
MM003	To deepen democracy	Conducting of Ward Committee meetings	Number of ward Committee	288 meetings held	384 ward Committee meetings	In house	384 ward Committee	In house	Yes	None	None	Attendance registers

# Chapter 3

GOOD GOVERNANCE AND PUBLIC PARTICIPATION												
KPA	PROJECT CODE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
			meetings conducted		conducted by 30 <sup>th</sup> June 2019		meetings conducted					
MM004		Workshops for Councilors and ward Committee members	Number of workshop conducted for Councilors and ward Committee members	1 workshop programme conducted for ward Committee members and Councilors	2 workshop programmes conducted for ward Committee members and Councilors by 30 <sup>th</sup> June 2019	In house	3 workshop programmes conducted for ward Committee members and Councilors	In house	Yes	None	None	Attendance register
<b>COMMUNICATION</b>												
MM005		Development and approval of Communication strategy	Number of Communication Strategies developed and approved	0	1 communication strategies developed and approved by	In house	0	In house	No	None	None	Communication strategy and Council resolution

# Chapter 3

KPA		GOOD GOVERNANCE AND PUBLIC PARTICIPATION										
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE DATE TO	TARGET ACHIEVE YES/NO	CHALLENGES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
MM006	To deepen democratic and promote active community participation on the affairs of the institution	Conducting of media engagement sessions	Number of media engagement sessions conducted	2 media engagement sessions conducted	2 media engagement sessions conducted by 30 <sup>th</sup> June 2019	In house	2 media engagement sessions conducted	In house	Yes	None	None	Attendance register and photos
MM007	To deepen democracy and promote active community participation in the	Issuing of media statements	Number of media statements issued	6 media statements issued	4 media statements issued by 30 <sup>th</sup> June 2019	In house	5 media statements issued	In house	Yes	None	None	Media statements

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GOOD GOVERNANCE AND PUBLIC PARTICIPATION											
KPA	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE DATE	TARGET ACHIEVE YES/NO	CHALLENGES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	affairs of the institution										
MM008	Updating of official social media accounts	Rate of update of municipal social media accounts	Updating of Municipal social media accounts quarterly and when required	Updating of Municipal social media accounts quarterly and when required by 30 <sup>th</sup> June 2019	in house	Updating of Municipal social media accounts quarterly and when required	In house	Yes	None	None	Social media accounts reports
MM010	Submission of report on the presidential hotline to the Municipal Manager	Number of reports on the presidential hotline submitted to the Municipal Manager	3 reports on the presidential hotline submitted to the Municipal Manager	4 reports on the presidential hotline submitted to the Municipal Manager by 30 <sup>th</sup> June 2019	In house	3 reports on the presidential hotline submitted to the Municipal Manager	In house	No	None	None	4 Presidential hotline reports

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## KPA GOOD GOVERNANCE AND PUBLIC PARTICIPATION

PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR R)	ACTUAL PERFORMANCE	EXPENDITURE DATE TO	TARGET ACHIEVE YES/NO	CHALLENGES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
MM11	To deepen democracy and promote active community participation in the affairs of the institution	Issuing of External Newsletter	Rate of issuing of External Newsletter issued	0	Quarterly issuing of External Newsletter by 30 <sup>th</sup> June 2019	R225 000	0	R 0	No	There were challenges with the appointment of the service provider	None	External Newsletter
IDP												
MM017	To deepen democracy and promote active community participation in the affairs of the institution	Development and approval of IDP Process Plan	Number of IDP process plans developed and approved by Council	1 IDP developed and approved	1 IDP process plans developed and approved by Council by 30 <sup>th</sup> June 2019	In house	1 IDP process plan developed and approved by Council	In house	Yes	None	None	IDP Process Plan and Council resolution

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GOOD GOVERNANCE AND PUBLIC PARTICIPATION													
KPA	PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE DATE	TARGET ACHIEVE YES/NO	CHALLENGES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	MM018	To deepen democracy and promote active community participation in the affairs of the institution	Development and approval of the Integrated Development Plan	Number of IDP's reviewed and approved	1 IDP's reviewed and approved	1 IDP's reviewed and approved by 30 <sup>th</sup> June 2019	R199 228	1 IDP reviewed and approved	R138 569	Yes	None	None	Reviewed IDP and Council resolution
	MM019	To deepen democracy and promote active community participation in the affairs of the institution	Holding of the Annual IDP/Budget Indaba	Number of IDP/Budget Indaba meetings conducted	0	1 IDP/Budget Indaba meetings conducted by 30 <sup>th</sup> June 2019	In house	1 IDP/Budget Indaba meeting conducted	In house	Yes	None	None	Attendance register
	MM020	To deepen democracy and	Conducting of the Strategic Planning Workshop	Number of strategic planning	0	1 strategic planning workshops conducted	R183 470	1 Strategic planning workshop conducted	R135 371	Yes	None	None	Attendance register and report

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## GOOD GOVERNANCE AND PUBLIC PARTICIPATION

KPA	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR R)	ACTUAL PERFORMANCE	EXPENDITURE DATE	TARGET ACHIEVED YES/NO	CHALLENGES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
MM021	To deepen democratic y and promote active community participation in the affairs of the institution	Conducting of IDP/Budget steering Committee meetings	0	4 IDP/Budget steering Committee meetings conducted by 30 <sup>th</sup> June 2019	In house	0	In house	No	Unavailability of IDP coordinator	Appointment of full IDP coordinator	Attendance register and report
MM022	To deepen democratic y and promote active community participation in the affairs of the institution	Submission of IDP to the MEC for Local Government	Number of IDP submitted to the MEC for Local Government within 10 working days after approval	1 IDP submitted to the MEC for Local Government within 10 working days after approval	In house	1 IDP submitted to MEC for Local Government within 10 days	In house	Yes	None	None	Submission letter



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GOOD GOVERNANCE AND PUBLIC PARTICIPATION														
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		participate in the affairs of the institution			days after approval	approval by 30 <sup>th</sup> June 2019								
MM023		To deepen democracy and promote active community participation in the affairs of the institution	Conducting Community Consultative meetings on approved draft IDP/Budget	Number of Community Consultative meetings conducted on approved draft IDP/Budget	0	12 zonal meetings Community Consultative meetings conducted on approved draft IDP/Budget by 30 <sup>th</sup> June 2019	In house	12 zonal meetings Community Consultative meetings conducted on approved draft IDP/Budget	In house	Yes	None	None	Attendance register	
<b>PERFORMANCE MANAGEMENT SYSTEM</b>														
MM024		To deepen democracy and promote active community participation in the affairs of	Compilation and submission of the Annual Report to the office of the Auditor General	number of Annual Reports compiled and submitted to the office of Auditor General	1 2016/2017 Annual Report compiled and submitted to the office of the Auditor General	1 Annual Report compiled and submitted to the office of the Auditor General by 31 <sup>st</sup> August 2018	In house	1 Annual Report compiled and submitted to the office of the Auditor General by 31 <sup>st</sup> August 2018	In house	Yes	None	None	Acknowledgment letter	

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KPA		GOOD GOVERNANCE AND PUBLIC PARTICIPATION										
PROJ CT CODE	STRATE GIC OBJECTI VE	PROJECT NAME/DESCRIP TION	KEY PERFOR MANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATO R)	ACTUAL PERFORMA NCE	EXPENDIT URE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
MM025	To the institution	Tabling of Annual Report before Council	Number of Annual Reports tabled before Council	1 2016/2017 Annual report tabled before Council	1 Annual report tabled before Council by 31 <sup>st</sup> January 2019	In house	1 Annual report tabled before Council by 31 <sup>st</sup> January 2019	In house	Yes	None	None	Council resolution
MM026	To deepen democratic y and promote active communit y participati on in the affairs of the institution	Development and submission of Mid-year budget and performance assessment report	Number of Mid- year budget and performance assessments submitted to the Executive Mayor, National Treasury and Provincial Treasury	1 Mid-year budget and performance assessment conducted and submitted to the Executive Mayor, National Treasury and Provincial Treasury	1 Mid-year budget and performance assessment conducted and submitted to the Executive Mayor, National Treasury and Provincial	In house	1 Mid-year budget and performance assessment conducted and submitted to the Executive Mayor, National Treasury and Provincial	In house	Yes	None	None	Acknowledge ment of receipt

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GOOD GOVERNANCE AND PUBLIC PARTICIPATION													
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	MM027	To deepen democracy and promote active community participation in the affairs of the institution	Tabling of Mid-year budget and performance assessment before Council	Number of Mid-year budget and performance assessments tabled before Council	1 Mid-year budget and Performance Assessment report tabled before Council	Treasury by 25 <sup>th</sup> January 2019 1 Mid-year budget and Performance Assessment report tabled before Council by 31 <sup>st</sup> January 2019	In house	Treasury by 25 <sup>th</sup> January 2019 1 Mid-year budget and Performance Assessment report tabled before Council by 31 <sup>st</sup> January 2019	In house	Yes	None	None	Council resolution
	MM028	To deepen democracy and promote active community participation in the affairs of the institution	Review and approval of the PMS Policy Framework	Number of PMS Policy Framework reviewed and approved by Council	1 PMS Policy Framework reviewed and approved by Council	1 PMS Policy Framework reviewed and approved by Council by 30 <sup>th</sup> June 2019	In house	1 PMS Policy Framework reviewed but not approved by Council	In house	No	The PMS policy was submitted to the Mayoral Committee but there was no Council sitting on the Month of June	Request that Corporate services to develop schedule inconsideration with the documents that must be	Council resolution and PMS policy

# Chapter 3

## RPA GOOD GOVERNANCE AND PUBLIC PARTICIPATION

PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATORS)	ACTUAL PERFORMANCE	EXPENDITURE DATE	TARGET ACHIEVE YES/NO	CHALLENGES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
MM029	To deepen democracy and promote active community participation in the affairs of the Institution	Submission of performance report to the Executive Mayor	Number of performance reports submitted to the Executive Mayor	3 Performance reports submitted to the Executive Mayor	4 Performance reports submitted to the Executive Mayor by 30 <sup>th</sup> June 2019	In house	4 Performance reports submitted to the Executive Mayor	In house	Yes	None	None	Council resolution
MM030	To deepen democracy and promote active community participation in the affairs of	Development and submission of the SDBIP to the Executive Mayor	Number of SDBIP's developed and submitted to the Executive Mayor within 14 days after the approval of the budget for consideration	1 SDBIP's developed and submitted to the Executive Mayor within 14 days after the approval of the budget for consideration	1 SDBIP's developed and submitted to the Executive Mayor within 14 days after the approval of the budget for consideration	In house	1 SDBIP's developed and submitted to the Executive Mayor within 14 days after the approval of the budget	In house	Yes	None	None	Acknowledgement receipt

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GOOD GOVERNANCE AND PUBLIC PARTICIPATION													
KPA	PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATORS)	ACTUAL PERFORMANCE	EXPENDITURE DATE	TARGET ACHIEVE YES/NO	CHALLENGES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
		the institution				consideration by 30 <sup>th</sup> June 2019		for consideration					
	MM031	To deepen democracy and promote active community participation in the affairs of the institution	Approval of SDBIP by the Executive Mayor	Number of SDBIP's approved by the Executive Mayor within 28 days after the approval of the budget	1 2019/2020 SDBIP's approved by the Executive Mayor within 28 days after the approval of the budget	1 2019/2020 SDBIP's approved by the Executive Mayor within 28 days after the approval of the budget by 30 <sup>th</sup> June 2019	In house	1 2019/2020 SDBIP's approved by the Executive Mayor within 28 days after the approval of the budget	In house	Yes	None	None	Approved SDBIP
	MM032	To deepen democracy and promote active community participation in the affairs of the institution	Signing of Performance Agreements by Senior managers	Number of Senior Managers including Municipal Manager with signed performance agreement	3 Signed performance agreements for section 56 Managers and 1 Municipal Manager	4 Signed performance agreements for section 56 Managers and 1 Municipal Manager by 31 <sup>st</sup> July 2018	In house	4 Signed performance agreements for section 56 Managers and 1 Municipal Manager	In house	Yes	None	None	Signed performance agreements

# Chapter 3

## GOOD GOVERNANCE AND PUBLIC PARTICIPATION

KPA	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE DATE	TARGET ACHIEVE YES/NO	CHALLENGES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE	
MM033	To deepen democratic and promote active community participation in the affairs of the institution	Conducting performance assessments for Senior Managers	Number of performance assessments conducted for Senior Managers including Municipal Manager	3 performance assessments conducted for senior managers including Municipal Manager	4 performance assessments conducted for senior managers including Municipal Manager by 30 <sup>th</sup> June 2019	In house	4 performance assessments conducted for senior managers including Municipal Manager	In house	Yes	None	None	Performance assessments report
<b>INTERNAL AUDIT</b>												
MM034	To deepen democratic and promote active community participation in the affairs of the institution	Submission of Audit Plan to Audit Committee for approval (3 year rolling and annual operational plan)	Number of Audit Plans submitted to the Audit Committee for approval	1 Audit Plans submitted to the Audit Committee for approval	1 Audit Plans submitted to the Audit Committee for approval by 30 <sup>th</sup> June 2019	In house	1 Audit Plans submitted to the Audit Committee for approval	In-house	Yes	None	None	Approved Audit plan and minutes of the AC meeting
MM035	To deepen	Submission of internal audit	Number of internal audit	3	4	In house	4	In-house	Yes	None	None	Quarterly audit reports

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GOOD GOVERNANCE AND PUBLIC PARTICIPATION													
KPA	PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
		democratic and promote active community participation in the affairs of the institution	reports to the Audit Committee	reports submitted to the Audit Committee	internal audit reports submitted to the Audit Committee	Internal Audit reports submitted to the Audit Committee by 30 <sup>th</sup> June 2019		Internal Audit reports submitted to the Audit Committee					presented to the AC and the AC minutes
MM036		To deepen democratic and promote active community participation in the affairs of the institution	Conducting of Internal Audit charter workshops	Number of Internal Audit charter workshops conducted	2 Internal Audit charter workshops conducted	2 Internal Audit charter workshops conducted by 30 <sup>th</sup> June 2019	In house	2 Internal Audit charter workshops conducted	In-house	Yes	None	None	Attendance registers
MM037		To deepen democratic and promote active	Holding of Audit Committee meetings	Number of Audit Committee meetings held	4 Audit Committee meetings held	4 Audit Committee meetings held by 30 <sup>th</sup> June 2019	NDM shared services	4 Audit Committee meetings held	Shared audit Committee by NDM	Yes	None	None	Attendance registers and minutes

# Chapter 3

KPA		GOOD GOVERNANCE AND PUBLIC PARTICIPATION											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE DATE	TARGET ACHIEVE YES/NO	CHALLENGES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE	
MM038	community participation on the affairs of the institution	Submission of Audit Committee reports to Council	Number of Audit Committee reports submitted to Council	2 Audit Committee reports submitted to Council	4 Audit Committee reports submitted to Council by 30 <sup>th</sup> June 2019	In house	3 Audit Committee reports submitted to Council	In house	No	The last Audit committee meeting was held later after Council met for the Quarter.	To align the AC meetings to ensure timely reporting	AC Reports, Council resolution	
MM039	deepen democracy and promote active community	Submission of quarterly Risk Management reports to RMC	Number of Risk Management reports submitted to RMC	2 Risk Management reports submitted to RMC	4 Risk Management reports submitted to RMC by 30 <sup>th</sup> June 2019	In house	4 Risk Management reports submitted to RMC	In house	Yes	None	None	Quarterly risk management reports and attendance register	

**RISK MANAGEMENT**



# Chapter 3

GOOD GOVERNANCE AND PUBLIC PARTICIPATION											
KPA	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	participation in the affairs of the institution										
MM040	To deepen democracy and promote active community participation in the affairs of the institution	Number of compliance reports submitted to RMC	3 Compliance reports submitted to RMC	4 Compliance reports submitted to RMC by 30 <sup>th</sup> June 2019	In house	4 Compliance reports submitted to RMC	In house	Yes	None	None	4 Quarterly compliance reports
MM047	To deepen democracy and promote active community participation in the affairs of the institution	Number of RMC reports submitted to AC	4 RMC reports submitted	4 RMC reports submitted to AC by 30 <sup>th</sup> June 2019	In house	4 RMC reports submitted to AC	In house	Yes	None	None	RMC reports

# Chapter 3

GOOD GOVERNANCE AND PUBLIC PARTICIPATION												
KPA	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE DATE	TARGET ACHIEVE YES/NO	CHALLENGES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE	
MM041	To deepen democratic and promote active community participation in the affairs of the institution	Development and approval of Strategic Risk Register	Number of Strategic Risk Register developed and approved by Council	1 Strategic Risk Register developed and adopted by Council	1 Strategic Risk Register developed and adopted by Council 30 <sup>th</sup> June 2019	In house	1 Strategic Risk Register developed but not adopted by Council	In house	No	The Council didn't sit in June 2019	None	Risk register and Council resolution
MM042	To deepen democracy and promote active community participation in the affairs of the institution	Conducting of Risk Management Committee meetings	Number of Risk Management Committee meetings conducted	3 Risk management Committee meetings conducted	4 Risk management Committee meetings conducted by 30 <sup>th</sup> June 2019	NDM shared services	5 Risk management Committee meetings	In house	Yes	None	None	Attendance registers, minutes

# Chapter 3

GOOD GOVERNANCE AND PUBLIC PARTICIPATION													
KPA	PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE DATE	TARGET ACHIEVE YES/NO	CHALLENGES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	MM043	To deepen democracy and promote active community participation in the affairs of the institution	Anti-fraud and corruption campaign	Number of anti-fraud and corruption awareness campaign conducted	2 Anti-fraud and corruption awareness campaign conducted	2 Anti-fraud and corruption awareness campaign conducted by 30 <sup>th</sup> June 2019	In house	2 Anti-fraud and corruption awareness campaign conducted	In house	Yes	None	None	Attendance register
<b>MUNICIPAL PUBLIC ACCOUNT COMMITTEE</b>													
	MM044	To deepen democracy and promote active community participation in the affairs of the institution	Sitting of Municipal Public Accounts Committee	Number of MPAC meetings conducted	9 MPAC meetings conducted	4 MPAC meetings conducted by 30 <sup>th</sup> June 2019	In house	4 ordinary and 7 special MPAC meetings conducted	In house	Yes	None	None	Attendance register
	MM045	To deepen	Development and approval of the	Number of oversight	1	1 oversight reports	In house	1 oversight reports	In house	Yes	None	None	Oversight report and

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KPA		GOOD GOVERNANCE AND PUBLIC PARTICIPATION											
PROJ CT CODE	STRATE GIC OBJECTI VE	PROJECT NAME/DESCRIP TION	KEY PERFOR MANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATO R)	ACTUAL PERFORMA NCE	EXPENDIT URE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE	
MM046	To deepen democratic and promote active community participation on in the affairs of the institution	Development and approval of the MPAC Annual Work Plan	Number of Annual Work Plans developed and approved by Council	1 Annual Work Plans developed and approved by Council	1 Annual Work Plans developed and approved by Council by 30 <sup>th</sup> June 2019	In house	1 Annual Work Plans developed and approved by Council	In house	Yes	None	None	Annual work plan and Council resolution	
LED017	To create a conducive environment	Development of an Integrated Youth Strategy	Number of Integrated youth	0	1 integrated youth strategies developed	In house	0	In house	No	No Council Sitting in June	Item for the approval of the	Approved integrated youth development	
<b>YOUTH</b>													

# Chapter 3

GOOD GOVERNANCE AND PUBLIC PARTICIPATION													
KPA	PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
		environmental economic development, investment attraction and job creation		strategies developed		and approved by 30 <sup>th</sup> June 2019						Strategy was sent to Mayoral Committee and it will be before Council in July	strategy and Council resolution
LED018		To create a conducive environment economic development, investment attraction and job creation	Establishment/Launching of the South African Youth Council	Number of South African Youth Council established/launched	0	1 South African Youth Council established/launched by 30 <sup>th</sup> June 2019	R 91 637,50	1 South African Youth Council established	R 91 637,50	Yes	None	None	Attendance register and list of newly elected leadership

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KPA		GOOD GOVERNANCE AND PUBLIC PARTICIPATION										
PROJ CT CODE	STRATE GIC OBJECTI VE	PROJECT NAME/DESCRIP TION	KEY PERFOR MANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATO R)	ACTUAL PERFORMA NCE	EXPENDIT URE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
LED019	To create a conducive environment for economic development, investment attraction and job creation	Youth Summit	Number of Youth Summits conducted	0	1 Youth Summits conducted by 30 <sup>th</sup> June 2019	R 87 500	0	R 0	No	Budget was taken due to deficit in the Municipal budget	To be held in next financial year 2019/20	Attendance register and summit report
LED020	To create a conducive environment for economic development, investment attraction	Road Safety Campaign	Number of Road Safety Campaign conducted	0	1 Road Safety Campaign conducted by 30 <sup>th</sup> June 2019	R 63 062	1 Road Safety Campaign conducted	R 31 450	Yes	None	None	Attendance register and Reports

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GOOD GOVERNANCE AND PUBLIC PARTICIPATION											
KPA	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET TO ACHIEVE YES/NO	CHALLENGES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
LED021	and job creation NDM Mayoral Tournament	Number of NDM Mayoral Tournament conducted	0	1 NDM Mayoral Tournament conducted by 30 <sup>th</sup> June 2019	R 0	1 NDM Mayoral Tournament conducted	R 0	Yes	None	None	Attendance registers
LED022	To create a conducive environment economic development, investment attraction and job creation Cooperatives Financial Grant	Number of Cooperatives Financial Grant supported	0	2 Cooperatives Financial Grant supported by 30 <sup>th</sup> June 2019	R 200 000	1 Cooperatives Financial Grant supported	R 53 211	No	Budget was taken due to deficit in the municipal budget	To be achieved in the next financial year 2019/20	Invoices

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KPA		GOOD GOVERNANCE AND PUBLIC PARTICIPATION										
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR R)	ACTUAL PERFORMANCE	EXPENDITURE DATE	TARGET ACHIEVE YES/NO	CHALLENGES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
LED02	attraction and job creation											
3	To create economic development investment attraction and job creation	NPO Social Special Programmes Support	Number of Social Special Programmes Support conducted	0	8 Social Special Programmes Support conducted by 30 <sup>th</sup> June 2019	R 131 670	2 Social Special Programmes Support conducted	R 61 500	No	Insufficient budget allocation	To increase budget	Attendance registers
4	To create a conducive environment economic development, investme	Youth participation in training and skills development	Number of youth participating in training and skills development programs facilitated by the Municipality		30 of youth participating in training and skills development programs facilitated by the Municipality	In house	22 of youth participating in training and skills development programs facilitated by the Municipality	In house	No	The enrolment of the participants has been reduced by the MRTT	None	Enrolment list



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GOOD GOVERNANCE AND PUBLIC PARTICIPATION													
KPA	PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE DATE	TARGET ACHIEVE YES/NO	CHALLENGES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
		nt attraction and job creation				by 30 <sup>th</sup> June 2019							
LED025		To create a conducive environment economic development, investment attraction and job creation	Conducting of youth outreach meetings	Number of youth outreach meetings conducted	1 youth outreach meetings/seminars conducted	2 youth outreach meetings conducted by 30 <sup>th</sup> June 2019	In house	2 youth outreach meetings conducted	In house	Yes	None	None	Attendance register
LED026		To create a conducive environment economic development,	Conducting of Career guidance	Number of Career guidance conducted	0	4 career guidance conducted by 30 <sup>th</sup> June 2019	In house	1 career guidance conducted	In house	No	Department of education postponed the career expose sine die	To be achieved in the next financial year 2019/20	Attendance register

# Chapter 3

## KPA GOOD GOVERNANCE AND PUBLIC PARTICIPATION

PROJ CT CODE	STRATE GIC OBJECTI VE	PROJECT NAME/DESCRIP TION	KEY PERFOR MANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATO R)	ACTUAL PERFORMA NCE	EXPENDIT URE TO DATE	TARGET ACHIEVE YES/NO	CHALLENGES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
LED02 7	To create a conduciv e environm ent economic developm ent, investme nt attraction and job creation	Fun run/walk	Number of Fun run/walk conducted	0	1 Fun run/walk conducted by 30 <sup>th</sup> June 2019	R 130 400	0	R 0	No	It was postponed due to the finalization of routes	To be held on the 27 July 2019	Attendance registers and Reports

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GOOD GOVERNANCE AND PUBLIC PARTICIPATION												
KPA	PROJECT STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2017/2018	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE DATE	TARGET ACHIEVE YES/NO	CHALLENGES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
LED028	To create a conducive environment economic development, investment attraction and job creation	THLM Mayoral Tournament	Number of THLM Mayoral Tournament conducted	0	1 THLM Mayoral Tournament by 30 <sup>th</sup> June 2019	R 276 900	0		No	Budget was taken due to deficit in the municipal budget	To be achieved in the next financial year 2019/20	Attendance registers and Reports

# Chapter 3

## KPA: LOCAL ECONOMIC DEVELOPMENT

### LOCAL ECONOMIC DEVELOPMENT

The department of Local Economic Development overall performance for 2018/2019 financial year is 77% achievement. The department managed to achieve 10 targets out of the 13 planned targets, as compared to 83% achieved in 2017/2018 financial year, out of 12 planned targets 10 targets was achieved.

LED002	To create a conducive environment for economic development, investment attraction and job creation	Facilitation of the Community Works Programme	Number of jobs created through the Community Works Programme	0	1200 jobs created through the Community Works Programme by 30 <sup>th</sup> June 2019	In house	1 290 jobs created through the community Works Programmes	In house	Yes	None	None	MIS Report
LED003	To create a conducive environment for economic development.	Conduct LED Forum Meetings	Number of LED Forum meetings conducted	4 LED forum meetings conducted	4 LED forum meetings conducted by 30 <sup>th</sup> June 2019	In house	4 LED forum meetings conducted	In house	Yes	None	None	Minutes and attendance register

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LED004	To create a conducive environment for economic development, investment attraction and job creation	Submit LED Forum reports to the Executive Mayoral Committee	Number of LED Forum reports submitted to the Mayoral Committee	1 LED Forum reports	2 LED Forum reports submitted to the Mayoral Committee by 30 <sup>th</sup> June 2019	In house	2 LED forum Reports submitted to Mayoral Committee	In house	Yes	None	None	None	Reports and minutes
LED005	To create a conducive environment for economic development, investment attraction	Conduct LED Outreach meetings on Mass Economic Opportunities	Number of LED outreach meetings conducted	2 LED Outreach conducted	2 LED Outreach conducted by 30 <sup>th</sup> June 2019	In house	2 LED Outreach conducted	In house	Yes	None	None	None	Attendance register and reports

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LED006	To create and job creation	Engagement of stakeholders on Molo road development	Number of stakeholder engagements held for Molo Road Development	1 Stakeholders engagements	2 Stakeholders engagements held for Molo Road Development by 30 <sup>th</sup> June 2019	In house	2 Stakeholder engagement meetings held for Molo Road Development	In house	Yes	None	None	Reports and attendance register
LED007	To create a conducive environment for economic development, investment attraction and job creation	Conduct reference Committee meetings for Community Works Programme	Number of reference Committee meetings for CWP	2 Local Reference Committee meetings	4 Local Reference Committee meetings held on CWP by 30 <sup>th</sup> June 2019	In house	4 Local Reference Committee Meetings held on CWP	In house	Yes	None	None	Minutes and attendance register

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LED008	To create a conducive environment for economic development, investment attraction and job creation	Development of Municipal Investment Strategy	Number of Draft Municipal Investment Strategies developed and approved by Council	0	1 Draft Municipal Investment Strategy developed and approved by Council by 30 <sup>th</sup> June 2019	In house	0	In house	No	Draft only submitted in June. No Council sitting in June.	To be considered by Council in July 2019	Council resolution
LED011	To create a conducive environment for economic development, investment attraction and job creation	Consultation and support meetings for lucrative investors	Number of meetings held to engage and support lucrative investors	2 Meetings held with investors	2 Meetings held to engage and support lucrative investors by 30 <sup>th</sup> June 2019	In house	1 meeting held to engage and support lucrative investors	In house	No	Invited business could not turn up and was reported to be in Kenya after confirming.	Businesses to be invited in pairs in case one doesn't come.	Attendance register and reports

# Chapter 3

LED012	To create a conducive environment for economic development, investment attraction and job creation	Identification of new tourist sites	Number of new tourism sites identified	2 new tourism sites identified	2 new tourism sites identified by 30 <sup>th</sup> June 2019	In house	2 new tourism sites identified	In house	Yes	None	None	Site visit report
LED013	To create a conducive environment for economic development, investment attraction and job creation	Training and support for SMEs and Cooperatives	Number of SMEs and cooperatives trained and supported	57 SMEs and Cooperatives trained and supported	40 SMEs and Cooperatives trained and supported by 30 <sup>th</sup> June 2019	In house	23 SMEs and Cooperatives trained and supported	In house	No	The attendance register for quarter 4 couldn't be traced.	The absence of the attendance register for Q 4 will be rectified in Q 1 (2019/ 2020)	Attendance registers and reports
LED014	To create a conducive environment for economic development, investment attraction and job creation	Conduct cooperative project meetings	Number of cooperative projects	3 Cooperative	4 Cooperative	In house	4 cooperative project	In house	Yes	None	None	Minutes and attendance register



# Chapter 3

	environment for economic development, investment attraction and job creation	Registration of SMME's and Cooperatives on Municipal data base	meetings conduct	projects meetings held	projects meetings conducted by 30 <sup>th</sup> June 2019	in house	meetings conducted	In house	Yes	None	None	Data log
LED015	To create a conducive environment for economic development, investment attraction and job creation.	Registration of SMME's and Cooperatives on Municipal data base	Number of SMME's and Cooperatives registered on Municipal data base	25 SMME's and Cooperatives registered on Municipal data base	20 SMME's and Cooperatives registered on Municipal data base by 30 <sup>th</sup> June 2019	in house	20 SMME's and cooperatives registered on Municipal data base	In house	Yes	None	None	Data log
LED016	To create a conducive environment for economic	Identify and support rural smallholder farmers and community gardens	Number of rural smallholder farmers and community	15 rural smallholder farmers and community	20 rural smallholder farmers and community gardens	in house	20 Rural smallholder farmers and community gardens identified	In house	Yes	None	None	Site visit reports and attendance register

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development, investment attraction and job creation		gardens identified	gardens identified	identified by 30 <sup>th</sup> June 2019								
[REDACTED]												

# Chapter 3

## 3.24 FINANCE

### ANNUAL REPORT OF THE AUDIT AND PERFORMANCE COMMITTEE (REPORT FROM THE CHAIRPERSON OF AUDIT AND PERFORMANCE COMMITTEE)

We are pleased to submit the report of the Audit Committee for the year ended 30 June 2019

#### 1. Background

Thembisile Hani Local municipality amongst other local municipalities is under Nkangala District Shared audit and performance committee, The Audit committee was established in terms of section 166 of the Municipal Finance Management Act (MFMA), Act 56 of 2003. The Audit committee has adopted its terms of reference.

#### Statutory requirements

Section 166 of the MFMA stipulates that each municipality must establish an Audit committee. The Audit committee is an independent advisory body that advises council, political office bearers, accounting officer, and the staff of the municipality on the following;

- Internal financial control and internal audit;
- Risk management;
- Accounting policies
- The adequacy, reliability and accuracy of financial reporting and information;
- Performance management;
- Compliance with the MFMA, the Division of Revenue Act (DORA) and any other applicable legislation;
- Performance evaluation
- Any other issues referred to it by the municipality;
- Review annual financial statements so as to provide authoritative and credible view of the financial position, on overall compliance with MFMA, DORA, ect
- Respond to Council on any matter raised by the Auditor- General (AGSA); and
- Carry out such investigation into financial affairs of the municipality as may be prescribed

#### 2. Attendance of meetings

Name of the member	Ordinary meetings	Performance meetings	Total	Attendance
Mrs. FJ Mudau Chairperson	4	4	8	7
Mr. L Langalibatele (Member)	4	4	8	6
Mr. M Mathabathe (Member)	4	4	8	7
Ms J Masite (Member)	4	4	8	6

# Chapter 3

Mr, J Modiga (Member)	4	4	8	7
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The following although not members of the Audit and Performance Committee, have standing invitation to Audit and Performance Committee meetings:

- The Accounting Officer;
- The Chief Financial Officer;
- The chairperson of the Risk committee
- The Section 56 Managers/Departmental Heads
- Chief Risk Officer
- The Auditor- General
- The National Treasury
- Mpumalanga Provincial Treasury
- Internal Audit (Secretariat function)

### 3. Internal Audit

The internal audit of Thembisile Hani Local Municipality is in house and has discharge its mandate in terms of its charter and managed to execute all projects for 2018/19 financial year. The Audit and Performance Committee would like to commend the Council and Management for the dedication in strengthening the Corporate Governance.

The Audit and Performance Committee is of the opinion that Internal Audit unit is operating effectively to meet its mandate and has considered the risk pertinent to the municipality in its audit plans. The following documents were approved by the Audit Committee and Performance Committee and recommended to Council for adoption.

- Internal Audit charter
- Internal Audit methodology
- Three year rolling strategic and Annual Audit Plan
- Combined Assurance framework

The following projects of Thembisile Hani Local Municipality were implemented by Nkangala District Municipality:

- Supply Chain Management Audit (SCM)
- Information, Communication and Technology (ICT)

### 4. Effectiveness of Internal controls

The system of internal control was not entirely effective during the year under review as compliance with prescribed policies and procedures were lacking in certain instances and this was evident with the investigation of irregular expenditure that was conducted by the Council during the year under review.

The following Internal audit reports are among others that were presented to the Audit Committee:

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- Audit of quarterly performance information;
- Compliance;
- Audit of draft annual financial statements;
- Follow up fleet management audit;
- Follow up LED;
- Follow up labour;
- Safety and Security;
- Recruitment, skills audit
- Follow up land and housing
- Risk Management
- Review of interim financial statement
- Follow up water and sanitation audit
- Revenue management audit
- SCM audit (NDM)
- Roads and Electricity audit
- Assets Management audit
- ICT Audit (NDM)

There has been improvement by management in responding to internal audit reports and this can be attributed to measures that have been implemented by the Accounting officer. Audit committee has also urged management to draw up action plan to address issues raised by the Auditor- General in the management letters and audit report and to ensure that all matters raised by the Auditor General are resolved by Management

## 5. Risk Management

The Municipality has an effective risk unit that consist of two staff members and Risk Management, Anti-fraud and Anti-corruption committee that is chaired by the chairperson of Risk management, anti-fraud and anti-corruption.

Four (4) risk committee meetings were held for the year under review

The following policies were reviewed

- Risk Management strategy
- Risk Management policy
- Whistle blowing policy
- Fraud Prevention Plan and Fraud Prevention policy
- Risk Management Anti-corruption and Anti-fraud risk charters
- Fraud prevention plan and fraud prevention policy
- Risk appetite and Tolerance Frame work
- Gift Policy

## 6. Performance Management

The Audit committee has reviewed the Annual Performance Information report in the meeting held on the 29 August 2019 and further noted that the overall institutional performance has declined from the previous year institutional performance of 2017/18.

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## 7. Evaluation of draft annual financial statements

The Audit and Performance Committee, on its meeting held on the 29 August 2019 to discuss the draft annual financial statements and unaudited annual report with the Management at large, before submitting to the Auditor General. The Audit committee wishes to indicate that it performed a review on the draft financial statements focusing among others:

- Significant financial reporting adjustments and estimates contained in the Annual Financial Statements
- Alignment of Closing and Opening balances
- Clarity and completeness of disclosures has been set properly
- Quality and acceptability of and any changes in accounting policies and practice.
- Significant adjustments arising from the audit
- Reasons for major year to year fluctuations

The Audit and Performance Committee encourages management to consider inputs made during its review to ensure complete, reliable and accurate reporting

## 8. Conclusion

The Audit and Performance Committee acknowledges the co-operation and assistance by the Nkangala District Municipality for coordinating the activities of the Committee. We also acknowledge the commitment of the Accounting Officer and Management of Thembisile Hani Municipality in strengthening corporate governance.

The Audit and Performance Committee further acknowledge the commitment and the foundation on good governance that has been laid by Honorable Executive Mayor Councillor N Mtsweni her Council and further express gratitude to the Chief Audit Executive, Mr. A Malope and his staff for the support and commitment to the work of the Audit and Performance Committee. The Chairperson of the Audit and Performance Committee remain confident that all matters that have been raised by the Internal Audit and Auditor General are receiving due consideration and intervention. We are committed to fully execute our oversight function to strengthening corporate governance.



Mr. F. Modau  
Chairperson of Audit Committee

30/08/2019

Date

# Chapter 4

## 4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

The Thembisile Hani Local Municipality strives towards the improvement of Municipal performance and individual development of Municipal employees. Focuses on the methodologies, and achievements, strategic planning, organizational design, leadership development, coaching, diversity, and balance between life and work. Analysis objectives, Structure, Policy, Human Resources and compensation of the Municipality.

### COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

#### 4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Department	2017/2018	2018/2019	2017/2018	2018/2019	2017/2018	2018/2019	2017/2018	2018/2019
	Total No. Of Post Approved	Total No. Of Post Approved	Number Of Filled Post	Number Of Filled Post	Number Of Vacant Posts	Number Of Vacant Posts	% Of Vacancy	% Of Vacancy
Political Office	16	16	15	15	1	1	6.2%	6.2%
Municipal Manager	23	23	21	20	2	3	8%	13%
Corporate Services	45	45	42	41	3	4	6.6%	8.8%
Finance	38	38	35	35	3	3	7%	7.8%
Sds	122	122	118	112	4	10	3.2%	8.1%
Technical	175	175	154	156	21	19	12%	10.8%
Total	419	419	385	379	34	40	8%	9.5%

Vacancy Rate 2018/2019			
Designations	*Total Approved Posts	*Variances (Total Time That Vacancies Exist Using Fulltime Equivalents)	*Variances (As A Proportion Of Total Posts In Each Category)
	No.	No.	%
Municipal Manager	1	0	0%

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CFO	1	0	0%
Other S57 Managers (Excluding Finance Posts)	4	4	0%
Other S57 Managers (Finance Posts)	0	0	0%
Municipal Police	0	0	0%
Fire Fighters	0	0	0%
Senior Management: Levels 13-15 (Excluding Finance Posts)	17	0	0%
Senior Management: Levels 13-15 (Finance Posts)	5	0	0%
Highly Skilled Supervision: Levels 9-12 (Excluding Finance Posts)	39	2	5.1%
Highly Skilled Supervision: Levels 9-12 (Finance Posts)	5	5	0%
<b>Total</b>	<b>71</b>	<b>11</b>	<b>15.4%</b>

## Turn-Over Rate

Details	Total Appointments As Of Beginning Of Financial Year	Terminations During The Financial Year	Turn-Over Rate*
	No.	No.	
2016/2017	18	9	50%
2017/2018	12	17	141%
2018/2019	26	12	46.1%

\* Divide The Number Of Employees Who Have Left The Organisation Within A Year, By Total Number Of Employees Who Occupied Posts At The Beginning Of The Year

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## COMMENT ON VACANCIES AND TURNOVER

The total vacancy rate for the financial year under review totalled 40 or 9.5%. Critical positions such as senior managers posts could not be filled on time as the Municipality had a difficulty in attracting suitable candidates

The status of the section 57 managers is as follows:-

Designation	Status
Municipal Manager	Filled
CFO	Filled
Manager : Technical Services	Filled
Manager :Social Development Services	Filled
Manager :Corporate	Filled
Manager Development & Town Planning Services	Filled

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## COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

### INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

The current workforce is 379 employees. The Municipality has approved policies on which employees are inducted.

#### 4.2 POLICIES

Hr Policies And Plans For 2016/2017					Hr Policies And Plans For 2017/2018		
	Name Of Policy	Completed %	Reviewed %	Date Adopted By Council Or Comment On Failure To Adopt	Completed	Reviewed	Date Adopted By Council Or Comment On Failure To Adopt
1	Code Of Conduct For Employees	100%	100%	1-May-2007	100%	100%	16-August-2016
2	Delegations, Authorisation & Responsibility	100%	100%	5-August-2011	100%	100%	16-August-2016
3	Disciplinary Code And Procedures	100%	100%	1-May-07	100%	100%	28-February-18
4	Essential Services	100%	100%	1-May-2007	100%	100%	1-May-2007
5	Employment Equity	100%	100%	1-Jul-2011	100%	100%	20 - July-2018
6	Grievance Procedures	100%	100%	1-May-2007	100%	100%	20 - July-2018
7	Human Resource And Development	100%	100%	25 July 2017	100%	100%	20 - July-2018
8	Occupational Health And Safety	100%	100%	31 May 2013	100%	100%	20 - July-2018
9	Official Housing	100%	100%	1-May-2007	100%	100%	20 - July-2018
10	Official Journeys	100%	100%	31May2013	100%	100%	20 - July-2018
11	Official Working Hours And Overtime	100%	100%	5-Aug-2011	100%	100%	20 - July-2018
12	Organisational Rights	100%	100%	1-May-2007	100%	100%	20 - July-2018

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13	Performance Management And Development	100%	100%	25 July 2017	100%	100%	20 - July-2018
14	Recruitment, Selection And Appointments	100%	100%	25 July 2017	100%	100%	20 - July-2018
15	Remuneration Scales And Allowances	100%	100%	2-Nov-2011	100%	100%	2-Nov-2011
16	Sexual Harassment	100%	100%	5-Aug-2011	100%	100%	20 - July-2018
17	Skills Development	100%	100%	25 July 2017	100%	100%	20 - July-2018
18	Smoking	100%	100%	5-Aug-2011	100%	100%	20 - July-2018
19	Other: Retention Policy	100%	100%	31 May 2013	100%	100%	20 - July-2018
20	Employee Assistance Programme Policy	100%	100%	October 2015	100%	100%	20 - July-2018
21	HIV/AIDS Policy	100%	100%	October 2015	100%	100%	20 - July-2018
22	Succession Planning And Career Pathing	100%	100%	25 July 2017	100%	100%	20 - July-2018
23	Fleet Management	100%	100%	25 July 2017	100%	100%	20 - July-2018
24	Leave Policy And Procedure Manual	100%	100%	25 July 2017	100%	100%	20 - July-2018
Use Name Of Local Policies If Different From Above And At Any Other Hr Policies Not Listed.							

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## 4.3 INJURIES, SICKNESS AND SUSPENSIONS

Number And Cost Of Injuries On Duty					
Type Of Injury	Injury Leave Taken	Employees Using Injury Leave	Proportion Employees Using Sick Leave	Average Injury Leave Per Employee	Total Estimated Cont
	Days	No.	%	Days	R'000
Required Basic Medical Attention Only	2	0	2	2	0
Temporary Total Disablement	0	0	0	0	0
Permanent Disablement	0	0	0	0	0
Fatal	0	0	0	0	0
Total	2	0	2	2	0

### COMMENT ON INJURY AND SICK LEAVE

The Municipality has experience some injuries which have been dealt with in terms of applicable legislation as well as sick leave.

## 4.4 PERFORMANCE REWARDS

No performance rewards were issued during the 2018/2019 financial year.

# Chapter 4

## COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

### INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

As the MSA 2000 section 68 prescribes that it is requirement that Municipalities need to develop their own Human Resource capacity to a level that enables them to perform their functions and exercise their powers in an economical, effective, efficient and accountable way.

Currently in compliance to the above statement Thembisile Hani Local Municipality has a work skills plan that is approved to ensure that all employees are capacitated/empowered with the necessary information on training and development, which then provides all incumbents access to relevant prioritized training interventions that are needs driven and are aligned to the business objectives by optimally developing the potential of employees.

### 4.5 SKILLS DEVELOPMENT AND TRAINING

Progress report about the enforcement of the minimum competency Regulations

#### BACKGROUND

Thembisile Hani Local Municipality made a formal request to not to be considered for a special merit case with regards to the minimum competency standards. The merit was granted to the Municipality in November 2012.

#### PROGRESS

Below, is a list of Assistant Managers and officials below that level that are attending the Municipal Finance Management Programme (MFMP) (NQF level 5) with the University of Pretoria: viz;

1. Mr. Chego A
2. Mr. Mokubedi CJ
3. Mr. Mabuela KR
4. Mr. Nkosi SP
5. Ms. Hlongwane V
6. Ms. Mahlangu W and
7. Ms. Msiza JP

#### Other interventions

Training interventions are targeted for implementation in the Municipal Finance Management Programme for Municipal officials for (12 months)

The budget for 2018/19 WSP is R 2 345 000.00 and the expenditure is R 1 065 224.41

Comments: Mandatory grant: = R 187 450.00

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Financial Competency Development: Progress Report*						
Description	A Total No. Of Officials Employed By Municipality (Regulation 14(4) (A) And (C)	B Total No. Of Officials Employed By Municipal Entities (Regulation 14(4) (A) And (C)	Consolidate Total Of A And B	Consolidated Competency Assessments Completed For A And B (Regulation 14 (4)(B) And (D)	Consolidated No. Of Officials Whose Performance Agreements Comply With Regulation 16 (Regulation 14 (4) (F)	Consolidated No. Of Officials That Meets Prescribed Competency Levels (Regulation 14 (4) (E)
<b>Financial Officials</b>						
Accounting Officer	1	0	1	1	1	1
Chief Financial Officer	1	0	1	1	1	1
Snr. Managers	2	0	2	2	2	2
Any Other Financial Officials	32	0	32	0	0	32
<b>Supply Chain Management Officials</b>	4	0	4	0	0	4
Heads Of Supply Chain In Management Units	1	0	1	0	0	1
Supply Chain Management Senior Managers	0	0	0	0	0	0
<b>Total</b>	<b>41</b>	<b>0</b>	<b>41</b>	<b>4</b>	<b>4</b>	<b>41</b>

\* This is A Statutory Report Under National Treasury: Local Government MFMA Competency Regulations (June 2016)

# Chapter 4

## INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

### COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

#### INTRODUCTION TO WORKFORCE EXPENDITURE

Workforce expenditure is a major part of the operational expenditure of the Thembisile Hani Local Municipality, as it is mostly a fixed cost, proper planning and assessment of post requirements are necessary to make sure that the best available personnel is employed to meet the mandate of the Municipality in service delivery to the community as well as obtaining its objectives.

There is a strong national drive for creating employment and municipalities are one arm of government that normally feels the pressure to create new jobs in its sphere. Although we support the creation of employment and we understand the expectation of the communities in this regard, the financial viability of the Thembisile Hani Local Municipality must be recognized. The creation and filling of posts are budgeted for and measured against the approved budget and operational requirements.

The remuneration part of the employment costs is determined through the bargaining Council and therefore out of our hands. Three variables that we have to keep monitoring and control are the vacancy rate, employee performance and overtime paid. We have put a lot of emphases on the monitoring and control of overtime worked as we believe that overtime is only necessary in specific scenarios and can indicate inefficiency or staff shortages (including high absenteeism). Performance management is of utmost importance to increase the efficiency and thus output of the workforce. There is still a way to go in implementing necessary measures and controls with the necessary buy-in of the employees.

#### 4.6 EMPLOYEE EXPENDITURE

##### COMMENT ON WORKFORCE EXPENDITURE

The expenditure on employment costs at the Thembisile Hani Local Municipality seems to be stable and is in line with other similar municipalities. The financial interests of the Executive Mayor, Councillors and senior management, as required by Performance Management Regulations 805 of 2006 are set out in 1.4 under financial health overview.

- No employee whose salaries were increased due to their position being upgraded.
- No employee whose salary level exceed the grade determined by job evaluation
- No employee not appointed to posts not approved.

# Chapter 5

## CHAPTER 5 FINANCIAL INFORMATION

### INTRODUCTION

Chapter 5 contains information regarding financial performance and highlights specific accomplishments. The chapter comprises of four components:

- Component A: Statement of Financial Performance
- Component B: Spending Against Capital Budget
- Component C: Cash Flow Management and Investments
- Component D: Other Financial Matters

The Municipality on its annual budget catered for any inflationary related surprises, and it also had a plan to negotiate with its creditors. Also the demand management unit within the scm unit was proactive in addressing all this. There is no expensive consultancy arrangement that can be singled out however the Municipality was smart in handling them and was satisfied with the amounts paid to them.



# Chapter 5

## COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

### INTRODUCTION TO FINANCIAL STATEMENTS

#### 5.1 STATEMENTS OF FINANCIAL PERFORMANCE

#### COMMENT ON OPERATING TRANSFERS AND GRANTS

Operational grants for the financial year under review from national government is on average 100% received, with the equitable share grant spending at 100%.

Financial Summary						
Description	2017/2018	Current Year 2018/2019			2018/2019 To Actual	Variance
R Thousands	Actual Outcome	Original Budget	Adjusted Budget	Actual Outcome	Actual Outcome As % Of Final Budget	Actual Outcome As % Of Original Budget
<b>Financial Performance</b>						
Property Rates	42 764 437	44 492 345	13 547 266	42 287 013	312.14	95.04
Service Charges	131 988 408	155 104 179	169 866 044	92 794 583	54.63	59.83
Investment Revenue	4 713 306	10 948 395	6 336 160	6 405 250	101.09	58.50
Transfers Recognised – Operational	342 737 000	393 949 250	393 949 250	393 949 250	100	100
Other Own Revenue	335 640 347	117 731 728	65 811 174	101 929 316	154.88	86.58
<b>Total Revenue (Excluding Capital Transfers And Contributions)</b>	<b>858 007 453</b>	<b>722 225 896</b>	<b>649 509 870</b>	<b>637 365 412</b>	<b>98.13</b>	<b>98.25</b>
Employee Costs	117 171 484	137 247 906	140 116 836	131 696 525	93.99	95.95
Remuneration Of Councillors	23 401 130	26 241 686	26 241 736	24 177 583	92.13	92.13
Depreciation & Asset Impairment	86 116 327	180 345 137	180 345 138	70 798 079	39.26	39.26
Finance Charges	0	0	0	0	0	0
Materials And Bulk Purchases	153 172 690	139 913 255	142 281 268	154 372 105	108.49	110.33
Transfers And Grants	45 148 833	46 744 475	250 000	53 212	21.28	0.11
Other Expenditure	308 827 051	395 851 894	457 631 944	363 405 349	79.41	91.80
<b>Total Expenditure</b>	<b>733 837 515</b>	<b>926 344 354</b>	<b>946 866 922</b>	<b>744 502 853</b>	<b>78.63</b>	<b>80.37</b>
<b>Surplus/(Deficit)</b>	<b>(100 58 2637)</b>	<b>(224 118 458)</b>	<b>(317 357 052)</b>	<b>16 480 645</b>	<b>-5.19</b>	<b>-7.35</b>
Transfers Recognised – Capital	181 719 301	164 802 750	182 302 750	143 618 086	78.78	87.14

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<b>Surplus/(Deficit) After Capital Transfers &amp; Contributions</b>						
Share Of Surplus/ (Deficit) Of Associate	81 136 664	-59 315 707	(135 054 302)	16 480 645	-12.20	-27.78
<b>Surplus/(Deficit) For The Year</b>						
<b>Capital Expenditure &amp; Funds Sources</b>	<b>182 088 525</b>	<b>144 802 751</b>	<b>158 803 087</b>	<b>164 949 725</b>	<b>103.87</b>	<b>113.91</b>
Capital Expenditure	182 088 525	144 802 751	158 803 087	163 294 983	102.82	112.77
Transfers Recognised – Capital	-	0	0	0	-	-
Public Contributions & Donations	-	0	0	0	-	-
Borrowing	-	9 180 000	4 202 000	1 654 742	39.38	18.02
Internally Generated Funds	109 062 801	153 982 751	163 005 287	164 949 725	103.87	113.91
<b>Total Sources Of Capital Funds</b>						
<b>Financial Position</b>	<b>175 697 061</b>	<b>183 323 784</b>	<b>107 351 720</b>	<b>161 282 581</b>	<b>150.24</b>	<b>87.98</b>
Total Current Assets	1 883 248 893	1 923 236 099	1 923 236 099	1 975 517 661	102.72	102.72
Total Non Current Assets	51 163 664	44 768 571	44 768 571	86 923 521	194.16	194.16
Total Current Liabilities	65 472 609	1 579 500	1 579 500	82 386 093	5215.96	5215.96
Total Non Current Liabilities	1 942 309 681	2 060 211 812	1 984 239 748	1 967 490 628	99.16	95.50
Community Wealth/Equity						
<b>Cash Flows</b>	<b>169 276 962</b>	<b>147 818 201</b>	<b>109 963 014</b>	<b>202 083 539</b>	<b>183.77</b>	<b>136.71</b>
Net Cash From (Used) Operating						
Net Cash From (Used) Investing	(182 088 525)	153 982 751	(166 505 087)	(164 575 007)	98.84	106.88
Net Cash From (Used) Financing	20 274 329	0	0	0	0	0
Cash/Cash Equivalents At The Year End	56 774 813	59 835 450	3 579 515	94 283 345	2633.97	157.57

## COMMENT ON OPERATING TRANSFERS AND GRANTS

Operational grants for the financial year under review from national government is on average 100% received, with the equitable share grant spending at 100%.

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## 5.2 GRANTS

Grant Performance								
R								
Description	2017/2018		2018/19		Adjustment s Budget	Final Adjusted Budget	2017/2018 variance	
	Actual		Budget				Original Budget (%)	Adjustment s Budget (%)
<b>Operating Transfers And Grants</b>								
<b>National Government:</b>	523 000	737 000	538 000	752 000	556 252 000	556 252 000	103.25 %	100%
Equitable Share	338 000	477 000	364 000	153 000	364 153 000	364 000	100%	100%
Municipal Systems Improvement	0		0		0	0	0%	0%
Department Of Water Affairs	45 000 000		50 000 000		64 000 000	64 000 000	128%	100%
Levy Replacement	0		0				0	0%
Other Transfers/Grants (Insert Description)	140 000	260 000	124 000	599 000	128 099 000	128 099 000	102.81 %	100%
<b>Provincial Government:</b>							<b>0%</b>	<b>0%</b>
Health Subsidy	0		0		0	0	0%	0%
Housing	0		0		0	0	0%	0%
Ambulance Subsidy	0		0		0	0	0%	0%
Sports And Recreation	0		0		0	0	0%	0%
Other Transfers/Grants (Insert Description)	0		0		0	0	0%	0%
<b>District Municipality:</b>	<b>0</b>		<b>0</b>		<b>0</b>	<b>0</b>	<b>0%</b>	<b>0%</b>
Nnkangala District Municipality	0		0		0	0	0%	0%
	0		0		0	0	0%	0%
<b>Other Grant Providers:</b>	<b>0</b>		<b>0</b>		<b>0</b>	<b>0</b>	<b>0%</b>	<b>0%</b>
(insert Description)	0		0		0	0	0%	0%
	0		0		0	0	0%	0%
<b>Total Operating Transfers And Grants</b>	<b>523 000</b>	<b>737 000</b>	<b>538 000</b>	<b>752 000</b>	<b>556 252 000</b>	<b>556 252 000</b>	<b>103.25 %</b>	<b>100%</b>

# Chapter 5

## 5.3 ASSET MANAGEMENT

### INTRODUCTION TO ASSET MANAGEMENT

The purpose of asset management in Thembisile Hani Local Municipality is to ensure the effective and efficient control, utilization, safeguarding and management of the municipal's property, plant and equipment and to make managers aware of their responsibilities in regard of property, plant and equipment.

### COMMENT ON ASSET MANAGEMENT

The above projects were driven by the PMU unit. the grants are received from government to improve infrastructure assets in various areas for better living conditions these assets are grant funded and budget were approved for these capital projects and for audit purposes these assets were signed off with a complete certificate that were obtain from different contractors before these projects could have been signed off for completeness for audit purposes.

## 5.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

Year	Liquidity Ratio
2017/2018	3.43
2018/2019	1.86

### COMMENT ON LIQUIDITY RATIO

Year	Outstanding Service Debtor To Revenue
2016/2017	1 675 days
2017/2018	1 675 days
2018/2019	1 675 days

### COMMENT ON OUTSTANDING SERVICE DEBTOR TO REVENUE

Debtors as extension beyond 30 days poses a cash flow risk in the table above the extended payment are beyond acceptability. The debt coverage ratio is not stable during the last two financial periods as the result of non-stable operating income and low collection of own income.

# Chapter 5

## COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

### INTRODUCTION TO SPENDING AGAINST CAPITAL BUDGET

Thembisile Hani Local Municipality's capital budget is mainly funded from the mig and internal funds. The biggest mig funded project was on the Luthuli water reticulation

### 5.5 CAPITAL EXPENDITURE

2018/2019	% Of Expenditure Budget	Original Budget	Adjustment Budget	Audited Full Year Total
MIG Capital Expenditure	100%	120 845 000	3 500 000	124 345 000
WSIG Expenditure	72.59%	50 000 000	14 000 000	64 000 000
Operating Expenditure	98.26%	755 499 354	3 022 568	758 521 922
<b>Total Expenditure</b>	<b>96.67%</b>	<b>926 344 354</b>	<b>20 522 568</b>	<b>946 866 922</b>

### 5.6 SOURCES OF FINANCE

Capital Expenditure - Funding Sources 2017-2018 - 2018/2019						
R						
Details	2017/2018 Original Budget (Ob)	2018/2019 Original Budget (Ob)	Adjustment Budget	Actual Expenditure	Adjust- ment To Ob Variance (%)	Actual To Ob Variance (%)
Source Of Finance						
Public Contributions And Donations	0	0	0	0	0	0
Grants And Subsidies	182 088 525	144 802 751	158 803 087	163 294 983	102.83	112.77
Other (Internal Funding)	0	9 180 000	4 202 000	1 654 742	39.38	18.02
<b>Total</b>	<b>182 088 525</b>	<b>153 982 751</b>	<b>166 505 087</b>	<b>164 949 725</b>	<b>99.06</b>	<b>107.12</b>

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<i>Percentage Of Finance</i>						
External Loans	0.0%	0.0%	0.0%	0.0%	0	0
Public Contributions And Donations	0.0%	0.0%	0.0%	0.0%	0	0
Grants And Subsidies	100.0%	100%	100%	86.71%	0	0
Other	0	100%	100%	39.38	0	0

<b>Capital Expenditure</b>						
Water And Sanitation	109 169 275					
Electricity	2 081 228.00					
Housing	0	0	0	0	0	0
Roads And Storm Water	0	0				
Other	0	0				
<b>Total</b>	<b>111 250 503</b>					
<i>Percentage Of Expenditure</i>						
Water And Sanitation	98%	98%	90%	86%	58%	58%
Electricity	2%	2%	6%	9%	6%	6%
Housing	0	0	0	0	0	0
Roads And Storm Water	0	0	3%	4%	3%	3%
Other	0	0	1%	1%	1%	1%

## COMMENT ON SOURCES OF FUNDING

Grant funded projects were in line with the MIG implementation plan

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## 5.7 CAPITAL SPENDING ON 5 LARGEST PROJECTS

Capital Expenditure Of 5 Largest Projects*			
Name Of Project	Current Year		
	Original Budget	Adjustment Budget	Actual Expenditure
A – Upgrading of Existing Infrastructure from Agricultural Project to Augment Borehole Water Supply in Bundu (Bundu Weir, Multi-Year Project)	R 57 500 000	R 72 590 223	R 77 016 370
B- Upgrading of Kwaggafontein Landfill Site (Multi-Year Project)	R 22 355 694	R 21 930 694	R 23 548 549
C- Installation of High Mast Lights and Street Lights in Various Villages (Moloto North, Moloto South, Thokoza, Vezubuhle, Bundu, Machipe, Boekenhouthoek, Mathysensloop, Tweefontein H, Tweefontein E, Tweefontein K, Verena A, Verena B, Thembalethu, Enkanini - Ward 10, Kwaggafontein A, Kwaggafontein B, Kwaggafontein C, Kwaggafontein E, KwaMhlanga, and Sun City A)	R 12 271 350	R 12 923 714	R 8 522 484
D- Moloto Ground Water Supply(Multi-Year Project)	R 16 657 886	R 15 670 885.28	R 5 041 113.45
E- Upgrading of Viaklaagte and Kwaggafontein Water Infrastructure (Multi-Year Project)	R 8 613 686	R 8 613 686	R 3 817 083
* Completed Projects With The Highest Capital Expenditure In 2017/ 2018.			

<b>Name Of Project - B</b>	Upgrading of Existing Infrastructure from Agricultural Project to Augment Borehole Water Supply in Bundu (Bundu Weir, Multi-Year Project)
<b>Objective Of Project</b>	To address the shortage of water in the Municipality and supplement the current shortfall by adding 5 MI per day to the network.
<b>Delays</b>	Local business forum challenges in light of work opportunities that are being demanded, hereby resulting in disturbance of the work on site.
<b>Future Challenges</b>	Inadequate bulk water supply for the Municipality in light of the 74.1 MI per day actual demand on the basis of a population of 448 056, which is growing at an annual growth factor of 1.9%. Currently THLM is getting a supply of 43 MI per day from its water suppliers, which amounts to a shortfall of 31.1 MI per day.
<b>Anticipated Citizen Benefits</b>	6 840 Households To Benefit

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<b>Name Of Project - B</b>	Upgrading of Kwaggafontein Landfill Site (Multi-Year Project)
<b>Objective Of Project</b>	Adhere ring to environmental standards and having a legalised landfill site with cells, a leachate pond, storm water control, recycling plant, office building, and roads.
<b>Delays</b>	Local business forum challenges in light of work opportunities that are being demanded, hereby resulting in disturbance of the work on site.
<b>Future Challenges</b>	Fast filling of landfill site should the KwaMhlanga one not be legalised and upgraded in the next 5 – 10 years.
<b>Anticipated Citizen Benefits</b>	57 600 Households To Benefit.

<b>Name Of Project - C</b>	Installation of High Mast Lights and Street Lights in Various Villages (Moloto North, Moloto South, Thokoza, Vezubuhle, Bundu, Machipe, Boekenhouhoek, Mathysensloop, Tweefontein H, Tweefontein E, Tweefontein K, Verena A, Verena B, Thembaletu, Enkanini - Ward 10, Kwaggafontein A, Kwaggafontein B, Kwaggafontein C, Kwaggafontein E, KwaMhlanga, and Sun City A)
<b>Objective Of Project</b>	To provide household with basic services including, adequate public lighting.
<b>Delays</b>	Eskom delays for the energising of 8 high mast lights
<b>Future Challenges</b>	The Municipality to be servicing the account of electricity usage of the highmastligths and the revenue collection of the Municipality is low.
<b>Anticipated Citizen Benefits</b>	1 800

<b>Name Of Project - D</b>	Moloto Ground Water Supply (Multi-Year Project)
<b>Objective Of Project</b>	To address the shortage of water in the Municipality and supplement the current shortfall by adding 4 MI per day to the Municipal network.
<b>Delays</b>	Local business forum challenges in light of work opportunities that are being demanded, hereby resulting in disturbance of the work on site.
<b>Future Challenges</b>	Inadequate bulk water supply for the Municipality in light of the 74.1 MI per day actual demand on the basis of a population of 448 056, which is growing at an annual growth factor of 1.9%. Currently THLM is getting a supply of 43 MI per day from its water suppliers, which amounts to a shortfall of 36.1 MI per day.
<b>Anticipated Citizen Benefits</b>	47964 Households To Benefit.



# Chapter 5

<b>Name Of Project - E</b>	Upgrading of Viaklaagte and Kwaggafontein Water Infrastructure (Multi-Year Project)
<b>Objective Of Project</b>	To improve the equitable distribution and management of the supply in the network, and also assist in reducing water losses.
<b>Delays</b>	Local business forum challenges in light of work opportunities that are being demanded, hereby resulting in disturbance of the work on site.
<b>Future Challenges</b>	Inadequate bulk water supply for the Municipality in light of the 74.1 MI per day actual demand on the basis of a population of 448 056, which is growing at an annual growth factor of 1.9%. Currently THLM is getting a supply of 43 MI per day from its water suppliers, which amounts to a shortfall of 36.1 MI per day.
<b>Anticipated Citizen Benefits</b>	19 690 Households To Benefit.

## 5.8 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

The Municipal grants expenditure 2018/2019 service delivery backlogs are explained more on the chapter 3 under basic service delivery.

# Chapter 5

## COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

### INTRODUCTION TO CASH FLOW MANAGEMENT AND INVESTMENTS

Proper cash flow management is a critical element to ensure the Municipality meets its obligations. A stable positive cash flow balance relative to the growth of the Municipality is a good indication of the Municipality financial position and health. Cash flow projections are done on a monthly basis and cash not immediately required are invested for a better return on the short term.

Thembisile Hani Local Municipality's cash flow is daily monitored by the finance management section. There is also monthly reporting to the executive Mayor in the form of section 71 reports and quarterly reports to Council.

#### 5.9 CASH FLOW

Description	2018/2019				2017/2018
	R Thousand Original Budget"000	Budget Adjustments (I.T.O. S28)	Final Adjustments Budget	Actual Outcome	Audited Outcome
	1	2	3	4	
<b>Cash Flow From Operating Activities</b>					
<b>Receipts</b>					
Ratepayers And Other	59 109 838	38 107 550	97 217 388	75 072 457	65 687 493
Government - Operating	367 907 000	0	367 907 000	367 907 000	342 737 000
Government - Capital	170 845 000	14 000 000	188 345 000	170 802 517	181 562 000
Interest	11 108 532	(4 634 088)	6 474 444	6 248 433	8 442 204
<b>Payments</b>					
Suppliers And Employees	(417 391 999)	(132 338 819)	(549 730 818)	(417 893 656)	(429 151 249)
Finance Charges	-	-	-	-	(486)
Transfers And Grants	( 43 760 170)	43 510 170	(250 000)	(53 212)	-
<b>Net Cash From/(Used) Operating Activities</b>	<b>147 818 201</b>	<b>-55 355 187</b>	<b>109 963 014</b>	<b>202 083 539</b>	<b>169 276 962</b>
<b>Cash Flows From Investing Activities</b>					
<b>Receipts</b>					
Proceeds On Disposal Of Ppe	-	-	-	-	-
Decrease (Increase) In Non-Current Debtors	-	-	-	-	-
Decrease (Increase) Other Non-Current Receivables	-	-	-	-	-
Decrease (Increase) In Non-Current Investments	-	-	-	-	-
<b>Payments</b>					
	-	-	-	-	-

# Chapter 5

Capital Assets	(153 902 693)	(17 500 000)	(163 005 087)	(164 575 007)	(182 088 525)
<b>Net Cash From/(Used) Investing Activities</b>	<b>(153 902 693)</b>	<b>(17 500 000)</b>	<b>(163 005 087)</b>	<b>(164 575 007)</b>	<b>(182 088 525)</b>
<b>Cash Flows From Financing Activities</b>	-	-	-	-	-
<b>Receipts</b>	-	-	-	-	-
Short Term Loans	-	-	-	-	-
<b>Payments</b>	-	-	-	-	-
Repayment Of Borrowing	-	-	-	-	-
<b>Net Cash From/(Used) Financing Activities</b>	-	-	-	-	-
					-
<b>Net Increase/ (Decrease) In Cash Held</b>	<b>-6 164 550</b>	<b>-46 877 523</b>	<b>-53 042 073</b>	<b>37 508 532</b>	<b>(12 811 563)</b>
Cash/Cash Equivalents At The Year Begin:	66 000 000	- 9 378 412	56 621 588	56 621 588	<b>(69 586 376)</b>
Cash/Cash Equivalents At The Year End:	59 835 450	-59 755 935	79 515	94 283 345	<b>56 774 813</b>

## 5.10 BORROWING

### COMMENT ON BORROWING

No new or old loans were taken up in the financial year under review.

## COMPONENT D: OTHER FINANCIAL MATTERS

### 5.11 GRAP COMPLIANCE

#### GRAP COMPLIANCE

The Annual Financial Statements have been prepared and presented in accordance with the standard of grap and the preparing and presentation of the grap compliant afs is improving in each and every year.

### 5.12 SUPPLY CHAIN MANAGEMENT

The Council has developed its policy in line with the Municipal Supply Chain Management Regulations and MFMA circulars issued by the National Treasury. The Municipality has implemented the usage of National supplier's database. The bid Committees were established and are fully functional, namely; the bid specification Committee, bid evaluation Committee; and bid adjudication Committee. The Committees are appointed in terms of proper delegation and appointed in terms of the legislations. The bid Committees are functioning as well.

# Chapter 5

All members of the bid specification, bid evaluation and bid adjudication Committees are delegated in writing by the Municipal Manager to serve on these respective Committees. These delegations are accepted in writing and records thereof are available. The following persons served on the following respective Committees:

#### Bid specification Committee

Mr. William Msiza

Ms. Pinky Sibiya

#### Bid Evaluation Committee

Mr. Zephaniah Nkosi

Mr. Sanele Nkosi

Mr Nkululeko Bhila

Ms. Lydia Sehlako

Ms. Aminah Aphone

Ms. Simphiwe Mashiane

#### Bid Adjudication

Mr. Abram Chego

Mr Chaba Mokubedi

Mr. Oupa Ledwaba

Ms. Lerato Nxumalo

The Supply Chain Management unit is a fully fledged unit operating with five (5) officials. Only three (03) officials meet the minimum competency levels as prescribed in the MFMA competency Regulation guidelines. There are currently no challenges with the functioning of bid Committees. The Municipality has developed a Procurement Plan on capital projects for the 2018 /2019 financial year, and all procurement requirements are measured against the plan. The National Treasury has issued guidelines for Municipal competency levels for heads of Supply Chain Management units.

These guidelines have been issued in terms of Municipal Regulations on minimum competency levels. The Assistant Manager complies with these minimum competency levels. Currently, one (01) SCM Chief Accountant is registered for the MFMP to meet minimum competency levels of Managers. There are no Councillors serving as members of any bid Committees or who participate in the Supply Chain Management processes at the Municipality. The SCM unit has a policy and procedures manual to address the inefficiencies noted within the procurement system and the re-alignment with the legal framework and delegation of systems. Matters of emphasis have been raised by Auditor General on non – compliance with Regulations. However, most of audit queries issues raised are currently under investigation through disciplinary board.. Another remedy is to ensure that SCM personnel is embarks on continuous training in order to be in line with new Regulations and developments.

# Chapter 6

## CHAPTER 6: AUDITOR-GENERAL'S REPORTS

### INTRODUCTION

The constitution s188 (1) (b) states that the functions of the Auditor-General includes the auditing and reporting on the accounts, financial statements and financial management of all municipalities. MSA section 45 states that the results of performance measurement must be audited annually by the Auditor-General.

### COMPONENT A: AUDITOR-GENERAL OPINION 2017/2018

#### 6.1 AUDITOR GENERAL REPORTS 2017/2018

#### Report of the auditor-general to the Mpumalanga Provincial Legislature and the council on the Thembisile Hani Local Municipality

Report on the audit of the financial statements

##### Qualified opinion

1. I have audited the financial statements of the Thembisile Hani Local Municipality set out on pages xx to xx, which comprise the statement of financial position as at 30 June 2018, the statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, except for the effect of the matter described in the basis for qualified opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Thembisile Hani Local Municipality as at 30 June 2018, and its financial performance and cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2017 (Act No. 3 of 2017) (DoRA).

##### Basis for qualified opinion

###### Commitments

3. The municipality did not have adequate systems to maintain records for commitments and assets under construction. Completed projects were included in commitments and assets under construction, which resulted in commitments and assets under construction being overstated by R46,5 million and R13,3 million, respectively. In addition, I was unable to obtain sufficient appropriate audit evidence for the amounts disclosed as assets under construction in note 3, due to a lack of supporting documents to substantiate the amounts disclosed. I could not confirm assets under construction by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary to assets under construction stated at R173,3 million in note 3 to the financial statements.

##### Context for the opinion

4. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of this auditor's report.

# Chapter 6

5. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *Code of ethics for professional accountants* (IESBA code) and the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

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

## Emphasis of matters

7. I draw attention to the matters below. My opinion is not modified in respect of these matters.

### Material impairments

8. As disclosed in note 10 to the financial statements, the consumer debtors balance was significantly impaired. The total impairment of consumer debtors amounted to R839,2 million (2016-17: R747,2 million), which represented 95% (2016-17: 93%) of the total consumer debtors. The contribution to the provision for debt impairment was R92 million (2016-17: R179,6 million).

### Restatement of corresponding figures

9. As disclosed in note 38 to the financial statements, the corresponding figures for 30 June 2017 were restated as a result of an error in the financial statements of the municipality at, and for the year ended, 30 June 2018.

### Fruitless and wasteful expenditure

10. As disclosed in note 44 to the financial statements, the municipality incurred fruitless and wasteful expenditure of R9,1 million, due to the overpayment of suppliers and some employees who absconded.

### Irregular expenditure

11. As disclosed in note 45 to the financial statements, the municipality incurred irregular expenditure of R34,9 million, as it did not adhere to the Supply Chain Management (SCM) Regulations.

## Other matter

12. I draw attention to the matter below. My opinion is not modified in respect of this matter.

### Unaudited disclosure notes

13. In terms of section 125(2)(e) of the MFMA, the municipality is required to disclose particulars of non-compliance with the MFMA in the financial statements. This disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion on it.

# Chapter 6

## **Responsibilities of the accounting officer for the financial statements**

14. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the SA Standards of GRAP and the requirements of the MFMA and Dora, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
15. In preparing the financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

## **Auditor-general's responsibilities for the audit of the financial statements**

16. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
17. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

## **Report on the audit of the annual performance report**

### **Introduction and scope**

18. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected development priorities presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.
19. My procedures address the reported performance information, which must be based on the approved performance planning documents of the municipality. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

# Chapter 6

20. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected development priority presented in the annual performance report of the municipality for the year ended 30 June 2018:

Development priority	Pages in the annual performance report
KPA 1 – Basic service delivery and infrastructure development	xx – xx

21. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
22. I did not raise any material findings on the usefulness and reliability of the reported performance information for this development priority:
- KPA 1 – Basic service delivery and infrastructure development

## Other matters

23. I draw attention to the matters below.

Achievement of planned targets

24. Refer to the annual performance report on pages xx to xx for information on the achievement of planned targets for the year.

Adjustment of material misstatements

25. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were on the reported performance information of KPA1 – basic service delivery and infrastructure development. As management subsequently corrected the misstatements, I did not raise any material findings on the usefulness and reliability of the reported performance information.



# Chapter 6

## Report on the audit of compliance with legislation

### Introduction and scope

26. In accordance with the FAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the compliance of the municipality with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

27. The material findings on compliance with specific matters in key legislation are as follows:

#### Annual financial statements

28. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA. Material misstatements of non-current assets, current assets, liabilities, revenue, expenditure and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected and the supporting records were subsequently provided, but the uncorrected material misstatements and supporting records that could not be provided resulted in the financial statements receiving a qualified audit opinion.

29. The annual financial statements were not submitted to the auditor-general for auditing within two months after the end of the financial year, as required by section 126(1)(a) of the MFMA.

#### Expenditure management

30. Reasonable steps were not taken to prevent irregular expenditure amounting to R34,9 million, as disclosed in note 45 to the financial statements, as required by section 62(1)(d) of the MFMA. The majority of the disclosed irregular expenditure was caused by a lack of processes and mechanisms to detect and identify non-compliance with SCM Regulations. Irregular expenditure amounting to R19,6 million was incurred on key projects for a new reservoir and pipeline at Kwamhlanga for the Phola Park and Mountain View communities – phase 2 (multi-year project) and for the upgrading of existing infrastructure to augment borehole water supply in Bundu – work package 5 (multi-year project).

#### Procurement and contract management

31. Some goods and services with a transaction value below R200 000 were procured without obtaining the required price quotations, in contravention of SCM regulation 17(a) and (c).
32. Some quotations were accepted from bidders whose tax matters had not been declared by the South African Revenue Service to be in order, in contravention of SCM regulation 43.
33. Some invitations for competitive bidding were not advertised for the required minimum period, in contravention of SCM regulation 22(1) and 22(2).

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34. Some goods and services with a transaction value above R200 000 were procured without inviting competitive bids, as required by SCM regulation 19(a).
35. Contract performance and monitoring measures and methods were not sufficient to ensure effective contract management, as required by section 116(2)(c) of the MFMA.

## Human resource management

36. Appropriate systems and procedures to monitor, measure and evaluate the performance of staff were not developed and adopted, as required by section 67(1)(d) of the Municipal Systems Act of South Africa, 2000 (Act No. 32 of 2000).

## Compliance management

37. Allegations of financial misconduct laid against officials of the municipality were not investigated by the disciplinary board, relevant treasury or an independent investigator or team of investigators appointed by the council, as required by municipal regulation on financial misconduct procedures and criminal proceedings 5(4).
38. In some instances, I was unable to obtain sufficient appropriate audit evidence that losses resulting from fruitless and wasteful expenditure were recovered from the liable person, as required by section 32(2) of the MFMA. This was due to proper and complete records not being maintained as evidence to support the investigations into fruitless and wasteful expenditure.

## Other information

39. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report, which includes the audit committee's report. The other information does not include the financial statements, the auditor's report and the selected development priority presented in the annual performance report that has been specifically reported in this auditor's report.
40. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
41. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected development priority presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

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42. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, and if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

## Internal control deficiencies

43. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the qualified opinion, the findings on the annual performance report and the findings on compliance with legislation included in this report.
44. The leadership did not adequately monitor financial reporting, reporting on performance information and compliance with laws and regulations, which resulted in material misstatements and non-compliance only being identified during the audit process. In addition, key vacancies were not filled and audit action plans were not adequately monitored to ensure the promotion of a sound control environment that supported clean financial administration and service delivery.
45. Underlying records that support the annual financial statements were not updated regularly to support the decision-making processes of the municipality. Such records include the assets under construction and commitments register, which was only compiled and updated during the audit process.

*Auditor - Greener!*

Mbombela

30 November 2018



AUDITOR-GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*

# Chapter 6

## Annexure – Auditor-general’s responsibility for the audit

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements, and the procedures performed on reported performance information for the selected development priority and on the municipality’s compliance with respect to the selected subject matters.

### Financial statements

2. In addition to my responsibility for the audit of the financial statements as described in this auditor’s report, I also:
  - identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
  - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality’s internal control
  - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer
  - conclude on the appropriateness of the accounting officer’s use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the municipality’s ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor’s report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor’s report. However, future events or conditions may cause a municipality to cease continuing as a going concern
  - evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

### Communication with those charged with governance

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also confirm to the accounting officer that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and, where applicable, related safeguards.

# Chapter 6

## COMPONENT B: AUDITOR-GENERAL OPINION 2018/2019

### 6.2 AUDITOR GENERAL REPORTS 2018/2019

#### Report of the Auditor-General to the Mpumalanga Provincial Legislature and the Council on the Thembisile Hani Local Municipality

##### Report on the audit of the financial statements

#### Qualified opinion

1. I have audited the financial statements of the Thembisile Hani Local Municipality set out on pages xx to xx, which comprise the statement of financial position as at 30 June 2019, the statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, except for the effect of the matter described in the basis for qualified opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Thembisile Hani Local Municipality as at 30 June 2019, and its financial performance and cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2018 (Act No. 1 of 2018) (Dora).

#### Basis for qualified opinion

##### Property rates

3. The municipality did not recognise property rates in accordance with GRAP 23, *Revenue from non-exchange transactions*, as a number of properties on the Municipality's billing report were not eligible to be billed. In addition, the Municipality did not bill all consumers in the financial year under review. The effect on the financial statements was that property rates was overstated by R25 million with a corresponding overstatement of receivables from non-exchange transactions by the same amount.
4. I was unable to obtain sufficient appropriate audit evidence for property rates, as the Municipality did not perform a reconciliation between the valuation roll and the consumer billing report. Due to the inadequate status of the accounting records, I was unable to confirm the property rates by alternative means. Consequently, I was unable to determine whether any adjustment was necessary

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to property rates stated at R42,3 million and receivables from non-exchange transactions stated at R3,6 million in the financial statements.

## Context for the opinion

5. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the Auditor-General's responsibilities for the audit of the financial statements section of this auditor's report.
6. I am independent of the Municipality in accordance with sections 290 and 291 of the International Ethics Standards Board for Accountants' Code of ethics for professional accountants and parts 1 and 3 of the International Ethics Standards Board for Accountants' International code of ethics for professional accountants (including International Independence Standards) (IESBA codes) as well as the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA codes.
7. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

## Emphasis of matters

8. I draw attention to the matters below. My opinion is not modified in respect of these matters.

## Restatement of corresponding figures

9. As disclosed in notes 42 and 43 to the financial statements, the corresponding figures for 30 June 2018 were restated as a result of an error in the financial statements of the Municipality at, and for the year ended, 30 June 2019.

## Material impairment - Receivables

10. As disclosed in note 10 to the financial statements, the receivables from exchange and non-exchange transactions balance was significantly impaired. The allowance for the impairment of the receivables from exchange and non-exchange transactions amounted to R1 billion (2018-19: R839,2 million), which represented 99% (2017-18: 95%) of the total receivables from exchange and non-exchange transactions. The contribution to the provision for debt impairment was R224,5 million (2017-18: R96,4 million).

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## Material losses - Water

11. As disclosed in note 6 to the financial statements, material water losses of R33,3 million (2017-18: R25,3 million) were incurred, which represented 24% (2017-18: 17%) of the total water purchased. The losses were due to ageing infrastructure that caused leakages in the water bulk line.

## Irregular expenditure

12. As disclosed in note 48 to the financial statements, the Municipality incurred irregular expenditure of R9 128 547, as a result of non-compliance with the Supply Chain Management (SCM) Regulations.

## Fruitless and wasteful expenditure

13. As disclosed in note 47 to the financial statements, the Municipality incurred fruitless and wasteful expenditure of R820 989, as a result of non-compliance with the indigent subsidy and free basic services provision policy as well as an advance payment to a service provider.

## Other matter

14. I draw attention to the matter below. My opinion is not modified in respect of this matter.

## Unaudited disclosure notes

15. In terms of section 125(2)(e) of the MFMA, the Municipality is required to disclose particulars of non-compliance with the MFMA. This disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion on it.

## Responsibilities of the accounting officer for the financial statements

16. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the SA Standards of GRAP and the requirements of the MFMA and Dora, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
17. In preparing the financial statements, the accounting officer is responsible for assessing the Municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the Municipality or to cease operations, or has no realistic alternative but to do so.

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## Auditor-General's responsibilities for the audit of the financial statements

18. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
19. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

## Report on the audit of the Annual Performance Report

### Introduction and scope

20. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected development priorities presented in the Annual Performance Report. I performed procedures to identify findings but not to gather evidence to express assurance.
21. My procedures address the reported performance information, which must be based on the approved performance planning documents of the Municipality. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
22. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected development priority presented in the Annual Performance Report of the Municipality for the year ended 30 June 2019:

Development priorities	Pages in the Annual Performance Report
KPA 1 – basic service delivery and infrastructure development	xx – xx



# Chapter 6

23. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
24. I did not raise any material findings on the usefulness and reliability of the reported performance information for this development priority.

## Other matter

I draw attention to the matter below.

## Achievement of planned targets

Refer to the Annual Performance Report on pages xx to xx for information on the achievement of planned targets for the year.

## Report on the audit of compliance with legislation

### Introduction and scope

25. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the compliance of the Municipality with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
26. The material findings on compliance with specific matters in key legislation are as follows:

### Annual Financial Statements

27. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA. Material misstatements of current assets, liabilities, revenue, expenditure and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected and the supporting records provided, but the uncorrected material misstatement resulted in the financial statements receiving a qualified audit opinion.

### Expenditure management

28. Reasonable steps were not taken to prevent irregular expenditure amounting to R9,1 million, as disclosed in note 48 to the financial statements, as required by section 62(1)(d) of the MFMA. The majority of the disclosed irregular expenditure was caused by non-compliance with the SCM Regulations.

# Chapter 6

29. Reasonable steps were not taken to prevent fruitless and wasteful expenditure amounting to R800 989, as disclosed in note 47 to the financial statements, as required by section 62(1)(d) of the MFMA. The majority of the fruitless and wasteful expenditure was due to the overpayment of suppliers and employees.

## Human resource management

30. Appropriate systems and procedures to monitor, measure and evaluate the performance of staff were not developed and adopted, as required by section 67(1)(d) of the Municipal Systems Act of South Africa, 2000 (Act No. 32 of 2000).

## Other information

31. The accounting officer is responsible for the other information. The other information comprises the information included in the Annual Report, which includes the Audit Committee's report. The other information does not include the financial statements, the auditor's report and the selected development priority presented in the Annual Performance Report that has been specifically reported on in this auditor's report.
32. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
33. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected development priority presented in the Annual Performance Report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
34. The other information I obtained prior to the date of this auditor's report was management reports, performance of external service providers and measures taken to improve performance. The oversight reports are expected to be made available to me after 30 November 2019.
35. If, based on the work I have performed on the other information that I obtained prior to the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.
36. When I do receive and read the oversight reports, and if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

# Chapter 6

## Internal control deficiencies

37. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion and the findings on compliance with legislation included in this report.
38. Management did not maintain adequate accounting records to support the financial information reported. Daily and monthly processing controls were not implemented to ensure that the reported financial information was accurate and complete. Furthermore, review and reconciliation measures were not implemented to detect and correct errors in the financial information reported.
39. As the Municipality did not have adequate systems to monitor compliance with all applicable legislation, non-compliance with legislation was not prevented.
40. Management did not maintain adequate accounting records to support the financial information reported. Daily and monthly processing controls were not implemented to ensure that the reported financial information was accurate and complete. Furthermore, review and reconciliation measures were not implemented to detect and correct errors in the financial information reported.

**AUDITOR - GENERAL**

Mbombela

30 November 2019



**AUDITOR - GENERAL  
SOUTH AFRICA**

*Auditing to build public confidence*

# Chapter 6

## Annexure – Auditor-General's responsibility for the audit

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements, and the procedures performed on reported performance information for the selected development priority and on the Municipality's compliance with respect to the selected subject matters.

### Financial statements

2. In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:
  - Identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
  - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Municipality's internal control
  - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer
  - conclude on the appropriateness of the accounting officer's use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Municipality's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a Municipality to cease continuing as a going concern
  - evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

# Chapter 6

## Communication with those charged with governance

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also confirm to the accounting officer that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and, where applicable, related safeguards.

## GLOSSARY

<b>Accessibility indicators</b>	Explore whether the intended beneficiaries are able to access services or outputs.
<b>Accountability documents</b>	Documents used by executive authorities to give "full and regular" reports on the matters under their control to Parliament and provincial legislatures as prescribed by the Constitution. This includes plans, budgets, in-year and Annual Reports.
<b>Activities</b>	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe "what we do".
<b>Adequacy indicators</b>	The quantity of input or output relative to the need or demand.
<b>Annual Report</b>	A report to be prepared and submitted annually based on the Regulations set out in Section 121 of the Municipal Finance Management Act. Such a report must include Annual Financial Statements as submitted to and approved by the Auditor-General.
<b>Approved Budget</b>	The Annual Financial Statements of a Municipality as audited by the Auditor General and approved by Council or a provincial or national executive.
<b>Baseline</b>	Current level of performance that a Municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period.
<b>Basic municipal service</b>	A Municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided it may endanger the public health and safety or the environment.
<b>Budget year</b>	The financial year for which an annual budget is to be approved – means a year ending on 30 June.
<b>Cost indicators</b>	The overall cost or expenditure of producing a specified quantity of outputs.
<b>Distribution indicators</b>	The distribution of capacity to deliver services.
<b>Financial Statements</b>	Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed.
<b>General Key performance indicators</b>	After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally.
<b>Impact</b>	The results of achieving specific outcomes, such as reducing poverty and creating jobs.
<b>Inputs</b>	All the resources that contribute to the production and delivery of outputs. Inputs are "what we use to do the work". They include finances, personnel, equipment and buildings.
<b>Integrated Development Plan (IDP)</b>	Set out Municipal goals and development plans.

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<b>National performance areas</b>	<b>Key</b>	<ul style="list-style-type: none"> <li>• Service delivery &amp; infrastructure</li> <li>• Economic development</li> <li>• Municipal transformation and institutional development</li> <li>• Financial viability and management</li> <li>• Good governance and community participation</li> </ul>
<b>Outcomes</b>		The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve".
<b>Outputs</b>		The final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver". An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area.
<b>Performance Indicator</b>		Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered)
<b>Performance information</b>		Generic term for non-financial information about Municipal services and activities. Can also be used interchangeably with performance measure.
<b>Performance Standards:</b>		The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor.
<b>Performance Targets:</b>		The level of performance that Municipalities and its employees strive to achieve. Performance Targets relate to current baselines and express a specific level of performance that a Municipality aims to achieve within a given time period.
<b>Service Delivery Budget Implementation Plan</b>		Detailed plan approved by the Mayor for implementing the Municipality's delivery of services, including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.
<b>Vote:</b>		One of the main segments into which a budget of a Municipality is divided for appropriation of money for the different departments or functional areas of the Municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area. Section 1 of the MFMA defines a "vote" as:

# APPENDICES

- |  |   |
|--|---|
|  | <p>a) one of the main segments into which a budget of a Municipality is divided for the appropriation of money for the different departments or functional areas of the Municipality; and</p> <p>b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned</p> |
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# APPENDICES

## APPENDIX A (I) – LIST OF WARD COUNCILLORS

Ward	Surname & Names	Contact	Physical Address
1	Cllr Amos Mahlangu	082 963 9449	Stand 1849 Block 15 Moloto South
2	Cllr Dipolelo Sinah Mampuru	079 355 5829	Stand No 10693 RDP Ext 11. Moloto North
3	Cllr Pheneus Doctor Makatu	082 096 7689	Stand No 2585 Block 6 Moloto South
4	Cllr Mitopi Andries Motena	072 244 2785 074 436 1781	Stand No.521 Zakheni
5	Cllr Siphon Koos Ngoma	076 108 0871	Stand 986 Thembaletu, Next To Siyabonga Tavern
6	Cllr Koos vusi Jiyane	078 255 2077 071 623 5848	718 Phola Park
7	Cllr Moses Michael Mahlangu	072 053 2801	Stand No 372 Mjiranco Street. Boekenhouthoek
8	Cllr Mbebenzi Ben Mabena DECEASED	079 367 8195	Stand No 1998 Verena D
9	Cllr Joseph Elias Mthimunya	078 535 1287	Stand No 120 Buhlebuzile
10	Cllr Maria Thruddy Nobela	072 593 4635	341 EMzimuhle/Germbokspruit
11	Cllr Sgaule Timothy Mnisi	076 792 1744 071 623 9781	258 Wolvenkop Verena
12	Cllr Siphon Masango	079 114 5193	Stand No 23 Tweefontein C, Next To Vukuzame Secondary School
13	Cllr Christinah Ndlelehle Mahlangu	078 211 3873 076 867 4373	Stand No 1513 Tweefontein B2
14	Cllr James Simausu Msiza	071 402 9708	Stand No 86 Mountainview Zone, Next To Mdawu Store And Apolo
15	Cllr Alexcious Sphiwe Madyungu	072 607 4431	Stand 1236 Tweefontein E, Next To Sinamuva Store

# APPENDICES

Ward	Surname & Names	Contact	Physical Address
16	Cllr Josephinah Lindiwe Mahlangu	079 583 3956	Stand No 753 Buhlebesizwe, Next To Khulufunde Primary
17	Cllr Samuel Bongani Mogoboya	071 438 5694	Stand No 313 Tweefontein F, Maleleza Street
18	Cllr Maria Qhubeni Mnguni	084 716 2684 074 308 9530	284 Slovo Street Thokoza
19	Cllr Mzwandile Obed Sikosana (MPAC Chairperson)	079 031 2227	621 Suncity A
20	Cllr Seisiwe Jack Masango	079 246 4997 076 341 6920	492 Suncity Aa
21	Cllr Norman Ngoma	072 568 1485	Stand No: 795 Vlaklaagte No: 1. Next To Moonlight Store
22	Cllr Nimrod Boitumelo Malefo	079 718 9023 071 623 5882	391 Mandela
23	Cllr Victor Bongani Msibi	083 800 6781 076 696 6431	Stand No 192 Tweefontein A, Next Tribal Office- Kwashabangu
24	Cllr Dumisani Chrescent Fakude	072 030 9641	Stand No 1067 Bundu, Around Second Hamp
25	Cllr Jan Sizwe Mahlangu	072 305 2096	569 Kwaggafontein B
26	Cllr Masotja Petrus Nduli	071 324 6353	Stand No 2195 Kwaggafontein C
27	Cllr Dini Samson Skosana	076 122 5582	Stand No 757 Kwaggafontein A, Section 7
28	Cllr Khulisile April Msiza	072 474 3118 078 200 7430	Stand No 1725 Kwaggafontein A
29	Cllr Patrick Vusi Mahlangu	072 420 8514	Stand 1215 Kwaggafontein A
30	Cllr Gideon Mahlangu	073 131 1164 063 784 6518	Stand No 1402 Tweefontein H
31	Cllr Vusimuzi Vincent Skosana	073 272 8457	1292 Kwaggafontein D (Ngendwani)
	Cllr Oria Mpheto Mabelwane	076 088 2224	Stand No 513 Kwamhlanga B

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## APPENDIX A (II) – LIST OF PR COUNCILLORS

<b>Names &amp; Surname</b>	<b>Contact</b>	<b>Physical Address</b>
Cllr NoMSA Sanny Mtsweni (Her Worship Hon. Executive Mayor)	082 824 9826	Stand 123 Section A, Kwamhlanga
Cllr Nompumelelo Evidence Hlophe (Hon. Speaker)	072 734 4722	Stand 10067 Zakheni, Behind Kwa-Willy Panelbeat
Cllr Joyce Johannah Tau (Hon. Council Whip)	082 965 4343	2471 Block 06 Moloto
Cllr Lillian Martha Tshabangu (Hon. MMC Finance)	082 791 0771 071 623 5917	Stand No 472 Tweefontein F
Cllr Thomas Lebandla Mabena (Hon. MMC LED)	060 696 7594	Stand No 447/8 Sun CityAa
Cllr Maria Poppy Msiza (Hon. MMC SDS)	073 311 7976 076 676 0319	866 Kwagga D
Cllr Thabisile Elsie Mashinini	072 102 7549	Stand 1459 Mandela
Cllr Emelinah Mavis Mathibela	076 400 1148	Stand No 3 Verena A, Next To Thandi Tuck Shop
Cllr Lindiwe Thembi Skosana	076 709 7595	Stand No 2307 Mountainview, Use The Paving Road
Cllr Thokozile Egnés Motanyane	082 965 2217 084 775 2725	2564 Kwagga C
Cllr Theletji James Makhwiting (Hon. MMC Technical S.)	060 672 8757	Stand No B241 Empumelelweni, Sheldon

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Cllr Laza Elsie Jiyane	072 407 0423	Stand No 797 Phola Park, Street 35, Behind The Sports Bar
Cllr Marcia Msiza	082 746 9944 084 858 5808	Kwagga A
Cllr Zanele Maseko	083 311 0863	Stand No 77/78 Mathyzensloop
Cllr Nomasonto Emmah Phakathi (Hon. MMC Corporate)	076 981 9646	Stand No 1926 Block 11, Moloto South
Cllr Sonto Rose Nhlapho	082 399 8302	Stand 514 Luthuli, Rocky Tavern
Cllr Nomatjeni Nellie Msiza	060 771 4578	Stand 425 Tweefontein , Next To Bout Tavern
Cllr Piet Thapelo Kekana	072 149 5989	2521 Vezubuhle, Next To Vezubuhle Hall
Cllr Remenky Stephinah Molefe	071 121 1731	Stand No 2748 Zenzele,
Cllr Lucky Bruce Mahlangu	079 925 0265	Stand No 7001 Zakheni Next to Driving School
Cllr Alicia Lebohang Dhlamini	076 205 6019	Stand No 157 Kwaggafontein C, Next To Velly's Tavern
Cllr Vusi Amos Msibi	082 633 5717	Stand No 672 Tweefontein H, Next To Thumamina Sand
Cllr Ntombi Mitta Motaung	072 290 3386	Stand 1691 Verena C, Next To Somlingo Primary School
Cllr Matalanyane Lucas Mokolo	082 367 6267	Stand No. 2759 Moloto North, Block A, Next To Ekosini Kwa-Skosana
Cllr Nompumelelo Merriam Mahlangu	060 787 8934	Stand No 549 Thembaletu,
Cllr Toenkie Linah Masilela	082 295 0417	80025 Zakheni,

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Cllr. Ivy Mando Mahlangu	072 694 1989	419 Buhlebesizwe RDP
Cllr Maria Adelaide Mokwena	073 105 1959	232 Buhlebesizwe 2 Aa
Cllr Thabo John Tibane	083 530 2950 082 060 3258	Stand No. 90/91 Suncity D
Cllr Jan Masaka Makhubela	071 299 3111	293 Mountainview Zone 3
Cllr Rubber Qaliwe Mtsweni	073 659 5200	586/7 Mountain View
Cllr Salome Athana Magolego	079 103 3553	Phola Park, Street No. 21, Stand No. 451, Ga Skhosana ekhabo Nthabiseng

## APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

<b>Committees (Other Than Mayoral / Executive Committee) And Purposes Of Committees</b>	
<b>Municipal Committees</b>	<b>Purpose Of Committee</b>
ICT Committee	Councillors Provide Oversight Role To All Committees
LED Committee	Councillors Provide Oversight Role To All Committees
Social Development Services	Councillors Provide Oversight Role To All Committees
Technical Services Committee	Councillors Provide Oversight Role To All Committees
MPAC	Councillors Provide Oversight Role To All Committees
Corporate Service Committee	Councillors Provide Oversight Role To All Committees
Finance Services Committee	Councillors Provide Oversight Role To All Committees

# APPENDICES

## APPENDIX C –THIRD TIER ADMINISTRATIVE STRUCTURE

Third Tier Structure	
Directorate	Director/Manager (State Title And Name)
Assistant Manager IDP	Mr K Mokwena
Assistant Manager: PMS	Ms. K.S. Moripe
Assistant Manager Sport, Recreation and Facilities	Mr BA Nkwanyana
Assistant Manager: LED	Mr. Ws Msiza
Assistant Manager: Communication	Ms. S Mashiane
Chief Internal Auditor	Mr. A Malope
Chief Risk Officer	Mr. T Baloyi
Assistant Manager: Public Participation	Mr. H Nkosi
Assistant Manager: Youth Development	Mr. T Mahlangu
Assistant Manager: Researcher And Monitoring	Mr K.O. Bapela
Assistant Manager: Roads And Storm Water	Mr. S Nkosi
Assistant Manager: Sanitation And Water	Mr C Mokubedi
Assistant Manager: PMU	Mr T Maphutha
Assistant Manager: Human Settlement & Town Planning	Mr. S Masilela
Assistant Manager: Waste Management & Environment	Ms. A Aphane
Assistant Manager: HRM	Mr. KR Mabuela
Assistant Manager: Legal Service	Adv. J.P. Skosana
Assistant Manager: Fleet Management	Mr. J.J. Skosana
Assistant Manager: ICT	Mr.T Ntimane
Assistant Manager: Revenue Management	Mr. O Ledwaba
Assistant Manager: Assets Management	Mr. R Makhubele
Assistant Manager: SCM	Ms. L Sehlako
Assistant Manager: Budget And Reporting	Mr. J. Moyo
Assistant Manager: Expenditure Management	Ms J Mahlangu
Use As A Spill-Over Schedule If Top 3 Tiers Cannot Be Accomodated In Chapter 2	



# APPENDICES

## APPENDIX D – FUNCTIONS OF MUNICIPALITY / ENTITY

Municipal Functions	Function Applicable To Municipality (Yes / No)*
<b>Constitution Schedule 4, Part B Functions:</b>	
Air Pollution	No
Building Regulations	Yes
Child Care Facilities	No
Electricity And Gas Reticulation	No
Firefighting Services	No
Local Tourism	Yes
Municipal Airports	No
Municipal Planning	Yes
Municipal Health Services	Yes
Municipal Public Transport	No
Municipal Public Works Only In Respect Of The Needs Of Municipalities In The Discharge Of Their Responsibilities To Administer Functions Specifically Assigned To Them Under This Constitution Or Any Other Law	Yes
Pontoons, Ferries, Jetties, Piers And Harbours, Excluding The Regulation Of International And National Shipping And Matters Related Thereto	No
Stormwater Management Systems In Built-Up Areas	Yes
Trading Regulations	Yes
Water And Sanitation Services Limited To Potable Water Supply Systems And Domestic Waste-Water And Sewage Disposal Systems	Yes
Beaches And Amusement Facilities	No
Billboards And The Display Of Advertisements In Public Places	Yes
Cemeteries, Funeral Parlours And Crematoria	Yes
Cleansing	Yes
Control Of Public Nuisances	Yes
Control Of Undertakings That Sell Liquor To The Public	No
Facilities For The Accommodation, Care And Burial Of Animals	No
Fencing And Fences	Yes
Licensing Of Dogs	No
Licensing And Control Of Undertakings That Sell Food To The Public	Yes

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Local Amenities	Yes
<b>Municipal Functions</b>	
<b>Municipal Functions</b>	<b>Function Applicable To Municipality (Yes / No)*</b>
Local Sport Facilities	Yes
Markets	No
Municipal Abattoirs	Yes
Municipal Parks And Recreation	Yes
Municipal Roads	Yes
Noise Pollution	Yes
Pounds	YES
Public Places	Yes
Refuse Removal, Refuse Dumps And Solid Waste Disposal	Yes
Street Trading	Yes
Street Lighting	Yes
Traffic And Parking	Yes

# APPENDICES

## APPENDIX E – WARD REPORTING

Functionality Of Ward Committees					
Ward Name (Number)	Name Of Ward Councillor And Elected Ward Committee Members	Committee Established (Yes / No)	Number Of Monthly Committee Meetings Held During The Year	Number Of Monthly Reports Submitted To Speakers Office On Time	Number Of Public Ward Meetings Held During Year
1	<b>Cllr A. Mahlangu</b>	Yes	12	12	4
	Themane Phakaneng Jim				
	Kheswa Vusimuzi Wellington				
	Bonokwane Seun				
	Maisela Mpelegwa Piet				
	Masogo Kedibone Caroline				
	Nkuna Mhlopheki Charles				
	Mpedi William				
	Mngidi Tryphorsa Julia				
	Sabani Betty Mahlangu				
	Shoba Mkhazile Johannes				
2	<b>Cllr DS Mampuru</b>	Yes	12	12	
	Ratshilaya Vincent				
	Motha Joseph Velly				
	Mhlanga Nchoke Solomon				
	Wesi Kagisano David				
	Molomo Phashushu Paul				
	Madeia Phila Getrute				
	Monakedi August				
	Mokone Freddie				
	Madiseng Lenah Linky				
	Masilela Thulani Kenneth				
3	<b>Cllr PD Makatu</b>	Yes	12	12	4
	Molaudzi Thomas Ntebaleng				

# APPENDICES

Functionality Of Ward Committees						
Ward Name (Number)	Name Of Ward Councillor And Elected Ward Committee Members	Committee Established (Yes / No)	Number Of Monthly Committee Meetings Held During The Year	Number Of Monthly Reports Submitted To Speakers Office On Time	Number Of Public Ward Meetings Held During Year	
	Busisiwe Johannah Nkabinde					
	Makobe Jack Mashilo					
	Makena Evelina Makonketsa					
	Chabedi Dikeleli Ellen					
	Alege Elsie Motjoka					
	Mahlangu Jennifer Morongwa					
	Mahlangu Mokgaetji					
	Sipho Mahlangu					
	Sipho Ndlovu					
4	<b>ClIr MA Motena</b>	Yes	12	12	7	
	Matsha Mmadiale Winny					
	Gule Poppy Getrude					
	Albert Alfred Sibanyoni					
	Modika Tebogo Johannah					
	Mphela Jacob					
	Elizabeth Namtungwana Radebe					
	Kabini Thomas Umgolozu					
	Mbonani Anna					
	Phatlamotlaka Zacharia Johannes					
	Thomas Mathenjwa					
5	<b>ClIr SK Ngoma</b>	Yes	12	12	4	
	Masombuka Miggal Nomthandazo					
	Sibanyoni Nomalanga Elizabeth					
	Mgidi Mzakhe Witbooi					
	Motsweni Albert					
	Mahlangu Jabulile Rejoice					
	Sikhosana Sandile					

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Functionality Of Ward Committees					
Ward Name (Number)	Name Of Ward Councillor And Elected Ward Committee Members	Committee Established (Yes / No)	Number Of Monthly Committee Meetings Held During The Year	Number Of Monthly Reports Submitted To Speakers Office On Time	Number Of Public Ward Meetings Held During Year
	Mdluli Thandi Lizzy				
	Sibanyoni John Xabuzani				
	Makhananisa Vincent Boy				
	Ngoepe Lettie				
<b>6</b>	<b>Cllr KV Jiyane</b>	<b>Yes</b>	<b>12</b>	<b>12</b>	<b>4</b>
	Msiza Joseph Joey				
	Mahlangu Letty Beauty				
	Skosana Betty Vamuhle				
	Mahlangu Letty Sarah				
	Masina Nomalanga Emely				
	Mokoena Pretty Molly				
	Skosana Tshidi Mahlogonolo				
	Motau Rose Bahlezi				
	Mahlangu Poprizana Beauty				
	Magakoe Esther Mamohlolo				
<b>7</b>	<b>Cllr MM Mahlangu</b>	<b>Yes</b>	<b>12</b>	<b>12</b>	<b>4</b>
	Mahlangu Vusi				
	Thubane John Daantjie				
	Thabethe Elizabeth Khabo				
	Mtsweni Sana Swartbooi				
	Skhosana Mike Aaron				
	Ngoma Johannah Thembisile				
	Banda Mpho				
	Makwakwa Nomsa Esther				
	Mathibedi Nomathemba Joyce				
	Maseko Fikile				
<b>8</b>	<b>Cllr MB Mabena</b>	<b>Yes</b>	<b>12</b>	<b>12</b>	<b>5</b>
	Mahlangu Bongsi Engelinah				

# APPENDICES

Functionality Of Ward Committees						
Ward Name (Number)	Name Of Ward Councillor And Elected Ward Members	Committee Established (Yes / No)	Number Of Monthly Committee Meetings Held During The Year	Number Of Monthly Reports Submitted To Speakers Office On Time	Number Of Public Ward Meetings Held During Year	
	Sibanyoni Maria					
	Makgama Florah Madiele					
	Djiane Rose					
	Mbonani Johana Meme					
	Sibanyoni Mandla Prince					
	Mahlangu Tati Letty					
	Mahlangu Johannes Thulani					
	Thubane Nurse Sarah					
	Rahlago Maiendah Sape					
9	Cllr JE Mthimunye	Yes	12	12	10	
	Skhosana Rati Johannah					
	Mahlangu Grace Nomathemba					
	Ndala Nomusa					
	Lebisi Sophy Nadima					
	Mbonani Musa Christina					
	Motha Thandi Precious					
	Masilela Sdudla Linah					
	Kabini Thuthukile Ntombi					
	Mahlangu Elinah Jane					
	Sikhosana Lungile Annah					
10	Cllr MT Nobela	Yes	12	12	17	
	Mtshweni Jeffrey Godfrey					
	Ragimana Sydwell Lebogang					
	Ntuli Lillian Thokozile					
	Sokana Stanly Tshabangu					
	Masango Sarah Sphenge					
	Mthombeni Angel					

# APPENDICES

Functionality Of Ward Committees					
Ward Name (Number)	Name Of Ward Councillor And Elected Ward Committee Members	Committee Established (Yes / No)	Number Of Monthly Committee Meetings Held During The Year	Number Of Monthly Reports Submitted To Speakers Office On Time	Number Of Public Ward Meetings Held During Year
	Nkambule Linah Busi				
	Msiza Phillip Sunnyboy				
	Nhlanhla Bafana Elliot				
	Mathibela Nyamana John				
11	<b>Cllr ST Mnisi</b>	Yes	12	12	7
	Maredi Elias				
	Zikalala Sindisiwe Agnes				
	Mtsweni Jeaneth Johannah				
	Tshabalala Nombulelo Precious				
	Ntuli Annah Lala				
	Mtimunye Lucky Linda				
	Jiyane Mduduzi Velly				
	Mthimunye Job Rolls				
	Mthombeni Geelbooi Mphatheki				
	Ntuli David Mapocho				
12	<b>Cllr S Masango</b>	Yes	12	12	6
	Malaza Mantombi Martha				
	Wonder Ngobese				
	Nkosi Sesana Joice				
	Mabasa Nurse Prescilla				
	Skhosana Charles Vusi				
	Mkhatshwa Nonhlanhla Nonkululeko				
	Nevonde Elias Oupa				
	Mnisi Solomon Mhlanganiswa				
	Skosana Msongelwa Johannes				
	Mxolisi Mabena				
13	<b>Cllr CN Mahlangu</b>	Yes	12	12	11

# APPENDICES

Functionality Of Ward Committees						
Ward Name (Number)	Name Of Ward Councillor And Elected Ward Committee Members	Committee Established (Yes / No)	Number Of Monthly Committee Meetings Held During The Year	Number Of Monthly Reports Submitted To Speakers Office On Time	Number Of Public Ward Meetings Held During Year	
	Sibeko Fikile					
	Gule Kellina Pretty					
	Mahlangu Andrew Zabi					
	Vusi Mahlangu					
	Ntuli Maria Timjewe					
	Mahlangu Suzan Christinah					
	Thabethe Jane Thandi					
	Mashiya Gildress Zwelibantsi					
	Mahlangu Winnie Sithembiso					
	Mashiane Zandile Margaret					
14	<b>Cllr JS Msiza</b>	Yes	12	12	12	
	Ntuli Daniel Vukuzenzele					
	Mdluli Ntombi Ignatia					
	Sibiya Comfort Mduduzi					
	Mtshweni Thoko Esther					
	Khoza Anitha Sonto					
	Mabaso Thabsile Christicia					
	Maila Joseph					
	Lekoko Rose Ngwanatshelo					
	Mabena Moses					
	Mabhena Tembeni Stephinah					
15	<b>Cllr AS Madyungu</b>	Yes	12	12	7	
	Skosana Gwezi Rose					
	Mahlangu Annah Nomgqibelo					
	Diala Joseph Doctor					
	Masimola Maria Swabi					
	Radebe Mompfi Patience					



# APPENDICES

Functionality Of Ward Committees					
Ward Name (Number)	Name Of Ward Councillor And Elected Ward Committee Members	Committee Established (Yes / No)	Number Of Monthly Committee Meetings Held During The Year	Number Of Monthly Reports Submitted To Speakers Office On Time	Number Of Public Ward Meetings Held During Year
	Makwakwa Nomaswazi Hilda				
	Shabangu Nomhlekhabo Rooi Maria				
	Mahlangu Sabinah Thoko				
	Mnguni Simon Siphoh				
	Mahlangu Wendy Lindiwe				
16	<b>Cllr JL Mahlangu</b>	Yes	12	12	6
	Msiza Solly Stevens				
	Mtsweni Jan Frances				
	Mahlangu Busisiwe Beatrice				
	Buda Vusi Abram				
	Masango Yvonne Velaphi				
	Mahlangu Simphiwe Margaret				
	Mtsweni Busisiwe Khulelaphi				
	Mtsweni Sphiwe Martha				
	Zulu Bunwana Zithulele				
	Mthombeni Thoko				
17	<b>Cllr SB Mogoboya</b>	Yes	12	12	9
	Ndaba Pheli Grace				
	Mthimunye Thulisile Linah				
	Khumalo Patience Nosipho				
	Sibanyoni Busisiwe Theodrin				
	Mkhwanazi Thulani Daniel				
	Masilela David				
	Thokwane Christian Kosi				
	Mahlangu January Matjoni				
	Mahlangu Martha Senzi				
	Skhosana Speelman Makhundula				
18	<b>Cllr MQ Mnguni</b>	Yes	12	12	7

# APPENDICES

Functionality Of Ward Committees						
Ward Name (Number)	Name Of Ward Councillor And Elected Ward Committee Members	Committee Established (Yes / No)	Number Of Monthly Committee Meetings Held During The Year	Number Of Monthly Reports Submitted To Speakers Office On Time	Number Of Public Ward Meetings Held During Year	
	Malope Mpati Philly					
	Mthombeni Vusi Abram					
	Zungu Valentia Denny					
	Ntuli Mathoma Boy					
	Mahlangu Mavis Mbitjana					
	Mahlangu Thokozile Ntokozi					
	Mtshweni Zakhona Nhlanhla					
	Malatjie Hellen					
	Mahlangu Gatshi Christina					
	Mokoena David Sello					
19	<b>ClIr MO Sikosana</b>	Yes	12	12	6	
	Mokwana Jack Thabang					
	Shiburi Sebetla David					
	Mashiyane Phindaphi Sarah					
	Makhubela Thomas Nzama					
	Msiza Annarancia Bangiswani					
	Mtsweni Thabisile Emily					
	Semelani Khulu Hendrick					
	Tema Mathews Tebogo					
	Mahlangu Letty Khabonina					
	Mabena Phephelaphi Eva					
20	<b>ClIr SJ Masango</b>	Yes	12	12	7	
	Sibanyoni Winie Sibongile					
	Sedisho Cedric Ephryme					
	Mntambo Thokozile Constance					
	Mahlangu Magie Ntombi					
	Mokoena Tsekiso					
	Kgophane Sanny Busisiwe					

# APPENDICES

Functionality Of Ward Committees					
Ward Name (Number)	Name Of Ward Councillor And Elected Ward Committee Members	Committee Established (Yes / No)	Number Of Monthly Committee Meetings Held During The Year	Number Of Monthly Reports Submitted To Speakers Office On Time	Number Of Public Ward Meetings Held During Year
	Mkhuma Pauline Mabelema				
	Masuku Rebeca				
	Mokwena Millicent Evelinah				
	Masimula Fannie Thembeni				
21	<b>Cllr N Ngoma</b>	Yes	12	12	4
	Mahlangu Samuel Nzani				
	Konza Ephraim Nsikelelo				
	Mngomezulu Joice Bikhaphi				
	Masanabo Johannah Nomsa				
	Buta Daniel				
	Mnguni Johannes Porsch				
	Mahlangu Emmanuel Phillip				
	Chenepe Dimakatso Gladys				
	Sikhosana Onicca Sibongile				
	Motywala Monica				
22	<b>Cllr NB Malefo</b>	Yes	12	12	5
	Shabalala Zanele Yvonne				
	Komete Maria Nkele				
	Marakalala Chailie				
	Aphane Busisiwe Elizabeth				
	Maphotho Sengangayana David				
	Mahlangu Collen Simiso				
	Ngobeni Samuel Shirelela				
	Mabena Johannes Taitors				
	Matlala Sanna				
	Masilela Christinah Sibongile				
23	<b>Cllr VB Msibi</b>	Yes	12	12	7
	Matlala Joseph				

# APPENDICES

Functionality Of Ward Committees						
Ward Name (Number)	Name Of Ward Councillor And Elected Ward Committee Members	Committee Established (Yes / No)	Number Of Monthly Committee Meetings Held During The Year	Number Of Monthly Reports Submitted To Speakers Office On Time	Number Of Public Ward Meetings Held During Year	
	Nkambule Hezekiel					
	Mahlangu Ester Nhlanhla					
	Mahlangu Lindiwe Suzan					
	Kubeka Ettie Samuel					
	Mahlangu Phumzile Jessie					
	Madela Nombuso Winnie					
	Msiza John Mthethwa					
	Matshika Thembisile					
	Skhosana Jan					
24	<b>Cllr DC Fakude</b>	Yes	12	12	9	
	Mathibela Christ Jan Oupa					
	Mazibuko Alfred					
	Ntuli Lucas Bahlezinganye					
	Mthimunye Julia Hilda					
	Mahlangu Geelbooi John					
	Skhosana Mahlathini Jack					
	Sekopa Ramathabathe Norah					
	Mahlangu Lindiwe					
	Mahlangu Kleinbooi Yazoo					
	Moloi Teti Sylvia					
25	<b>Cllr JS Mahlangu</b>	Yes	12	12	7	
	Mahlangu Poppie					
	Mahlangu Paulinah Patricia					
	Sibanyoni Esther					
	Mahlangu Siphon Elias					
	Tshezi Salamina					
	Magubane Thabile Yvonne					
	Mahlangu Mpostili					

# APPENDICES

Functionality Of Ward Committees					
Ward Name (Number)	Name Of Ward Councillor And Elected Ward Committee Members	Committee Established (Yes / No)	Number Of Monthly Committee Meetings Held During The Year	Number Of Monthly Reports Submitted To Speakers Office On Time	Number Of Public Ward Meetings Held During Year
	Masanabo Lesiba Johannes Dukes				
	Mahlangu Dumeleni Rose				
	Kabini Lindiwe Sophy				
<b>26</b>	<b>Cllr MP Nduli</b>	<b>Yes</b>	<b>12</b>	<b>12</b>	<b>7</b>
	Rantseli Senzeni Anna				
	Mabena Nomacala Sophy				
	Skosana Nomangisi Betty				
	Masimula Tryphinah Noxolo				
	Mgidi Sondiwe Moses				
	Mabena Nobakhethwa Maria				
	Masebe Elizabeth				
	Zwane Themba Godfrey				
	Nkosi Sarah Bongsi				
	Mahlangu Shadrack				
<b>27</b>	<b>Cllr DS Skosana</b>	<b>Yes</b>	<b>12</b>	<b>12</b>	<b>4</b>
	Ntuli Marinkie Kholekile				
	Msiza Nokuthula				
	Sithole Mandla				
	Mabena Freddy				
	Ngoma Emely				
	Jiyane Kenneth				
	Mahlangu Prudence Caleni				
	Mokhoebane Hleziphi Ephenia				
	Mahlangu Johannes Boyana				
	Thembi Jane Mabena				
<b>28</b>	<b>Cllr Ka Msiza</b>	<b>Yes</b>	<b>12</b>	<b>12</b>	<b>4</b>
	Skhosana Ntombifuthi Emmah				

# APPENDICES

Functionality Of Ward Committees						
Ward Name (Number)	Name Of Ward Councillor And Elected Ward Committee Members	Committee Established (Yes / No)	Number Of Monthly Committee Meetings Held During The Year	Number Of Monthly Reports Submitted To Speakers Office On Time	Number Of Public Ward Meetings Held During Year	
	Mthimunye Dinah Christinah				[REDACTED]	
	Hlattywayo Elizaberth Nonhlanhla					
	Ngobesa Vangile Paulinah					
	Mthombeni Zabenzeni Komusasa					
	Sebothoma Gloria Thandeka					
	Mamaila Amos Moloi					
	Mnguni Katriena					
	Kubeka Bubu Jane					
	Mokhethwa Emmanuel Doctor					
29	Cllr Pv Mahlangu	Yes	12	12	6	
	Kgomo Rose Martha				[REDACTED]	
	Mahlangu Sinah Goodness					
	Sithole Martha Lolo					
	Hlongwane Skhalo					
	Putswa Solon Makua					
	Tshabalala Nozizwe Agnes					
	Mahlangu Phillimon					
	Mabhena Joseph Siphon					
	Dlhamini Makhosazana Agrineth					
	Mtshweni Mfundisi Aaron					
30	Cllr G Mahlangu	Yes	12	12	10	
	Ntuli Richard Makhawane				[REDACTED]	
	Mthimunye Bongsi Paulinah					
	Kgopane Petros Peter					
	Ntuli Emely Sibongile					
	Mnguni Betty Maria					
	Mnisi Sarah					
	Masombuka Sibusiso Gabarriel					

# APPENDICES

Functionality Of Ward Committees					
Ward Name (Number)	Name Of Ward Councillor And Elected Ward Committee Members	Committee Established (Yes / No)	Number Of Monthly Committee Meetings Held During The Year	Number Of Monthly Reports Submitted To Speakers Office On Time	Number Of Public Ward Meetings Held During Year
	Masombuka Doctor Phillip				
	Tlape Merry				
	Mabena Stemer September				
31	<b>Cllr Vv Skosana</b>	Yes	12	12	5
	Skosana Solomon Fickson				
	Mahlangu Olga				
	Mashilo Phumzile Martha				
	Matshiya Nomsa Kedibone				
	Mahlangu Kedibone Petronella				
	Mahlangu Jabu				
	Mahlangu Khuzani Abel				
	Magane Maria Thembisile				
	Masango Ernest Siphon				
	Mahlangu Cynthia Lindiwe				
32	<b>Cllr Om Mabelwane</b>	Yes	12	12	6
	Mahlangu Sibongile Martha				
	Dhlamini Harry Tshepo				
	Mazibuko Khuwa Matha				
	Mahlangu Emmah Thembu				
	Mahlangu Ntombi Selinah				
	Sibiya Mokhele Johannes				
	Mkhwanazi Musa Walcott				
	Legodi Kedibone Martha				
	Mabena Johana				
	Maila Makgalaoroa Alfred				

# APPENDICES

## APPENDIX F – WARD INFORMATION

<b>Capital Projects: Seven Largest In 2017/ 18 (Full List At Appendix N)</b>				
<b>No.</b>	<b>Project Name And Detail</b>	<b>Total Project Value (R)</b>	<b>Start Date</b>	<b>End Date</b>
1	Upgrading of Existing Infrastructure to Augment Borehole Water Supply in Bundu (Bundu Weir) – Multi-Year Project	R 161 000 000.00	10 August 2016	28 June 2019
2	Upgrading of Tweefontein K Waste Water Treatment Works – Multi-Year Project	R 148 434 994.00	10 August 2017	26 June 2020
3	Upgrading of Kwaggafontein Landfill Site – Multi-Year Project	R 68 339 330.14	22 September 2017	26 June 2020
4	New Reservoir and Pipeline at Kwamhlanga for Phola Park and Mountain View Communities, Phase 2 – Multi-Year Project	R 52 382 454.66	29 September 2016	26 October 2018
5	Construction of Multi-Purpose Centre in Phumula – Multi-Year Project	R 23 721 967.29	03 November 2017	28 September 2018
6	Upgrading of Viaklaagte and Kwaggafontein Water Infrastructure – Multi-Year Project	R 14 222 907.90	11 December 2017	14 December 2018
7	Upgrading of Enkeldoornog B Water Infrastructure – Multi-Year Project	R 7 608 912.90	27 February 2017	28 September 2018

<b>Top Four Service Delivery Priorities For Ward (Highest Priority First)</b>		
<b>No.</b>	<b>Priority Name And Detail</b>	<b>Progress During 2017/ 18</b>
1	Water	88 451 HH with access to Water.
2	Sanitation	28 189 HH with access to Sanitation.
3	Electricity	79 122 HH with access to Electricity.
4	Waste Management	66 495 HH with access to Refuse Removal on a Fortnight Basis.



**APPENDIX G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2018/19**

Audit Committee Recommendations Report Name	Committee recommendations made during 2018/19	Recommendations adopted (enter Yes); not adopted (provide explanation)
<p>Audit Committee Report for the quarter ended 30 September 2018 (1<sup>ST</sup> Quarter Report)</p>	<p><b>Financial Management</b></p> <ol style="list-style-type: none"> <li>The Municipality must develop investment policy and strategy.</li> </ol> <p><b>Compliance with MFMA and DORA</b></p> <ol style="list-style-type: none"> <li>All irregular expenditure should be investigated and the report be submitted before the end of financial year</li> </ol>	<p>All recommendations were noted however the Disciplinary board is still investigating the UJFW for 2018/19 and 2018/19.</p>
<p><b>Corporate Department</b></p>	<ol style="list-style-type: none"> <li>All budgeted positions should be filled before the end of the financial year especially the position of the CFO, General Manager Technical Manager, General Manager Planning and Economic Development</li> </ol>	
<p>Audit Committee Report for the quarter ended 31 December 2018 (2<sup>ND</sup> Quarter Report)</p>	<p><b>Internal Financial Controls and Internal Audit</b></p> <ol style="list-style-type: none"> <li>Municipality must check the reliability of the information on the financial system and joint meeting must be arranged between Audit Committee and management to share strategies.</li> <li>All report must be reviewed before submitted to the AC and Council</li> <li>Internal Audit should include assets verification on the IA plan as well as WIP.</li> </ol> <p><b>Corporate department</b></p>	<p>All recommendations were noted</p>

<b>Audit Committee Recommendations</b>	
<b>Audit Committee Report for the quarter ended 31 March 2019 (3<sup>rd</sup> Quarter Report)</b>	<ol style="list-style-type: none"> <li>Municipality should consider using Nkamngala District Municipality as its disaster recovery site</li> </ol>
<b>Performance Department</b>	<ol style="list-style-type: none"> <li>Performance report should be complete with information such as reasons for non-achievement</li> </ol>
<b>Internal Audit</b>	<ol style="list-style-type: none"> <li>Management should prioritize the Internal Audit findings or accept risk for non-implementation.</li> </ol>
<b>Internal Audit</b>	<ol style="list-style-type: none"> <li>Management should put an effort in the implementation of Internal Audit and Auditor General recommendations in order to avoid repetitive findings and regressing audit opinion.</li> </ol>
<b>Accuracy and Reliability of Financial Reporting</b>	<ol style="list-style-type: none"> <li>Management should continue and resolve findings that were raised by AG on assets</li> <li>Management must submit quarterly reports especially on the indigent programme</li> <li>Management must ensure that they improve the quality of the report and management must also ensure that they develop MSCOA project plan</li> </ol>
<b>Corporate Slivices</b>	<ol style="list-style-type: none"> <li>Management must consult employees and the union in order to ensure that the biometric system is implemented</li> </ol>
<b>Risk Management</b>	
	<b>All recommendations were noted</b>

<b>Audit Committee Recommendations</b>		
	<ol style="list-style-type: none"> <li>1. Management must change the culture of how they deal with risk issues</li> </ol> <p><b>Performance management</b></p> <ol style="list-style-type: none"> <li>1. Management must ensure that proper reasons for non-achievement are provided.</li> <li>2. Internal Audit should indicate that proper assurance has been done on the report.</li> </ol>	
<b>Audit Committee Report for the quarter ended 30 June 2019 (4<sup>th</sup> Quarter Report)</b>	<p><b>Internal Audit</b></p> <ol style="list-style-type: none"> <li>1. Delays in submission of POE to the Internal Audit unit by the management is serious cause for concern on the side of the AC and therefore management must come to the party.</li> <li>2. The CFO together Manager Technical Services to make a consultation with the Internal Audit unit in order to address issues affecting their departments in the report.</li> <li>3. Compliance matters raised in the audit report must form part of senior managers when signing their performance agreement</li> </ol> <p><b>Finance reports</b></p> <ol style="list-style-type: none"> <li>1. The progress made be checked in terms of the process plan and the same be presented to the next AC meeting.</li> <li>2. Management to prepare a report to the Committee confirming if the Municipality has communicated in writing with the National Treasury about the Municipality's debts</li> <li>3. The management to perform the necessary checks and balances about value for money in the Service Level Agreement with the service provider on assets.</li> </ol>	All recommendations were noted

**Audit Committee Recommendations**

<p>4. The financial position and cash flow position still a serious concern. Municipality had a cash injection from VAT recovered from SARS</p>	
<p><b>Corporate services report</b></p> <ol style="list-style-type: none"><li>1. In future the ICT infrastructure report and ICT governance framework policy be combined together to make one consolidated report.</li><li>2. A Risk Management Annexure be incorporated in the ICT reports as a stand-alone annexure.</li></ol>	
<p><b>Municipal Manager</b></p> <p>Management must prioritize resolving findings by the AG and Internal Audit.</p>	

**APPENDIX H - LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIP**

Long Term Contracts						
Name Of Service Provider(Entity Or Municipal Department)	Description Of Service Rendered By Service Provider	Start Date Of Contract	Expiry Date Of Contract	Project Manager	Contract Value	
City Of Tshwane	Bulk Water Supply	2007	Infinite	Technical Manager	Per Supply	
Rand Water	Bulk Water Supply /Bulk Water Project	2007	Infinite	Technical Manager	Per Supply	
Eskom	Supply Of Electricity	2015	2020	Technical Manager	Per Supply	
Telkom	Network Lines	2007	Infinite	Corporate Service Manager	Per Supply	

**PUBLIC PRIVATE PARTNERSHIP**

Not applicable to Thembisile Hani Local Municipality

**APPENDIX I: MUNICIPAL SERVICE PROVIDER PERFORMANCE**

**PERFORMANCE OF EXTERNAL SERVICE PROVIDERS DURING THE 2018/2019 FINANCIAL YEAR FOR THE PERIOD ENDING 30 JUNE 2019**

The performance of external service providers was measured and rated as follows:

<b>Performance Rating</b>	<b>Description</b>
1	Poor Performance (Very Poor)
2	Below Satisfactory (Poor)
3	Satisfactory (Acceptable)
4	Good Performance( Above Expectations )
5	Excellent Performance (Excellent)

TECHNICAL SERVICES

KPA PROJECT CODE	BASIC STRATEGIC OBJECTIVE	SERVICE PROVIDER APPOINTED	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVED YES/NO	TERM OF THE CONTRACT	COMPLETED OR NOT COMPLETED	REASON FOR NON COMPLETION	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE RANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT)
<b>WATER</b>														
DTS001	To provide households with basic services including water, adequate sanitation, adequate public lighting and accessible road	Monde Consulting Engineers	Construction of New Reservoir and at Kwamhlanga for Phola Park and Mountain View Communities - Phase 2	Number of reservoirs completed	1 reservoir completed (10ML) by 30 <sup>th</sup> June 2019	R 2 000 000	1 reservoir practically completed	R 837 000	Yes	18 Months	Not Completed	Community Strike	3	Satisfactory
DTS004	To provide household with basic services including water, adequate sanitation,	Mbako Trading and Projects Oradimpho Kgoitsong JV	Upgrading of Existing Infrastructure from Agricultural Project to Augment Borehole	Number of km's of bulk pipeline constructed	2.4 km's of bulk pipeline constructed by 30 <sup>th</sup> June 2019	R 19 177 392	2.6 km's of bulk pipeline constructed with pending snag list	R 22 967 070.03	Yes	23 months 10 months	Completed	None	5 3	Excellent Satisfactory

BASIC SERVICE DELIVERY															
KPA	PROJ CT CODE	STRATEGI C OBJECTIV E	SERVICE PROVIDER APPOINT D	PROJECT NAME/ DESCRIP TION	KEY PERFOR MANCE INDICAT OR	REVISED ANNUAL TARGET 2018/2019	ADJUST ED ANNUAL BUDGET (INPUT INDICAT OR)	ACTUAL PERFOR MANCE	EXPENDIT URE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRAC T	COMPLET ED OR NOT COMPLET ED	REASON FOR NON COMPLE TION	SCORIN G (1-5 RATING)	SERVICE PROVIDER PERFORM ANCE
		adequate public lighting and accessible road	Monde Consulting Engineers and Project Managers	Water Supply In Bundu - Construction of a Bulk Pipeline, Chambers and Fittings, and Surge Mitigation in Matlhyensloop and Boekenhouthoek							36 months			4	good
	DI S005	To provide household with basic services including water, adequate sanitation, adequate public lighting and	Kgotsoeng Namukelwe Toopvar Investment, Monde Consulting Engineers	Upgrading of Existing Infrastructure from Agricultural Project to Augment Borehole Water Supply In Bundu - Construction of a Water	Number of Water Treatment Plant constructed	1 Water Treatment Plant (10 M) constructed by 30 <sup>th</sup> June 2019	R 41 059 158	1 Water Treatment Plant (2.5 ML) constructed	R 43 123 891.38	No	22 Months	Not Completed	Budget constraints that led to the stoppage of construction work by local	3	Satisfactory



KPA PROJECT CODE	BASIC SERVICE DELIVERY			PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	COMPLETED OR NOT COMPLETED	REASON FOR NON COMPLETION	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT)
	STRATEGIC OBJECTIVE	SERVICE PROVIDER APPOINTED	PROJECT DESCRIPTION												
DTS006	accessible road	Mbako Trading and Projects	Upgrading of Existing infrastructure from Agricultural Project to Augment Borehole Water Supply in Bundu - Construction of a 10 Ml Reinforced	Number of reinforce concrete reservoir constructed	1 Reinforce concrete reservoir constructed by 30 <sup>th</sup> June 2019	R 10 470 680	1 concrete reservoir completed with pending snag list	R 10 925 407.67	Yes	23 Months	Completed	subcontractors.	5	Excellent	
														4	Satisfactory

BASIC SERVICE DELIVERY															
KPA	PROJ CT CODE	STRATEGI C OBJECTIV E	SERVICE PROVIDER APPOINTE D	PROJECT NAME/ DESCRPTI ON	KEY PERFOR MANCE INDICAT OR	REVISED ANNUAL TARGET 2018/2019	ADJUST ED ANNUAL BUDGET (INPUT INDICAT OR)	ACTUAL PERFOR MANCE	EXPENDIT URE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRAC T	COMPLET ED OR NOT COMPLET ED	REASON FOR NON COMPLE TION	SCORIN G (1-5 RATING)	SERVICE PROVIDER PERFORM ANCE
				Concrete Reservoir											(1)=POOR, 2=BELOW SATISFAC TORY, 3=SATISF ACTORY, 4=GOOD, 5=EXCELL ENT
	DTIS123	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	ZMC Consulting  Fanaye Business Enterprise	Water Infrastructure Mathyvenslo op Reservoir	Number of reinforce concrete reservoir constructed	1 Reinforce concrete reservoir constructed by 30th June 2019	R 987 000	1 Reinforce concrete reservoir constructed	R 848 218	Yes	5 Months	Completed	None	4	Good
	DTIS007	To provide household with basic services including water, adequate sanitation,	Rand Water  City of Tshwane	Provision of households with water	Number of household provided with water	82 653 households provided with water by 30 <sup>th</sup> June 2019	R 127 673 404	56 507 households provided with water	R 136 985 071.62	No	36 Months	Not completed	The contract is still existing	5	Excellent
														3	Satisfactory

KPA PROJECT CODE	BASIC SERVICE DELIVERY STRATEGIC OBJECTIVE	SERVICE PROVIDER APPOINTED	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVED YES/NO	TERM OF THE CONTRACT	COMPLETED OR NOT COMPLETED	REASON FOR NON COMPLETION	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT)
DTS008	adequate public lighting and accessible road To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Servinet Consulting Engineers Mbanga Trading Mpisana Khuhlaza Alfred Trading	Construction of Water Reticulation in Kwagqafonte in A, Ward 29, Phase 1	Number of households connected to yard taps	300 households connected to yard taps by 31 <sup>st</sup> March 2019	R 2 112 000	506 households connected to yard taps	R 1 902 397.74	yes	18 Months 9 months 9 months	Completed Completed Completed	None None None	3 3 3	Satisfactory Satisfactory Satisfactory
DTS015	To provide household with basic services including water, adequate	Ceenex Pty LTD	Construction of Enkeldoorn 9 B Water infrastructure, Phase 2	Number of electrical Pump Station infrastructure	1 electrical Pump Station infrastructure installed at Viaklaagte	R 1 144 458	Pumps installed at the pump station. MCC	R 1 210 360	No		Not completed	Delay in approval of Eskom application due to outstanding	3	Satisfactory

KPA	BASIC SERVICE DELIVERY													
PROJ CT CODE	STRATEGI C OBJECTIV E	SERVICE PROVIDER APPOINTE D	PROJECT NAME/ DESCRIPTI ON	KEY PERFOR MANCE INDICAT OR	REVISED ANNUAL TARGET 2018/2019	ADJUST ED ANNUAL BUDGET (INPUT INDICAT OR)	ACTUAL PERFOR MANCE	EXPENDIT URE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRAC T	COMPLET ED OR NOT COMPLET ED	REASON FOR NON COMPLE TION	SCORIN G (1-5 RATING)	SERVICE PROVIDER PERFORM ANCE (1=POOR, 2=BELOW SATISFAC TORY, 3=SATISF ACTORY, 4=GOOD, 5=EXCELL ENT
DTS021	To provide sanitation, adequate public lighting and accessible road	Matswa Pty Ltd	Upgrading of Vlaklaagle and Kwaggafonte in Water Infrastructure	Number of Reinforced Concrete Reservoirs constructed	1 Reinforced Concrete Reservoirs constructed by 31 <sup>st</sup> March 2019	R 8 613 686	1 Reinforced Concrete Reservoir constructed with pending snag list	R 3 817 082.87	Yes	12 Months	Not Completed	Cash flow problems	3	Satisfactory
DTS094	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	ZMC Consulting Engineers Zambeleni Transport	Moloto Groundwater Supply Scheme Development	Number of Boreholes equipped and connected	9 Boreholes equipped and connected to Moloto	R 15 670 885	Construction of 2 booster pumps, installation of	R 5 041 113.45	No	7 Months	Not Completed	Completion Date 15 Sep 2019	3	Satisfactory

KPA PROJECT CODE	BASIC SERVICE DELIVERY						REASON FOR NON COMPLETION	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT)					
	STRATEGIC OBJECTIVE	SERVICE PROVIDER APPOINTED	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)				ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVED YES/NO	TERM OF THE CONTRACT	COMPLETED OR NOT COMPLETED
	adequate sanitation, adequate public lighting and accessible road	Lerato Shimi JV		to Moloto Reservoir	Reservoir by 30 <sup>th</sup> June 2019		treatment package plant, connection to Moloto Reservoir, in progress							
DTS095	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Nkosephan go	Construction of Two Gantnies on the Dr. JSMLM and CoT Bulk Pipelines	Number of Gantnies constructed	2 Gantnies constructed by 30 <sup>th</sup> June 2019	R 1 616 429	Contractor appointed, steelwork, steel pipe fittings, bulk line connection and manhole and valves all	R 1 467 807,20	No	3 months	Not completed	Wrong fittings was ordered, Delay in getting the connection approval regarding water shutdown	3	Satisfactory

KPA	BASIC SERVICE DELIVERY													
PROJ CODE	STRATEGIC OBJECTIVE	SERVICE PROVIDER APPOINTED	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	REVISED ANNUAL TARGET	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVED YES/NO	TERM OF THE CONTRACT	COMPLETED OR NOT COMPLETED	REASON FOR NON COMPLETION	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE RATING
DTSO96	To provide household with basic services including water	Ditlou Consulting Engineers	Upgrading of Moloto South, Kwamhanga and Kameelpoort Water Infrastructure	Number of Designs for Upgrading of Moloto South, Kwamhanga and Kameelpoort Water Infrastructure	1 Designs for Upgrading of Moloto South, Kwamhanga and Kameelpoort Water Infrastructure by 31st March 2019	R 1 000 000	1 Designs for Upgrading of Moloto South, Kwamhanga and Kameelpoort Water Infrastructure by 31st March 2019	R 446 215.87	Yes	7 Months	Not Completed	Supervisor on site commencing construction	4	Good
DTSO30	To provide household with basic services including water	Diges	Augmentation of Bulk Water Supply (Cluster 1 Boreholes) in	Number of Boreholes Electrified and Installed	1 Borehole Electrified and Installed with Electric	R 25 335	Borehole assessment completed	R 25 335	No	6 months	Not completed	Borehole cannot be equipped due to	2	Below Satisfactory

**BOREHOLES AND WATER SERVICES PLANS**

KPA PROJECT CODE	BASIC SERVICE DELIVERY					SERVICE PROVIDER APPOINTED	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVED YES/NO	TERM OF THE CONTRACT	COMPLETED OR NOT COMPLETED	REASON FOR NON COMPLETION	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT)
	STRATEGIC OBJECTIVE	SCORING (1-5 RATING)	REASON FOR NON COMPLETION	SCORING (1-5 RATING)	REASON FOR NON COMPLETION													
	adequate sanitation, adequate public lighting and accessible road		Moloto South-East - Ward 3	with Electric Submersible Pump	Submersible Pump by 30th June 2019													
DTS057	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Diges	Augmentation of Bulk Water Supply (Cluster 1 Boreholes) in Moloto South - Ward 1	Number of boreholes Electrified and Installed with Electric Submersible Pump	1 Borehole Electrified and Installed with Electric Submersible Pump by 31st March 2019.	R 0	Borehole assessment completed	R 0	No	6 months	Not completed	Borehole cannot be equipped due to Low yielding.	2				Below Satisfactory	
DTS058	To provide household with basic services including	Diges	Augmentation of Bulk Water Supply (Cluster 2 Boreholes) in	Number of boreholes Electrified and	1 Borehole Electrified and Installed with	R 0	Borehole assessment	R 0	No	6 months	Not completed	Boreholes cannot be equipped due to poor	2				Below Satisfactory	





KPA PROJECT CODE	BASIC SERVICE DELIVERY					REASON FOR NON COMPLE TION	SCORIN G (1-5 RATING)	SERVICE PROVIDER PERFORM ANCE (1=POOR, 2=BELOW SATISFAC TORY, 3=SATISF ACTORY, 4=GOOD, 5=EXCELL ENT)									
	STRATEGI C OBJECTIV E	SERVICE PROVIDER APPOINTE D	PROJECT NAME/ DESCRIPTI ON	KEY PERFOR MANCE INDICAT OR	REVISED ANNUAL TARGET 2018/2019				ADJUST ED ANNUAL BUDGET (INPUT INDICAT OR)	ACTUAL PERFOR MANCE	EXPENDIT URE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRAC T	COMPLE TED OR NOT COMPLE TED			
DTS061	Including water, adequate sanitation, adequate public lighting and accessible road	Diges	Boreholes) in Verena D – Ward 11	and installed with Electric Submersible Pump	with Electric Submersible Pump by 30 <sup>th</sup> June 2019		and equipped Eskom Application for electrification completed			consumer box							
	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Diges	Augmentation of Bulk Water Supply (Cluster 4 Boreholes) in Engwenyameni – Ward 19	Number of boreholes Electrified and Installed with Electric Submersible Pump	1 Borehole Electrified and Installed with Electric Submersible Pump by 30 <sup>th</sup> June 2019	R 201 013	1 Borehole assessed and equipped Eskom Application for electrification completed	R 80 979.01	No	6 months	Not completed	1 borehole with Low yield and not feasible for equipping	2	Below Satisfactory			

KPA	BASIC SERVICE DELIVERY													
PROJ CT CODE	STRATEGI C OBJECTIV E	SERVICE PROVIDER APPROPRI D	PROJECT NAME/ DESCRIP TION	KEY PERFOR MANCE INDICAT OR	REVISED ANNUAL TARGET 2018/2019	ADJUST ED ANNUAL BUDGET (INPUT INDICAT OR)	ACTUAL PERFOR MANCE	EXPENDIT URE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRAC T	COMPLET ED OR NOT COMPLET ED	REASON FOR NON COMPLE TION	SCORIN G (1-5 RATING)	SERVICE PROVIDER PERFORM ANCE (1=POOR, 2=BELOW SATISFAC TORY, 3=SATISF ACTORY, 4=GOOD, 5=EXCELL ENT
DT5062	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Diges	Augmentation of Bulk Water Supply (Cluster 4 Boreholes) in Sun City C - Ward 19	Number of boreholes Electrified and installed with Electric Submersible Pump	1 Borehole Electrified and installed with Electric Submersible Pump by 30 <sup>th</sup> June 2019	R 77 158	Borehole assessment completed	R 77 158	No	6 months	Not completed	Borehole cannot be equipped due to poor water quality and Low yielding.	2	Below Satisfactory
DT5064	To provide household with basic services including water, adequate sanitation, adequate public lighting and	Diges	Augmentation of Bulk Water Supply (Cluster 5 Boreholes) in Bundu - Ward 24	Number of boreholes Electrified and installed with Electric Submersible Pump	1 Borehole Electrified and installed with Electric Submersible Pump by 30 <sup>th</sup> June 2019	R 61 362	Borehole assessment completed	R 61 362	No	6 months	Not completed	Borehole cannot be equipped due to poor water quality	2	Below Satisfactory

KPA PROJECT CODE	BASIC STRATEGIC OBJECTIVE	SERVICE PROVIDER APPOINTED	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVED YES/NO	TERM OF THE CONTRACT	COMPLETED OR NOT COMPLETED	REASON FOR NON COMPLETION	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT)
DTS065	accessible road To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Diges	Augmentation of Bulk Water Supply (Cluster 6 Boreholes) in Machipe - Ward 24	Number of boreholes Electrified and installed with Electric Submersible Pump	1 Borehole Electrified and installed with Electric Submersible Pump by 30 <sup>th</sup> June 2019	R 88 380	Borehole assessment completed	R 88 380	No	6 months	Not completed	Boreholes cannot be equipped due to poor water quality and Low yielding	2	Below Satisfactory
DTS066	To provide household with basic services including water, adequate sanitation, adequate public	Diges	Augmentation of Bulk Water Supply (Cluster 6 Boreholes) in Mathysensloop - Ward 7	Number of boreholes Electrified and installed with Electric Submersible Pump	1 Borehole Electrified and installed with Electric Submersible Pump by 30 <sup>th</sup> June 2019	R 64 264	Borehole assessment completed	R 64 264	No	6 months	Not completed	Boreholes cannot be equipped due to Low yielding	2	Below Satisfactory

KPA	BASIC SERVICE DELIVERY													
PROJECT CODE	STRATEGIC OBJECTIVE	SERVICE PROVIDER APPOINTEE	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	REVISED ANNUAL TARGET	ADJUSTED ANNUAL BUDGET (INPUT OR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVED YES/NO	TERM OF THE CONTRACT	COMPLETED OR NOT COMPLETED	REASON FOR NON COMPLETION	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT)
	lighting and accessible road													
DTS067	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Diges	Augmentation of Bulk Water Supply (Cluster 7 Boreholes) in Tweelontein C - Ward 12	Number of boreholes Electrified and installed with Electric Submersible Pump	1 Borehole Electrified and installed with Electric Submersible Pump by 30 <sup>th</sup> June 2019	R 25 335	Borehole assessment completed	R25 335	No	6 months	Not completed	Boreholes cannot be equipped due to Low yielding	2	Below Satisfactory
DTS068	To provide household with basic services including water, adequate sanitation, adequate	Diges	Augmentation of Bulk Water Supply (Cluster 7 Boreholes) in Tweelontein D - Ward 12	Number of boreholes Electrified and installed with Electric Submersible Pump	1 Borehole Electrified and installed with Electric Submersible Pump by	R 25 335	Borehole assessment completed	R 25 335	No	6 months	Not completed	1x Borehole collapsed and 1 Low yielding borehole.	2	Below Satisfactory

KPA PROJ CT CODE	BASIC SERVICE DELIVERY				REASON FOR NON COMPLE TION	SCORIN G (1-5 RATING)	SERVICE PROVIDER PERFORM ANCE (1=POOR, 2=BELOW SATISFAC TORY, 3=SATISF ACTORY, 4=GOOD, 5=EXCELL ENT							
	STRATEGI C OBJECTIV E	SERVICE PROVIDER APPOINTE D	PROJECT NAME/ DESCRIPTI ON	KEY PERFOR MANCE INDICAT OR				REVISED ANNUAL TARGET 2018/2019	ADJUST ED ANNUAL BUDGET (INPUT INDICAT OR)	ACTUAL PERFOR MANCE	EXPENDIT URE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRAC T	COMPLET ED OR NOT COMPLET ED
DTS069	public lighting and accessible road To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Diges	Augmentatio n of Bulk Water Supply (Cluster 8 Boreholes) in Wolvenkop - Ward 11	Number of boreholes Electrified and Installed with Electric Submersibl e Pump	30 <sup>th</sup> June 2019 1 Borehole Electrified and Installed with Electric Submersibl e Pump by 30 <sup>th</sup> June 2019	R 25 335	Borehole assessme nt completed	R 89 972.51	No	6 months	Not completed	Eskom delaying in installing Customer consumer box.	2	Below Satisfactory
DTS070	To provide household with basic services including water, adequate sanitation,	Diges	Augmentatio n of Bulk Water Supply (Cluster 8 Boreholes) in Verena C - Ward 11	Number of boreholes Electrified and Installed with Electric	1 Borehole Electrified and Installed with Electric Submersibl e Pump by	R 201 235	2X Boreholes assessme nt completed Customer	R 44 945	No	6 months	Not completed	Borehole cannot be equipped due to poor water quality	2	Below Satisfactory

KPA	BASIC SERVICE DELIVERY													
PROJ CT CODE	STRATEGI C OBJECTIV E	SERVICE PROVIDER APPOINTE D	PROJECT NAME/ DESCRPTI ON	KEY PERFOR MANCE INDICAT OR	REVISED ANNUAL TARGET 2018/2019	ADJUST ED ANNUAL BUDGET (INPUT INDICAT OR)	ACTUAL PERFOR MANCE	EXPENDIT URE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRAC T	COMPLET ED OR NOT COMPLET ED	REASON FOR NON COMPLE TION	SCORIN G (1-5 RATING)	SERVICE PROVIDER PERFORM ANCE (1=POOR, 2=BELOW SATISFAC TORY, 3=SATISF ACTORY, 4=GOOD, 5=EXCELL ENT
DTS071	To provide adequate public lighting and accessible road	Diges	Augmentation of Bulk Water Supply (Cluster 9 Boreholes) in B - Ward 25	Number of boreholes Electrified and installed with Electric Submersible Pump	1 Borehole Electrified and installed with Electric Submersible Pump by 30 <sup>th</sup> June 2019	R 89 973	1 Borehole assessment completed	R 89 972,51	No	6 months	Not completed	Eskom to install customer consumer box delaying	2	Below Satisfactory
DTSO72	To provide household with basic services including water, adequate lighting and accessible road	Diges	Augmentation of Bulk Water Supply (Cluster 10 Boreholes) in Kwagagatone	Number of boreholes Electrified and installed with	1 Borehole Electrified and installed with Electric Submersible	R 201 235	1 Borehole assessment completed	R 25 335	No	6 months	Not completed	2 X borehole cannot be equipped due to poor	2	Below Satisfactory



BASIC SERVICE DELIVERY															
KPA	PROJ CT CODE	STRATEGI C OBJECTIV E	SERVICE PROVIDER APPOINTE D	PROJECT NAME/ DESCRIPTI ON	KEY PERFOR MANCE INDICAT OR	REVISED ANNUAL TARGET 2018/2019	ADJUST ED ANNUAL BUDGET (INPUT INDICAT OR)	ACTUAL PERFOR MANCE	EXPENDIT URE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRAC T	COMPLET ED OR NOT COMPLET ED	REASON FOR NON COMPLE TION	SCORIN G (1-5 RATING)	SERVICE PROVIDER PERFORM ANCE (1=POOR, 2=BELOW SATISFAC TORY, 3=SATISF ACTORY, 4=GOOD, 5=EXCELL ENT
		adequate sanitation, adequate public lighting and accessible road		Buhlebesizwe - Ward 9	with Electric Submersible Pump	Submersible Pump by 31st March 2019.									
	DTS124	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Diges	Augmentation of Bulk Water Supply (Cluster 8 Boreholes) in Verna C - Ward 11	Number of boreholes Electrified and Installed with Electric Submersible Pump	1 Borehole Electrified and Installed with Electric Submersible Pump by 30 June 2019	R 201 235	2X Boreholes assessment completed	R 44 945	No	6 months	Not completed	Eskom Consumer box outstanding	2	Below Satisfactory
	DTS125	To provide household with basic services including	Hi-End Ndoko JV	Installation of boreholes at Malthysenslop Ward 7	Number of boreholes Electrified and	1 Borehole Electrified and Installed	R 701 350	Boreholes assessment installed by Eskom	R 141 138,26	No	3 Months	Not Completed	Finalization of the scope of borehole	3	Satisfactory



KPA PROJECT CODE	BASIC SERVICE DELIVERY			PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVED YES/NO	TERM OF THE CONTRACT	COMPLETED OR NOT COMPLETED	REASON FOR NON COMPLETION	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE RATING (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT)
	STRATEGY	SERVICE PROVIDER APPOINTED	OBJECTIVE												
			water, adequate sanitation, adequate public lighting and accessible road		Installed with Electric Submersible Pump	Electric Submersible Pump by 30 June 2019		completed installation of borehole protection mechanism in progress.					protection and existing borehole identification		
DTS126		Hi End Ndoko JV	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of boreholes at Boekenhouthoek Ward 24	Number of boreholes Electrified and installed with Electric Submersible Pump	1 Borehole Electrified and Installed with Electric Submersible Pump by 30 June 2019	R 701 351	2x Eskom application completed. 2x installation of borehole protection mechanism in progress	R 231 015.65	No	3 Months	Not Completed	Finalization of the scope of borehole protection and existing borehole identification	3	Satisfactory

KPA	BASIC SERVICE DELIVERY													
PROJ CT CODE	STRATEGI C OBJECTIV E	SERVICE PROVIDER APPOINTE D	PROJECT NAME/ DESCRIP TION	KEY PERFOR MANCE INDICAT OR	REVISED ANNUAL TARGET 2018/2019	ADJUST ED ANNUAL BUDGET (INPUT INDICAT OR)	ACTUAL PERFOR MANCE	EXPENDIT URE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRAC T	COMPLET ED OR NOT COMPLET ED	REASON FOR NON COMPLE TION	SCORIN G (1-5 RATING)	SERVICE PROVIDER PERFORM ANCE
DTS127	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Hi End Ndoko JV	Installation of boreholes at Sheldon Ward 14	Number of boreholes Electrified and installed with Electric Submersible Pump	1 Borehole Electrified and installed with Electric Submersible Pump by 30 June 2019	R 701 351	2x Eskom application completed, 2x installation of borehole protection mechanism in progress	R 492 275,22	No	3 Months	Not Completed	Finalization of the scope of borehole protection and existing borehole identification	3	Satisfactory
DTS128	To provide household with basic services including water, adequate sanitation, adequate public lighting and	Ceeney/Kh uluphahlal ED Engineerin g	Installation of boreholes at Kwagqafane In A Ward 28	Number of boreholes Electrified and installed with Electric Submersible Pump	1 Borehole Electrified and installed with Electric Submersible Pump by 30 June 2019	R 645 711	X 2 boreholes to be refurbished	R 639 119,34	No	3 Months	Not Complete	Waiting For Installation of transformer by Eskom	3	Satisfactory

KPA PROJECT CODE	BASIC SERVICE DELIVERY				PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVED YES/NO	TERM OF THE CONTRACT	COMPLETED OR NOT COMPLETED	REASON FOR NON COMPLETION	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT)
	STRATEGIC OBJECTIVE	SERVICE PROVIDER APPOINTED														
DTS129	accessible road To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Ceenex/Khulaphalal ED Engineerin g	Installation of boreholes at Kwagqafonte in A Ward 29	Number of boreholes and installed with Electric Submersible Pump	1 Borehole Electrified and installed with Electric Submersible Pump by 30 June 2019	R 645 711	X 1 new borehole, X 1 refurbish borehole, installation of 63mm pipe line and application for Consumer box Complete	R 567 794,10	No		3 Months	Not Complete	Waiting For Installation of transformer by Eskom	3	Satisfactory	
DTS130	To provide household with basic services including	Ceenex	Installation of boreholes at	Number of boreholes and installed with	1 Borehole Electrified and installed with	R 645 711	SCM procurement of contractor	R 0	No		N/A	N/A	N/A	N/A	N/A	

KPA	BASIC SERVICE DELIVERY													
PROJ CT CODE	STRATEGI C OBJECTIV E	SERVICE PROVIDER APPOINTE D	PROJECT NAME/ DESCRIPTI ON	KEY PERFOR MANCE INDICAT OR	REVISED ANNUAL TARGET 2018/2019	ADJUST ED ANNUAL BUDGET (INPUT INDICAT OR)	ACTUAL PERFOR MANCE	EXPENDIT URE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRAC T	COMPLET ED OR NOT COMPLET ED	REASON FOR NON COMPLE TION	SCORIN G (1-5 RATING)	SERVICE PROVIDER PERFORM ANCE
DTS131	To provide household with basic services including water, adequate sanitation, public lighting and accessible road	Ceenex/Kh uuphatal/ ED Engineerin g JV	Installation of boreholes at Kwagqatontle in C Ward 26	Number of boreholes Electrified and Installed with Electric Submersible Pump	1 Borehole Electrified and installed with Electric Submersible Pump by 30 June 2019	R645 711	X 1 new borehole, X 1 refurbish borehole, installation 63mm pipeline and application for Consumer box Complete	R 387 898.02	No	3 Months	Not Completed	Waiting For Installation of transformer by Eskom	3	Satisfactory
	water, adequate sanitation, adequate public lighting and accessible road		Kwagqatontle in B Ward 25	Installed with Electric Submersible Pump	Electric Submersible Pump by 30 June 2019		not assigned							(1=POOR, 2=BELOW SATISFACTORY, 3=SAISFACTORY, 4=GOOD, 5=EXCELL ENT

KPA PROJECT CODE	BASIC SERVICE DELIVERY				KEY PERFORMANCE INDICATOR	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVED YES/NO	TERM OF THE CONTRACT	COMPLETED OR NOT COMPLETED	REASON FOR NON COMPLETION	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT)
	STRATEGIC OBJECTIVE	SERVICE PROVIDER APPOINTED	PROJECT NAME/ DESCRIPTION	PROJECT DESCRIPTION											
DTS132	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Ceenex/Khuluphala/LED Engineerin g JV	Installation of boreholes at Kwagqafonte in D Ward 31	Number of boreholes Electrified and Installed with Electric Submersible Pump	1 Borehole Electrified and installed with Electric Submersible Pump by 30 June 2019	R645 711	X 1 new borehole, X 1 refurbish borehole, installation of 63mm pipe and application for Consumer box Completed	R 406 911.03	No	3 Months	Not Completed	Waiting For Installation of transformer by Eskom	3	Satisfactory	
DTS133	To provide household with basic services including water, adequate sanitation, adequate public	Ceenex/Khuluphala/LED Engineerin g JV	Installation of boreholes at Kwagqafonte in E Ward 31	Number of boreholes Electrified and Installed with Electric Submersible Pump	1 Borehole Electrified and Installed with Electric Submersible Pump by 30 June 2019	R645 711	X 1 refurbish borehole and application for Consumer box Completed	R 380 292.15	No	3 Months	Not Completed	Waiting For Installation of transformer by Eskom	3	Satisfactory	

KPA	BASIC SERVICE DELIVERY													
PROJECT CODE	STRATEGIC OBJECTIVE	SERVICE PROVIDER APPOINTMENT	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	REVISED ANNUAL TARGET	ADJUSTED ANNUAL BUDGET (INPUT OR)	ACTUAL PERFORMANCE	EXPENDITURE DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	COMPLETED OR NOT	REASON FOR NON COMPLETION	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE
DTS134	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Ceenex/Khuluphata/LED Engineering JV	Installation of boreholes at Verina A Ward 8	Number of boreholes Electrified and installed with Electric Submersible Pump	1 Borehole Electrified and installed with Electric Submersible Pump by 30 June 2019	R645 711	X 1 new borehole, X 1 refurbished borehole, Installation of 63mm pipeline and application for Consumer box completed	R 145 343 85	No	3 Months	Not Completed	Waiting For Installation of transformer by Eskom	3	Satisfactory
DTS135	To provide household with basic	Top getters JV	Installation of boreholes at	Number of boreholes	2 Borehole Electrified and	R1 503 124	Eskom application	R 1 199 901 19	No	3 months	Not completed	Eskom consumer	3	Satisfactory

KPA PROJECT CODE	BASIC SERVICE DELIVERY STRATEGIC OBJECTIVE	SERVICE PROVIDER APPOINTED	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVED YES/NO	TERM OF THE CONTRACT	COMPLETED OR NOT COMPLETED	REASON FOR NON COMPLETION	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT)
DTS136	services including water, adequate sanitation, adequate public lighting and accessible road		Bundu Ward 24	Electrified and installed with Electric Submersible Pump	Installed with Electric Submersible Pump by 30 June 2019	R1 503 124	processed and installation of Electric submersible pump, Boreholes Electrification in progress	R 512 125.64	No	3 months	Not completed	box outstanding	3	Satisfactory
	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Top getters Jv	Installation of boreholes at Machipe Ward 24	Number of boreholes Electrified and installed with Electric Submersible Pump	2 Borehole Electrified and installed with Electric Submersible Pump by 30 June 2019		Eskom application progressed and installation of Electric submersible pump, Boreholes				Not completed	Eskom consumer box outstanding		

BASIC SERVICE DELIVERY															
KPA	PROJ CT CODE	STRATEGI C OBJECTIV E	SERVICE PROVIDER APPOINTE D	PROJECT NAME/ DESCRPTI ON	KEY PERFOR MANCE INDICAT OR	REVISED ANNUAL TARGET 2018/2019	ADJUST ED ANNUAL BUDGET (INPUT INDICAT OR)	ACTUAL PERFOR MANCE	EXPENDIT URE TO DATE	TARGET ACHEVE YES/NO	TERM OF THE CONTRAC T	COMPLET ED OR NOT COMPLET ED	REASON FOR NON COMPLE TION	SCORIN G (1-5 RATING)	SERVICE PROVIDER PERFORM ANCE
								Electrifica tion in progress							(1=POOR, 2=BELOW SATISFAC TORY, 3=SATISF ACTORY, 4=GOOD, 5=EXCELL ENT
	DTS137	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Top getters Jv	Installation of boreholes at Rietfontein farm Ward 8	Number of boreholes Electrified and installed with Electric Submersible Pump	2 Borehole Electrified and installed with Electric Submersible Pump by 30 June 2019	R1 503 124	Eskom application in progress and progressed and installation of Electric submersible pump, Boreholes Electrification in progress	R 752 161 94	No	3 months	Not completed	Eskom consumer box outstanding	3	Satisfactory
	DTS138	To provide household with basic services including water,	Servinet Consulting Engineers	Installation of boreholes at Sterinkop farm Ward 32	Number of boreholes Electrified and installed	1 Borehole Electrified and installed with Electric	R713 422	Installation of n of Electric submersible pump is complete.	R 450 271 21	No	6 Months	Not Completed	Extra work to be completed	3	Satisfactory



KPA PROJECT CODE	BASIC SERVICE DELIVERY				REASON FOR NON COMPLE TION	SCORIN G (1-5 RATING)	SERVICE PROVIDER PERFORM ANCE (1=POOR, 2=BELOW SATISFAC TORY, 3=SATISF ACTORY, 4=GOOD, 5=EXCELL ENT)							
	BASIC STRATEGI C OBJECTV E	SERVICE PROVIDER APPOINTE D	PROJECT NAME/ DESCRIPTI ON	KEY PERFOR MANCE INDICAT OR				REVISED ANNUAL TARGET 2018/2019	ADJUST ED ANNUAL BUDGET (INPUT INDICAT OR)	ACTUAL PERFOR MANCE	EXPENDIT URE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRAC T	COMPLE TED OR NOT COMPLE TED
	adequate sanitation, adequate public lighting and accessible road			with Electric Submersible Pump	Submersible Pump by 30 June 2019									
DTS139	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Servinet Consulting Engineers	Installation of boreholes at Tweefontein C Ward 12	Number of boreholes Electrified and Installed with Electric Submersible Pump	1 Borehole Electrified and Installed with Electric Submersible Pump by 30 June 2019	R719 880	1 x Borehole assessment completed	R 261 413.31	No	6 Months	Not Completed	Extra work to be completed	3	Satisfactory
DTS140	To provide household with basic services including	Servinet Consulting Engineers	Installation of boreholes at Loopspruit Ward 32	Number of boreholes Electrified and	1 Borehole Electrified and Installed with	R719 880	1 Borehole Hand Pump has been	R 595 971.12	No	6 Months	Not Completed	Extra work to be completed	3	Satisfactory

BASIC SERVICE DELIVERY															
KPA	PROJECT CODE	STRATEGIC OBJECTIVE	SERVICE PROVIDER APPOINTEE	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	REVISED ANNUAL TARGET	ADJUSTED ANNUAL BUDGET (INPUT OR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	COMPLETED OR NOT COMPLETED	REASON FOR NON COMPLETION	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE ANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT)
		water, adequate sanitation, adequate public lighting and accessible road			Installed with Electric Submersible Pump	Electric Submersible Pump by 30 June 2019		completed							
DTS141		To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Servinet Consulting Engineers	Installation of boreholes at Tweefontein DK Ward 12	Number of boreholes Electrified and installed with Electric Submersible Pump	1 Borehole Electrified and installed with Electric Submersible Pump by 30 June 2019	R713 422	1 x Borehole assessment completed. Borehole Hand Pump has been installed and completed	R 253 054 21	No	6 Months	Not Completed	Extra work to be completed	3	Satisfactory
DTS033		To provide household with basic services	In-house	6kl Free basic water	Number of HH provided with free	82 653 HH provided with Free Basic	R 85 514 005	56 507 HH provided with Free	R 85 451 562	No	N/A	N/A	N/A	N/A	N/A

KPA PROJECT CODE	BASIC SERVICE DELIVERY										SERVICE PROVIDER APPOINTED	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVED YES/NO	TERM OF THE CONTRACT	COMPLETED OR NOT COMPLETED	REASON FOR NON COMPLETION	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT)
	STRATEGIC OBJECTIVE																						
DTS 0034	including water, adequate sanitation, adequate public lighting and accessible road	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Mpumama nzi	Water Sample	Number of water samples tested	356 Water Samples tested by 30 <sup>th</sup> June 2019	R 2 503 000	366 Water Samples tested	R 2 315 079.90	Yes	36 Months	Completed	The term of the contract is still in progress.	4	Good								

SANITATION

BASIC SERVICE DELIVERY															
KPA	PROJ CT CODE	STRATEGI C OBJECTIV E	SERVICE PROVIDER APPOINTE D	PROJECT NAME/ DESCRIP TION	KEY PERFOR MANCE INDICAT OR	REVISED ANNUAL TARGET 2018/2019	ADJUST ED ANNUAL BUDGET (INPUT INDICAT OR)	ACTUAL PERFOR MANCE	EXPENDIT URE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRAC T	COMPLET ED OR NOT COMPLET ED	REASON FOR NON COMPLE TION	SCORIN G (1-5 RATING)	SERVICE PROVIDER PERFORM ANCE
	DTS040	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Element Consulting	Luthuli Waste Water Treatment Works, Phase 1	Km's of outfall sewer lines constructed	1 Km of outfall sewer line constructed by 30 <sup>th</sup> June 2019	R 200 000	Complintg of Environmental impact Assessment in progress	R 0	No	Construction period. Contractor not appointed	Not completed	Contractor not appointed	3	Satisfactory
	DTS041	To provide household with basic services including water, adequate sanitation, adequate public lighting and	Munyal Malaka Engineers	Upgrading of Tweelontlein K Waste Water Treatment Works, Phase 2	Km's of outfall sewer lines constructed	1 km of outfall sewer lines constructed by 30 <sup>th</sup> June 2019	R 1 007 098	Environment Impact Assessment Report in progress	R 975 580.52	No	36 Months	No	Project on Design Stage	4	Good

KPA PROJ CT CODE	BASIC SERVICE DELIVERY										REASON FOR NON COMPLE TION	SCORIN G (1-5 RATING)	SERVICE PROVIDER PERFORM ANCE (1=POOR, 2=BELOW SATISFAC TORY, 3=SATISF ACTORY, 4=GOOD, 5=EXCELL ENT)	
	BASIC STRATEG C OBJECTIV E	SERVICE PROVIDER APPOINT ED	PROJECT NAME/ DESCRIPTI ON	KEY PERFORM ANCE INDICAT OR	REVISED ANNUAL TARGET 2018/2019	ADJUST ED ANNUAL BUDGET (INPUT INDICAT OR)	ACTUAL PERFORM ANCE	EXPENDIT URE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRAC T				COMPLE TED OR NOT COMPLE TED
DTS098	accessible road To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Rand Water	Outsourced sewage services (Operation and maintenance of WWTW)	Number of reports on Provision of Basic Sanitation	12 reports on Provision of Basic Sanitation by 30 <sup>th</sup> June 2019	R1 400 016	12 reports on provision of Basic Sanitation	R 1 282 112.60	Yes	36 Months	Not Completed	Term of contract still in progress	4	Good
<b>ELECTRICITY</b>														
DTS076	To provide household with basic services including water, adequate sanitation,	Qedijirho	Installation of High Mast Light in Tweefontein G – Ward 30	Number of High Mast Lights installed	2 High Mast Light installed by 30 <sup>th</sup> June 2019	R 558 975	1 High Mast Light installed	R 378 904.01	No	36 months	Completed	None	3	Satisfactory

BASIC SERVICE DELIVERY															
KPA	PROJ CT CODE	STRATEGI C OBJECTIV E	SERVICE PROVIDER D APPOINTE	PROJECT NAME/ DESCRIPTI ON	KEY PERFOR MANCE INDICAT OR	REVISED ANNUAL TARGET 2018/2019	ADJUST ED ANNUAL BUDGET (INPUT INDICAT OR)	ACTUAL PERFOR MANCE	EXPENDIT URE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRAC T	COMPLET ED OR NOT COMPLET ED	REASON FOR NON COMPLE TION	SCORIN G (1-5 RATING)	SERVICE PROVIDER PERFORM ANCE (1=POOR, 2=BELOW SATISFAC TORY, 3=SATISF ACTORY, 4=GOOD, 5=EXCELL ENT
		adequate public lighting and accessible road													
DTS077		To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Qedifitiro	Installation of High Mast Light in Tweefontein H - Ward 30	Number of High Mast Lights installed	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 558 975	X1 High mast installed	R 378 904.01	Yes	36 months	Completed	None	3	Satisfactory
DTS078		To provide household with basic services including water, adequate	Ndoko	Installation of High Mast Light in Tweefontein J - Ward 9	Number of High Mast Lights installed	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 369 539	X1 High mast installed	R 369 538.53	Yes	36 months	Completed	None	3	Satisfactory

KPA PROJECT CODE	BASIC SERVICE DELIVERY										SERVICE PROVIDER PERFORM ANCE (1=POOR, 2=BELOW SATISFAC TORY, 3=SATISF ACTORY, 4=GOOD, 5=EXCELL ENT			
	BASIC STRATEGIC OBJECTIVE	SERVICE PROVIDER APPOINTED	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT		COMPLETED OR NOT COMPLETED	REASON FOR NON COMPLETION	SCORING (1-5 RATING)
DTS079	sanitation, adequate public lighting and accessible road	Thoko Consulting Engineers	Installation of High Mast Light in KwaMhlanga B - Ward 32	Number of High Mast Lights installed	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 328 714	X1 High mast installed	R 327 954.19	Yes	36 Months	Completed	None	3	Satisfactory
DTS081	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Thoko Consulting Engineers	Installation of High Mast Light in Luthuli (Mahlabathini) - Ward 22	Number of High Mast Lights installed	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 563 975	X1 High mast installed	R 327 954.19	Yes	36 Months	Completed	None	3	Satisfactory

KPA	BASIC SERVICE DELIVERY													
PROJECT CODE	STRATEGIC OBJECTIVE	SERVICE PROVIDER APPOINTED	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT OR)	ACTUAL PERFORMANCE	EXPENDITURE DATE	TARGET ACHIEVED YES/NO	TERM OF THE CONTRACT	COMPLETED OR NOT COMPLETED	REASON FOR NON COMPLETION	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT)
DTS086	To provide adequate sanitation, adequate public lighting and accessible road	Basiamisi	Installation of High Mast Light in Buhlesizwe Ward 16	Number of High Mast Lights installed	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 369 690	X1 High mast installed	R 327 954.19	Yes	36 Months	Completed	None	3	Satisfactory
DTS087	To provide household with basic services including	Ezintoti Trading and Projects	Installation of High Mast Light in Thembaletu	Number of High Mast	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 537 975	X1 High mast installed	R 462 757.50	Yes	36 Months	Completed	None	4	Good



KPA PROJECT CODE	BASIC SERVICE DELIVERY					REASON FOR NON COMPLE TION	SCORIN G (1-5 RATING)	SERVICE PROVIDER PERFORM ANCE (1=POOR, 2=BELOW SATISFAC TORY, 3=SATISF ACTORY, 4=GOOD, 5=EXCELL ENT)						
	STRATEGI C OBJECTV E	SERVICE PROVIDER APPOINTED	PROJECT NAME/ DESCRIPTION	KEY PERFORM ANCE INDICAT OR	REVISED ANNUAL TARGET 2018/2019				ADJUST ED ANNUAL BUDGET (INPUT INDICAT OR)	ACTUAL PERFORM ANCE	EXPENDIT URE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRAC T	COMPLE TED OR NOT COMPLE TED
	water, adequate sanitation, adequate public lighting and accessible road		(Section 16) -Ward 5	Lights installed										
DTS099	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Basiamisi	Installation of High Mast Light in Phola Park - Ward 6	Number of High Mast Lights installed	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 566 975	X1 High mast installed	R 311 634.71	No	36 Months	Not Completed	Waiting For installatio n of transform er by Eskom	3	Satisfactory
DTS100	To provide household with basic services	Basiamisi	Installation of High Mast Light in	Number of High Mast	1 High Mast Light installed by	R 566 975	X1 High mast installed	R 369 689.71	Yes	36 Months	Completed	None	3	Satisfactory

KPA	BASIC SERVICE DELIVERY													
PROJ CT CODE	STRATEGI C OBJECTIV E	SERVICE PROVIDER APPOINTE D	PROJECT NAME/ DESCRIP TION	KEY PERFOR MANCE INDICAT OR	REVISED ANNUAL TARGET 2018/2019	ADJUST ED ANNUAL BUDGET (INPUT INDICAT OR)	ACTUAL PERFOR MANCE	EXPENDIT URE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRAC T	COMPLET ED OR NOT COMPLET ED	REASON FOR NON COMPLE TION	SCORIN G (1-5 RATING)	SERVICE PROVIDER PERFORM ANCE
	including water, adequate sanitation, adequate public lighting and accessible road		Mshozi - Ward 4	Lights installed	30 <sup>th</sup> June 2019									(1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT)
DTS101	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Ndoko	Installation of High Mast Light in Kwagqatshane in A (Mgobeni) - Ward 27	Number of High Mast Lights installed	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 668975	X1 High mast installed	R 369 538.53	Yes	36 months	Completed	None	3	Satisfactory
DTS102	To provide household with basic road	Megaworks	Installation of High Mast Light in	Number of High Mast	1 High Mast Light installed by	R 471 975	X1 High mast installed	R 232 661.88	Yes	36 Months	Not Completed	Waiting For Installation	3	Satisfactory

KPA PROJECT CODE	BASIC SERVICE DELIVERY										SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT)			
	STRATEGIC OBJECTIVE	SERVICE PROVIDER APPOINTED	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVED YES/NO	TERM OF THE CONTRACT		COMPLETED OR NOT COMPLETED	REASON FOR NON COMPLETION	SCORING (1-5 RATING)
	services including water, adequate sanitation, adequate public lighting and accessible road		Mlolo (Section B7) - Ward 3	Lights installed	30 <sup>th</sup> June 2019		with pending snag list				n of transformer by Eskom			
DTS103	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Megaworks	Installation of High Mast Light in Loopspruit Farms - Ward 32	Number of High Mast Lights installed	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 495 975	X1 High mast installed	R 290 716.88	Yes	36 Months	Completed	None	3	Satisfactory

KPA	BASIC SERVICE DELIVERY													
PROJECT CODE	STRATEGIC OBJECTIVE	SERVICE PROVIDER APPOINTEE	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR OR	REVISED ANNUAL TARGET	ADJUSTED ANNUAL BUDGET (INPUT OR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVED YES/NO	TERM OF THE CONTRACT	COMPLETED OR NOT COMPLETED	REASON FOR NON COMPLETION	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE ANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT)
DTS104	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Ngoko	Installation of High Mast Light in Kwagqafonte in C - Ward 26	Number of High Mast Lights installed	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 290 717	X1 High mast installed	R 290 716,88	Yes	36 months	Completed	None	3	Satisfactory
DTS105	To provide household with basic services including water, adequate sanitation, adequate public lighting and	Ezimtoti Trading and Projects	Installation of High Mast Light in Nokozeni - Ward 17	Number of High Mast Lights installed	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 537 975	X1 High mast installed	R 422 658,50	Yes	36 Months	Completed	None	4	Good

KPA PROJ CT CODE	BASIC SERVICE DELIVERY										SERVICE PROVIDER PERFORM ANCE (1=POOR, 2=BELOW SATISFAC TORY, 3=SATISF ACTORY, 4=GOOD, 5=EXCELL ENT			
	STRATEGI C OBJECTIV E	SERVICE PROVIDER APPOINT ED	PROJECT NAME/ DESCRIPTI ON	KEY PERFORM ANCE INDICAT OR	REVISED ANNUAL TARGET 2018/2019	ADJUST ED ANNUAL BUDGET (INPUT INDICAT OR)	ACTUAL PERFORM ANCE	EXPENDIT URE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRAC T		COMPLET ED OR NOT COMPLET ED	REASON FOR NON COMPLE TION	SCORIN G (1-5 RATING)
DTS106	accessible road To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Ezimoti Trading and Projects	Installation of High Mast Light in Mzimuhle – Ward 10	Number of High Mast Lights installed	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 537 975	X1 High mast installed	R 421 802.50	Yes	36 Months	Completed	None	4	Good
DTS107	To provide household with basic services including water, adequate sanitation, adequate public	Wilmert Holdings	Installation of High Mast Light in Kwaggafonte in A (Spar Section) – Ward 28	Number of High Mast Lights installed	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 167 813	X1 High mast installed	R 277 638.24	Yes	36 Months	Completed	None	4	Good

BASIC SERVICE DELIVERY															
KPA	PROJECT CODE	STRATEGY OBJECTIVE	SERVICE PROVIDER APPOINTMENT	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE DATE	TARGET ACHIEVED YES/NO	TERM OF THE CONTRACT	COMPLETED OR NOT COMPLETED	REASON FOR NON COMPLETION	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE ANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT)
	DTS108	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Wilmer Holdings	Installation of High Mast Light in Kwaggaonte in A (Corner Cafe) - Ward 28	Number of High Mast Lights installed	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 492 975	X1 High mast installed	R 277 638.24	Yes	36 Months	Completed	None	4	Good
	DTS109	To provide household with basic services including water, adequate sanitation, adequate	Wilmer Holdings	Installation of High Mast Light in Vlaklaagte No. 1 - Ward 21	Number of High Mast Lights installed	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 167 813	X1 High mast installed	R 277 638.24	Yes	36 Months	Completed	None	4	Good

KPA PROJECT CODE	BASIC SERVICE DELIVERY										SERVICE PROVIDER PERFORM ANCE (1=POOR, 2=BELOW SATISFAC TORY, 3=SATISF ACTORY, 4=GOOD, 5=EXCELL ENT			
	STRATEGI C OBJECTIV E	SERVICE PROVIDER APPOINTE D	PROJECT NAME/ DESCRIPTI ON	KEY PERFOR MANCE INDICAT OR	REVISED ANNUAL TARGET 2019/2019	ADJUST ED ANNUAL BUDGET (INPUT INDICAT OR)	ACTUAL PERFOR MANCE	EXPENDIT URE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRAC T		COMPLET ED OR NOT COMPLET ED	REASON FOR NON COMPLE TION	SCORIN G (1-5 RATING)
	public lighting and accessible road													
DTS110	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Wilmer Holdings	Installation of High Mast Light in Vlaaklaag No. 1 (Paraffin Area) -- Ward 21	Number of High Mast Lights installed	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 492 975	X1 High mast installed	R 245 343.24	Yes	36 Months	Completed	None	4	Good
DTS111	To provide household with basic services including water, adequate	Qhedijirho	Installation of High Mast Light in Rietfontein Farms -- Ward 8	Number of High Mast Lights installed	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 378 904	X1 High mast installed	R 378 904.01	Yes	36 months	Completed	None	3	Satisfactory

BASIC SERVICE DELIVERY															
KPA	PROJECT CODE	STRATEGIC OBJECTIVE	SERVICE PROVIDER APPOINTEE	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	REVISED ANNUAL TARGET	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	COMPLETED OR NOT COMPLETED	REASON FOR NON COMPLETION	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE ANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT)
		sanitation, adequate public lighting and accessible road													
	DTS112	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Thoko Consulting Engineers	Installation of High Mast Light in Tweetonien K - Ward 13	Number of High Mast Lights installed	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 563 975	X1 High mast installed	R 327 954,19	Yes	36 Months	Completed	None	3	Satisfactory
	DTS113	To provide household with basic services including water,	Starlays	Installation of High Mast Light in Doomek Farms - Ward 8	Number of High Mast Lights installed	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 568 975	X1 High mast installed	R 387 711,71	Yes	36 Months	Completed	None	3	Satisfactory



KPA PROJ CT CODE	BASIC SERVICE DELIVERY										SERVICE PROVIDER PERFORM ANCE (1=POOR, 2=BELOW SATISFAC TORY, 3=SATISF ACTORY, 4=GOOD, 5=EXCELL ENT			
	STRATEGI C OBJECTIV E	SERVICE PROVIDER APPOINTE D	PROJECT NAME/ DESCRIPTI ON	KEY PERFOR MANCE INDICAT OR	REVISED ANNUAL TARGET 2018/2019	ADJUST ED ANNUAL BUDGET (INPUT INDICAT OR)	ACTUAL PERFOR MANCE	EXPENDIT URE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRAC T		COMPLET ED OR NOT COMPLET ED	REASON FOR NON COMPLE TION	SCORIN G (1-5 RATING)
DTS114	adequate sanitation, adequate public lighting and accessible road	StarJays	Installation of High Mast Light in Swartkopies Farms - Ward 10	Number of High Mast Lights installed	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 588 975	X1 High mast installed	R 387 711.71	Yes	36 Months	Completed	None	3	Satisfactory
DTS115	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	MTP Practical Refrigeration JV	Installation of High Mast Light in Wolvenkop (Phakama	Number of High Mast	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 642 975	X1 High mast installed	R 439 818.48	Yes	36Months	Completed	None	4	Good

BASIC SERVICE DELIVERY															
KPA	PROJECT CODE	STRATEGIC OBJECTIVE	SERVICE PROVIDER APPOINTEE	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	REVISED ANNUAL TARGET	ADJUSTED ANNUAL BUDGET (INPUT OR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVED YES/NO	TERM OF THE CONTRACT	COMPLETED OR NOT COMPLETED	REASON FOR NON COMPLETION	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SAISFACTORY, 4=GOOD, 5=EXCELLENT)
		water, adequate sanitation, adequate public lighting and accessible road	Tarospan Engineers	Section) - Ward 11	Lights installed										
DTS116		To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	MTP Practical Refrigeration JV Tarospan Engineers	Installation of High Mast Light in Bundu (Marhogo Section) - Ward 24	Number of High Mast Lights installed	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 642 975	X1 High mast installed	R 439 818.48	Yes	36Months	Completed	None	4	Good

KPA PROJECT CODE	BASIC SERVICE DELIVERY										SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT)			
	STRATEGIC OBJECTIVE	SERVICE PROVIDER APPOINTED	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVED YES/NO	TERM OF THE CONTRACT		COMPLETED OR NOT COMPLETED	REASON FOR NON COMPLETION	SCORING (1-5 RATING)
DTS142	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Megaworks Trading Enterprise	Installation of High Mast Light in Kwaggafontein in C Ward 25	Number of High Mast Lights installed	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R300 000	X1 High mast installed	R 190 074.18	No	36 months	Not completed	Eskom consumer box outstanding	3	Satisfactory
<b>ROAD AND STORM WATER</b>														
DTS051	To provide household with basic services including water, adequate sanitation, adequate public	Kumelcon (Pty) Ltd Papasoul Construction	Regravelling of internal Roads Kwamnhlanga	Number of km Regravelled road cleaned and Handed over	2 Km of regravelled road Cleaned and handed over by 30 <sup>th</sup> September 2018	R 0	2 Km of regravelled road Cleaned and handed over	R 0	Yes	06 Months	Completed	None	4	Good

BASIC SERVICE DELIVERY																
KPA	PROJ CT CODE	STRATEGIC OBJECTIVE	SERVICE PROVIDER APPOINTEE	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVED YES/NO	TERM OF THE CONTRACT	COMPLETED OR NOT COMPLETED	REASON FOR NON COMPLETION	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE	
		lighting and accessible road														
	DTS052	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	ZMC Consulting Kuye Trading	Regraveling of Internal Roads in Various Villages (Vlaklagle No. 1 – Ward 21)	Number of km of regravelled road cleaned and handed over	2 Km of regravelled road Cleaned and handed over by 30th September 2018	R 0	2 Km of regravelled road Cleaned and handed over	R 0	Yes	06 Months	Completed	None	4	4	Good
	DTS 056	To provide household with basic services including water, adequate sanitation, adequate	Thudulelo construction and project (ward 29)	Construction of Storm water channels, (Ward 14, 28 and 29)	Number of meters of Storm water channels constructed	200 m of storm water channels constructed in each ward (Ward 14, 28 and 29) by	R 520 000	320m Storm water channels constructed in ward 29 and 220m	R 307 137 3	Yes	N/A	Completed	None	4	4	Good

KPA PROJECT CODE	BASIC SERVICE DELIVERY STRATEGY OBJECTIVE	SERVICE PROVIDER APPOINTED	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	COMPLETED OR NOT COMPLETED	REASON FOR NON COMPLETION	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT)
	public lighting and accessible road	projects 354			30 <sup>th</sup> June 2019		storm water channels constructed in ward 28							
DTS117	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Kago Consulting Mamolato Construction	Designs and Construction of Luthuli Link Road - Ward 22	Number of km road surfaced	0.35 km's of road surfaced by 30 <sup>th</sup> June 2019	R 1 472 837	Construction of 0.35 km's of surfaced road, installation of culverts and rehabilitation of Bridge in progress	R 272 837.30	No	03 Months	Not Completed	Insufficient MIG Fund	4	Good
DTS118	To provide household with basic services	Servinet Consulting Engineers	Designs for Construction of Sun City AA Bus	Number of Designs for Sun	1 Detailed design for Sun City AA Bus	R 280 330	1 Detailed design for Sun City AA Bus	R 224 728.26	Yes	6 Months	Not Completed	Design Stage	3	Satisfactory

KPA	BASIC SERVICE DELIVERY													
PROJECT CODE	STRATEGIC OBJECTIVE	SERVICE PROVIDER APPOINTMENT	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	COMPLETED OR NOT COMPLETED	REASON FOR NON COMPLETION	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT)
DTSA119	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Kumelcon	Construction of Chris Hani Bus Route - Ward 18	City AA Bus Route	Route by 31st March 2019	R 265 000	Route	R 277 445.65	Yes	N/A	Not Completed	Design Stage	4	Good

KPA PROJECT CODE	BASIC SERVICE DELIVERY										SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT)			
	STRATEGIC OBJECTIVE	SERVICE PROVIDER APPOINTED	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVED YES/NO	TERM OF THE CONTRACT		COMPLETED OR NOT COMPLETED	REASON FOR NON COMPLETION	SCORING (1-5 RATING)
DTS120	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Kumelcon (Pty) Ltd	Construction of Kwamthianga B Link Road - Ward 32	Number of Designs for Kwamthianga B Link Road	1 Detailed designs for Kwamthianga B Link Road by 31st March 2019	R 280 000	1 Detailed designs for Kwamthianga B Link Road	R 250 045.65	Yes	N/A	Not Completed	Design Stage	4	Good
DTS121	To provide household with basic services including water, adequate sanitation, adequate public lighting and	Kumelcon (pty) ltd	Construction of Moloto North Bus Route - Ward 2	Number of Designs for Moloto North Bus Route	1 Detailed design for Moloto North Bus Route by the 31st March 2019	R 338 750	1 Detailed design for Moloto North Bus Route 3	R 292 622.61	Yes	Construction period. Contractor not appointed	Not Completed	Design Stage	4	Good

BASIC SERVICE DELIVERY																
KPA	PROJ CT CODE	STRATEGI C OBJECTIV E	SERVICE PROVIDER APPOINTE D	PROJECT NAME/ DESCRPTI ON	KEY PERFOR MANCE INDICAT OR	REVISED ANNUAL TARGET 2018/2019	ADJUST ED ANNUAL BUDGET (INPUT INDICAT OR)	ACTUAL PERFOR MANCE	EXPENDIT URE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRAC T	COMPLET ED OR NOT COMPLET ED	REASON FOR NON COMPLE TION	SCORIN G (1-5 RATING)	SERVICE PROVIDER PERFORM ANCE (1=POOR, 2=BELOW SATISFAC TORY, 3=SATISF ACTORY, 4=GOOD, 5=EXCELL ENT	
	DTS122	To provide accessible road	Enducon Ubuntu	Development of roads and storm water master plan	Number of roads and storm water master plan developed	1 Roads and storm water master plan developed by 30 <sup>th</sup> June 2019	R 2 000 000	1 Roads and storm water master plan developed	R 1 997 205	Yes	12 months	Completed	None	4	Good	
		accessible road														
<b>SPORTS AND WASTE REMOVAL</b>																
SDS001		To create a safe clean and healthy environment conducive for social developme	Tshabe Infrastructure Technology Anwell JV.	Upgrading of Kwegalafonte in Land fill site	Number of Landfill site upgraded	1 Landfill site upgraded by 30 <sup>th</sup> June 2019	R 21 930 694	Upgrade of landfill site in progress	R 23 548 549,40	No	16Months	Not Completed	Change of scope and Delays on approval of Design Drawings	3	Satisfactory	



KPA PROJECT CODE	BASIC SERVICE DELIVERY										SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT)			
	STRATEGIC OBJECTIVE	SERVICE PROVIDER APPOINTED	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT		COMPLETED OR NOT COMPLETED	REASON FOR NON COMPLETION	SCORING (1-5 RATING)
SDS011	Environment and recreation	Mahirehwa Construction	Construction of Multi-Purpose Centre in Phumula	Number of Multi-Purpose Centres constructed in Phumula	1 Multi-Purpose Centre constructed in Phumula by 31 <sup>st</sup> December 2018.	R 250 000	Artificial grass installed, a blution block completed	R 0	No	08 Months	Not Completed	Change of the Design on artificial grass	2	Below Satisfactory

SOCIAL DEVELOPMENT SERVICES

KPA	BASIC SERVICE DELIVERY												
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET YES/NO	TERM OF THE CONTRACT	COMPLETED OR NOT COMPLETED	REASON FOR NON COMPLETION	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE RATING
SDSO17	To create a safe, clean and healthy environment conducive for social development and recreation	Municipal Security Services reports	Number of quarterly status reports on Municipal security submitted to the Municipal Manager	4 status reports on Municipal security submitted to the Municipal Manager by 30 <sup>th</sup> June 2019	R 17 507 471	4 status reports on Municipal security submitted to the Municipal Manager	R 15 972 634 19	Yes	3 Years	Yes	None	4	Good

CORPORATE SERVICES

MUNICIPAL TRANSFORMATIONS AND INSTITUTIONAL DEVELOPMENT

KPA	PROJECT CODE	STRATEGIC OBJECTIVE	SERVICE PROVIDER APPOINTED	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF CONTRACT	COMPLETED OR NOT COMPLETED	REASON FOR NON COMPLETION	SCORING RATING (1-5)	SERVICE PROVIDER PERFORMANCE (1=POOR 2=BELOW SATISFACTORY, 3=SATISFACTORY 4=GOOD 5=EXCELLENT)
	DCS032	To improve organizational efficiency and promote a culture of professionalism conduct in order to render quality services.	Bidvest	Leasing of Municipal fleet	Number of Municipal fleet procured	35 municipal fleet procured by 30 <sup>th</sup> June 2019	R 2 301 111	37 Municipal fleet procured on lease	R 1 565 236	Yes	3 years	On progress	January 2121	4	Good
	DCS020	To improve organizational efficiency and promote a culture of	Zembeleni	Repairs and maintenance of Municipal fleet	Number of repairs and maintenance reports of municipal fleet produced	12 repairs and maintenance reports on Municipal fleet	R 10 492 635	12 repairs and maintenance reports on municipal fleet produced	R 7 239 064	Yes	3 years	On progress	None	3	Satisfactory

**MUNICIPAL TRANSFORMATIONS AND INSTITUTIONAL DEVELOPMENT**

KPA	PROJECT CODE	STRATEGIC OBJECTIVE	SERVICE PROVIDER APPOINTMENT	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVED YES/NO	TERM OF CONTRACT	COMPLETED OR NOT COMPLETED	REASON FOR NON COMPLETION	SCORING (1-5)	SERVICE PROVIDER PERFORMANCE RATING
		professionals conduct in order to render quality services.			and submitted to the HOD	produced and submitted to HOD by 30 <sup>th</sup> June 2019		and submitted to HOD							
DCS021		To improve organizational efficiency and promote a culture of professional conduct in order to render quality services.	Microzesel	Monitoring the usage of fuel	Number of reports produced and submitted to the HOD on the usage of fuel	12 reports produced and submitted to the HOD on the usage of fuel by 30 <sup>th</sup> June 2019	R 6 002 100	12 reports produced and submitted to the HOD on the usage of fuel	R 6 337 902	Yes	3 Years	November 2019	None	5	Excellent

MUNICIPAL TRANSFORMATIONS AND INSTITUTIONAL DEVELOPMENT

KPA	PROJECT CODE	STRATEGIC OBJECTIVE	SERVICE PROVIDER APPOINTED	PROJECT DESCRIPTION	KEY PERFORMANCE INDICATOR	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVED YES/NO	TERM OF CONTRACT	COMPLETED OR NOT COMPLETED	REASON FOR NON COMPLETION	SCORING RATING (1-5)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT)
DCS025		To improve organizational efficiency and promote a culture of professional conduct in order to render quality services.	Sage 300 people Munsoft Jenny Internet	Renewal of software	Number of software licenses renewed	VIP, 4 Server warranty, Munsoft, 50 microsoft volume 409develop, 210 Symantec antivirus, Server monitoring system	R 3 959 220	VIP, 4 Server warranty, Munsoft, 50 microsoft volume 409develop, 210 Symantec antivirus, Server monitoring system	R 3 483 684	No	3 years	Yes	None	5	Good
											3 years	Yes	None	5	Excellent
											3 years	Yes	None	3	Satisfactory
DCS026		To improve organizational efficiency and promote a culture of professional	Matupunika	Procurement of computer and equipment	Number of computers and equipment procured	15 desktop, 34 laptops procured by 30 <sup>th</sup> June 2019	R 880 000	15 desktop, 34 laptops procured	R 771 571	Yes	3 years	Yes	None	5	Good

**KPA MUNICIPAL TRANSFORMATIONS AND INSTITUTIONAL DEVELOPMENT**

PROJECT CODE	STRATEGIC OBJECTIVE	SERVICE PROVIDER APPROPRIATE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	REVISED ANNUAL TARGET	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF CONTRACT	COMPLETED OR NOT COMPLETED	REASON FOR NON COMPLETION	SCORING RATING	SERVICE PROVIDER PERFORMANCE
DCS031	To improve organizational efficiency and promote a culture of professionalism I conduct in order to render quality services.	MWG Business solutions	Installation of Biometric clocking system	Number of Biometric clocking systems installed	1 Biometric clocking system installed by 30 <sup>th</sup> June 2019	R 600 000	1 Biometric clocking system installed	R 253 050	Yes	3 years	Yes	None	5	Excellent
	I conduct in order to render quality services.													

FINANCE SERVICES

MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT															
KPA	PROJECT CODE	STRATEGIC OBJECTIVE	SERVICE PROVIDER APPOINTED	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	REVISED ANNUAL TARGET 2018/2019	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVED YES/NO	TERM OF THE CONTRACT	COMPLETED OR NON COMPLETED	REASON FOR NON COMPLETION	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR 2=BELOW SATISFACTORY, 3=SATISFACTORY 4=GOOD 5=EXCELLENT)
DBT011		To improve the financial status of the Municipality through prudent budget planning, stringent financial management and improved revenue collection	i@ Consulting	Fixed Asset Register compliance with GRAP	Number of action plan developed in line with FAR compliance with GRAP standards	1 action plan developed in line with FAR compliance with GRAP standards by 30 <sup>th</sup> June 2019	In house	1 action plan developed in line with FAR compliance with GRAP standards	R1.5 million	Yes	3 Yrs	Completed	None	4	Good

**MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT**

KPA	PROJECT NAME/DESCRIPTION	STRATEGIC OBJECTIVE	SERVICE PROVIDER APPOINTEE	KEY PERFORMANCE INDICATOR	REVISSED ANNUAL TARGET	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVED YES/NO	TERM OF THE CONTRACT	COMPLETED OR NON COMPLETED	REASON FOR NON COMPLETION	SCORING RATING	SERVICE PROVIDER PERFORMANCE (1=POOR 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD 5=EXCELLENT)
DBT018	Compilation and submission of Annual Financial Statements to the Auditor General	To improve the financial status of the Municipality through prudent budget planning, stringent financial management and improved revenue collection	PMH and IT Management services	Number of Annual Financial Statements compiled and submitted to the Auditor General	1 Annual Financial Statement compiled and submitted to the Auditor General by 31st August 2018	R2 978 753.43	1 Annual Financial Statement compiled and submitted to the Auditor General by 31st August 2018	R2 978 753.43	No	3 Yrs	Completed	None	4	Good



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**MEASURES TAKEN TO IMPROVE PERFORMANCE**

**ROOT CAUSES FOR THE POOR PERFORMANCE**

- Some of the targets were amended to not achieve due to the non-submission of evidence
- No PMS responsibilities assigned to staff lower than Assistant Managers

**CORRECTIVE ACTIONS**

- PMS will be embedded in our daily tasks
- PMS will be a standing item on our management Committee meetings.
- PMS will be cascaded to the assistant Managers.
- Responsibilities will then be assigned to the staff lower than the Assistant Managers.
- Where possible, it will be cascaded to the level lower than Assistant Managers.

**APPENDIX J - DISCLOSURE OF FINANCIAL INTERESTS**

Disclosures Of Financial Interests		Period 1 July 2018 To 30 June 2019	
Position	Name	Description Of Financial Interests* (Nil / Or Details)	
(Executive) Mayor	Nomsa Sanny Msweni	Nil	
Speaker	Nompumelelo Evidence Hlope	Nil	
Chief Whip	Joyce Johanna Tau	Nil	
	Lillian Martha Tshabangu	Nil	
	Maria Poppy Msiza	Nil	
Member Of Mayco / Exco		King Makhosonke Agricultural Primary Co-Operative Komleks	
	Thomas Lebandla Mabena	Matjhuba Primary Co-Operative Limited	
		Bashomi Agricultural Primary Co-Operative Limited	
		Mahlatsekigolo Trading and Projects	
		Theleji James Makhwiling	Sinesabatha Primary Co-Operative Limited
	Nomnasonto Emmah Phakathi	Umkhumbi Ohambayo Mining Primary Co-Operative Thembitundo Ikusasa Lakhno Services Primary Co-Operative	

**Disclosures Of Financial Interests**

**Period 1 July 2018 To 30 June 2019**

<b>Position</b>	<b>Name</b>	<b>Description Of Financial Interests* (Nil / Or Details)</b>
		Siragela Phambili Services Primary Co-Operative Limited
		Thoma Ganyane Secondary Co-Operative Limited
		Bothabatsatsi Secondary Co-Operative Limited
		Nil
	Thabisile Elsie Mashinini	Abakwethu Electrician Primary Co-Operative Limited
	Emelinah Mavis Mathibela	Si- Busy - Njan Agricultural Primary Co-Operative Limited
	Lindiwe Thembi Skosana	Nil
	Thokozile Egnés Motanyane	Mjadeko Trading And Projects Co-Operative Limited
	Laza Elsie Jiyane	Nil
	Marcia Msiza	Nil
	Zanele Maseko	Nil
	Sonlo Rose Nhlapho	Nil
	Nomatjeni Nellie Msiza	Bonginkosi Construction Co-Operative Limited
	Piet Thapelo Kekana	Nil
	Remenky Stephinah Molefe	Nil
	Steven Boshego	Sebenza-Shuma Constructions And Projects
		Ilitshe Lembube Trading And Projects
	Alicia Lebohang Dhlamini	Lwazi Professional Driving School
	Vusi Amos Msibi	Nil
	Ntombi Mitta Motaung	Nil
	Matalanyane Lucas Moloko	Nil
	Nompumelelo Merriam Mahlangu	Nil
	Toenkie Linah Masilela	Nil
	Ivy Mando Mahlangu	Nil
<b>Councillors</b>		

**Disclosures Of Financial Interests**

**Period 1 July 2018 To 30 June 2019**

<b>Position</b>	<b>Name</b>	<b>Description Of Financial Interests* (Nil / Or Details)</b>
	Maria Adelaide Mckwena	Nil
	Thabo John Tibane	Siseganomlambo Projects Primary Co-Operative Limited
	Jan Masaka Makhubela	Alanda Enterprise
	Rubber Qalwe Mtsweni	Sizwene Driving Academy Primary Co-Operative Limited
	Salome Athara Magolego	Dr JS Moroka And Thembisile Huny Driving School And Taxi Association
	Amos Mahlangu	Nil
	Dipolelo Sinah Mampuru	Nil
	Pheneus Doctor Makatu	Tlala Tsamaya Primary Co-Operative Limited
	Mitopi Andries Motena	Bashomi Agricultural Primary Co-Operative Limited
	Sipho Koos Ngoma	Shomalereana Co-Operative Limited
	Koos Vusi Jiyane	Ikelleng Hospitality And Development
	Moses Michael Mahlangu	Siwuruwuru Trading Enterprise
	Mbebenzi Ben Mabena	Friends Indeed Consortium
	Joseph Elias Mhlimunye	Nil
	Maria Thruddy Nobela	Nil
	Sgaule Timothy Minisi	Nil
	Sipho Masango	SMB Trading
	Christinah Ndlelehe Mahlangu	Nil
	James Simausu Msiza	Mammabolo Waste Management And Greening
		Kagiso Development Co-Operative Limited
		Hlanganani Transport And Cleaning Equipment And Supplies
		Esiqongolweni Agricultural And Projects Primary Co-Operative Limited

**Disclosures Of Financial Interests**

**Period 1 July 2018 To 30 June 2019**

<b>Position</b>	<b>Name</b>	<b>Description Of Financial Interests* (Nil / Or Details)</b>
		Abanqobi Secondary Co-Operative Limited
	Alexious Sphiwe Madyungu	Hikhenisile Trading Enterprise
	Josephinah Lindiwe Mahlangu	Nil
	Samuel Bongani Mogoboya	Dimoko Distribution Amo Project
	Maria Qhubeni Mnguni	Nil
	Mzwandile Obed Sikosana	Nil
	Seisiwe Jack Masango	Nil
	Norman Ngoma	Maybuye Agricultural And Poultry
	Nimrod Boitumelo Malefo	BK Arts Projects And Construction
	Bongani Victor Msibi	Nil
	Dumisani Chrescent Fakude	Zamabata Paving
		Bavukile Empumalanga Agricultural Co-Operative Limited
	Jan Sizwe Mahlangu	Tshidelani Primary Co-Operative Limited
	Masotja Petrus Nduli	Nil
	Dini Samson Skosana	Sohlala Siphumelela Primary Co-Operative Limited
	Khulisile April Msiza	Karabilwe Transport And Projects
		Mnotho Four Multi-Purpose Co-Operative Limited
	Patrick Vusi Mahlangu	Mnotho For Trading Enterprise
	Gideon Mahlangu	Vezulwazi Building And Projects Co-Operative Limited
	Vusumuzi Vincent Skosana	Nil
	Oria Mpheto Mabelwane	Nil
<b>Councillors</b>		

Municipal Manager	O.N Nkosi	Gbu Holdings 2013/206266/07
		Samkeisi 2013/074623/07
		Uhambo Petroleum 2015/023315/07
Chief Financial Officer	Ms. JG Mahlangu	Nil
	Ms. L Nxumalo	Nil
Other S57 Officials	Mr. VL Skosana (Manager (Technical))	Jali Brothers Investments
	Mr. M Tsebe (Manager: DTFS)	Nil
	Mr. A Chego (Manager: SDS)	Nil
* Financial Interests To Be Disclosed Even If They Incurred For Only Part Of The Year. See Mbr Sa34a		

**APPENDIX K: REVENUE COLLECTION PERFORMANCE BY VOTE**

**APPENDIX K (I): REVENUE COLLECTION PERFORMANCE BY VOTE**

Revenue Collection Performance By Vote		Note: R' 000 On Total Revenue					
		2017/2018		2018/2019		2018/2019	
Vote Description	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget	
Vote 104	405 044	421 847	386 893	375 176	88.94%	95.91%	
Vote 105	119 275	121 432	121 426	124 432	102.47%	101.15%	
Vote 107	3 432	784	696	296	37.76%	74.56%	
Vote 108	9 295	83 876	20 893	8 194	9.77%	99.94%	
Vote 300	304	156	140	51	32.69%	138.81%	
Vote 500	0	0	0	0	0	0	
Vote 520	32 661	45 232	38 895	39 223	86.72%	100%	
Vote 530	0	0	0	0	0	0	
Vote 540	174 607	190 775	237 176	143 010	74.96%	140.09%	
Vote 560	2 293	2 926	2 198	980	33.49%	103.10%	
<b>Total Revenue By Vote</b>	<b>744 618</b>	<b>867 028</b>	<b>803 315</b>	<b>691 362</b>	<b>79.74%</b>	<b>85.53%</b>	

**APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG**

**Conditional Grants: Excluding Mig**

Details	Budget	Adjust-Ments Budget	Actual	Variance		Major Conditions Applied By Donor (Continue Below If Necessary)
				Budget	Adjust-Ments Budget	
Neighbourhood Development Partnership Grant	0	0	0			
Fmg	1 625 000	1 625 000	1 625 000	0%	0%	
Msig	50 000 000	64 000 000	64 000 000	0%	0%	
EPWP	2 244 000	2 244 000	2 244 000	0%	0%	
Water Operating Subsidy	19 000 000	19 000 000	29 000 000	0%	0%	
Inep	0	0	0	0%	0%	
<b>Total</b>	<b>22 869 000</b>	<b>22 869 000</b>	<b>32 869 000</b>	<b>0%</b>	<b>0%</b>	



**APPENDIX M: CAPITAL EXPENDITURE - NEW ASSETS PROGRAMME**

Capital Expenditure - New Assets Programme*		2018/2019			Planned Capital Expenditure			
R '000	Description	2017/2018	Original Budget	Adjustment Budget	Actual Expenditure	Fy + 1	Fy + 2	Fy + 3
	<b>Capital Expenditure By Asset Class</b>							
	<b>Infrastructure - Total</b>							
	Infrastructure: Road Transport - Total							
	Roads, Pavements & Bridges	112 515	164 803	180 300	174 993	-	-	-
	Storm Water	270	5 605	2 636	1 458	-	-	-
	Infrastructure: Electricity - Total							
	Roads, Pavements & Bridges	270	5 605	2 636	1 458	-	-	-
	Storm Water							
	Infrastructure: Electricity - Total	1 689	12 271	12 923	10 724	-	-	-
	Transmission & Reticulation							
	Street Lighting	1 689	12 271	12 923	10 724	-	-	-
	Infrastructure: Water - Total							
	Dams & Reservoirs	103 963	93 995	121 153	116 225	-	-	-
	Water Purification	67 331	37 514	41 749	43 794	-	-	-
	Reticulation	0	49 758	73 532	66 749	-	-	-
	Infrastructure: Sanitation - Total							
	Reticulation	36 632	6 723	5 872	5 682	-	-	-
	Sewerage Purification	6 112	5 000	1 207	1 122	-	-	-
	Infrastructure: Other - Total	481	47 932	42 381	45 464	-	-	-

Waste Management  
 Transportation  
 Gas  
 Other  
 Operational WSIG  
 Community - Total

		22,356	23,931	27,081			
481	5,576	450					
	20,000	20,000		18,383			

**APPENDIX N – CAPITAL PROGRAMME BY PROJECT BY WARD 2018/19**

Enkeldoornog C	Construction of New Reservoir and at Kwamhlanga for Phola Park and Mountain View Communities - Phase 2	1 of 10Ml reservoir constructed by 30 June 2019	R 2 000 000	1 reservoir practically completed	R 837 000
Boekenhouthoek	Upgrading of Existing Infrastructure from Agricultural Project to Augment Borehole Water Supply in Bundu - Construction of a Bulk Pipeline in Bundu	2.4 km's of bulk pipeline constructed by 30th June 2019	R19 177 392	2.4 km's of bulk pipeline constructed by 30th June 2019	R19 177 392
Bundu	Upgrading of Existing Infrastructure from Agricultural Project to Augment Borehole Water Supply in Bundu - Construction of Water treatment Works Bundu	1 Water Treatment Plant (10 ML) constructed by 30th June 2019	R 41 059 158	1 Water Treatment Plant (2.5 ML) constructed	R 43 123 891.38

Mathysensloop	Upgrading of Existing Infrastructure from Agricultural Project to Augment Borehole Water Supply in Bundu – Construction of a 10 Ml RC Reservoir	1 Reinforce concrete reservoir constructed by 30th June 2019	R 10 470 680	1 concrete reservoir completed	R 10 925 407.67
Kwaggafontein A	Construction of Water Reticulation in Kwaggafontein A, Ward 29	300 households connected to yard taps by 31st March 2019	R 2 112 000	506 households conned to yard taps	R 1 902 397.74
Tweefontein K	Upgrading of Enkeldoornooog B Water Infrastructure - Construction of pump station Enkeldoornooog B	1 electrical Pump Station infrastructure installed at Vlaaklaagte by 30th June 2019	R 1 144 458	Pumps installed at the pump station. MCC Distribution boxes manufactured	R 1 210 360.00
Tweefontein K	Upgrading of Vlaaklaagte and Kwaggafontein Water Infrastructure	1 Reinforced Concrete Reservoirs constructed by 31st March 2019	R 8 613 686	1 Reinforced Concrete Reservoirs constructed	R 3 817 082.87
Mathysensloop	Upgrading of Mathysensloop Water Infrastructure	1 Reinforce concrete reservoir constructed by 30th June 2019	R 987 000	1 Reinforced concrete reservoir constructed	R 848 218.00
Moloto	Moloto Groundwater Supply Scheme Development	9 Boreholes equipped and connected to Moloto Reservoir by 30th June 2019	R 15 670 885	Construction of 2 booster pumps, installation of treatment package	R 5 041 113.45

					plant, connection to Moloto Reservoir, in progress	
Kwagqafontein and Vezubuhle	Construction of Two Gantries on the Dr. JSMLM and CoT Bulk Pipelines	2 Gantries constructed by 30th June 2019	R 1 616 429	Contractor appointed, steel pipe fittings ,bulk line connection and manhole and valves all in progress	R 1 467 807.20	
Moloto, Kameelpoortnek and KwaMhlanga	Upgrading of Moloto South, KwaMhlanga and Kameelpoortnek Water Infrastructure	1 Designs for Upgrading of Moloto South, KwaMhlanga and Kameelpoortnek Water Infrastructure by 31st March 2019	R 1 000 000	1 Designs for Upgrading of Moloto South, KwaMhlanga and Kameelpoortnek Water Infrastructure by 31st March 2019	R 446 215.87	
Moloto	Augmentation of Bulk Water Supply Cluster 1 (Boreholes) Moloto - Installation of Booster Pumps	1 Borehole Electrified and installed with Electric Submersible Pump by 30th June 2019	R 25 335	Borehole assessment completed.	R 25 335.00	
Luthuli	Augmentation of Bulk Water Supply Cluster 2 (Boreholes) Luthuli - Electrification of Boreholes	1 Borehole Electrified and installed with Electric Submersible Pump by 31st March 2019.	R 0	Borehole assessment completed.	R 0	

Langkloof	Augmentation of Bulk Water Supply Cluster 3 (Boreholes) Langkloof - Electrification, Installation of Electric Submersible Pump and Reticulation	1 Borehole Electrified and Installed with Electric Submersible Pump by 31 <sup>st</sup> March 2019.	R 0	Borehole assessment completed.	R 0
Verena D	Augmentation of Bulk Water Supply (Cluster 3 Boreholes) in Verena D - Ward 11	1 Borehole Electrified and Installed with Electric Submersible Pump by 30 <sup>th</sup> June 2019	R 291 026	1 Borehole assessed and equipped Eskom Application for electrification completed	R 84 965.00
Engwenyameni	Augmentation of Bulk Water Supply (Cluster 4 Boreholes) in Engwenyameni - Ward 19	1 Borehole Electrified and Installed with Electric Submersible Pump by 30 <sup>th</sup> June 2019	R 201 013	1 Borehole assessed and equipped Eskom Application for electrification completed	R 80 979.01
Sun City	Augmentation of Bulk Water Supply (Cluster 4 Boreholes) in Sun City C - Ward 19	1 Borehole Electrified and Installed with Electric Submersible Pump by 30 <sup>th</sup> June 2019	R 77 158	Borehole assessment completed.	R 77 158.00
Bundu	Augmentation of Bulk Water Supply (Cluster 5 Boreholes) in Bundu - Ward 24	1 Borehole Electrified and Installed with Electric Submersible Pump by 30 <sup>th</sup> June 2019	R 61 362	Borehole assessment completed.	R 61 362.00

Machipe	Augmentation of Bulk Water Supply (Cluster 6 Boreholes) in Machipe – Ward 24	1 Borehole Electrified and Installed with Electric Submersible Pump by 30 <sup>th</sup> June 2019	R 88 380	Borehole assessment completed.	R88 380.00
Mathysensloop	Augmentation of Bulk Water Supply (Cluster 6 Boreholes) in Mathysensloop – Ward 7	1 Borehole Electrified and Installed with Electric Submersible Pump by 30 <sup>th</sup> June 2019	R 64 264	Borehole assessment completed.	R 64 264.00
Tweefontein C	Augmentation of Bulk Water Supply (Cluster 7 Boreholes) in Tweefontein C – Ward 12	1 Borehole Electrified and Installed with Electric Submersible Pump by 30 <sup>th</sup> June 2019	R 25 335	Borehole assessment completed.	R25 335.00
Tweefontein D	Augmentation of Bulk Water Supply (Cluster 7 Boreholes) in Tweefontein D – Ward 12	1 Borehole Electrified and Installed with Electric Submersible Pump by 30 <sup>th</sup> June 2019	R 25 335	Borehole assessment completed.	R 25 335.00
Wolvenkop	Augmentation of Bulk Water Supply (Cluster 8 Boreholes) in Wolvenkop – Ward 11	1 Borehole Electrified and Installed with Electric Submersible Pump by 30 <sup>th</sup> June 2019	R 25 335	Borehole assessment completed.	Augmentation of Bulk Water Supply (Cluster 8 Boreholes) in Wolvenkop – Ward 11

Verena C	Augmentation of Bulk Water Supply (Cluster 8 Boreholes) in Verena C - Ward 11	1 Borehole Electrified and Installed with Electric Submersible Pump by 30 <sup>th</sup> June 2019	R 201 235	2X Boreholes assessment completed, Customer consumer box installed by Eskom	Augmentation of Bulk Water Supply (Cluster 8 Boreholes) in Verena C - Ward 11
Kwaggafontein B	Augmentation of Bulk Water Supply (Cluster 9 Boreholes) in Kwaggafontein B - Ward 25	1 Borehole Electrified and Installed with Electric Submersible Pump by 30 <sup>th</sup> June 2019	R 89 973	1 Borehole assessment completed.	R 89 972.51
Kwaggafontein C	Augmentation of Bulk Water Supply (Cluster 10 Boreholes) in Kwaggafontein C - Ward 26	1 Borehole Electrified and Installed with Electric Submersible Pump by 30 <sup>th</sup> June 2019	R 201 235	1 Borehole assessment completed.	R 25 335.00
Kwaggafontein D	Augmentation of Bulk Water Supply (Cluster 10 Boreholes) in Kwaggafontein D - Ward 31	1 Borehole Electrified and Installed with Electric Submersible Pump by 30 <sup>th</sup> June 2019	R 44 945	1 Borehole assessment completed.	R 25 335.00
Buhlebessizwe- Ward 9	Augmentation of Bulk Water Supply (Cluster 7 Boreholes) in Buhlebessizwe - Ward 9	1 Borehole Electrified and Installed with Electric Submersible Pump by 31 <sup>st</sup> March 2019.	R 0	Borehole assessment completed.	R 0



Verena C Ward 11	Augmentation of Bulk Water Supply (Cluster 8 Boreholes) in Verina C -- Ward 11	1 Borehole Electrified and Installed with Electric Submersible Pump by 30 June 2019	R 201 235	2X Boreholes assessment completed, Customer consumer box installed by Eskom	R 44 945.00
Mathysensloop Ward 7	Installation of boreholes at Mathysensloop Ward 7	1 Borehole Electrified and Installed with Electric Submersible Pump by 30 June 2019	R 701 350	Boreholes assessment completed, installation of borehole protection mechanism in progress.	R 141 138.26
Boekenhouthoek Ward 24	Installation of boreholes at Boekenhouthoek Ward 24	1 Borehole Electrified and Installed with Electric Submersible Pump by 30 June 2019	R 701 351	2xEskom application completed , 2x installation of borehole protection mechanism in progress	R 231 015.65
Sheldon Ward 14	Installation of boreholes at Sheldon Ward 14	1 Borehole Electrified and Installed with Electric Submersible Pump by 30 June 2019	R 701 351	2xEskom application completed , 2x installation of borehole protection mechanism in progress	R 492 275.22

Kwaggafontein A Ward 28	Installation of boreholes at Kwaggafontein A Ward 28	1 Borehole Electrified and Installed with Electric Submersible Pump by 30 June 2019	R 645 711	X 2 boreholes to be refurbished	R 639 119.34
Kwaggafontein A Ward 29	Installation of boreholes at Kwaggafontein A Ward 29	1 Borehole Electrified and Installed with Electric Submersible Pump by 30 June 2019	R 645 711	X 1 new borehole, X 1 refurbish borehole, installation of 63mm pipe line and application for Consumer box Completed	R 567 794.10
Kwaggafontein B Ward 25	Installation of boreholes at Kwaggafontein B Ward 25	1 Borehole Electrified and Installed with Electric Submersible Pump by 30 June 2019	R 645 711	SCM procurement of contractor not assigned	R0.00
Kwaggafontein C Ward 26	Installation of boreholes at Kwaggafontein C Ward 26	1 Borehole Electrified and Installed with Electric Submersible Pump by 30 June 2019	R 645 711	X 1 new borehole, X 1 refurbish borehole, installation 63mm pipeline and application for Consumer box Completed	R 387 898.02

Kwaggafontein D Ward 31	Installation of boreholes at Kwaggafontein D Ward 31	1 Borehole Electrified and Installed with Electric Submersible Pump by 30 June 2019	R 645 711	R 645 711	X 1 new borehole, X 1 refurbish borehole, Installation of 63mm pipe and application for Consumer box Completed	R 406 911.03
Kwaggafontein E Ward 31	Installation of boreholes at Kwaggafontein E Ward 31	1 Borehole Electrified and Installed with Electric Submersible Pump by 30 June 2019	R 645 711	R 645 711	X 1 refurbish borehole and application for Consumer box Completed	R 380 292.15
Verena A Ward 8	Installation of boreholes at Verena A Ward 8	1 Borehole Electrified and Installed with Electric Submersible Pump by 30 June 2019	R 645 711	R 645 711	X 1 new borehole, X 1 refurbish borehole, Installation of 63mm pipeline and application for Consumer box Completed	R 145 343.85
Bundu Ward 24	Installation of boreholes at Bundu Ward 24	2 Borehole Electrified and Installed with Electric Submersible Pump by 30 June 2019	R 1 503 124	R 1 503 124	Eskom application processed and Installation of Electric submersible pump, Boreholes Electrification in progress	R 1 199 901.19

Machipe Ward 24	Installation of boreholes at Machipe Ward 24	2 Borehole Electrified and Installed with Electric Submersible Pump by 30 June 2019	R 1 503 124	Eskom application progressed and installation of Electric submersible pump, Boreholes Electrification in progress	R 512 125,64
Rietfontein farm Ward 8	Installation of boreholes at Rietfontein farm Ward 8	2 Borehole Electrified and Installed with Electric Submersible Pump by 30 June 2019	R 1 503 124	Eskom application progressed and installation of Electric submersible pump, Boreholes Electrification in progress	R 752 161,94
Sieringkop farm Ward 32	Installation of boreholes at Sieringkop farm Ward 32	1 Borehole Electrified and Installed with Electric Submersible Pump by 30 June 2019	R 713 422	Installation of Electric submersible pump is complete.	R 450 271,21
Tweefontein C Ward 12	Installation of boreholes at Tweefontein C Ward 12	1 Borehole Electrified and Installed with Electric Submersible Pump by 30 June 2019	R 719 880	1 x Borehole assessment completed	R 261 413,31

Loopspruit Ward 32	Installation of boreholes at Loopspruit Ward 32	1 Borehole Electrified and Installed with Electric Submersible Pump by 30 June 2019	R 719 880	1 Borehole Hand Pump has been completed.	R 595 971.12
Tweefontein DK Ward 12	Installation of boreholes at Tweefontein DK Ward 12	1 Borehole Electrified and Installed with Electric Submersible Pump by 30 June 2019	R 713 422	1 x Borehole assessment completed, Borehole Hand Pump has been installed and completed.	R 253 054.21
Luthuli	1 Km of outfall sewer line constructed by 30 <sup>th</sup> June 2019	R 200 000	Compiling od Environmental impact Assessment in progress	R0.00	1 Km of outfall sewer line constructed by 30 <sup>th</sup> June 2019
Tweefontein K	Upgrading of Tweefontein K Waste Water Treatment Works		R 1 007 098	Environmental Impact Assessment Report in progress	R 975 580.52
Tweefontein G	Installation of High Mast Light in Tweefontein G – Ward 30	1 km of outfall sewer lines constructed by 30 <sup>th</sup> June 2019	R 558 975	2 High Mast Light installed	R 378 904.01
Tweefontein H	Installation of High Mast Light in Tweefontein H – Ward 30	2 High Mast Light installed by 30 <sup>th</sup> June 2019	R 558 975	X1 High mast installed	R 378 904.01
Tweefontein J	Installation of High Mast Light in Tweefontein J – Ward 9	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 369 539	X1 High mast installed	R 369 538.53

KwaMhlanga B	Installation of High Mast Light in KwaMhlanga B – Ward 32	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 328 714	X1 High mast installed	R 327 954,19
Mahlabathini	Installation of High Mast Light in Luthuli (Mahlabathini) – Ward 22	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 563 975	X1 High mast installed	R 327 954,19
Buhlebesizwe	Installation of High Mast Light in Buhlebesizwe RDP – Ward 16	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 369 690	X1 High mast installed	R 327 954,19
Thembalethu	Installation of High Mast Light in Thembalethu (Section 16) – Ward 5	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 537 975	X1 High mast installed	R 462 757,50
Phola Park	Installation of High Mast Light in Phola Park – Ward 6	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 566 975	X1 High mast installed	R 311 834,71
Msholozu Ward 4	Installation of High Mast Light in Msholozu – Ward 4	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 566 975	X1 High mast installed	R 369 689,71
Kwaggafontein A Ward 27	Installation of High Mast Light in Kwaggafontein A (Mgobeni) – Ward 27	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 568 975	X1 High mast installed	R 369 538,53
Moloto ( Section B 7)	Installation of High Mast Light in Moloto (Section B7) – Ward 3	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 471 975	X1 High mast installed	R 232 661,88
Loopspruit Farms Ward 32	Installation of High Mast Light in Loopspruit Farms – Ward 32	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 495 975	X1 High mast installed	R 290 716,88
Kwaggafontein C – Ward 26	Installation of High Mast Light in Kwaggafontein C – Ward 26	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 290 717	X1 High mast installed	R 290 716,88

Ntokozweni Ward 17	Installation of High Mast Light in Ntokozweni – Ward 17	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 537 975	X1 High mast installed	R 422 658.50
Mzimuhle Wa10	Installation of High Mast Light in Mzimuhle – Ward 10	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 537 975	X1 High mast installed	R 421 802.50
Kwaggafontein A Ward 28	Installation of High Mast Light in Kwaggafontein A (Spar Section) – Ward 28	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 167 813	X1 High mast installed	R 277 638.24
Kwaggafontein A Ward 28	Installation of High Mast Light in Kwaggafontein A (Corner Cafe) – Ward 28	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 492 975	X1 High mast installed	R 277 638.24
Vlakraagte Ward 21	Installation of High Mast Light in Vlakraagte No. 1 – Ward 21	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 167 813	X1 High mast installed	R 277 638.24
Vlakraagte Ward 21 (Paraffin Area)	Installation of High Mast Light in Vlakraagte No. 1 (Paraffin Area) – Ward 21	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 492 975	X1 High mast installed	R 245 343.24

Rietfontein Farms – Ward 8	Installation of High Mast Light in Rietfontein Farms – Ward 8	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 378 904	X1 High mast installed	R 378 904,01
Tweefontein K Ward 13	Installation of High Mast Light in Tweefontein K – Ward 13	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 563 975	X1 High mast installed	R 327 954,19
Doomnek Farms Ward 08	Installation of High Mast Light in Doomnek Farms – Ward 8	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 588 975	X1 High mast installed	R 387 711,71
Swartkoppies Farms Ward 10	Installation of High Mast Light in Swartkoppies Farms – Ward 10	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 588 975	X1 High mast installed	R 387 711,71
Phakama Section) – Ward 11	Installation of High Mast Light in Wovenkop (Phakama Section) – Ward 11	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 642 975	X1 High mast installed	R 439 818,48
Bundu (Marhogo Section – Ward 24	Installation of High Mast Light in Bundu (Marhogo Section) – Ward 24	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R 642 975	X1 High mast installed	R 439 818,48



Kwaggafontein C Ward 25	Installation of High Mast Light in Kwaggafontein C Ward 25	1 High Mast Light installed by 30 <sup>th</sup> June 2019	R300 000	X1 High mast installed	R 190,074.18
KwaMhlanga	Regraveling of internal Roads KwaMhlanga	2 Km of regravelled road Cleaned and handed over by 30 <sup>th</sup> September 2018	R 0	2 Km of regravelled road Cleaned and handed over	R0.00
Vlaklaagte No. 1	Regraveling of Internal Roads in Various Villages (Vlaklaagte No. 1 – Ward 21)	2 Km of regravelled road Cleaned and handed over by 30 <sup>th</sup> September 2018	R 0	2 Km of regravelled road Cleaned and handed over	R0.00
Luthuli	Designs and Construction of Luthuli Link Road - Ward 22	0.35 km's of road surfaced by 30 <sup>th</sup> June 2019	R 1 472 837	Construction of 0.35 km's of surfaced road, installation of culverts and rehabilitation of Bridge in progress	R 272 837.30
Sun City AA	Designs for Construction of Sun City AA Bus Route - Ward 20 (Designs only)	1 Detailed design for Sun City AA Bus Route by 31 <sup>st</sup> March 2019	R 280 330	1 Detailed design for Sun City AA Bus Route	R 224 728.26
Chris Hani	Construction of Chris Hani Bus Route - Ward 18	1 Detailed design for Chris Hani Bus Route by 31 <sup>st</sup> March 2019	R 265 000	1 Detailed design for Chris Hani Bus Route	R277 445.65

Kwamhlanga B	Construction of Kwamhlanga B Link Road - Ward 32	1 Detailed designs for Kwamhlanga B Link Road by 31 <sup>st</sup> March 2019	R 280 000	1 Detailed designs for Kwamhlanga B Link Road	R 250 045.65
Moloto North	Construction of Moloto North Bus Route - Ward 2	1 Detailed design for Moloto North Bus Route by the 31 <sup>st</sup> March 2019	R 338 750	1 Detailed design for Moloto North Bus Route 3	R 292 622.61
Kwaggafontein C	Upgrading of Kwaggafontein Land fill site	1 Landfill site upgraded by 30 <sup>th</sup> June 2019	R 21 930 694	Upgrade of landfill site in progress	R 23 548 549.40
Kwaggafontein C	Upgrading of Kwaggafontein stadium (Ward 26)	1 football pitch installed with artificial grass by 30 <sup>th</sup> June 2019	R 200 000	Re-Assessment of Existing Designs in progress	R0.00
Phumula	Construction of Multi-Purpose Centre in Phumula	1 Multi-Purpose Centre constructed in Phumula by 31 <sup>st</sup> December 2018.	R 250 000	0	R0.00

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**APPENDIX O - SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION**

For current financial year there is no service backlogs experienced by the community whereby another sphere of government is responsible for service provision. however the municipality has collected priority needs information from the community during Public Participation meeting.

VOLUME II: AUDITED ANNUAL  
FINANCIAL STATEMENTS (ANNEXURE  
A)



**THEMBISILE HANI LOCAL MUNICIPALITY**  
Annual Financial Statements  
for the year ended 30 June 2019

Approved by the Council of the Municipality on 2019-06-27  
Signed: \_\_\_\_\_  
Date: \_\_\_\_\_  
Accountant-General of the Municipality

## THEMBISILE HANI LOCAL MUNICIPALITY

Annual Financial Statements for the ended 30 June 2019

### General Information

#### Mayoral committee

Executive Mayor

Speaker

Chief whip

Members of Executive Committee

Councillors

Cllr Mtsweni Nomso Sanny  
Cllr Mabena Thomas Lebantla  
Cllr Hope Nompumelelo Evidence (Resigned)  
Cllr Tau Joyce Johanna  
Cllr Tshabangu Lillian Martha  
Cllr Mtweni Xolani Lucky  
Cllr Msiza Maria Poppy  
Cllr Makhwintg Theletji James  
Cllr Phakathi Nomasono Emmah  
Cllr Mahlangu Amos  
Cllr Mampuru Dipolelo Sinah  
Cllr Makatu Pheneus Doctor  
Cllr Motena Mitopia Andries  
Cllr Ngoma Spho Kooa  
Cllr Jiyane Koos Vusi  
Cllr Mahlangu Moses Michael  
Cllr Mabena Mbebenzi Ban (Deceased)  
Cllr Mthimunya Joseph Elias  
Cllr Nobela Maria Truddy  
Cllr Mntsi Sgaule Timothy  
Cllr Masango Spho  
Cllr Mahlangu Chriatinah Nolelehe  
Cllr Malza James Simasuu  
Cllr Madyungu Alexcious Sphiwe  
Cllr Mahlangu Josephinah Lindwe  
Cllr Mogoboya Samuel Bongani  
Cllr Skosana Mzwandile Obed  
Cllr Mesango Seiswe Jack  
Cllr Mnguni Maria Qhubeni  
Cllr Ngoma Norman  
Cllr Malefo Nimrod Boitumelo  
Cllr Mabi Bongani Victor  
Cllr Fakude Dumisani Chrescent  
Cllr Mahlangu Jan Sizwe  
Cllr Nduli Masotja Petrus  
Cllr Skosana Dini Samson  
Cllr Msiza Khuliso April  
Cllr Mahlangu Patrick Vusi  
Cllr Mahlangu Gideon  
Cllr Skosana Vusumuzi Vincent  
Cllr Mabelwane Oria Mpheto  
Cllr Mashinini Thabalele Elsie  
Cllr Mathibela Emelinah Mavis  
Cllr Skosana Lindiwe Thembu  
Cllr Motanyane Thokozi Egnas  
Cllr Jiyane Laze Elsie  
Cllr Msiza Marcia  
Cllr Maseko Zanele  
Cllr Nhlapho Sonto Rose



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## THEMBISILE HANI LOCAL MUNICIPALITY

Annual Financial Statements for the ended 30 June 2019

### General Information

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<b>Audit committee members</b>	
Chairperson	Mrs FJ Mudeu
Members	Mr L Langalibalele Ms J Masite Mr M Mathabathe Mr J Modiga
<b>Grading of local authority</b>	Grade 4
<b>Accounting Officer</b>	Mr ON Nkosi
<b>Chief Finance Officer (CFO)</b>	Ms JG Mahlangu
<b>Business address</b>	24 Kwaggafontein C Kwaggafontein 3100
<b>Postal address</b>	Private Bag X4041 Empumalanga 0458
<b>Bankers</b>	Nedbank
<b>Auditors</b>	AGSA - Mpumalanga
<b>Telephone number</b>	013 986 9100
<b>Fax number</b>	013 986 0895
<b>Web</b>	<a href="http://www.thembisilehaniim.gov.za">www.thembisilehaniim.gov.za</a>



## THEMBISILE HANI LOCAL MUNICIPALITY

Annual Financial Statements for the ended 30 June 2019

### Index

The reports and statements set out below comprise the annual financial statements presented to the provincial legislature.

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COID	Compensation for Occupational Injuries and Diseases
CRR	Capital Replacement Reserve
DBSA	Development Bank of South Africa
SA GAAP	South African Statements of Generally Accepted Accounting Practice
GRAP	Generally Recognised Accounting Practice
HDF	Housing Development Fund
IAS	International Accounting Standards
CIGFARO	Chartered Institute of Government Finance, Audit and Risk Officers
IPSAS	International Public Sector Accounting Standards
ME's	Municipal Entities
MEC	Member of the Executive Council
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant (Previously CMIP)
FMG	Finance Municipal Grant
EPWP	Expanded Public Works Program Grant
PSI	Product, Sales and Inventory
PBO	Projected Benefit Obligation

## THEMBISILE HANI LOCAL MUNICIPALITY

Annual Financial Statements for the ended 30 June 2019

### Accounting Officer's Responsibilities and Approval

The accounting officer is required by the Municipal Finance Management Act (Act 56 of 2003), to maintain adequate accounting records and is responsible for the content and integrity of the financial statements and related financial information included in this report. It is the responsibility of the accounting officer to ensure that the financial statements fairly present the state of affairs of the municipality as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the financial statements and was given unrestricted access to all financial records and related data.

The financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The accounting officer acknowledges that he is ultimately responsible for the system of internal financial control established by the municipality and place considerable importance on maintaining a strong control environment. To enable the accounting officer to meet these responsibilities, the accounting officer sets standards for internal control aimed at reducing the risk of error or deficit in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the municipality and all employees are required to maintain the highest ethical standards in ensuring the municipality's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the municipality is on identifying, assessing, managing and monitoring all known forms of risk across the municipality. While operating risk cannot be fully eliminated, the municipality endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The accounting officer is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

The financial statements set out on pages 10 to 81, which have been prepared on the going concern basis, were approved by the accounting officer on 30 June 2019 and were signed on its behalf by:

  
C. G. Mkhosi  
Accounting Officer

## THEMBISILE HANI LOCAL MUNICIPALITY

Annual Financial Statements for the ended 30 June 2019

### Report of the Audit and Performance Committee

#### ANNUAL REPORT OF THE AUDIT AND PERFORMANCE COMMITTEE (REPORT FROM THE ACTING CHAIR OF AUDIT AND PERFORMANCE COMMITTEE)

We are pleased to submit the report of the Audit Committee for the year ended 30 June 2019

##### 1. Background

Thembisile Hani Local Municipality amongst other local municipalities is under Nkangala District Shared audit and performance committee. The Audit committee was established in terms of section 166 of the Municipal Finance Management Act (MFMA), Act 56 of 2003. The Audit committee has adopted its terms of reference.

##### Statutory requirements

Section 166 of the MFMA stipulates that each municipality must establish an Audit committee.

The Audit committee is an independent advisory body that advises council, political office bearers, accounting officer, and the staff of the municipality on the following

- \* Internal financial control and internal audit,
- \* Risk management;
- \* Accounting policies
- \* The adequacy, reliability and accuracy of financial reporting and information;
- \* Performance management;
- \* Compliance with the MFMA, the Division of Revenue Act (DORA) and any other applicable legislation.
- \* Performance evaluation
- \* Any other issues referred to it by the municipality;
- \* Review annual financial statements so as to provide authoritative and credible view of the financial position, on overall compliance with MFMA, DORA, ect
- \* Respond to Council on any matter raised by the Auditor- General (AGSA); and
- \* Carry out such investigation into financial affairs of the municipality as may be prescribed

##### 2. Attendance of meetings

Name of the member	Ordinary meetings	Performance meetings	Total	Attendance
Mrs. FJ Muda (Chairperson)	4	4	8	7
Mr. L Langalobalele (Member)	4	4	8	6
Mr. M Mathabathe (Member)	4	4	8	7
Ms J Masite (Member)	4	4	8	6
Mr. J Modiga (Member)	4	4	8	7

## THEMBISILE HANI LOCAL MUNICIPALITY

Annual Financial Statements for the ended 30 June 2019

### Report of the Audit and Performance Committee

The following although not members of the Audit and Performance Committee, have standing invitation to Audit and Performance committee meetings.

- The Accounting Officer;
- The Chief Financial Officer;
- The chairperson of the Risk committee
- The Section 56 Managers/Departmental Heads
- Chief Risk Officer
- The Auditor- General
- The National Treasury
- Mpumalanga Provincial Treasury
- Internal Audit (Secretariat function)

#### 3. Internal Audit

The internal audit of Thembeisile Hani Local Municipality is in-house and has discharge its mandate in terms of its charter and managed to execute all projects for 2018/19 financial year. The Audit and Performance Committee would like to commend the Council and management for the dedication in strengthening the Corporate Governance.

The Audit and Performance Committee is of the opinion that Internal Audit unit is operating effectively to meet its mandate and has considered the risk pertinent to the municipality in its audit plans. The following documents were approved by the Audit Committee and performance committee and recommended to Council for adoption

- Internal Audit charter
- Internal Audit methodology
- Three year rolling strategic and Annual Audit Plan
- Combined Assurance framework

The following projects of Thembeisile Hani Local Municipality were implemented by Nkangala District Municipality:

- Supply Chain Management Audit (SCM)
- Information, Communication and Technology (ICT)

#### 4. Effectiveness of internal controls

The system of internal control was not entirely effective during the year under review as compliance with prescribed policies and procedures were lacking in certain instances and this was evident with the investigation of irregular expenditure that was conducted by the Council during the year under review.

The following internal audit reports are among others that were presented to the Audit Committee

- Audit of quarterly performance information;
- Compliance;
- Audit of draft annual financial statements;
- Follow up fleet management audit;
- Follow up LED;

**THEMBISILE HANI LOCAL MUNICIPALITY**  
Annual Financial Statements for the ended 30 June 2019

**Report of the Audit and Performance Committee**

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- \* Follow up labour;
- \* Safety and Security.
- \* Recruitment, skills audit
- \* Follow up land and housing
- \* Risk Management
- \* Review of interim financial statement
- \* Follow up water and sanitation audit
- \* Revenue management audit
- \* SCM audit (NDM)
- \* Roads and Electricity audit
- \* Assets Management audit
- \* ICT audit (NDM)

Approved  
by the  
Audit and  
Performance  
Committee  
on 2019-08-29

There has been improvement by management in responding to internal audit reports and this can be attributed to measures that have been implemented by the Accounting officer. Audit committee has also urged management to draw up action plan to address issues raised by the Auditor- General in the management letters and audit report and to ensure that all matters raised by the Auditor General are resolved by Management.

**5. Risk Management**

The municipality has an effective risk unit that consist of two staff members and Risk management, anti-fraud and anti-corruption committee that is chaired by the chairperson of Risk management, anti-fraud and anti-corruption.

Four (4) risk committee meetings were held for the year under review

The following policies were reviewed

- \* Risk Management strategy
- \* Risk Management policy
- \* Whistle blowing policy
- \* Fraud Prevention Plan and Fraud Prevention policy
- \* Risk Management Anti-corruption and Anti-fraud risk charters
- \* Fraud prevention plan and fraud prevention policy
- \* Risk appetite and Tolerance Frame work
- \* Gift Policy

**6. Performance Management**

The Audit committee has reviewed the Annual Performance Information report in the meeting held on the 29 August 2019 and further noted that the overall institutional performance has declined from the previous year institutional performance of 2017/18.

**THEMBISILE HANI LOCAL MUNICIPALITY**  
Annual Financial Statements for the ended 30 June 2019

**Report of the Audit and Performance Committee**

**7. Evaluation of draft annual financial statements**

The Audit and Performance Committee, on its meeting held on the 29 August 2019 to discuss the draft annual financial statements and unaudited annual report with the Management at large, before submitting to the Auditor General.

The Audit committee wishes to indicate that it performed a review on the draft financial statements focusing among others:

- Significant financial reporting adjustments and estimates contained in the Annual Financial Statements
- Alignment of Closing and Opening balances
- Clarity and completeness of disclosures has been set properly
- Quality and acceptability of and any changes in accounting policies and practice.
- Significant adjustments arising from the audit
- Reasons for major year to year fluctuations

The Audit and Performance Committee encourages management to consider inputs made during its review to ensure complete, reliable and accurate reporting

**8. Conclusion**

The Audit and Performance Committee acknowledges the co-operation and assistance by the Nkangata District Municipality for coordinating the activities of the Committee. We also acknowledge the commitment of the Accounting Officer and management of Thembeisile Hani Municipality in strengthening corporate governance.

The Audit and Performance Committee further acknowledges the commitment and the foundation on good governance that has been laid by Honorable Executive mayor Councilor N Mtswani her Council and further express gratitude to the Chief Audit Executive, Mr. A Malope and his staff for the support and commitment to the work of the Audit and Performance Committee. The Chairperson of the Audit and performance committee remain confident that all matters that have been raised by the Internal Audit and Auditor General are receiving due consideration and intervention. We are committed to fully execute our oversight function to strengthening corporate governance.



Mr. F Mudau  
Chairperson of Audit committee

30/08/2019

Date

**THEMBISILE HANI LOCAL MUNICIPALITY**  
Annual Financial Statements for the ended 30 June 2019

**Accounting Officer's Report**

The accounting officer submits his report for the ended 30 June 2019.

**1. Introduction**

The Accounting officer is required in terms of section 126(1)(a) to prepare annual financial statements of the municipality and, within two months after the end of the financial year to which those financial statements relate, submit to the Auditor General for auditing purposes.

This report seeks to provide a high level overview of the key highlights of issues contained in this set of financial statements. It will reflect high level challenges that have had an impact on the preparation of the statements and also provide high level remedial action taken to address those challenges.

**2. Review of activities**

**Main business and operations**

The operating results and state of affairs of the municipality are fully set out in the attached annual financial statements.

Net surplus of the municipality was R 16 501 400 (2018: surplus R 81 136 662)

The process of preparing for the submission of the AFS that relates to the 2018-2019 financial year that ended on the 30th of June 2018, began in earnest immediately after the receipt of the Auditor's General's report that relates to the financial year that ended on the 30th of June 2018. The municipality was able to prepare an Audit Action Plan that was used to have a plan of action to address issues raised by the AG in the previous audit, such that they don't recur in the following financial year where possible. This Audit Action Plan was used as a monitoring tool by management and it was reviewed on a monthly basis.

The municipality was also able to prepare a set of interim financial statements in February 2019. Management also established a committee that dealt with all matters incidental to preparation of a credible set of financial statements and to also deal with preliminary issues that could affect the 30 June 2019 financial statements. This committee had a schedule of meetings that required it to meet and it was chaired by the MM or the Acting CFO.

The accounting officer was able to submit a set of draft financial statements to the Internal Auditor and the Audit Committee by the 27th August 2019 for review by the Audit Committee and the internal assurance providers before submission to the AG.

The execution of these activities required to be driven by an appointed CFO who should have been advising the Accounting Officer on these and other financially related activities required by the MFMA. It is common course that the municipality has operated without a full time CFO since the end of October 2017 following the resignation of the previous CFO who has been with the municipality for a period less than two years as well. The instability in this critical post has made it even more difficult to ensure a smooth process towards the preparation and the submission of the AFS.

Council took a resolution and appoint a permanent CFO by the 1st May 2019.

**3. Going concern**

We draw attention to the fact that at 30 June 2019, the municipality had an accumulated surplus of R 1 867 490 628.

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

**4. Subsequent events**

The accounting officer is not aware of any matter or circumstance arising since the end of the financial year.

**5. Accounting policies**

The annual financial statements prepared in accordance with the South African Statements of Generally Accepted Accounting Practice (GAAP), including any interpretations of such Statements issued by the Accounting Practices Board, and in accordance with the prescribed Standards of Generally Recognised Accounting Practices (GRAP) issued by the Accounting Standards Board as the prescribed framework by National Treasury.

**THEMBISILE HANI LOCAL MUNICIPALITY**  
Annual Financial Statements for the ended 30 June 2019

**Accounting Officer's Report**

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**6. Accounting Officer**

The accounting officer of the municipality during the and to the date of this report is as follows:

Name	Nationality
Mr Oscar Nkosi	South Africa



**THEMBISILE HANI LOCAL MUNICIPALITY**

Annual Financial Statements for the ended 30 June 2019

**Statement of Financial Position as at 30 June 2019**

Figures in Rand		2019	2018 Restated*
<b>Assets</b>			
<b>Current Assets</b>			
Inventories	6	51 173 203	56 262 714
Receivables from exchange transactions	7&10	8 731 489	34 661 354
Receivables from non-exchange transactions	8&10	3 526 559	13 102 634
VAT receivable	9	3 567 975	14 875 546
Cash and cash equivalents	11	94 283 345	56 774 813
		<u>161 282 581</u>	<u>175 697 061</u>
<b>Non-Current Assets</b>			
Property, plant and equipment	3	1 974 439 576	1 882 170 808
Intangible assets	4	1 078 085	1 078 085
		<u>1 975 517 661</u>	<u>1 883 248 893</u>
<b>Total Assets</b>		<u>2 136 800 242</u>	<u>2 058 945 954</u>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Finance lease obligation	12	4 127 384	-
Payables from exchange transactions	15	61 708 026	47 667 204
Unspent conditional grants and receipts	13	17 542 483	-
Provisions	14	3 261 618	2 889 460
Employee benefit obligation - current portion	5	284 000	607 000
		<u>86 923 511</u>	<u>51 163 664</u>
<b>Non-Current Liabilities</b>			
Finance lease obligation	12	7 976 305	-
Employee benefit obligation	5	8 536 000	7 396 000
Provisions	14	21 791 817	19 373 024
Non-current portion of payables from exchange transactions	15	44 081 971	38 703 585
		<u>82 386 093</u>	<u>65 472 609</u>
<b>Total Liabilities</b>		<u>169 309 604</u>	<u>116 636 273</u>
<b>Net Assets</b>		<u>1 967 490 638</u>	<u>1 942 309 681</u>
Accumulated surplus		1 967 490 628	1 942 309 681

\* See Note 43 & 42

**THEMBISILE HANI LOCAL MUNICIPALITY**  
Annual Financial Statements for the ended 30 June 2019

**Statement of Financial Performance**

Figures in Rand		2019	2018 Restated*
<b>Revenue</b>			
<b>Revenue from exchange transactions</b>			
Service charges			
Rental of facilities and equipment	17	82 794 583	131 968 406
Other income	18	1 060 424	1 024 062
Interest received	21	2 234 216	1 803 473
Gain on non-current assets held for sale or disposal groups	22	50 763 103	55 810 499
<b>Total revenue from exchange transactions</b>		<b>20 755</b>	<b>-</b>
<b>Revenue from non-exchange transactions</b>		<b>148 883 081</b>	<b>180 626 442</b>
<b>Taxation revenue</b>			
Property rates	23	42 287 013	42 764 437
<b>Transfer revenue</b>			
Government grants & subsidies			
Licences and permits	24	538 709 517	524 299 000
Donations received	25	8 196 388	2 664 713
Fines, Penalties and Forfeits	26	7 286 549	48 414 065
<b>Total revenue from non-exchange transactions</b>	19	<b>17 610 850</b>	<b>6 205 490</b>
<b>Total revenue</b>	16	<b>614 090 417</b>	<b>624 347 736</b>
<b>Expenditure</b>			
Employee related costs			
Remuneration of councillors	27	(131 696 525)	(117 171 484)
Depreciation and amortisation	28	(24 177 683)	(23 401 130)
Finance costs	29	(70 798 079)	(88 118 327)
Lease rentals on operating lease	30	(491 953)	(488)
Debt impairment	20	(921 614)	(1 626 984)
Bulk purchases	31	(224 532 658)	(96 400 322)
Prescription: Consumer debtors written off	34	(142 087 317)	(143 761 013)
Inventories losses/write-downs	33	-	(135 439 513)
Gain/(Loss) on non-current assets held for sale or disposal groups		(197 222)	-
Amnesty: Consumer debtors written off		(20 755)	(281 219)
General Expenses	32	(4 434 561)	(1 925 673)
<b>Total expenditure</b>	35	<b>(145 134 586)</b>	<b>(127 713 384)</b>
<b>Surplus for the</b>		<b>(744 592 863)</b>	<b>(733 837 616)</b>
		<b>16 480 645</b>	<b>81 136 862</b>

\* See Note 43 & 42

**THEMBISILE HANI LOCAL MUNICIPALITY**  
Annual Financial Statements for the ended 30 June 2019

**Statement of Changes in Net Assets**

Figures in Rand	Share capital / contributed capital	Accumulated surplus	Total net assets
<b>Balance at 01 July 2017</b>	<b>207 577 507</b>	<b>1 667 316 270</b>	<b>1 864 892 777</b>
<b>Changes in net assets</b>			
Surplus for the	-	81 136 662	81 136 662
Receivables from non-exchange transactions	-	(1 417 950)	(1 417 950)
Payables from exchange transactions	-	6 630	6 630
Revaluation reserve write back	(207 577 507)	207 577 507	-
Inventory Land held for sale	-	3 742 297	3 742 297
PPE	-	(6 203 552)	(6 203 552)
Cash and bank - Interest	-	152 817	152 817
<b>Total changes</b>	-	<b>284 994 411</b>	<b>284 994 411</b>
<b>Restated* Balance at 01 July 2016</b>	-	<b>1 942 309 681</b>	<b>1 942 309 681</b>
<b>Changes in net assets</b>			
Surplus for the	-	16 480 645	16 480 645
VAT - Output (Cash basis vs accrual basis)	-	11 718 632	11 718 632
Payables from exchange transactions licence fees	-	(1 244 632)	(1 244 632)
Receivables from non- exchange transactions	-	(1 773 698)	(1 773 698)
<b>Total changes</b>	-	<b>25 180 947</b>	<b>25 180 947</b>
<b>Balance at 30 June 2018</b>	-	<b>1 967 490 628</b>	<b>1 967 490 628</b>
Note(s)		42&43	

\* See Note 43 & 42

**THEMBISILE HANI LOCAL MUNICIPALITY**  
Annual Financial Statements for the ended 30 June 2019

**Cash Flow Statement**

Figures in Rand		2019	2018 Restated*
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
VAT refund			
Sale of goods and services		54 037 180	43 122 993
Grants		11 287 719	10 871 244
Interest income		538 709 617	524 289 000
Other receipts		6 248 433	8 442 204
		9 747 558	11 893 266
		<u>620 030 407</u>	<u>598 428 697</u>
<b>Payments</b>			
Employee costs			
Suppliers		(156 508 950)	(131 722 376)
Finance costs		(281 302 985)	(287 428 873)
		(133 933)	(488)
		<u>(417 946 868)</u>	<u>(429 151 735)</u>
<b>Net cash flows from operating activities</b>	37	<u>202 083 539</u>	<u>169 276 962</u>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment			
Proceeds from sale of property, plant and equipment	3	(164 849 725)	(182 088 525)
<b>Net cash flows from investing activities</b>	3	<u>374 718</u>	<u>-</u>
		<u>(164 575 007)</u>	<u>(182 088 525)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<u>37 508 532</u>	<u>(12 811 563)</u>
<b>Cash and cash equivalents at the beginning of the year</b>		<u>58 774 813</u>	<u>69 586 376</u>
<b>Cash and cash equivalents at the end of the year</b>	11	<u>94 283 345</u>	<u>66 774 813</u>

\* See Note 43 & 42

**THEMBISILE HANI LOCAL MUNICIPALITY**  
Annual Financial Statements for the ended 30 June 2019

**Statement of Comparison of Budget and Actual Amounts**

Budget on Cash Basis

Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
<b>Statement of Financial Performance</b>						
Revenue						
Revenue from exchange transactions	155 114 159	14 761 841	169 876 000	92 794 583	(77 071 417)	The difference on the service charges was caused by the free basic water which was debited against the Service Charges
Service charges						More revenue was collected than anticipated because more users rented the facilities
Rental of facilities and equipment	487 955	457 599	945 554	1 080 424	124 870	Less revenue was anticipated because of non payment of services by consumers
Other income - (refup)	1 637 370	(62 370)	1 575 000	2 234 216	659 216	More money was invested with intermediaries than anticipated and also more interest were charged on consumer account because of less payment made on accounts
Interest received	42 813 663	5 939 907	48 753 570	50 763 103	2 009 533	
<b>Total revenue from exchange transactions</b>	<b>200 063 147</b>	<b>21 096 977</b>	<b>221 160 124</b>	<b>148 672 326</b>	<b>(74 277 798)</b>	

**THEMBISILE HANI LOCAL MUNICIPALITY**  
Annual Financial Statements for the ended 30 June 2019

**Statement of Comparison of Budget and Actual Amounts**  
Budget on Cash Basis

Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
<b>Revenue from non-exchange transactions</b>						
Taxation revenue						
Property rates	44 482 339	(30 945 073)	13 537 266	42 287 013	28 739 747	More revenue was collected than anticipated because of the correction done on the consumers accounts and also there was a retrospective billing which turn on those consumers accounts.
<b>Transfer revenue</b>						
Government grants & subsidies	538 752 000	17 500 004	556 252 004	538 709 517	(17 542 487)	(Less grant was spent than received under WSIG and there is a roll-over application and NT
<b>Licences and permits</b>						
	-	3 131 000	3 131 000	8 198 388	5 065 388	More revenue was anticipated on licences and permits because of more renewal of licences and permits by the business owners
<b>Donations received</b>						
Fines, Penalties and Forfeits	79 880 568	(63 127 480)	16 753 088	7 286 548	7 266 549	Less revenue was collected than anticipated because less tickets were issued by traffic officer than anticipated.
				17 810 950	1 057 842	
<b>Total revenue from non-exchange transactions</b>	662 324 907	(73 441 529)	588 883 378	614 090 417	24 907 038	
<b>Total revenue</b>	862 978 064	(62 344 522)	800 633 542	760 862 743	(49 670 799)	

**THEMBISILE HANI LOCAL MUNICIPALITY**

Annual Financial Statements for the ended 30 June 2019

**Statement of Comparison of Budget and Actual Amounts**

Budget on Cash Basis

Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
<b>Expenditure</b>						
Personnel	(153 357 435)	13 240 435	(140 117 000)	(131 696 525)	8 420 475	Less payments on salaries were made because of vacant posts which were not filled and also because of the alignment of Sage VIP and Munsoft System and Munsoft System was less than the actual because the projected increase was more than the budgeted amount.
Remuneration of councillors	(26 875 896)	633 896	(26 242 000)	(24 177 583)	2 064 417	More depreciation was incurred than anticipated because of more prior year error corrections done
Depreciation and amortisation	(180 345 138)	-	(180 345 138)	(70 798 079)	109 547 059	Due to the late payment of creditors
Finance costs				(491 953)	(491 953)	Late signing of lease rental on operating lease resulted to the less expenditure
Lease rentals on operating lease	(954 496)	(2 256 111)	(3 210 607)	(921 614)	2 288 996	
Debt Impairment	(225 598 500)	31 619 200	(193 979 300)	(224 532 658)	(30 563 358)	
Bulk purchases	(127 673 404)	(9 344 002)	(137 017 406)	(142 087 317)	(5 079 911)	

**THEMBISILE HANI LOCAL MUNICIPALITY**  
Annual Financial Statements for the ended 30 June 2019

**Statement of Comparison of Budget and Actual Amounts**

Budget on Cash Basis

Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
General Expenses	(211 807 501)	(53 199 115)	(266 006 616)	(145 134 586)	119 872 030	Less expenditure incurred than anticipated because commitments and payments were made than budgeted and also less revenue was collected and resulted to reduction of expenditure
<b>Total expenditure</b>	<b>(926 602 372)</b>	<b>(19 306 897)</b>	<b>(945 909 269)</b>	<b>(739 890 316)</b>	<b>206 057 764</b>	
Operating surplus		(63 624 318)	(71 880 249)	(136 274 667)	21 112 428	154 388 896
Inventories losses/write-downs					(197 222)	(197 222)
Gain on non-current assets held for sale or disposal groups					20 766	20 766
Surplus before taxation	(63 624 318)	(71 650 249)	(135 274 567)	20 935 961	166 210 628	(178 467)
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	(63 624 318)	(71 650 249)	(135 274 567)	20 935 961	166 210 628	-



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## THEMBISILE HANI LOCAL MUNICIPALITY

Annual Financial Statements for the ended 30 June 2019

### Accounting Policies

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#### 1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 122(3) of the Municipal Finance Management Act (Act 56 of 2003).

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these annual financial statements, are disclosed below.

These accounting policies are consistent with the previous period.

##### 1.1 Presentation currency

These annual financial statements are presented in South African Rand, which is the functional currency of the municipality.

##### 1.2 Going concern assumption

These annual financial statements have been prepared based on the expectation that the municipality will continue to operate as a going concern for at least the next 12 months.

##### 1.3 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include:

###### Trade receivables / Held to maturity investments and/or loans and receivables

The municipality assesses its trade receivables, held to maturity investments and loans and receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit, the surplus makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

The impairment for trade receivables, held to maturity investments and loans and receivables is calculated on a portfolio basis, based on historical loss ratios, adjusted for national and industry-specific economic conditions and other indicators present at the reporting date that correlate with defaults on the portfolio. These annual loss ratios are applied to loan balances in the portfolio and scaled to the estimated loss emergence period.

###### Available-for-sale financial assets

The municipality follows the guidance of IAS 39 to determine when an available-for-sale financial asset is impaired. This determination requires significant judgment. In making this judgment, the municipality evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost, and the financial health of and near-term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flow.

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**Accounting Policies**

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**Fair value estimation**

The fair value of financial instruments traded in active markets (such as trading and available-for-sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the municipality is the current bid price.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. The municipality uses a variety of methods and makes assumptions that are based on market conditions existing at the end of each reporting period. Quoted market prices or dealer quotes for similar instruments are used for long-term debt. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward foreign exchange contracts is determined using quoted forward exchange rates at the end of the reporting period.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the municipality for similar financial instruments.

**Impairment testing**

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions. It is reasonably possible that the (name a key assumption) assumption may change which may then impact our estimations and may then require a material adjustment to the carrying value of goodwill and tangible assets.

The municipality reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. In addition, goodwill is tested on an annual basis for impairment. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of goodwill and tangible assets are inherently uncertain and could materially change over time. They are significantly affected by a number of factors including (list entity specific variables, i.e. production estimates, supply demand), together with economic factors such as (list economic factors such as exchange rates inflation interest).

**Provisions**

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note 14 - Provisions

**Contingencies**

Contingencies recognised in the current required estimates and judgments, refer to note 40 on entity combinations.

**Useful lives of waste and water network and other assets**

The municipality's management determines the estimated useful lives and related depreciation charges for the waste water and water networks. This estimate is based on industry norm. Management will increase the depreciation charge where useful lives are less than previously estimated useful lives.

**Effective interest rate**

The municipality used the prime interest rate to discount future cash flows.

**Allowance for doubtful debts**

On debtors an impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the debtors carrying amount and the present value of estimated future cash flows discounted at the effective interest rate, computed at initial recognition.

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### Accounting Policies

#### 1.4 Property, plant and equipment

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one period.

The cost of an item of property, plant and equipment is recognised as an asset when

- it is probable that future economic benefits or service potential associated with the item will flow to the municipality, and
- the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, its deemed cost is the carrying amount of the asset(s) given up.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment, where the entity is obligated to incur such expenditure, and where the obligation arises as a result of acquiring the asset or using it for purposes other than the production of inventories.

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Items such as spare parts, standby equipment and servicing equipment are recognised when they meet the definition of property, plant and equipment.

Major inspection costs which are a condition of continuing use of an item of property, plant and equipment and which meet the recognition criteria above are included as a replacement in the cost of the item of property, plant and equipment. Any remaining inspection costs from the previous inspection are derecognised.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses except for X,X and X which is carried at revalued amount being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Property, plant and equipment is carried at revalued amount, being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Revaluations are made with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

When an item of property, plant and equipment is revalued, any accumulated depreciation at the date of the revaluation is restated proportionately with the change in the gross carrying amount of the asset so that the carrying amount of the asset after revaluation equals its revalued amount.

When an item of property, plant and equipment is revalued, any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

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Any increase in an asset's carrying amount, as a result of a revaluation, is credited directly to a revaluation surplus. The increase is recognised in surplus or deficit to the extent that it reverses a revaluation decrease of the same asset previously recognised in surplus or deficit.

Any decrease in an asset's carrying amount, as a result of a revaluation, is recognised in surplus or deficit in the current period. The decrease is debited directly to a revaluation surplus to the extent of any credit balance existing in the revaluation surplus in respect of that asset.

The revaluation surplus in equity related to a specific item of property, plant and equipment is transferred directly to retained earnings when the asset is derecognised.

The revaluation surplus in equity related to a specific item of property, plant and equipment is transferred directly to retained earnings as the asset is used. The amount transferred is equal to the difference between depreciation based on the revalued carrying amount and depreciation based on the original cost of the asset.

Property, plant and equipment are depreciated on the straight line basis over their expected useful lives to their estimated residual value.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Property, plant and equipment is carried at revalued amount, being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are made with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

Any increase in an asset's carrying amount, as a result of a revaluation, is credited directly to a revaluation surplus. The increase is recognised in surplus or deficit to the extent that it reverses a revaluation decrease of the same asset previously recognised in surplus or deficit.

Any decrease in an asset's carrying amount, as a result of a revaluation, is recognised in surplus or deficit in the current period. The decrease is debited in revaluation surplus to the extent of any credit balance existing in the revaluation surplus in respect of that asset.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Land		
Buildings	Straight line	Indefinite
Furniture and fixtures	Straight line	50 years
Motor vehicles	Straight line	3-5 years
Office equipment	Straight line	5-15 years
IT equipment	Straight line	3-5 years
	Straight line	3-5 years

The depreciable amount of an asset is allocated on a systematic basis over its useful life

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation method used reflects the pattern in which the asset's future economic benefits or service potential are expected to be consumed by the municipality. The depreciation method applied to an asset is reviewed at least at each reporting date and, if there has been a significant change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate.

The municipality assesses at each reporting date whether there is any indication that the municipality expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists the municipality revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset

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### Accounting Policies

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

Assets which the municipality holds for rentals to others and subsequently routinely sell as part of the ordinary course of activities, are transferred to inventories when the rentals end and the assets are available-for-sale. Proceeds from sales of these assets are recognised as revenue. All cash flows on these assets are included in cash flows from operating activities in the cash flow statement.

The municipality separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the financial statements (see note ).

The municipality discloses relevant information relating to assets under construction or development, in the notes to the financial statements (see note ).

#### 1.5 Site restoration and dismantling cost

The municipality has an obligation to dismantle, remove and restore items of property, plant and equipment. Such obligations are referred to as 'decommissioning, restoration and similar liabilities'. The cost of an item of property, plant and equipment includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which a municipality incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

If the related asset is measured using the cost model:

- (a) subject to (b), changes in the liability are added to, or deducted from, the cost of the related asset in the current period;
- (b) if a decrease in the liability exceeds the carrying amount of the asset, the excess is recognised immediately in surplus or deficit; and
- (c) if the adjustment results in an addition to the cost of an asset, the municipality considers whether this is an indication that the new carrying amount of the asset may not be fully recoverable. If it is such an indication, the asset is tested for impairment by estimating its recoverable amount or recoverable service amount, and any impairment loss is recognised in accordance with the accounting policy on impairment of cash-generating assets and/or impairment of non-cash-generating assets.

If the related asset is measured using the revaluation model:

- (a) changes in the liability after the revaluation surplus or deficit previously recognised on that asset, so that:
  - a decrease in the liability (subject to (b)) is credited to revaluation surplus in net assets, except that it is recognised in surplus or deficit to the extent that it reverses a revaluation deficit on the asset that was previously recognised in surplus or deficit;
  - an increase in the liability is recognised in surplus or deficit, except that it is debited to the revaluation surplus to the extent of any credit balance existing in the revaluation surplus in respect of that asset.
- (b) in the event that a decrease in the liability exceeds the carrying amount that would have been recognised had the asset been carried under the cost model, the excess is recognised immediately in surplus or deficit; and
- (c) a change in the liability is an indication that the asset may have to be revalued in order to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period. Any such revaluation is taken into account in determining the amounts to be taken to surplus or deficit or net assets under (a). If a revaluation is necessary, all assets of that class are revalued.

#### 1.6 Intangible assets

An asset is identifiable if it either:

- is separable, i.e. is capable of being separated or divided from an entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the entity intends to do so; or
- arises from binding arrangements (including rights from contracts), regardless of whether those rights are transferable or separable from the municipality or from other rights and obligations.

A binding arrangement describes an arrangement that confers similar rights and obligations on the parties to it as if it were in the form of a contract.

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An intangible asset is recognised when:

- it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the municipality, and
- the cost or fair value of the asset can be measured reliably.

The municipality assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.

Where an intangible asset is acquired through a non-exchange transaction, its initial cost at the date of acquisition is measured at its fair value as at that date.

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

An intangible asset arising from development (or from the development phase of an internal project) is recognised when:

- it is technically feasible to complete the asset so that it will be available for use or sale.
- there is an intention to complete and use or sell it.
- there is an ability to use or sell it.
- it will generate probable future economic benefits or service potential.
- there are available technical, financial and other resources to complete the development and to use or sell the asset.
- the expenditure attributable to the asset during its development can be measured reliably.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight line basis over their useful life.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

Internally generated goodwill is not recognised as an intangible asset.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

Item	Depreciation method	Average useful life
Computer software, other	Straight line	3-5 years

The municipality discloses relevant information relating to assets under construction or development, in the notes to the financial statements (see note 3).

**1.7 Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity.

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

A concessionary loan is a loan granted to or received by an entity on terms that are not market related.

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### Accounting Policies

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Derecognition is the removal of a previously recognised financial asset or financial liability from an entity's statement of financial position.

A derivative is a financial instrument or other contract with all three of the following characteristics:

- Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract (sometimes called the 'underlying').
- It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors.
- It is settled at a future date.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, an entity shall estimate cash flows considering all contractual terms of the financial instrument (for example, prepayment, call and similar options) but shall not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate (see the Standard of GRAP on Revenue from Exchange Transactions), transaction costs, and all other premiums or discounts. There is a presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably. However, in those rare cases when it is not possible to reliably estimate the cash flows or the expected life of a financial instrument (or group of financial instruments), the entity shall use the contractual cash flows over the full contractual term of the financial instrument (or group of financial instruments).

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction.

A financial asset is:

- cash;
- a residual interest in another entity, or
- a contractual right to:
  - receive cash or another financial asset from another entity, or
  - exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

A financial liability is any liability that is a contractual obligation to:

- deliver cash or another financial asset to another entity; or
- exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the entity.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Liquidity risk is the risk encountered by an entity in the event of difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Loan commitment is a firm commitment to provide credit under pre-specified terms and conditions.

Loans payable are financial liabilities, other than short-term payables on normal credit terms.

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

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**Accounting Policies**

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

A financial asset is past due when a counterparty has failed to make a payment when contractually due.

A residual interest is any contract that manifests an interest in the assets of an entity after deducting all of its liabilities. A residual interest includes contributions from owners, which may be shown as:

- equity instruments or similar forms of utilised capital;
- a formal designation of a transfer of resources (or a class of such transfers) by the parties to the transaction as forming part of an entity's net assets, either before the contribution occurs or at the time of the contribution; or
- a formal agreement, in relation to the contribution, establishing or increasing an existing financial interest in the net assets of an entity.

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument.

Financial instruments at amortised cost are non-derivative financial assets or non-derivative financial liabilities that have fixed or determinable payments, excluding those instruments that:

- the entity designates at fair value at initial recognition; or
- are held for trading.

Financial instruments at cost are investments in residual interests that do not have a quoted market price in an active market, and whose fair value cannot be reliably measured.

Financial instruments at fair value comprise financial assets or financial liabilities that are:

- derivatives;
- combined instruments that are designated at fair value;
- instruments held for trading. A financial instrument is held for trading if:
  - it is acquired or incurred principally for the purpose of selling or repurchasing it in the near-term; or
  - on initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short term profit-taking;
  - non-derivative financial assets or financial liabilities with fixed or determinable payments that are designated at fair value at initial recognition; and
  - financial instruments that do not meet the definition of financial instruments at amortised cost or financial instruments at cost.



## THEMBISILE HANI LOCAL MUNICIPALITY

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### Accounting Policies

#### Classification

The entity has the following types of financial assets (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Receivables from exchange transactions	Financial asset measured at amortised cost
Receivables from non-exchange transactions	Financial asset measured at amortised cost
Cash and cash equivalents	Financial asset measured at amortised cost

The entity has the following types of financial liabilities (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Payables from exchange transactions	Financial liability measured at amortised cost

The entity has the following types of residual interests (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Interest	Measured at cost

#### Initial recognition

The entity recognises a financial asset or a financial liability in its statement of financial position when the entity becomes a party to the contractual provisions of the instrument.

The entity recognises financial assets using trade date accounting.

#### Initial measurement of financial assets and financial liabilities

The entity measures a financial asset and financial liability initially at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

The entity measures a financial asset and financial liability initially at its fair value (if subsequently measured at fair value).

The entity first assesses whether the substance of a concessionary loan is in fact a loan. On initial recognition, the entity analyses a concessionary loan into its component parts and accounts for each component separately. The entity accounts for that part of a concessionary loan that is:

- a social benefit in accordance with the Framework for the Preparation and Presentation of Financial Statements, where it is the issuer of the loan; or
- non-exchange revenue, in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers), where it is the recipient of the loan.

## THEMBISILE HANI LOCAL MUNICIPALITY

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### Accounting Policies

#### Subsequent measurement of financial assets and financial liabilities

The entity measures all financial assets and financial liabilities after initial recognition using the following categories:

- Financial instruments at fair value.
- Financial instruments at amortised cost.
- Financial instruments at cost.

All financial assets measured at amortised cost, or cost, are subject to an impairment review.

#### Fair value measurement considerations

The best evidence of fair value is quoted prices in an active market. If the market for a financial instrument is not active, the entity establishes fair value by using a valuation technique. The objective of using a valuation technique is to establish what the transaction price would have been on the measurement date in an arm's length exchange motivated by normal operating considerations. Valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties, if available, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models. If there is a valuation technique commonly used by market participants to price the instrument and that technique has been demonstrated to provide reliable estimates of prices obtained in actual market transactions, the entity uses that technique. The chosen valuation technique makes maximum use of market inputs and relies as little as possible on entity-specific inputs. It incorporates all factors that market participants would consider in setting a price and is consistent with accepted economic methodologies for pricing financial instruments. Periodically, an municipality calibrates the valuation technique and tests it for validity using prices from any observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on any available observable market data.

The fair value of a financial liability with a demand feature (e.g. a demand deposit) is not less than the amount payable on demand, discounted from the first date that the amount could be required to be paid.

#### Reclassification

The entity does not reclassify a financial instrument while it is issued or held unless it is:

- combined instrument that is required to be measured at fair value; or
- an investment in a residual interest that meets the requirements for reclassification.

Where the entity cannot reliably measure the fair value of an embedded derivative that has been separated from a host contract that is a financial instrument at a subsequent reporting date, it measures the combined instrument at fair value. This requires a reclassification of the instrument from amortised cost or cost to fair value.

If fair value can no longer be measured reliably for an investment in a residual interest measured at fair value, the entity reclassifies the investment from fair value to cost. The carrying amount at the date that fair value is no longer available becomes the cost.

If a reliable measure becomes available for an investment in a residual interest for which a measure was previously not available, and the instrument would have been required to be measured at fair value, the entity reclassifies the instrument from cost to fair value.

#### Gains and losses

A gain or loss arising from a change in the fair value of a financial asset or financial liability measured at fair value is recognised in surplus or deficit.

For financial assets and financial liabilities measured at amortised cost or cost, a gain or loss is recognised in surplus or deficit when the financial asset or financial liability is derecognised or impaired, or through the amortisation process.

#### Impairment and uncollectibility of financial assets

The entity assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets measured at amortised cost

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## THEMBISILE HANI LOCAL MUNICIPALITY

Annual Financial Statements for the ended 30 June 2018

### Accounting Policies

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If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced directly OR through the use of an allowance account. The amount of the loss is recognised in surplus or deficit.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed directly OR by adjusting an allowance account. The reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in surplus or deficit.

#### Financial assets measured at cost:

If there is objective evidence that an impairment loss has been incurred on an investment in a residual interest that is not measured at fair value because its fair value cannot be measured reliably, the amount of the impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed.

**THEMBISILE HANI LOCAL MUNICIPALITY**  
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**Accounting Policies**

**Derecognition**

**Financial assets**

The entity derecognises financial assets using trade date accounting.

The entity derecognises a financial asset only when:

- the contractual rights to the cash flows from the financial asset expire, are settled or waived;
- the entity transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- the entity, despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity:
  - derecognise the asset; and
  - recognise separately any rights and obligations created or retained in the transfer.

The carrying amounts of the transferred asset are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. Newly created rights and obligations are measured at their fair values at that date. Any difference between the consideration received and the amounts recognised and derecognised is recognised in surplus or deficit in the period of the transfer.

If the entity transfers a financial asset in a transfer that qualifies for derecognition in its entirety and retains the right to service the financial asset for a fee, it recognise either a servicing asset or a servicing liability for that servicing contract. If the fee to be received is not expected to compensate the entity adequately for performing the servicing, a servicing liability for the servicing obligation is recognised at its fair value. If the fee to be received is expected to be more than adequate compensation for the servicing, a servicing asset is recognised for the servicing right at an amount determined on the basis of an allocation of the carrying amount of the larger financial asset.

If, as a result of a transfer, a financial asset is derecognised in its entirety but the transfer results in the entity obtaining a new financial asset or assuming a new financial liability, or a servicing liability, the entity recognise the new financial asset, financial liability or servicing liability at fair value.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in surplus or deficit.

If the transferred asset is part of a larger financial asset and the part transferred qualifies for derecognition in its entirety, the previous carrying amount of the larger financial asset is allocated between the part that continues to be recognised and the part that is derecognised, based on the relative fair values of those parts, on the date of the transfer. For this purpose, a retained servicing asset is treated as a part that continues to be recognised. The difference between the carrying amount allocated to the part derecognised and the sum of the consideration received for the part derecognised is recognised in surplus or deficit.

If a transfer does not result in derecognition because the entity has retained substantially all the risks and rewards of ownership of the transferred asset, the entity continues to recognise the transferred asset in its entirety and recognise a financial liability for the consideration received. In subsequent periods, the entity recognises any revenue on the transferred asset and any expense incurred on the financial liability. Neither the asset, and the associated liability nor the revenue, and the associated expenses are offset.

**Financial liabilities**

The entity removes a financial liability (or a part of a financial liability) from its statement of financial position when it is extinguished — i.e. when the obligation specified in the contract is discharged, cancelled, expires or waived.

An exchange between an existing borrower and lender of debt instruments with substantially different terms is accounted for as having extinguished the original financial liability and a new financial liability is recognised. Similarly, a substantial modification of the terms of an existing financial liability or a part of it is accounted for as having extinguished the original financial liability and having recognised a new financial liability.

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in surplus or deficit. Any liabilities that are waived, forgiven or assumed by another entity by way of a non-exchange transaction are accounted for in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers)

## THEMBISILE HANI LOCAL MUNICIPALITY

Annual Financial Statements for the ended 30 June 2019

### Accounting Policies

#### Presentation

Interest relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

Dividends or similar distributions relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

Losses and gains relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

Distributions to holders of residual interests are recognised by the entity directly in net assets. Transaction costs incurred on residual interests are accounted for as a deduction from net assets. Income tax (where applicable) relating to distributions to holders of residual interests and to transaction costs incurred on residual interests are accounted for in accordance with the International Accounting Standard on Income Taxes.

A financial asset and a financial liability are only offset and the net amount presented in the statement of financial position when the entity currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

In accounting for a transfer of a financial asset that does not qualify for derecognition, the entity does not offset the transferred asset and the associated liability.

#### 1.6 Statutory receivables

##### Identification

Statutory receivables are receivables that arise from legislation, supporting regulations, or similar means, and require settlement by another entity in cash or another financial asset.

Carrying amount is the amount at which an asset is recognised in the statement of financial position.

The cost method is the method used to account for statutory receivables that requires such receivables to be measured at their transaction amount, plus any accrued interest or other charges (where applicable) and, less any accumulated impairment losses and any amounts derecognised.

Nominal interest rate is the interest rate and/or basis specified in legislation, supporting regulations or similar means.

The transaction amount (for purposes of this Standard) for a statutory receivable means the amount specified in, or calculated, levied or charged in accordance with, legislation, supporting regulations, or similar means.

##### Recognition

The municipality recognises statutory receivables as follows:

- if the transaction is an exchange transaction, using the policy on Revenue from exchange transactions;
- if the transaction is a non-exchange transaction, using the policy on Revenue from non-exchange transactions (Taxes and transfers); or
- if the transaction is not within the scope of the policies listed in the above or another Standard of GRAP, the receivable is recognised when the definition of an asset is met and, when it is probable that the future economic benefits or service potential associated with the asset will flow to the entity and the transaction amount can be measured reliably.

##### Initial measurement

The municipality initially measures statutory receivables at their transaction amount.

##### Subsequent measurement

The municipality measures statutory receivables after initial recognition using the cost method. Under the cost method, the initial measurement of the receivable is changed subsequent to initial recognition to reflect any:

- interest or other charges that may have accrued on the receivable (where applicable);
- impairment losses; and
- amounts derecognised.

## THEMBISILE HANI LOCAL MUNICIPALITY

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### Accounting Policies

#### Accrued Interest

Where the municipality levies interest on the outstanding balance of statutory receivables, it adjusts the transaction amount after initial recognition to reflect any accrued interest. Accrued interest is calculated using the nominal interest rate.

Interest on statutory receivables is recognised as revenue in accordance with the policy on Revenue from exchange transactions or the policy on Revenue from non-exchange transactions (Taxes and transfers), whichever is applicable.

#### Other charges

Where the municipality is required or entitled in terms of legislation, supporting regulations, by-laws or similar means to levy additional charges on overdue or unpaid amounts, and such charges are levied, the entity applies the principles as stated in "Accrued Interest" above, as well as the relevant policy on Revenue from exchange transactions or the policy on Revenue from non-exchange transactions (Taxes and transfers).

#### Impairment losses

The municipality assesses at each reporting date whether there is any indication that a statutory receivable, or a group of statutory receivables, may be impaired.

In assessing whether there is any indication that a statutory receivable, or group of statutory receivables, may be impaired, the municipality considers, as a minimum, the following indicators:

- Significant financial difficulty of the debtor, which may be evidenced by an application for debt counselling, business rescue or an equivalent.
- It is probable that the debtor will enter sequestration, liquidation or other financial re-organisation.
- A breach of the terms of the transaction, such as default or delinquency in principal or interest payments (where levied).
- Adverse changes in international, national or local economic conditions, such as a decline in growth, an increase in debt levels and unemployment, or changes in migration rates and patterns.

If there is an indication that a statutory receivable, or a group of statutory receivables, may be impaired, the municipality measures the impairment loss as the difference between the estimated future cash flows and the carrying amount. Where the carrying amount is higher than the estimated future cash flows, the carrying amount of the statutory receivable, or group of statutory receivables, is reduced, either directly or through the use of an allowance account. The amount of the losses are recognised in surplus or deficit.

In estimating the future cash flows, a municipality considers both the amount and timing of the cash flows that it will receive in future. Consequently, where the effect of the time value of money is material, the entity discounts the estimated future cash flows using a rate that reflects the current risk free rate and, if applicable, any risks specific to the statutory receivable, or group of statutory receivables, for which the future cash flow estimates have not been adjusted.

An impairment loss recognised in prior periods for a statutory receivable is revised if there has been a change in the estimates used since the last impairment loss was recognised, or to reflect the effect of discounting the estimated cash flows.

Any previously recognised impairment loss is adjusted either directly or by adjusting the allowance account. The adjustment does not result in the carrying amount of the statutory receivable or group of statutory receivables exceeding what the carrying amount of the receivable(s) would have been had the impairment loss not been recognised at the date the impairment is revised. The amount of any adjustment is recognised in surplus or deficit.

#### Derecognition

The municipality derecognises a statutory receivable, or a part thereof, when:

- the rights to the cash flows from the receivable are settled, expire or are waived;
- the municipality transfers to another party substantially all of the risks and rewards of ownership of the receivable; or
- the municipality, despite having retained some significant risks and rewards of ownership of the receivable, has transferred control of the receivable to another party and the other party has the practical ability to sell the receivable in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity
  - derecognise the receivable; and
  - recognise separately any rights and obligations created or retained in the transfer

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**THEMBISILE HANI LOCAL MUNICIPALITY**  
Annual Financial Statements for the ended 30 June 2019

**Accounting Policies**

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The carrying amounts of any statutory receivables transferred are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. The entity considers whether any newly created rights and obligations are within the scope of the Standard of GRAP on Financial Instruments or another Standard of GRAP. Any difference between the consideration received and the amounts derecognised and, those amounts recognised, are recognised in surplus or deficit in the period of the transfer.

**1.9 Leases**

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

When a lease includes both land and buildings elements, the entity assesses the classification of each element separately.

**Finance leases - lessee**

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease.

Minimum lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of on the remaining balance of the liability.

**Operating leases - lessee**

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

**1.10 Inventories**

Inventories are initially measured at cost except where inventories are acquired through a non-exchange transaction, then their costs are their fair value as at the date of acquisition.

Subsequently inventories are measured at the lower of cost and net realisable value

Inventories are measured at the lower of cost and current replacement cost where they are held for:

- distribution at no charge or for a nominal charge; or
- consumption in the production process of goods to be distributed at no charge or for a nominal charge.

Net realisable value is the estimated selling price in the ordinary course of operations less the estimated costs of completion and the estimated costs necessary to make the sale, exchange or distribution.

Current replacement cost is the cost the municipality incurs to acquire the asset on the reporting date.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost of water inventories is assigned using the weighted average cost formula. The cost formula for materials and supplies is based on the first-in, first-out (FIFO) basis.

**1.11 Impairment of cash-generating assets**

Cash-generating assets are assets used with the objective of generating a commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

## THEMBISILE HANI LOCAL MUNICIPALITY

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### Accounting Policies

A cash-generating unit is the smallest identifiable group of assets used with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable amount of an asset or a cash-generating unit is the higher its fair value less costs to sell and its value in use.

Useful life is either

- the period of time over which an asset is expected to be used by the municipality; or
- the number of production or similar units expected to be obtained from the asset by the municipality.

#### Designation

At initial recognition, the municipality designates an asset as non-cash-generating, or an asset or cash-generating unit as cash-generating. The designation is made on the basis of a municipality's objective of using the asset.

The municipality designates an asset or a cash-generating unit as cash-generating when:

- its objective is to use the asset or a cash-generating unit in a manner that generates a commercial return; such that
- the asset or cash-generating unit will generate positive cash flows, from continuing use and its ultimate disposal, that are expected to be significantly higher than the cost of the asset.

An asset used with the objective of generating a commercial return and service delivery, is designated either as a cash-generating asset or non-cash-generating asset based on whether the municipality expects to use that asset to generate a commercial return. When it is not clear whether the objective is to use the asset to generate commercial return, the municipality designates the asset as a non-cash-generating asset and applies the accounting policy on Impairment of Non-cash-generating assets, rather than this accounting policy.

#### Identification

When the carrying amount of a cash-generating asset exceeds its recoverable amount, it is impaired.

The municipality assesses at each reporting date whether there is any indication that a cash-generating asset may be impaired. If any such indication exists, the municipality estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the municipality also tests a cash-generating intangible asset with an indefinite useful life or a cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

#### Value in use

Value in use of a cash-generating asset is the present value of the estimated future cash flows expected to be derived from the continuing use of an asset and from its disposal at the end of its useful life.

When estimating the value in use of an asset, the municipality estimates the future cash inflows and outflows to be derived from continuing use of the asset and from its ultimate disposal and the municipality applies the appropriate discount rate to those future cash flows.



## THEMBISILE HANI LOCAL MUNICIPALITY

Annual Financial Statements for the ended 30 June 2019

### Accounting Policies

#### Basis for estimates of future cash flows

##### In measuring value in use the municipality

- base cash flow projections on reasonable and supportable assumptions that represent management's best estimate of the range of economic conditions that will exist over the remaining useful life of the asset. Greater weight is given to external evidence;
- base cash flow projections on the most recent approved financial budgets/forecasts, but excludes any estimated future cash inflows or outflows expected to arise from future restructuring's or from improving or enhancing the asset's performance. Projections based on these budgets/forecasts covers a maximum period of five years, unless a longer period can be justified; and
- estimate cash flow projections beyond the period covered by the most recent budgets/forecasts by extrapolating the projections based on the budgets/forecasts using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. This growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used, unless a higher rate can be justified.

#### Composition of estimates of future cash flows

##### Estimates of future cash flows include:

- projections of cash inflows from the continuing use of the asset;
- projections of cash outflows that are necessarily incurred to generate the cash inflows from continuing use of the asset (including cash outflows to prepare the asset for use) and can be directly attributed, or allocated on a reasonable and consistent basis, to the asset; and
- net cash flows, if any, to be received (or paid) for the disposal of the asset at the end of its useful life.

##### Estimates of future cash flows exclude:

- cash inflows or outflows from financing activities; and
- income tax receipts or payments.

The estimate of net cash flows to be received (or paid) for the disposal of an asset at the end of its useful life is the amount that the municipality expects to obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the estimated costs of disposal

#### Discount rate

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money, represented by the current risk-free rate of interest and the risks specific to the asset for which the future cash flow estimates have not been adjusted.

#### Recognition and measurement (Individual asset)

If the recoverable amount of a cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit

Any impairment loss of a revalued cash-generating asset is treated as a revaluation decrease.

When the amount estimated for an impairment loss is greater than the carrying amount of the cash-generating asset to which it relates, the municipality recognises a liability only to the extent that is a requirement in the Standard of GRAP

After the recognition of an impairment loss, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

**THEMBISILE HANI LOCAL MUNICIPALITY**  
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**Accounting Policies**

**Cash-generating units**

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the municipality determines the recoverable amount of the cash-generating unit to which the asset belongs (the asset's cash-generating unit).

If an active market exists for the output produced by an asset or group of assets, that asset or group of assets is identified as a cash-generating unit, even if some or all of the output is used internally. If the cash inflows generated by any asset or cash-generating unit are affected by internal transfer pricing, the municipality use management's best estimate of future price(s) that could be achieved in arm's length transactions in estimating:

- the future cash inflows used to determine the asset's or cash-generating unit's value in use; and
- the future cash outflows used to determine the value in use of any other assets or cash-generating units that are affected by the internal transfer pricing.

Cash-generating units are identified consistently from period to period for the same asset or types of assets, unless a change is justified.

The carrying amount of a cash-generating unit is determined on a basis consistent with the way the recoverable amount of the cash-generating unit is determined.

An impairment loss is recognised for a cash-generating unit if the recoverable amount of the unit is less than the carrying amount of the unit. The impairment is allocated to reduce the carrying amount of the cash-generating assets of the unit on a pro rata basis, based on the carrying amount of each asset in the unit. These reductions in carrying amounts are treated as impairment losses on individual assets.

In allocating an impairment loss, the entity does not reduce the carrying amount of an asset below the highest of:

- its fair value less costs to sell (if determinable);
- its value in use (if determinable); and
- zero.

The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other cash-generating assets of the unit.

Where a non-cash-generating asset contributes to a cash-generating unit, a proportion of the carrying amount of that non-cash-generating asset is allocated to the carrying amount of the cash-generating unit prior to estimation of the recoverable amount of the cash-generating unit.

## THEMBISILE HANI LOCAL MUNICIPALITY

Annual Financial Statements for the ended 30 June 2019

### Accounting Policies

#### Reversal of impairment loss

The municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a cash-generating asset may no longer exist or may have decreased. If any such indication exists, the entity estimates the recoverable amount of that asset.

An impairment loss recognised in prior periods for a cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a cash-generating asset is recognised immediately in surplus or deficit

Any reversal of an impairment loss of a revalued cash-generating asset is treated as a revaluation increase

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life

A reversal of an impairment loss for a cash-generating unit is allocated to the cash-generating assets of the unit pro rata with the carrying amounts of those assets. These increases in carrying amounts are treated as reversals of impairment losses for individual assets. No part of the amount of such a reversal is allocated to a non-cash-generating asset contributing service potential to a cash-generating unit.

In allocating a reversal of an impairment loss for a cash-generating unit, the carrying amount of an asset is not increased above the lower of:

- its recoverable amount (if determinable); and
- the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior periods.

The amount of the reversal of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit.

#### Redesignation

The redesignation of assets from a cash-generating asset to a non-cash-generating asset or from a non-cash-generating asset to a cash-generating asset only occur when there is clear evidence that such a redesignation is appropriate.

#### 1.12 Impairment of non-cash-generating assets

Cash-generating assets are assets used with the objective of generating a commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset.

Non-cash-generating assets are assets other than cash-generating assets.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets managed with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

## THEMBISILE HANI LOCAL MUNICIPALITY

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### Accounting Policies

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use.

Useful life is either:

- the period of time over which an asset is expected to be used by the municipality; or
- the number of production or similar units expected to be obtained from the asset by the municipality.

#### Designation

At initial recognition, the municipality designates an asset as non-cash-generating, or an asset or cash-generating unit as cash-generating. The designation is made on the basis of a municipality's objective of using the asset.

The municipality designates an asset or a cash-generating unit as cash-generating when:

- its objective is to use the asset or a cash-generating unit in a manner that generates a commercial return; such that
- the asset or cash-generating unit will generate positive cash flows, from continuing use and its ultimate disposal, that are expected to be significantly higher than the cost of the asset.

The municipality designates an asset as non-cash-generating when its objective is not to use the asset to generate a commercial return but to deliver services.

An asset used with the objective of generating a commercial return and service delivery, is designated either as a cash-generating asset or non-cash-generating asset based on whether the municipality expects to use that asset to generate a commercial return. When it is not clear whether the objective is to use the asset to generate a commercial return, the municipality designates the asset as a non-cash-generating asset and applies this accounting policy, rather than the accounting policy on Impairment of Non-cash-generating assets.

#### Identification

When the carrying amount of a non-cash-generating asset exceeds its recoverable service amount, it is impaired.

The municipality assesses at each reporting date whether there is any indication that a non-cash-generating asset may be impaired. If any such indication exists, the municipality estimates the recoverable service amount of the asset.

Irrespective of whether there is any indication of impairment, the entity also tests a non-cash-generating intangible asset with an indefinite useful life or a non-cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable service amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

#### Value in use

Value in use of non-cash-generating assets is the present value of the non-cash-generating assets remaining service potential.

The present value of the remaining service potential of a non-cash-generating assets is determined using the following approach:

##### Depreciated replacement cost approach

The present value of the remaining service potential of a non-cash-generating asset is determined as the depreciated replacement cost of the asset. The replacement cost of an asset is the cost to replace the asset's gross service potential. This cost is depreciated to reflect the asset in its used condition. An asset may be replaced either through reproduction (replication) of the existing asset or through replacement of its gross service potential. The depreciated replacement cost is measured as the current reproduction or replacement cost of the asset, whichever is lower, less accumulated depreciation calculated on the basis of such cost, to reflect the already consumed or expired service potential of the asset.

The replacement cost and reproduction cost of an asset is determined on an 'optimised' basis. The rationale is that the municipality would not replace or reproduce the asset with a like asset if the asset to be replaced or reproduced is an oversized or overcapacity asset. Oversized assets contain features which are unnecessary for the goods or services the asset provides. Overcapacity assets are assets that have a greater capacity than is necessary to meet the demand for goods or services the asset provides. The determination of the replacement cost or reproduction cost of an asset on an optimised basis thus reflects the service potential required of the asset.

## THEMBISILE HANI LOCAL MUNICIPALITY

Annual Financial Statements for the ended 30 June 2019

### Accounting Policies

#### Recognition and measurement

If the recoverable service amount of a non-cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

Any impairment loss of a revalued non-cash-generating asset is treated as a revaluation decrease.

When the amount estimated for an impairment loss is greater than the carrying amount of the non-cash-generating asset to which it relates, the municipality recognises a liability only to the extent that is a requirement in the Standards of GRAP.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

#### Reversal of an impairment loss

The municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a non-cash-generating asset may no longer exist or may have decreased. If any such indication exists, the municipality estimates the recoverable service amount of that asset.

An impairment loss recognised in prior periods for a non-cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable service amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable service amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a non-cash-generating asset is recognised immediately in surplus or deficit.

Any reversal of an impairment loss of a revalued non-cash-generating asset is treated as a revaluation increase.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

#### Redesignation

The redesignation of assets from a cash-generating asset to a non-cash-generating asset or from a non-cash-generating asset to a cash-generating asset only occur when there is clear evidence that such a redesignation is appropriate.

#### 1.13 Employee benefits

Employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees.

A qualifying insurance policy is an insurance policy issued by an insurer that is not a related party (as defined in the Standard of GRAP on Related Party Disclosures) of the reporting entity, if the proceeds of the policy can be used only to pay or fund employee benefits under a defined benefit plan and are not available to the reporting entity's own creditors (even in liquidation) and cannot be paid to the reporting entity, unless either:

- the proceeds represent surplus assets that are not needed for the policy to meet all the related employee benefit obligations; or
- the proceeds are returned to the reporting entity to reimburse it for employee benefits already paid.

Termination benefits are employee benefits payable as a result of either:

- an entity's decision to terminate an employee's employment before the normal retirement date, or
- an employee's decision to accept voluntary redundancy in exchange for those benefits.

Other long-term employee benefits are employee benefits (other than post-employment benefits and termination benefits) that are not due to be settled within twelve months after the end of the period in which the employees render the related service.

Vested employee benefits are employee benefits that are not conditional on future employment.

## THEMBISILE HANI LOCAL MUNICIPALITY

Annual Financial Statements for the ended 30 June 2019

### Accounting Policies

Composite social security programmes are established by legislation and operate as multi-employer plans to provide post-employment benefits as well as to provide benefits that are not consideration in exchange for service rendered by employees.

A constructive obligation is an obligation that derives from an entity's actions where by an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities and as a result, the entity has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

#### Short-term employee benefits

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled within twelve months after the end of the period in which the employees render the related service.

Short-term employee benefits include items such as:

- wages, salaries and social security contributions;
- short-term compensated absences (such as paid annual leave and paid sick leave) where the compensation for the absences is due to be settled within twelve months after the end of the reporting period in which the employees render the related employee service;
- bonus, incentive and performance related payments payable within twelve months after the end of the reporting period in which the employees render the related service; and
- non-monetary benefits (for example, medical care, and free or subsidised goods or services such as housing, cars and cellphones) for current employees.

When an employee has rendered service to the entity during a reporting period, the entity recognise the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

- as a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the entity recognise that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The entity measures the expected cost of accumulating compensated absences as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The entity recognise the expected cost of bonus, incentive and performance related payments when the entity has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made. A present obligation exists when the entity has no realistic alternative but to make the payments.

#### Actuarial assumptions

Actuarial assumptions are unbiased and mutually compatible.

Financial assumptions are based on market expectations, at the reporting date, for the period over which the obligations are to be settled.

The rate used to discount post-employment benefit obligations (both funded and unfunded) reflect the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the post-employment benefit obligations.

Post-employment benefit obligations are measured on a basis that reflects:

- estimated future salary increases;
- the benefits set out in the terms of the plan (or resulting from any constructive obligation that goes beyond those terms) at the reporting date; and
- estimated future changes in the level of any state benefits that affect the benefits payable under a defined benefit plan, if, and only if, either:
  - those changes were enacted before the reporting date; or
  - past history, or other reliable evidence, indicates that those state benefits will change in some predictable manner, for example, in line with future changes in general price levels or general salary levels.

Assumptions about medical costs take account of estimated future changes in the cost of medical services, resulting from both inflation and specific changes in medical costs.

## THEMBISILE HANI LOCAL MUNICIPALITY

Annual Financial Statements for the ended 30 June 2018

### Accounting Policies

#### Termination benefits

The entity recognises termination benefits as a liability and an expense when the entity is demonstrably committed to either

- terminate the employment of an employee or group of employees before the normal retirement date; or
- provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

The entity is demonstrably committed to a termination when the entity has a detailed formal plan for the termination and is without realistic possibility of withdrawal. The detailed plan includes (as a minimum)

- the location, function, and approximate number of employees whose services are to be terminated;
- the termination benefits for each job classification or function; and
- the time at which the plan will be implemented.

Implementation begins as soon as possible and the period of time to complete implementation is such that material changes to the plan are not likely.

Where termination benefits fall due more than 12 months after the reporting date, they are discounted using an appropriate discount rate. The rate used to discount the benefit reflects the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the benefit.

In the case of an offer made to encourage voluntary redundancy, the measurement of termination benefits shall be based on the number of employees expected to accept the offer.

#### 1.14 Provisions and contingencies

Provisions are recognised when:

- the municipality has a present obligation as a result of a past event,
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the municipality settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised.

Provisions are not recognised for future operating surplus

If an entity has a contract that is onerous, the present obligation (net of recoveries) under the contract is recognised and measured as a provision.

## THEMBISILE HANI LOCAL MUNICIPALITY

Annual Financial Statements for the ended 30 June 2019

### Accounting Policies

A constructive obligation to restructure arises only when an entity:

- has a detailed formal plan for the restructuring, identifying at least:
  - the activity/operating unit or part of an activity/operating unit concerned;
  - the principal locations affected;
  - the location, function, and approximate number of employees who will be compensated for services being terminated;
  - the expenditures that will be undertaken; and
  - when the plan will be implemented; and
- has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

A restructuring provision includes only the direct expenditures arising from the restructuring, which are those that are both:

- necessarily entailed by the restructuring; and
- not associated with the ongoing activities of the municipality.

No obligation arises as a consequence of the sale or transfer of an operation until the municipality is committed to the sale or transfer, that is, there is a binding arrangement.

After their initial recognition contingent liabilities recognised in entity combinations that are recognised separately are subsequently measured at the higher of:

- the amount that would be recognised as a provision; and
- the amount initially recognised less cumulative amortisation.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 40.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Loan commitment is a firm commitment to provide credit under pre-specified terms and conditions.

The municipality recognises a provision for financial guarantees and loan commitments when it is probable that an outflow of resources embodying economic benefits and service potential will be required to settle the obligation and a reliable estimate of the obligation can be made.

Determining whether an outflow of resources is probable in relation to financial guarantees requires judgement. Indications that an outflow of resources may be probable are:

- financial difficulty of the debtor;
- defaults or delinquencies in interest and capital repayments by the debtor;
- breaches of the terms of the debt instrument that result in it being payable earlier than the agreed term and the ability of the debtor to settle its obligation on the amended terms; and
- a decline in prevailing economic circumstances (e.g. high interest rates, inflation and unemployment) that impact on the ability of entities to repay their obligations.

Where a fee is received by the municipality for issuing a financial guarantee and/or where a fee is charged on loan commitments, it is considered in determining the best estimate of the amount required to settle the obligation at reporting date. Where a fee is charged and the municipality considers that an outflow of economic resources is probable, an municipality recognises the obligation at the higher of:

- the amount determined using in the Standard of GRAP on Provisions, Contingent Liabilities and Contingent Assets; and
- the amount of the fee initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the Standard of GRAP on Revenue from Exchange Transactions.



## THEMBISILE HANI LOCAL MUNICIPALITY

Annual Financial Statements for the ended 30 June 2019

### Accounting Policies

#### Levies

A levy is an outflow of resources embodying economic benefits that is imposed by governments or entities in accordance with legislation (i.e. laws and/or regulations), other than:

- those outflows of resources that are within the scope of other Standards, and
- fines or other penalties that are imposed for breaches of the legislation

Government refers to government, government agencies and similar bodies whether local, national or international.

The obligating event that gives rise to a liability to pay a levy is the activity that triggers the payment of the levy, as identified by the legislation.

The municipality does not have a constructive obligation to pay a levy that will be triggered by operating in a future period as a result of the municipality being economically compelled to continue to operate in that future period. The preparation of financial statements under the going concern assumption does not imply that the municipality has a present obligation to pay a levy that will be triggered by operating in a future period.

The liability to pay a levy is recognised progressively if the obligating event occurs over a period of time (i.e. if the activity that triggers the payment of the levy, as identified by the legislation, occurs over a period of time).

If an obligation to pay a levy is triggered when a minimum threshold is reached, the corresponding liability is recognised when that minimum threshold is reached.

The municipality recognises an asset if it has prepaid a levy but does not yet have a present obligation to pay that levy.

#### 1.15 Commitments

Items are classified as commitments when an entity has committed itself to future transactions that will normally result in the outflow of cash.

Disclosures are required in respect of unrecognised contractual commitments.

Commitments for which disclosure is necessary to achieve a fair presentation should be disclosed in a note to the financial statements, if both the following criteria are met:

- Contracts should be non-cancellable or only cancellable at significant cost (for example, contracts for computer or building maintenance services), and
- Contracts should relate to something other than the routine, steady, state business of the entity – therefore salary commitments relating to employment contracts or social security benefit commitments are excluded.

#### 1.16 Revenue from exchange transactions

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

An exchange transaction is one in which the municipality receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

#### Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

**THEMBISILE HANI LOCAL MUNICIPALITY**  
Annual Financial Statements for the ended 30 June 2019

**Accounting Policies**

**Sale of goods**

- Revenue from the sale of goods is recognised when all the following conditions have been satisfied:
- the municipality has transferred to the purchaser the significant risks and rewards of ownership of the goods;
  - the municipality retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
  - the amount of revenue can be measured reliably;
  - it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality; and
  - the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**Rendering of services**

- When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:
- the amount of revenue can be measured reliably;
  - it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality;
  - the stage of completion of the transaction at the reporting date can be measured reliably; and
  - the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When services are performed by an indeterminate number of acts over a specified time frame, revenue is recognised on a straight line basis over the specified time frame unless there is evidence that some other method better represents the stage of completion. When a specific act is much more significant than any other acts, the recognition of revenue is postponed until the significant act is executed.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Service revenue is recognised by reference to the stage of completion of the transaction at the reporting date. Stage of completion is determined by .

**Interest, royalties and dividends**

Revenue arising from the use by others of entity assets yielding interest, royalties and dividends or similar distributions is recognised when:

- It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality, and
- The amount of the revenue can be measured reliably.

Interest is recognised, in surplus or deficit, using the effective interest rate method.

Royalties are recognised as they are earned in accordance with the substance of the relevant agreements.

Dividends or similar distributions are recognised, in surplus or deficit, when the municipality's right to receive payment has been established.

Service fees included in the price of the product are recognised as revenue over the period during which the service is performed.

**Debt written off and provision for debt impairment**

The municipality's debt write off procedure include the assessment of all debtors at year end which include amongst other things those who qualify for amnesty in terms of council resolutions and those debts whose debts have prescribed in terms of the Prescription Act. Debts written off are measured at the carrying amount of the debt at year end.

Provision for impairment takes into account the estimates for the recovery of debts at year end and the movement between the provision of last year and the provision for the current year is disclosed in the statement of financial performance as a reliable estimate.

## THEMBISILE HANI LOCAL MUNICIPALITY

Annual Financial Statements for the ended 30 June 2019

### Accounting Policies

#### 1.17 Revenue from non-exchange transactions

Revenue comprises gross inflows of economic benefits or service potential received and receivable by a municipality, which represents an increase in net assets, other than increases relating to contributions from owners.

Conditions on transferred assets are stipulations that specify that the future economic benefits or service potential embodied in the asset is required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor.

Control of an asset arises when the municipality can use or otherwise benefit from the asset in pursuit of its objectives and can exclude or otherwise regulate the access of others to that benefit.

Exchange transactions are transactions in which one entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of cash, goods, services, or use of assets) to another entity in exchange.

Expenses paid through the tax system are amounts that are available to beneficiaries regardless of whether or not they pay taxes.

Fines are economic benefits or service potential received or receivable by entities, as determined by a court or other law enforcement body, as a consequence of the breach of laws or regulations.

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, a municipality either receives value from another municipality without directly giving approximately equal value in exchange, or gives value to another municipality without directly receiving approximately equal value in exchange.

Restrictions on transferred assets are stipulations that limit or direct the purposes for which a transferred asset may be used, but do not specify that future economic benefits or service potential is required to be returned to the transferor if not deployed as specified.

Stipulations on transferred assets are terms in laws or regulation, or a binding arrangement, imposed upon the use of a transferred asset by entities external to the reporting municipality.

Tax expenditures are preferential provisions of the tax law that provide certain taxpayers with concessions that are not available to others.

The taxable event is the event that the government, legislature or other authority has determined will be subject to taxation.

Taxes are economic benefits or service potential compulsorily paid or payable to entities, in accordance with laws and or regulations, established to provide revenue to government. Taxes do not include fines or other penalties imposed for breaches of the law.

Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes.

#### Recognition

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As the municipality satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

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Annual Financial Statements for the ended 30 June 2019

**Accounting Policies**

**Measurement**

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the municipality.

When, as a result of a non-exchange transaction, the municipality recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability. Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue.

**Fines**

Fines are recognised as revenue when the receivable meets the definition of an asset and satisfies the criteria for recognition as an asset.

Assets arising from fines are measured at the best estimate of the inflow of resources to the municipality.

Where the municipality collects fines in the capacity of an agent, the fine will not be revenue of the collecting entity.

**1.18 Investment income**

Investment income is recognised on a time-proportion basis using the effective interest method.

**1.19 Comparative figures**

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current financial year.

**1.20 Unauthorised expenditure**

Unauthorised expenditure means:

- overspending of a vote or a main division within a vote; and
- expenditure not in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.

All expenditure relating to unauthorised expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

**1.21 Fruitless and wasteful expenditure**

Fruitless expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

**1.22 Irregular expenditure**

Irregular expenditure as defined in section 1 of the PFMA is expenditure other than unauthorised expenditure, incurred in contravention of or that is not in accordance with a requirement of any applicable legislation, including -

- (a) this Act; or
- (b) the State Tender Board Act, 1968 (Act No. 86 of 1968), or any regulations made in terms of the Act; or
- (c) any provincial legislation providing for procurement procedures in that provincial government.

National Treasury practice note no. 4 of 2008/2009 which was issued in terms of sections 78(1) to 76(4) of the PFMA requires the following (effective from 1 April 2008):

## THEMBISILE HANI LOCAL MUNICIPALITY

Annual Financial Statements for the ended 30 June 2019

### Accounting Policies

Irregular expenditure that was incurred and identified during the current financial year and which was condoned before year end and/or before finalisation of the financial statements must also be recorded appropriately in the irregular expenditure register. In such an instance, no further action is also required with the exception of updating the note to the financial statements.

Irregular expenditure that was incurred and identified during the current financial year and for which condonement is being awaited at year end must be recorded in the irregular expenditure register. No further action is required with the exception of updating the note to the financial statements.

Where irregular expenditure was incurred in the previous financial year and is only condoned in the following financial year, the register and the disclosure note to the financial statements must be updated with the amount condoned.

Irregular expenditure that was incurred and identified during the current financial year and which was not condoned by the National Treasury or the relevant authority must be recorded appropriately in the irregular expenditure register. If liability for the irregular expenditure can be attributed to a person, a debt account must be created if such a person is liable in law. Immediate steps must thereafter be taken to recover the amount from the person concerned. If recovery is not possible, the accounting officer or accounting authority may write off the amount as debt impairment and disclose such in the relevant note to the financial statements. The irregular expenditure register must also be updated accordingly. If the irregular expenditure has not been condoned and no person is liable in law, the expenditure related thereto must remain against the relevant programme/expenditure item, be disclosed as such in the note to the financial statements and updated accordingly in the irregular expenditure register.

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the economic entity's supply chain management policy. Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

#### 1.23 Revaluation reserve

The surplus arising from the revaluation of property, plant and equipment is credited to a non-distributable reserve. The revaluation surplus is realised as revalued buildings are depreciated, through a transfer from the revaluation reserve to the accumulated surplus/deficit. On disposal, the net revaluation surplus is transferred to the accumulated surplus/deficit while gains or losses on disposal, based on revalued amounts, are credited or charged to the statement of financial performance.

#### 1.24 Segment information

A segment is an activity of an entity:

- that generates economic benefits or service potential (including economic benefits or service potential relating to transactions between activities of the same entity);
- whose results are regularly reviewed by management to make decisions about resources to be allocated to that activity and in assessing its performance; and
- for which separate financial information is available.

Reportable segments are the actual segments which are reported on in the segment report. They are the segments identified above or alternatively an aggregation of two or more of those segments where the aggregation criteria are met.

#### Measurement

The amount of each segment item reported is the measure reported to management for the purposes of making decisions about allocating resources to the segment and assessing its performance. Adjustments and eliminations made in preparing the entity's financial statements and allocations of revenues and expenses are included in determining reported segment surplus or deficit only if they are included in the measure of the segment's surplus or deficit that is used by management. Similarly, only those assets and liabilities that are included in the measures of the segment's assets and segment's liabilities that are used by management are reported for that segment. If amounts are allocated to reported segment surplus or deficit, assets or liabilities, those amounts are allocated on a reasonable basis.

If management uses only one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities in assessing segment performance and deciding how to allocate resources, segment surplus or deficit, assets and liabilities are reported in terms of that measure. If management uses more than one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities, the reported measures are those that management believes are determined in accordance with the measurement principles most consistent with those used in measuring the corresponding amounts in the entity's financial statements.

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Annual Financial Statements for the ended 30 June 2019

**Accounting Policies**

**1.25 Budget Information**

Municipalities are typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising legislation, appropriation or similar.

General purpose financial reporting by municipalities shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

The approved budget is prepared on a cash basis and presented by economic classification linked to performance outcome objectives.

The approved budget covers the fiscal period from 2018/07/01 to 2019/06/30.

The budget for the economic entity includes all the entities approved budgets under its control.

The annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the Statement of comparison of budget and actual amounts.

**1.26 Related parties**

A related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Joint control is the agreed sharing of control over an activity by a binding arrangement, and exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control (the venturers).

Related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party, regardless of whether a price is charged.

Significant influence is the power to participate in the financial and operating policy decisions of an entity, but is not control over those policies.

Management are those persons responsible for planning, directing and controlling the activities of the municipality, including those charged with the governance of the municipality in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are considered to be those family members who may be expected to influence, or be influenced by, that management in their dealings with the municipality.

The municipality is exempt from disclosure requirements in relation to related party transactions if that transaction occurs within normal supplier and/or client/recipient relationships on terms and conditions no more or less favourable than those which it is reasonable to expect the municipality to have adopted if dealing with that individual entity or person in the same circumstances and terms and conditions are within the normal operating parameters established by that reporting entity's legal mandate.

Where the municipality is exempt from the disclosures in accordance with the above, the municipality discloses narrative information about the nature of the transactions and the related outstanding balances, to enable users of the entity's financial statements to understand the effect of related party transactions on its annual financial statements.

**1.27 Events after reporting date**

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The municipality will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

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Annual Financial Statements for the ended 30 June 2018

**Accounting Policies**

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The municipality will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

**1.28 Value Added Tax (VAT)**

The municipality is registered with the South Africa Revenue Services (SARS) for VAT on the cash basis, in accordance with section 15 (2) of the VAT Act (Act. No 89 of 1991).

**THEMBISILE HANI LOCAL MUNICIPALITY**  
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Figures in Rand

2019

2018

**2. New standards and interpretations**



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**3. Property, plant and equipment**

	2019		2018	
	Cost/ Valuation	Accumulated depreciation and impairment	Cost/ Valuation	Accumulated depreciation and impairment
Land - General plant	528 902 112	-	528 902 112	-
Machinery and equipment	3 880 533	(3 108 571)	3 826 232	(2 443 281)
Furniture and office equipment	8 143 443	(4 518 187)	1 625 258	(3 839 192)
Motor vehicles	57 375 111	(42 782 458)	14 592 853	(36 851 048)
IT equipment	5 210 430	(3 309 730)	1 900 700	(2 384 215)
Community	411 147 291	(260 840 518)	150 308 773	(251 547 942)
Libraries	15 915 025	(6 734 549)	9 180 478	(6 473 708)
Solid waste	396 035	(353 184)	42 851	(346 654)
Storm water infrastructure	115 280 555	(48 098 264)	67 184 291	(115 143 005)
Water network - Boreholes	68 033 521	(20 267 679)	47 765 842	(15 856 761)
Sanitation infrastructure	84 464 088	(38 715 068)	25 749 022	(38 227 658)
Road infrastructure	1 008 420 150	(621 526 083)	384 894 067	(1 000 032 842)
Water Supply Distribution	537 530 404	(295 280 834)	242 249 570	(286 178 761)
Water Supply Bulk mains	222 196 571	(12 368 772)	45 712 522	(222 196 571)
Pumpstations	14 684 962	(12 368 772)	2 318 190	(14 064 962)
Reservoirs	265 806 483	(85 113 439)	180 693 044	(221 288 387)
Assets under construction	270 552 243	-	270 552 243	(178 837 106)
<b>Total</b>	<b>3 593 838 969</b>	<b>(1 619 499 383)</b>	<b>1 874 439 676</b>	<b>(3 430 978 227)</b>
				<b>1 882 170 809</b>

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**Reconciliation of property, plant and equipment - 30 June 2019**

	Opening balance	Additions	Disposals	Transfers received	Transfers	Depreciation	Impairment losses	Total
Land - General plant	528 868 884	-	-	13 448	-	-	-	528 902 112
Machinery and equipment	1 382 871	132 189	(58 850)	-	-	(684 358)	-	771 862
Furniture and office equipment	2 243 344	184 283	(170 617)	83 345	-	(695 077)	-	1 625 258
Motor vehicles	6 511 015	15 934 383	-	-	-	(7 852 745)	-	14 592 653
IT equipment	1 750 419	1 120 083	(145 251)	81 984	-	(915 515)	-	1 900 700
Community	159 599 349	-	-	-	-	(9 292 576)	-	150 306 773
Libraries	3 538 182	5 905 137	-	-	-	(280 843)	-	9 180 478
Solid waste	48 381	-	-	-	(1 503)	(5 027)	-	42 851
Storm water	70 260 241	-	-	55 641	-	(3 131 591)	-	67 184 291
Water network - Boreholes	52 176 759	-	-	-	-	(4 124 666)	(286 261)	47 765 842
Sanitation Infrastructure	28 236 432	-	-	-	-	(2 487 410)	-	25 749 022
Roads Infrastructure	400 317 226	-	-	6 441 285	-	(21 861 965)	(2 486)	384 894 087
Water Supply Distribution	251 353 642	-	-	-	-	(9 104 072)	-	242 249 570
Water Supply Bulk Mains	50 582 787	-	-	-	-	(4 850 265)	-	45 712 522
Pumpstations	2 743 381	-	-	-	-	(427 191)	-	2 316 190
Reservoirs	142 721 909	-	-	44 508 096	-	(8 491 503)	(45 458)	180 693 044
Assets under construction	179 837 106	141 864 680	-	-	(50 948 543)	-	-	270 552 243
	<b>1 882 170 808</b>	<b>164 949 728</b>	<b>(374 716)</b>	<b>61 183 809</b>	<b>(60 961 048)</b>	<b>(72 164 814)</b>	<b>(334 188)</b>	<b>1 974 439 678</b>

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**Reconciliation of property, plant and equipment - 30 June 2018**

	Opening balance	Additions	Transfers received	Disposals/forfeiture	Transfers	Disposals/forfeiture	Depreciation	Impairment loss	Total
Land - General Plant	528 888 664	-	-	-	-	-	-	-	528 888 664
Machinery and Equipment	1 589 152	281 720	-	(1 295)	-	-	(487 875)	(2)	1 382 871
Furniture and office equipment	2 565 443	265 066	4 400	(80 096)	-	-	(553 483)	124	2 243 344
Motor vehicles	9 342 980	-	-	-	-	-	(2 831 968)	3	6 511 015
IT equipment	2 122 737	175 001	33 837	(31 360)	-	-	(580 034)	(119)	1 750 418
Community	188 531 677	497 718	-	(1 348 981)	-	-	(10 395 576)	837	159 589 349
Libraries	3 850 378	-	-	-	-	-	(314 196)	-	3 536 182
Solid Waste	54 412	-	-	-	-	-	(5 031)	-	49 381
Storm Water	60 847 865	4 858 591	8 353 085	-	-	-	(3 798 300)	-	70 260 241
Water network - Boreholes	50 018 522	1 642 383	5 040 708	-	-	-	(4 524 854)	-	52 176 759
Sanitation Infrastructure	30 948 685	-	-	-	-	-	(2 712 253)	-	28 236 432
Road Infrastructure	404 694 013	6 056 158	27 411 222	(1 222 392)	-	1 161 843	(37 773 416)	-	400 317 226
Water Supply Distribution	251 058 478	3 382 867	7 559 079	-	-	-	(10 646 783)	-	251 353 642
Water Supply Bulk Mains	46 352 940	9 219 003	-	(2 555 997)	-	2 411 480	(4 864 638)	-	50 562 787
Pump Stations	3 334 172	-	-	-	-	-	(590 797)	-	2 743 381
Reservoirs	136 007 236	12 752 332	-	(42 799)	-	41 272	(6 036 132)	-	142 721 909
Assets under construction	89 842 586	142 957 686	-	-	(52 963 166)	-	-	-	179 837 106
	<b>1 791 040 141</b>	<b>182 088 525</b>	<b>48 402 326</b>	<b>(5 290 928)</b>	<b>(52 963 166)</b>	<b>5 009 403</b>	<b>(86 116 335)</b>	<b>843 1 682 170 608</b>	

**Reconciliation of Work-in-Progress 30 June 2019**

	Included within	Total
Opening balance	Infrastructure	179 837 106
Additions/capital expenditure		140 282 843
Donation		1 381 412
Transferred to completed items		(53 832 928)
	<b>287 668 433</b>	<b>287 668 433</b>

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**Reconciliation of Work-in-Progress 30 June 2018**

	2019	2018
	<b>Included within</b>	<b>Total</b>
Opening balance	<b>Infrastructure</b>	
Additions/capital expenditure	89 603 600	89 603 600
Transferred to completed items	142 240 947	142 240 947
	(52 007 441)	(52 007 441)
	<b>179 837 106</b>	<b>179 837 106</b>
<b>Other information</b>		
<b>Property, plant and equipment: Repairs and maintenance</b>		
Sanitation infrastructure		
Stormwater	257 205	877 500
Water network - Boreholes	-	944 028
Water Supply Distribution	-	332 370
Pump Stations	264 472	3 624 764
Reservoirs	533 580	4 407 128
Roads infrastructure	14 494 903	389 728
Machinery and equipment	-	538 048
	<b>4 835 410</b>	<b>5 743 435</b>
	<b>20 385 580</b>	<b>16 836 899</b>
<b>Maintenance of property, plant and equipment</b>		

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

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Annual Financial Statements for the ended 30 June 2019

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**4. Intangible assets**

	2019		2018	
	Cost / Valuation	Accumulated amortisation and impairment	Cost / Valuation	Accumulated amortisation and impairment
Computer software, other	1 078 085	-	1 078 085	1 078 085

**5. Employee benefit obligations**

**Defined benefit plan**

The municipality's employee benefit obligation consist of an obligation to pay out a bonus in the year of the employee attaining the required service. The obligation represents a liability to the municipality and the value is represented by the actuarial valuation obtained and is presently being implemented as per the municipality's policy.

The municipality offers bonuses for every 5 years of completed service from 10 years to 45 years.

The amounts recognised in the statement of financial position are as follows:

Carrying value	(8 820 000)	(8 003 000)
Present value of the defined benefit obligation-wholly unfunded		
Non-current liabilities < 1 year	(8 536 000)	(7 396 000)
Current liabilities > 1 year	(284 000)	(607 000)
	<u>(8 820 000)</u>	<u>(8 003 000)</u>

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Figures in Rand	2019	2018
<b>Net expense recognised in the statement of financial performance</b>		
Current service cost		864 000
Past service cost	964 000	839 000
Actuarial (gains) losses	716 000	(530 000)
Settlement	(126 000)	(316 000)
	(738 000)	
	<u>817 000</u>	<u>887 000</u>
<b>Calculation of actuarial gains and losses</b>		
Actuarial (gains) losses – Obligation		
	<u>(384 000)</u>	<u>(530 000)</u>
<b>Key assumptions used</b>		
Assumptions used at the reporting date:		
Duration of liability in years		
Assumed retirement age (years)	8,49	8,72
Discount rate	63	63
Expected rate of return on assets	8,83 %	8,32 %
Expected increase in salaries	4,92 %	5,90 %
Net discount rate	5,92 %	6,90 %
	2,75 %	2,26 %
<b>Sensitivity analysis</b>		

The valuation basis assumes that the salary inflation rate (which manifests itself as the annual increase in employees' salaries which determines the bonuses payable will be 1.60% less than the corresponding discount rate in the long term. The effect of a 1% increase and decrease in the salary inflation rate is as follows:

	One percentage point increase	One percentage point decrease
Effect on the aggregate of the service cost and interest cost	1 907 000	1 619 000
Effect on defined benefit obligation	9 541 000	8 175 000

As per the table above, a 1% increase in the salary increase rate results in a 8.17% increase in the accrued liability whilst a 1% decrease in salary increase rate will result result in a 7.31% decrease in the accrued liability.

**THEMBISILE HANI LOCAL MUNICIPALITY**  
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**Notes to the Annual Financial Statements**

Figures in Rand	2019	2018
<b>6. Inventories</b>		
Inventories Land held for sale	47 258 312	47 258 312
Water for distribution	1 490 470	5 240 782
Stores and materials	2 424 421	3 763 620
	<u>51 173 203</u>	<u>56 262 714</u>
<b>Water for distribution</b>		
Opening balance	5 240 782	432 602
System input volume	138 273 685	148 569 182
Water issued	(70 204 929)	(76 915 317)
Free basic water	(38 495 031)	(41 559 507)
Water losses	(33 324 036)	(25 286 188)
Closing balance	<u>1 490 471</u>	<u>5 240 782</u>
<b>Water losses</b>		
Water losses as percentages	(24)%	(17)%
<b>7. Receivables from exchange transactions</b>		
Deposits	97 511	83 300
Trade creditors with debit balances	2 547 245	2 547 245
Debtors shortages	45 021	45 021
Sundry debtors - Rental	451 951	388 124
Other debtors	473 103	473 103
Consumer debtors - Electricity	1 347	1 342
Consumer debtors - Water	3 674 385	21 638 186
Consumer debtors - Sewerage	72 047	405 253
Consumer debtors - Refuse	1 368 889	8 291 626
Consumer debtors - Merchandising Jobbing & Contracts	-	608 154
	<u>8 731 499</u>	<u>34 681 354</u>
<b>Reconciliation of provision for impairment of trade and other receivables</b>		
Opening balance	(839 219 296)	(747 194 292)
Provision for impairment	(213 090 838)	(92 025 004)
	<u>(1 052 310 234)</u>	<u>(839 219 296)</u>
<b>8. Receivables from non-exchange transactions</b>		
Traffic fines	1 437 203	157 302
Consumer debtors - Property Rates	2 089 356	12 945 332
	<u>3 526 559</u>	<u>13 102 634</u>
<b>Traffic fines - Impaired</b>		
Gross balance	17 965 035	5 243 415
Less: Allowance for impairment	(16 527 832)	(5 086 113)
	<u>1 437 203</u>	<u>157 302</u>

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**Notes to the Annual Financial Statements**

Figures in Rand	2019	2018
<b>9. VAT receivable</b>		
VAT receivable	116 455 787	77 481 228
VAT payable	(112 887 792)	(82 615 682)
	<u>3 567 975</u>	<u>14 875 546</u>
<b>10. Receivables disclosure</b>		
<b>Gross balances</b>		
Consumer debtors - Rates	307 259 324	262 804 440
Consumer debtors - Water	540 352 605	443 338 065
Consumer debtors - Sewerage	10 595 151	8 227 074
Consumer debtors - Refuse	201 307 834	168 329 094
	<u>1 059 514 914</u>	<u>882 699 693</u>
<b>Less: Allowance for impairment</b>		
Consumer debtors - Rates	(305 168 868)	(249 859 108)
Consumer debtors - Water	(536 878 219)	(421 500 899)
Consumer debtors - Sewerage	(10 523 102)	(7 821 821)
Consumer debtors - Refuse	(188 838 844)	(160 037 488)
	<u>(1 052 310 233)</u>	<u>(839 219 296)</u>
<b>Net balance</b>		
Consumer debtors - Rates	2 089 356	12 945 332
Consumer debtors - Water	3 674 385	21 838 186
Consumer debtors - Sewerage	72 047	405 253
Consumer debtors - Refuse	1 368 889	8 291 628
	<u>7 204 677</u>	<u>43 480 387</u>
<b>Included in above is receivables from exchange transactions</b>		
Water	3 674 385	23 044 611
Sewerage	72 047	434 804
Refuse	1 368 889	8 251 276
	<u>6 118 321</u>	<u>31 740 691</u>
<b>Included in above is receivables from non-exchange transactions (taxes and transfers)</b>		
Rates	2 089 356	11 739 707
	<u>2 089 356</u>	<u>11 739 707</u>
<b>Net balance</b>	<u>7 204 677</u>	<u>43 480 387</u>
<b>Rates</b>		
Current (0 -30 days)	37 025	274 929
31 - 60 days	33 879	274 047
61 - 90 days	32 774	273 276
91 - 120 days	187 231	272 681
121 - 365 days	122 803	1 865 098
> 365 days	1 695 644	9 985 303
	<u>2 089 356</u>	<u>12 945 332</u>



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Figures in Rand	2019	2018
<b>Water</b>		
Current (0 -30 days)	42 652	808 731
31 - 60 days	42 283	736 155
61 - 90 days	42 223	942 316
91 - 120 days	60 825	501 835
121 - 365 days	520 166	4 038 827
> 365 days	2 986 236	14 810 222
	<b>3 874 385</b>	<b>21 838 186</b>
<b>Sewerage</b>		
Current (0 -30 days)	875	14 061
31 - 60 days	664	13 850
61 - 90 days	861	13 702
91 - 120 days	854	13 632
121 - 365 days	6 708	93 844
> 365 days	61 885	256 164
	<b>72 047</b>	<b>405 253</b>
<b>Refuse</b>		
Current (0 -30 days)	22 563	212 602
31 - 60 days	22 414	211 636
61 - 90 days	22 380	211 289
91 - 120 days	22 379	211 092
121 - 365 days	178 480	1 474 470
> 365 days	1 100 673	5 970 537
	<b>1 368 889</b>	<b>8 291 626</b>

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**Notes to the Annual Financial Statements**

Figures in Rand	2019	2018
<b>Gross balances</b>		
Households	877 507 341	754 137 898
Industrial/Commercial	47 310 283	38 875 804
National and Provincial Government	134 697 287	8 968 992
	<u>1 059 514 911</u>	<u>801 982 694</u>
<b>Summary of receivables by customer classification</b>		
<b>Households</b>		
Current (0 -30 days)	10 926 422	15 163 664
31 - 60 days	10 884 822	15 986 454
61 - 90 days	10 813 818	15 898 434
91 - 120 days	15 336 037	15 721 209
121 - 365 days	79 861 231	107 567 652
> 365 days	749 675 011	583 820 484
	<u>877 507 342</u>	<u>764 137 697</u>
<b>Industrial/ commercial</b>		
Current (0 -30 days)	1 312 875	896 788
31 - 60 days	1 002 785	989 440
61 - 90 days	809 704	984 258
91 - 120 days	2 051 977	874 761
121 - 365 days	6 001 603	6 880 839
> 365 days	36 031 369	28 349 689
	<u>47 310 283</u>	<u>38 875 804</u>
<b>National and provincial government</b>		
Current (0 -30 days)	2 226 313	5 980 238
31 - 60 days	2 196 890	4 894 045
61 - 90 days	2 177 342	7 824 923
91 - 120 days	11 082 449	1 408 992
121 - 365 days	29 431 841	16 989 149
> 365 days	87 580 452	52 588 645
	<u>134 697 287</u>	<u>8 968 992</u>
<b>Total</b>		
Current (0 -30 days)	14 467 611	22 040 690
31 - 60 days	14 064 477	21 849 648
61 - 90 days	13 800 864	24 707 615
91 - 120 days	26 470 462	18 104 981
121 - 365 days	115 324 675	131 237 640
> 365 days	873 286 822	664 758 819
	<u>1 059 514 911</u>	<u>892 699 693</u>
Less: Allowance for impairment	(1 052 310 234)	(839 219 296)
	<u>7 204 677</u>	<u>43 480 397</u>

**11. Cash and cash equivalents**

Cash and cash equivalents consist of:

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Figures in Rand	2018	2018
Cash on hand	5 000	5 000
Bank balances	92 388 232	56 531 651
Short-term deposits	1 890 113	238 162
	<b>94 283 345</b>	<b>56 774 813</b>

The municipality had the following bank accounts

Account number / description	Bank statement balances			Cash book balances		
	30 June 2018	30 June 2018	30 June 2017	30 June 2019	30 June 2018	30 June 2017
First National Bank - Current Account: 620-262-96427	14 541 398	46 581 814	31 566 619	14 541 399	46 585 345	31 571 364
First National Bank - Call Deposit: 625-844-95270	-	-	11 698 326	-	-	11 698 326
First National Bank - Call Deposit: 621-470-52427	66 890 080	238 161	224 069	66 890 080	238 161	224 069
Nedbank - Current Account: 100-422-2378	732 213	9 801 613	23 687 110	732 213	9 783 490	13 078 985
Nedbank - Call Deposit: 788-152-7927	-	-	2 400 667	-	-	2 400 667
Nedbank 2	-	-	-	10 359 770	-	10 553 023
<b>Total</b>	<b>82 183 681</b>	<b>56 621 588</b>	<b>69 576 781</b>	<b>92 523 452</b>	<b>56 616 896</b>	<b>68 626 434</b>

**12. Finance lease obligation**

Minimum lease payments due		
- within one year	4 127 394	-
- in second to fifth year inclusive	7 976 305	-
<b>Present value of minimum lease payments</b>	<b>12 103 699</b>	-
Non-current liabilities	7 976 305	-
Current liabilities	4 127 394	-
	<b>12 103 699</b>	-

It is municipality policy to lease certain motor vehicles under finance leases

The average lease term was 3 years and the average effective borrowing rate is prime plus 1.5%

Interest rates are fixed at the contract date. All leases have fixed repayments

**13. Unspent conditional grants and receipts**

Unspent conditional grants and receipts comprises of:

Unspent conditional grants and receipts	
Water grant	17 542 483

The nature and extent of government grants recognised in the annual financial statements and an indication of other forms of government assistance from which the municipality has directly benefited; and

Unfulfilled conditions and other contingencies attaching to government assistance that has been recognised.

See note 24 for reconciliation of grants from National/Provincial Government.

**THEMBISILE HANI LOCAL MUNICIPALITY**  
Annual Financial Statements for the ended 30 June 2019

**Notes to the Annual Financial Statements**

Figures in Rand

	2019	2018
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**14. Provisions**

**Reconciliation of provisions - 30 June 2019**

	Opening Balance	Additions	Total
Environmental rehabilitation	19 373 024	2 418 793	21 791 817
Provision for Bonuses	2 889 460	372 168	3 261 618
	<u>22 262 484</u>	<u>2 790 961</u>	<u>25 053 435</u>

**Reconciliation of provisions - 30 June 2018**

	Opening Balance	Additions	Total
Environmental rehabilitation	16 878 715	2 893 306	19 373 024
Provision for Bonuses	2 644 760	244 710	2 889 460
	<u>19 324 466</u>	<u>2 838 016</u>	<u>22 262 484</u>

Non-current liabilities	21 791 817	19 373 024
Current liabilities	3 261 618	2 889 460
	<u>25 053 435</u>	<u>22 262 484</u>

The municipality raises a provision for 13th cheque bonuses that staff members receive during their anniversary. The provision is based on the most recent effective salary notches of individual employees.

The municipality has two dumping sites, one in Kwaggafontein which is 3,5 hectares and the other one in KwaManga which is 4,5 hectares. The remaining useful lives of these dumping sites are 5 years and 10 years respectively. Each year the dumping sites remaining useful lives are assessed and the provision is adjusted accordingly.

**15. Payables from exchange transactions**

Trade payables	2 335 485	2 335 485
Accrued expenses	21 197 973	19 878 243
Accrued leave pay	9 679 133	8 561 531
Retention	14 885 836	10 251 814
Agency fees payable - Licences & permits	-	1 244 633
Under banking	397 940	-
Payables and Accruals: Projects	12 532 875	5 295 498
Consumer debtors: Merchandising, jobbing and contracts	768 684	-
	<u>61 708 026</u>	<u>47 687 204</u>

**Payables from exchange transactions: Non-current liabilities**

Advance payments Land	3 557 809	3 682 129
Retention	21 728 335	15 381 023
Unallocated deposits	8 630 462	8 305 328
Debtors with credit balances	9 649 335	11 058 733
Deposits received	318 010	268 374
	<u>44 081 971</u>	<u>38 703 585</u>
Current liabilities	61 708 026	47 687 204
Non-current liabilities	44 081 971	38 703 585
	<u>105 789 997</u>	<u>86 378 789</u>

**THEMBISILE HANI LOCAL MUNICIPALITY**

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**Notes to the Annual Financial Statements**

Figures in Rand	2019	2018
<b>16. Revenue</b>		
Service charges	92 794 583	131 988 408
Rental of facilities and equipment	1 080 424	1 024 062
Other income	2 234 216	1 803 473
Interest received	50 763 103	55 810 499
Property rates	42 287 013	42 764 437
Government grants & subsidies	538 709 517	524 299 000
Licences and permits	8 196 388	2 664 713
Public contributions and donations	7 286 549	48 414 085
Fines, Penalties and Forfeits	17 610 950	6 205 490
	<b>760 962 743</b>	<b>814 974 177</b>
<b>The amount included in revenue arising from exchanges of goods or services are as follows:</b>		
Service charges	92 794 583	131 988 408
Rental of facilities and equipment	1 080 424	1 024 062
Other income	2 234 216	1 803 473
Interest received	50 763 103	55 810 499
	<b>146 872 326</b>	<b>180 626 442</b>
<b>The amount included in revenue arising from non-exchange transactions is as follows:</b>		
Taxation revenue		
Property rates	42 287 013	42 764 437
Transfer revenue		
Government grants & subsidies	538 709 517	524 299 000
Licences and permits	8 196 388	2 664 713
Public contributions and donations	7 286 549	48 414 085
Fines, Penalties and Forfeits	17 610 950	6 205 490
	<b>614 090 417</b>	<b>624 347 736</b>
<b>17. Service charges</b>		
Sale of water	65 633 905	96 786 166
Sewerage and sanitation charges	1 200 776	2 635 321
Refuse removal	25 958 902	32 556 922
	<b>92 794 583</b>	<b>131 988 408</b>
<b>18. Rental of facilities and equipment</b>		
Facilities and equipment		
Rental of facilities	1 080 424	1 024 062
<b>19. Fines, Penalties and Forfeits</b>		
Traffic Fines - Municipal and Court	17 610 950	6 205 490

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	2019	2018
<b>20. Lease rentals on operating lease</b>		
Motor vehicles		
Contingent amounts		
Equipment		328 806
Contingent amounts		
	<u>921 614</u>	<u>1 300 158</u>
	<b>921 614</b>	<b>1 626 964</b>
<b>21. Other income</b>		
Library fees & fines		
Handling fees	8 780	16 294
Application fees	20 821	19 716
Building plan approval	125 929	111 157
Clearance certificates	235 210	287 506
Maps publications	7 606	7 064
Occupation certificates	2 058	4 065
Insurance refunds	5 009	7 268
Tender documents	116 121	93 784
Staff recoveries	1 087 286	779 864
Valuation services	38 848	60 201
Statutory services	1 108	886
Trading licences	5 993	10 335
Sale of other goods & rendering of services	164 087	188 657
	<u>415 762</u>	<u>216 659</u>
	<b>2 234 218</b>	<b>1 803 473</b>
<b>22. Interest received</b>		
Interest revenue		
Current Bank		
Interest charged on trade and other receivables	4 877 261	6 277 184
Interest on investments	42 706 973	47 368 295
Interest other	3 178 869	2 164 648
		371
	<u>50 763 103</u>	<u>55 810 499</u>

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Figures in Rand	2019	2018
<b>23. Property rates</b>		
<b>Rates received</b>		
Property rates: Residential & other	<u>42 287 013</u>	<u>42 764 437</u>
<b>Valuations</b>		
Residential	807 232 000	7 261 231 788
Commercial	294 692 000	258 858 015
State	1 823 352 000	28 937 300
Municipal	7 741 869 800	115 732 060
Agricultural	411 350 000	1 529 616 000
Schools	524 311 000	258 230 500
Parks	-	23 539 700
Churches	1 246 000	26 127 000
PBO	4 700 000	-
PSI	35 000	-
	<u>11 806 787 800</u>	<u>9 802 272 373</u>

Valuations on land and buildings are performed every 4 years. The new general valuation came into effect on 1 July 2016. Interim valuations are processed on an annual basis to take into account changes in individual property values due to alterations and subdivisions.

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Figures in Rand	2018	2018
<b>24. Government grants and subsidies</b>		
<b>Operating grants</b>		
Equitable share	364 153 000	338 477 000
<b>Capital grants</b>		
MIG	124 345 000	136 562 000
FMG	1 770 000	1 700 000
EPWP	1 984 000	2 560 000
Water grant	46 457 517	45 000 000
	<u>174 656 517</u>	<u>185 822 000</u>
	<u>638 709 517</u>	<u>524 299 000</u>

**Equitable Share**

In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members.

**MIG**

Current-year receipts	124 345 000	136 562 000
Conditions met - transferred to revenue	(124 345 000)	(136 562 000)
	-	-

**FMG**

Current-year receipts	1 770 000	1 700 000
Conditions met - transferred to revenue	(1 770 000)	(1 700 000)
	-	-

**EPWP Grant**

Current-year receipts	1 984 000	2 560 000
Conditions met - transferred to revenue	(1 984 000)	(2 560 000)
	-	-

**Water Grant**

Current-year receipts	64 000 000	45 000 000
Conditions met - transferred to revenue	(46 457 517)	(45 000 000)
	<u>17 542 483</u>	-

Conditions still to be met - remain liabilities (see note 13).

The municipality submitted an application for roll over funds in compliance with section 21(2) of the Division of Revenue Act. This requires that any conditional grants which are not spent at the end of the financial year must be reverted back to the National Revenue Fund, unless the receiving officer proves to the satisfaction of National Treasury that the unspent allocations committed to identifiable projects, in which case the funds may be rolled over. The Municipality has submitted proof that funds to the amount of R17 542 483 has been committed and should be rolled over to the next financial year.



## THEMBISILE HANI LOCAL MUNICIPALITY

Annual Financial Statements for the ended 30 June 2019

### Notes to the Annual Financial Statements

Figures in Rand	2019	2018
<b>26. Licences and Permits</b>		
Drivers licence applications	-	1 150 466
Drivers licence certificates	-	1 155 727
Vehicle licences	8 193 609	-
Public road permits	2 779	358 520
	<b>8 196 388</b>	<b>2 664 713</b>
<b>26. Donations received</b>		
Nkangala District Municipality	1 381 412	48 364 095
Greenest Municipality Competition	-	50 000
Department of Culture, Sport and Recreation	5 905 137	-
	<b>7 286 549</b>	<b>48 414 095</b>

Donations by way of assets were received from Nkangala District Municipality in R1 381 412 (2018-2019); R48 525 694 (2017-2018) and Department of Culture, Sport & Recreation of R5 905 137 (2018-2019); RNil (2017-2018) . The amount of RNil (2018-2019); R50 000 (2017-2018) was received from Department of Environmental Affairs.

## THEMBISILE HANI LOCAL MUNICIPALITY

Annual Financial Statements for the ended 30 June 2019

### Notes to the Annual Financial Statements

Figures in Rand	2019	2018
<b>27. Employee related costs</b>		
Basic	89 993 293	81 430 324
Bonus	7 140 723	6 305 798
Medical aid - company contributions	6 632 011	6 145 392
UIF	675 982	652 640
WCA	838 752	827 897
SDL	1 188 400	1 050 953
Shift allowance	1 115 909	856 116
Leave pay provision charge	341 025	323 555
Travel, motor car, accommodation, subsistence and other allowances	3 436 523	2 347 704
Overtime, Shift and Standby allowance)	1 086 006	371 340
Long-service awards	738 752	1 388 107
Acting allowances	830 791	508 462
Housing benefits and allowances	97 189	95 593
Cellphone allowances	614 088	544 650
Pension contributions	17 080 821	14 188 308
SALGBC	40 170	36 645
Acting allowances	46 330	-
	<b>131 696 525</b>	<b>117 171 484</b>
During the financial period 2018-2019 the municipality migrated from Grade 3 to 4		
<b>Remuneration of Municipal Manager: Mr ON Nkosi 01 July 2017 to 30 June 2019</b>		
Annual Remuneration	876 018	1 006 187
Car Allowance	180 000	180 000
Contributions to UIF, Medical and Pension Funds	156 136	59 737
	<b>1 212 154</b>	<b>1 245 934</b>
<b>Remuneration of Chief Finance Officer: Ms JG Mhlangu 01 May 2019 to 30 June 2019</b>		
Annual Remuneration	104 462	-
Car Allowance	20 000	-
Contributions to UIF, Medical and Pension Funds	28 854	-
	<b>153 316</b>	<b>-</b>
<b>Remuneration of acting Chief Finance Officer: Mr JS Mzobe 01 December 2018 to 31 May 2019</b>		
Annual Remuneration	55 492	-
Contributions to UIF, Medical and Pension Funds	78 107	-
	<b>133 599</b>	<b>-</b>
<b>Remuneration of chief finance officer: Mr BB Sithole 1 July 2016 to 30 September 2017</b>		
Annual Remuneration	-	193 556
Car Allowance	-	36 000
Contributions to UIF, Medical and Pension Funds	-	2 551
	-	<b>232 107</b>
<b>Acting allowance for Chief Finance Officer 01 November 2017 to 30 June 2019</b>		
Ms JG Mhlangu	-	13 273
Mr OD Ledwaba (01 July 2018 to 31 October 2018)	27 895	20 152
Mr R Malchubele	-	5 035

**THEMBISILE HANI LOCAL MUNICIPALITY**  
Annual Financial Statements for the ended 30 June 2019

**Notes to the Annual Financial Statements**

Figures in Rand	2019	2018
	<b>27 885</b>	<b>38 460</b>
<b>Remuneration of Corporate Service Manager: Ms SA Nxumalo 01 July 2017 to 30 June 2019</b>		
Annual Remuneration	772 371	822 648
Car Allowance	60 000	60 000
Contributions to UIF, Medical and Pension Funds	99 855	58 301
	<b>932 226</b>	<b>940 949</b>
<b>Remuneration of Social Services Manager: Mr AK Chego 01 August 2018 to 30 June 2019</b>		
Annual Remuneration	791 583	-
Car Allowance	110 000	-
Contributions to UIF, Medical and Pension Funds	53 852	-
	<b>955 435</b>	-
<b>Acting allowances for Social Services Manager 01 July 2017 to 30 June 2019</b>		
Ms AN Aphone	-	13 854
Mr SP Mestlela	-	15 104
	-	<b>28 958</b>
<b>Remuneration of Development Planning Manager: Mr MS Tsebe 01 May 2019 to 30 June 2019</b>		
Annual Remuneration	120 038	-
Car Allowance	20 000	-
Contributions to UIF, Medical and Pension Funds	13 466	-
	<b>153 602</b>	-
<b>Acting allowances for Development Planning Manager: 01 October 2018 to 30 November 2018</b>		
Mr WS Msiza (01 September 2018 to 30 November 2018)	11 371	-
<b>Remuneration of Technical Service Manager: Mr VL Skoana 01 May 2019 to 30 June 2019</b>		
Annual Remuneration	91 980	-
Car Allowance	20 000	-
Contributions to UIF, Medical and Pension Funds	17 359	-
	<b>129 349</b>	-
<b>Remuneration of Technical Services Manager: Ms R Morudi 01 July 2017 to 31 October 2018</b>		
Annual Remuneration	331 305	813 738
Car Allowance	26 922	120 000
Contributions to UIF, Medical and Pension Funds	40 051	86 036
	<b>398 278</b>	<b>1 019 774</b>
<b>Acting allowance Technical Services Manager 01 November 2018 to 30 June 2019</b>		
Mr DJD Mahlangu (01 September 2018 to 31 January 2019)	18 209	-
Mr CI Mckubedi (01 February 2018 to 30 April 2019)	18 751	-
	<b>36 960</b>	-

**THEMBISILE HANI LOCAL MUNICIPALITY**  
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**Notes to the Annual Financial Statements**

Figures in Rand	2019	2018
<b>28. Remuneration of councillors</b>		
Executive Mayor	911 045	922 109
Chief whip	694 181	723 741
Speaker	748 092	759 276
Councillors	21 824 265	20 996 004
	<u>24 177 683</u>	<u>23 401 130</u>
<b>In-kind benefits</b>		
The Executive Mayor, Speaker and Mayoral Committee Members are full-time. Each is provided with an office and secretarial support at the cost of the Council.		
The Executive Mayor has use of a separate Council owned vehicle for official duties.		
<b>29. Depreciation and amortization</b>		
Property, plant and equipment	<u>70 798 079</u>	<u>86 116 327</u>
<b>30. Finance costs</b>		
Finance leases	484 287	-
Other interest paid	7 866	486
	<u>491 953</u>	<u>486</u>
<b>31. Debt impairment</b>		
Consumer debtors contribution to debt impairment provision	213 090 938	92 025 004
Traffic fines bad debt contribution to debt impairment provision	11 441 720	4 375 318
	<u>224 532 658</u>	<u>96 400 322</u>
<b>32. Amnesty written off - consumer debtors</b>		
Amnesty written off	<u>4 434 581</u>	<u>1 925 673</u>
<b>33. Prescription written off - consumer debtors</b>		
Prescription written off	-	135 439 513
<b>34. Bulk purchases</b>		
Water purchases	<u>142 097 317</u>	<u>143 781 013</u>

## THEMBISILE HANI LOCAL MUNICIPALITY

Annual Financial Statements for the ended 30 June 2019

### Notes to the Annual Financial Statements

Figures in Rand	2019	2018
<b>35. General expenses</b>		
Advertising	759 808	547 620
Auditors remuneration	5 473 889	4 690 728
Bank charges	286 178	289 831
Consulting and professional fees	17 012 860	20 472 780
Debt collection	-	1 180 543
Entertainment	1 634 277	1 637 216
Traffic Fines management	-	2 055 715
Flowers	110 000	78 000
Insurance	1 662 789	1 576 903
Conferences and seminars	1 148 081	1 068 254
Motor vehicle expenses	600 780	531 660
Postage and courier	108 508	1 885
Printing and stationery	1 236 026	1 135 685
Promotions	-	45 836
Repairs and maintenance	26 760 333	22 648 044
Security (Guarding of municipal property)	18 335 462	17 033 329
Software expenses	3 300 600	2 807 670
Staff welfare	228 712	-
Subscriptions and membership fees	155 541	1 505 519
Telephone and fax	1 157 334	1 615 952
Travel - local	3 745 383	2 280 440
Sewerage and waste disposal	3 474 060	3 570 809
Municipal services	10 648 248	7 742 864
Uniforms	338 482	673 370
Material and supplies	12 274 788	9 411 677
Motor vehicle licences	839 937	744 868
Town planning costs	561 800	188 687
Indigent relief	1 794 937	2 476 790
Sample testing - Water	1 674 670	1 700 476
Ward committee allowances	3 703 000	3 725 650
Water delivery services	19 244 990	13 472 779
Other expenses	6 760 151	769 604
	<b>146 134 886</b>	<b>127 713 384</b>
<b>36. Auditors' remuneration</b>		
Expenses	5 473 889	4 690 728

## THEMBISILE HANI LOCAL MUNICIPALITY

Annual Financial Statements for the ended 30 June 2019

### Notes to the Annual Financial Statements

Figures in Rand	2019	2018
<b>37. Cash generated from operations</b>		
Surplus	16 480 645	81 136 862
Adjustments for:		
Depreciation and amortisation	70 798 079	86 116 327
(Loss) gain on discontinued operations	(20 755)	281 219
Debt impairment	224 532 658	96 400 322
Consumer debtors Amnesty written off	(4 434 561)	(1 925 673)
Consumer debtors Prescription written off	-	(135 439 513)
Movements in retirement benefit assets and liabilities	(1 423 393)	857 000
Movements in provisions	(2 780 851)	2 938 019
VAT adjustment	(9 646 858)	10 466 827
Changes in working capital:		
inventories	(5 089 511)	11 250 997
Receivables from exchange transactions	(25 949 855)	(6 900 356)
Receivables from non-exchange transactions	(8 576 075)	(1 708 012)
Payables from exchange transactions	(9 843 133)	21 839 918
VAT	(11 307 571)	4 161 227
Unspent conditional grants and receipts	(17 542 483)	-
Finance lease liability	(12 103 699)	-
	<b>202 083 539</b>	<b>189 276 962</b>

### 38. Financial instruments disclosure

#### Categories of financial instruments

30 June 2019

#### Financial assets

	At fair value	At amortised cost	Total
Trade and other receivables from exchange transactions	-	8 731 499	8 731 499
Other receivables from non-exchange transactions	-	3 425 559	3 425 559
Cash and cash equivalents	94 283 345	-	94 283 345
	<b>94 283 345</b>	<b>12 157 058</b>	<b>106 440 403</b>

#### Financial liabilities

	At amortised cost	Total
Trade and other payables from exchange transactions	61 708 026	61 708 026

30 June 2018

#### Financial assets

	At fair value	At amortised cost	Total
Trade and other receivables from exchange transactions	-	34 681 354	34 681 354
Other receivables from non-exchange transactions	-	13 102 834	13 102 834
Cash and cash equivalents	56 774 813	-	56 774 813
	<b>56 774 813</b>	<b>47 783 988</b>	<b>104 558 801</b>

#### Financial liabilities

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**THEMBISILE HANI LOCAL MUNICIPALITY**

Annual Financial Statements for the ended 30 June 2019

**Notes to the Annual Financial Statements**

Figures in Rand	2019	2018
	<b>At amortised cost</b>	<b>Total</b>
Trade and other payables from exchange transactions	<u>62 061 821</u>	<u>62 061 821</u>
<b>39. Commitments</b>		
<b>Authorised capital expenditure</b>		
Already contracted for but not provided for		
• Property, plant and equipment	<u>94 289 565</u>	<u>122 837 919</u>
<b>Total capital commitments</b>		
Already contracted for but not provided for	<u>94 289 565</u>	<u>122 837 919</u>

**THEMBISILE HANI LOCAL MUNICIPALITY**  
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**Notes to the Annual Financial Statements**

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**40. Contingencies**

**Details of Contingencies**  
**Plaintiff**

**Detail**

**Amount  
claimed**

1. THLM vs Lawmark Consultin CC - Case no. 70121/17	Joint venture between Lawmark and Casnans - suing the municipality for termination of contract	1 200 000
2. THLM vs Piet Chill - Case no: 12/2013	Mr Chill has issued summons against the municipality claiming loss of income as a result of breach of contract on the part of the municipality	38 204
3. Mabapa Building Construction Va vs THLM - Case no: 623/16/14	The plaintiff is alleging that some employees of the municipality negligently started fire or negligently failed and/or omitted to contain the fire they started. The said fire burned down the plaintiff's business premises and other items	2 000 000
4. THLM vs Telkom - Case no: 110/2015	The plaintiff is alleging that at the or near Moloto road on or about the 4th of March 2013, employees of the municipality acting with the scope of employment damaged an overhead cable belonging to the plaintiff.	24 900
5. THLM vs SAMWU abo Thutse Reinathine Mmantimo - Case no: JS436/15	There were two appointments done while the vacant position was for one.	255 257
7. THLM vs Unlawful occupiers of land - Case 2932/17, 2867/17, 2631/17, 2632/17 and 2633/17	as from July 2017, the municipality received an enormous land invasion in the following areas: Empumelelwani, Verena, Zensele, Phumula, Wovenkop, Moloto South and Moloto North. The land invasion continued unabated even after two meetings which were held between THLM & Traditional Leaders on the 06 August 2017 and 08 September 2017, it was agreed that there will be a moratorium on land allocation until a memorandum of understanding is signed between the two parties.	-
6. MJ Magsela vs Minister of Police/THLM and NPA - Case 84342/17	On the 5 January 2018 summons were served wherein the plaintiff claim against the municipality payment of an amount of R1 290 000 for damages he claims to have suffered due assault by members of the municipal traffic officers on the 15 March 2016 at Kwamhlanga R573 near Total garage.	No amount available
7. Kosabo Elijah Maaango and 4 others vs THLM - Case 62909/18	On the 29 August 2018, the municipality received an urgent application wherein the applicant & 4 others wanted the High Court to set aside and rescind the court order that was granted in favour of the municipality on the 15 January 2018. the court order relates to the eviction of the unknown unlawful occupiers of portion 6 and remainder of the farm 617 Kwamhlanga JR.	211 453



## THEMBISILE HANI LOCAL MUNICIPALITY

Annual Financial Statements for the ended 30 June 2019

### Notes to the Annual Financial Statements

Figures in Rand

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#### 41. Related parties

<b>Relationships</b>	
Accounting Officer	Mr ON Nkosi
Corporate Service Manager	Ms SA Nxumalo
Social Services Manager	Mr AK Chego
Chief Finance Officer (CFO)	Ms JG Mafianqu
Development Planning Manager	Mr MS Tsebe
Technical Services Manager	Mr VL Skosana
District Municipality	Nkangala District Municipality

The information required as per GRAP 20 paragraph 35(a) to (i) can be found in note 5 (Employee benefit obligations), 13 (Bonus provision), 14 (Leave provision), 27 (employee related costs), 28 (remuneration of councillors) and 49 (Councillor's in arrears) within the financial statements where relevant to the municipality.

#### 42. Prior period errors

The correction of the error(s) results in adjustments as follows.

#### 43. Prior-year adjustments

Presented below are those items contained in the statement of financial position, statement of financial performance and cash flow statement that have been affected by prior-year adjustments:

##### Statement of financial position

30 June 2018

	As previously reported	Correction of error	Change in accounting policy	Restated
Inventories	52 520 417	3 742 297	-	56 262 714
Receivables from exchange transactions	35 886 878	-	-	35 886 878
Receivables from non-exchange transactions	13 314 980	(1 417 850)	-	11 897 010
Cash and cash equivalents	56 621 997	152 817	-	56 774 814
Property, plant and equipment	1 888 374 360	(6 203 552)	-	1 882 170 808
Payables from exchange transactions	(62 539 702)	(1 251 562)	-	(63 791 264)
Revaluation reserve	(207 577 507)	-	207 577 507	-
Accumulated surplus	(1 739 686 566)	4 964 392	(207 577 507)	(1 942 309 681)
	<b>36 904 937</b>	<b>(13 668)</b>	<b>-</b>	<b>36 891 379</b>

##### Statement of financial performance

**THEMBISILE HANI LOCAL MUNICIPALITY**  
Annual Financial Statements for the ended 30 June 2018

**Notes to the Annual Financial Statements**

Figures In Rand	2019	2018		
<b>30 June 2018</b>				
	<b>As previously reported</b>	<b>Correction of error</b>	<b>Re-classification/ Re-allocation</b>	<b>Restated</b>
Revenue from exchange transactions	1	-	1	2
Interest received	55 657 682	152 817	-	55 810 499
Transfer revenue	(1)	-	-	(1)
Government grants and subsidies	-	-	(1)	(1)
Licences and permits	4 098 003	(1 244 632)	-	2 853 371
Fines, penalties and forfeits	4 958 377	1 249 113	-	6 205 490
Debt impairment	(96 110 628)	(289 694)	-	(96 400 322)
General expenses	(125 734 920)	-	-	(125 734 920)
<b>Surplus for the</b>	<b>(157 133 488)</b>	<b>(132 396)</b>	<b>-</b>	<b>(157 265 882)</b>

Comparative figures

## THEMBISILE HANI LOCAL MUNICIPALITY

Annual Financial Statements for the ended 30 June 2019

### Notes to the Annual Financial Statements

Figures in Rand	2019		2018		
30 June 2018	As previously reported	Correction of error	Change in accounting policy	Re-classification/ Re-allocation	Restated
<b>Statement of financial position</b>					
<b>Current assets</b>	1	-	-	-	1
Inventories	52 520 417	3 742 287	-	-	56 262 714
Receivables from exchange transactions	35 886 978	-	-	(1 205 624)	34 681 354
Receivables from non-exchange transactions	13 314 960	(1 417 950)	-	1 205 624	13 102 634
VAT receivable	14 875 546	-	-	-	14 875 546
Cash & cash equivalents	56 621 997	152 816	-	-	56 774 813
<b>Non-current assets</b>	(1)	-	-	-	(1)
Property, plant and equipment	1 888 374 360	(6 203 552)	-	-	1 882 170 808
Intangible assets	1 078 085	-	-	-	1 078 085
<b>Liabilities</b>	1	-	-	-	1
Payables from exchange transactions	(62 539 702)	(1 251 562)	-	16 124 063	(47 667 201)
Provision bonuses	(2 889 460)	-	-	-	(2 889 460)
Employee benefit obligations	-	-	-	(607 000)	(607 000)
<b>Non-current liabilities</b>	(1)	-	-	-	(1)
Employee benefit obligations	(8 003 000)	-	-	807 000	(7 396 000)
Provisions Landfill site	(19 373 024)	-	-	-	(19 373 024)
Non-current portion of payables from exchange transactions	(22 593 084)	-	-	(16 110 501)	(38 703 585)
Revaluation reserve	(207 577 507)	-	207 577 508	-	1
Accumulated surplus	(1 739 696 566)	4 964 392	(207 577 507)	-	(1 942 309 681)
	-	(13 558)	1	13 562	4
<b>Statement of financial performance</b>					
<b>Revenue from exchange transactions</b>	1	-	-	-	1
Service charges	131 988 408	-	-	-	131 988 408
Rental of facilities and equipment	1 024 062	-	-	-	1 024 062
Interest revenue	55 657 582	152 817	-	-	55 810 499
Other income	-	-	-	1 803 473	1 803 473
Taxation revenue	(1)	-	-	-	(1)
Property rates	42 764 437	-	-	-	42 764 437
Transfer revenue	(1)	-	-	-	(1)
Government grants & subsidies	524 299 000	-	-	-	524 299 000
Donations received	48 414 095	-	-	-	48 414 095
Licences and permits	4 098 003	(1 244 632)	-	(188 659)	2 664 712
Fines, penalties & forfeits	4 966 377	1 249 113	-	-	6 205 490
Other income	1 614 814	-	-	(1 614 814)	-
<b>Expenditure</b>	1	-	-	-	1
Employee related costs	(117 038 472)	-	-	(133 012)	(117 171 484)
Remuneration of councillors	(23 534 142)	-	-	133 012	(23 401 130)
Depreciation and amortisation	(86 116 327)	-	-	-	(86 116 327)
Finance costs	(486)	-	-	-	(488)
Lease rentals on operating leases	(1 626 964)	-	-	-	(1 626 964)
Debt impairment	(96 110 628)	(289 694)	-	-	(96 400 322)
Bulk purchases	(143 761 162)	-	-	-	(143 761 162)
Prescription consumers written off	(135 439 513)	-	-	-	(135 439 513)
Loss on non-current assets held for sale or disposal groups	(281 219)	-	-	-	(281 219)
Amnesty consumers written off	(1 925 673)	-	-	-	(1 925 673)

## THEMBISILE HANI LOCAL MUNICIPALITY

Annual Financial Statements for the ended 30 June 2019

### Notes to the Annual Financial Statements

Figures in Rand		2019	2018
<b>General expenses</b>	(1)		(1)
Advertising	(547 620)		(547 620)
Auditors remuneration	(4 690 728)		(4 690 728)
Bank charges	(298 831)		(298 831)
Consulting and professional fees	(20 472 780)		(20 472 780)
Debt collection	(1 180 543)		(1 180 543)
Entertainment	(1 011 680)		(1 011 680)
Fines management	(77 251)	(625 536)	(1 837 215)
Flowers	(78 000)		(78 000)
Insurance	(1 578 803)		(1 578 803)
Conferences and seminars and training	-	(1 068 254)	(1 068 254)
Motor vehicle expenses	(3 440 004)		
Fuel and oil	(6 618 544)	2 908 354	(531 850)
Postage and courier	(1 885)	6 618 544	-
Printing and stationery	(1 135 695)		(1 885)
Promotions	(45 836)		(1 135 695)
Repairs and maintenance	(19 739 690)		(45 836)
Security	(17 033 329)	(2 908 354)	(22 648 044)
Software expenses	(2 807 670)		(17 033 329)
Subscriptions and membership fees	(1 505 519)		(2 807 670)
Telephone and fax	(1 615 952)		(1 505 519)
Training	(1 068 254)		(1 615 952)
Travel - Local	(2 915 975)	1 068 254	-
Municipal services	(7 742 864)	625 536	(2 290 439)
Sewerage and waste disposal	(877 500)		(7 742 864)
Water delivery services	(13 472 779)	(2 693 309)	(3 570 806)
Uniforms	(673 370)		(13 472 779)
Material and supplies	(2 793 133)		(673 370)
Motor vehicle licences	(744 868)	(6 618 544)	(9 411 677)
Town planning costs	(188 667)		(744 868)
Indigent relief	(2 476 641)		(188 667)
Sample testing - Water	(1 700 476)		(2 476 641)
Ward committee allowances	(3 725 650)		(1 700 476)
Other expenditure	(3 463 113)		(3 725 650)
	<b>83 247 621</b>		<b>83 118 126</b>
	<b>(132 398)</b>		
		<b>1</b>	

#### 44. Risk management

##### Financial risk management

## THEMBISILE HANI LOCAL MUNICIPALITY

Annual Financial Statements for the ended 30 June 2019

### Notes to the Annual Financial Statements

Figures in Rand 2019 2018

#### Liquidity risk

The municipality's risk to liquidity is a result of the funds available to cover future commitments. The municipality manages liquidity risk through an ongoing review of future commitments and credit facilities.

The table below analyses the municipality's financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

At 30 June 2019	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Current liabilities: Payables from exchange transactions	61 898 308	-	-	-
Current liabilities: Finance lease obligations	4 127 394	-	-	-
Non-current liabilities: Payables from exchange transactions	-	6 354 854	24 141 286	13 306 549
- Deposits received	-	-	-	316 010
- Retention	-	6 354 854	15 373 481	-
- Advance payments: Land & buildings	-	-	3 557 808	-
- Unallocated deposits	-	-	5 208 996	3 620 486
- Debtors with credit balances	-	-	-	9 649 335
Non-current liabilities: Landfill sites	-	-	-	21 787 417
Non-current liabilities: Finance lease obligation	-	7 976 305	-	-
At 30 June 2018	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Current liabilities: Payables from exchange transactions	47 567 204	-	-	-
Non-current liabilities: Payables from exchange transactions	-	17 680 144	4 912 940	16 110 501
Non-current liabilities: Landfill sites	-	-	-	19 373 024

#### Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The municipality only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Trade receivables comprise a widespread customer base. Management evaluated credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The utilisation of credit limits is regularly monitored. Sales to retail customers are settled in cash or using major credit cards. Credit guarantee insurance is purchased when deemed appropriate.

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

Financial instrument	30 June 2019	30 June 2018
Cash and cash equivalents	94 283 345	55 774 813
Receivables from exchange transactions	25 198 254	34 681 354
Receivables from non-exchange transactions	9 906 446	14 520 584

#### Market risk

##### Interest rate risk

As the municipality has no significant interest-bearing assets, the municipality's income and operating cash flows are substantially independent of changes in market interest rates.

**THEMBISILE HANI LOCAL MUNICIPALITY**  
Annual Financial Statements for the ended 30 June 2018

**Notes to the Annual Financial Statements**

Figures in Rand

	2018	2018
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**46. Going concern**

We draw attention to the fact that at 30 June 2018, the municipality had an accumulated surplus of R 1 987 490 628.

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

**46. Events after the reporting date**

Disclose for each material category of non-adjusting events after the reporting date:

- nature of the event.
- estimation of its financial effect or a statement that such an estimation cannot be made.

**47. Fruitless and wasteful expenditure**

Opening balance as previously reported	10 346 660	2 705 303
Opening balance as restated	<u>10 346 660</u>	<u>2 705 303</u>
Add: Fruitless Expenditure - current	820 989	10 346 660
Less: Amount written off - prior period	-	(2 705 303)
Closing balance	<u>11 167 649</u>	<u>10 346 660</u>

The municipality has appointed a disciplinary board to investigate the UIFW. Their investigation are not yet concluded.

## THEMBISILE HANI LOCAL MUNICIPALITY

Annual Financial Statements for the ended 30 June 2019

### Notes to the Annual Financial Statements

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	2019	2018
<b>Expenditure identified in the current year include those listed below:</b>		
Eskom and Rand Water Bulk	7 863	-
> Monde Consulting	-	1
> Toopvar Kgotsoeng Namukelwe JV	-	952 875
> Toopvar Kgotsoeng Namukelwe JV	-	1 483 486
> Mibeko Projects and Trading	-	5 189 000
> Employees identified through audit process in 2017-2018	-	850 000
> Employees	-	1 503 765
> Hlophe Njabulo Enterprise	-	(1)
COMAF 36: Claim for services not rendered for Upgrading of Makiangis and Kwagqobethin Water Infrastructure project	-	119 512
COMAF 37: Non-compliance with indigent subsidy and free basic services provision policy	247 261	246 013
	566 044	-
	<b>520 989</b>	<b>10 346 651</b>
<b>48. Irregular expenditure</b>		
Opening balance	35 008 277	91 349 727
Add: Irregular Expenditure - current year	9 128 547	44 836 614
Opening balance as restated	44 136 824	136 186 341
Less: Amounts written off by Council awaiting to be condoned by National Treasury.	-	(101 178 054)
Closing balance	44 136 824	35 008 277

**THEMBISILE HANI LOCAL MUNICIPALITY**  
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Incidents/cases identified in the current year include those listed below:

	2019	2018
Zembeleni		
Mamolaro Construction	4 759 644	4 831 783
Richo	655 808	527 200
Bahwh	405 902	2 886 282
Tshwede Construction	15 815	1 253 656
Thobela Attorney's and LMK Consulting JV	31 050	-
Bidvest	501 788	-
Needflex	1 321 078	-
Fidelity Cash Solutions	203 813	-
Work Dynamics (Pty) Ltd	187 459	-
Kuya Trading	-	14 448
Monde Consulting	-	2 019 772
Papassau Construction	-	23 379 340
Moaaga Trading Enterprise	888 295	-
J P Trading and Projects	-	2 305 599
Aidubane Plant hire and projects	-	2 761 064
Excusite Royalty Design	-	80 000
Tsoelai Construction and Dev	-	29 840
Alleah Construction	-	12 850
Greenim Trading	-	195 310
MTP Practical Refrigeration Co	-	29 800
Witbank Mining Imbizo	-	29 840
Star Jay 's Construction	-	686 221
Mega Works Trading Enterprise	-	331 056
Hopehe Njibuko Enterprise	-	317 718
Mandakandala Trading and Projects	-	1 145 916
Needflex	-	1 027 788
Fidelity cash solutions	-	887 352
	-	124 672
	-	159 463
	<b>9 128 848</b>	<b>44 836 616</b>



**THEMBISILE HANI LOCAL MUNICIPALITY**

Annual Financial Statements for the ended 30 June 2019

**Notes to the Annual Financial Statements**

Figures in Rand	2019	2018
<b>49. Additional disclosure in terms of Municipal Finance Management Act</b>		
<b>Audit fees</b>		
Current year subscription / fee	5 473 889	4 690 728
Amount paid - current year	(5 473 889)	(4 690 728)
	-	-
<b>PAYE</b>		
Current year subscription / fee	19 164 121	15 567 190
Amount paid - current year	(19 164 121)	(15 567 190)
	-	-
<b>UIF</b>		
Current year subscription / fee	663 401	652 640
Amount paid - current year	(663 401)	(652 640)
	-	-
<b>Pension and Medical Aid Deductions</b>		
Current year subscription / fee	26 608 381	23 077 770
Amount paid - current year	(26 608 381)	(23 077 770)
	-	-
<b>VAT</b>		
VAT receivable	116 455 767	77 491 228
VAT payable	(112 887 792)	(62 615 682)
	<b>3 567 975</b>	<b>14 875 546</b>

VAT output payables and VAT input receivables are shown in note 8 &amp; 9

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**THEMBISILE HANI LOCAL MUNICIPALITY**  
Annual Financial Statements for the ended 30 June 2018

**Notes to the Annual Financial Statements**

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Figures in Rand	2018	2017
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**Councillors' arrear consumer accounts**

The following Councillors had arrear accounts outstanding for more than 90 days at 30 June 2018:

## THEMBISILE HANI LOCAL MUNICIPALITY

Annual Financial Statements for the ended 30 June 2019

### Notes to the Annual Financial Statements

Figures in Rand	2019	2018	
<b>30 June 2019</b>	<b>Outstanding less than 90 days R</b>	<b>Outstanding more than 90 days R</b>	<b>Total R</b>
Cllr Boshogo Steven	393	1 834	2 227
Cllr Dhlamini Alicia Lebohlang	521	24 829	25 350
Cllr Fakude Dumisani Chrescent	618	12 423	13 041
Cllr Jiyane Laza Elsie	565	12 500	13 065
Cllr Kekane Piet Thapelo	345	12 060	12 405
Cllr Mabekwane Oria Mphato	722	48 295	49 017
Cllr Mabana Mbebenzi Ben	393	1 834	2 227
Cllr Mabana Thomas Lebandia	530	11 070	11 600
Cllr Madyungu Alexcious Sphiwe	521	20 884	21 405
Cllr Mahlangu Amos	345	3 440	3 785
Cllr Mahlangu Christina Ndelelenhle	567	14 409	14 976
Cllr Mahlangu Gideon	412	2 837	3 249
Cllr Mahlangu Moses Michael	521	19 932	20 453
Cllr Mampuru Dipolelo Sinah	393	1 834	2 227
Cllr Maseko Zanele	-	1 456	1 456
Cllr Mashaba Mqosh Paulus	393	1 834	2 227
Cllr Mashini Thabizile Elsie	309	-	309
Cllr Masilela Toenkie Linah	393	1 834	2 227
Cllr Mathibela Emelinah Mevis	667	15 976	16 642
Cllr Mnguni Maria Dhubeni	345	5 521	5 866
Cllr Mnisi Sgaule Timothy	424	4 348	4 772
Cllr Mogoboya Samuel Bongani	397	11 912	12 309
Cllr Mokwena Maria Adelaide	462	5 865	6 327
Cllr Motanyane Thakozile Egnas	521	23 112	23 633
Cllr Motaung Ntombi Mitta	562	10 056	10 618
Cllr Motana Mitopi Andries	309	2 472	2 781
Cllr Msibi Bongani Victor	602	14 758	15 360
Cllr Msibi Vusi Amos	566	10 343	10 909
Cllr Msiza Khulisile April	602	17 205	17 807
Cllr Msiza Nomatjeni Nellie	439	4 409	4 848
Cllr Msweni Nomsa Sanny	330	-	330
Cllr Msweni Rubber Qaliwe	512	9 234	9 746
Cllr Nduli Masotja Petrus	521	28 690	29 211
Cllr Ngoma Norman	548	9 284	9 832
Cllr Ngoma Siphso Koos	345	1 765	2 110
Cllr Nhlapho Sonto Rose	223	-	223
Cllr Skosana Dini Samson	432	10 168	10 600
Cllr Skosana Mzwandile Obed	699	-	699
Cllr Skosana Lindiwe Thembi	231	-	231
Cllr Skosana Vusimusi Vincent	530	12 405	12 935
Cllr Tibane Thabo John	137	-	137
	<b>18 245</b>	<b>390 627</b>	<b>408 872</b>
<b>30 June 2018</b>	<b>Outstanding less than 90 days R</b>	<b>Outstanding more than 90 days R</b>	<b>Total R</b>
Cllr Boshogo Steven	180	-	180
Cllr Maseko Zanele	-	1 343	1 343
Cllr Msibi Vusi Amos	251	8 446	8 697
Cllr Dhlamini Alicia Lebohlang	311	22 997	23 308
Cllr Fakude Dumisani Chrescent	124	12 502	12 626
Cllr Hlope Nompumelelo Evidence	-	177	177
Cllr Jiyane Koos Vusi	-	178	178
Cllr Jiyane Laza Elsie	-	10 858	10 858

## THEMBISILE HANI LOCAL MUNICIPALITY

Annual Financial Statements for the ended 30 June 2019

### Notes to the Annual Financial Statements

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	2019	2018
Cllr Kekana Piet Thapelo	268	10 787
Cllr Mabelwane Ona Mpheto	457	44 541
Cllr Mabena Thomas Lebandia	-	8 533
Cllr Madyungu Alexcious Sphiwe	255	19 131
Cllr Mahlangu Amos	175	2 230
Cllr Mahlangu Chrststnrah Ndlelenhle	357	13 406
Cllr Mahlangu Gideon	-	5 450
Cllr Mahlangu Moses Michael	229	18 194
Cllr Makatu Pheneus Doctor	15	313
Cllr Makhubela Jan Mesaka	-	143
Cllr Makhwiring Thaletja James	180	528
Cllr Malefo Nimrod Bokumele	36	116
Cllr Mampuru Dipolelo Sinah	180	528
Cllr Masango Siphoh	14	207
Cllr Mashaba Mqosh Paulus	180	528
Cllr Mashinin Thabesile Elsie	35	730
Cllr Masitela Tonkie Linah	180	528
Cllr Mathibela Emelinh Mavis	340	13 989
Cllr Mnguni Maria Qhubeni	175	4 311
Cllr Mntsi Sgaule Timothy	278	2 842
Cllr Mogoboya Samuel Bongani	257	9 838
Cllr Mokwena Maria Adelaide	-	11 514
Cllr Molefe Remenky Stephinah	3	368
Cllr Motanyane Thokozi Egnas	3	22 210
Cllr Motsung Ntombi Mitta	247	8 178
Cllr Motlana Mlapi Andries	195	1 086
Cllr Msibi Bongani Victor	340	19 916
Cllr Mziza Maria Poppy	-	842
Cllr Mziza James Simasusu	14	41
Cllr Mziza Khulisile April	-	21 952
Cllr Mziza Nomatjeni Nellie	-	9 449
Cllr Mthimunya Joseph Elias	-	256
Cllr Mlaweni Nomsa Sanny	-	392
Cllr Mtsweni Rubber Qaiwe	-	7 879
Cllr Nduki Masotja Petrus	251	28 929
Cllr Ngoma Norman	239	7 454
Cllr Ngoma Siphoh Koes	175	556
Cllr Nhlapho Sonto Rose	-	911
Cllr Nobela Maria Truddy	-	104
Cllr Phakathi Nomasono Emmah	-	334
Cllr Skosana Dini Samson	202	8 669
Cllr Skosana Lindiwe Thembel	-	19
Cllr Skosana Vusumuzi Vincent	-	10 885
Cllr Tau Joyce Johannah	-	180
Cllr Tibane Thabo John	-	1 250
Cllr Tshabangu Martha Lillian	111	3 100
	<b>6 243</b>	<b>377 629</b>
		<b>383 872</b>

#### Supply chain management regulations

In terms of section 36 of the Municipal Supply Chain Management Regulations any deviation from the Supply Chain Management Policy needs to be approved/condoned by the City Manager and noted by Council. The expenses incurred as listed hereunder have been condoned.

#### 50. Deviation from supply chain management regulations

Paragraph 36 of the MFMA Act and regulations states that the accounting officer may dispense with the official procurement process in certain circumstances, provided that he records the reasons for any deviations and reports them to the next meeting of the accounting officer and includes a note to the annual financial statements.

## THEMBISILE HANI LOCAL MUNICIPALITY

Annual Financial Statements for the ended 30 June 2019

### Notes to the Annual Financial Statements

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2019

2018

Various services Buses and gym equipment were procured during the financial under review and the process followed in procuring those goods deviated from the provisions of paragraph 12(1)(d)(i) as stated above. The reasons for these deviations were documented and reported to the accounting officer who considered them and subsequently approved the deviation from the normal supply chain management regulations.

Details of deviations – current year Service description	Service providers	Justifiable reason for deviation	
1. Procurement and installation of brake linings (Complete set)	McCarthy Kunene	Sole provider of services.	6 678
2. The Institute of Internal Auditors	The Institute of Internal Auditors	Sole provider of services.	6 725
3. System maintenance and repairs of the recording system in the council chamber	Sheppard Media Audio Visual	Sole provider of services	153 317
4. Short-term rental of 4 Toyota Hilux bakkies	Bidvest Bank Limited	Sole provider of services.	52 895
5. Registration fees for CIGFARO conference for Executive Mayor Ms Nomsa Mtsweni	CIGFARO (IMFO)	Sole provider of services	8 024
6. Registration fees for CIGFARO conference for MMC L Tshabangu	CIGFARO (IMFO)	Sole provider of services	8 224
7. Registration fees for CIGFARO conference for Mr J Moyo and Mr OD Ledwaba	CIGFARO (IMFO)	Sole provider of services	8 024
8. Registration fees for CIGFARO conference for Mr A Malope and Ms S Moripe	CIGFARO (IMFO)	Sole provider of services	16 048
9. Replacement of coolant and thermostat	McCarthy Kunene	Sole provider of services	22 900
10. Registration of IRMSA training for Risk Champions	The Institute of Risk Management SA	Sole provider of services	38 392
11. Procurement of contractor	Prothebe Electrical Services	Emergency	12 579
12. Registration fees for Mr. A. Malope, Mrs. S. Moripe and Mrs. M. Legodi to attend Public Sector Audit and Risk Indaba 2019	CIGFARO (IMFO)	Sole provider of services	18 795
13. Registration fees for Mr. T. Baloyi to attend Public Sector Audit and Risk Indaba 2019	CIGFARO (IMFO)	Sole provider of services	6 265
14. Replacement of coolant and thermostat	McCarthy Kunene	Sole provider of services	22 900
15. Registration of IRMSA Training for Risk Champions	The Institute of Risk Management South Africa	Sole provider of services	38 392
16. Registration fees for Mr. J. Moyo to attend Public Sector Audit and Risk Indaba 2019	CIGFARO (IMFO)	Sole provider of services	6 265
17. Preparation of Assets Register	i@Consulting	Regulation 32	5 217 367
18. Installation of biometric system	MWVG Solutions	Regulation 32	1 770 150
19. Drilling and equipping of solar boreholes	Diges Group	Regulation 32	1 412 824
20. Debt collection services	Thobela Attorneys and LMK Consulting JV	Regulation 32	501 785
21. Fleet management services	Bidvest for fleet services	Regulation 32	1 321 078
			<b>R10 649 731</b>

**THEMISBIE HAMI LOCAL MUNICIPALITY**  
**Unaudited MFMA Section 125 (2)(e)**

The following non-compliances were identified

- Non-compliance with Section 62(1) (c) of MFMA since irregular and fruitless and wasteful expenditure were incurred

**ACTION PLAN 2018/2019 FINANCIAL YEAR (ANNEXURE B)**

**THEMBISILE HANI LOCAL MUNICIPALITY**



**Audit outcome 2018/2019**

**Audit Opinion: Qualified with Findings**

**Misstatements in financial statements**

7	Misstatements identified on PPE (COMAF 21)	During the audit of property, plant and equipment (PPE) we identified the following: 1. We noted the following differences between the general ledger and the note 3 which lead to overstatement of libraries by R15 696 407 and understatement of Water Supply Distribution by R7 557 620 20, resulting in a net effect of overstatement of R8 138 787. 2. With reference to the table below, the supporting documents (payment batch including invoices and payment certificates) submitted for audit do not support the amounts capitalized in the fixed assets register (FAR). 3. For additions listed below, we noted that the cost of the asset capitalised was VAT inclusive leading to an overstatement by R121 031.	Financial and performance management: implement controls over daily and monthly processing and reconciling transactions	Management revise the AFS and reflect the correct information pertaining to PPE.	1. Of evidence will be kept by management on a monthly basis to justify the transactions processed on the financial system. 2. Conduct proper and thorough reviews on the AFS and FAR on time to avoid the risk on not detecting, identifying and correcting errors on time.	GRAP compliant - Final Asset register for the year	Monthly	Ass Manager Assets & CFO
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		87 which relates to VAT input. 4. The following invoice was not paid within 30 days after receiving it even though interest was not charged by the supplier.							
12	Misstatements on fleet management (COMAF 35)	Whilst auditing fleet transactions we identified the following: 1. The following transactions relating to Nedfleet, a petrol card service provider for Mayor's car, did not have supporting documents in the form of service level agreement, invoices and statements. Management only relied on the bank statement to record these transactions on the GL and AFS. Normally the bank statements transactions are inclusive of VAT. As the result, we could not obtain sufficient appropriate audit evidence to justify the validity, accuracy and completeness of transactions recorded since management did not conduct formal procurement processes to secure the service provider. The transactions are over R200 000 inclusive of VAT, meaning the municipality was supposed to follow a bid procurement process to secure the services. Therefore, the above resulted in irregular expenditure of R203 812, 45 for the current year. 2. Furthermore, we noted that an amount of R657 045, 77 (Excl: Vat), was incorrectly recorded under general expenditure: security services instead of general expenditure.	Financial and performance management - Implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial and performance reporting. Financial and performance management - Implement controls over daily and monthly processing and reconciling transactions.	Amend the AFS and disclose the accurate and complete general expenditure, VAT & Irregular expenditure	Source service providers via a proper procurement process is an indication that fleet management controls are not operating effectively.	Monthly payment vouchers	Nov-19	Assistant Manager, Fleet & Manager Corporate	



13	SLA not in place (COMAF 8)	<p>fleet management. The recording was through a year-end journal no: 4318 processed on 30 June 2019 ie Dr Expenditure: contracted Services (P/L) and Cr Trade payables (SFP) for R657 045, 77. 3. Furthermore, management initially processed journal No: 4306 for general expenditure: fleet that was zero rated, to correct a transaction that excluded VAT in error for R680 371 instead of R782 427.66 incl VAT. When management was correcting this error they processed two similar journals twice as follows which led to overstatement of general expenditure and understatement of VAT input by R102 055.8:</p> <ul style="list-style-type: none"> <li>• Dr general expenditure: fleet R102 055.8 and Cr VAT input by R102 055.8.</li> <li>• Dr general expenditure: fleet R102 055.8 and Cr VAT input by R102 055.8.</li> </ul> <p>Whilst testing the controls on DR JS Moroka account, we identified the following:</p> <ul style="list-style-type: none"> <li>• The municipality does not have a current approved service level agreement that governs the relationship between DR JS Moroka and the municipality for water services that the former provides to the latter.</li> <li>• The municipality does not coordinate properly the meter readings it performs with the invoice process from DR JS Moroka to ensure that they are billed accurately before the</li> </ul>	Financial and performance management: Prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information. Management did not exercise sufficient oversight responsibility to ensure that proper reviews were performed by management on the annual financial	To formalize the Service Level agreement with Dr. JS Moroka Municipality and City of Tshwane.	Manager: Technical Services	
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14	Control deficiencies on biometrics system (COMMAF 34)	Invoices are paid. Refer to table below that reflects KLS for the whole year.	statements (AFS) before they were submitted for audit to ensure that the AFS submitted were fall presented.	Consultations with employee representatives will be regularly done.		1-Jan-20	Manager, Corporate Services	
<p>During our audit visit at the municipality it came to our attention that the municipality has biometrics system installed and through our observation we noted that the system was not fully utilised from April 2019 when we came for planning to date 08 November 2019. Through enquiries with management and inspection of the supporting documents, it came to our attention that the use of the biometrics was objected by the employee's trade union due to the fact that they were never consulted before the system was installed. The objection was in terms of non-compliance by the employer with Section 84 and 85 of the Labour Relations Act. We inspected the procurement that was done through SCM Regulation 32, to install the biometrics system which was informed by challenges identified on safety and security for employees as well as the monitoring of staff attendance. The details of the appointed supplier are noted below:</p> <p>Supplier name : MWG Business Solutions  Appointment date : 11-June-2018  Total Value of the Project: R1 495 473,66</p>		<p>Financial and performance management. Prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information. Management did not exercise sufficient oversight responsibility to ensure that relevant laws and regulations were adhered to before procuring the necessary service provider and the employees failed to observe their employment contract which obligates them to be present at work.</p>						


Monthly Maintenance Fee: R18  
 454.78(Vat Incl.)  
 Based on the agreement provided by the supplier and the meeting held on 05 August 2019 with all employees, the system covers the following controls: **1.** The system keeps records of how many people have accessed the building. Also in case of emergency, management will be able to determine how many people are inside the building at any point in time. **2.** It also includes time and attendance controls that monitor the clocking in and out of employees. **3.** The system also provides cameras to monitor the movement of employees and visitors inside municipal premises. **4.** The system also come with handheld gadgets for supervisors and management working on the sites to track the time and attendance of employees. **5.** It also has a function to track how many hours/days the employee has not clocked in to enable management to make deductions on the employee's salary if need be.  
 Based on the inspection of the SLA, the following are excluded:  
**a)** Products and services provided by a third party, alterations or out of specifications of the vendor of the equipment.  
**b)** Accidents, misuse, negligence or failure of customer to follow instructions from proper use, care and

	<p>cleaning of equipment,  c) External factors (Example lightning, acts of God, Failure or fluctuation of electrical powers or air conditioning)  d) Failure by customer to comply with the environmental specifications prescribed by the manufacturer/developer of the equipment/software  After the system was procured in June 2018, a Circular was sent via email through ICT assistant manager on 22 August 2018 to all employees to register their fingerprints from 23 to 28 August 2018 since the biometric was going to operate on 30 August 2018. We inspected the minutes of meeting held in October 2018 for all staff where the workplace forum was represented where the employer made reference to the new system installed. From the minutes of the meetings, there were no objections cited by the employees including the workplace forum. The only request that came was for the municipal manager to be present before any further resolutions can be taken. We noted a second reminder which was sent by the corporate services manager extending the registration period to 28 November 2018. After that Circular no. HR 03/2018 was issued stating that all officials will gain access to municipal premises through biometrics system from 11</p>							
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December 2018. Based on management's confirmation, the system came into operation on 11 December 2018.

On 18 December 2018, the trade union objected the use of the biometrics system and resolved that it will be used once the employer and the labour movements have reached a resolution on the meeting scheduled for 21 June 2019. Based on enquiries with management, the meeting scheduled for 21 June 2019 was postponed to 06 August 2019 where the following resolutions were taken by the union and management to address the following:

- i. Employer fixing the other entrances which are not controlled
- ii. Submission of the access control policy to the union
- iii. Telephones be installed in the reception areas and implementation programme be monitored on monthly basis
- iv. That no deductions on salaries from the employees for the piloting period which will be for 12 months.

Implementation date for resolution was 14 August 2019. Through inspection of the clocking reports dated 19 August 2019 from corporate service manager, we noted that the system was working from 10 January to 27 February 2019 and 12 August to 18 September 2019.

Based on the above, we have

	<p>drawn the following conclusions:</p> <ul style="list-style-type: none"> <li>• The safety and security of employees at work is the responsibility of the employer not the employees. It's clear from the procurement documents that there was an urgent need identified by management where the safety and security of employees was violated and management needed to act with speed to protect its employees to avoid any delays on service delivery. Therefore, the employer is within its right to ensure that controls are instituted to ensure this vital function for the safety and security of employees. It is the right of the workplace forum to be entitled to consultation by the employer on any changes pertaining to new technology installed (biometric system), but this forum has no right to halt the controls instituted by the employer to safeguard the safety of employees in general. This is derived from a similar principle where the employer procured the services of a security company to protect the employees and the premises of the municipality from any unauthorized access, danger etc.</li> <li>• Monitoring the time and attendance of employees is the responsibility of employer not the employees. All employees of the municipality by virtue of their employment contract and</li> </ul>							
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the code of conduct have an obligation to report on time for work and be fully functional at work since they are employed to deliver services based on agreed terms and conditions per their employment contracts. When the employee and employer sign the employment contract, both promise to abide by the terms and conditions of the contract, the code of conduct including other labour related laws and regulations.

- We inspected the salary reports as at 30 June 2019, no deductions were identified meaning this control was not instituted pending the pilot phase per resolutions taken on 06 August 2019.

Taking the above into account, it's important for employer to exercise proper discipline to ensure that all relevant stakeholders are consulted timeously on any matters pertaining to changes in the conditions of employment affecting remuneration of employees.

It's also important for employees to note that the employer is within its right to institute controls pertaining to safety and security for employees including monitoring of staff attendance at work after consulting with the relevant stakeholders. We take note of the consultation processes which could have been handled much better and



15	Bank reconciliation control deficiencies/ COMAF 31)	<p>earlier, way before the services were procured even if it was an emergency and the employer should avoid the repeat of such in future.</p> <p>To cement the observations of attendance by employees, Comaf 29 was issued pertaining to abscondment cases identified and where employees did not sign attendance registers. This is an operational risk that needs the employer to act swiftly to ensure that service delivery progresses smoothly without delays or interruptions.</p> <p>Whilst auditing bank reconciliations we identified the following: 1. Management did not perform monthly reconciliations on time for both FNB and Nedbank accounts, they only managed to compile the 12 months reconciliations in May 2019</p> <p>Upon inspection of the reconciliation for both banks we noted that management did not maintain sufficient appropriate audit evidence to justify the reconciling items. We tried to re-perform the reconciliations and identified the following:</p> <ul style="list-style-type: none"> <li>• Taking into account the general standard terms used in the reconciliations e.g. "Less: Cheque's not in cash book" and "Plus: Deposit on bank statement but not on cashbook", we could not trace some of the amounts to the bank statements. This is very</li> </ul>	Financial and performance management: Implement controls over daily and monthly processing and reconciling of transactions. Management lacked the discipline to ensure that the monthly bank reconciliations are performed on time and reconciling items are supported with valid evidence.	A corrective journal will be passed for the over/under banking as shown in the above response.	1. Reconciliation of Expenses incurred and Revenue received.	1. A proper reconciliation on both sides (Revenue and Expenditure) by the Chief Accountants will be performed on a monthly basis in order to avoid the identified challenges in the root cause.	Nov-19	Assistant Manager: Revenue & CFO	
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31	Overstatement of interest on investment	<p>concerning since we are not sure at this point if there was loss or theft of the funds or if the reconciling terms used are not appropriate to justify the transactions that took place.</p> <ul style="list-style-type: none"> <li>Some bank charges recorded in the reconciliations did not correspond to the information in the bank statements.</li> </ul> <p>Refer to the detailed reconciliations attached for FNB (Annexure A) and Nedbank (Annexure B) (Auditor's recalculations are in columns J to L).</p> <p>It also came to our attention through enquiries with the staff officials responsible for the bank reconciliation that more training is required for staff to have thorough understanding on what is expected for one to prepare valid, accurate and complete bank reconciliations.</p> <p>A similar finding was raised in 2017-18 and management was unable to institute controls on time to detect and identify that the reconciling items are not corroborated.</p> <p>2. Furthermore, in note 14 for payables from exchange transactions, we noted an amount of R779 707 for under banking, symbolizing shortages between the cash book and the bank statements which could not be explained.</p>	Management lacked the discipline to exercise due professional care when preparing the AFS to ensure that it reflects	Bank reconciliations will be performed and review on	1. Reconciliation of Revenue received	1. Monthly investment register prepared by the Revenue	Monthly	Assistant Manager: Revenue & CFO
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<p>Revenue (COMAF 03)</p>	<p>led to an understatement of interest on investment for R1 651 951. During the audit of interest on bank accounts and interest on investment, we noted the following differences:</p> <ol style="list-style-type: none"> <li>1. Interest for the current year was overstated by R152 816 due to interest for the prior year being recorded in the current year. This interest accrued at year end 30 June 2018 but was only received on 01 July 2018</li> <li>2. Interest accrued at year end 30 June 2019 was omitted in the general ledger and the AFS and thus led to an understatement of R102 932</li> <li>3. Interest for 01 December 2018 was not recorded in the general ledger and the AFS and thus led to an understatement of R48 812.</li> </ol>	<p>accurate and complete information that achieves fair presentation and supported with valid evidence</p>	<p>Monthly basis. Record in the general ledger the correct the overstated and understated interest on investment revenue.</p>	<p>sections on a monthly basis that is reconciling to the monthly statement in order to avoid overstated and understated of interest</p>	<p>22-Nov-19</p>	<p>Assistant Manager Assets &amp; Manager technical services</p>	
<p>33</p> <p>Misstatement identified on work in progress, retention and capital commitment (COMAF 20)</p>	<p>1. The following misstatement were identified on the audit of work in progress, retention and capital commitment as per tables below for 2017-18 and 2018-19 financial periods: a) Work in progress; b) Retention; d) Commitment:</p> <ol style="list-style-type: none"> <li>2. The following payment voucher was not included in the 2017-18 WIP amount R7 429 732.20. Therefore WIP is understated by R166 975</li> <li>3. The following payment for WIER projects are not include in 2017-18 WIP amount R7 429 732.20. Therefore WIP is understated by R1 443 121.87</li> </ol>	<p>Financial and performance management: Implement controls over daily and monthly processing and reconciling transactions. Management lacked the discipline to ensure that full understanding of payment certificates which support invoices was obtained to ensure that the valuation of PPE, retentions and commitments at year end was correct. Management also did not exercise due professional care when</p>	<p>The PMU technicians have set with the auditors to go through the documents submitted to sort out the differences.</p>	<p>Proper review that project payment certificate is reconciling to work done on the BOQ and the invoice</p>	<p>Monthly reconciliation of the work done and the invoice.</p>		

35	Misstatements on Contingent Liabilities (COMAF 33)	<p>While auditing the Contingent liabilities note 40 we identified the following:</p> <p>1. Through the confirmation received from Matlala von Metzinger Attorneys, we identified a new case for R450 000 relating to eviction of unlawful occupants over Municipal Land which was not disclosed in 2019 Annual Financial Statements.</p> <p>2. Through the confirmation received from Nkangala District Municipality, we confirmed that the case for Johannah Nutuli VsTHLM was finalised as at 30 June 2019 and thus the disclosure currently for this case is overstated by R1 550</p>	<p>preparing the AFS to ensure that it reflects accurate and complete information that achieves fair presentation and supported with valid evidence. Leadership – Implement effective human resource management to ensure that adequate and sufficiently skilled resources are in place and that performance is monitored • Council lacked the discipline to ensure that the staff establishment is capacitated by qualified, skilled, trained and experienced personnel to meet the service delivery needs.</p>	<p>Proposed requested post audit corrections requested by management on the above audit findings as indicated by management per audit finding.</p>	<p>Beef-up controls to coordinate the information from attorneys and thereafter interrogate it for validity, accuracy and completeness</p>	Monthly contingent register	1-Nov-19	CFO & ass Manager legal	
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	<p>000. 3. Through the confirmation received from Minguini Attorneys District. We confirmed that the case for MJ Magaeta Vs Minister of Police/THLM and NPA - Case 84342/17 was estimated at a value of R95 000 and such amount was not disclosed in the note. Therefore, disclosure amount is understated by R95 000.</p> <p>4. Through the confirmation received from Ndobela Lamola, we confirmed that the case for THLM Vs Unlawful occupiers of land - Case 2932/17, 2867/17, 2631/17, 2632/17 and 2633/17 was estimated at a value of R600 000, however the municipality included a possible obligation of R800 782. Therefore, disclosure amount is overstated by R200 782.</p> <p>5. The attorney's responsible for the cases below, refused to give AGSA the confirmation due to alleged outstanding amounts owed to them by the municipality. Also we could not see any evidence from management to demonstrate that the information reflected in the AFS is valid, accurate and complete.</p> <p>a) THLM vs SAMWU abo Thutse Reinshtine Mmanitimo - Case no: JS436/15 There were two appointments done while the vacant position was for one.</p> <p>b) THLM vs Lawmark consulting CC - Case no:</p>							
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		70121/11 Joint Venture between Lawmark and Casnans - suing the Municipality for termination of Contract Mr Chill has issued summons of contract on the part of the Municipality							
<b>Non-Compliance with legislation</b>									
6	AFS budget figures do not agree to the approved adjustment budget figures (COMAF 17)	With reference to the table below, we noted that the AFS budget figures in the Statement of Comparison of Budget and Actual Amounts differ to the adjustment budget figures approved by council on 28 February 2019 and no supporting documents were provided by management to justify the differences. A similar finding was raised in the 2017-18 period.	Financial performance and management: implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial and performance reporting. Management lacked the discipline to ensure that timely reviews and proper oversight on the AFS were properly performed before they were submitted for audit to minimise the possibility of submitting inaccurate information with significant errors.	Amend the AFS and submit a revised set to the auditors which reflect, valid, accurate and complete information as per approved adjustment budget.	To ensure that the AFS are informed by the adjustment budget approved by council			Assistant Manager: Budget & CFO	
16	Non-compliance matters identified in the SCM policy (COMAF 09)	Whilst inspecting the SCM policy we noted the following: 1. The bid specification committee was not constituted in compliance with the SCM policy for the following tender as the committee only constituted of only four members as follows. 2. SCM policy paragraph 14 still makes reference to the old requirements for the list of accredited prospective suppliers whereas the	Leadership – Implement effective human resource management to ensure that adequate and sufficiently skilled resources are in place and that performance is monitored	Comply with SCM policy and ensure that the SCM policy is updated with the latest requirements for CSD.	Update the SCM policy to align to the latest requirements for CSD.	Formulate a compliance checklist which covers all relevant SCM requirements per policy to ensure compliance thereof.	30 <sup>th</sup> March 2020	Ass Manager SCM & CFO	

17	Request for written price quotations not advertised (COMAF 15)	Municipality has migrated to National Treasury central supplier database (CSD) as of 01 July 2018. Therefore, the SCM policy should be updated with the new requirements for CSD.	Whilst auditing quotations, we noted that the municipality appointed Tshwele Construction CC for R31 050 (order no: 4385, dated 28 January 2019) without advertising the quotes through a public notice on the website and official notice board of the municipality.	Financial performance and management: Implement controls over daily and monthly processing and reconciling of transactions. Management didn't not exercise sufficient oversight responsibility to ensure that all roads per the FAR are included in the roads maintenance plan.	Exercise sufficient oversight responsibility to ensure that the request for quotations were advertised per the stipulated requirements of the Regulation.	• Proper supervision and monitoring should be applied by SCM senior officials on junior staff to early detect any mistakes made and rectify them on time.	Checklist relating to all compliance matters that should be adhered to which will serve as a reminder to SCM officials when sourcing goods and services.	1 <sup>st</sup> January 2019	Ass Manager SCM & CFO
18	Incorrect B-BBEE level used resulting to incorrect points allocated (COMAF 15)	The following quotes were approved even though whilst calculating the preferential points. For Selape wa Tubatse enterprise (order no: 4640 dated 19 June 2019), management used B-BBEE level 1 instead of 3 and for Governance Specialized municipal publication (order no: 4612 dated 24 May 2019), management used B-BBEE level 1 instead of 4. We further tested the preference points for all the suppliers that bided and confirmed that the two suppliers below would have still won even if the correct B-BBEE level was used per our calculations below	Council lacked the discipline to ensure that the staff establishment is capacitated by qualified, skilled, trained and experienced personnel to meet the service delivery needs.	Exercise sufficient oversight responsibility to ensure that the request for quotations were advertised per the stipulated requirements of the Regulation.	• Proper supervision and monitoring should be applied by SCM senior officials on junior staff to early detect any mistakes made and rectify them on time.	Checklist on public notice	1 <sup>st</sup> January 2019	Ass Manager SCM & CFO	

19	Supporting documents not submitted for audit (COMAF 22)	<p>1. The following declaration of interest documents were not submitted for audit a) CIGFARO (IMFO) for R8 024.00</p> <p>2. No evidence was provided that the following deviations were reported in the next council meeting after they occurred</p> <p>a) Kunene Motors/ McCarthy Kunene for R22 899.60.</p> <p>b) Prothabe Electrical Services for R12 579.39</p> <p>c) Sheilard Media Audio Visual for R153 316.85</p> <p>d) Bidvest Bank for R52 895.40</p> <p>e) CIGFARO (IMFO) for R8 024.</p> <p>3. The following municipal statements of accounts were not submitted for audit to test compliance with SCM procedures</p> <p>a) Enterprise University of Pretoria for R91 080</p> <p>b) Selape wa Tubatse Enterprise for R 195 581.93</p> <p>c) Prothabe Electrical Services for R12 579.39</p> <p>d) Sheilard Media Audio Visual for R153 316.85</p> <p>e) Bidvest Bank for R52 895.40</p> <p>f) CIGFARO for R8 024</p>	Financial performance management: Prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information. Management did not exercise sufficient oversight responsibility to ensure that proper reviews were performed on the annual financial statements (AFS) before they were submitted for audit to ensure that the AFS submitted were fair presented.	Exercise sufficient oversight responsibility to ensure that the request for quotations were advertised per the stipulated requirements of the Regulation.	Developed a checklist relating to all compliance matters to serve as a reminder when the SCM officials approve quotes.	Checklist relating to all compliance matters to serve as a reminder when the SCM officials approve quotes.	1 <sup>st</sup> December 2019	Ass Manager SCM & CFO	
20	Municipal accounts in arrears for more than 3 months (COMAF 22)	The following service providers were appointed while their municipal accounts were in arrears for more than 3 months	Financial performance management: Prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information. Management did not	Ensure Municipal Account is verified on all competitive bidding project.	Service providers that are in arrears with their municipal accounts for more than three months not appointed.		1 <sup>st</sup> December 2019	Ass Manager SCM & CFO	

		<p>exercise sufficient oversight responsibility to ensure that proper reviews were performed by management on the annual financial statements (AFS) before they were submitted for audit to ensure that the AFS submitted were fall presented.</p>				
21	<p>Noncompliance with SCM Regulation 32 and SCM policy (COMAF 7)</p>	<p>Whilst testing compliance with SCM regulation 32 we identified the following:  a) We noted that the municipality procured beyond the term of the original contract from Mpumalanga Provincial CoGTA when appointing Thobela Attorneys and LMK Consulting JV in terms of regulation 32 since the period of participation exceeded the validity period of the original contract.  b) Management did not provide us with supporting documents to prove or demonstrate that it was able to benefit and secure discounts through participation from CoGTA contract.</p>	<p>Financial performance and management: Implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial reporting. Management lacked the discipline to ensure that timely reviews and proper oversight on the AFS, GL and TB were performed before they were submitted for audit to minimize the possibility of submitting inaccurate information with significant errors.</p>	<p>compliance with SCM Regulation 32 and SCM policy</p>	<p>1. Management will only utilize the services of Thobela Attorneys and LMK Consulting JV within the time frame of the original contract.  2. The municipality will</p>	
22	<p>Noncompliance with SCM Regulation 32 COMAF 7</p>	<p>1. Whilst auditing the BidVest contract, we identified the following:  We noted that the municipality went on a tender process for the leasing of municipal vehicles on full maintenance lease for a period 36 months as per the adverts on 31 August 2017, 8 September</p>	<p>Financial performance and management: Implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial reporting.</p>	<p>compliance with SCM Regulation 32 and SCM policy</p>	<p>1. Management will only utilize the services of Thobela Attorneys and LMK Consulting JV within the time frame of the original contract.  2. The municipality will inter into agreement</p>	<p>30<sup>th</sup> March 2020  CFO  Manager corporate services</p>




	<p>by the municipality are the same as those paid by Chief Albert Luthuli Municipality. We also noted that the municipality procured beyond the term of the original contract from Chief Albert Luthuli Municipality when appointing Bidvest Bank limited in terms of regulation 32 since the period of participation exceeded the validity period of the original contract. The contract period for Chief Albert Luthuli Municipality is for 24 March 2017 – 23 March 2020 whereas the contract period for Thembiwe Hani Local Municipality is 08 February 2019 - 07 February 2022.</p> <p>2. Per MFMA Circular 96 we also identified that Chief Albert Luthuli municipality procured all the vehicles per the contract signed with BidVest, meaning at the time the BidVest was appointed by THLM on November 2018, there were no more vehicles left from Chief Albert's contract and therefore THLM procured brand new vehicles from BidVest which is classified as an extension of the original contract and prohibited per the Circular.</p> <p>3. We further noted that the vehicles procured by THLM were not exactly the same as those procured by Chief Albert Luthuli municipality.</p> <p>4. We also noted that the municipality procured four rental bakkies for short term from Bidvest Bank through a</p>							
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23	Misstatements identified on note 48 (COMAF 27)	<p>deviation process for R52 895. The internal memo provided does not clearly provide reasons as to why the procurement of the bakkies was an emergency. Also per AFS note 50 the reasons that this is a sole supplier is not justified.</p> <p>During the testing of irregular expenditure note 48, we identified the following:</p> <ol style="list-style-type: none"> <li>The following differences were identified between notes 48 and supporting documents provided for audit.</li> <li>RFI 26 due on 12 September 2019 for payment batches for Zembeleni disclosed in note 48 for R6 387 894,40 was not provided for audit.</li> </ol>	<p>Financial performance and management: Implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial performance reporting. Management did not exercise sufficient oversight responsibility to ensure that the documents are safeguarded from any possible loss or theft.</p>	<p>Management will ensure General Ledger figures are compared against actual payment vouchers to ensure accurate and complete information is reported.</p>	<p>Prepare Irregular register that is reconciling to the invoices</p>	<p>Irregular register supported by the invoices</p>	<p>15th January 2019</p>	<p>Assistant Manager SCM &amp; CFO</p>
25	Budget process controls not adequate (COMAF 12)	<p>Whilst validating the controls in the budget process for property rates we noted that the municipality initially budgeted for R44.5 million revenue effective on 01 July 2018. During the adjustment budget process which came into effect on 01 January 2019, management used incorrect inputs from the billing report (01 July 2018 – 31 December 2019) which excluded quarter 1 (July 2018 – September 2018) and quarter 2 (October 2018 – December 2018) since no billing took place during that</p>	<p>Financial performance and management: Implement controls over daily and monthly processing and reconciling transactions. Management lacked the discipline to ensure that the budget figures reflect relevant, reliable, realistic and reasonable estimations. Council also did not exercise sufficient oversight responsibility to ensure that the explanations provided by management are</p>	<p>Monitor on monthly basis the fluctuations in the property rates billing in order to device timely actions</p>	<p>Proper coordination of valid, Accurate and complete information between revenue unit and budget and treasury unit should be strengthened.</p>	<p>1-Jan-20</p>	<p>Assistant Manager: Revenue CFO</p>	

	<p>period due to council resolution that was approved late on 22 November 2018 for property rates based on the new valuation roll which was readily available on 01 July 2018. After the approval from council on 22 November 2018, the new property rates became effective on 01 July 2018 and the implementation was done retrospectively.</p> <p>The municipality only managed to bill quarter 1 and quarter 2 in quarter 3 of the billing statements to normalise the revenue for the 12 months' period and thus resulting to R42.2 million revenue reflected in the AFS at year end.</p> <p>We also could not determine if the municipality had a process plan for the new valuation roll to ensure that all processes including approval by council are completed latest at 30 June 2018 so that the billing could take place as from 01 July 2018.</p> <p>Therefore, the report for the first six months was incomplete and management relied on this report without exercising due professional care to identify this omission on the billing report.</p> <p>So when the budget was adjusted, management made recommendations to council to reduce the property rates budget from R44.5 million to R13.5 million and council approved without interrogating the explanations from</p>	<p>reasonable taking into account past practices.</p>						
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34	KwaMhlanga landfill site is not licensed (COMAF 28)	management for reasonability and relevance. The municipality uses two landfill for general waste per Schedule 1 of Section 19 of NEWMA ie Kwaggafontein and KwaMhlanga landfill sites. Based on the enquires with management we confirmed that council does not have a license to operate KwaMhlanga landfill site whereas they do have for Kwaggafontein landfill site. The license for Kwaggafontein landfill site was granted by Mpumalanga Department of Rural Development and Land Reform and Environmental Affairs (DRDLREA) on 06 December 2016.	Financial performance management: Implement controls over daily and monthly processing and reconciling transactions. Management lacked the discipline to that ensure monthly reconciliations on the short term deposits were prepared and reviewed by senior officials to ensure validity, accuracy and completeness of financial information recorded	Facilitate the Environmental Impact Assessment and undertake necessary application process in the next financial year	Obtain the required license to operate KwaMhlanga landfill site.	30-Jun-20	Manager SDS	
36	Bidding process not followed for Fidelity contract (COMAF 38)	Whilst testing the Fidelity Cash Solutions Pty Ltd contract, we noted that management used this contract since 13 November 2013 to date and no bid documents were provided to prove that the services were procured through a competitive bidding process. Instead management opted to use quotations since November 2013 to source the cash management services from Fidelity. To date management paid R167 458,39 excl VAT per the table below. If one uses R167 458 as an average payment per annum since 13 November 2013 to 13 November 2017 (4 years), the figure comes to R669 833,56 (167 458,39 * 4 years) meaning the accumulation is already	Financial performance management - Implement daily and monthly processing and reconciling transactions. Management lacked the discipline to ensure that a bidding process was followed to secure the best service provider at a cheaper price and who could offer credible, reliable and excellent services.	Amend the AFS and disclosed irregular expenditure & also quantify the irregular from November 2013 to 30 June 2018 for 2019/2020 financial year	Ensure that a bidding process is followed to secure the best service provider at a cheaper price and who could offer credible, reliable and excellent services.		Assistant Manager SCM & CFO	

over the R200 000 threshold mark for competitive bidding as at 30 June 2018.

**Internal control deficiency**

26	Performance agreements not in place for other staff officials (COMAF 02)	With reference to the table below, we noted that the municipality did not have any performance agreements in place for staff officials to keep the officials responsible and accountable for the areas of their responsibilities. We further noted through enquiries with management that performance agreements were not in place for all staff officials at the municipality except for Municipal Systems Act Section 56 managers.	Financial performance and management: Implement controls over daily and monthly processing and reconciling of transactions. Management lacked the discipline to that ensure monthly reconciliations on the short term deposits were prepared and reviewed by senior officials to ensure validity, accuracy and completeness of recorded financial information	Ensure that all staff officials for the municipality have performance agreements in place for each year to monitor staff performance and give timely feedback and formulate action plans for staff officials where gaps are identified for improvements and promote consequence management where deliberate transgressions are identified.	Revised expert's report that include employees between 5-9 years who quality for long service award and disclose the complete and accurate employees.	Ensure that the employee benefit obligation is accurate and complete, reconcile to the actual payment of long service Bonuses	Monthly payment of long service bonuses	Monthly	1-Apr-20	Assistant Manager: Human Resource Assistant Manager: Expenditure CFO	
27	Employee benefit obligation for long service awards is not complete and correctly classified (COMAF 14)	Whilst auditing employee benefit obligation note 5, we identified the following a) The expert's report excluded the provisions for employees who qualify for long service award between 5 – 9 years as per the latest Mpumalanga agreement which came into effect on 01 July 2018 and thus leading to incomplete	Financial performance and management: Implement controls over daily and monthly processing and reconciling of transactions. Management lacked the discipline to that ensure monthly reconciliations on the short term deposits were prepared	Revised expert's report that include employees between 5-9 years who quality for long service award and disclose the complete and accurate employees.	Ensure that the employee benefit obligation is accurate and complete, reconcile to the actual payment of long service Bonuses	Monthly payment of long service bonuses	Monthly	1-Apr-20	Assistant Manager: Human Resource Assistant Manager: Expenditure CFO		

		<p>employee benefit obligation disclosed in the AFS.</p> <p>b) We also noted that although the expert's report correctly splits the current portion of the obligation for from the non-current portion whereas the statement of financial position including note 5 does not provide that split. Refer to the table below for the split.</p>	<p>and reviewed by senior officials to ensure validity, accuracy and completeness of recorded financial information</p>	<p>benefit obligation between current portion and non-current portion.</p>			
28	<p>Internal control deficiency on general workers (COMAF 29)</p>	<p>Whilst auditing general workers, we identified the following:</p> <p>1. The table below indicates employees who were suspended with pay for abscondment and whose cases remained unresolved at 30 June 2019. These employees were identified during the 2017-18 audit cycle period and management has not finalized them and there's no clear audit trail on processes undertaken by management from 01 July 2018 to 30 June 2019 to finalize those cases.</p> <p>2. The table below indicates the no. of instances where employees did not sign the attendance register. We inspected the leave reports and confirmed that the employees were not on leave on those dates:</p>	<p>Financial performance management: Implement controls over daily and monthly processing and reconciling transactions. Management lacked the discipline to that ensure monthly reconciliations on the short term deposits were prepared and reviewed by senior officials to ensure validity, accuracy and completeness of recorded financial information</p>	<p>Monthly remind Line Managers to submit reports on the signing of the attendance registers to HR and Finance. Finalization of cases and investigations of new cases.</p>	1-Dec-19	<p>Manager: Corporate Services &amp; HRD</p>	
29	<p>Missstatements on long service awards expenditure (COMAF 30)</p>	<p>Whilst auditing employee benefit obligation in note 5 and employee related cost note 27 on long-service awards, we identified the following differences where long service obligation paid out during the</p>	<p>Financial performance management: Lack of preparation of regular, accurate and complete financial performance reports that</p>	<p>Reverse J4368 &amp; capture the correct amount as per the amended expect actual report</p>	Monthly	<p>Acting Assistant Manager: Expenditure Assistant Manager.</p>	

	financial year was understated by R131 752.10, while the amount recognized as an expense for long service awards was overstated by R693 595.55. Refer to the table below for details:	are supported and evidenced by reliable information.	as per the actual 738 752.10. Disclose correct amount long service 27 and note 5	payment of long service bonuses	HRD CFO	
30	Control deficiencies identified on use of consultants (COMAF 01)	Whilst reviewing the monitoring controls instituted by the municipality on the use of consultants, the following control deficiencies were identified. a) The municipality does not have the following i. Strategy/ measures to address over reliance on consultants in a form of a consultancy reduction plan including a gap analysis report that highlights the extent of use of consultants and the impact thereof on the municipality ii. Policy/Strategy in place for the use of consultants that define the main purpose and objective for appointing consultants. iii. A plan to address poor performance based on the work conducted by consultants on matters within their control e.g. material misstatements identified in the 2017-18 audit cycle not in line with GRAP where Murnsoft was responsible. b) All the gap analysis performed by the municipality for consultants listed below were not dated and therefore we could not determine if the gap analysis was performed prior to the appointment of	Leadership - Implement effective human resource management to ensure that adequate and sufficient skilled resources are in place and that performance is monitored. The council did not exercise sufficient oversight responsibility to ensure that various units including finance and SCM units are fully capacitated with skilled and competent staff members who can take on the responsibility for the preparation of the AFS and FAR and also monitor properly compliance with laws and regulations on a regular basis. Leadership - Develop and monitor the implementation of action plans to address internal control deficiencies. The repeat finding is an indication of the inability of the council to effectively implement the action plan to address this matter.	The municipality has engaged itself to build the necessary required skills and capacity and attract human resources to resource VAT return services through the employment of permanent skills.	CFO	



							<p>consultants.</p> <ul style="list-style-type: none"><li>• Maxprof Pty Ltd for VAT returns</li><li>• PMH IT Management and services for annual financial statements (AFS) preparations</li><li>• I@Consulting for fixed assets register (FAR) preparations</li></ul> <p>c) For all the consultants noted above, their appointments were not supported by a proper needs analysis as the following was not documented properly on the needs analysis:</p> <ul style="list-style-type: none"><li>• Assessment of cost effectiveness of filling permanent capacity versus making use of consultants.</li><li>• Considerations of how often the auditee use the skills required for the tasks/projects performed by consultants</li></ul> <p>To be specific the Maxprof Pty Ltd contract was flagged for the past 2 years to be one of those services where management needed to hire an internal person to conduct VAT returns since this function is not a complex function based on the current practice we see in other municipalities. The contract started on 01 July 2016 to 30 June 2019 (3 years). Subsequent to 30 June 2019, Maxprof was hired again to conduct VAT returns and we have concluded that the expenditure incurred on Maxprof from 30 June 2019 onwards could have been avoided if management applied due professional care to source the relevant skills through a</p>							
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	<p>proper recruitment process. Therefore, any amount incurred from 01 July 2019 to date should be disclosed as fruitless and wasteful expenditure.</p> <p>We conducted a research using the model from Nkangala District Municipality which is a district municipality responsible for THLM where internal staff conduct monthly VAT returns. The details of remuneration of staff are noted below:</p> <ul style="list-style-type: none"> <li>• Salary of the accountant responsible for VAT returns per annum is R193 526.</li> <li>• Salary of supervisor responsible to review VAT returns per annum is R425 000</li> </ul> <p>Total remuneration per annum for VAT returns is R618 526</p> <p>Total amount paid to Maxprof per annum 2018-19 is reflected on the table below:</p> <p>If the principles of fruitless and wasteful expenditure were applied in 2018-19 financial period, the municipality could have incurred fruitless and wasteful expenditure of R9 862 647 (R10 481 173 -618 526) for failure to recruit the relevant skilled workforce</p> <p>d) All the consultants listed above were appointed on primary functions/ roles which the municipality is supposed to cater for in-house and not outsource them to bring about stability and consistency on those functions/areas.</p> <p>e) All the possible solutions that can be implemented to fill</p>								
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<p>the gap between the current and future circumstances were not included.</p> <p>f) Some gaps were identified on skills transfer in the service level agreements (SLA) for consultants. The gaps include the terms of reference indicating the objectives, nature, scope and goals of the training programme, including the details of trainers and trainees and skills to be transferred.</p> <p>g) The auditee does not have formal processes in place to ensure that training is provided by consultants to the auditee's staff during the duration of the project.</p> <p>h) The auditee does not have a formal process in place to regularly monitor performance of consultants to ensure that skills are transferred to the auditee's staff where consultant's services were utilised</p> <p>i) The needs/ requirements fulfilled by consultants are permanent/ continuous in nature and no position exist in the establishment since we could not see the attempts made by the council to create a position in the establishment.</p> <p>j) Material misstatements on AFS were identified where consultants were responsible for work.</p>																																																																																																																																																																												

32	No follow-ups conducted on suspense account unallocated deposit (COMAF 6)	The municipality did not conduct follow-ups on the suspense account for payables from exchange transaction on unallocated deposits since the year-end balance of R5 209 996 is still the same as the year balance for 2017-18. The municipality failed to institute controls to determine the persons that made the deposits in order to clear the suspense account regularly. With the balance not moving from the prior year, this is the indication that the municipality is sitting with a liability which should've been recorded as revenue given that they had controls in place to try to trace the receipts/payment to the correct account number in the current financial year. From our discussion with management we further noted that no attempts were made by the municipality to clear the balance.	Financial performance management: Prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information. Management lacked the discipline to exercise due professional care when preparing the AFS to ensure that it reflects accurate and complete information that achieves fair presentation and supported with valid evidence.	Continue to institute controls to clear the suspense account	Investigate and clear the suspense account	CFO Assistant Manager Revenue	
38	Control deficiencies identified on roads, water and sanitation infrastructure and lack of support by CoGTA.(CO MAF 39)	1. The municipality does not have the following approved documents in place at 30 June 2019 a) Approved policy for routine maintenance of Water infrastructure b) Approved policy for routine maintenance of sanitation infrastructure c) Approved policy for environmental for identification and monitoring of environmental risks relating to	Financial performance management Implement controls over daily and monthly processing and reconciling transactions. Management lacked the discipline to ensure that a bidding process was followed to secure the best service provider at a cheaper price and who could offer credible.	Management to implement the necessary controls in conjunction with CoGTA.	The Municipality to approve the routine maintenance of Water, Sanitation Infrastructure	30-Jun-20	Manager Technical Services



37	Performance audit findings (COMAF 36)	<p><b>1. Contract documents (Contractors) not signed by Thembsile Hani Local Municipality.</b></p> <p>We noted that the Contractor's and Consultant's contract documents were not signed by the municipality as noted in figure 2 and 3. This therefore means the contract document submitted does not comply with the definition of a contract as per the GCC. Figure 1 is an extract from site minutes no. thirteen (13), where the supplier had noted that a copy of the signed document had still not been received. <b>2. Invalid Contractors</b></p> <p><b>Performance guarantee</b></p> <p>The Contractor's performance guarantee submitted for audit with a financial benefit of R953 146.00 had a period of insurance from 15 December 2017 to 14 December 2018 (all dates inclusive). However during site visit conducted on 10 October 2019, the project was not complete therefore the guarantee was no longer valid. An updated Performance guarantee had not been submitted for audit. <b>3. Delays of project</b></p> <p>The duration of the project was planned for 12 months. During the site visit conducted on 10 October 2019, 10 months after planned completion date, practical completion of the project had not been reached. <b>4. Claim for services not</b></p>	<p><b>Financial and performance management:</b> Prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information. Management lacked the discipline to exercise due professional care when preparing the AFS to ensure that it reflects accurate and complete information that achieves fair presentation and supported with valid evidence.</p>	<p>Exercise sufficient oversight responsibility to ensure that contracts are signed in compliance with GCC requirements.</p>	<p>1. The accounting officer to initialize the remainder of the pages. 2. Corresponds to be issued to the service provider to submit a revised performance guarantee. 3. Letter of imposing penalties and intent to Terminate has been issued. 4. Management to ensure that the service provider install all the outstanding items or recoup the money paid as interim on payment certificate no.16</p>	<p>Letter of imposing penalties and intent to Terminate has been issued.</p>	<p>29th November 2019 and Before the end of January 2020</p>	<p>Assistant Manager PMU &amp; Manager Technical Services</p>	
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	<b>rendered</b>								
	Subsequent to point 4 above, on the latest Payment certificate number 16 Section 6 item F.1.2 and F.1.3 were claimed for without any work done. Refer to figure 4 below.								

**Matters affecting the auditor's report**

1	High level overview errors identified in the annual financial statements (AFS) presented for audit (COMAF 5)	<p><b>The following deficiencies were identified whilst reviewing the annual financial statements (AFS) submitted for audit on 31 August 2019:</b></p> <p>1. VAT receivable recorded at negative amount of R8 202 123 under current assets. 2. Decrease/increase in leave and bonus provision is not disclosed in the statement of financial performance. Refer to table below for details: 3. Note 06 has undefined difference of R21 285 251 disclosed. 4. Material restatement of prior year figures were made with no disclosure on the prior period note. The following difference was noted: 5. Whilst testing the SCM regulations on deviations, we noted that the municipality appointed the following service provider in terms of Regulation 32 and did not go out on tender resulting in a deviation from the tender process but did not disclose it in the note to the annual financial statements; 6. Service charges for 2017-18 comparative amount is not the same as the audited AFS 2017-18. This change is not reflected in note 43. 7. Other income for</p>	Financial and performance management: Prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information. Management lacked the discipline to exercise due professional care when preparing the AFS to ensure that it reflects accurate and complete information that achieves fair presentation and supported with valid evidence. Management also lacked the discipline to ensure that the action plan crafted to address the material misstatements of prior years and the prevention of new material misstatement in the current year is working effectively.	Revised the AFS and correct disclosure in the statement of financial performance, all the disclosure notes, and VAT receivable recorded with the correct amount.	Kept portfolio of evidence on a monthly basis to justify transactions processed on the financial system.	Monthly VAT reconciliation	CFO
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2017-18 comparative amount is not the same as the audited AFS 2017-18. This change is not reflected in note 43. We further noted that Other income was previously disclosed as revenue from non-exchange in 2017-18 and this year it's disclosed as revenue from exchange. Both changes are not reflected in note 43. 8. Licenses and Permits for 2017-18 comparative amount is not the same as the audited AFS 2017-18. This change is not reflected in note 43. 9. Debt Impairment comparative amount is not the same as the audited AFS 2017-18. This change is not reflected in note 43. Furthermore, we noted that management made reference in note 31 to Consumer debtors Debt Impairment instead of Debt Impairment since the debt impairment includes both consumer debtors and fines. 10. The statement of financial performance reflects R1 381 412 (2018-19) for Public contributions and donations whereas note 26 does not reflect anything for 2018-19. Furthermore, the description on note 26 which reads "The Donations by way of assets were received from National Treasury, Department of Environmental Affairs and Nkangala District Municipality" is misleading since the municipality did not receive assets from National Treasury, Department of Environmental



Affairs. 11. Note 23 reads "Valuations on land and buildings are performed every 4 years. The new general valuation came into effect on 1 July 2019". The date is incorrect it should be 01 July 2018. 12. Note 24 reads "All registered indigents receive a monthly subsidy of R - (2018: R -), which is funded from the grant". There are no amounts reflected for both 2018-19 and 2017-18 on monthly subsidy. 13. Payables from exchange transaction under Agency fee Payable-Licenses & permits the amount is sitting under payables as a debit of R909 642. 14. Receivables from exchange transactions under Consumer debtors - Merchandising Jobbing & Contracts the amount is sitting under receivables as a credit of R679 684. 15. The amount per the report on consumer debtors amnesty written off differs from the amount reported on the AFS. 16. Details of the fruitless and wasteful expenditure for the current year where the description and incident are indicated are not disclosed in note 47. 17. Inspected note 41 and confirmed that management made reference to figures (transactions) in note 5 (employee benefit obligations), note 27 (employee related costs), note 28 (remuneration of councilors) and note 49 (councilors in arrears) but made a mistake by including this

	<p>narration "No related party transactions occurred during the financial period under review". Management also failed to make reference to leave provision in note 14 and bonus provision in note 13 as part of note 41. 18. The accounting policy below is reflected in the 2017-18 audited AFS and was omitted by management in the current year's AFS accounting policy 1.16.</p> <p>Debt written of and provision for debt impairment</p> <p>The municipality's debt write off procedure include the assessment of all debtors at year end which include amongst other things those who qualify for amnesty in terms of council resolutions and those debts whose debts have prescribed in terms of the Prescription Act. Debts written off are measured at the carrying amount of the debt at year end.</p> <p>Provision for impairment takes into account the estimates for the recovery of debts at year end and the movement between the provision of last year and the provision for the current year is disclosed in the statement of financial performance as a reliable estimate. 19. Whilst testing the risk management disclosure note 44, we identified the following: a) With reference to the table below, management incorrectly disclosed the age analysis on Landfill site on this category &gt;1 and &lt;5 years as</p>							
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opposed to only considering the >5 years category since maturity will only come 7 years from now on. **b)** With reference to the table below, the landfill site disclosed in note 44 does not agree to the amount presented on the statement of financial position and note 13. **20.** Whilst testing the risk management disclosure note 44, we noted that the amount disclosed on note 14 for the current portion payables from exchange transactions does not agree with the one on the risk management disclosure. Refer to the table below for the differences noted: **21. A)** With reference to the table below, whilst testing the statement of changes in net assets we noted differences on the opening balances: **B)** Furthermore, we noted that an amount that is presented as receivable from non-exchange of R5 262 105 under prior period error is in fact relating to inventory and also that an amount of R226 527 that relates to receivables from non-exchange transactions was omitted on the statement of changes in net Assets. **C)** We also took into considerations the figures that were presented by management on the statement of changes in net assets and we noted that following difference, while casting the statement: **22.** The following differences were noted between Annual report and APR reference to the **23.** Unaudited Appendix F in the

A-F-S makes reference to Section 123 MFMA information that is audited in Note 24. Managements should remove that note since it's misleading. The note that should be inserted which is Unaudited By AGSA is found in Section 125 (2) (e) of the MFMA which relates to "particulars of non-compliance with this Act". 24. The following differences were noted on the financial risk management disclosure note 44 for receivables from non-exchange transactions. 25. Note 43 reflects R8 850 237 even though there's no valid supporting documents from the Department of Sports, Arts and Culture. the transferring department, to substantiate the assets transferred and the value at which the municipality should recognise them. Also there's no acknowledgement from the municipality of the assets transferred to ensure that ownership has been passed properly and validated from the department to the municipality. 26. We also noted in the statement of financial performance that management used the word Interest received - investment instead of just interest received since the interest is composed of both interest from short term investments and interest from consumer debtors. 27. Provision for bad debts and debt impairment calculations are as follows: Similar findings

	2	Revenue from property rates not complete and accurate (COMAF 11)	<p>were raised in 2017-18 where material errors were identified and management did not have a credible AFS preparation plan to prevent the material misstatements from recurring in 2018-19.</p> <p>Whilst testing property rates we identified the following: 1. With reference to the table below, for Kwaggafontein A and B we could not trace the properties from the valuation roll to the billing report and thus we could not confirm if the properties rates are complete. 2. Upon further enquiries with management, we noted that all the properties in Kwaggafontein A and B had changed their addresses due to the new valuation roll which came into effect on 1 July 2018 and thus it became difficult to do the trace between valuation roll and billing report per finding no 1). 3. a) With reference to the table below, for Kwaggafontein A and B, we could not trace the properties from the billing report to the valuation roll and thus we could not confirm the occurrence of the property rates and whether property rates were calculated correctly since we could not confirm their market values. This resulted to overstatement of property rates by R203, 44. b) Upon further testing we noted that all the properties in the billing report for Kwaggafontein B could not be traced to the valuation roll</p>	Financial and performance management: Implement controls over daily and monthly processing and reconciling transactions. Management lacked the discipline to ensure that the valuation roll reconciles to the billing reports.	Reconcile the valuation roll with the billing reports	Create credit notes for all the villages that are incorrectly billed for property rates. 2. Reconcile the old Valuation roll to the new valuation roll	Monthly	Assistant Manager: Revenue & CFO	
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and thus we could not trace the occurrence of the property rates. Refer to Annexure D for details. This resulted to overstatement of property rates by R373 059. For Kwaggafontein A, some properties could not be traced from the valuation roll to the billing report as per Annexure D. Thus we could not confirm the completeness of property rates. 4. We received the billing report for property rates for the year from management and identified the following. Refer to Annexure A attached for details. a) Items with duplicate account holders yet different account numbers = 10 666, which means that the municipality is billing the same person twice. From those items identified, 7 433 items relate to the municipality meaning that the municipality billed itself which is prohibited in terms of the Property Rates Act. The duplicates resulted in an overstatement of property rates for R23 238 223. b) Items with duplicate ID numbers yet different account numbers = 502 which exposes the municipality to the risk of overstatement on property rates. From the 502 items identified, 4 items relate to the municipality meaning that the municipality billed itself which is prohibited in terms of the Property Rates Act. The duplicates resulted in an overstatement of property rates

for R1 239 360. c) Items with duplicate street addresses = 25 and from those items identified, 7 items relate to the municipality meaning that the municipality billed itself which is prohibited in terms of the Property Rates Act. The duplicates resulted in an overstatement of property rates for R118 788. d) Items with blank addresses = 1 611, which brings into question on how the municipality sends the statements to customers if the customer addresses are not captured on the system. From the 1 611 items identified, 4 relate to the municipality meaning that the municipality billed itself which is prohibited in terms of the Property Rates Act. For the rest of the other items which equates to 1 607 the account holder's name is blank which brings into question on who the billing is addressed to if the customer name is blank. e) Items with blank ID numbers = 14 718 and from those items identified, 7 510 items relate to the municipality meaning that the municipality billed itself which is prohibited in terms of the Property Rates Act. f) Items with blank account holder names = 3 321, which brings into question on who the billing is addressed to if the customer name is blank. 5. The billing report reflected 18 825 properties whereas the valuation roll reflected 10 579 properties. Refer to Annexure C for details.

3	Misstatements on licenses and permits COMAF 11	<p>Whilst testing licenses and permits we identified the following: 1. Per the table below, the general Ledger does not agree to the AFS which led to an overstatement of R680 020. 09. 2. Upon further inspection of the general ledger we noted that some licenses or permits to the value of R3 637 778 with debit balance were classified under revenue from exchange transactions instead of non-exchange transactions. The classification is listed below, Refer to Annexure B for details.* Revenue: Exchange Revenue: Licenses or Permits: Road and Transport: Motor Vehicle License with credit balance R84 267</p> <ul style="list-style-type: none"> <li>• Revenue: Exchange Revenue: Licenses or Permits: Road and Transport: Activities on Public Roads with credit balance of R2 779</li> <li>• Revenue: Exchange Revenue: Licenses or Permits: Road and Transport: Driver's License Application/Duplicate Drivers Licenses with credit balance of R1 378 056</li> <li>• Revenue: Exchange Revenue: Licenses or Permits: Road and Transport: Drivers License Certificate with R1 759 099</li> <li>• Revenue: Exchange Revenue: Licenses or Permits: Road and Transport: Learner License Application with credit balance of R659 862</li> <li>• Revenue: Exchange Revenue: Licenses or Permits:</li> </ul>	<p>Financial and performance management: Implement controls over daily and monthly processing and reconciling transactions. Management lacked the discipline to ensure that the valuation roll reconciles to the billing reports.</p>	<p>1. Management will ensure that in the adjusted AFS classification of Licenses and Permits will be classified correctly to non-exchange. 2. Correction in terms of the amounts received from the Licensing will be made.</p>	<p>Correct the votes classification on the system for Licenses and permit</p>	<p>Monthly reconciliation of the revenue for Licenses and permits reconciling to the payments received from the DLC.</p>	Nov-19	Assistant Manager: Revenue & CFO	
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		Road and Transport: Learners Certificate with debit balance of R514 Revenue: Exchange Revenue: Licences or Permits: Road and Transport: Operators and Public Drivers Permits with debit balance of R3 488763	Financial and performance management: Implement controls over daily and monthly processing and reconciling transactions.	Correct the AFS and provide supporting documents to valid, accurate and completeness of the amended AFS.	Develop a statement of cash flow checklist which is GRAP 2 compliant that will serve as a guide to enable management to detect and identify any errors on time to ensure that timely corrections are made	CFO	
4	Cash flow statement misstatements (COMAF 13)	The following errors were identified whilst auditing the statement of cash flow: A) Under cash flows from financing activities, the Movements in non-current portion of payables from exchange transactions does not relate to financing activities per GRA 2 paragraph 18. Instead it relates to operating activities. B) We further noted that management did not reflect the actual movement between current year (R28 566 623) and prior year (R22 593 084) which was supposed to be R5 973 539. Management reflected the actual balance per note 14 of R28 566 623	Improve on the AFS preparation process to allow thorough scrutiny and interrogation of information by all assurance providers	Monthly	Assistant Manager: Revenue & CFO		
5	Misstatements on fines, penalties and forfeits (COMAF 18)	Whilst testing fines, penalties and forfeits we identified the following: a) The municipality entered into an agreement with LPR I-Cube on 01 December 2017 to handle traffic fines administration for both cameras and fines books. LPR I-cube uses Easy Traffic Management System which is outsourced from ETMS service provider to administer the traffic fines. From the agreement the municipality failed to ensure that Munsoft system and ETMS system	Financial and performance management: Implement controls over daily and monthly processing and reconciling transactions. Management lacked the discipline to ensure that the valuation roll reconciles to the billing reports.	Correct the errors by categorizing each account separately without offsetting for example revenue, payments, discounts, withdrawals and submit the revised AFS to the auditors with supporting	Each fine is captured on the system to enable management to have a full view on each account for correct decision purposes. This can be done through the interface process between the two systems. If interface is not feasible, specific access should be granted for LPR I-Cue	Monthly	Assistant Manager: Revenue & CFO

	<p>interfaces so that all the fines from ETMS system are individually recorded on Munsoft so that the municipality can account for each individual transaction separately. b) The following differences were noted between general ledger &amp; AFS and LPR I-Cube. c) We further noted in the general ledger a journal number 4395 (Cr) that was passed for the amount of R17 610 950 which was reversed under journal number 4414 (Dr) and no supporting documents were provided why the correct revenue was reversed. d) Also we identified that the fines account in the general ledger reflect payments of R1 860 910 which is not correct since the payments should have been recorded against the debtor's account.</p> <p>So initially when the fine is raised the municipality is supposed to Dr Debtor and Cr fines revenue with full amount of the fine per the camera information or manual books. When the fine is paid by the debtor, the municipality is supposed to Dr Bank and Cr Debtor and the above was not done since the municipality only recorded one single transaction ie Dr and Cr R12 454 143 for journal number 4422. e) We noted that the municipality does not manually capture each fine on Munsoft but it processes a manual</p>		<p>documents to confirm the corrections.</p>	<p>officials to capture the fines on Munsoft to eliminate the risk of bulk capturing on Munsoft.</p>				
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8	Misstatements on depreciations	<p>journal to record all the fines for the year per LPR I-Cube report. When management record the fines on Munsoft, they take the full report from LPR I-Cube less payments processed, less discounts granted, less withdrawals granted. In essence the fines are reflected via a journal as a net figure as reflected above for R12 454 143 journal no: 4422. This method of recording is not compliant with GRAP principles. f) The following transactions were selected from the fines books and traced to the general ledger and we could not identify them but we managed to identify them from LPR I-Cube report. We could not trace the fines to Munsoft because management does not manually capture each fine on Munsoft as indicated in par c) and d) above. g) Receivables from non-exchange disclosed in note 8 reflects net amounts of R3 766 963 (2017-18: R1 801 782) after deducting provision/allowance whereas the other debtors (consumer debtors) are shown separately with their respective gross amounts and provision/allowance for impairment. Therefore, presentation and disclosure is not maintained consistently with other consumer debtors. Whilst auditing property plant and equipment, we identified the following: a) During the</p>	Financial and performance management: Implement	Management adjusted the AFS and	Regular trainings be conducted by management where	Monthly review of the GL and the	Monthly	Ass Manager
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<p>disposals and impairments (COMAF 19)</p>	<p>audit of depreciation, the following differences were noted on certain asset types which led to understatement b) With reference to the table below, management erroneously classified the assets as disposals at their book values even though it was evident from the information provided that they were destroyed due to flooding, meaning they should have been classified as impairments and not disposals. So the entire balance reflected as disposals in note 3 for R374 319 should be classified as impairment.</p>	<p>controls over daily and monthly processing and reconciling transactions. Management lacked the discipline to ensure that the valuation roll reconciles to the billing reports.</p>	<p>submit a revised set to the auditors which reflected, valid, accurate and complete information.</p>	<p>they see that staff members may be rusty on GRAP principles.</p>	<p>Asset Register.</p>	<p>20-Nov-19</p>	<p>Assets &amp; CFO</p>	<p>CFO &amp; Ass Manager Fleet</p>
<p>11 Misstatements identified on the operating lease (COMAF 16)</p>	<p>Whilst auditing lease rental on operating leases we identified the following: a) It came to our attention through the reading of the agreement between the municipality and Bidvest that the risks associated with ownership of the vehicles lies solely with the municipality as indicated in clause 7 &amp; 8 of the agreement even though the municipality will not take ownership of the vehicles after the lease period of 36 months has lapsed. The total amount for the fleet per appointment letter was R42 000 000 and interest rate was prime +1%. Furthermore, we noted that the lease term (3 years) is for the major part of the useful life (5 years) of the vehicles rented. b) We also noted that the disclosure note 20 for lease rentals on operating lease (excluding Bidses) is not in</p>	<p>Financial and performance management. Implement controls over daily and monthly processing and reconciling transactions. Management lacked the discipline to exercise due professional care when preparing the AFS to ensure that it reflects accurate and complete information that achieves fair presentation and supported with valid evidence.</p>	<p>A. Management will disclose the vehicles leased from Bidvest in the FAR of the Municipality, and the lease correctly classified in the AFS as a finance lease instead of operating lease. B. Management kindly request that note 20 on operating lease rentals can be corrected based according to the requirements in GRAP 13</p>	<p>Develop a that will serve as a guide to enable management to detect and identify any errors on time to ensure that timely corrections are made</p>	<p>Improve on the AFS preparation process to allow thorough scrutiny and interrogation of information by all assurance providers</p>	<p>20-Nov-19</p>	<p>CFO &amp; Ass Manager Fleet</p>	<p></p>

9	Misstatements on receivables (COMAF 32)	<p>Whilst auditing receivables from exchange transactions note 7, we identified the following:</p> <p><b>1.</b> The following differences between AFS and GL were noted whilst auditing receivables from exchange</p>	<p>Financial and performance management: Implement controls over daily and monthly processing and reconciling transactions. Management lacked the</p>	<p>Management has justified the matters raised by the AGSA in the finding and ready to</p>	<p>Kept portfolio of evidence on a monthly basis to justify the transactions processed on the financial system</p>	<p>Improve on the AFS preparation process to allow thorough scrutiny and interrogation</p>	<p>Nov-19</p>	<p>Assistant Manager: Revenue &amp; CFO</p>	
<p>accordance with GRAP 13, paragraph 42. A similar finding was raised in the 2017-18 period. The correct disclosure based on our calculation is noted below</p> <p>(i) Not later than one year 808 455, 34</p> <p>(ii) Later than one year and not later than five years; and 1 077 940, 45</p> <p>(iii) Later than five years</p> <p>c) We also identified that management relied on the bank statements to record the amounts in the GL and AFS for BidVest and Databox contracts since they are debit orders. They did not obtain the invoices and statements from the service providers so that the amounts recorded in the GL and AFS excludes VAT. Therefore, an overstatement of operating lease is noted below for R274 207 (R76 045, 87 + R198 161, 67). <b>d)</b> Per the table below, we further noted that management reversed the R739 069, 97 from the operating lease account to general expenditure; stationery relates to lease consumptions.</p>		<p>Financial and performance management: Implement controls over daily and monthly processing and reconciling transactions. Management lacked the</p>		<p>Management has justified the matters raised by the AGSA in the finding and ready to</p>		<p>Improve on the AFS preparation process to allow thorough scrutiny and interrogation</p>		<p>Assistant Manager: Revenue &amp; CFO</p>	
<p>paragraph 42, v Please note that management states and request that this correction will include 2018-2019 and the prior period 2017-2018 correction, the requested will include:</p> <p>i. Office equipment rental: Sunlyn (Pty) Ltd. ii. Moto vehicles rental: Bidvest Bank</p>		<p>Kept portfolio of evidence on a monthly basis to justify the transactions processed on the financial system</p>		<p>Management has justified the matters raised by the AGSA in the finding and ready to</p>		<p>Improve on the AFS preparation process to allow thorough scrutiny and interrogation</p>		<p>Assistant Manager: Revenue &amp; CFO</p>	

**Other Important Matters**

10	Misstatements identified on inventory (COMAF 25)	<p>transactions. Included in the table above is a negative amount of R697 684 (AFS) and R920 103 (GL) which could not be explained by management. 2. Furthermore, we identified an amount of R2 547 245 which relates to Trade creditors with debit balances where management was unable to provide evidence to support the balances disclosed on the AFS. As a result, we could not satisfy ourselves on the validity, accuracy and completeness of the balances disclosed.</p>	discipline to ensure that the AFS reflect valid, accurate and complete AFS supported with proper evidence to justify receivables.	engage on the justifications made if there are any misunderstandings.	<p>1. Institute controls in the inventory section as a matter of urgency to prevent any possible losses or fraud related activities.</p>	of information by all assurance providers	11/20/2019 30 March 2020	Ass Manager Assets & CFO	
<p>During the audit of inventory, we identified the following: 1. The accounting policy 1.10 for inventories does not state the manner in which the cost of inventories shall be assigned either through first-in, first-out (FIFO) or weighted average cost formula. 2. The following differences were noted on Land held for sale: 3. The following differences were noted on Water inventory: 4. The following differences were noted on Stores and materials: 5. Supporting schedules for Stores and materials issued were requested in terms of RFI 51 which was due on 08 October 2019 and to date have not been received since the municipality did not maintain a register that reconciles all purchased inventory to inventory issued on a daily basis.</p>	Financial performance and management: Implement controls over daily and monthly processing and reconciling transactions	<p>No 1. Management will ensure that the Inventory Management Policy is reviewed and the applicable accounting treatment is clearly stated between FIFO and weighted average. No 2. Management states and request that a post audit correction can be performed on the Caseware backup file of the AFS 30 June 2019 with regards to this audit finding in order to bring</p>							

24	AFS note disclosure incorrect (COMAF 11)	The municipality did not recognize the following in the PPE and PPE note 3.	Financial and performance management: Implement controls over daily and monthly processing and reconciling transactions. Management lacked the	The disclosure of the Public Contributions and Donations will be included in the note during the AFS	Reconcile the valuation roll and billing report on a monthly basis to ensure that the billing for property rate is correct.	Monthly reconciliation of the revenue for Licenses and permits reconciling to the payments	30-Nov-19	Ass Manager: Assets & CFO
<p>the AFS, "Restated 2018" amount back to R43 516 015. The correct amount on the post audited AFS 30 June 2019, regarding the comparative figure for "Restated" 2018 should then states R47 259 312.18 (( R43 516 015,18 (opening balance - audited amount 2017-2018) + R 3 742 297,00 (prior period error, refer JNL 4407)). No 3. The correct amounts will be disclosed during the adjustment of the financials. No 4. Adjustment of the Inventory disclosure note</p>								

			discipline to ensure that the valuation roll reconciles to the billing reports.	adjustments and the necessary comment will also be corrected accordingly.		received from the DLC.			
<b>END OF REPORT</b>									