2019/2020

THEMBISILE HANI LOCAL MUNICIPALITY DRAFT ANNUAL REPORT

Chapter 1

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Chapter 1

CHAPTER 1 – MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A: MAYOR'S FOREWORD

1. EXECUTIVE MAYOR'S FOREWORD

The mandate of Thembisile Hani Local Municipality is not unique to the broader mandate given to Local Government by the South African Constitution, Chapter 7. The only uniqueness we have are the different legitimate expectations of our citizens. Our specific mandate must be drawn from the Mayoral outreach we embarked upon in drafting our Integrated Development Plan, which is our guiding document in our performance.

Our resolve is based on servicing our communities wherever they live. The current Annual Report outlines our successes and shortcomings in relation to our political mandate as provided in the key focus areas of Local Government, these can be summarised as follows; Building a Municipality that is efficient, effective and responsive; Strengthen Accountability and promote clean Municipal operations:

- Accelerating Service Delivery and supporting the vulnerable;
- Promoting Economic and Social development;
- Fostering Development Partnerships,
- Social Cohesion and community

Looking at the above priority areas, it is important to note that these can never be successful on their own, it becomes important that as a collective, Councillors and Officials, work together in identifying the challenges raised in the annual report and rectify them as soon as possible. Having said that, it is equally important to note that there are a few specific areas, which must receive particular attention going forward:

- Improved mechanisms will need to be found to strengthen the accountability and discipline of officials in their daily work, both to each other and to political principals;
- The establishment of project teams across the organisation must become central to a new way of working of officials.

This will go a long way in breaking down the silo-approach to work. Valued and supported. Training, personal development, career-pathing, restructuring the organogram, coaching, mentoring and Employment Assistance Programmes are some of the specific interventions that will need to be enhanced.

Equally with the politicians, it is important that we focus our energies on the mandates we have from our respective political parties. Our differences should only be indication of a strong democratic state, not an impediment to deliver services to our people. It is commendable to note the improvements in relation to our spending and expenditure patterns, but we need to do more. The ever present excuse of lack of resource might be a legitimate one, but the key question is how effectively we use the resources at our disposal. It is clear on this annual report that we are moving in the right direction, although not there yet. It is of paramount importance to synchronise our programme plans.

During our Mayoral imbizo, we have heard our people about the accumulated arrears of the previous years. As council we took a resolution that those with the accumulated arrears are given an amnesty of up to 90%. This amnesty is only applicable to house and small businesses. We encourage our communities with the accumulated arrears to grab this opportunity and once more not to stop paying after the amnesty has been granted.

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 2019/2020 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 of 2.5 Ml/ Day is completed (only water quality testing is outstanding), and the remainder of 7.5 Ml/ Day is still under construction. The New Reservoirs and Pipeline in KwaMhlanga and Vlaglaagte are also completed.

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 2019/ 2020 projects the following are highlights:

- Construction of New Reservoir and at KwaMhlanga for Phola Park and Mountain View Communities - Phase 2
- Upgrading of Vlaglaagte and Kwaggantein Water infrastructure:Infrastructure
- Construction of Luthuli Link Road Phase 1- Ward 22
- Construction of new gantries on Dr. JS M LM & CoT bulk pipelines
- Construction of a 10 mega liters reservoir and bulk pipeline at Kwamhlanga is completed
- Drilling , Refurbishment, Equipping of Boreholes in the following areas
- Installation of one Borehole at Mathysenloop Ward 7
- Installation of one Borehole at Boekenhouthoek Ward 24
- Installation of one Borehole at Sheldon Ward 14
- Installation of one Borehole at Kwaggafontein A Ward 28
- Installation of one Borehole at Kwaggafontein A Ward 29
- Installation of one Borehole at Kwaggafontein C Ward 26
- Installation of one Borehole at Kwaggafontein D Ward 31
- Installation of one Borehole at Kwaggafontein E Ward 31
- Installation of one Borehole at Verena A Ward 08
- Installation of two Boreholes at Bundu Ward 24
- Installation of two Boreholes at Machipe Ward 24
- Installation of two Boreholes at Rietfontein Farm Ward 08
- Installation of one Boreholes at Sieringkop Farm Ward 32
- Installation of one Boreholes at Tweefontein C Ward 12
- Installation of one Boreholes at Loopspruit Ward 32

- Installation of one Boreholes at Tweefontein DK Ward 12

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

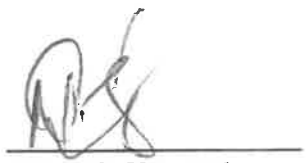
The Municipality uses Ward Committee meetings, Mayoral outreach meetings, Budget and IDP indaba, radio interviews, and loud-hailing and stakeholder meetings to engage the public in decision making process like budget consultation meetings and to improve accountability to communities.

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.

CONCLUSION

Since the term of office it's been both an exciting and challenging period. As with all change management processes there are those that have been quick to embrace the transition and the opportunities presented; whilst inevitably there are those that are slow on the uptake. That is an objective reality that we needed to accept and manage to the best of our ability me and my team.



Cllr. N.S. Mtsweni
Executive Mayor

Chapter 1

COMPONENT B: EXECUTIVE SUMMARY

1.1. MUNICIPAL MANAGER'S OVERVIEW

MUNICIPAL MANAGER'S OVERVIEW

The 2019/2020 Annual Report will reflect on the progress made in achieving the objectives of Thembisile Hani Local Municipality (THLM) 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 were considered in our planning, the primary ones being the population size and households. The population size 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.

During the year under review our budget expectations were not fully realised. We budgeted for property rates amounting to R 49.8 million and we received R 23.0 million, service charges R 177.10 million and we received R 1.8 million and we budgeted for other revenue amounting to R 23.1 million and we received R 9.1 million. All our grants were received as budgeted. The Municipality has obtained a qualified audit opinion for the 2019/2020 financial year. Based on the Auditor General of South Africa (AGSA) opinion a detailed audit action plan has been developed and it is monitored on a regular basis to track compliance and implementation of AGSA's recommendations.

To ensure accurate financial reporting the management of the Municipality, the Internal Auditors and External Auditors are working together with the Audit Committee and on a regular basis the committee provides guidance on the Municipality's financial matters. The Audit Committee also monitors the implementation of the Audit Action Plan (AAP) to assist the Municipality to improve audit outcomes.

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, Shorpite, Chekers, Pep, Boxer and Post Office.

Towards the end of the financial the President of the country Mr Cyril Ramaphosa declared a National State of distatser due to the Covid-19 pandemic. On the 23rd of March the President announced a 21 days lockdown to contacin the spread of Covid-19. This has affected the Municipality's operations and the budget. Some funds had to be channelled towards procurement of Personal Protective Clothing for Municipal employees. Public Participation was also affected, we had to put measures in place to ensure that communication is maintained using different digital platforms surch as radio, social media and Tersm application.

The Municipality has established a new department, Department of Town Planning Services (DTPS). The Unit is responsible for the overall planning of the municipality including the Integrated Development Plan (IDP), Town Planning and Local Economic Development (LED). The main purpose of the department is to build the economic capacity of our local area, ensuring proper land use management and spatial planning for development. We believe that the establishment of this department will minimise the challenge of land invasions that is threatening the development of our municipality.

In our quest to provide clean drinking water to the community and to increase water supply we managed to resolve all the challenges pertaining to the Bundu Weir project. The project is currently at its final stages of pre-testing and commissioning of the 2.5 mega litres water treatment works and pipeline. The anticipation is that within the first quarter of 2020/2021 financial year the second phase of the project will be completed. During the year under review the municipality was hit by draught which led to the municipality being declared as a draught area by Nkangala District Municipality. To this effect 32 draught relieve boreholes have been contracted in the hard hit areas within the municipality. The Moloto Ground Water Scheme Development project is at practical completion stage. We believe that these projects and other water related projects that we are implementing will yield good results in alleviating water challenges in THLM.

In addition, we continue to engage and consult members of the public through various platforms such as Mayoral Outreach programmes, IDP and budget consultative meeting.

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.

This financial year 2019/2020 during the COVID 19 pandemic the Disaster Management Unit together with EPWP participant's assisted the provincial Department of Social Development with over 3000 food parcels storage and distribution. These food parcels were distributed to the identified needy families within the Municipality.

On behalf of the administration of Thembisile Hani Local Municipality, I wish to express my profound gratitude to the political leadership provided by the Executive Mayor and Members of the Mayoral Committee. We also wish to thank all Councillors, officials and our different stakeholder for their role in improving the lives of the people of THLM. Together we are moving THLM forward.

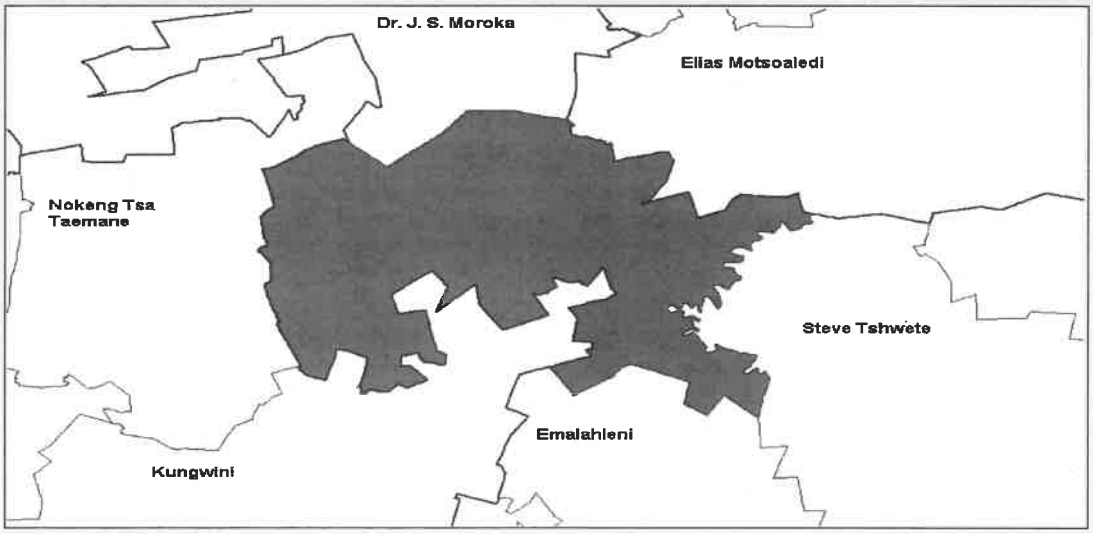
Mr. O.N. Nkosi
Municipal Manager

Chapter 1

1.2. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

ABOUT THEMBISILE HANI LOCAL MUNICIPALITY

LOCALITY MAP – ADJACENT LOCAL MUNICIPALITIES



SOCIO-ECONOMIC OVERVIEW

Mathyzensloop, Boekenhouthoek, Bundu, Enkeldoornoog, 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, Bronkhorstspruit and Verena to Groblersdal. To some extent, the two above mentioned Provincial Roads Act as regional activity spines.

Most of the urban, peril-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.

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

Table: 2.1: population size

Demographic indicators	Stats SA Census	Stats SA census	Share of nkangala's figure	Share of Mpumalanga's figure	Ranking: highest (1) – lowest (18)
	2001	2011	2011	2011	
Population number	258 871	310 458	23.7%	7.7%	5
Number of households	58 797	75 634	21.2%	7.0%	6
Area size – km²		2 385	14.2%	3.1%	15

Population per km²		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
Thembisile	2001	119 928	138 944	258 872
	2011	147 659	162 775	310 434
Nkangala	2001	491 225	529 363	1 020 588
	2011	656 247	651 882	1 308 129
Mpumalanga	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
Thembisile	2001	46.3%	53.7%	100.0%
	2011	47.6%	52.4%	100.0%
Nkangala	2001	48.1%	51.9%	100.0%
	2011	50.2%	49.8%	100.0%
Mpumalanga	2001	47.9%	52.1%	100.0%
	2011	48.9%	51.1%	100.0%

Source: statistic South Africa, 2011.

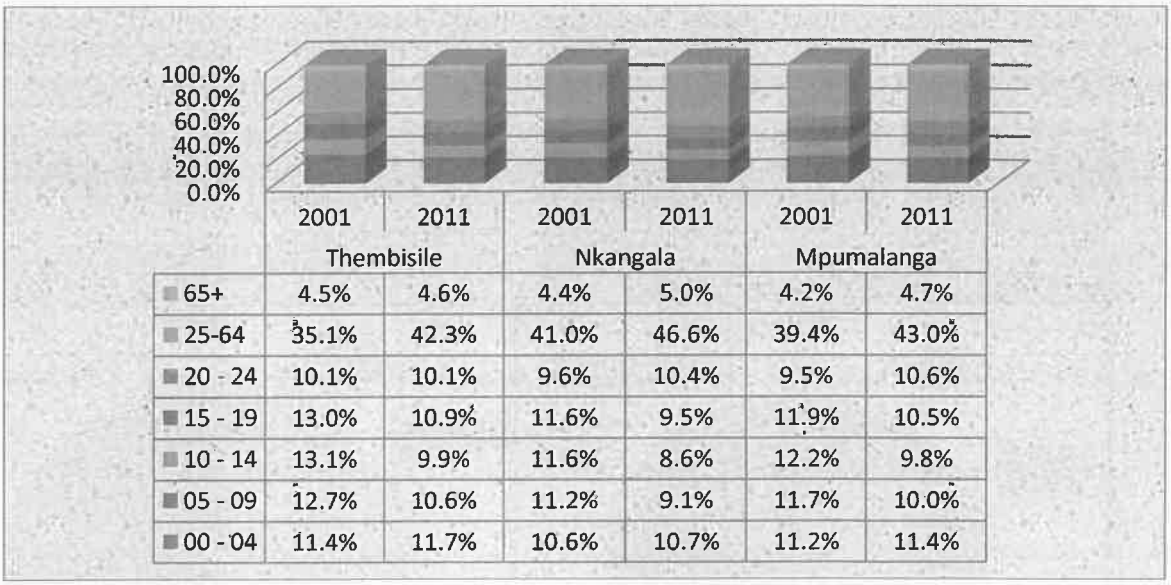
The age structure

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

Geography	Year	00 - 04	05 - 09	10 - 14	15 - 19	20 - 24	25-64	65+	total

Thembisile	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
Nkangala	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
Mpumalanga	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



	2001	2011	2001	2011	2001	2011
	Thembisile		Nkangala		Mpumalanga	
65+	4.5%	4.6%	4.4%	5.0%	4.2%	4.7%
25-64	35.1%	42.3%	41.0%	46.6%	39.4%	43.0%
20 - 24	10.1%	10.1%	9.6%	10.4%	9.5%	10.6%
15 - 19	13.0%	10.9%	11.6%	9.5%	11.9%	10.5%
10 - 14	13.1%	9.9%	11.6%	8.6%	12.2%	9.8%
05 - 09	12.7%	10.6%	11.2%	9.1%	11.7%	10.0%
00 - 04	11.4%	11.7%	10.6%	10.7%	11.2%	11.4%

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%.

Table 3.2.3.1: Thembisile Hani labor indicators

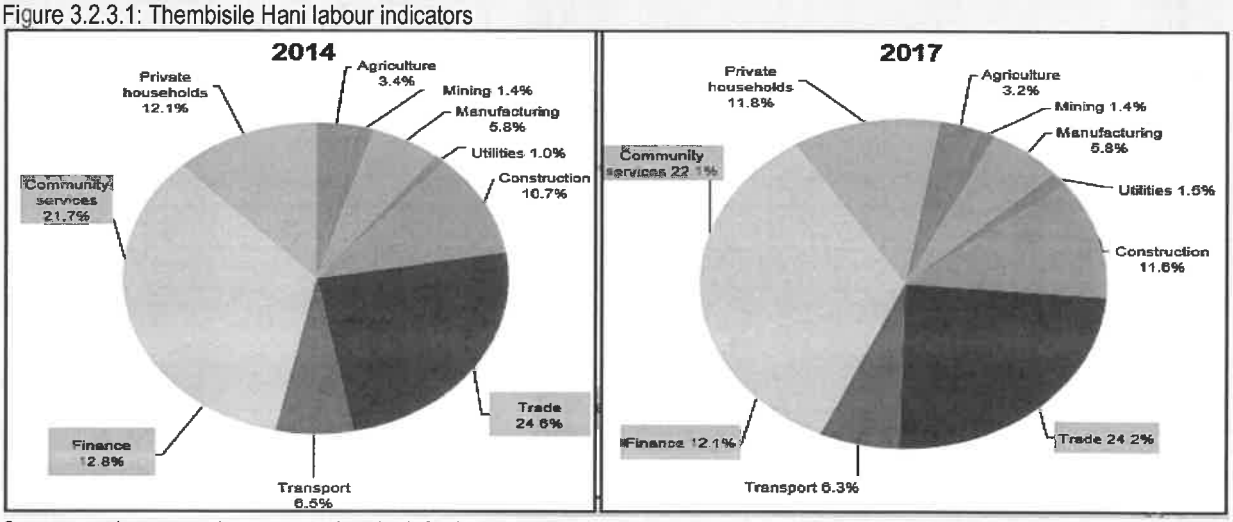
Labour Indicators	Census	Census	Share Of Nkangala's Figure	Ranking: Best (1) – Worst (18)

	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,

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	2012			
Poverty rate	53.3%	52.8%	47.7%	40.8%	(-) (30.6%)	(-) (36.9%)	15
Number of people in poverty	145 068	145 708	142 877	128 890			15

Poverty gap (r million)	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
Thembisile	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
Nkangala	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
Mpumalanga	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.

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	Latest figure	Better (+) or worse (-) than nkangala	Better (+) or worse (-) than province	Ranking: best (1) – worst (18)
	2001	2011			
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

Chapter 1

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%

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.

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, Middelburg 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 - R76,400	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%

Economic analysis

The City of Tshwane and areas such as Bronkhorstspruit 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 were a significant amount of the population commutes on a daily or regular basis to areas such as Tshwane, Ekurhuleni, Johannesburg and Emalahleni.

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.

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 Enkeldoornoog 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
- 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 Thembalethu	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,-Thembalethu 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 four libraries in the Municipality need to be maintained and furnished with books in order to encourage the community to read and write. There is a need for a mobile library is needed in Loopspruit

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;
- Shortage and minimal access to sporting facilities by the local community;

- Sport committees at ward level exist but are dysfunctional;
- There is a need for an additional community gymnasium to encourage the wellness of community;
- The community gymnasium facility at Kwaggafontein stadium need to be professional run;
- The lack of art and development centre

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 where 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 residents 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 toads 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.

Chapter 1

1.3. SERVICE DELIVERY OVERVIEW

SERVICE DELIVERY INTRODUCTION

The Municipality provided communities with potable 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 80 028 households with access to basic electricity
- Provided 2 282 households with access to basic sanitation (water borne system)
- Provided 57 768 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
- High level of informal settlements mushrooming rapidly which add to the already housing

Chapter 1

1.4. FINANCIAL HEALTH OVERVIEW

Financial Overview - 2019/2020			
R			R
Details	**Original budget"000**	**Adjustment Budget**	**Actual**
Income			
Property Rates	49 770 000	49 770 000	47 680 432
Grants	596 583 750	614 521 337	612 651 267
Service Charges	186 857 000	177 983 000	137 511 464
Public Contribution & Donation	0	0	0
Fines, Penalties & Forfeits	16 501 000	8 797 000	12 617 750
Other Revenue	67 028 823	104 427 732	77 520 443
Sub Total	916 740 573	955 499 069	916 398 971
Less Expenditure	(738 451 633)	(905 298 633)	(752 571 386)
Net Total*	178 288 940	50 200 436	163 827 585
* Note: surplus/(- deficit)	Note: operational and capital included on the expenditure		T1.4.2

2019/2020 Operating Ratios (adjusted budget)0	
Detail	**%**
Employee Cost	17.44%
Councillors Cost	2.83%
Repairs & Maintenance	2.50%
Finance Charges & Depreciation	9.39%
	T1.4.3

LIQUIDITY RATIO

Liquidity ratio for 2018/2019 was 1.86 and for 2019/2020 is 2.55

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.

Total Capital Expenditure			
	R		
Detail	**2017/2018**	**2018/2019**	**2019/2020**
Original Budget	153 363 889	153 982 751	167 646 750
Adjustment Budget	156 325 325	163 005 000	199 443 408
Actual Expenditure	152 125 325	164 949 725	196 058 218
%	97.31%	80.29%	98.30%

1.5. ORGANISATIONAL DEVELOPMENT OVERVIEW

Thembisile 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.

Chapter 1

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	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	
9	Receive Management Letter And Provide Final Comments On Findings	November
10	Auditor-General Submit Audit Opinion	
11	Executive Mayor Tables Annual Report And Audited Financial Statements To Council Complete With The Auditor- General's Report	January
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

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

CHAPTER 2 – GOVERNANCE

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)

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.

Chapter 2

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 and Performance 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 Committe (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.

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.

Chapter 2

SPEAKER

Cllr.TL Mabena. (Chairperson 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.

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

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.

CLLR. LX MTSWENI

MMC LOCAL ECONOMIC DEVELOPMENT

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.

CLLR. M.P. MSIZA

MMC SOCIAL DEVELOPMENT SERVICES

Render integrated community services to all its communities

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.

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 System 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

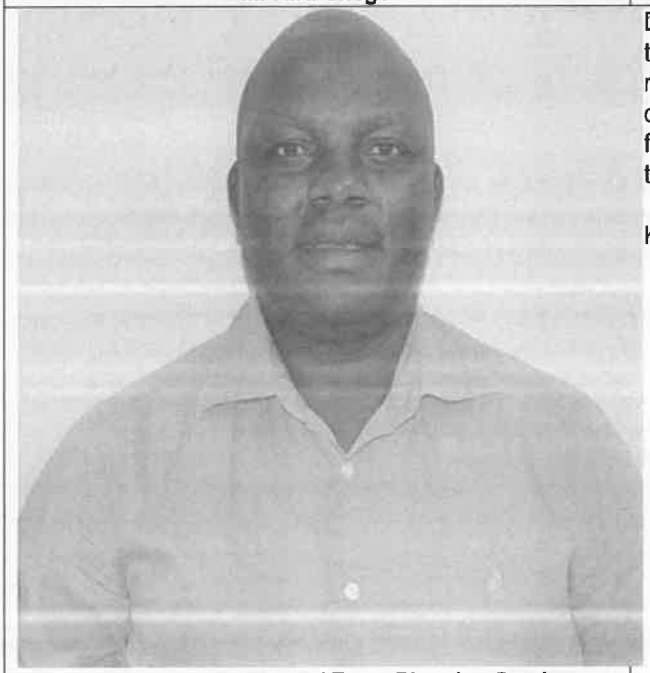
TOP MANAGEMENT

ADMINISTRATIVE STRUCTURE	FUNCTIONS
 Municipal Manager **Mr O.N. Nkosi**	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 units: IDP, Performance Management System, Youth Development, Local Economic Development, Public Participation, Risk Management, Internal Audit and Communication.
 Manager Corporate Services **Ms S.A. Nxumalo**	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 Units: Human Resources Management and Development, ICT and Administrative Services, Legal and Council Secretarial Services and Fleet Management

 Chief Financial Officer **Mrs J.G. Mahlangu**	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.
 Manager Technical Services **Mr V.L. Skosana**	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.

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.



Manager Develepment and Town Planning Services
Mr M.S. Tsebe

Development and Town Planning Services (DTPS) is one of the key departments within Thembisile Hani Local municipality with the sole purpose of building the economic capacity of our local area and ensure proper spatial planning for development. Integrated Development Planning is one of the critical functions of the Department.

Key performance area of the department:

- Investment Promotion
- Smme Development
- Job Creation through CWP and EPWP
- Development and support of Local business in Agriculture, Tourism, Manufacturing and Mining sectors.
- Town and Regional Planning
- Geographic Information System
- Building Inspection
- Integrated Development Planning

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.

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 EPWP's and department of Corporative Governance and Traditional Affairs appointed 60 EPWP's for clearing illegal dumping sites.

Chapter 2

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 Municipality:

- ICT audit
- SCM 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 six mandatory ward community meetings per annum and as and when the need arises to discuss matters affecting the community and give feedback on reported matters. 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 month November to December 2019 as part of the strategy for ensuring adequate Public Participation in the preparation for the compilation of the IDP and budget review for the 2019/2020 financial year. The community consultative meetings were followed by the IDP/budget consultation for 2020/2021 financial year on radio slots on Ikwekwezi FM, Moutse Community Radio Station, Inakekelo FM and Eyethu FM in the month May 2020 for the whole Thembisile Hani Local Municipal communities.

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.

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.

Chapter 2

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 2018/2019 financial year to inform the 2019/2020: IDP

Ward	Issues
Traditional leaders	• Enquiring and complaining about new areas that are recently being developed and having project starting in new other areas • Complaining about land invasion and requesting the Municipality to intervene • Requesting water and electricity at Vezubuhle (the whole of Vezubuhle) • Complaining about Ward 7 cemeteries not being fenced • Requesting a satellite office for service fee payment at Luthuli • Requesting a storm water control • Complaining about water meters. Some residents don't have them at Tweefontein K • Requesting and complaining about road to cemeteries to be re-gravelled. • Complaining about road re-gravelling • Requesting re-gravelling of roads at Luthuli • Requesting recreational facilities at Luthuli • Requesting a community hall for pensioners

	• Requesting a researcher to research in the community and report back to the traditional leaders • Requesting high mast lights at the cemeteries • Complaining and requesting road gravelling at mountain view
Ward 1	• *Requesting a satellite office at Ward 1* • *Requesting a high mast light at main road block 7 centre babazon* • *Requesting water supply and street lights at babazon* • *Complaining and requesting water and a community hall* • Complaining about high mast lights being few at Moloto North • Requesting tap water in the Ward • Complaining about not having water at Block D • Complaining about the waste collecting truck not collecting along every street • Requesting a satellite office where the community will go and pay their services • Requesting a school at Moloto North • Complaining about incomplete projects around Moloto North • Requesting electricity, the whole block of Section D.D • Requesting bus roads at block d.d • Complaining about their RDP houses not being issued in a formal manner
Ward 2	• *Requesting electricity supply at Moloto North* • Requesting a tap water • Complaining about not having water at Block D • Complaining about septic Tanks , some of them being broken, some leaking • Complaining about the waste collecting truck not collecting every street • Requesting a satellite office where the community will go and pay their services • Complaining about incomplete projects around Moloto North • Requesting electricity, the whole block of Section D.D • Complaining about road bus. They are incomplete • Requesting bus roads at Block D.D • Complaining about their RDP houses not being issued to them in a formal way. • Requesting a school
Ward 3	• *Requesting water , high mast lights inside where he is residing* • *Requesting roads to be re-gravelled* • *Requesting a satellite office* • *Requesting tarring of internal roads at block 5* • *Complaining and requesting re-gravelling of internal roads at Block 5 Moloto* • Complaining about payment of flat rate. • Requesting water meters and roads at Moloto • Requesting a RDP houses • Requesting street lights at Block 5 Ward 3 • Requesting water (the whole of block 5 near the garage at Ward 3 Moloto south) • Requesting a community hall and a library • Requesting yellow bins • Requesting a RDP house • Requesting a tar road at Moloto Block 5 • Complaining about water tank not delivering to every house • Requesting roads and a primary school at Moloto south • Requesting that all the valves be monitored and maintained • Requesting high mast lights at block 5 • Requesting a community hall at Moloto • Requesting a road to cemeteries of Moloto
Ward 4	• *Requesting water supply at Leratong* • *Complaining about un-improvement at Leratong* • *Requesting a bridge between Luthuli and Ward 4* • Requesting a RDP house • Requesting bus routes at Zakheni • Requesting a bridge at Zakheni • Requesting a primary school at Zakheni ext • Complaining about holding a meeting during a week

	• Requesting the main road of Zakheni to be completed • Requesting that projects done around Zakheni be monitored. • Requesting a RDP house • Complaining about a hole that was left after the bridge was built at Zakheni • Requesting water • Complaining about Zakheni residence misusing water
Ward 5	• *Requesting houses at Thembalethu* • *Requesting a storm water control* • Complaining about the positioning of high mast lights • Complaining about un-energised high mast light • Requesting three high mast lights at Thembalethu outline • Requesting the flat rate(water) to be decreased to R40-50 • Requesting a community hall at Thembalethu • Requesting a post office and a community hall for next year • Requesting water • Requesting a high mast light at Thembalethu outline • Lack of service delivery at Thembalethu • Roads not being properly gravelled • Complaining about unemployment • Extension of the tar road (clinic) • Extension of high mast lights • Requesting storm water drainage to control water that is damaging tar road • Complaining about roads that need to be constructed
Ward 6	• *Complaining about a stream of water that requires a bridge to be build.* • *Requesting fixing of road via Phola Park community hall* • *Complaining about a bridge that over flows when it's raining at jordan* • *Complaining and requesting electricity* • *Requesting a high mast light at the main road of Phola Park* • Complaining about a dam, and requesting a storm water • Requesting a high mast light next to sizamile primary school • Requesting recreational facilities (sports ground) at Phola Park ext. • Requesting a bridge. Next to/close to ziphakamiseni • Requesting electricity at new stands and a RDP house • Requesting a clinic at Phola Park
Ward 7	• *Requesting a tarred road at Mathysensloop* • *Requesting re-gravelling at Mathysensloop stadium* • *Requesting a tarred road Ward 7 mabhala street* • *Requesting a borehole at madala stand* • *Requesting water Reticulation the whole of madala portion* • *Requesting recreational facilities* • *Requesting a borehole at Mathysensloop* • *Requesting a borehole* • *Requesting fixing of road via Phola Park community hall* • *Complaining about a bridge that over flows when it's raining at jordan* • *Complaining and requesting electricity* • Requesting a high mast light at the main road of Phola Park • Complaining about the cemetery issue (entrance fee) • Requesting the Municipality to work hand in hand with the traditional leaders • Requesting a storm water control at Boekenhouthoek • Complaining about not having water at mhlamunyene, the whole section. • Complaining about receiving un-hygienic water from the water • Requesting a high mast light at boekenhouthoek, close to ruben • Requesting a special school (hearing and low iq) for disabled candidates • Requesting the Municipality to assist the local candidates with a Saturday school (extra classes) • Requesting a storm water control/ storm water drainage • Requesting a high mast light at ruben boekenhouthoek • Requesting high mast lights to be maintained and energised

	• Complaining about incomplete projects (roads at chilli entrance boekenhouthoek
Ward 8	• *Requesting electricity, water and tarred road at Ward 08* • *Requesting a clinic / mobile clinic at Langkloof* • *Requesting street lights at Langkloof* • *Requesting water at Langkloof* • *Requesting pot holes to be covered at Langkloof* • *Requesting a solar system at Ward 08* • *Requesting meter readers and requesting each and every house hold to have a tank* • *Requesting electricity at Ward 8* • *Requesting network at Ward 8* • *Requesting recreational facilities* • Requesting water at doorfontein • Requesting re-gravelling of roads at farm water • Requesting electricity at farm water • Requesting roads/re-gravelling of roads at thabakhubedu • Requesting a pumping machine to operate kwa-jiyane • Requesting a solar power/boreholes • Requesting RDP houses • Request the tar road in internal roads • Request the bridge in a bus road • Request the dust bin for waste collection • Request the apollo • Request water reticulation • Request skill centre • Request extension of tar road • Request the satellite office for payment of services • Request the grave yard to be fenced • Request primary & secondary school • Request job opportunities • Request chairs for community hall • Request sports field to be graded
Ward 9	• *Requesting a tap inside where she is residing* • *Requesting a RDP house* • *Requesting a community clinic at Tweefontein J* • *Complaining about Thembisile Hani Local Municipality not assisting in arts and culture* • *Requesting tarred and Tweefontein J* • *Complaining about Tweefontein J not being included in the coming budget for financial year of 2014/2015* • *Requesting water reticulation at Sheldon, the whole of Sheldon* • *Requesting water supply on all important areas like clinics and police stations.* • *Complaining about leakages and not being attended when they are being reported* • Requesting a community hall for senior citizen • Requesting all high mast lights to be energised at buhlebuzile • Requesting a multi- purpose centre for the residence • Roads to einel 2 experience some water leakage. • Community member is concerned about water leakages • Requesting a multi-purpose centre • Requesting toilets • In need of a Municipal satellite office so that they can pay their services easily • Road maintenance • Requesting php houses • Requesting a primary school at zenzele • Complaining about crime • Complaining about unemployment and their advising the Municipality to employ local people in local projects.
Ward 10	• *Complaining about projects not being allocated to Ward 15* • *Requesting a sports ground at skhahla Ward 10* • *Requesting a public transport for primary school students* • *Requesting a storm water control at Ward 10*

	• *Complaining and requesting a bridge* • *Enquiring about the solar system request-when are they getting* • *Requesting toilets at Ward 10* • Complaining about the waste tank not collecting/ entering each and every street • Complaining about rural residents not getting water • Complaining about the water tank not servicing all the residents • Complaining about not being told the correct service fee rate • Complaining about taps that are leaking • Complaining about other residents receiving free services • Requesting a RDP houses • Requesting a storm water control at Mzimuhle • Requesting that all high mast lights be energies • Requesting more high mast lights at Mzimuhle • Requesting a storm water control at Mzimuhle • Requesting a VIP toilets • Requesting a notice board (where all public notices will be pasted) • Requesting a free public transport for kids to be transported to school • Complaining about the Municipality not intervening in sports and arts affairs. • Requesting a waste truck to collect all the waste being dumped by surrounding residents of Mzimuhle • Requesting a giant yellow waste bin at Mzimuhle • Complaining about a storm water that is being blocked by sand at Mzimuhle • Complaining about a disaster house. A complain was laid but up until now, it wasn't attended
Ward 11	• *Complaining about high mass lights that were supposed to be 24 but they are 10 and they are un-energised* • *Complaining about a bore hole that was build inside someone's house hold* • *Requesting a community hall at Ward 11* • *Requesting a storm water at Verena c* • *Sports facilities are being requested at Ward 11* • *Requesting regravelling at " new stands "* • *Requesting storm water control* • *Requesting a satellite office at Verena.* • *Requesting indigent forms to be* • *Requesting jojo tanks, filled with water each and every resident of Verena* • *Requesting bore holes at Verena d* • *Enquiring about electricity on when is it going to be installed at Verena c* • *Requesting bore holes at block d and block c* • *Requesting flashing toilets at Verena d and c* • *Requesting a primary and high school (institution)* • *Complaining about pot holes at Verena d main tarred road* • *Requesting speed humps at Verena four way (main road)* • Request water tap • Request electricity • Support the payment of services • Complain about the pampers that are all over the village • Request the meter box of electricity • Cost for services • Request centre of hiv& aids • Request the support from the Municipality regarding HIV/AIDS activities • Request access to public transport via Mpumalanga road which is known as Witbank road. • Request the road regravelling • Request the Mayor to look after indigent families • Request food parcel • Request job opportunity • Request road regravelling • Request RDP houses • Request job opportunities • Request sewerage toilet • Request the extension of high mast light

	• Request to be in a list of indigent • Request water reticulation
Ward 12	• *Complaining and requesting tarred road at "dk" Tweefontein cCand water network* • Community complaining about youth unemployment • Crime • Water leakage and wasting water • No taps in his stand and his paying municipal service • Lake of service delivery (Municipality) • Unemployment (no contract but permanent jobs by the residents) • Nepotism • Requesting spots facilities • High rate of crime • Unemployment • Requesting for industrial area for job creation • Shortage of water • Unemployment • Complaining about water leakages. • No electricity
Ward 13	• *Requesting the Municipality to install proper water pipes* • *Requesting high mast lights at B2 to be energised all of them* • *Requesting a storm water control and tarred* • *Requesting a community hall at B2 and Tweefontein K* • *Requesting a clinic at Ward 13* • *Complaining about not having a title deed* • *Requesting the cemeteries at Ward 13 to be fenced* • Complaining about a meter that is not operating in a proper manner • Complaining about the waste truck not keeping/sticking to the time slot • Complaining about not having a title deed • Complaining about a high mast light that causes distraction • Complaining about not having water • Requesting sewerage toilet • Requesting storm water • Request the high mast light to maintained • Request RDP house • Request the community hall for pensioners • Request storm water in a bus road • Development of the community park • Request the office of led to support cooperatives • Request the collection of waste • Request job opportunity • Request php houses • Request community hall • Requesting electricity • Requesting road regravelling • Requesting the plastic & dustbin • Request clinic • Request outline road to be maintained • Requesting clinic at outline of B2 • Requesting water pipe to be maintained • Requesting two pedestrian bridge next to sofuyile Tweefontein B1& B2
Ward 14	• *Requesting a school (primary school)* • *Requesting a tarred road at simunye street* • *Requesting water at Ward 14* • Requesting re-gravelling • Requesting a grader to dig at the cemeteries (free of charge) • Requesting a mini-reservoir for next year • Requesting a public-park at mountain view

	• Requesting a community hall at mountain view • Requesting a mobile clinic at mountain view • Requesting a satellite office at mountain view • Requesting electricity at mountain view zone 6 • Complaining about a stream (river) across zone1 and zone 2 and requesting it to be fixed • Requesting toilets (flashing ones) at mountain view • Requesting water at mountain view zone 6
Ward 15	• *Requesting a tarred road at Ward 15 (inside houses)* • *Requesting the road at masese to be fixed. It has a lot of pot holes* • *Complaining and requesting water reticulation at Ward 15* • *Requesting a high mast lights at Ward 15 (outline)* • *Complaining about projects not being allocated to Ward 15* • Complaining about cemetery fee. • Requesting a community hall for the pensioners • Requesting monitoring when it comes to local projects. • Requesting a satellite office for service (fleet rate) fee payment • Requesting flashing toilet • Requesting RDP house • Complaining about pot holes that where left after construction work • Requesting a RDP house • Complaining about high mast lights that are not energised around Tweefontein • Requesting a storm water control at Tweefontein e • Requesting roads at Tweefontein e • Requesting a clinic at Tweefontein e • Requesting a satellite office at Tweefontein e • Requesting street names at Tweefontein e • Requesting a RDP house.
Ward 16	• *Requesting a satellite office at Buhlebesizwe no:2* • *Requesting re-gravelling of roads at Ward 16* • *Complaining and requesting jobs and job creation* • *Complaining about projects not being allocated to section aa* • *Requesting flushing toilets at section aa* • Requesting a storm water control at Buhlebesizwe no:2 Sun Citylocation • Requesting vip toilets at Buhlebesizwe no: 2 • Requesting a honey sucker for the VIP toilets at Buhlebesizwe no: 2 • Complaining about the waste truck not collecting each and every street • Complaining about the Municipality not interfering in public transport issues • Requesting recreational facilities/sports ground at Buhlebesizwe no:2 • Requesting a community hall • Requesting an office/centre to work at/ do her projects • Complaining about title deeds. They must be fixed first before residents pay their services • Requesting regravelling of extra sand that was left after construction work at RDP open space Buhlebesizwe no:2 • Requesting electricity around RDP ext new stand • Complaining about being side lined in terms of corporative projects • Complaining about RDP houses that are not well build at RDP Buhlebesizwe • Complaining about storm water control that are not well build at Buhlebesizwe no:2 RDP • Requesting electricity and water at Buhlebesizwe no:2
Ward 17	• *Requesting electricity network at Ward 17, extension.* • *Requesting a high school and a primary at Ward 17* • *Requesting a storm water control at Milliva RDP* • Complaining about not getting water. • Complaining about water meters that are leaking inside • Complaining about a bridge (to be extended)this issue was reported last year but it was un-attended • Requesting a storm water control • Requesting a geyser and a stove. • Requesting an apollo's Tweefontein n

	• Complaining about incomplete road • Requesting roads at Tweefontein n • Requesting a sports facilities • Requesting a tertiary (high institution) • Requesting a satellite office at Tweefontein f • Requesting Nkanngala District Municipalityto assist in job creation • Requesting electricity at Tweefontein f • Requesting a satellite office at Tweefontein f for fleet rate payment and other service payment • Complaining about un-energised apollo's • Requesting taps at Tweefontein f • Requesting a satellite office at Tweefontein f • Requesting recreational facilities (sports ground) • Requesting ground to be re-gravelled • Complaining about the road at 1st stop Tweefontein f all the apollos there, they are not energised • Complaining about un-energised lights at Tweefontein f • Requesting a community hall for pensioners or a tent for min-while • Requesting a bridge at Tweefontein f • Complaining about not having a post box/ not receiving his mail • Requesting a shopping complex at Tweefontein f • Requesting street humps at Tweefontein f
Ward 18	• *Requesting a storm water control that will lead water to gandi* • *Requesting re-gravelling at Ward 18. The whole of it* • *Requesting water reticulation at Thokoza/requesting Thokoza to be included in the next financial year projects concerning water* • *Complaining /requesting about electricity at Thokoza* • Requesting a storm water control at simunye street • Complaining about not having water at Thokoza • Requesting a community hall at Thokoza • Requesting road signs that indicate the location (Thokoza) • Requesting re-graveling of roads at Thokoza • Requesting high mast lights to be energised • Requesting roads at ghanda street , Thokoza • Requesting water at Thokoza ext. • Requesting storm water control at Thokoza ext. • Requesting a tap where he is residing at the given address • Requesting a RDP house • Requesting water at Thokoza where his old age centre is residing (he owns an old age centre) • Requesting re-gravelling of street at new stands, Thokoza • Requesting a youth centre • Requesting a storm water control • Requesting maintenance at Thokoza, all roads • Requesting sports grounds to be re-gravelled at Thokoza • Requesting job opportunities
Ward 19	• *Requesting a storm water control at Sun City C* • *Requesting a school at Ward 19 and water* • *Requesting water at Sun Citya and a tarred road to the clinic and a storm water* • *Requesting tarring of internal roads* • *Complaining about a bridge that needs to be fixed. Reason being it over-flows and residents can't walk* • *Requesting boreholes at Sun City D* • Requesting high mast lights at Sun City AA • Requesting roads at a.a • Requesting water • Requesting water the whole of Sun City AA • Requesting water and a community hall • Requesting a satellite office for service payment around Sun City AA • Requesting an internship programme from agriculture to accommodate all the un-employed youth. • Requesting a jojo tank

	• Requesting street names at Sun City AA • Requesting a community hall • Requesting a clinic • Requesting recreational facilities • Requesting a satellite office at Sun City AA • Requesting street lights to be monitored and maintained at Sun City AA • Requesting water at Sun City AA • Requesting pedestrian tar roads and pedestrian bridge • Requesting speed humps at Moloto road near Sun City AA • Requesting re-gravelling of roads at Sun City A, B, C and AA • Requesting a community hall at Sun City • Requesting recreational facilities
Ward 20	• *Requesting a pavement, community hall and toilets at Ward 22* • *Requesting dongs to be closed after any construction has been done.* • *Complaining and requesting electricity at Sun City AA and Vezubuhle* • *Requesting a high school at sun- city AA* • *Requesting internal streets to be named* • Requesting that cemeteries be re-gravelled at Sun City AA next to an open space • Requesting a satellite office to pay services fleet rate • Requesting roads at Sun City AA • Requesting roads at Sun City AA and may they be made solid • Requesting/complaining about not having water. The whole of nyabela street
Ward 21	• *Enquiring about Vlaklaagte number 1 on why it's not included on 2014 projects?* • *Requesting an RDP house.* • *Requesting a community hall and requesting it at ward 21* • *Requesting high mast lights to be energised at ward 21* • Requesting a clinic • Requesting a hall • Requesting electricity • Enquiring about the RDP houses
Ward 22	• *Requesting tarred to be fixed including pot holes* • *Requesting inspectors to come from human settlement and inspect those RDP houses* • *Requesting a community hall* • *At maboko, they are requesting a bus for primary and secondary students. They are also requesting water.* • *Complaining about un-energised high mast lights at Ward 21* • *Requesting more RDP houses at Ward 21* • *Requesting tarring of internal roads at Msholozi* • *Requesting high mast lights at Msholozi* • Requesting roads at cemeteries • Requesting a public parking at the cemeteries • Requesting a no parking sign at the cemeteries • Requesting more street lights at Mandela • Complaining about water (not getting water , the whole of section 10 at Mandela) • Complaining about livestock that is loitering around • Requesting a primary school at Luthuli • Requesting a community hall at Mahlabathini • Requesting a RDP house • Requesting a taps • Requesting a clinic that will accommodate mahlathini, Luthuliand Msholozi • Complaining about Luthuli being side lined when it comes to other project like storm water control and roads • Requesting re-gravelling of roads at Luthuli • Requesting roads and bus routes at Luthuli • Requesting street signs • Complaining about electricity at Luthuli • Requesting re-gravelling at Luthuli • Requesting storm water control at Luthuli
Ward 23	• *Requesting a RDP house*

	• *Complaining about not receiving service delivery from the local Municipality* • *Requesting sports/playground at Phumula A1, A2, B1 and C1* • *Requesting the Municipality to set an appointment with Eskom for the community (something like imbizo)* • *Requesting toilets at a1 Phumula* • *Requesting high mast lights at A1 Phumula* • *Requesting tarred at section A1* • *Requesting a storm water control at Phumula.* • *Requesting high mast lights to be energised at Phumula* • *Requesting a community hall at Phumula* • Requesting a community hall at Phumula • Requesting a platform for the community of Phumula where they are going to state their issues • Requesting a shopping centre for the Phumula community • Requesting fencing at the cemeteries of Phumula • Requesting an office where he can do his HIV/AIDS programme for the community • Requesting a community clinic (not a mobile one) for the community of Phumula • Requesting toilets at Phumula • Requesting electricity
Ward 24	• *Requesting water and bore holes at Machipe* • *Requesting speed humps at main street of Machipe* • *Requesting water supply at Machipe* • *Requesting a storm water control at Machipe* • Requesting high mast lights to be energised at Machipe • Requesting the Municipality to assist with corporative • Requesting a storm water control • Requesting that after construction , the holes that are left be closed • Requesting a community clinic at Bundu • Requesting a storm water control at Boekenhouthoek kwa- jane • Requesting a high mast light at Boekenhouthoek, close to Ruben • Requesting that the Municipality must not issue previous statements from previous years • Requesting a special school (hearing and low iq) for disabled candidates • Requesting the Municipality to assist the local candidates with a Saturday school (extra classes) • Requesting a storm water control/ storm water drainage • Requesting a high mast light at Ruben Boekenhouthoek • Requesting a high mast lights at Boekenhouthoek. The whole of boekenothoek • Requesting high mast lights to be maintained and energised
Ward 25	• *Requesting a storm water control at wad 25* • Enquiring about the pavement (the street is incomplete, the street to masombuka emaqwetheni) • Requesting that the grader be used on weekends to fladder the spots grounds. • Enquiring about the feedback report how its being draft
Ward 26	• *Complaining about a stream river and requesting a bridge or storm water control* • *Requesting a sports ground* • *Complaining about people who haven't received their RDP houses even though they were on the list* • *Complaining about incomplete bus routes at thembalethu that are not complete* • *Requesting high mast light (6) at Mzimuhle (four way stop at the main entrance)* • *Requesting a pavement in Ward 9* • Requesting a satellite office for service fee payment at Luthuli • Amakhosi are complaining about not being invited in some of the meetings • Requesting a storm water control for next year • Requesting a researcher to research in the community and report back to the traditional leaders • Requesting high mast lights at the cemeteries • Requesting toilets (flashing ones) at kwagga c • Requesting a high mast light at kwagga c next to mphephulo • Complaining about the shortage of water around kwagga c • Requesting flashing toilets at kwagga c • Requesting the Municipality to assist in job creation • Complaining about unemployment rate around thembisile. (its high) • Requesting a RDP house

	• Requesting flashing toilets • Complaining about electricity and requesting it at Kwaggafointein C
Ward 27	• Request water , high mass lights and roads maintenance • Request tar roads • Do not want the vip toilets but flushing toilets • Skills development centre • Roads maintenance • Street lights/high mast light • Disaster management to assist families that need houses • Request for electricity • Palesa mine uses THLM water but not charged • Request community hall • Asbestos pipe changed to pvc plastic pipes • Completion of water reticulation • Regravelling of internal roads
Ward 28	• *Complaining about not being notified as a Ward Committee member* • *Requesting an appointed contractor to be punctual and work on a time frame* • Requesting the Municipality to communicate with the community • Requesting storm water control • Requesting a jojo tank • Requesting water meter all the residence of bhundu • Requesting roads • Requesting a high mast light next to spar kwagga a • Requesting a community park • Requesting assistance from the Municipality to assist him with his corporative • Requesting a storm water control at Ward 28 • Requesting a special school for low iq/disabled candidates around kwagga a • Requesting an RDP house • Requesting a community hall/temporally tent • Complaining about potholes at the cemeteries of kwagga a • Requesting re-gravelling/ maintenance of the roads outlined roads at kwagga a • Requesting speed humps from sifikile to R573
Ward 29	• Php houses completion in Ward 29 • Mobile clinic introduction and the schedule of dates be given by the department of health • Installation of street lights or high mast light in crime spot areas • Request community hall • Sports grounds development in Ward 29 • Request businesses sites to be released when they apply • Meter box for electricity installation • Completion of the vip toilets in Ward 29 • Job opportunities for the youth • Park or recreational facilities in the form of multipurpose functions • Darla to clarified the land issue especially farm in Ward 29 • By-law on land requisition in Ward 29 • Asbestos pipe changed to pvc plastic pipes • Regravelling of internal roads
Ward 30	• *Enquiring about water, when would this problem be solved and requesting a satellite office* • *Complaining about incomplete tarred/roads at Tweefontein j closed to the high school* • *Requesting a toilet* • *Requesting a storm water control* • Municipality to do feasibility study before building RDP houses to avoid the issue of wetland • In need of vip toilet • In need of storm water drainage to control water that damage houses • They complaining about water from dam stream that are destroying the tire road and cemetery • Highmast light are not operating • In need of apollo's • Proper inspection was not done well when RDP houses were built

	• In need of community hall • Request extension of highmast light and repair those that are there
Ward 31	• *Complaining about un-energised high mast lights* • *Requesting storm water control at Ward 31* • *Requesting water supply at section d (entabeni)* • *Requesting our road to be tarred at Kwaggafontein d* • Requesting the Municipality to assist with home based care (khomani home base care) • Requesting storm water control and roads at kwagga d • Complaining about un-energised high mast lights around kwagga d • Requesting road and electricity • Requesting a RDP house • Requesting a high mast light at kwagga d • Requesting speed humps at d-line • Requesting recreational facilities at kwagga d • Requesting a community hall at kwagga d • Requesting that the agenda/report be written in isindebele • Requesting re-gravelling • Requesting re-gravelling of roads next to the dum/farm • Requesting temporally tents mine while her RDP house is still being build • Requesting a jojo tank where he is located. He owns a little farm • Requesting assistant from the Municipality to assist her with a disability school and senior citizen school • Requesting a tlb (re-gravelling)
Ward 32	• *Requesting that, all the requested needs be implemented* • *Requesting a bus-waiting room* • *Complaining about the shopping centre at kwa-mhlanga cross roads. Requesting it to be extended.* • Complaining about not getting food parcels • Complaining about poor service delivery • Complaining about a meter that was inserted and it was leaking • Complaining about a proof of residents that are being issued at the Municipality. They are not permitted at other banks • Complaining about being side-lined by the Municipality in teams of food parcels • Complaining about kwamhlanga not being clean • Requesting maintenance in every infrastructure • Requesting maintenance at thembisile show ground • Complaining about pot holes at section c kwa-mhlanga

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 2019/2020 financial year.

Date	Time	Cluster	Wards/Structures	Venue
20 November 2019(Wednesday)	09H00-12H00	All	All Hon. Councilors	Municipal Council Chamber

20 November 2019(Wednesday)	14H00 – 16H00	All	Ward Committee Secretaries and CDW's	Municipal Council Chamber
21 November 2019(Thursday)	09H00-12H00	All	Traditional Leaders	Municipal Council Chamber
21 November 2019(Thursday)	14H00 – 16H00	All	Traditional Healers	Municipal Council Chamber
22 November 2019(Friday)	09H00-12H00	All	Religious Organizations and Media Houses	Municipal Council Chamber
22 November 2019(Friday)	15H00 – 17H00	All	Business Organizations	Municipal Council Chamber
26 November 2019(Tuesday)	09H00-12H00	Cluster 01	07 & 24	Mabena Open Space (Bundu)
26 November 2019(Tuesday)	14H00-16H00	Cluster 02	25, 26, 27, 28, 29 & 31	Maria Jacobs Church Open Space (Kwaggafontein B)
27 November 2019(Wednesday)	09H00-12H00	Cluster 03	01,02 & 03	Moloto Old Age Centre Open Space (Moloto)
27 November 2019(Wednesday)	14H00- 16H00	Cluster 04	04,06,14, 18,19,20,22 & 32	Sakhile Sports Ground (Sakhile)
29 November 2019(Friday)	09H00-12H00	Cluster 09	32 (Farms)	Tetema P. School sport ground (Tetema)
03 December 2019(Tuesday)	09H00-12H00	Cluster 05	05,09,15,17,20 & 30	Tweefontein G Old Police Station Open Ground (Tweefontein G)
Date	**Time**	**Cluster**	**Wards/Structures**	**Venue**
03 December 2019 (Tuesday)	14H00-16H00	Cluster 06	12,13,16,17,21 & 23	Siphiwe School Sport Ground (Tweefontein C)
04 December 2019(Wednesday)	09H00-12H00	Cluster 08	08,10 & 11	Mhlushwa P. School Sport Ground (Verena Welas)

IDP PROCESS PLAN

IDP PHASES	ACTIVITIES	DATES
Pre-Planning Phase	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 2020 subsequent to the adoption of the district framework plan by the 30 August 2019
Analysis Phase	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	This phase should be completed by 31 October 2020

	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. Com-munity meetings, stakeholder meetings, surveys, opinion polls and researched information should form the basis of this phase.	
Strategies Phase	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 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 priori-ties 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	This phase should be completed by 31 January 2020
Projects Phase	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 programmers 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 2020
Integration Phase	Thembisile Hani Local Municipality embarked on Mayoral outreach programmer from September to November 2019 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 2020
IDP Indaba	amendment of IDP according to comments	By 29 March 2020
Approval Phase	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 2020

Chapter 2

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 dat for Completi n Process
Preparation 01 July-30 August	Preparation and Adoption of IDP Process Plan	07 August 2019	N/A	N/A	N/A	14 August 2019	30 August 2019	N/A	By 08 September 2019	30 August 2019
Analysis 01 August-30 October	Community Meetings Preparation of IDP Analysis Report	23 October 2019	N/A	N/A	N/A	N/A	N/A	September-October 2019	N/A	31 Octobe 2019
Strategies 01-30 November	Refinement of Objectives and Strategies	11 November 2019	N/A	15/16 January 2020	N/A	N/A	N/A	N/A	N/A	30 Januar 2020
Projects 01December- 30 January	Project confirmation Budget/IDP steering Committee meeting	29 January 2020	N/A	N/A	N/A	N/A	N/A	N/A	N/A	30 Januar 2020
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 2020
Approval	Preparation of IDP/Budget for	26 February 2020	N/A	N/A	N/A	20 March 2020	27 March 2020	10-20 April 2020	By 14 April 2020	29 March 2020

01-February to 30 April	Council Approval Community Engagements Publication of Notices									
Adoption of amendments to the IDP and Budget	Publication of Notices Final Approval of IDP and Budget	23 April 2020	25 April 2020	N/A	10 May 2020	22 May 2020	30 May 2020	N/A	By 15 June 2020	30 June 2020

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.

Chapter 2

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	

Chapter 2

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 ANTI-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 2019/20 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
Anti Corruption Stratery
Prevention of Fraud and Corruption Policy

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 RMAFACC 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. Poor maintenance of road infrastructure.
5. Inadequate provision of water and sanitation services.

2.7 ANTI-CORRUPTION AND ANTI-FRAUD

ANTI-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 monitored by Risk Management Unit and Risk Management Anti-Fraud and Anti-Corruption Committee.

Chief Risk Officer bi-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.
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 2019/20 annual risk assessment report included 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 reliance 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 no visible failures on its implementation. There were also no material findings from the office of the Auditor General regarding the implementation of the policy and the SCM processes. Emergency situations led the user-departments to deviate from normal SCM processes. To avoid recurrence of such anomalies, the municipality intends to ensure that service providers are appointed as and when required on all services or goods that are procured through deviations. Furthermore procurement plans will be developed on operational and capital projects.

Challenges	Impact	Measures To Improve Performance
Deviations emanating from user department due to lack of planning or emergency situations.	Incurrance of irregular expenditure.	Proper future planning to avoid deviations.

2.9 BY-LAWS

COMMENT ON BY-LAWS PERFORMANCE OVERALL

No by-laws were gazetted during 2019/2020 financial year

2.10 WEBSITES

Municipal Website: Content And Currency Of Material			
Documents Published On The Municipality's Website	**Yes /No**	**2018/2019**	**2019/2020**
Current annual and adjustments budgets and all budget-related documents	Yes	Apr-19	Mar-20
All current budget-related policies	Yes	Jun-19	Jun-20
The previous Annual Report (2017/18)	Yes	Sep-18	None
The Annual Report 2017/18 published	Yes	Sep-18	None
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (2000) and resulting scorecards	Yes	Jun-19	Jun-20
All service delivery agreements	No	None	None
All long-term borrowing contracts	No	None	None

Contract register	Yes	Jun-19	Jun-20
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 2018/19	Yes	None	None
Public-private partnership agreements referred to in section 120 made in 2018/19	Yes	None	None
All quarterly reports tabled in the Council in terms of section 52 (d) during 2019/20	Yes	Jun-19	Jun-20

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 25 Mayoral outreach meetings were held during 2019/2020 financial year.

Chapter 3

CHAPTER 3 – SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

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 2019/2020 as per community survey:

- Provided 82 653 households with access to basic water
- Provided 4 566 households with access to basic refuse removal
- Provided 80 028 households with access to basic electricity
- Provided 1 738 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

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	• Lack of water storage in Kwamhlanga, Suncity and Moloto, • Lack of own water source/need for purification plant • Water losses • Incosistence bulk water supply from City of Tshwane and Dr.Js Moroka • Ageing infrastructure (asbestos pipes) • Theft or vandalism of water infrastructure
Refuse removal	• Shortage of staff • Inadequate waste collection waste trucks • Limited funding
Sanitation	• Huge sanitation backlog caused by the demand for waterborne system. • Limited funding for operation and maintenance (below national treasury norm) • Community of Thembisile Hani Local Municipality requires water borne sanitation system and not the VIP toilets anymore • Lack of maintenance on VIP toilets • High risk rating on green drop
Electricity for energising high mast light and maintenance	• Lengthy Eskom process • Limited funding and resources for own maintenance team
Roads and storm-water drainage	• Flooded gravel roads • Limited funding for maintenance and construction of new roads • Limited resurces for internal maintenance for gravel roads • Storm water challenges through all wards • Huge backlog on gravel (unpaved)roads • Limited budget to reseal roads

Chapter 3

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 inconsistence that:

Rand Water is contracted to supply 30 Ml per day, and has supplied an average of 32.4 Ml per day for the financial year under review.

Dr Js Moroka is contracted to supply 5 Ml per day, for the financial year under review they did not provide any water where their last supply was on 8 March 2019.

City of Tshwane is contracted to supply 16.6 Kls per day however we only received a daily average of 10.6 Ml per day, however, the supply is never consistent due to alleged frequent breakdown of their water treatment plant in Bronkhorstspruit. There are frequent long periods of breakages in their water treatment plant resulting in no supply most times than not.

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, with 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 Ml per day. Currently THLM is getting a supply of 43 Ml per day from its water suppliers, which amounts to a shortfall of 31.1 Ml per day.

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

Refurbishment of water infrastructure Projects through the Water Services Infrastructure Grant to reduce the water losses by an estimated 18 Ml per day.

Borehole projects implemented in the 2018/19 FY to supplement the existing/ current shortfall by 4 Ml per day. These Boreholes were left vandalised and certain solar panels stolen some of them failed water quality and yield tests when they were assessed before equipping with electricity. The revised borehole contribution is estimated at 2 Ml per day.

Chapter 3

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 Ml per day, the project is at its final stages of implementation and its unticipated to be commissioned not later than December 2020.

Construction of 4ML Moloto ground water scheme, the project was supposed to be be completed in October 2019 however due to unforeseen challenges of delays from energising (Eskom) as well as vandalism, the completion date was then moved further to December 2020.

Construction of a Matheysensloop, Tweefontein A, Vreisgevagt and Enkeldooring C reservoirs to increase the storages of water were all completed and commissioned as planned.

Abstraction of water from Loskop Dam project, this project is a long term (multi-year) activity undertaken by the Department of water and sanitation (DWS) whereby the Nkangala District Municipality (NDM) has been appointed as an implementing agent. Its aim is to augment the bulk water supply of THLM by about 20 Ml per day upon completion.

COMMENT ON WATER SERVICES PERFORMANCE OVERALL:

DWS to experdite the implementation of abstraction of 20 Ml per day from Loskop Dam project as mandated by the former President in June 2016. All bulk water supply projects to be priorotised and completed as planned.

The baseline information below was sourced from 2011 Sensus Statistics SA and 2018 Household Survey Statistics.

water service delivery levels **Households**		
Description	**2018/2019**	**2019/20**
	actual	**actual**
	no.	**no.**
***water:* (above min level)**		
piped water inside dwelling	12 300	12 300
piped water inside yard (but not in dwelling)	54 549	54 549
using public tap (stand pipes)	0	0
other water supply (within 200m)	3 693	3 693
minimum service level and above sub-total	**58 248**	**58 248**
minimum service level and above percentage	**77.04%**	**70.39%**
***water:* (below min level)**		
using public tap (more than 200m from dwelling)	1 131	1 131
other water supply (more than 200m from dwelling	486	486
no water supply	3 441	3 441
below minimum service level sub-total	5 058	5 058
below minimum service level percentage	6.69%	6.11%
total number of households*	75 600	82 740

* - to include informal settlements

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

households - water service delivery levels below the minimum Households			
Description	**2016/2017**	**2018/2019**	**2019/20**
	actual	**Actual**	**Actual**
	no.	**no.**	**no.**
formal settlements			
total households	72 920	30 240	33 096
households below minimum service level	2 680	2 023	2 023
proportion of households below minimum service level	4%	6.68%	6.11%
informal settlements			
total households	2 680	45 360	49 644
households ts below minimum service level	1 160	3 034	3 033
proportion of households ts below minimum service level	43%	6.69%	6.11%

The information below is as per the community survey.

water service delivery levels	households	
Description	**2018/2019**	**2019/20**
	actual	**actual**
	no.	**no.**
water: **(above min level)**		
piped water inside dwelling	12 300	12 300
piped water inside yard (but not in dwelling)	54 549	54 549
using public tap (stand pipes)	0	0
other water supply (within 200m)	3 693	3 693
minimum service level and above sub-total	**58 248**	**58 248**
minimum service level and above percentage	53.3%	47.73%

water: **(below min level)**		
using public tap (more than 200m from dwelling)	1 131	1 131
other water supply (more than 200m from dwelling	486	486
no water supply	3 441	3 441
below minimum service level sub-total	5 058	5 058
below minimum service level percentage	4.63%	4.14%
total number of households*	**109 282**	**122 029**
*** - to include informal settlements**		

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

Households - Water Service Delivery Levels Below The Minimum Households			
Description	**2016/2017**	**2018/2019**	**2019/20**
	Actual No.	**Actual No.**	**Actual No.**
Formal Settlements			
Total Households	70 542	43 713	48 812
Households Below Minimum Service Level	5 058	5 058	5 058
Proportion Of Households Below Minimum Service Level	7%	11.57%	10.37%
Informal Settlements			
Total Households	5 058	65 569	73 217
Households Ts Below Minimum Service Level	3 441	3 034	3 034
Proportion Of Households Ts Below Minimum Service Level	68%	4.63%	4.14%

EMPLOYMENT INFORMATION

Employees: Water Services					
Job Level	**2018/2019**	**2019/2020**			
	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	2	2	0	0%
7 To 9	11	17	17	0	0%
10 To11	13	13	11	2	15%
13 To 15	38	38	34	4	11%

Total	63	71	65	6	8.4%

FINANCIAL PERFORMANCE AND CAPITAL EXPENDITURE 2018/2019 AND 2019/2020 TECHNICAL SERVICES

VOTE	DETAILS	2018/2019 BUDGET	2018/2019 ACTUAL	2019/2020 BUDGET	2019/2020 ACTUAL
105	SALARIES	1 545 175	1 176 232	1 721 612	995 212
105	BONUS	134 940	97 812	144 555	82 934
105	SALGBC	792	630	895	447
105	ACTING ALLOWANCES	16 130	9 378	18 560	9 280
105	PENSION CONTRIBUTIONS	320 040	241 250	340 216	210 758
105	MEDICAL AID CONTRIBUTION	122 196	86 011	121 628	90 605
105	HOUSING SUBSIDIES	0	0	0	0
105	UIF CONTRIBUTION	12 876	10 023	12 871	7 139
105	STANDBY ALLOWANCE	0	0	10 510	5 255
105	TRAVEL ALLOWANCES	0	0	0	0
105	CELLPHONE ALLOWANCE	4 800	0	4 800	0
105	SKILLS DEVELOPMENT LEVY	17 580	12 836	17 580	9 396
105	TOLL GATE FEES	1 580	270	1 580	970
105	ACCOMODATION	52 656	10 834	47 390	0

105	FOOD AND BEVARAGES	5 260	2 570	4 734	0
105	TRAVEL AND SUBSTANCE	14 580	0	13 122	0
105	UNIFORM	762538	195 582	746 917	198 450
105	MULTIPURPOSE CENTRE IN PHUMULA	0	0	1000 000	867 245
105	OVERTIME	1430	1 430	500	0

FINANCIAL PERFORMANCE AND CAPITAL EXPENDITURE 2018/2019 AND 2019/2020 PMU

VOTE	DETAILS	2018/2019 BUDGET	2018/2019 ACTUAL	2019/2020 BUDGET	2019/2020 ACTUAL
500	SALARIES	2 926 687	2 632 796	3 103 285	3 094 460
500	BONUS	225 419	225 419	165 622	257 771
500	SALGBC	823	823	866	895
500	ACTING ALLOWANCES	34 370	29 749	34 370	8 893
500	PENSION CONTRIBUTIONS	469 821	455 737	521 466	531 794
500	MEDICAL AID CONTRIBUTION	177 588	177 588	186 772	245 289
500	UIF CONTRIBUTION	13 984	13 984	13 980	14 277
500	STANDBY ALLOWANCE	0	0	0	0
500	TRAVEL ALLOWANCES	426 000	415 500	450 000	450 000
500	CELLPHONE ALLOWANCE	37 800	36 700	37 800	37 800

500	SKILLS DEVELOPMENT LEVY	33 364	33 364	36 358	31 629
500	COMPUTER EQUIPMENT	0	0	0	0
500	PROFFESIONAL CONSULTANT FEES	794 600	0	500 000	557 699
500	RENTAL OF OFFICE EQUIPMENT	17 940	0	17 940	1 494
500	ADVERTISEMENT TENDERS	124 120	123 949	124 120	52 986
500	ENTARTAINMENT	124 664	108 417	0	0
500	PRINTING STATIONERY	56 250	28 471.26	56 250	16 652
500	TRAINING	60 000	1 950	85 850	0
500	ACCOMODATION	241 140	77 605	256 278	70 318
500	FOOD AND BEVERAGES	44 568	30 510	59 706	29 110
500	AIR TRANSPORT	5 000	4 269	5 000	0
500	CAR RENTAL	0	0	0	0
500	TRAVEL SUBSISTENCE	112 272	85 054	87 432	80 105

FINANCIAL PERFORMANCE AND CAPITAL EXPENDITURE 2018/2019 AND 2019/2020 WATER SERVICES

VOTE	DETAILS	2018/2019 BUDGET	2018/2019 ACTUAL	2019/2020 BUDGET	2019/2020 ACTUAL
540	SALARIES	11 149 655	10 750 204	16 603 336	12 008 722
540	CLUSTER 3 B/HOLES VERENA D	573 000	84 965	0	0
540	WARD 1 BOREHOLES	118 104	0	0	0

540	WARD 25 B/HOLE KWAGGA CDE	118 105	122 172	0	0
540	BOREHOLE KWAGGA A	369 968	0.00	0	0
540	BOREHOLE VERENA D	224 363	338 787	0	0
540	CAPITAL WORK IN PROGRESS WARD	379 863	399 848	0	0
540	BOREHOLE & BOOSTER PUMP MOLOTO	60 000	0	0	0
540	ELECTRIFICATION OF BOREHOLE LUTHULI	30 000	84 139	0	0
540	BOREHOLE & INSTAL BOOSTER PUMP MOLOTO	100 000	0	0	0
540	BOREHOLE KWAGGA C	100 000	0	0	0
540	BOREHOLE BUNDU WARD 24	1 040 000	0	0	0
540	BOREHOLE ENGWENYAMENI WARD 19	90 000	0	0	0
540	BOREHOLE KWAGGA B WARD 25	100 000	0	0	0
540	BOREHOLE LUTHULI WARD 22	90 000	0	0	0
540	BOREHOLE MACHIPE WARD 24	120 000	0	0	0
540	BOREHOLE SUN CITY WARD 19	90 000	0	0	0
540	BOREHOLES T/FONTEIN C	40 000	0	0	0
540	BOREHOLES T/FONTEIN D	90 000	0	0	0
540	BOREHOLES WOLVENKOP WARD 11	60 000	0	0	0
540	CAPITAL WORK IN PROGRESS MATHYSENSLOOP	120 000	0	0	0
540	WATER PIPELINE BUNDU WARD	23 012 870	22.967 070	14 335 349	3 554 430
540	PIPILINES CIVIL ENGINEER WARD 5	2 141 906	1 910 481	0.00	0.00

540	WATER CIVIL ENGINEER VLAKLAAGTE/KWAGGA	4 300 399	4 237 804	0.00	19 646
540	AGRIC PROJECTS IN BUNDU WARD 24 CIVIL ENGINEER	49 270 990	43 123 891	21 785 756	21 685 002
540	PUMP STATION CIVIL ENGINEERS ENKELDOORNOOG B WARD 5	2 868 789	2 026 210	1 065 587	917 035
540	WATER INFRA CIVIL ENGINEER MATHYSENSLOOP	3 767 444	3 382 868	0.00	0.00
540	RESERVOIR CIVIL ENGINEER T/FONTEIN A WARD 23	4 505 151	4 262 726	0.00	0.00
540	WORK IN PROGREES BOREHOLES WARD 31	90	0.00	0.00	0.00
540	PIPELINE FROM KWAMHLANGA TO PHOLA WARD 6 & WARD 14	8 246 491	6 257 741	0.00	0.00
540	INDIGET RELIEF FREE BASIC WATER	85 514 005	78 331 806	0.00	0.00
540	WATER PURCHASE	127 673 404	126 908 314	142 192 175	151 807 826
540	REPLACEMENT OF LOCKABLE MANHOLE COVERS	0	0	0	0
540	MAINTENANCE TO PRESSURE RELEASE VALVE	0	0	0	0
540	REPAIRS TO ISOLATION VALVES	0	0	0	0
540	ENGINEERING:CIVIL REPAIRS TO VALVES AND GANTRY ON DISTRIBUTION: PIPE WORK	0	0	3 000 000	0
540	CIVIL DEVEL OF WCD MP RAND WATER EVERRCHAGE	0	0	0	0
540	WATER SERVICE DEVEL PLAN	550 000	467 041	0.00	0.00
540	MAINTENANCE OF PUMP STATIONS MECH ISSUES	2 145 000	2 014 244	0.00	0.00
540	MAINTENANCE OF BOREHOLE MECH ISSUES	881 460	894 111	0.00	0.00
540	SAMPLE TESTING WATER SAMPLES	2 503 000	1 674 670	0.00	0.00

540	CORRECTIVE EMERGENCY REPORTS TO SAMPLING HOUSE	52 604	0	0.00	0.00
540	MAINTENACE OF BOREHOLES ELECTRICAL ISSUES	324 740	332 370	0.00	0.00
540	MAINTENANCE OF PUMP STATION	4 380 364	4 407 128	0.00	0.00
540	DELIVERY OF WATER	19 486 229	19 244 990	25 218 032	25 153 171
540	CELLPHONE ALLOWANCES	103 400	77 494	111 600	82 600
540	HOUSING SUBSIDIES	10 436	0	12 936	10 893
540	SHIFT ALLOWANCE	297 677	156 465	76 522	54 034
540	STANDBY ALLOWANCES	840 577	748 586	960 577	821 978
540	TRAVEL ALLOWANCE	120 000	110 000	120 000	120 000
540	BONUS	1 048 073	869 308	1 119 004	1 021 503
540	SALGBC	7 524	6 615	7 524	7 270
540	MEDICAL AID CONTRIBUTION	2 401 688	2 188 810	1 108 274	888 684
540	PENSION FUND	120 167	107 516	2 942 729	2 443 113
540	UIF CONTRIBUTION	2 483 200	1788 338.58	123 767	113 780
540	MATERIAL SUPPLIES	2 683 200	1 145 842	1 133 200	0
540	RADIO & TV TRANSMISSIONS	34 000	0	0	0
540	PRITING PUBLICATIONS AND BOOKS FLYYERS & POSTERS	18 650	0	0	0
540	SKILLS DEVEL LEVY	136 608	127 225	140 920	119 419
540	TOLL GATE FEES	2 633	0	2 633	837
540	ACCOMODATION	48 687	19 434	48 687	1 320
540	FOOD AND BEVERAGES	5 269	4 819	5 269	413
540	TRAVEL AND SUBSISTENCE	34 373	16 360	34 373	9 308
540	CIVIL INSTALLATION OF TELEMETRY ON NEW RESERVOIRS WSIG	0	0	2 116 710	1 838 645

540	ENGINEERING:CIVIL REPAIRS TO VALVES AND GANTRY ON DISTRIBUTION: PIPE WORK	0	0	3 000 000	4 117 253
540	ACQUISITIONS:OUTSOURCED INSTALLATION CHLORINE SYSTEM PUMP STATION	0	0	2 590 319	2 654 373
	ENGINEERING:CIVIL BULK MAIN: PIPE WORK - REPAIRS TO VALVES ON BULK MAINS	0	0	4 394 825	4 491 995
540	REPLACE PRV STATIONS CIVIL STRUCTURES; MANHOLE CHAMBERS & LOCABLE COVERS	0	0	7 420 956	5 779 773
540	CIVIL IN STALLATION OF ZONAL METERS ON BULK MAINS PIPEWORK WSIG	0	0	3 922 358	3 013 124
540	REPLACEMENT/REFURBISH OF ASBESTOS WATER PIPES	0	0	8 226 609	6 456 998
540	MISCELLANEOUS WORK: LOCKABLE COVERS WSIG	0	0	3 487 324	521 250
540	UPGRADE RESERVOIR BUNDU WARD 24	12 564 817	10 925 408	3 396 907	6 332 540
540	UPGRADE RESERVOIR V/GEWAAGD WARD 30	3 980 453	3 986 224	0.00	0.00
540	NEW RES KWAMHLANGA & PHOLA PARK WARD 16 & 14	13 578 954	12 958 360	494 792	430 254
540	MAINTENANCE OF RESERVOIRS	150 000	0	0	0
540	REPAIRS AND MAINTENANCE	20 000 000	12 786 828	0	0
540	MOLOTO GROUNDWATER SUPPLY	15 670 885	10 121 199	17 430 676	13 522 865
540	UPGRADE TWEEFONTEIN K WWTW	1 007 099	975 581	7 985 248	6 746 787
540	LUTHULI WASTE WATER TREATMNT WORK PUMP STATION CIVENGINERS	2 000 000	4 908 156	784 457	650 832
540	CONSTRUCTION OF NEW GANTRIES ON DR JS MOROKA & COT BULK PIPELINE	1616 429	1 467 807	468 637	377 426
540	UPGRADING OF SUN CITY A RESERVOIR WSIG	0	0	9 000 000	8 457 587

540	UPGRADING OF MOLOTO STORAGE RESERVOIR WSIG	0	0	9 000 000	7 832 913
540	MATHYZENSLOOP BOOSTER PUMP STATION WSIG	0	0	0	0
540	INSTALLATION OF BOREHOLE @ RIETFONTEIN	1 503 124	752 162	300 943	277 992
540	INSTALLATION OF ONE BOREHOLE AT VERENA A WARD 08-WSIG	645 712	151 800	1 796 358	970 578
540	INSTALLATION OF ONE BOREHOLE AT KWAGGAFONTEIN C WARD 26 – WSIG	645 711	496 794	309 807	226 518
540	INSTALLATION OF ONE BOREHOLE AT KWAGGAFONTEIN A WARD 28 – WSIG	645 711	677 147	139 347	32 005
540	INSTALLATION OF ONE BOREHOLE AT KWAGGAFONTEIN A WARD 29 – WSIG	645 711	584 713	539 341	408 563
540	INSTALLATION OF ONE BOREHOLE AT KWAGGAFONTEIN D WARD 31 – WSIG	645 711	470 996	320 960	207 275
540	INSTALLATION OF ONE BOREHOLE AT KWAGGAFONTEIN E WARD 31 – WSIG	645 711	386 748	411 956	246 591
540	INSTALLATION OF ONE BOREHOLE AT BOEKENHOUTHOEK WARD 24 – WSIG	701 351	231 016	435 683	375 269
540	INSTALLATION OF ONE BOREHOLE AT MATHYSENLOOP WARD 7-WSIG	701 351	205 402	287 536	187 634
540	INSTALLATION OF ONE BOREHOLE AT SHELDON WARD 14 – WSIG	701 351	492 275	385 060	334 246
540	INSTALLATION OF BOREHOLE @ MACHIPE	1 503 124	600 506	576 271	95 750
540	INSTALLATION OF BOREHOLE @ BUNDU	1 503 124	1 261 263	461 145	301 794
540	INSTALLATION OF ONE NEW BOREHOLE AT SIERINGKOP FARM WARD 32	713 422	450 271	150 000	212 171

540	INSTALLATION OF ONE NEW BOREHOLE AT TWEEFONTEIN C WARD 12	713 422	286 748	300 000	449 923
540	INSTALLATION OF ONE NEW BOREHOLE AT LOOPSPRUIT FARM WARD 32	713 422	595 971	120 000	120 522
540	INSTALLATION OF ONE NEW BOREHOLE AT TWEEFONTEIN DK WARD 12	713 423	278 389	216 302	304 148
540	REFURBISH; DRILLING AND EQUIPING BOREHOLES IN VARIOUS VILLAGES IN THLM	0	0	3000 000	1 359 987
540	DRILL; REFURBISH & EQUIP BOREHOLE KLIPFONTEIN; SUN CITY A-D;	0	0	428 571	323 952
540	DRILL; REFURBISH & EQUIP OF BOREHOLE W 22 LUTHULI;MAHLABATHI	0	0	428 571	172 762
540	DRILL; REFURBISH & EQUIP OF BOREHOLE W 27 KWAGGAFONTEIN	0	0	428 571	328 483
540	DRILL; REFURBISH & EQUIP OF BOREHOLE W 28 KWAGGAFONTEIN	0	0	428 571	320 568
540	DRILL; REFURBISH & EQUIP OF BOREHOLE W 29 KWAGGAFONTEIN	0	0	428 571	279 482
540	DRILL; REFURBISH & EQUIP OF BOREHOLE W 31 KWAGGAFONTEIN E; D	0	0	428 571	326 316
540	DRILL; REFURBISH & EQUIP OF BOREHOLE W 32 VARIOUS FARMS	0	0	428 571	349 185

Chapter 3

3.2 WASTE WATER (SANITATION) PROVISION

INTRODUCTION TO SANITATION PROVISION

Majority of communities within the Municipality use pit/VIP 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.
Proffessional services for Luthuli waste treatment works for 13ml/d for various villages within thembisile to eradicate the backlog which is huge on sanitation was conducted on an ongoing basis since the 2018/19 financial year and was budgeted in subsequent financial years until the current financial year because this is a 20 year plan that the municipality implements in Phases..

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

The baseline information below was sourced from 2011 Sensus Statistics SA and 2018 Household Survey Statistics.

sanitation service delivery levels		
Household		
Description	**2018/2019**	**2019/20**
	Outcome	**outcome**
	no.	**no.**
***sanitation/sewerage:* (above minimum level)**		
flush toilet (connected to sewerage)	5 118	5 118
flush toilet (with septic tank)	1 242	1 242
chemical toilet	1 230	1 230
pit toilet (ventilated)	15 642	15 642
other toilet provisions (above min.service level)	0	0
minimum service level and above sub-total	23 232	23 232
minimum service level and above percentage	30.73%	28.07%
***sanitation/sewerage:* (below minimum level)**		
bucket toilet	672	672
other toilet provisions (below min.service level)	49 737	49 737
no toilet provisions	1 959	1 959
below minimum service level sub-total	52 368	52 368
below minimum service level percentage	69.27%	63.29%
total households	**75 600**	**82 740**
***total number of households including informal settlements**		

households - sanitation service delivery levels below the minimum households		
	2018/2019	2019/20
	Actual	Actual
	no.	
formal settlements		
total households	30 240	33 096
households below minimum service level	20 947	20 947
proportion of households below minimum service level	69.27%	63.29%
informal settlements		
total households	45 360	49 644
households ts below minimum service level	31 420	31 420
proportion of households ts below minimum service level	69.27%	63.29%

The information below is as per the community survey.

sanitation service delivery levels		
Household		
Description	2018/201	2019/20
	Outcome	outcome
	no.	no.
sanitation/sewerage: **(above minimum level)**		
flush toilet (connected to sewerage)	5 118	5 118
flush toilet (with septic tank)	1 242	1 242
chemical toilet	1 230	1 230
pit toilet (ventilated)	15 642	15 642
other toilet provisions (above min.service level)	0	0
minimum service level and above sub-total	23 232	23 232
minimum service level and above percentage	21.26%	19.04%
sanitation/sewerage: **(below minimum level)**		
bucket toilet	672	672
other toilet provisions (below min.service level)	49 737	49 737
no toilet provisions	1 959	1 959
below minimum service level sub-total	52 368	52 368
below minimum service level percentage	47.9%	42.91%
total number of households	**109 282**	**122 029**

households - sanitation service delivery levels below the minimum Households		
2019/20	2018/2019 Actual no.	2019/20 Actual
formal settlements		
total households	43 713	48 812
households below minimum service level	20 947	20 947
proportion of households below minimum service level	47.92%	42.91%
informal settlements		
total households	65 569	73 217
households ts below minimum service level	31 421	31 421
proportion of households ts below minimum service level	47.92%	42.91%

EMPLOYMENT INFORMATION

Employees: Sanitation Services					
Job Level	2018/2019 Employees No.	2019/2020 Posts No.	Employees No.	Vacancies (Fulltime Equivalents) No.	Vacancies (As A % Of Total Posts) %
3	1	1	1	0	0%
4 - 6	1	1	1	0	0%
7 - 9	2	2	2	0	0%
10 - 12	9	9	9	0	0%
13 - 15	13	15	13	2	13.3%
Total	26	28	26	2	7.1%

FINANCIAL PERFORMANCE AND CAPITAL EXPENDITURE 2018/2019 AND 2019/2020 SANITATION SERVICES

NOTE: water and sanitation using vote number 560

VOTE	DETAILS	2018/2019 BUDGET	2018/2019 ACTUAL	2019/2020 BUDGET	2019/2020 ACTUAL
560	WASTE WATER TREATMENT WORK PUMP STATION LITHULI	200 000	0	748 457	650 832

560	DESIGN APPROVAL CIVIL ENGINEER T/FONTEIN K	1 007 099	975 581	7 985 248	6 746 787
560	REFURBISHMENT OF SEWER OXIDATION PONDS	0	0	3 184 055	2.768.744
560	OPERATION OF SANITATION WORKS	350 016	257 205	1 113 823	969 734
560	MAINTENANCE OF ELCTRICAL PANEL AT WWT PLANT	350 000	264 472	488 250	220 626
560	MAINTENANCE OF MECHENICAL ISSUES ON PUMPS AT NWWT	350 000	229 242	0	0
560	ROUTINE MAINTENANCE OF SANITATION PUMPS	350 000	304 348	0	0
560	ROUTINE MAINTENANCE OF SANITATION PUMPS ELECTRICAL PSNELS	0	0	0	0
560	CELLPHONE ALLOWANCES	9 600	9 600	11 200	11 200
560	ACTING ALLOWANCES	50 354	50 354	61 046	32 601
560	STANDBY ALLOWANCES	86 425	86 425	91 146	91 147
560	SALARIES	4 373 516	4 373 516	4 786 036	4 622 078
560	BONUS	364 509	364 509	410 621	405 791
560	SALGBC	2 772	2 730	2 861	2 861
560	PENSION CONTRIBUTIONS	888 610	869 524	951 702	920 671
560	MEDICAL AID CONTRIBUTION	239 021	239 021	274 482	274 482
560	HOUSING SUBSIDIES	0	0	0	0
560	UIF CONTRIBUTION	48 036	47 022	48 036	43 848

560	SKILLS DEVELOPMENT LEVY	53 313	49 824	49 128	43 902
560	TOLL GATES	2 633	0	2 633	0
560	REPAIR & MAINTENANCE OF SANITATION	1 400 016	1 151 473		

3.3 ELECTRICITY

INTRODUCTION TO ELECTRICTY

The Municipality is installing and maintaining high mast lights and street lights. the challenges faced in 2019/2020 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	2018/2019	2019/2020			
	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	5	5	5	0	0%
Total	7	7	7	0	0%

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 2018/19 AND 2019/2020 FINANCIAL YEAR: ELECTRICITY SERVICE

VOTE	DETAILS	2018/2019 BUDGET	2018/2019 ACTUAL	2019/2020 BUDGET	2019/2020 ACTUAL
530	SALARIES	860 711	453 888	962 478	780 040
530	BONUS	74 604	37 824	83 219	40 283
530	SALGBC	600	210	- 600	503
530	STANDBY ALLOWANCE	37 272	37 272	39 155	39 155
530	PENSION CONTRIBUTIONS	161 136	81 700	172 573	140 407
530	MEDICAL AID CONTRIBUTION	61 320	33 048	61 320	35 518
530	UIF CONTRIBUTION	10 704	3 569	10 704	7 070
530	OVERTIME	0	0		
530	CELLPHONE ALLOWANCE	9 600	9 600	9 600	9 600
530	STANDBY	2 808	37 272		
530	FREE BASIC ELECTRICITY	3 215 470	1 794 803	1 715 470	112 544
530	SKILLS DEVELOPMENT LEVY	9 264	5 376	9 264	6 659
530	MATERIALS AND SUPPLIES	1 406 040	1 073 018	1 130 436	0
530	TRAVEL ALL	0	0		
530	ELECTRICITY AND WATER	8 413 401	10 649 248	13 290 497	13 335 221
530	MEALS AND BEVERANGES	2 110	0	1 899	0
530	ACCOMODATION	10 510	0	9 459	0
530	TOLL GATE FEES	1 584	0	1 426	0
530	HIGHMAST LIGHT VERENA D	0.00	0.00	0.00	0.00
530	HIGHMAST LIGHT BUHLEBESIZWE	369 690	369 690	170 068	170 068
530	HIGHMAST LIGHT CHRIS HANI	0	0	0	0
530	HIGHMAST LIGHT MILIVA RDP	0	0	0	0
530	HIGHMAST LIGHT SUN CITY AA	0	0	0	0
530	HIGHMAST LIGHT THEMBALETHU	537 975	462 758	65 437	65 437
530	HIGHMAST LIGHT THOKOZA	0	0	0	0
530	HIGHMAST LIGHT T/FONTEIN H	558 975	387 904	149 985	146 800

530	HIGHMAST LIGHT T/FONTEIN J Ward 30	369 539	369 539	121 409	121 409
530	HIGHMAST LIGHT T/FONTEIN J Ward 9	569 975	369 539	121 409	121 409
530	HIGHMAST LIGHT SHELDON	0	0	0	0
530	INSTALLATION OF HIGH MAST LIGHTS - TWEEFONTEIN G	558 975	378 904	149 985	146 800
530	HIGHMAST LIGHT MAHLABATHINI	563 975	327 954	163 684	163 684
530	INSTALLATION OF HIGH MAST LIGHTS - MSHOLOZI	566 975	369 690	170 068	170 068
530	INSTALLATION OF HIGH MAST LIGHTS - NTOKOZWENI	537 975	422 656	56 877	56 877
530	INSTALLATION OF HIGH MAST LIGHTS - KWAGGAFONTEIN C	290 717	290 717	174 348	174 348
530	HIGHMAST LIGHT K/HLANGA B WARD 32	328 714	327 954	163 684	163 684
530	HIGHMAST LIGHT MUZIMUHLE	537 975	421 803	65 437	65 437
530	INSTALLATION OF HIGH MAST LIGHTS - LOOPSRUIT FARMS	495 975	595 971	174 348	174 348
530	INSTALLATION OF HIGH MAST LIGHTS - MOLOTO (SECTION B7)	471 975	232 662	355 206	355 208
530	INSTALLATION OF HIGH MAST LIGHTS - KWAGGAFONTEIN A (SPAR SECTION)	167 813	277 636	319 475	257 433
530	INSTALLATION OF HIGH MAST LIGHT IN VLAKLAAGTE WARD 21	167 813	277 638	109 729	109 729
530	INSTALLATION OF HIGH MAST LIGHT IN VLAKLAAGTE NO. 1 (PARAFFIN AREA)	492 975	245 343	109 729	109 729
530	INSTALLATION OF HIGH MAST LIGHT IN RIETFONTEIN FARMS	378 904	378 904	149 985	146 800
530	INSTALLATION OF HIGH MAST LIGHT IN TWEEFONTEIN K	563 975	327 954	163 684	163 684
530	INSTALLATION OF HIGH MAST LIGHT IN BUNDU (MARHOQO SECTION)	642 975	439 818	64.892	64 892

530	INSTALLATION OF HIGH MAST LIGHT IN SWARTKOPIES FARMS	588 975	387 712	174 348	174 348
530	INSTALLATION OF HIGH MAST LIGHT IN DOORNEK FARMS – WARD 8	588 975	387 712	174 348	174 348
530	INSTALLATION OF HIGH MAST LIGHT IN WOLVENKOP (PHAKAMA SECTION)	642 975	439 818	64 892	64 892
530	INSTALLATION OF HIGH MAST LIGHTS - KWAGGAFONTEIN A (CORNER CAFE)	492 975	277 638	109 729	109 729
530	INSTALLATION OF HIGH MAST LIGHTS - KWAGGAFONTEIN A (MGOBENI)	568 975	369 539	121 409	121 409
530	INSTALLATION OF HIGH MAST LIGHTS - PHOLA PARK	566 975	311 634	231 163	228 533
530	INSTALLATION OF HIGH MAST LIGHTS KWAGGAFONTEIN C WARD 25	300 000	190 074	174 348	301 284
530	ENERGY EFFICIENCY PROGRAMME	0	0	100 000	86 957
530	HIGHMAST LIGHT WOLVENKOP	0	0	0	0
530	HIGHMAST LIGHT T/FONTEIN B2	0	0	0	0
530	HIGHMAST LIGHT T/FONTEIN	0	0	0	0

COMMENTS ON THE PERFORMANCE OF ELECTRICAL AND MECHANICAL ENGINEERING OVERALL

The electricity unit consist of only two artisan and 5 general workers which are responsible for all 32 wards.which makes it difficult for turnaround time on maintenance. The unit is currently reporting to the Assistant manager roads and stormwater, 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.

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

Solid Waste Service Delivery Levels					
	Households				
Description	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
	Actual	Actual	Actual	Actual	Actual
	No.	No.	No.	No.	No.
Solid Waste Removal: **(Minimum Level)**					
Removed at least forthnight	111 595	109 282	234 484	15 085	113 3381
Total Number Of Households	111 595	109 282	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.

Waste storage and disposal

Currently, there are 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 licheate pond are finished. This will be the first land fill site to be constructed in Thembisile Hani LM. Construction of area 3600.491 m2 and 3675 disposal cell was done in the 2018/2019 financial year through MIG funds. Addidtional cell 3 Area 6452.053 m2 ,Cell 4 area 7429.131m2, Cell 5 area 5678.571m2, cell 6 Area 7626,389 m2 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 Envrionmental programmes.

Measures taken to improve performance

The construction of kwaggafontein land fill site and request to Department of Environment Forestry and Fisheris to licence the kwaMhlanga illegal dumping site to acquire license. The waste collection and separation st source to be practice at schools the Municipality has prvided 56 schools with recyptables to assist the schools with waste management.

STREET CLEANING

Chapter 3

CLEARING OF ILLEGAL DUMPING SITES

REFUSE REMOVAL

EMPLOYEE INFORMATION

Waste Management & Environment					
0 0 18	2018/2019	2019/2020			
	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	19	19	16	3	15.7%
13 - 15	3	3	2	1	33.3%
Total	23	23	19	4	14.2%

FINANCIAL PERFORMANCE AND CAPITAL EXPENDITURE FOR 2018/19 AND 2019/20 FINANCIAL YEAR: WASTE MANAGEMENT

VOTE	DETAILS	2018/2019 BUDGET	2018/2019 ACTUAL	2019/2020 BUDGET	2019/2020 ACTUAL
520	SALARIES	4 369 295	4 111 613	4 974 641	4 064 833
520	BONUS	376 272	346 328	465 193	335 893
520	SALGBC	2 280	2 065	2 280	2 032
520	ACTING ALLOWANCES	29 784	19 125	48 637	20 108
520	PENSION CONTRIBUTIONS	798 794	798 794	888 971	794 516
520	MEDICAL AID CONTRIBUTION	338 718	338 718	322 657	321 209
520	HOUSING SUBSIDIES	0	0	0	0
520	UIF CONTRIBUTION	40 080	37 545	40 080	32 299
520	OVERTIME	0	0		
520	TRAVEL ALLOWANCES	110 000	110 000	120 000	120 000

520	CELLPHONE ALLOWANCE	23 400	23 400	23 400	23 400
520	SKILLS DEVELOPMENT LEVY	46 485	46 485	47 185	39 120
520	PROVISION FOR LAND FILLSITE	1 579 500	2 418 793	1 650 000	1 101 653
520	EPWP	1 984 000	1 984 000	2 029 000	2 029 000
520	EPWP(OWN FUNDING)	700 000	302 830	1 151 000	1 058 100
520	TRANSPORT WITHOUT OPERATOR	41 210	41 210	26 320	39 995
520	ACCOMODATION	29 456	23 267	31 056	25 898
520	FOOD & BEVERAGE	6 870	6 827	5 270	5 185
520	TOLL GATE FEES	2 630	0	2 630	1 368
520	CAR HIRE	8 950	0	8 950	4 710
520	FLIGHT BOOKING	12 100	5 609	12 100	10 875
520	UPGADE KWAGGA LAND FILL CIVIL ENGINEER	21 930 694	23 548 549	19 517 706	16 828 544
520	PHUMULA MULTIPURPOSE CENTER	5 882 154	5 140 013	1 000 000	867 245
520	CONSTRUCTION OF MULTI-PURPOSE CENTRE IN MOLOTO NORTH (MULTI-YEAR PROJECT) - WARD 2	0	0	1 447 427	1258 633
520	UPGRADING OF KWAGGAFONTEIN STADIUM	0	0	1046 880	910 330
520	UPGRADING OF KWAMHLANGA STADIUM (MULTI-YEAR PROJECT) - WARD 32	0	0	1485 612	1 291 837

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. 111 EPWP participants were appointed under this programme in 2019/20financial year.

INTRODUCTION TO CEMETERIES AND CREMATORIUMS

The Municipality has forty (40) cemeteries located in different scatted villages. 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, 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 received 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 In Formal And Informal Settlements)	Households In Formal Settlements	Percentage Of Hhs In Formal Settlements	Households In Informal Settlements	Percentage Of Hhs In Informal Settlements
2017/18	109 600	75 345	90%	34 255	60%
2018/19	109600	75 345	90%	34 255	60%
2019/20	109600	75345	90%	34 255	60%

EMPLOYEE INFORMATION

Employees: Human settlement Services (excluding town planning)					
	2018/2019	2019/2020			
Job Level	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	2	1	33.3%
7 - 9	0	0	0	0	0%
10 - 12	0	2	2	0	0%
13 - 15	0	0	0	0	0%
Total	2	6	5	1	16.6%

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:

- The Municipality did not have the indigent register in place for the 2019/2020 financial year but instead 564 applications.

Chapter 3

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 2019/20 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 Endecon ubuntu for roads master plan THLM comprises of 2269.77km unpaved, 250km 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**
2017/2018	1 893.7	0km	0.8km	79,2km
2018/2019	1893.7	0km	0km	80.35km
2019/2020	2269.77	0km	0.35km	45.4km

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.)**
2017/2018	249.2km	0km	0km	0km	10 roads Maintained
2018/2019	249.2km	0km	0km	0km	10 roads Maintained
2019/2020	250km	0km	0km	0km	7 roads Maintained

Paved roads done by Thembisile Hani Local Municipality

a) Luthuli link road 0.35 km

EMPLOYEE INFORMATION

Employees: Roads And Storm Water					
Job Level	2018/2019	2019/2020			
	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	34	34	34	0	0%
13 - 15	16	16	12	4	25%
Total	52	52	48	4	7.6%

FINANCIAL PERFORMANCE AND CAPITAL EXPENDITURE 2018/2019 AND 2019/2020: ROAD AND STORM WATER

VOTE	DETAIL	2018/2019 BUDGET	20182019 ACTUAL	2019/2020 BUDGET	2019/2020 ACTUAL
550	SALARIES	8 540 590	8 542 055	9 321 575	7 256 749
550	BONUS	726 144	682 046	866 919	751 619
550	BARGAINING COUNCIL	4 656	4 716	5 014	5 256
550	ACTING ALLOWANCE	47 720	8 835	74 098	76 089
550	STANDBY ALLOWANCE	97 395	97 395	165 712	92 762
550	PENSION CONTRIBUTIONS	1 692 032	1 692 032	2 188 760	1 821 336
550	MEDICAL AID CONTRIBUTION	531 372	475 560	531 372	464 744
550	HOUSING SUBSIDIES	10 068	10 228	10 068	4 539
550	UIF CONTRIBUTION	82 128	77 823	82 128	81 653
550	CELLPHONE ALLOWANCES	32 600	32 600	30 700	33 000
550	TRAVEL ALLOWANCES	115 000	115 000	120 000	120 000
550	ROUTINE MAIN – ROADS & STORM	1 000 000	0	0	0

550	SKILLS DEVELOPMENT LEVY	94 008	94 008	98 907	85 003
550	MATERIALS AND SUPPLIES	953 000	595 520	753 000	487 891
550	TRAVEL SUBSISTANCE	6 840	3 565	6 840	8 085
550	ACCOMODATION	15 790	15 054	15 790	8 641
550	FOOD AND BEVERAGES	5 260	3 763	5 260	2 763
550	TOLL GATE FEE	1 580	0	1 580	186
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		
550	REGRAVELLING OF INTERNAL ROADS	3 000 000	2 768 501		
]550	CONSTRACTION OF STORM WATER WARD 6	180 000	178 180		
550	CONSTRACTION OF STORM WATER WARD 12	180 000	160 261		
550	CONSTRACTION OF STORM WATER WARD 13	160 000	140 250		
550	CONSTRACTION OF STORM WATER WARD 17	160 000	159 999		
550	CONSTRACTION OF STORM WATER WARD 31	150 000	142 700		
550	CONSTRACTION OF STORM WATER WARD 5	170 000	162 637		
550	CONSTRUCTION OF LUTHULI LINK ROAD	1 472 837	272 837	3 411 617	2 981 530
550	CONSTRUCTION OF CHRIS HANI BUS ROUTE	265 000	227 446	6 000 000	5 204 900
550	DESIGN & CONSTRUCT SUN CITY AA BUS ROUTE WARD 20 MIG	280 000	224 729	6 000 000	5 132 439
550	CONSTRUCTION OF KWA-MHLANGA B LINK ROAD	280 000	250 046	6 000 000	5 325 823

550	CONSTRUCTION OF MOLOTO SOUTH BUS ROUTE - WARD 1 MIG	0	0	1 100 000	904 545
550	CONSTRUCTION OF MOUNTAINVIEW (MANDELA DRIVE) BUS ROUTE - WARD 14 MIG	0	0	1 100 000	947 250
550	CONSTRUCTION OF MATHYZENSLOOP BUS ROUTE - WARD 7 MIG	0	0	1 100 000	694 966
550	CONSTRUCTION OF BOEKENHOUTHOEK BUS ROUTE - WARD 24 MIG	0	0	1 100 000	807 726
550	CONSTRUCTION OF SUN CITY A BUS ROUTE - WARD 19 MIG	0	0	1 100 000	920 500
550	CONSTRUCTION OF ZAKEHNI BUS ROUTE - WARD 4 MIG	0	0	1 100 000	1 098 722
550	DESIGN & CONSTRUCT MOLOTO NORTH BUS ROUTE WARD 2 MIG	338 750	292 623	6 161 250	5 337 153

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.

EMPLOYEE INFORMATION

Employees: Business licesing and administration					
Job Level	2018/2019	2019/2020			
	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 22 Traffic Officers – namely; 2 senior superintendents, 2 assistant superintendents, 2 superintendents, 16 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.

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

Employees: Business licesing and administration					
Job Level	2018/2019	2019/2020			
	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%

FINANCIAL PERFORMANCE EXPENDITURE 2018/2019 AND 2019/2020 FINANCIAL YEAR: TRAFFIC SERVICES

VOTE	DETAIL	2018/2019 BUDGET	2018/2019 ACTUAL	2019/2020 BUDGET	2019/2020 ACTUAL
108	SALARIES	8 377 997	8 377 997	9 271 516	8 853 377
108	BONUS	697 659	697 659	811 828	738 106
108	SALGBC	3 762	3 675	3 933	3 914

108	ACTING ALLOWANCE	28 000	0	49 000	2 549
108	OVERTIME	207 812	0	119 506	550 678
108	PENSION CONTRIBUTIONS	1 664 243	1 653 119	1 772 894	1 764 790
108	MEDICAL AID CONTRIBUTIONS	993 721	975 522	1 009 801	1 045 581
108	HOUSING SUBSIDIES	30 685	30 685	32 680	32 680
108	STANDBY ALLOWANCE	74 603	8 703	97 331	15 568
108	U I F CONTRIBUTIONS	67 816	62 105	67 816	62 167
108	CELLPHONE ALLOWANCES	49 601	49 600	48 800	48 000
108	SKILLS DEVELOPMENT LEVY	103 790	103 790	107 789	91 229
108	SUBSISTANCE AND TRAVELLING	0	0		
108	REPAIRS & MAINTENANCE OF SPEED CAMERA	56 015	0	36 015	5 707
108	ACCOMODATION	42 116	2 553	102 116	0
108	FOOD AND BEVERAGES	10 526	901	23 386	0
108	FIRE ARMS FOR TRAFFIC OFFICERS	0	0		
108	PROVISION BAD DEBTS TRAFFIC FINES	14 112 800	15 887 840	11 032 313	0
108	TOLL GATE FEES	2 633	1 125	2 633	763
108	SHIFT ALLOWANCE	728 236	842 180	656 352	545 888

108	SECURITY	17 882 980	18 168 004	19 282 980	19 263 745
108	TRAFFIC UNIFORMS				
108	MATERIALS AND SUPPLIES	105 300	83 413	105 300	99 620
108	DEBT COLLECTORS FOR TRAFFIC FINES	1 380 898	1 108 429	880 898	616 616

Chapter 3

COMPONENT C: PLANNING AND DEVELOPMENT

3.10 PLANNING INCLUDING TOWN-PLANNING

INTRODUCTION TO PLANNING

The Town Planning unit is one of the strategic unit within the department of Development and Town Planning Services (DTPS) of Thembisile Hani Local Municipality. It is mandated to manage the spatial planning, built environment and land use management. Through working together ,with traditional leaders and other key stakeholders, the unit seek to guide overall spatial distribution of current & desirable future land uses in order to give effect to sustainable development goals and objectives. The unit oversees:

- Town Planning services i.e. provision of zoning information and processing of various land use applications i.e. rezoning applications.
- Building Control - Plan submission, inspection and (dis) approval thereof.

Physical Planning	
Opportunities	**Challenges**
High proportion of land use management application	• Delays in turnaround time in terms of finalising applications.
Availability of developable land within THLM	• Most of the land is vested to national and provincial governments. • Land invasion is perpetuated allegedly by tribal formations.

Spatial Development Framework (SDF)

An SDF is a framework that seeks to guide, overall spatial distribution of current and desirable land uses within a municipality in order to give effect to the vision, goals and objectives of the municipal IDP. The aims of a Spatial Development Framework are to promote sustainable functional and integrated human settlements, maximise resource efficiency, and enhance regional identity and unique character of a place. The current municipal SDF was prepared in 2015 and there will be a need for reviwal in 2020/21 financial year.

Land Use Management Scheme (LUMS)

A Land Use Management Scheme is a planning tool that allows or restricts certain types of land uses to certain geographic areas. The municipality, with the assistance of Nkangala District Municipality (NDM) has prepared a SPLUMA compliant Land Use Management Scheme (wall to wall) which was promulgated in June and came into operation on the 1st July 2020.

TOWNSHIP ESTABLISHMENT

The Municipality has recently approved the following townships;

Township name	Emlanjeni	Mashiloville
Locality	Portion 1 of the farm Gemsbokfontein 199 JR	Remainder of the portion 4 and remainder of the farm Kameelpoortnek 218 JR
Ward	Ward 25	Ward 19
Number of sites	500	524
Types of services available	No services	No services

INTEGRATED HUMAN SETTLEMENTS PROJECTS

The Municipality in conjuction with Mpumalanga Department of Human Settlements have identified the following properties namely; portion 9 and 31 of Bultfontein 94 JS, Remainder of KwaMhlanga 617 JR and Portion 15 and 16 Witpoortjies for the integrated Human settlement projects entailing township establishment processes, Installation of Municipal Engineering services, Construction of top structure for qualifying beneficiaries

EMPLOYEE INFORMATION

Employees: Town Planning Services					
Job Level	2018/2019	2019/2020			
	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	5	5	4	1	20%
10 - 12	1	1	0	1	100%
13 - 15	0	0	0	0	0%
Total	7	7	5	2	28.5%

COMMENT ON TOWN PLANNING PERFORMANCE OVERALL

The town planning unit consist of only one Town Planner, three Building Inspectors and one Admistrative officer. With high number of applications the municpality receive on daily basis, there is an urgent need to augment the current pool of sfaff with atleast two Town planners and Land use inspector.

3.11 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

The performance by the LED Unit is 58% for the 2019/2020 financial year as compared to 77% for 2018/2019 financial year. The Unit has also re-establishing Local Economic Development (LED) forum with different stakeholders. These stakeholders range from government departments, SMME`s, NGO`s and Associations. The low percentatge perfomance was largely influenced by the covid 19 lockdown as the unit and or department is an interactive department with the public.

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 imputs have been received, the document will be taken back to Council for adoption.

COOPERATIVE AND SMMES 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 previous 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
- Vezubuhle Community Hall (Ithemba Lomphakathi)

CREATION OF JOB OPPORTUNITIES THROUGH THE CAP

The led unit coordinated the creation of 1 505 down from 1 551 job opportunities through Community Works Programme (CWP) EPWP and inclusive of MRTT trainings.

JOBS CREATED

Description	Number Of Jobs Created	
	2018/19	2019/20
Community Work Program (CWP)	1 287	1039
EPWP (Environmental Sector)	100	111
EPWP (Social Sector)	-	-

MRTT	96	96
Total	1 483	1 505

EMPLOYMENT INFORMATION

Employees: Local Economic Development Services					
Job Level	2018/2019 Employees No.	2019/2020 Posts No.	Employees No.	Vacancies (Fulltime Equivalents) No.	Vacancies (As A % Of Total Posts) %
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%

FINANCIAL PERFORMANCE EXPENDITURE 2018/2019 AND 2019/2020: LED AND IDP

VOTE	DETAIL	2018/2019 BUDGET	2018/2019 ACTUAL	2019/2020 BUDGET	2019/2020 ACTUAL
103	SALARIES	2 752 455	2 632 714	3 168 412	3 656 819
103	BONUS	229 371	204 140	273 485	304 735
103	SALGBC	888	823	891	1 118
103	ACTING ALLOWANCE	0	0	2 500	1 846
103	PENSION CONTRIBUTIONS	536 502	534 939	610 354	721 648
103	MEDICAL AID CONTRIBUTION	206 880	163 167	230 642	162 202
103	UIF CONTRIBUTION	14 424	13 980	14 426	17 846
103	CELLPHONE ALLOWANCES	18 600	13 800	28 800	28 200
103	TRAVEL ALLOWANCE	186 000	148 500	186 000	186 000
103	SUBSISTANCE ALLOWANCE	62 080	59 381	51 122	34 516

103	ACCOMODATION	42 170	26 168	37 908	14 707
103	PROMOTIONAL ITEMS	42 120	29 850		
103	FOOD & BEVERANGE	6 570	6 636	5 913	4 448
103	TOWN PLANNING	750 000	561 800	750 000	192 634
103	REMOVAL OF LAND INVADORS	1 000 000	788 379	1 000 000	869 356
103	BUSINESS AND ADVISORY	56 020	0		
103	LED PLAN				
103	TOLL GATE FEES	1 580	270	1 422	2 146
103	CAR HIRE	20 000	0	18 000	0
103	FLIGHT BOOKING	18 430	12 792	16 587	0
103	IDP PROCESS	230 818	32 660	207 736	26 091
103	CATERING SERVICES	105 300	24 000	94 770	0
103	PRINTING AND PUBLICATION & BOOKS	250 000	85 217	563 238	10 260
103	SKILLS LEVY	32 268	34 747	32 268	34 516

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.
- 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 2019/2020
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.

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.*

EMPLOYEE INFORMATION

COUNCIL-APPROVED INTERNAL AUDIT UNIT STRUCTURE

Level	Post	2019/20
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-one (21) 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	2019/20
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.

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 aslo 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 is advancing. Our Facebook page is active and it is updated as frequently as possible. We also use 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 events or activities that are held at the Municipality?

Chapter 3

FINANCIAL PERFORMANCE EXPENDITURE FOR 2018/2019 AND 2019/2020: MUNICIPAL MANAGER'S, TOWN SECRETARY AND CHIEF EXECUTIVE

VOTE	DETAIL	2018/2019 BUDGET	2018/2019 ACTUAL	2019/2020 BUDGET	2019/2020 ACTUAL
102	SALARIES	4 857 400	2 955 561	5 219 539	5 152 691
102	DEVELOPMENT & PLANNING MANAGER: ACTING ALLOWANCES	0	0		
102	DEVELOPMENT& PLANNING MANAGER: MEDICAL AID	0	0		
102	DEVELOPMENT& PLANNING MANAGER: PENSION	0	0		
102	DEVELOPMENT& PLANNING MANAGER: UIF	0	0		
102	BONUS				
102	SALGBC		377	1 048	671
102	ACTING ALLOWANCE	159 300	54 311	138 992	5 776
102	PENSION CONTRIBUTIONS	172 334	88 899	262 086	262 086
102	MEDICAL AID CONTRIBUTIONS	169 980	85 953	165 495	138 842
102	U I F CONTRIBUTIONS	11 154	7 203	10 944	10 708
102	DESIGNATION (DEVELOPMENT & PLANNING MANAGER) TRAVELLING MOTOR VEHICLE	0	0		
	DESIGNATION (DEVELOPMENT & PLANNING MANAGER) CELLPHONE ALLOWANCE	0	0		
102	TRAVEL ALLOWANCES	540 000	436 922	720 000	720 000
102	CELLPHONE ALLOWANCES	114 000	74 500	101 928	102 000
102	MEMBERSHIP FEES				
102	SKILLS DEVELOPMENT LEVY	107 232	36 559	79 791	49 161
102	TRAVELLING AND SUBSISTANCE	204 600	169 225	210 600	172 574
102	ACCOMODATION AND MEALS	131 628	100 280	211 628	99 043
102	FOOD AND BEVERAGES	32 316	35 219	41 316	24 524

102	EXTERNAL AUDIT	5 791 500	5 473 889	5 791 500	4 834 225
102	TOLL GATE FEES	15 000	0	15 000	67 392
102	CAR HIRE	21 060	0	21 060	0
102	FLIGHT BOOKING	47 380	7 372	47 380	13 004

FINANCIAL PERFORMANCE EXPENDITURE FOR 2018/2019 AND 2019/2020: GOVERNANCE: INTERNAL AUDIT

VOTE	DETAIL	2018/2019 BUDGET	2018/2019 ACTUAL	2019/2020 BUDGET	2019/2020 ACTUAL
102	SALARIES	1 312 268	1 320 832	1 401 506	1 397 570
102	BONUS	109 348	109 116	117 120	116 464
102	SALGBC	636	315	336	336
102	SEMINAR, CONFERENCE WORKSHOPAND EVENTS	40 060	35 746	40 060	17 259
102	ACTING ALLOWANCE	21 240	0	21 240	7 665
102	PENSION CONTRIBUTIONS	258 029	226 472	264 400	251 563
472	MEDICAL AID CONTRIBUTIONS	76 433	79 175	84 856	90 063
102	U I F CONTRIBUTIONS	5 350	5 800	5 355	5 354
102	OVERTIME	0	0		
102	TRAVEL ALLOWANCES	120 000	114 000	120 000	120 000
102	CELLPHONE ALLOWANCES	9 000	9 000	9 000	9 000
102	MEMBERSHIP FEES	66 396	6 728	15 000	7 590
102	SKILLS DEVELOPMENT LEVY	14 520	15 190	17 227	13 674
102	TRAVELLING AND SUBSISTANCE	31 590	28 235	31 590	27 786
102	ACCOMODATION	36 830	25 484	77 830	48 478
102	FOOD AND BEVERAGES	8 450	8 712	18 450	13 805
102	TOLL GATE FEES	5 800	0	5 800	710
102	AUDIT COMMITTEE	0	0		
102	CAR HIRE	21 060	0	21 060	2 580
102	FLIGHT BOOKING	36 850	21 634	36 850	5 519

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

VOTE	DETAIL	2018/2019 BUDGET	2018/2019 ACTUAL	2019/2020 BUDGET	2019/2020 ACTUAL
102	SALARIES	7 639 052	7 413 929	7 937 648	7 692 112
102	BONUS	700 790	595 050	886 502	632 009
102	SALGBC	8 580	2 249	8 582	2 349
102	ACTING ALLOWANCE	285 123	144 800	331 674	14 262
102	PENSION CONTRIBUTIONS	1 621 896	1 347 981	1 687 730	1 462 321
102	MEDICAL AID CONTRIBUTIONS	665 471	590 496	720 000	684 271
102	U I F CONTRIBUTIONS	41 052	38 221	41 052	37 477
102	TRAVEL ALLOWANCES	671 601	671 601	740 000	720 000
102	CELLPHONE ALLOWANCES	80 400	80 400	81 900	80 400

102	MEMBERSHIP FEES	0	0		
102	SKILLS DEVELOPMENT LEVY	90 738	90 737	98 862	80 220
102	TRAVELLING AND SUBSISTANCE	328 908	89 000	253 908	134 701
102	ACCOMODATION	94 680	79 777	89 680	63 883
102	DOMESTIC:FOOD AND BEVERAGE (SERVED)	16 944	93 643	21 944	15 835
102	OVERTIME STRUCTURED	177 514	230 437	186 493	445 317
102	TOLL GATE FEES	2 628	256	2 365	0
102	CAR HIRE	4 740	2 196	10 000	2 392
102	FLIGHT BOOKINGS	10 000	7 787	15 000	8 076
102	CATERING	324 462	153 315	77 350	76 450
102	STAND BY ALLOWANCE	67 248	45 011	172 860	143 809
102	MEDALS FOR FUN RUN /WALK	26 900	26 900	26 900	26 546
102	SPORTS AN RECREATION, REFEREES	10 500	0	10 500	0
102	ADVERTISING,PUBLICITY AND MARKETING	248 183	106 788	160 000	134 883
102	HIRE CHARGES	15 000	0		
102	PRINTING PUBLICATIONS AND BOOKS	16 500	16 500	15 500	15 500
102	TRANSPORT PROVIDER	107 670	90 600	14 500	14 500
102	GRANT IN KIND FOR CO-OPERATIVE	200 000	53 212	0	0

FINANCIAL PERFORMANCE EXPENDITURE FOR 2018/2019 AND 2019/2020: GOVERNANCE: RISK

VOTE	DETAIL	2018/2019 BUDGET	2018/2019 ACTUAL	2019/2020 BUDGET	2019/2020 ACTUAL
102	SALARIES	609 813	609 813	640 846	639 046
102	BONUS	49 993	50 004	53 554	53 254
102	SALGBC	96	105	112	112
102	ACTING ALLOWANCE	0	0		
102	PENSION CONTRIBUTIONS	120 070	97 623	137 180	115 028
623	MEDICAL AID CONTRIBUTIONS	40 925	40 925	42 473	40 703
102	OWN TRANSPORT	30 000	7 115	30 000	14 780
102	U I F CONTRIBUTIONS	1 788	1 785	1 788	1 785
102	TRAVEL ALLOWANCES	120 000	113 000	120 000	120 000
102	CELLPHONE ALLOWANCES	9 000	9 000	9 000	9 000
102	MEMBERSHIP FEES	2 110	1 587	23 110	1 670
102	SKILLS DEVELOPMENT LEVY	7 615	7 615	7 435	6 722
102	TRAVELLING AND SUBSISTANCE	21 060	0		
102	ACCOMODATION	40 840	12 166	40 840	28 568
102	FOOD AND BEVERANGES	15 800	4 131	15 800	7 640

102	TOLL GATE FEES	790	0	790	679
102	CAR HIRE	7 890	0	7 890	0
102	FLIGHT BOOKINGS	15 790	6 351	15 790	5 590
102	GIFT AND PROMOTIONS	25000	0	0	0
102	SIGNS	25000	0	0	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.

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 CREMATORIUMS

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	2018/2019	2019/2020
Library Campaigns	2	Library marketing event was conducted in Phumula Library at See Unity Day Care Centre	17/09/2019 Literacy Library Campaign at Empilweni Day Care Centre 18/09/2019 Campaign relaunching of school library at Tweefontein Sphiwe Combinned School

EMPLOYEE INFORMATION

Employees: Libraries, Archives;Community Facilities;Other		
Job Level	2018/2019	2019/2020

	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
3	1	1	1	0	0%
4 - 6	3	3	3	0	0%
7 - 9	1	1	1	0	0%
10 - 12	8	8	8	0	0%
13 - 15	41	41	37	4	9.7%
Total	54	54	50	4	7.4%

COMMENT ON LIBRARY SERVICES PERFORMANCE OVERALL

- Library marketing event was conducted at Tweefontein re-launching of a school library

FINANCIAL PERFORMANCE AND CAPITAL EXPENDITURE FOR SOCIAL DEVELOPMENT SERVICES 2018/19 AND 2019/2020

10	DETAIL	2018/2019 BUDGET	2018/2019 ACTUAL	2019/2020 BUDGET	2019/2020 ACTUAL
107	SALARIES	3 885 750	3 819 976	2 018 511	1 988 711
107	BONUS	336 960	316 501	379 167	165 726
107	SALGBC	1 584	1 470	1 584	671
107	ACTING ALLOWANCE	70 534	30 950	53 864	8 637
107	PENSION CONTRIBUTIONS	726 971	726 971	715 550	420 137
107	MEDICAL AID CONTRIBUTIONS	219 415	219 415	182 904	184 368
107	UIF CONTRIBUTIONS	24 086	24 086	5 496	10 708
107	TRAVEL ALLOWANCES	120 000	120 000	120 000	120 000
107	CELLPHONE ALLOWANCES	33 000	33 000	9 000	18 600
107	SKILLS DEVELOPMENT LEVY	42 812	42 812	42 264	26 229
107	TRAVELLING AND SUBSISTANCE	83 160	83 160	27 460	46 312
107	ACCOMODATION	42 170	26 168	37 953	19 829
107	FOOD AND BEVERAGE	10 460	7 433	9 414	5 833
107	CATERING FOR HIV/AIDS	84 440	74 600	77 796	72 485

107	ADVERTISING PUBLICITY AND MARKETING FOR HIV/AIDS	42 120	29 850	34 155	27 950
107	TOLL GATE FEE	1 580	1 477	1 422	1 464
107	CAR HIRE	3 680	0	3 312	0
107	FLIGHT BOOKING	10 500	0	2 700	0
107	REPAIRS AND MAINTENANCE OF CEMETRY	600	0		
107	MAINTENANCE OF MICHINERY AND EQUIPMENT	180 000	87 970		
107	PAUPERS BURIAL	85 180	84		

FINANCIAL PERFORMANCE AND CAPITAL EXPENDITURE FOR SPORTS GROUND, STADIUMS AND SPORTS FACILITY MANAGEMENT FOR 2018/19 AND 2019/2020

VOTE	DETAIL	2018/2019 BUDGET	2018/2019 ACTUAL	2019/2020 BUDGET	2019/2020 ACTUAL
300	SALARIES	932 214	919 413	2 327 869	3 350 282
300	SALGBC	198	210	1 831	1 831
300	PENSION CONTRIBUTIONS	167 195	167 195	677 431	677 431
300	MEDICAL AID CONTRIBUTIONS	69 546	60 386	242 307	252 158
300	U I F CONTRIBUTIONS	7 343	3 569	27 358	27 282
300	TRAVEL ALLOWANCES	110 000	110 000	120 000	120 000
300	CELLPHONE ALLOWANCES	9 000	9 000	18 600	18 600
300	SKILLS DEVELOPMENT LEVY	13 589	10 882	40 216	42 428
300	TOLL GATE FEES	1 579	500	1 579	270
300	BONUS	75 859	75 859	537 145	279 190
300	CAR HIRE	0			
300	FLIGHT BOOKING	10 000	0	10 000	0
300	MATERIALS AND SUPPLIES	135 110	27 620	0	0
300	CONTRACTORS	61 000	0	78 800	58 800
300	CATERING	107 800	29 900	91 650	91 650
300	ADVERTISING,PUBLICITY AND MARKETING	40 000	0	19 500	19 500
300	CONSUMABLES	83 000	70 893		
300	TRANSPORT PROVIDER	200 953	157 000		
300	ACCOMODATION SAMSRA GAMES	360 000	288 210	301 144	301 144
300	FOOD AND BEVERAGES SAMSRA	37 000	35 833	31 608	31 608

300	RADIO AND TV TRANSMISSION	10 000	0		
300	INSTRUMENT FOR ARTS AND CULTURE	4 000	0	4 000	3 996
300	HIRE CHARGES	59 787	0		
300	TROPHIES AND MEDALS	45 000	29 004	0	0
300	EVENT PROMOTER MARKETING OF ARTS EXHIBITIONS	20 000	0	17 150	17 150

FINANCIAL PERFORMANCE AND CAPITAL EXPENDITURE FOR COMMUNITY HALLS AND FACILITIES FOR 2018/19 AND 2019/2020

VOTE	DETAIL	2018/2019 BUDGET	2018/2019 ACTUAL	2019/2020 BUDGET	2019/2020 ACTUAL
300	SALARIES	5 684 355	5 684 355	5 254 126	4 227 235
300	SALGBC	3 864	4 294	3 864	3 309
300	PENSION CONTRIBUTIONS	1 327 157	1 203 017	1 378 800	889 219
300	MEDICAL AID CONTRIBUTIONS	550 933	550 933	535 020	478 694
300	U I F CONTRIBUTIONS	121 488	73 007	121 488	51 382
300	SKILLS DEVELOPMENT LEVY	64 385	64 385	59 244	40 660
300	TOLL GATE FEES	15 800	270	14 220	0
300	DRAWING OF A BUILDING PLANS	0	0		
300	FLIGHT BOOKING	0	0		
300	MATERIAL AND SUPPLIES	1 310 840	973,370	834 526	591 247
300	CONTRACTORS: BUILDING	242 400	184 250	405 000	216 005
300	CONSUMABLE : STANDARD RATED	105 300	29 000		
300	BONUS	478 958	478 958	478 495	356 908
300	CELL PHONE	16 400	14 400	14 400	4 800
300	OVERTIME	0	8 978	10 000	0

FINANCIAL PERFORMANCE AND CAPITAL EXPENDITURE FOR LIBRARY AND ARCHIVES FOR 2018/19 AND 2019/2020

VOTE	DETAIL	2018/2019 BUDGET	2018/2019 ACTUAL	2019/2020 BUDGET	2019/2020 ACTUAL
300	SALARIES	1 222 872	1 008 780	1 478 492	1 054 258
300	SALGBC	420	420	594	401
300	PENSION CONTRIBUTIONS	399 752	197 706	259 167	181 919
300	MEDICAL AID CONTRIBUTIONS	116 102	116 102	97 270	80 204
300	U I F CONTRIBUTIONS	17 772	7733.56	17 772	5 205

300	SKILLS DEVELOPMENT LEVY	13 812	11 333	13 812	12 337
300	TOLL GATE FEES	2 500	0	2500	0
300	BONUS	101 904	84 065	123 208	71 640

COMMENTS ON THE PERFORMANCE OF LIBRARIES, SPORTS AND OTHERS OVERALL

The Municipality graded sixteen (16) sports field during 2019/2020 financial year. Bookings of facilities are on record for the hiring of these facilities.

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
- Thembalethu 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 goals by 2030. The Municipality conducted 10 HIV/AIDS related campaigns in 2019-20 financial year.

COMPONENT E: HEALTH AND ENVIROMENTAL 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 ENVIROMENTAL HEALTH PERFORMANCE OVERALL

The Municipality conducted (96) business inspections in (37) villages. Routine business inspections were conducted by the environmental health practitioner.

EMPLOYEE INFORMATION

Employees: Health Inspection (Environmental Health)					
Job Level	2018/2019	2019/2020			
	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.

COMMENT ON DISASTER MANAGEMENT PERFORMANCE OVERALL

The disaster management unit despite having only two officials and insuffient budget managed to respond to a number of disaster incidents in the financial 2019/2020

EMPLOYEE INFORMATION

Employees: disaster management					
Job Level	2018/2019	2019/2020			
	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

COMMENT ON TRANSVERSAL PERFORMANCE OVERALL

The Municipality has two officials dealing with special programmes.

EMPLOYEE INFORMATION

Employees: Transversal					
Job Level	2018/2019	2019/2020			
	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 performamnce related activities by Transversal Unit during 2019-20

Activity	Target	Expediture	2018-2019	2019-2020
Awareness Campaign	Children rights and responsibility were clearly explained to the kids	-	200 Elderly Persons Participated in elderly games to keep fit and active	100 women from Langkloof farm were educated about the health issues that concerns women e.g. cervical cancer and Gender base violence
Seminar	150 disabled people attended the seminar	-	20 People with disability graduated and get certificates on Health and	210 people with disability and older persons attended the campaign and they were registered on the data base

			Safety Training both female and male.	of the Department of agriculture for the provision of seeds and starter pack for planting
Job Readiness For People With Disability	Registering people with disability in the data base of department of labour for employment	-	05 people with disability employed on the EPWP	210 people with disability and older persons attended the campaign and they were registered on the data base of the Department of agriculture for the provision of seeds and starter pack for planting
Source Donations for Orphans and elderly.	Clothing and toiletries were donated for orphans	-	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	PALESA mine donated 17 assistive devices for People with disability and elderly ○ 17 wheelchairs ○ 17 Blankets

FINANCIAL PERFORMANCE 2018/2019 AND 2019/2020: 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; Councilors; 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.

Chapter 3

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	2018/2019		2019/2020	
	Special Meetings	Ordinary Meetings	Special Meetings	Ordinary Meetings
Mayoral Committee	03	11	08	08
Technical Service Committee	00	04	00	02
SDS Committee	00	06	00	04
Audit Committee	01	04	01	08
Admin & Governance	00	09	00	08
LED Committee	00	07	00	03
Finance Committee	00	06	00	03
Council Meeting	06	06	07	05
Corporate Services Committee	00	04	00	08
MPAC	07	04	03	04

EMPLOYEE INFORMATION

Employees: The Executive And Council					
	2018/2019	2019/2020			
Job Level	Employees	Posts	Employees	Vacancies (Fulltime Equivalents)	Vacancies (As A % Of Total Posts)
	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 2018/2019 AND 2019/2020 FINANCIAL YEAR:

VOTE	DETAIL	2018/2019 BUDGET	2018/2019 ACTUAL	2019/2020 BUDGET	2019/2020 ACTUAL
100	SALARIES	4 319 796	3 862 408	4 450 950	3 674 780
100	MOBILE DATA BUNDLES	258 610	229 500	271 541	229 800
100	PENSION CONTRIBUTIONS	3 153 884	2 400 661	3 203 511	2 495 560
100	MEDICAL AID CONTRIBUTIONS	556 729	445875	653 486	434 768
100	TRAVEL ALLOWANCES	5 688 967	5 114 850	6 263 452	5 324 077
100	CELLPHONE ALLOWANCES	2 609 640	2 601 000	2 412 702	2 604 400
100	CLR ALLOWANCES	9 656 110	9 523 289	8 298 182	10 390 781
100	BUSINESS AND FINANCIAL MANAGEMENT	82 160	0	62 670	62 670
100	RADIO AND TV TRANSMISSION	100 000	20 000	287 967	91 274

100	PLANTS FLOWERS AND DECORACTION (SOMA)	110 000	110 000	184 800	184 800
100	CATERING SERVICES	704 386	564 711	1 022 798	650 190
100	MEMBERSHIP FEES	1 453 536	135 454	1 859 339	1 855 960
100	SKILLS DEVELOPMENT LEVY	220 956	135 825	220 956	115 715
100	PUBLIC PARTICIPATION	450 033	262 575	100 000	100 000
100	PUBLIC & PHOTOGRAPH	5 000	5 000	5 000	4 625
100	TRAVELLING AND SUBSISTANCE	124 120	108 750	124 120	73 758
100	ACCOMODATION	652 328	444 778	478 710	294 999
100	WARD COMMITTEES EXPENDITURE	3 801 504	3 703 000	3 790 000	3 408 000
100	CORPORATE AND MUNICIPAL ACTIVITIES	190 000	236 012	80 000	29 985
100	FOOD AND BEVERAGES	196 100	119 119	177 800	77 086
100	ENTERTAINMENT MAYOR	84 240	29 767	84 250	14 755
100	OTHER TRANSPORT PROVIDER	175 000	32 900	889 439	510 790
100	TOLL GATE FEES	31 590	0	31 590	518
100	CAR HIRE	60 180	56 435	63 180	15 111
100	FLIGHT BOOKING	140 910	138 370	87 910	31 579
100	CONTRIBUTION TO TRADITIONAL AUTHORITIES	902 000	424 400	1 000 000	700 000

EXPENDITURE ON EXECUTIVE FOR 2018/2019 AND 2019/2020 FINANCIAL YEAR: COUNCIL GENERAL

VOTE	DETAIL	2018/2019 BUDGET	2018/2019 ACTUAL	2019/2020 BUDGET	2019/2020 ACTUAL
100	SOMA	128 500	106 500	124 000	150 300
100	GRANTS IN-KIND	50 000	0	0	0
100	PRINTING,PUBLICATION & BOOKS	230 000	138 350	175 050	174 925
100	SEMINARS, CONFERENCE WORKSHOP	171 000	57 797	206 000	53 965

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.

Debt Recovery					
R					
Details Of The Types Of Account Raised And Recovered	**2019//2020**		**2018/2019** *(supposed to be 2019/2020)*		
	Actual For Accounts Billed In Year	**Actual Amount collected**	**Actual Amount Collected**	**Actual For Accounts Billed In Year**	**Proportion Of Accounts Value Billed That Were Collected %**
Property Rates	47 680 432	13 547 266	23 012 299	31 605 482	28
Water	85 207 608	173 175 802	1 044 211	89 276 369	203
Sanitation	1 882 854	2 198 098	123 212	1 742 293	117
Refuse	50 421 002	36 911 357	622 106	42 537 102	73
Total	***185 191 896***	***225 832 523***	***24 801 828***	***165 161 146***	***122***

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 actions to take is to make sure that we intensify the education to communities 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
- Provision of incentives such as the 90% Amnesty reduction
- 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	2018/2019	2019/2020			
	Employees	Posts	Employees	Vacancies (Fulltime Equivalents)	Vacancies (As A % Of Total Posts)
	No.	No.	No.	No.	%
3	5	5	4	1	20%
4 - 6	12	12	12	0	0%
7 - 9	1	1	1	0	0%
10 - 12	15	15	14	1	6.6%
13 - 15	3	3	3	0	0%
Total	36	36	34	2	5.5%

FINANCIAL PERFORMANCE AND CAPITAL EXPENDITURE 2018/2019 AND 2019/2020: BUDGET AND TREASURY

VOTE	DETAIL	2018/2019 BUDGET	2018/2019 ACTUAL	2019/2020 BUDGET	2019/2020 ACTUAL
104	SALARIES	7 192 286	7 188 259	8 347 510	7 197 421
104	SALARIES INTERNS	586 310	586 310	578 754	578 754
104	BONUS INTERNS	95 351	95 351	48 161	48 161
104	BONUS	565 421	536 752	715 902	599 785

104	SALGBC	3 106	3 106	3 536	3 243
104	ACTING ALLOWANCE	140 928	140 928	625 109	219 692
104	PENSION CONTRIBUTIONS	1 443 357	1 443 357	1 225 130	1 505 085
104	MEDICAL AID CONTRIBUTIONS	588 680	549 301	637 739	607 781
104	HOUSING SUBSIDIES	15 343	15 343	21 786	21 786
104	U I F CONTRIBUTIONS	54 529	50 274	57 835	50 517
104	OVERTIME	12 500	2 981	12 500	0
104	TRAVEL ALLOWANCES	360 000	308 000	360 000	240 000
104	CELLPHONE ALLOWANCES	34 794	34 794	27 000	18 000
104	VALUATION ROLL	38 036	38 035		
104	PROFIT /LOSS: INVENTORY STANDS	0	0	0	0
104	PROVISION FOR BAD DEBTS	195 193 979	195 193 979	223 811 200	1 072 179
104	SEARCH FEE	52 650	0	52 650	1 038
104	BANK CHARGES	560 329	334 509	421 196	516 446
104	INTEREST CHARGES	0	0		
104	SKILLS DEVELOPMENT LEVY	95 279	89 146	97 863	74 754

104	ACCOMODATION	237 870	177 639	237 870	49 486
104	FOOD AND BEVERAGES	59 017	41 661	59 017	12 647
104	FMG EXPENDITURE				
104	BUDGET REFORM GRANT (FMG) mSCOA	992 589	978 726	855 285	825 361
104	TRAINING FOR INTERNS	79 200	79 200	90 288	0
104	mSCOA	1 899 210	1 169 625	1 088 075	909 330
104	TRAVELLING AND SUBSISTANCE	296 180	26 568	145 746	7 080
104	MSIG	0	0		
104	FINANCIAL STATEMENT	2 978 573	2 978 753	4 000 000	3 536 019
104	VAT RECOVERY	7 715 864	9 114 063	7 360 314	6 523 403
104	DEBT COLLECTION	3 199 950	0	3 555 500	2 183 797
104	SECURITY SERVICES (FEDILITY)	175 954	167 458	94 770	0
104	TOLL GATE FEES	26 330	687	26 330	1 598
104	CAR HIRE	36 850	10 883	33 165	4 669
104	FLIGHT BOOKING	47 390	12 043	42 651	0
104	YEAR-END ACCRUALS	0	0		
104	REGISTRATION FEES FOR CONFERENCES	65 000	8 448	125 000	24 217

FINANCIAL PERFORMANCE AND CAPITAL EXPENDITURE 2018/2019 AND 2019/2020: SUPPLY CHAIN

VOTE	DETAIL	2018/2019 BUDGET	2018/2019 ACTUAL	2019/2020 BUDGET	2019/2020 ACTUAL
104	SALARIES	1 922 283	1 922 283	2 137 666	1 933 727
104	BONUSES	158 669	158 669	145 443	161 144
104	BARGAINING COUNCIL	2 760	630	2 760	559
104	ACTING AND POST RELATED ALLOWANCES	36 648	36 648	25 067	25 326
104	SOCIAL CONTRIBUTION PENSION	373 431	373 431	426 633	405 660
104	SOCIAL CONTRIBUTION MEDICAL	95 720	68 472	95 174	73 716
104	HOUSING BENEFITS	10 272	3 409	10 893	10 893
104	UNEPLOYMENT INSURANCE	10 704	10 708	10 708	8 923
104	TRAVEL OR MOTOR VEHICLE	120 000	110 000	120 000	120 000
104	CELL PHONE ALLOWANCES	9 000	9 000	9 000	9 000
104	SIKLLS DEVELOPMENT LEVY	21 743	21 743	23 144	18 156
104	ACCOMODATION	60 000	21 822	60 000	31 388
104	FOOD AND BEVERAGES	8 500	7 902	12 500	8 875
104	TRANSPORT WITHOUT OPERATOR	47 390	6 505	47 390	5 457
104	CAR HIRE	3 680	0	3 680	0
104	FLIGHT BOOKING	12 000	0	12 000	5 517
104	TOLL GATES	1 584	0	1 584	804

FINANCIAL PERFORMANCE AND CAPITAL EXPENDITURE 2018/2019 AND 2019/2020: ASSET MANAGEMENT

VOTE	DETAIL	2018/2019 BUDGET	2018/2019 ACTUAL	2019/2020 BUDGET	2019/2020 ACTUAL
104	SALARIES	1 687 978	1 687 978	1 784 509	1 784 509
104	BONUSES	137 539	137 538	234 208	148 709
104	BARGAINING COUNCIL	8 928	525	558	559
104	ACTING AND POST RELATED ALLOWANCES	16 128	0	16 128	0
104	SOCIAL CONTRIBUTION PENSION	326 620	326 619	358 443	358 443
104	SOCIAL CONTRIBUTION MEDICAL	130 681	130 680	129 277	132 542
104	HOUSING BENEFITS	0	0		
104	UNEPLOYMENT INSURANCE	9 756	8 923	8 923	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	SIKLLS DEVELOPMENT LEVY	19 748	19 747	21 347	22 450
104	ACCOMODATION	75 383	52 493	28 793	17 729
104	FOOD AND BEVERAGES	18 784	16 135	7 906	5 467
104	TRANSPORT WITHOUT OPERATOR	57 912	48 519	52 121	0
104	EXCESS PAYMENTS	216 800	7 500	116 800	0
104	INSURANCE UNDERWRITING PREMIUM	1 831 000	1 629 022	2 256 000	1 732 687
104	GRAP IMPLEMENTATION	2 395 009	2 359 174	2 944 614	2 970 914

104	DEPRECIATION INFRASTRUCUTRE	113 138 910	63 297 247	35 294 493	0
104	DEPRECIATION COMMUNITY ASSETS	18 775 000	0	18 775 000	0
104	DEPRECIATION FURNITURE AND FITTINGS	1 314 252	695 492	1 314 252	0
104	DEPRECIATION OFFICE EQUIPMENT	1 877 496	915 515	1 877 496	0
104	DEPRECIATION MOTOR VEHICLES	3 129 170	6 131 410	3 129 170	0
104	DEPRECIATION BUILDING	4 506 000	0	4 506 000	0
104	DEPRECIATION PLANT AND EQUIPMENT	25 033 320	684 358	20 000 000	0
104	TOLL GATE FEES	1 580	0	1 580	609
104	CAR HIRE	3 680	1 820	3 312	2 580
104	FLIGHT BOOKING	10 500	5 692	9 450	5 517

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 2019/2020 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 2019/2020

Financial Year	(R)
2017/2018	117 024 560
2018/2019	131 696 525
2019/2020	R 141 352 568

Pension Fund

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

Pension Fund	Number Of Members	
	2018/2019	2019/2020
Municipal Gratuity Fund	19	19
National Fund For Municipal Workers	14	17
Joint Municipal Pension Fund	0	0
Sala Pension Fund 96 92	0	0
Municipal Councillors Pension Fund	64	64
Municipal Employees Pension Fund	342	345
Meshawu Pension Fund	0	0
Samwu Pension Fund	0	0
GEPF	1	0

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 2019/2020 financial year towards the employer's contribution to total medical aid funds is **R 7 750 693**

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)	2019/2020 Number of Members	2019/2020 Employer's Contribution (R)
Key Health/ LA Health	8	38	706 367	764 480	34	1 018 858
Hosmed	38	32	1 290 150	1 214 324	34	1 329 951
Bonitas	37	40	1 170 174	1 391 271	37	1 445 116
Munimed	25	5	141 532	152 273	6	164 778
Samwu Med	177	165	3 267 042	3 593 836	157	3 792 259
Total	**295**	**270**	**6 575 265**	**7 116 184**	**268**	**7 750 693**

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)	Arrears: jun-2020 (R)
Councillors	383 872	409 072	389 263

Note: the full report is on annual financial statement

Disclosure concerning executive Councillors and section 56 managers

Chapter 3

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

Designation	Remunerable(Package) (R)		
	2017/2018	2018/2019	2019/2020
Executive Council	23 401 130	24 177 583	25 154 166
Section 56 Managers	3 301 854	5 791 969	6,614,482
Part Time/ Section 79	15 374 411	15 970 468	16 183 500

Designation	Remuneration (Package) (R)		
	2017/2018	2018/2019	2019/2020
Executive Mayor	922 109	911 045	944 238
Speaker	759 276	748 092	764 057
Chief Whip	723 741	694 181	719 102
Council	3 099 055	3 223 015	3 351 935
Municipal Manager	1 104 255	1 212 154	1 280 080
Manager Corporate Service	884 770	932 226	1 061 470
Manager SDS	884 770	955 435	1 181 599
Manager Technical Services	1 019 774.12	527 627	1 011 221
CFO	884 770	314 810	1 026 814
DTPS	884 770	164 873	1 053 298

EMPLOYEE INFORMATION

Employees: Human Resource Services					
	2018/2019	2019/2020			
Job Level	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	8	9	8	1	11%

FINANCIAL PERFORMANCE AND CAPITAL EXPENDITURE 2018/2019 AND 2019/2020: CORPORATE SERVICES (HR)

VOTE	DETAIL	2018/2019 BUDGET	20182019 ACTUAL	2019/2020 BUDGET	2019/2020 ACTUAL
106	SALARIES	4 151 851	4 151 851	4 231 313	3 586 878
106	BONUS	350 472	344 740	430 903	298 906
106	SALGBC	1 386	1 365	1 386	1 118
106	ACTING ALLOWANCE	78 975	18 890	136 169	32 804
106	PENSION CONTRIBUTIONS	857 980	857 980	817 752	764 243
106	MEDICAL AID CONTRIBUTIONS	384 699	384 699	380 354	356 360
106	HOUSING SUBSIDIES	27 276	27 276	21 786	21 786
106	U I F CONTRIBUTIONS	24 985	23 200	24 985	17 846
106	W C C CONTRIBUTIONS	839 096	838 752		
106	OVERTIME	0	0		
106	TRAVEL ALLOWANCES	120 000	110 000	120 000	120 000
106	CELLPHONE ALLOWANCES	13 800	13 800	13 000	13 800
106	HARDWARE REPAIRS & MAINTENANCE	0	0		
106	VEHICLES	0	0		
106	SKILLS DEVELOPMENT LEVY	46 674	48 070	46 674	35 725
106	ADVERTISMENT	254 858	230 551	283 176	156 115
106	FUEL	0	0	0	0
106	PRINTING AND STATINERY	1 211 386	967 488	1 611 386	1 343 819
106	LICENCES	0	0		
106	RENTAL OF OFFICE EQUIP	891 558	921 614	891 558	1 096 324
106	MATERIAL OF SUPPLIES	63 180	0	198 180	196 525
106	STRATEGIC PLANNING	62 650	28 500		
106	ENTERTAINMENT	0	0		
106	TRAINING	1 538 913	964 920	1 233 619	275 980
106	LEGAL COSTS	0	0		
106	SOFTWARE LICENCE	0	0		
106	TRAVELLING AND SUBSISTANCE	35 000	14 256	35 000	11 074
106	ACCOMODATION AND MEALS	1 018 116	327 252	1 195 660	328 566
106	POSTAGE	0	0		
105	HIRE CHARGES	82 134	0	82 134	0
106	COMPETENCY	105 300	51 934	40 000	2 240

	ASSESSMENT				
106	OHS PROGAMMES	252 720	71 600	1 484 636	69 978
106	MACHINERY & EQUIPMENT	0	0		
106	COMPUTER EQUIPMENT	0	0		
106	FURNITURE	0	0		
106	LEAVE DAYS	682 344	341 025	758 160	35 267
106	PROVISION FOR BONUS	6 929 278	372 158	3 550 000	0
106	PROVISION FOR LEAVE	4 287 647	1 017 602	1 700 000	0
106	PROVISION FOR ACTUARIES	3 431 400	0	0	0
106	TOLL GATE FEES	4 738	1 383	4 738	1 321
106	CAR HIRE	6 845	1 320	6 845	4 490
106	FLIGHT BOOKINGS	12 500	0	6 000	0
106	LONG TERM SERVICE	1 331 951	738 751	900 000	48 914
106	STANDBY ALLOWANCE	56 966	23 129	61 011	0
106	EMPLOYEE WELLNESS	207 000	176 500	330 000	0

FINANCIAL PERFORMANCE AND CAPITAL EXPENDITURE 2018/2019 AND 2019/2020: FLEET MANAGEMENT

VOTE	DETAIL	2018/2019 BUDGET	2018/2019 ACTUAL	2019/2020 BUDGET	2019/2020 ACTUAL
106	SALARIES	4 269 569	3 244 289	3 420 091	3 388 717
106	BONUS	394 798	261 290	290 521	278 273
106	SALGBC	1 386	1 365	1 454	1 506
106	ACTING ALLOWANCE	28 160	28 160	27 314	26 449
106	PENSION CONTRIBUTIONS	611 070	611 070	681 182	668 708
106	MEDICAL AID CONTRIBUTIONS	137 274	137 274	161 695	165 290
106	HOUSING SUBSIDIES	0	0		
106	U I F CONTRIBUTIONS	24 985	23 200	24 516	23 384
106	TRAVEL ALLOWANCES	120 000	110 000	120 000	120 000
106	CELLPHONE ALLOWANCES	52 200	47 400	52 200	47 400
106	STANDBY ALLOWANCE	187 984	69 388	206 328	73 804
106	VEHICLES	807 000	760 883		
106	CONTRACTORS:MAINTENANCE OF UNSPECIFIED ASSETS	3 392 033	2 922 137	2 502 274	2 356 375
106	SKILLS DEVELOPMENT LEVY	35 804	35 804	37 765	32 227
106	CONTRACTORS:MAINTENANCE OF EQUIPMENT	6 294 452	4 826 613	7 111 816	7 010 450
106	FUEL	6 681 238	7 099 624	8 502 100	6 600 395
106	LICENCES	960 792	939 937	910 792	666 462
106	RENTAL OF VEHICLE	266 004	117 345	5 100 111	4 691 205
106	LEASE OF VEHICLES	2 071 000	0	1 100 000	0
106	EXECSS PAYMENT	105 300	26 267	105 300	9 304
106	TRANSPORT WITHOUT OPERATOR	15 552	0	15 552	0
106	ACCOMODATION	10 524	0	10 524	0

106	FOOD AND BEVERAGES	5 268	0	5 268	0
106	VEHICLE TRACKING	776 655	600 760	912 950	662 641
106	TOLL GATE FEES	1 580	1 333	1 580	440
106	CAR HIRE	0	0	95 560	0
106	FLIGHT BOOKING	10 000	0	10 000	0
106	MATERIAL OF SUPPLIES	469 377	248 914	421 530	241 663

FINANCIAL PERFORMANCE AND CAPITAL EXPENDITURE 2018/2019 AND 2019/2020: ICT

VOTE	DETAIL	2018/2019 BUDGET	2018/2019 ACTUAL	2019/2020 BUDGET	2019/2020 ACTUAL
106	SALARIES	3 467 903	3 467 903	3 680 345	3 684 305
106	BONUS	291 724	291 724	317 912	307 025
106	SALGBC	1 188	1 260	1 323	1 342
106	ACTING ALLOWANCE	25 994	25 994	21 060	34 104
106	PENSION CONTRIBUTIONS	699 280	699 280	750 009	756 449
106	MEDICAL AID CONTRIBUTIONS	261 444	254 003	268 619	296 128
106	HOUSING SUBSIDIES	10 270	10 228	10 893	5 447
106	U I F CONTRIBUTIONS	21 420	21 358	21 420	21 416
106	POSTAGE/FRANKLING MACHINE	150 310	108 509	150 310	0
106	TELECOMMUNICATION	1 795 000	1 157 334	1 795 000	1 626 233
106	TRAVEL ALLOWANCES	120 000	114 000	120 000	120 000
106	CELLPHONE ALLOWANCES	11 209	9 000	9 000	9 000
106	HARDWARE REPAIRS & MAINTENANCE	494 210	240 049	200 000	303 308
106	CONUMABLE: STANDARD RATED	47 390	0		
106	SKILLS DEVELOPMENT LEVY	35 448	39 348	40 966	34 638
106	MAIONTENANCE OF EQUIPMENT	372 850	279 100	56 532	24 500
106	MAINTENANCE OF UNSPECIFIED ASSETS	147 424	29 280	147 424	29 845
106	ACQUISITION OF COMPUTER EQUIPMENT	880 000	771 571		
106	BIO-MATRIX SYSTEM	316 318	308 414	250 000	221 457
106	REPLACEMENT OF SERVER	550 000	0		
106	ACCOMODATION	31 596	4 248	31 596	2 668
106	FOOD AND BEVERAGES	5 268	1 448	5 268	821
106	TRAVELLING AND SUBSITENCE	35 520	11 232	35 520	6 637
106	MATERIAL OF SUPPLIES	310 640	123 953	85 541	24 700

106	PROFESSUIONAL BODIES MEMBERS	25 270	12 650	40 270	21 850
106	GPS LICENCE FEES	63 180	0	63 180	0
106	SOFTWARE LICENCE	3 959 220	3 300 600	5 559 220	3 062 151
106	SPECIALISED COMPUTER SERVICES	833 810	0	833 810	11 013
106	TOLL GATE FEES	1 580	0	1 580	0
106	CAR HIRE	4 740	0	4 740	0
106	FLIGHT BOOKING	10 000	0	10 000	0

FINANCIAL PERFORMANCE AND CAPITAL EXPENDITURE 2018/2019 AND 2019/2020: LEGAL

VOTE	DETAIL	2018/2019 BUDGET	2018/2019 ACTUAL	2019/2020 BUDGET	2019/2020 ACTUAL
106	SALARIES	960 730	960 730	1 877 851	1 842 073
106	BONUS	80 061	80 060	243 802	153 506
106	SALGBC	3 564	210	3 564	559
106	ACTING ALLOWANCES	21 039	21 039	60 524	24 488
106	PENSION CONTRIBUTIONS	197 116	197 116	380 370	372 500
106	MEDICAL AID CONTRIBUTIONS	79 956	73 008	186 023	184472
106	HOUSING SUBSIDIES	0	0	5 500	6 354
106	U I F CONTRIBUTIONS	3 816	3 867	9 221	9 072
106	TRAVEL ALLOWANCES	120 000	100 000	120 000	120 000
106	CELLPHONE ALLOWANCES	9 000	9 000	9 000	9 000
106	SKILLS DEVELOPMENT LEVY	10 188	11 549	10 188	18 436
106	TRAVELLING AND SUBSISTENCE	26 316	10 851	26 316	7 523
106	ACCOMODATION	31 560	782	30 060	1 356
106	FOOD AND BEVERAGES	5 268	388	5 268	434
106	LEGAL COSTS	1 699 236	322 428	1 605 604	863 766
106	TOLL GATE FEES	2 630	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.
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

2018/2019 Adopted Policies	2019/20 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 Gavernance Of ICT Charter	THLM Corporate Gavernance Of ICT Charter

EMPLOYEE INFORMATION

Employees: Information Technology					
Job Level	2018/2019	2019/2020			
	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 Microsoft Volume licence, Anti-virus, financial system licences (Munsoft and SAGE 300 people).
- Updated Municipal website
- Emplemented Mscoa Compliant on financial system (Munsoft)
- Procurement of 11 laptops and 45 Desktop, Microsoft 365
- 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.

EMPLOYEE INFORMATION

Employees: Legal & Secretariat Services					
Job Level	2018/2019	2019/2020			
	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)

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 2019 TO JUNE 2020

Thembisile Hani Local Municipality has a fleet management component responsible for the management and administration of One hundred and SEVENTY ONE (171 fleet assets as per the revised fleet register for 2019/2020 financial year below including thirthy seven (37) leased vehicles from Bidvest. These fleet composition consist of vehicles, plant and equipment.

	TRACTORS		
NO	REGISTRATION	MAKE	SERIES
1	DDS 214 MP	MASSEY	400
2	DDS 201 MP	MASSEY	400
3	FPJ 632 MP	MASSEY	MF 400
4	FPJ 638 MP	MASSEY	MF 400
5	FPJ 642 MP	MASSEY	MF 400
6	HFY 726 MP	TRACTOR	LANDINI SOLIS
7	HFY 731 MP	TRACTOR	LANDINI SOLIS
8	HFY 733 MP	TRACTOR	LANDINI SOLIS
9	DXD 889 MP	MASSEY	400
	WATER CARTS		
1	DVC 918 MP	Nissan	A450

2	FDV 718 MP	Nissan	A450
3	DXS 697 MP	Faw	28280 FL
4	DXS 688 MP	Faw	28280FL
5	DXS 693 MP	Faw	CA Series
6	FLZ 923 MP	Isuzu	F-Series
7	FLZ 921 MP	Isuzu	F-Series
8	FMF 292 MP	Isuzu	F-Series
9	DSH 909 MP	Isuzu	F-Series
10	DSH 922 MP	Isuzu	F-Series
11	HDP 501 MP	Nissan	A899
12	DHY 232 MP	Nissan	A520
13	HCY 382 MP	Nissan	A898
14	HCY 384 MP	Nissan	A898
	HONEY SUCKER		
1	DSH 919 MP	Isuzu	F-Series
2	DSH 914 MP	Isuzu	F-Series
3	FZB 485 MP	N/Diesel	A899

4	FZB 487 MP	N/Diesel	A899
	TIPPER TRUCK		
1	DXT 171 MP	Nissan	A898
2	DXT 176 MP	Nissan	A898
3	DRH 754 MP	Isuzu	F-Series
4	DRH 748 MP	Isuzu	F-Series
5	DVC 913 MP	Nissan	A450
6	HDP 474 MP	N/Diesel	A899
7	HDP 484 MP	N/Diesel	A899
8	HBP 389 MP	N/Diesel	A899
9	HDP 505 MP	N/Diesel	A899
10	HDP 489 MP	N/Diesel	A899
11	HFD 909 MP	N/Diesel	A899
12	HDP 492 MP	N/Diesel	A899
	VARIETY		
1	DVC 923 MP	Nissan	Cabstar
2	HCD 563 MP	UD Trucks	P9156

3	HBP 383 MP	N/Diesel	A975
4	DRS 963 MP	Faw	CA Series
	COMPACTORS		
1	HBY 802 MP	N/Diesel	A899
2	DJN 789 MP	Nissan	
3	FSP 929 MP	Nissan	A898
4	FVP 717 MP	UD Trucks	A899
5	HGW 595 MP	N/ Diesel	G300
6	HGW 609 MP	N/Diesel	G300
	GRADERS		
1	DPX 610 MP	Bell	670D
2	DPX 617 MP	Komatsu	Motor Grader
3	FDV 722 MP	Caterpiller	Motor Grader
4	FZL 582 MP	Bell	Motor Grader
5	FWX 044 MP	Shantui	Grader
6	CWY 815 MP	Bell	L480C
7	HCN 357 MP	Bell	Motor Grader

	TLB		
1	CZN 065 MP	Caterpiller	Backhoeloader
2	FDV 720 MP	Bell	Backhoeloader
3	FVX 817 MP	Bell	Backhoeloader
4	FVX 819 MP	Bell	Backhoeloader
5	FVX 821 MP	Bell	Backhoeloader
6	FYD 917 MP	Bell	315SK B/H/loader
7	FYD 922 MP	Bell	315SK B/H/loader
8	FYD 924 MP	Bell	315SK B/H/loader
	EXCAVATOR		
1	JCB	JCB	Excavator
2	BELL	Bell	Excavator
	FRONT END LDR		
1	FRONT END LDR		
	DOZER		
1	BELL	Bell	Dozer
	BOMAG		

1	FDR 834 MP	Caterpiller	Compactor
2	BELL BOOMAG	BOMAG	Single Drum
	MINI BUSES		
1	DGG 503 MP	Toyota	Quantum
2	JTB 681 MP	Toyota	Quantum
	BAKKIES		
1	DWW 136 MP	Nissan	Hardbody
2	DWW 137 MP	Nissan	Hardbody
3	DWW 134 MP	Nissan	Hardbody
4	DWW 142 MP	Nissan	Hardbody
5	DWW 141 MP	Nissan	Hardbody
6	DPY 734 MP	Nissan	Hardbody
7	DPY 715 MP	Nissan	Hardbody
8	DPY 707 MP	Nissan	Hardbody
9	DPY 780 MP	Nissan	Hardbody
10	DPY 701 MP	Nissan	Hardbody
11	DPY 769 MP	Nissan	Hardbody

12	DPY 802 MP	Nissan	Hardbody
13	DPY 808 MP	Nissan	Hardbody
14	DPY 747 MP	Nissan	Hardbody
15	DPY 772 MP	Nissan	Hardbody
16	DPY 725 MP	Nissan	Hardbody
17	DFS 353 MP	Ford	Ranger
18	FSB 890 MP	Nissan	Hardbody
19	FSB 801 MP	Nissan	Hardbody
20	FSB 887 MP	Nissan	Hardbody
21	FSB 882 MP	Nissan	Hardbody
22	FSB 891 MP	Nissan	Hardbody
23	DFY 131 MP	Nissan	1400
24	FYZ 069 MP	Nissan	Hardbody
25	FYZ 067 MP	Nissan	Hardbody
26	FYZ 066 MP	Nissan	Hardbody
27	FYZ 065 MP	Nissan	Hardbody
28	DRD 053 MP	Isuzu	KB

29	HFN 945 MP	Nissan	Hardbody
30	HFN 956 MP	Nissan	Hardbody
31	HFN 966 MP	Nissan	Hardbody
32	HFN 972 MP	Nissan	NP300 H/BODY
33	HFJ 699 MP	Toyota	Hilux
34	JTF 889 MP	Nissan H/body	
35	JTF 880 MP	Nissan H/body	
36	JSS 060 MP	Nissan H/body	
37	JTF 884 MP	Nissan H/body	
38	JSS 076 MP	Nissan H/body	
39	JSR 961 MP	Nissan H/body	
40	JSR 994 MP	Nissan H/body	
41	JSR 954 MP	Nissan H/body	
42	JSS 008 MP	Nissan H/body	
43	JSS 066 MP	Nissan H/body	
44	JSR 945 MP	Nissan H/body	
45	JSX 382 MP	Nissan H/body	

46	JTF 898 MP	Nissan H/body	
47	JSS 004 MP	Nissan H/body	
48	JSS 015 MP	Nissan H/body	
49	JTX 639 MP	Nissan H/body	
50	JTX 629 MP	Nissan H/body	
51	JSR 964 MP	Nissan H/body	
52	JSR 971 MP	Nissan H/body	
53	JTF906 MP	Nissan H/body	
54	JSS 014 MP	Nissan H/body	
55	JTX 635 MP	Nissan H/body	
56	JRS 939 MP	Nissan H/body	
57	JSR 937 MP	Nissan H/body	
58	JTF 874 MP	Nissan H/body	
59	JTF 893 MP	Nissan H/body	
60	JTF 903 MP	Nissan H/body	
61	JSR 935 MP	Nissan H/body	
62	JTL 428 MP	Nissan H/body	

63	JSS 012 MP	Nissan H/body	
	SEDANS		
1	DFS 347 MP	Nissan	Almera
2	CXP 399 MP	Nissan	Almera
3	FSB 896 MP	Nissan	Tiida
4	FSB 895 MP	Nissan	Tiida
5	FSB 897 MP	Nissan	Tiida
6	FYZ 862 MP	Nissan	Tiida
7	FYZ 864 MP	Nissan	Tiida
8	FYZ 878 MP	Nissan	Tiida
9	FYZ 874 MP	Nissan	Tiida
10	FYZ 872 MP	Nissan	Tiida
11	DFT 019 MP	Mazda	Mazda 3
12	HVV 223 MP	Mercedez - Benz	W 205
13	DFR 930 MP	VW	Golf 1.6
14	JPF 558 MP	Audi Q5	Q5
15	JTB 684 MP	Toyota	

16	JTB 687 MP	Toyota	
17	JTB 689 MP	Toyota	
18	JTB 686 MP	Toyota	
19	JVP 289 MP	Toyota	
20	JVP 768 MP	Toyota	
	TRAILERS		
1	HJR 747 MP	H/con Trailers	BWOTO1
2	DCJ 124 MP	FID	SCISSOR TIP
3	HJR 749 MP	H/con Trailer	BWOTO1
4	HCJ 901 MP	H/con Trailer	BWOTO1
5	HJR 737 MP	H/con Trailers	BOOT 01
6	HJR 738 MP	Hoocan Trailers	BOOT 01
7	HJR 752 MP	Hoocan Trailers	BOOT 01
8	DDR 442 MP	Telecon	6 Tonne
9	DDR 438 MP	Telecon	6 Tonne
10	DDR 447 MP	Telecon	6 Tonne
11	HCD 587 MP	Kearney's Truck & Trailer	Payloader

12	DCJ 096 MP	FID	Scissor Tip
13	DDR 434 MP	Telecon	6 Tonne
14	JFS 622 MP	Trailer	
15	JFS 612 MP	Trailer	
16	JFS 619 MP	Trailer	

REPAIRS AND MAINTENANCE

Small Council vehicles are repaired and maintained by Gogtwana. The contract for the service and maintenance of white and yellow plant and equipments has expired and we are in the process of appointing a service provider for the repairs and maintenance of plant and equipments.

Chapter 3

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 2019/2020 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 2020.

COMPONENT K: ORGANISATIONAL PERFOMANCE 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 2019 to 30 June 2020 and focuses on the implementation of the 2019/2020 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 (2019/2020), Thembisile Hani Local Municipality had six (6) departments, namely; Technical Services, Social Development Services, Corporate Services, Finance Service, Municipal Manager's Office, as well as the Development and Town Planning services

PURPOSE

The purpose of this report is to provide the records of the activities for the financial year 2019/2020 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
(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 2019/2020 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 2019/2020 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
- 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
- issue16: transversal issue

Chapter 3

OVERALL CONCLUSION

During the 2019/2020 financial year the overall performance of Thembisile Hani Local Municipality is **72%** success rate achievement. As compared to **59%** success rate achieved during the 2018/2019 financial year.

KEY PERFORMANCE AREA	TOTAL NO. OF TARGET		TOTAL ACHIEVED		NOT ACHIEVED	
	No	%	No	%	No	%
1. Basic Service Delivery						
1.1. Technical Services	80	100%	62	77.5%	18	22.5%
1.2. Social Development Services	11	100%	06	55%	05	45%
2. Municipal Transformation and Institutional Development	33	100%	24	73%	09	27%
3. Municipal Financial Viability and Management	30	100%	24	80%	06	20%
4. Good Governance And Public Participation	53	100%	35	66%	18	34%
5. Spatial Rationale	04	100%	02	50%	02	50%
6. Local Economic Development	12	100%	07	58%	05	42%
TOTAL	**223**	100%	**160**	**72%**	**63**	**28%**

O.N. Nkosi

Municipal Manager

29/04/2021

KPA: BASIC SERVICE DELIVERY AND INFRASTRACTURE DEVELOPMENT

The department of Technical Services overall performance for 2019/2020 financial year is 77.5% achievement. The department managed to achieve 62 targets out of the 80 planned targets, as compared to 44% achieved in 2018/2019 financial year, out of 96 planned targets 42 targets was achieved.

KPA		BASIC SERVICE DELIVERY										
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
					WATER							
DTS001	To provide households 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	Number of reservoirs completed	5.4km pipeline from new reservoir to existing pipeline which split to two areas Phola Park , & Thembalethu and Mountain View and Sheldon Extension	1 of 10Ml reservoir constructed by 30th September 2019	R 494 792	1 of 10Ml reservoir constructed13 December 2019	R 494 792	No	The works were practically completed on the 05th February 2019. The snag list was finally achieved in the second quarter of the year under review, whilst the target was supposed to be achieved in the 1st quarter.	To ensure that the service providers complete the project within specified timeline	Quarterly progress reports.' Completion certificates.
DTS004	To provide household with basic services including water, adequate	Upgrading of Existing Infrastructure from Agricultural	Number of km's of bulk pipeline and valve	9.1 km bulk, pipeline in progress	9.1 km's of bulk pipeline and 16 valve chambers completed by	R 38 041 348	9.1 km's of bulk pipeline and 16 valve chambers in progress	R 39,586,996.05	No	Unforeseen delays due to Covid-19	Commission and hand over of the projects is planned for 7 July 2020	Monthly progress reports,

KPA		BASIC SERVICE DELIVERY										
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	sanitation, adequate public lighting and accessible road	Project to Augment Borehole Water Supply in Bundu (– Construction of a Bulk Pipeline, Chambers and Fittings, and Surge Mitigation in Mathysensloop and Boekenhoutboek)	chambers completed		31st March 2020							Completion certificates.
DTS005	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 Water Treatment	Number of Water Treatment Plant constructed	2.5 ML WTW constructed	1 of 7.5ML WTW constructed (10ml) by 30th June 2020		7.5ML WTW Construction in progress		No	Unforeseen delays due to Covid-19	Extension of time granted and adherence to amended Covid-19 OHS regulations	Monthly progress reports, Completion certificates.

KPA		BASIC SERVICE DELIVERY										
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
		Plant (Ward 7& 24)										
DTS006	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Upgrade reservoir for Bundu project Ward 24	Number of reinforce concrete reservoir constructed	1 Reinforced concrete reservoir in progress	1 reinforce concrete reservoir constructed by 31st March 2020		1 reinforce concrete reservoir constructed		Yes	None	None	Monthly progress reports, Completion certificates.
DTS007	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Bulk purchase water	Number of household provided with water	82 653 households provided with water	82 653 households provided with water by 30th June 2020	R 142 192 000	57 767 households provided with water	R 132 110 722.09	No	The remainder of households are provided through water tankers	Collection of data for households that benefit from water carts	Water billing report and water carts delivery reports
DTS015	To provide household with basic services including water, adequate sanitation,	Upgrading of Enkeldoornog B Water infrastructure, Phase 2	Number of electrical Pump Station upgraded at	1 Interconnection of 1000 to 500mm bulk line at	1 electrical Pump Station upgraded at Enkeldoornoog B by 31st March 2020	R 1 067 137	1 Pump Station but not electrified	R 1 067 137	No	Delays in eskom connections	Continuous engagement with Eskom to fast tract the installation of the collection	Monthly progress reports, Completion certificates.

KPA		BASIC SERVICE DELIVERY										
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	adequate public lighting and accessible road		Enkeldoorn g B	Enkeldoornoo g B							point to be completed on the Q1 of 2020/2021	
DTS145	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Upgrading of Sun City A reservoir	Number of reservoir upgraded	0	1 reservoir upgraded by 30th June 2020	R 9 000 000	1 reservoir construction in progress	R 8,965,822.49	No	Late appointment of Service Providers	Fast the construction and complete by 1st quarter 2020/2021	Appointment letters, designs reports, Quarterly progress reports and completion certificates
DTS146	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Upgrading Moloto storage reservoir	Number of reservoir upgraded	0	1 reservoir upgraded by 30th June 2020	R 9 000 000	1 reservoir construction in progress	R 8,995,564.24	No	Late appointment of Service Providers	Fast the construction and complete by 1st quarter	Appointment letters, designs reports, Quarterly progress reports and completion certificates
DTS095	To provide households with basic water services	Construction of Two Gantries on the Dr. JSMLM (Mathysenslo	Number of Gantries constructed	1 Existing Non-sufficient Gantries	2 Gantries constructed by 30th June 2020	R 468 637	2 Gantries constructed	R 468 637	Yes	None	None	Appointment letters, designs reports, Quarterly progress

KPA		BASIC SERVICE DELIVERY										
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
		op) and CoT (Vezubuhle) Bulk Pipelines										reports and completion certificates
BOREHOLES AND WATER SERVICES PLANS												
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 boreholes	9 Boreholes equipped, and connected to Moloto Reservoir by 31st March 2020	R 13 113 175	9 Boreholes equipped, and connected to Moloto Reservoir but electrical installation were vandalised	R 7 697 439.83	No	The customer box and cabling that was meant to energize the envisaged boreholes was stolen and Eskom has not replaced the boxes to date due to the fact that it will be stolen again unless security measures are in place	The municipality to meet with Eskom and come up with protection mechanism to protect the infrastructure	Quarterly progress reports, Completion certificates.
DTS066	To provide household with basic services including water, adequate sanitation, adequate public lighting	Installation of boreholes at Mathysensloo p Ward 7	Number of boreholes refurbished, electrified and Installed with Electric Submersible Pump	Existing Drilled borehole	1 Borehole refurbished, Electrified and Installed with Electric Submersible Pump by 30th June 2020	R 287 536	1 Borehole refurbished, Electrified and Installed with Electric Submersible Pump	R 215,779.66	Yes	None	None	Appointment letters, designs reports, Quarterly progress reports and completion certificates

KPA		BASIC SERVICE DELIVERY										
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	and accessible road											
DTS126	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of boreholes at Boekenhoutoek Ward 24	Number of boreholes refurbished, electrified and Installed with Electric Submersible Pump	Existing Drilled borehole	2 Borehole refurbished, Electrified and Installed with Electric Submersible Pump by 30th June 2020	R 435 683	2 Borehole refurbished, Electrified and Installed with Electric Submersible Pump	R 431,559.34	Yes	None	None	Appointment letters, designs reports, Quarterly progress reports and completion certificates
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 drilled, electrified , installed with electric submersible pump	Existing Drilled borehole	1 borehole drilled, electrified and installed with electric submersible pump by 30th June 2020	R 385 060	1 borehole drilled, electrified and installed with electric submersible pump	R 384,382.48	Yes	None	None	Appointment letters, designs reports, Quarterly progress reports and completion certificates
DTS128	To provide household with basic services including water, adequate sanitation, adequate public lighting	Installation of boreholes at Kwaggafontein A Ward 28	Number of borehole refurbished and Installed with hand pumps	Existing Drilled borehole	1 Boreholes Refurbished and Installed with Hand Pumps by 30th June 2020	R 139 347	1 Boreholes Refurbished and Installed with Hand Pumps	R 64 010.58	Yes	None	None	Appointment letters, designs reports, Quarterly progress reports and

KPA		BASIC SERVICE DELIVERY										
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	and accessible road					-						completion certificates
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 refurbished, electrified and installed with electric submersible pump	Existing Drilled borehole	1 Borehole refurbished, electrified and installed with electric submersible pump by 30th June 2020	R 539 341	1 Borehole refurbished, electrified and installed with electric submersible pump	R 469,847.12	Yes	None	None	Appointment letters, designs reports, Quarterly progress reports and completion certificates
DTS131	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of boreholes at Kwaggafontein C Ward 26	Number of boreholes refurbished, electrified and installed with electric submersible pump	Existing Drilled borehole	1 Borehole refurbished, electrified and installed with electric submersible pump by 30th June 2020	R 309 807	1 Borehole refurbished, electrified and installed with electric submersible pump	R 260,494.58	Yes	None	None	Appointment letters, designs reports, Quarterly progress reports and completion certificates
DTS132	To provide household with basic services including water, adequate sanitation, adequate public lighting	Installation of boreholes at Kwaggafontein D Ward 31	Number of boreholes drilled, Electrified, and Installed with Electric	Existing Drilled borehole	1 Borehole drilled, Electrified, and Installed with Electric Submersible Pump by 30th June 2020	R 320 980	1 Borehole drilled, Electrified, and Installed with Electric Submersible Pump	R 238,366.13	Yes	None	None	Appointment letters, designs reports, Quarterly progress reports and

KPA		BASIC SERVICE DELIVERY										
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	and accessible road		Submersible Pump									completion certificates
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 refurbished, Electrified and Installed with Electric Submersible Pump	Existing Drilled borehole	1 Boreholes refurbished, Electrified and Installed with Electric Submersible Pump by 30th June 2020	R 411 956	1 Boreholes refurbished, Electrified and Installed with Electric Submersible Pump	R 281,333.47	Yes	None	None	Appointment letters, designs reports, Quarterly progress reports and completion certificates
DTS134	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of boreholes at Verena A Ward 08	Number of boreholes drilled, Electrified and Installed with Electric Submersible Pump	Existing Drilled borehole	1 Borehole drilled, Electrified and Installed with Electric Submersible Pump by 30th June 2020	R 1 796 358	1 Borehole drilled, Electrified and Installed with Electric Submersible Pump	R 1,145,181.38	Yes	None	None	Appointment letters, designs reports, Quarterly progress reports and completion certificates
DTS135	To provide household with basic services including water, adequate sanitation, adequate public lighting	Installation of boreholes at Bundu Ward 24	Number of boreholes refurbished, electrified and installed with electric submersible pump	Existing Drilled borehole	1 Boreholes refurbished, electrified and installed with electric submersible pump by 30th June 2020.	R 461 145	1 Boreholes refurbished, electrified and installed with electric submersible pump	R 348,246.48	Yes	None	None	Appointment letters, designs reports, Quarterly progress reports and

KPA		BASIC SERVICE DELIVERY										
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	and accessible road											completion certificates
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 operated with petrol generator refurbished and Installed with Electric Submersible Pump	Drilled Existing Boreholes	1 Borehole operated with petrol generator refurbished and Installed with Electric Submersible Pump by 30th June 2020	R 576 271	1 Borehole operated with petrol generator refurbished and Installed with Electric Submersible Pump	R 110,112.50	Yes	None	None	Appointment letters, designs reports, Quarterly progress reports and completion certificates
DTS137	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of boreholes at Rietfontein Ward 8	Number of boreholes refurbished Electrified and Installed with Electric Submersible Pump	Existing Drilled borehole	1 Borehole refurbished Electrified and Installed with Electric Submersible Pump by 30th June 2020	R 638 137	1 Borehole refurbished Electrified and Installed with Electric Submersible Pump	R 323,182.24	Yes	None	None	Appointment letters, designs reports, Quarterly progress reports and completion certificates
DTS138	To provide household with basic services including water, adequate sanitation, adequate	Installation of boreholes at Sieringkop Ward 32	Number of boreholes refurbished, electrified and installed with electric	Existing Drilled borehole	1 Borehole refurbished, electrified and installed with electric submersible	R 274 127	1 Borehole refurbished, electrified and installed with electric submersible pump	R 241,751.16	Yes	None	None	Appointment letters, designs reports, Quarterly progress reports and

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PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	public lighting and accessible road		submersible pump		pump by 30th June 2020.							completion certificates
DTS139	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 refurbished, Electrified and Installed with Electric Submersible Pump	Existing Drilled borehole	1 Borehole refurbished, Electrified and Installed with Electric Submersible Pump by 30th June 2020	R 555 562	1 Borehole refurbished, Electrified and Installed with Electric Submersible Pump	R 515,107.23	Yes	None	None	Appointment letters, designs reports, Quarterly progress reports and completion certificates
DTS140	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of boreholes at Loopspruit Ward 32	Number of boreholes refurbished and installed with wind mill	Existing Drilled borehole	1 borehole refurbished and installed with wind mill by 30th June 2020	R 202 365	1 Boreholes refurbished and installed with wind mill	R 138,600.30	Yes	None	None	Appointment letters, designs reports, Quarterly progress reports and completion certificates
DTS141	To provide household with basic services including water, adequate sanitation, adequate	Installation of boreholes at Tweefontein DK Ward 12	Number of boreholes refurbished and Installed with hand Pump	Existing Drilled borehole	1 boreholes refurbished and Installed with hand Pump by 30th June 2020	R 366 302	1 boreholes refurbished and Installed with hand Pump	R 347,524.70	Yes	None	None	Appointment letters, designs reports, Quarterly progress reports and

KPA		BASIC SERVICE DELIVERY										
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	public lighting and accessible road											completion certificates
DTS156	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Drilling, Refurbishment and Equipping of Boreholes within THLM: • Kwaggafontein A Ward 27 – 2 • Kwaggafontein A Ward 28 – 1 • Kwaggafontein D Ward 31 – 1 • Kwaggafontein E Ward 31 – 1 • KwaMhlanga Ward 32 – 3	% progress in the Drilling, Refurbishment and Equipping of Boreholes within THLM	0% progress in the Drilling, Refurbishment and Equipping of Boreholes within THLM: *	30% Drilling, Refurbishment and Equipping of Boreholes within THLM by 30th June 2021: *MIG Business Plan 5%; *Preliminary Design Report 5%; *Detailed Design Report 5%; *Appointment of Contractor 5%; *Site Establishment 10%,	R3,000,000.00	**30% progress** *MIG Business Plan 5%; *Preliminary Design Report 5%; *Detailed Design Report 5%; *Appointment of Contractor 5%; *Site Establishment 10%,	R 2,897,328.18	Yes	None	None	MIG Business Plan, Preliminary Design Report, Detailed Design Report, Monthly progress reports.'

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		• Mahlabathini Ward 22 – 1 • Luthuli Ward 22 – 1 • Sun City A,B,C & D Ward 19 - 4										
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 6kl free basic water	82 653 households provided with 6kl free basic water	82 653 households provided with 6kl free basic water 30th June 2020	R 73 680	57 767 households provided with 6kl free basic water	R 93 751 155.00	No	The other beneficiaries of the service are assisted through water carts	To consolidate the list of the beneficiaries of water through tankers.	Water billing report water carts delivery reports
DTS034	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Water Sample	Number of water samples tested	356 Water Samples tested	356 Water Samples tested by 30th June 2020	R 1 000 000	492 Water Samples Tested	R 1 123 623.6	Yes	None	None	Water quality reports

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						SANITATION						
DTS038	To provide households with basic services including water, adequate sanitation, adequate public lighting and accessible road	Uploading of data to the Integrated Regulatory Information System	Rate of updating data on the Integrated Regulatory Information System	Monthly updating data on the Integrated Regulatory Information System	Monthly updating data on the Integrated Regulatory Information System by 30th June 2020	In house	Monthly updating data on the Integrated Regulatory Information System	In-house	No	IRIS system is offline	The system utilised is not internal and as such we may not be able to develop controls that are of Smart Principles.	12 monthly reports on Integrated Regulatory Information System
DTS040	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Luthuli Waste Water Treatment Works, Phase 1	Number of approved detail design report	Preliminary design report in place	1 Approved detail design report by 30th September 2019	R 748 457	0	R 748 457	No	The designs report were started in January 2018 and completed in March 2018 but due to budgetary constraints the KIP was therefore moved to the 2018-2019 FY in order for the	To ensure that the projects are adequately budgeted so that it can be completed within the set time frame	Detail design report

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										municipality to secure funding to pay for the full designs and thereby they were handed over to the municipality in 1st quarter even though they were completed in 3rd quarter of the previous financial year".		
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	Number of approved detail design report	Preliminary design report in place	1 Approved detail design report by 30th September 2019	R 7 985 248	1 Approved detail design report by 25 May 2020	R 7 985 248	No	Detailed Design reports were achieved within the set timelines, however there were adjustments to be done on the DDR which took longer than anticipated and	To ensure that the service providers complete the work within specified timeline	Detail design report

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										hence it was finally approved in May 2020.		
DTS042	To provide households with basic services including water, adequate sanitation, adequate public lighting and accessible road	Kwamhanga and Tweeefontein k Waste water Treatment	Number of Household provided with Basic sanitation	2335 Households provided with Basic sanitation	2282 Households provided with Basic sanitation	In house	1738 Households provided with Basic sanitation	In-house	No	The billing report attached was not the final billing report attached to AFS	To attach the billing report that was submitted with AFS	Sanitation billing report
DTS157	To provide households with basic services including water, adequate sanitation, adequate public lighting and accessible road	Refurbishment of Sewer Oxidation Ponds	% progress in the Refurbishment of Sewer Oxidation Ponds	0% progress in the Refurbishment of Sewer Oxidation Ponds:	40% progress in the Refurbishment of Sewer Oxidation Ponds: *Technical Report 5%; *Preliminary Design Report 5%; *Detailed Design Report 5% *Term of Reference for	R 3 184 055	40% progress: *Technical Report 5%; *Preliminary Design Report 5%; *Detailed Design Report 5% *Term of Reference	R 3,184,055.37	Yes	None	None	Terms of Reference, Appointment Letter, Monthly progress reports.

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					Contractor 5%; *Appointment of Contractor 5%; *Site Establishment 15%;		for Contractor 5%; *Appointment of Contractor 5%; *Site Establishment 15%;					
DTS098	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	12 reports on Provision of Basic Sanitation	12 reports on Provision of Basic Sanitation by 30th June 2020	R 1 602 000	12 reports on Provision of Basic Sanitation	R 104 962.31	Yes	Constant submission of reports	To engage Service Provider to submit on the 03rd of every month	WWTW plant reports
					ELECTRICITY							
DTS076	To provide household with basic services including water, adequate sanitation, adequate	Installation of High Mast Light in Tweefontein G – Ward 30	Number of High Mast Lights installed and energised	Approved implementation plan and the designs	1 High Mast Lights installed and energised by 31st March 2020	R 149 985	1 High Mast Lights installed and energised	R 168 820	Yes	None	None	Quarterly progress report, completion certificate

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	public lighting and accessible road											
DTS077	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of High Mast Light in Tweefontein H – Ward 30	Number of High Mast Lights installed and energised	Approved implementation plan and the designs	1 High Mast Lights installed and energised by 31st March 2020	R 149 985	1 High Mast Lights installed and energised	R 168 820	Yes	None	None	Quarterly progress report, completion certificate
DTS078	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 and energised	Approved implementation plan and the designs	1 High Mast Lights installed and energised by 31st March 2020	R 121 409	1 High Mast Lights installed and energised	R 125 658	Yes	None	None	Quarterly progress report, completion certificate
DTS079	To provide household with basic services including water, adequate sanitation, adequate	Installation of High Mast Light in KwaMhlanga B – Ward 32	Number of High Mast Lights installed and energised	Approved implementation plan and the designs	1 High Mast Lights installed and energised by 31st March 2020	R 163 684	1 High Mast Lights installed and energised	R 163 684.32	Yes	None	None	Quarterly progress report, completion certificate

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	public lighting and accessible road											
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 and energised	Approved implementation plan and the designs	1 High Mast Lights installed and energised by 31st March 2020	R 163 684	1 High Mast Lights installed and energised	R 163 684.32	Yes	None	None	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 and energised	Approved implementation plan and the designs	1 High Mast Lights installed and energised by 31st March 2020	R 170 068	1 High Mast Lights installed and energised	R 170 067.94	Yes	None	None	Quarterly progress report, completion certificate
DTS087	To provide household with basic services including water, adequate sanitation, adequate	Installation of High Mast Light in Thembalethu (Section 16) – Ward 5	Number of High Mast Lights installed and energised	Approved implementation plan and the designs	1 High Mast Lights installed and energised by 31st March 2020	R 65 068	1 High Mast Lights installed and energised	R 75 253	Yes	None	None	Quarterly progress report, completion certificate

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	public lighting and accessible road											
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 Ext C – Ward 6	Number of High Mast Lights installed and energised	Approved implementation plan and the designs	1 High Mast Lights installed and energised by 31st March 2020	R 231 163	1 High Mast Lights installed and energised	R 150 198.24	Yes	None	None	Quarterly progress report, completion certificate
DTS100	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of High Mast Light in Msholozi – Ward 4	Number of High Mast Lights installed and energised	Approved implementation plan and the designs	1 High Mast Lights installed and energised by 31st March 2020	R 170 068	1 High Mast Lights installed and energised	R 170 069.95	Yes	None	None	Quarterly progress report, completion certificate
DTS101	To provide household with basic services including water, adequate sanitation, adequate	Installation of High Mast Light in Kwaggafontein A (Mgobeni) – Ward 27	Number of High Mast Lights installed and energised	Approved implementation plan and the designs	1 High Mast Lights installed and energised by 31st March 2020	R 121 409	1 High Mast Lights installed and energised	R 121 409.35	Yes	None	None	Quarterly progress report, completion certificate

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	public lighting and accessible road											
DTS102	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of High Mast Light in Moloto (Section B7) – Ward 3	Number of High Mast Lights installed and energised	Approved implementation plan and the designs	1 High Mast Lights installed and energised by 31st March 2020	R 355 208	1 High Mast Lights installed and energised	R 355 207.53	Yes	None	None	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 and energised	Approved implementation plan and the designs	1 High Mast Lights installed and energised by 31st March 2020	R 174 348	1 High Mast Lights installed and energised	R 200 500	Yes	None	None	Quarterly progress report, completion certificate
DTS104	To provide household with basic services including water, adequate sanitation, adequate	Installation of High Mast Light in Kwaggafontein C – Ward 26	Number of High Mast Lights installed and energised	Approved implementation plan and the designs	1 High Mast Lights installed and energised by 31st March 2020	R 174 348	1 High Mast Lights installed and energised	R 200 500	Yes	None	None	Quarterly progress report, completion certificate

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	public lighting and accessible road											
DTS105	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of High Mast Light in Ntokozweni – Ward 17	Number of High Mast Lights installed and energised	Approved implementation plan and the designs	1 High Mast Lights installed and energised by 31st March 2020	R 56 878	1 High Mast Lights installed and energised	R 56 877	Yes	None	None	Quarterly progress report, completion certificate
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 and energised	Approved implementation plan and the designs	1 High Mast Lights installed and energised by 31st March 2020	R 65 437	1 High Mast Lights installed and energised	R 65 473	Yes	None	None	Quarterly progress report, completion certificate
DTS107	To provide household with basic services including water, adequate sanitation,	Installation of High Mast Light in Kwaggafontein A Spar	Number of High Mast Lights installed and energised	Approved implementation plan and the designs	1 High Mast Lights installed and energised by 31st March 2020	R 319 475	1 High Mast Lights installed and energised	R 126 188	Yes	None	None	Quarterly progress report, completion certificate

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	adequate public lighting and accessible road	Section - Ward 28										
DTS108	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of High Mast Light in Kwaggafontein Corner Café - Ward 28	Number of High Mast Lights installed and energised	Approved implementation plan and the designs	1 High Mast Lights installed and energised by 31st March 2020	R 109 729	1 High Mast Lights installed and energised	R 126 188	Yes	None	None	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 and energised	Approved implementation plan and the designs	1 High Mast Lights installed and energised by 31st March 2020	R 109 729	1 High Mast Lights installed and energised	R 126 188	Yes	None	None	Quarterly progress report, completion certificate
DTS110	To provide household with basic services including water, adequate sanitation,	Installation of High Mast Light in Vlaklaagte No.1 Parrafin	Number of High Mast Lights installed and energised	Approved implementation plan and the designs	1 High Mast Lights installed and energised by 31st March 2020	R 109 729	1 High Mast Lights installed and energised	R 126 188	Yes	None	None	Quarterly progress report, completion certificate

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	adequate public lighting and accessible road	Area – Ward 21										
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 and energised	Approved implementation plan and the designs	1 High Mast Lights installed and energised by 31st March 2020	R149 985	1 High Mast Lights installed and energised	R 146 800.17	Yes	None	None	Quarterly progress report, completion certificate
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 and energised	Approved implementation plan and the designs	1 High Mast Lights installed and energised by 31st March 2020	R 163 684	1 High Mast Lights installed and energised	R 188 237	Yes	None	None	Quarterly progress report, completion certificate
DTS113	To provide household with basic services including water, adequate sanitation,	Installation of High Mast Light in Doornek Farms – Ward 08	Number of High Mast Lights installed and energised	Approved implementation plan and the designs	1 High Mast Lights installed and energised by 31st March 2020	R 174 348	1 High Mast Lights installed and energised	R 200 500	Yes	None	None	Quarterly progress report, completion certificate

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	adequate public lighting and accessible road											
DTS114	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of High Mast Light in Swartkoppies Farms – Ward 11	Number of High Mast Lights installed and energised	Approved implementation plan and the designs	1 High Mast Lights installed and energised by 31st March 2020	R 174 348	1 High Mast Lights installed and energised	R 200 500	Yes	None	None	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 Wolvenkop Phakama Section – Ward 11	Number of High Mast Lights installed and energised	Approved implementation plan and the designs	1 High Mast Lights installed and energised by 31st March 2020	R 64 892	1 High Mast Lights installed and energised	R 74 625	Yes	None	None	Quarterly progress report, completion certificate
DTS116	To provide household with basic services including water, adequate sanitation,	Installation of High Mast Light in Bundu Marhoqo	Number of High Mast Lights installed and energised	Approved implementation plan and the designs	1 High Mast Lights installed and energised by 31st March 2020	R 64 892	1 High Mast Lights installed and energised	R 75 625	Yes	None	None	Quarterly progress report, completion certificate

KPA		BASIC SERVICE DELIVERY										
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	adequate public lighting and accessible road	Section – Ward 24										
DTS154	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 25	Number of High Mast Lights installed and energised	Approved implementation plan and the designs	1 High Mast Lights installed and energised by 31st March 2020	R 301 284	1 High Mast Lights installed and energised	R 351 892	Yes	None	None	Quarterly progress report, completion certificate
DTS155	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 30	Number of High Mast Lights installed and energised	Approved implementation plan and the designs	1 High Mast Lights installed and energised by 31st March 2020	R 121 409	1 High Mast Lights installed and energised	R 125 659	Yes	None	None	Quarterly progress report, completion certificate
DTS147	To provide household with basic services including water, adequate sanitation,	Design and implementation of energy efficiency program	Number of street lights and highmst refurbished	0	650 Street lights retrofitted with LED and 30 high mast lights retrofitted	R 5 000 000	650 Street lights retrofitted with LED and 42 high mast lights	R 4 997 489	Yes	None	None	Appointment letter, Quarterly progress reports completion certificate

KPA		BASIC SERVICE DELIVERY										
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/ DESCRIPTION	KEY PERFOR MANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	adequate public lighting and accessible road				with LED by 30th June 2020 (03 high mast Kwamhlanga ward 32, 02 high mast Tweefontein K ward 13, 10 high mast Tweefontein A ward 23, 03 high mast Tweefontein C ward 12, 10 high mast Vlaklaagte no 1 ward 21, 02 high mast Maliva ward 17, 400 street lights Kwamhlanga ward 32,		retrofitted with LED					

KPA		BASIC SERVICE DELIVERY										
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					250 street lights Tweefontein K ward 13)							
ROAD AND STORM WATER												
DTS056	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Construction of Storm water channels, (Ward 29)	Number of meters of Storm water channels constructed	200 m of storm water completed	200 meters of Storm water channels constructed by 30th June 2020	R 200 000	200 meters of Storm water channels constructed	R153 950	Yes	None	None	Completion certificate
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	1 designs completed for Luthuli link road	0.35 km road surfaced by 31st March 2020	R 3 411 617	0.35 km roads surfaced Completed	R 3 411 617.33	Yes	None	None	Quarterly progress report, completion certificate
DTS118	To provide household with basic services including water,	Designs for Construction of Sun City	Number of km road surfaced	1 designs completed for	1 km road surfaced by 30th June 2020	R 6 000 000	1 km road surfacing in progress	R 5,902,305.21	No	Unforeseen delays due to Covid-19	Extension of time granted and adherence to	Appointment letter, quarterly progress

KPA		BASIC SERVICE DELIVERY										
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	adequate sanitation, adequate public lighting and accessible road	AA Bus Route - Ward 20 (Designs only)		Sun City AA Bus Route							amended Covid-19 OHS regulations	report, completion certificate.
DTS119	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Construction of Chris Hani Bus Route - Ward 18	Number of km road surfaced	1 designs completed for Chris Hani Bus Route	1 km road surfaced by 30th June 2020	R 6 000 000	1 km road surfacing in progress	R 5,985,635.30	No	Unforeseen delays due to Covid-19	Extension of time granted and adherence to amended Covid-19 OHS regulations	Appointment letter, quarterly progress report, completion certificate
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 km road surfaced	1 designs completed for Kwamhlanga B Link Route	1 km road surfaced by 30th June 2020	R 6 000 000	1 km road surfacing in progress	R 6,108,222.25	No	Unforeseen delays due to Covid-19	Extension of time granted and adherence to amended Covid-19 OHS regulations	Appointment letter, quarterly progress report, completion certificate

KPA		BASIC SERVICE DELIVERY										
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	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 km road surfaced	1 designs completed for Moloto North Bus Route	1 km road surfaced by 30th June 2020	R 6 161 250	1 km road surfacing in progress	R 3,704,693.59	No	Unforeseen delays due to Covid-19	Extension of time granted and adherence to amended Covid-19 OHS regulations	Appointment letter, quarterly progress report, completion certificate
DTS148	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Designs for Construction of Sun City A Bus Route - Ward 19	Number of approved Detail design report	0	1 approved Detail design report completed by 31st March 2020	R 1 100 000	1 approved Detail design report completed	R 1,058,575.00	Yes	None	None	Appointment letter preliminary design report and Final Detailed Design Report.
DTS149	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Designs for Construction of Moloto South Bus Route - Ward 1	Number of approved Detail design report	0	1 approved Detail design report completed by 31st March 2020	R 1 100 000	1 approved Detail design report completed	R 1,040,226.90	Yes	None	None	Appointment letter preliminary design report and Final Detailed Design Report.

KPA		BASIC SERVICE DELIVERY										
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
DTS150	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Designs for Construction of Boekenhoutoek Bus Route - Ward 24	Number of approved Detail design report	0	1 approved Detail design report completed by 31st March 2020	R 1 100 000	1 approved Detail design report completed	R 1,037,108.15	Yes	None	None	Appointment letter preliminary design report and Final Detailed Design Report.
DTS151	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Designs for Construction of Zakheni Bus Route - Ward 4	Number of approved Detail design report	0	1 approved Detail design report completed by 31st March 2020	R 1 100 000	1 approved Detail design report completed	R 1,098,721.56	Yes	None	None	Appointment letter preliminary design report and Final Detailed Design Report.
DTS152	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Designs for Construction of Mathesynsloop Bus Route - Ward 7	Number of approved Detail design report	0	1 approved Detail design report completed by 31st March 2020	R 1 100 000	1 approved Detail design report completed	R 799,210.90	Yes	None	None	Appointment letter preliminary design report and Final Detailed Design Report.

KPA		BASIC SERVICE DELIVERY										
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DTS153	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Designs for Construction of Mountain View (Mandela Drive) Bus Route - Ward 14	Number of approved Detail design report	0	1 approved Detail design report completed by 31st March 2020	R 1 100 000	1 approved Detail design report completed	R 1,089,337.50	Yes	None	None	Appointment letter preliminary design report and Final Detailed Design Report.
					SPORTS AND WASTE REMOVAL							
SDS 001	To create a safe clean and healthy environment conducive for social development and recreation	Upgrading of Kwaggafontein Land fill site (Ward 25)	Number of Landfill site upgraded	Phase 1 ongoing	1 land fill site upgraded 30th June 2020	R 19 517 706	1 land fill site construction in progress	R 14,570,170.22	No	Unforeseen delays due to Covid-19	Extension of time granted and adherence to amended Covid-19 OHS regulations	Quarterly progress report, completion certificate.
SDS006	To create a safe clean and healthy environment conducive for social	Upgrading of Kwaggafontein stadium (Ward 26)	Number of design report developed and approved	0	1 design report developed and approved by 30th June 2020	R 1 046 880	1 approved Detail design report completed	R 1,046,879.78	Yes	None	None	Appointment letter, quarterly progress report, completion certificate.

KPA		BASIC SERVICE DELIVERY										
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	development and recreation											
SDS007	To create a safe clean and healthy environment conducive for social development and recreation	Upgrading of KwaMhlanga stadium (Ward 32)	Number of designs report developed and approved	Phase 1 completed (Roads)	1 designs report developed and approved by 30th June 2020	R 1 485 612	1 approved Detail design report completed	R 1,485,611.98	Yes	None	None	Appointment letter, quarterly progress report, completion certificate.
SDS 011	To create a safe clean and healthy environment conducive for social development and recreation	Construction of Multi-Purpose Centre in Phumula	Number of designs report developed and approved	Phase 1 completed	1 design report developed and approved by 30th June 2020	R 999 450	1 approved Detail design report completed	R 997,332.26	Yes	None	None	Appointment letter, quarterly progress report, completion certificate.
SDS012	To create a safe clean and healthy environment conducive for social development and recreation	Construction of Multipurpose Centre in Moloto North (Ward 2)	Number of designs report developed and approved	0	1 designs report developed and approved by 30th June 2020	R 1 447 427	1 approved Detail design report completed	R 2,202,333.82	Yes	None	None	Appointment letter, quarterly progress report, completion certificate.

SOCIAL DEVELOPMENT SERVICES

The department of Social Development Services overall performance for 2019/2020 financial year is 55% achievement. The department managed to achieve 06 targets out of the 11 planned targets, as compared to 60% achieved in 2018/2019 financial year, out of 10 planned targets 06 targets was achieved.

KPA	BASIC SERVICE DELIVERY											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/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 environment, culture and infrastructure sector)	507 FTE's (449 work opportunities created in Environment, Culture and Infrastructure by 30th June 2020	R 2 029 000	114 FTE's (101 work opportunities created in Environment and Culture, Social and Infrastructure sectors by 30th June 2020	R 2 029 000.00	No	No enough funds, creation and reporting of work opportunities from other sectors	To request additional funding and bring other sectors on board	Appointment letters/ contracts of employment
SDS002	To create a safe, clean and healthy environment conducive for social development and recreation	Refuse Removal KwaMhlanga and Tweefontein K	Number of Households with access to refuse removal weekly	2 766 Households with access to refuse removal weekly	4000 Households provided with refuse removal weekly by 30th June 2020	In house	2 283 Households provided with 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	Refuse Removal Thembisile Areas	Number of Households with access to refuse	33 879 Households with access to refuse	105 282 Households with access to refuse	In house	2 283 Households provided with refuse	In house	No	Not enough compactors, Trucks &	To request additional funding	Monthly reports and Trip sheets

KPA	BASIC SERVICE DELIVERY											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	conducive for social development and recreation		removal fortnightly	removal fortnightly	removal monthly by 30th June 2020		removal monthly			General Workers		
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	1 Municipal facility provided with landscaping	1 Municipal facility provided with landscaping by 30th June 2020	In house	1 Municipal facility provided with landscaping	In house	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	32 sport fields graded	32 sports fields graded by 30th June 2020	In house	16 sports fields graded by 30th June 2020	In house	No	Due to COVID19 lockdown and the service not being part of essential service	To be achieved when COVID 19 restrictions are lifted	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 the Municipal Manager	1 quarterly status report on Municipal security submitted to Municipal Manager	4 status reports on Municipal security submitted to the Municipal Manager by	R 19 283 000	4 status reports on Municipal security submitted to the Municipal Manager.	R 19 283 000	Yes	None	None	Quarterly status reports

KPA	BASIC SERVICE DELIVERY											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	and recreation				30th June 2020							
SDS018	To create a safe, clean and healthy environment conducive for social development and recreation	Conducting of Road Blocks	Number of road blocks conducted	24 road blocks conducted	36 road blocks conducted 30th June 2020	In house	63 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 30th June 2020	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 and recreation	Conducting of Library Campaigns	Number of library campaigns conducted	0	1 library campaign conducted by 30th June 2020	In house	0	In house	No	Due to COVID19 lockdown and the service not being part of essential service	To be achieved when COVID 19 restrictions are lifted	Attendance registers and reports

KPA	BASIC SERVICE DELIVERY											
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SDS021	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	8 HIV/AIDS campaigns and dialogues conducted	8 HIV /AIDS campaigns and dialogues conducted by 30th June 2020	In house	10 HIV /AIDS campaigns and dialogues conducted	In house	Yes	None	None	Attendance registers and reports
SDS022	To create a safe, clean and healthy environment conducive for social development and recreation	Conducting of awareness campaigns and events for women, elderly, people with disabilities and children	Number of awareness campaigns and events for women, elderly, people with disabilities and children conducted	4 awareness campaigns and events for women, elderly, people with disabilities and children conducted	4 awareness campaigns and events for women, elderly, people with disabilities and children conducted by 30th June 2020	In house	6 awareness campaigns and events for women, elderly, people with disabilities and children conducted	In house	Yes	None	None	Attendance registers and reports

KPA: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT

The department of Corporate Services overall performance for 2019/2020 financial year is 73% achievement. The department managed to achieve 24 targets out of the 33 planned targets, as compared to 71% achieved in 2018/2019 financial year, out of 35 planned targets 25 targets was achieved.

KPA	MUNICIPAL TRANSFORMATIONS AND INSTITUTIONAL DEVELOPMENT											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
DCS001	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	0	1 Notch progression policies developed and approved by Council by 30th June 2020	In house	1 Notch progression policies developed and approved	In house	Yes	None	None	Notch progression policy and council resolution.
DCS002	To improve organizational efficiency and promote a culture of professional conduct in order to render quality services.	Development and approval of employee job descriptions	Percentage of employees with signed job descriptions	90% employees with signed job description	100% employees with signed job description by 30th June 2020	In house	100% employees with signed job descriptions	In house	Yes	None	None	Signed job descriptions.

KPA	MUNICIPAL TRANSFORMATIONS AND INSTITUTIONAL DEVELOPMENT											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
DCS003	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 Draft IPMS policy developed	1 IPMS policy developed and approved by 30th June 2020	In house	1 IPMS policy developed and approved	In house	Yes	None	None	PMS policy and council resolution
DCS004	To improve organizational efficiency and promote a culture of professional conduct in order to render quality services.	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 30th June 2020	In house	0	In house	No	It couldn't have been done due to non-finalisation of Job descriptions and job evaluation	The process will begin in Sep 2020.	Signed Performance agreements
DCS005	To improve organizational efficiency and promote a culture of professional conduct in	Filling of vacant positions	Number of vacant positions filled	25 vacant positions filled	40 vacant positions filled by 30th June 2020	In house	12 vacant positions filled	In house	No	28 vacant posts not filled Due to budgetary constraints	Posts will be filled by the end of the second quarter	Appointment letters

KPA	MUNICIPAL TRANSFORMATIONS AND INSTITUTIONAL DEVELOPMENT											
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	order to render quality services.											
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 plans developed and submitted to LGSETA	1 work skills plans developed and submitted to LGSETA by 30th June 2020	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 quality services.	Operational revenue: Skills Development Levy Fund	Number of employees trained as part of the work skills plan	214	167 employees trained as part of the work skills plan by 30th June 2020	R 2 202 661	31 employees trained as part of the work skills plan	R 752 735,69	No	109 employees not trained due to Covid-19 pandemic	Training will be rolled out as soon as the situation becomes normal.	Training report and attendance register
DCS008	To improve organizational efficiency	Implementation of work skills plan	Percentage of municipal budget	0.30% of a municipal budget spent	1% of municipal budget	In house	0.36% of municipal budget	In house	No	The Budget couldn't be spent due to	This will be implemented fully as soon	Section 71 report

KPA	MUNICIPAL TRANSFORMATIONS AND INSTITUTIONAL DEVELOPMENT											
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	and promote a culture of professional conduct in order to render quality services.		actually spent on implementing workplace skills plan	on implementing work place skills plan	actually spent on implementing workplace skills plan by 30th June 2020		actually spent on implementing workplace skills plan			lock down of Covid-19	as it becomes normal to do so	
DCS009	To improve organizational efficiency and promote a culture of professional conduct in order to render quality services.	Implementation of Employment Equity Plan	Percentage of vacancies filled in line with employment equity targets	0% % of vacancies filled in line with employment equity targets	100% of vacancies filled in line with employment equity targets by 30th June 2020	In house	100% of vacancies filled in line with employment equity targets by 30th June 2020	In house	Yes	None	All posts filled are done in line with EE targets	Recruitment report
DCS010	To improve organizational efficiency and promote a culture of professional conduct in order to render	Submission of Employment Equity Reports to Dept. of Labour	Number of EER submitted to Dept. of Labour	1 EER submitted to Dept. of Labour by the 15th of January 2019	1 EER submitted to Dept. of Labour by the 15th of January 2020	In house	1 EER submitted to Dept. of Labour by the 15th of January 2020	In house	Yes	None	None	Proof of submission

KPA	MUNICIPAL TRANSFORMATIONS AND INSTITUTIONAL DEVELOPMENT											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	quality services.											
DCS011	To improve organizational efficiency and promote a culture of professional conduct in order to render quality services.	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 Municipal Manager by 30th June 2020	R 1 606 000	4 litigation reports submitted to Municipal Manager	R863 765,84	Yes	None	None	4 Litigation reports
DCS012	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	21 Human Resource policies approved by Council	23 Human Resource policies approved by Council by 30th June 2020 (education training and development, attendance and punctuality, succession planning and career	In house	26 Human Resource policies approved by Council	In house	Yes	None	None	Council resolution

KPA	MUNICIPAL TRANSFORMATIONS AND INSTITUTIONAL DEVELOPMENT											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
					path,IPMS ,OHS,HR strategy, recruitment and employment, leave,fleet management, acting allowance,learnership and internship,overtime,private work and declaration of interest,relocation,sexual harrassment ,smoking volunteers, retention strategy,HIV and AIDS, employee assistance, employees							

KPA	MUNICIPAL TRANSFORMATIONS AND INSTITUTIONAL DEVELOPMENT											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
					under the influence intoxicating substances, cell phoneand wireless device policy, Developmen t framework policy)							
DCS013	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	2 Audit reports issued on OHS inspection	2 Audit reports issued on OHS inspection by 30th June 2020	In house	3 Audit reports issued on OHS inspection	In house	Yes	None	None	Proof of submission
DCS014	To improve organizational efficiency and promote a culture of professional	Conducting Occupational Health and Safety committee meetings	Number of OHS committee meetings conducted	4 OHS committee meetings conducted	4 OHS committee meetings conducted 30th June 2020	In house	4 OHS committee meetings conducted	In house	Yes	None	None	Attendance register, minutes

KPA	MUNICIPAL TRANSFORMATIONS AND INSTITUTIONAL DEVELOPMENT											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	conduct in order to render quality services.											
DCS015	To improve organizational efficiency and promote a culture of professional 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	1 OHS return earnings submitted to the Department of Labour by 31st May 2020	In house	1 OHS return earnings submitted to the Department of Labour by 31 May 2020	In house	Yes	None	None	Proof of submission
DCS016	To improve organizational efficiency and promote a culture of professional conduct in order to render quality services.	Conducting of induction for new and old employees	Number of inductions conducted for old and new employees	2 inductions conducted for old and new employees	2 inductions conducted for old and new employees by 30th June 2020	In house	1 inductions conducted for old and new employees	In house	No	The target could not be achieved as not all employees were reporting to work	Proper inductions will be done in the new financial year as the situation normalises	Attendance register

KPA	MUNICIPAL TRANSFORMATIONS AND INSTITUTIONAL DEVELOPMENT											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
DCS017	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	5 LLF meetings conducted	6 LLF meetings conducted by 30th June 2020	In house	7 LLF meetings conducted	In house	Yes	None	None	Attendance register
DCS018	To improve organizational efficiency and promote a culture of professional conduct in order to render quality services.	Leasing of Municipal fleet	Number of Municipal fleet paid monthly on lease	37 Municipal fleet leased	37 Municipal fleet paid monthly on lease by 30th June 2020	R 5 100 111	37 Municipal fleet paid monthly on lease by 30th June 2020	R 3 988 673,41	Yes	None	None	Purchased order and Delivery note.
DCS019	To improve organizational efficiency and promote a culture of professional conduct in	Development of operational plan for municipal fleet	Number of operational plans developed for municipal fleet	1 Operational plans developed for municipal fleet	1 Operational plans developed for municipal fleet by 30th June 2020	In house	1 Operational plans developed for municipal fleet	In house	Yes	None	None	Operational plan

KPA	MUNICIPAL TRANSFORMATIONS AND INSTITUTIONAL DEVELOPMENT											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	order to render quality services.											
DCS020	To improve organizational efficiency and promote a culture of professional conduct in order to render quality services.	Repairs and maintenance of municipal fleet	Number of repairs and maintenance reports of municipal fleet produced and submitted to the HOD	12 repairs and maintenance reports of municipal fleet produced and submitted to the HOD	12 repairs and maintenance reports of municipal fleet produced and submitted to the HOD by 30th June 2020	R 8 744 000	12 repairs and maintenance reports of municipal fleet produced and submitted to the HOD	R8,624,532.48	Yes	None	None	Repairs and maintenance reports
DCS021	To improve organizational efficiency and promote a culture of professional conduct in order to render quality services.	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	12 reports produced and submitted to the HOD on the usage of fuel by 30th June 20202	R 8 502 000	12 reports produced and submitted to the HOD on the usage of fuel	R 6 276 042,12	Yes	None	None	Fuel reports

KPA	MUNICIPAL TRANSFORMATIONS AND INSTITUTIONAL DEVELOPMENT											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
DCS022	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 vehicle licenses renewed by 30th June 2020	R 911 000	129 vehicle licenses renewed	R 666 462,08	No	3 vehicles have been written off	Review the fleet register.	Motor vehicle license certificate
DCS024	To improve organizational efficiency and promote a culture of professional conduct in order to render quality services.	Submission of Reports on the repairs and maintenance of ICT hardware	Number of 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	4 reports submitted to the HOD on the repairs and maintenance of ICT hardware by 30th June 2020	R 654 000	4 reports submitted to the HOD on the repairs and maintenance of ICT hardware	R 603,810.15	Yes	None	None	Reports
DCS025	To improve organizational efficiency and promote a culture of professional conduct in	Renewal of software	Number of software licenses renewed	VIP, 4 Server warranty, Munsoft, 50 microsoft volume, 210 Symantec	VIP, Munsoft, 50 Microsoft volume, 210 Symantec antivirus, Server	R 5 559 220	VIP, Munsoft, 50 Microsoft volume, 210 Symantec antivirus, Server	R 3 054 501,32	No	PMS system not procured.	Procurement of the PMS system in the first quarter.	License certificate

KPA	MUNICIPAL TRANSFORMATIONS AND INSTITUTIONAL DEVELOPMENT											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	order to render quality services.			antivirus, Server monitoring system	monitoring system, PMS system renewed by 30th June 2020		monitoring system, PMS system renewed by 30th June 2020					
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	15 desktop, 34 laptops	30 Desktop to be procured by 30th June 2020	R 1 880 000	45 Desktop Computers Procured	R 4 717 930.66	Yes	None	None	Invoices and delivery note
DCS027	To improve organizational efficiency and promote a culture of professional conduct in order to render quality services.	Approval of ICT policies	Number of ICT policies reviewed and approved by council	7 ICT policies reviewed and approved	7 ICT policies reviewed and approved by council by 30th June 2020	In house	7 ICT policies reviewed and approved by council	In house	Yes	None	None	Council resolution, Policies

KPA	MUNICIPAL TRANSFORMATIONS AND INSTITUTIONAL DEVELOPMENT											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
DCS028	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 conducted	4 ICT Steering committee meetings conducted	4 ICT Steering committee meetings conducted by 30th June 2020	In house	4 ICT Steering committee meetings conducted	In house	Yes	None	None	Attendance register, Minutes
DCS029	To improve organizational efficiency and promote a culture of professional conduct in order to render quality services.	Formulation of Policy Development Framework Policy	Number of Policy Development Framework policies formulated and approved by council	1 Draft Policy Development Framework policies formulated	1 Policy Development Framework policies formulated and approved by council by 30th June 2020	In house	1 Policy Development Framework policies formulated and approved by council	In house	Yes	None	None	Policy framework and council resolution
DCS030	To improve organizational efficiency and promote a culture of professional conduct in	Development of a standardized procedure for the processing of internal and	Number of standardizes procedure manuals developed for the processing of	0	1 standardizes procedure manuals developed for the processing	In house	1 standardizes procedure manuals developed for the processing	In house	Yes	None	None	Procedure manuals

KPA	MUNICIPAL TRANSFORMATIONS AND INSTITUTIONAL DEVELOPMENT											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	order to render quality services.	external communication	internal and external communication		of internal and external communication on by 30th June 2020		of internal and external communication					
DCS031	To improve organizational efficiency and promote a culture of professional conduct in order to render quality services.	Installation and implementation of Biometric clocking system	Number of Biometric clocking systems implemented on a monthly basis	1 Biometric clocking systems installed	1 Biometric clocking systems implemented on a monthly basis by 30th June 2020	In house	1 Biometric clocking systems implemented	In house	No	The system is currently functional but discouraged the usage of it due to the pandemic for health reasons.	The system will be fully implemented when the situation normalises and it's safe to do so.	Clocking system reports
MM009	To deepen democracy and promote active community participation 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 MFMA	Updating of municipal website quarterly and as and when required to comply with Sec 75 of MFMA by 30th June 2020	In house	Updating of municipal website quarterly and as and when required to comply with Sec 75 of MFMA by 30th June 2020	In house	No	Certain reports not uploaded into the system due to non-submission of documents from departments.	Reminders and Monitoring of information to be uploaded be made on monthly basis.	Screen shots

KPA	MUNICIPAL TRANSFORMATIONS AND INSTITUTIONAL DEVELOPMENT											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
MM013	To deepen democracy and promote active community participation in the affairs of the institution	Sitting of Council meetings	Number of ordinary council meetings conducted	6 Ordinary and 6 special council meetings conducted	6 Ordinary council meetings conducted by 30th June 2020	In house	10 Ordinary council , 2 Special meetings conducted by 30th June 2020	In house	Yes	None	None	Attendance register
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	11 Ordinary and 3 special Mayoral committee meeting conducted	11 Mayoral committee meeting conducted by 30th June 2020	In house	15 Mayoral committee meeting conducted by 30th June 2020	In house	Yes	None	None	Attendance register

KPA: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

The department of Finance Services overall performance for 2019/2020 financial year is 80% achievement. The department managed to achieve 24 targets out of the 30 planned targets, as compared to 65% achieved in 2018/2019 financial year, out of 20 planned targets 13 targets was achieved.

KPA		MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT										
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	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 by 28 May 2019	1 annual budgets approved in line with MFMA and treasury standards by 31st May 2020	In house	1 annual budgets approved in line with MFMA and treasury standards by 31st May 2020	In house	Yes	None	None	Council resolution
DBT002	To improve the financial status of the municipality through	Budget adjustment in line with MFMA and	Number of budgets adjusted in line with MFMA and	1 budget adjusted in line with MFMA and treasury	1 budget adjusted in line with MFMA and treasury	In house	1 budget adjusted in line with MFMA and treasury	In house	Yes	None	None	Council resolution

KPA		MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT										
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	prudent budget planning, stringent financial management and improved revenue collection	treasury standards	treasury standards	standards by 28th February 2019	standards by 28th February 2020		standards by 28th February 2020					
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 by 31st December 2018	1 Audit action plan developed by 31st December 2019	In house	1 Draft audit action plan developed by 31st December 2019	In house	No	Other departments did not submit their information/input	Audit action plan to be fully developed by the 15th of January 2020	Audit action plan

KPA		MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT										
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/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	Total Own Revenue (R54 654 649)	(R107 488 029) revenue collected excluding grants by 30th June 2020	In house	R39 051 147.87	In house	No	Low collection rate as a result of resistant payment from customers	The Municipality is currently implementing the revised Revenue strategy wherein progress is now starting to show	Section 71 Monthly reports
				R4 255 438	1.Property Rates (R23 081 737)	In house	R23 012 299	In house	No	Low collection rate as a result of resistant payment from customers	The Municipality is currently implementing the revised Revenue strategy wherein progress is now starting to show	Section 71 Monthly reports

KPA		MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT										
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
				R1 282 272	2.Service charges (R1 900 514)	In house	R1 789 529	In house	No	Low collection rate as a result of resistant payment from customers	The Municipality is currently implementing the revised Revenue strategy wherein progress is now starting to show	Section 71 Monthly reports
				R1 122 09 6	3.Investment Revenue (R4 567 169)	In house	R6 881 393 87	In house	No	Invested amount less than anticipated	The Municipality is currently implementing the revised Revenue strategy wherein progress is now starting to show	Section 71 Monthly reports

KPA		MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT										
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
				R47 994 843	4.Other own Revenue (R77 938 609)	In house	R7 367 926	In house	No	Low collection from other revenue sources.	The Municipality is currently implementing the revised Revenue strategy wherein progress is now starting to show	Section 71 Monthly reports
				R538 752 000	Transfers (596 384 000)	In house	R596 384 000	In house	Yes	None	None	Section 71 Monthly reports
DBT006	To improve the financial status of the municipality through prudent budget planning, stringent financial	Revenue enhancement outreach meetings	Number of outreach meeting conducted	12 Outreach meetings conducted	12 Outreach meetings conducted by 30th June 2020	In house	8 Outreach meetings conducted	In house	No	The meetings of the outreach programmes were never held in the second quarter a and has been deferred to the third quarter, due the lockdown all the	A revised outreach schedule has been tabled	Attendance register and reports

KPA		MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT										
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	management and improved revenue collection									meetings were cancelled		
DBT007	To improve the financial status of the municipality through prudent budget planning, stringent financial management and improved revenue collection	Development of Data cleansing action plan	Number of data action plans developed	1 data action plan developed	1 data action plan developed by 30th June 2020	In house	1 data action plan developed	In house	Yes	None	None	Data cleansing action plan
DBT008	To improve the financial status of the municipality through	Implementation of data cleansing process	Number of reports submitted to the Municipal Manager on	0	4 quarterly reports submitted to the Municipal	In house	4 quarterly reports submitted to the Municipal	In house	Yes	None	None	Data cleansing report

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PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	prudent budget planning, stringent financial management and improved revenue collection		data cleansing		Manager on data cleansing by 30th June 2020		Manager on data cleansing					
DBT009	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	600 indigents registered on the indigent	600 indigents registered on the indigent register by 30th June 2020	In house	111 qualified Indigents applications	In house	No	Out of the 675 application received and adjudicated. 111 were found to be qualifying as per adjudication by the Indigent Committee. Sources of verification used were the Department of Social Development	The increasing of the register will be done in the next financial year.	Indigent register

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										and Eskom has also provided a report to confirm the capacity of the electricity provision		
DBT010	To improve the financial status of the municipality through prudent budget planning, stringent financial management and improved revenue collection	Provision of services to indigent households	Percentage of households earning less than R 1200 per month with access to free basic services	100% of households earning less than R1200 per month with access to free basic services	100% of households earning less than R1200 per month with access to free basic services by 30th June 2020	In house	100% of households earning less than R1200 per month with access to free basic services	In house	No	Implementation of the provision of 100% was affected by the issues pertaining to the flaws identified selection criterion as per the adopted policy. Verification process not followed to the latter.	A new Indigent roll is to be created taking into cognisance all the steps involved in the policy.	Indigent register

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PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
DBT011	To improve the financial status of the municipality through prudent budget planning, stringent financial management and improved revenue collection	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 30th June 2019	1 action plan developed in line with FAR compliance with GRAP standards by 30th June 2020	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
DBT012	To improve the financial status of the municipality through prudent budget planning, stringent financial management	Conduct asset verification and reconciliation	Number of asset verifications and reconciliation conducted	2 asset verification and reconciliation conducted by 30th June 2019	2 asset verification and reconciliation conducted by 30th June 2020	In house	2 asset verification and reconciliation conducted	In house	Yes	None	None	Assets verification and reconciliation reports

KPA		MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT										
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	and improved revenue collection											
DBT013	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	Daily update of the Fixed Asset Register by 30th June 2019	Daily update of the Fixed Asset Register by 30th June 2020	In house	Daily update of the Fixed Asset Register	In house	Yes	None	None	Assets register
DBT014	To improve the financial status of the municipality through prudent	Submission of Section 71 monthly budget statements	Number of section 71 monthly statements submitted within 10 days	12 Section 71 monthly statements submitted after 10 working days the end of	12 Section 71 monthly statements submitted within 10 days after the end of	In house	12 Section 71 monthly statements submitted within 10 days after the end of	In house	Yes	None	None	Proof of submission and 12 reports

KPA		MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT										
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	budget planning, stringent financial management and improved revenue collection		after the end of each month to the Executive Mayor, the provincial treasury and national treasury	each month to the Executive Mayor, the provincial treasury and national treasury	each month to the Executive Mayor, the provincial treasury and national treasury by 30th June 2020		each month to the Executive Mayor, the provincial treasury and national treasury					
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 to submitted to Council	4 Supply chain management reports submitted to Council	4 Supply chain management reports submitted to Council by 30th June 2020	In house	4 Supply chain management reports submitted to Council	In house	Yes	None	None	4 reports and council resolution

KPA		MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT										
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	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 budget statements to council	Number of budget statements submitted to council within 30 days after the end of a quarter	4 Budget statements submitted to council within 30 days after the end of a quarter	4 Budget statements submitted to council within 30 days after the end of a quarter by 30th June 2020	In house	4 Budget statements submitted to council within 30 days after the end of a quarter	In house	Yes	None	None	Council resolution and reports
DBT017	To improve the financial status of the municipality through prudent budget planning, stringent financial management	Submission of bank reconciliation to the Municipal Manager	Number of Bank reconciliation submitted to the Municipal Manager within 10 days after the end of the month	10 Bank reconciliation submitted to the Municipal Manager	12 Bank reconciliation submitted to the Municipal Manager by 30th June 2020	In house	12 Bank reconciliation submitted to the Municipal Manager	In house	Yes	None	None	12 Bank reconciliation and proof of submission

KPA		MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT										
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	and improved revenue collection											
DBT018	To improve the financial status of the municipality through prudent budget planning, stringent financial management and improved revenue collection	Compilation and submission of Annual Financial Statements to the Auditor General	Number of Annual Financial Statements compiled and submitted to the Auditor General	0	1 Annual Financial Statement compiled and submitted to the Auditor General by 31st August 2019	R 4 000 000	1 Annual Financial Statement compiled and submitted to the Auditor General by 31st August 2019	R 3 536 017	Yes	None	None	Annual Financial Statement
DBT019	To improve the financial status of the municipality through prudent budget	Conduct stock taking and reconciliation	Number of stock taking and reconciliation conducted	2 stock taking and reconciliation conducted	2 stock taking and reconciliation conducted by 30th June 2020	In house	2 stock taking and reconciliation conducted	In house	Yes	None	None	Stock take reports

KPA		MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT										
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	planning, stringent financial management and improved revenue collection											
DBT020	To improve the financial status of the municipality through prudent budget planning, stringent financial management and improved revenue collection	Implementation of valuation roll	Percentage implementation of valuation roll	100% of the valuation roll implemented on a monthly basis	100% of the valuation roll implemented on a monthly basis by 30th June 2020	In house	100% of the valuation roll implemented on a monthly basis by 30th June 2020	In house	No	Supplementary valuation roll not in place for the financial year.	The supplementary roll implementation will be done in the next financial year as per the MPRA.	Valuation report

KPA		MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT										
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
DBT022	To improve the financial status of the municipality through prudent budget planning, stringent financial management and improved revenue collection	Submission of goods and services through return or verbal and formal return quotations reports to Council (R1-R200 000)	Number of goods and services through return or verbal and formal return quotations reports submitted to Council	4 Goods and services through return or verbal and formal return quotations reports submitted to Council	4 Goods and services through return or verbal and formal return quotations reports submitted to Council by 30th June 2020	In house	4 Goods and services through return or verbal and formal return quotations reports submitted to Council by 30th June 2020	In house	Yes	None	None	4 reports and council resolution
DBT023	To improve the financial status of the municipality through prudent budget planning, stringent financial management	Submission of goods and services procured through a competitive bidding processes reports to Council	Number of goods and services procured through a competitive bidding processes reports	4 Goods and services procured through a competitive bidding processes reports submitted to Council	4 Goods and services procured through a competitive bidding processes reports submitted to Council	In house	4 Goods and services procured through a competitive bidding processes reports submitted to Council	In house	Yes	None	None	4 reports and council resolution

KPA		MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT										
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	and improved revenue collection	(R201 000 above	submitted to Council (R201 000 above	(R201 000 above	(R201 000 above by 30th June 2020		(R201 000 above					
DBT024	To improve the financial status of the municipality through prudent budget planning, stringent financial management and improved revenue collection	Submission of goods and services procured through deviation process reports to Council (R0-R200 000)	Number of goods and services procured through deviation process reports to Council	4 Goods and services. procured through deviation process reports to Council	4 Goods and services procured through deviation process reports to Council by 30th June 2020	In house	4 Goods and services procured through deviation process reports to Council	In house	Yes	None	None	4 reports and council resolution
DBT025	To improve the financial status of the municipality through	Submission of irregular expenditure reports to Council	Number of irregular expenditure reports	4 Irregular expenditure reports submitted to Council	4 Irregular expenditure reports submitted to Council by	In house	4 Irregular expenditure reports submitted to Council	In house	Yes	None	None	4 reports and council resolution

KPA		MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT										
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	prudent budget planning, stringent financial management and improved revenue collection		submitted to Council		30th June 2020							
DBT026	To improve the financial status of the municipality through prudent budget planning, stringent financial management and improved revenue collection	Submission of Contracts Management reports to Council	Number of Contracts Management reports submitted to Council	0	4 Contracts Management reports submitted to Council by 30th June 2020	In house	4 Contracts Management reports submitted to Council	In house	Yes	None	None	4 reports and council resolution

KPA		MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT										
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
DBT027	To improve the financial status of the municipality through prudent budget planning, stringent financial management and improved revenue collection	Submission of section 66 monthly reports to Council	Number of monthly section 66 reports submitted to Council	12 Section 66 monthly reports submitted to Council	12 Section 66 monthly reports submitted to Council by 30th June 2020	In house	12 Section 66 monthly reports submitted to Council	In house	Yes	None	None	12 Section 66 monthly reports and council resolution
DBT028	To improve the financial status of the municipality through prudent budget planning, stringent financial management	Submission of creditors register and creditors analysis monthly reports to Council	Number of creditors register and creditors analysis monthly reports submitted to Council	0	12 creditors register and creditors analysis monthly reports submitted to Council by 30th June 2020	In house	12 creditors register and creditors analysis monthly reports submitted to Council	In house	Yes	None	None	12 creditors register and creditors analysis monthly reports and Council resolution

KPA		MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT										
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	and improved revenue collection											
DBT029	To improve the financial status of the municipality through prudent budget planning, stringent financial management and improved revenue collection	Submission of fruitless and wasteful expenditure reports to Council	Number of fruitless and wasteful expenditure reports to Council	4 fruitless and wasteful expenditure reports submitted to Council	4 fruitless and wasteful expenditure reports submitted to Council by 30th June 2020	In house	4 fruitless and wasteful expenditure reports submitted to Council	In house	Yes	None	None	4 fruitless and wasteful expenditure reports and Council
DBT030	To improve the financial status of the municipality through prudent	Conduct inventory reconciliation	Number of inventory reconciliation conducted	2 Inventory reconciliation conducted	2 Inventory reconciliation conducted by 30th June 2020	In house	2 Inventory reconciliation conducted	In house	Yes	None	None	inventory reconciliation reports

KPA		MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT										
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	budget planning, stringent financial management and improved revenue collection											
DBT031	To improve the financial status of the municipality through prudent budget planning, stringent financial management and improved revenue collection	Closure of the Financial System	Due date for the closure of the Financial System on a monthly basis	0	By the 3rd of each month the Financial System must be closed until 30th June 2020	In house	By the 3rd of each month the Financial System must be closed	In house	Yes	None	None	Financial System closure report

KPA: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

The Office of the Municipal Manager's overall performance for 2019/2020 financial year is 66% achievement. The department managed to achieve 35 targets out of the 53 planned targets, as compared to 72% achieved in 2018/2019 financial year, out of 53 planned targets 38 targets was achieved.

KPA		GOOD GOVERNANCE AND PUBLIC PARTICIPATION										
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
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	24 Mayoral outreach meetings conducted	24 Mayoral outreach meetings conducted by 30th June 2020	In house	24 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	2 Mayoral outreach reports submitted to the mayor	2 Mayoral outreach reports submitted to the mayor by 30th June 2020	In house	2 Mayoral outreach reports submitted to the Mayor	In house	Yes	None	None	Reports
MM003	To deepen democracy and promote	Conducting of Ward	Number of ward committee	384 ward committee	384 ward committee meetings	In house	384 ward committee meetings	In house	Yes	None	None	Attendance registers

KPA		GOOD GOVERNANCE AND PUBLIC PARTICIPATION										
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	active community participation in the affairs of the institution	Committee meetings	meetings conducted	meetings conducted	conducted by 30th June 2020		conducted by 30th June 2020					
MM004	To deepen democracy and promote active community participation in the affairs of the institution	Workshops for councilors and ward committee members	Number of workshop conducted for councilors and ward committee members	2 workshop programmes conducted for ward committee members and councilors	2 workshop programmes conducted for ward committee members and councilors by 30th June 2020	In house	1 workshop programmes conducted for ward committee members and councilors by 30th June 2020	In house	No	1 Workshop not conducted because of the National lockdown regulation which prohibited any form of gathering except of funerals limited to 50 people.	The workshop will be conducted as soon as the levels of lockdown allows for gathering.	Attendance register
					COMMUNICATION							
MM005	To deepen democracy and promote active community participation in the affairs	Development and approval of Communication strategy	Number of Communication Strategies developed and approved		1 communication strategies developed and approved by	In house	1 communication strategies developed and approved	In house	Yes	None	None	Communication strategy and council resolution

KPA		GOOD GOVERNANCE AND PUBLIC PARTICIPATION										
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	of the institution				30th June 2020							
MM006	To deepen democracy and promote active community participation in 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 30th June 2020	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 affairs of the institution	Issuing of media statements	Number of media statements issued	4 media statements issued	4 media statements issued by 30th June 2020	In house	4 media statements issued	In house	Yes	None	None	Media statements
MM008	To deepen democracy and promote active community participation in the affairs of the institution	Updating of official social media accounts	Rate of update of municipal social media accounts	Updating of municipal social media accounts quarterly and as and when required	Updating of municipal social media accounts quarterly and as and when required by 30th June 2020	In house	Updating of municipal social media accounts quarterly and as and when required	In house	No	The responsible official was on leave during the 1st quarter.	The unit needs to be briefed up. There must be at least two officials.	Social media accounts reports

KPA		GOOD GOVERNANCE AND PUBLIC PARTICIPATION										
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
MM010	To deepen democracy and promote active community participation in the affairs of the institution	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 30th June 2020	In house	3 reports on the presidential hotline submitted to the Municipal Manager	In house	No	The responsible official was on leave during the 1st quarter.	The unit needs to be briefed up. There must be at least two officials.	4 Presidential hotline reports
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 30th June 2020	R 170 000	Quarterly issuing of External Newsletter	R170 050	No	The responsible official was on leave during the 1st quarter.	The unit needs to be briefed up. There must be at least two officials.	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 process plans developed and approved by Council	1 IDP process plans developed and approved by Council by 31st August 2019	In house	1 IDP process plans developed and approved by Council by 31st August 2019	In house	Yes	None	None	IDP Process Plan and council resolution

KPA		GOOD GOVERNANCE AND PUBLIC PARTICIPATION										
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/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 30th June 2020	R 865 000	1 IDP's reviewed and approved	R 29 091	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	1 IDP/Budget Indaba meetings conducted	1 IDP/Budget Indaba meetings conducted by 30th June 2020	In house	0	In house	No	Budget Indaba couldn't be held because of Covid-19	In the next Financial year Indaba may have to be held through Media if Covid-19 hasn't subsided.	Attendance register
MM020	To deepen democracy and promote active community participation in the affairs of the institution	Conducting of the Strategic Planning Workshop	Number of strategic planning workshops conducted	1 strategic planning workshops conducted in May 2019	1 strategic planning workshops conducted by 30th June 2020	R 252 000	1 strategic planning workshops conducted	R 238 270.57	Yes	None	None	Attendance register and report

KPA		GOOD GOVERNANCE AND PUBLIC PARTICIPATION										
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
MM021	To deepen democracy and promote active community participation in the affairs of the institution	Conducting of IDP/Budget steering committee meetings	Number of IDP/Budget steering committee meetings conducted	0	4 IDP/Budget steering committee meetings conducted by 30th June 2020	In house	1 IDP/Budget steering committee meetings conducted	In house	No	Other meetings of IDP Steering could not be held because of Quorum	In future meetings will be convened through the office of the Accounting Officer.	Attendance register and report
MM022	To deepen democracy 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 workings days after approval	1 IDP submitted to the MEC for Local Government within 10 workings days after approval	1 IDP submitted to the MEC for Local Government within 10 workings days after approval by 30th June 2020	In house	1 IDP submitted to the MEC for Local Government within 10 workings days after approval	In house	Yes	None	None	Submission letter
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	08 zonal meetings Community Consultative meetings conducted on approved draft IDP/Budget	12 zonal meetings Community Consultative meetings conducted on approved draft IDP/Budget	In house	0	In house	No	Other meetings of IDP Steering could not be held because of Quorum	In future meetings will be convened through the office of the Accounting Officer.	Attendance register

KPA		GOOD GOVERNANCE AND PUBLIC PARTICIPATION										
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
					by 30th June 2020							
PERFORMANCE MANAGEMENT SYSYEM												
MM024	To deepen democracy and promote active community participation in the affairs of the institution	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 Annual Report compiled and submitted to the office of the Auditor General by 31st August 2018	1 Annual Report compiled and submitted to the office of the Auditor General by 31st August 2019	In house	1 Annual Report compiled and submitted to the office of the Auditor General	In house	Yes	None	None	Acknowledgement letter
MM025	To deepen democracy and promote active community participation in the affairs of the institution	Tabling of Annual Report before Council	Number of Annual Reports tabled before council	1 Annual report tabled before council by 29t January 2019	1 Annual report tabled before council by 31st January 2020	In house	1 Annual report tabled before council by 31st January 2020	In house	Yes	None	None	Council resolution
MM026	To deepen democracy and promote active community participation	Development and submission of Mid-year budget and performance	Number of Mid-year budget and performance assessments submitted to	1 Mid-year budget and performance assessment conducted	1 Mid-year budget and performance assessment conducted	In house	1 Mid-year budget and performance assessment conducted	In house	Yes	None	None	Acknowledgement of receipt

KPA		GOOD GOVERNANCE AND PUBLIC PARTICIPATION										
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	in the affairs of the institution	assessment report	the Executive Mayor, National Treasury and Provincial Treasury	and submitted to the Executive Mayor, National Treasury and Provincial Treasury by 25th January 2019	and submitted to the Executive Mayor, National Treasury and Provincial Treasury by 25th January 2020		and submitted to the Executive Mayor, National Treasury and Provincial Treasury by 25th January 2020					
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 by 29t January 2019	1 Mid-year budget and Performance Assessment report tabled before Council by 31st January 2020	In house	1 Mid-year budget and Performance Assessment report tabled before Council by 31st January 2020	In house	Yes	None	None	Council resolution
MM028	To deepen democracy and promote active community participation in the affairs	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 by	1 PMS Policy Framework reviewed and approved by Council by	In house	1 PMS Policy Framework reviewed and approved by Council by	In house	Yes	None	None	Council resolution

KPA		GOOD GOVERNANCE AND PUBLIC PARTICIPATION										
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	of the institution			28 June 2018	30th June 2020		30th June 2020					
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	4 Performance reports submitted to the Executive Mayor	4 Performance reports submitted to the Executive Mayor by 30th June 2020	In house	4 Performance reports submitted to the Executive Mayor by 30th June 2020	In house	Yes	None	None	Council resolution
MM030	To deepen democracy and promote active community participation in the affairs of the institution	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 2020/2021SDBIP's developed and submitted to the Executive Mayor within 14 days after the approval of the budget for consideration by 30th June 2020	In house	1 2020/2021SDBIP's developed and submitted to the Executive Mayor within 14 days after the approval of the budget for consideration	In house	Yes	None	None	Acknowledgement of receipt

KPA		GOOD GOVERNANCE AND PUBLIC PARTICIPATION										
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
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 2020/2021 SDBIP's approved by the Executive Mayor within 28 days after the approval of the budget by 30th June 2020	In house	1 2020/2021 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	4 Signed performance agreements for section 56 Managers and 1 Municipal Manager	5 Signed performance agreements for Senior Managers and 1 Municipal Manager by 31st July 2019	In house	5 Signed performance agreements for Senior Managers and 1 Municipal Manager	In house	Yes	None	None	Signed performance agreements
MM033	To deepen democracy and promote active community participation in the affairs	Conducting performance assessments for Senior Managers	Number of performance assessments conducted for Senior Managers including	4 performance assessments conducted for senior managers including	4 performance assessments conducted for senior managers including	In house	2 performance assessments conducted for senior managers including	In house	No	Performance assessments for Mid-year and Annual were not conducted due to staff shortage	HR department to assist with appointment of staff to PMS Unit	Performance assessments report

KPA		GOOD GOVERNANCE AND PUBLIC PARTICIPATION										
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	of the institution		Municipal Manager	Municipal Manager	Municipal Manager by 30th June 2020		Municipal Manager			as the workload were too much for one Peron		
					INTERNAL AUDIT							
MM034	To deepen democracy 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 30th June 2020	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 democracy and promote active community participation in the affairs of the institution	Submission of internal audit reports to the Audit Committee	Number of internal audit reports submitted to the Audit Committee	4 internal audit reports submitted to the Audit Committee	4 internal audit reports submitted to the Audit Committee by 30th June 2020	In house	4 internal audit reports submitted to the Audit Committee	In house	Yes	None	None	Quarterly audit reports presented to the AC and AC minutes
MM036	To deepen democracy and promote active community participation	Conducting of Internal Audit charter workshops	Number of Internal Audit charter workshops conducted	1 Audit charter workshops conducted	1 Internal Audit charter workshops conducted	In house	1 Internal Audit charter workshops conducted	In house	Yes	None	None	Attendance registers

KPA		GOOD GOVERNANCE AND PUBLIC PARTICIPATION										
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	in the affairs of the institution				by 30th June 2020							
MM037	To deepen democracy and promote active community participation in the affairs of the institution	Holding of Audit Committee meetings	Number of Audit Committee meetings held	4 Audit Committee meetings held	4 Audit Committee meetings held by 30th June 2020	NDM shared services	5 Audit Committee meetings held	In house	Yes	None	None	Attendance registers and minutes
MM038	To deepen democracy and promote active community participation in the affairs of the institution	Submission of Audit Committee reports to Council	Number of Audit Committee reports submitted to Council	3 Audit Committee reports submitted to Council	4 Audit Committee reports submitted to Council by 30th June 2020	In house	4 Audit Committee reports submitted to Council	In house	Yes	None	None	AC Reports, Council resolution
					RISK MANAGEMENT							
MM039	To deepen democracy and promote active community	Submission of quarterly Risk Management reports to RMC	Number of Risk Management reports	4 Risk Management reports	4 Risk Management reports submitted to	In house	4 Risk Management reports	In house	Yes	None	None	Quarterly risk management reports

KPA		GOOD GOVERNANCE AND PUBLIC PARTICIPATION										
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	participation in the affairs of the institution		submitted to RMC	submitted to RMC	RMC by 30th June 2020		submitted to RMC					
MM040	To deepen democracy and promote active community participation in the affairs of the institution	Submission of compliance reports to Risk Management Committee	Number of compliance reports submitted to RMC	4 Compliance reports submitted to RMC	4 Compliance reports submitted to RMC by 30th June 2020	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	Submission of RMC reports to AC	Number of RMC reports submitted to AC	4 RMC report submitted to AC	4 RMC reports submitted to AC by 30th June 2020	In house	4 RMC reports submitted to AC	In house	Yes	None	None	RMC reports
MM041	To deepen democracy and promote active community participation in the affairs	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	In house	1 Strategic Risk Register developed and but not adopted by Council	In house	No	Our Special Risk Management Committee meeting was scheduled on the 27 June 2020 Strategic	To submit the Strategic Risk Register in the 1st Council meeting on 2020/21 FY	Risk register and Council resolution

KPA		GOOD GOVERNANCE AND PUBLIC PARTICIPATION										
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	of the institution				30th June 2020					Risk Register hence they were all submitted to Council in 1st quarter 2020-21 FY.		
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	4 Risk management committee meetings conducted	4 Risk management committee meetings conducted by 30th June 2020	NDM shared services	4 Risk management committee meetings conducted	In house	Yes	None	None	Attendance registers, minutes
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	1 Anti-fraud and corruption awareness campaign conducted	2 Anti-fraud and corruption awareness campaign conducted by 30th June 2020	In house	1 Anti-fraud and corruption awareness campaign conducted	In house	No	1 awareness campaign was conducted inadequately (Via email) hence I was unable to submit the attendance register.	We will ensure that every time when we conduct awareness campaigns we submit invite staff members.	Attendance register

KPA		GOOD GOVERNANCE AND PUBLIC PARTICIPATION										
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
DCS023	To improve organizational efficiency and promote a culture of professional conduct in order to render quality services.	Development of business continuity plan	Number of business continuity plans reviewed and approved by Council	0	1 Business continuity plan reviewed and approved by Council by 30th June 2020	In house	0	In house	No	Our Special Risk Management Committee meeting was scheduled on the 27 June 2020 to consider Risk Management Policies hence they were all submitted to Council in 1st quarter 2020-21 FY.	To submit the BCP in the 1st Council meeting on 2020/21 FY	Business continuity plan and council resolution
MUNICIPAL PUBLIC ACCOUNT COMMITTEE												
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	1 MPAC meetings conducted	4 MPAC meetings conducted by 30th June 2020	In house	7 MPAC meetings conducted	In house	Yes	None	None	Attendance register
MM045	To deepen democracy and promote	Development and approval of the	Number of oversight reports	1 oversight reports developed	1 oversight reports developed	In house	1 oversight reports developed	In house	Yes	None	None	Oversight report and council resolution

KPA		GOOD GOVERNANCE AND PUBLIC PARTICIPATION										
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	active community participation in the affairs of the institution	oversight report on the Annual Report	developed and approved on the probing of the Annual report	and approved on the probing of the Annual report	and approved on the probing of the Annual report by 30th June 2020		and approved on the probing of the Annual report					
MM046	To deepen democracy and promote active community participation 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	0	1 Annual Work Plans developed and approved by Council by 30th June 2020	In house	1 Annual Work Plans developed and approved by Council	In house	Yes	None	None	Annual work plan and council resolution
					YOUTH							
LED017	To create a conducive environment economic development, investment attraction and job creation	Development of an Integrated Youth Strategy	Number of integrated youth strategies developed	1 integrated youth strategies developed and approved by Council	1 integrated youth strategies developed and approved by 30th June 2020	In house	1 integrated youth strategies developed and approved by Council	In house	Yes	None	None	Approved integrated youth development strategy and council resolution

KPA		GOOD GOVERNANCE AND PUBLIC PARTICIPATION										
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
LED024	To create a conducive environment economic development, investment attraction and job creation	Youth participation in training and skills development	Number of youth participating in training and skills development programs facilitated by the municipality	Youth participating in training and skills development programs facilitated by the municipality	Youth participating in training and skills development programs facilitated by the municipality by 30th June 2020	In house	0	In house	No	No enrolment done due to Covid-19 pandemic since the learners enrolled have not yet exited. It must be taken into consideration that the skills programme is done in conjunction with the MRTT, the enrolment of learners is for the duration of 12 months, which normally commences during the last quarter of our financial year and that is the beginning of the	Recruitment and enrolment to be done after the lockdown is lifted	Enrolment list

KPA		GOOD GOVERNANCE AND PUBLIC PARTICIPATION										
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
										financial year of the MRTT.		
LED025	To create a conducive environment economic development, investment attraction and job creation	Conducting of youth outreach meetings	Number of youth outreach meetings conducted	2 youth outreach meetings conducted	2 youth outreach meetings conducted by 30th June 2020	In house	1 youth outreach meetings conducted	In house	No	Youth outreach meeting not conducted due to Covid-19 pandemic public gatherings were not permitted.	To continue to roll out outreach programmes in the new financial year	Attendance register
LED026	To create a conducive environment economic development, investment attraction and job creation	Conducting of Career guidance	Number of Career guidance conducted	1 career guidance conducted	1 career guidance conducted by 30th June 2020	In house	0	In house	No	Career guidance could not be conducted due to Covid-19 pandemic public gatherings were not permitted and schools were closed	To be conducted in the new financial year	Attendance register
LED027	To create a conducive environment	Establishment /Launching of the South	Number of South African Youth Council	1 South African Youth	1 South African Youth	R 0	0	R 0	No	SAYC not established due to covid-19	To be established in	Attendance register and list

KPA		GOOD GOVERNANCE AND PUBLIC PARTICIPATION										
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	economic development, investment attraction and job creation	African Youth Council	established/launched	Council established	Council established/launched by 30th June 2020					public gatherings were not permitted	the new financial year	of newly elected leadership
LED028	To create a conducive environment economic development, investment attraction and job creation	Youth Summit	Number of Youth Summits conducted	0	1 Youth Summits conducted by 30th June 2020	R 0	0	R 0	No	The youth summit could not be conducted due to covid-19 pandemic public gatherings were not permitted	To be conducted in the new financial year	Attendance register and summit report
LED029	To create a conducive environment economic development, investment attraction and job creation	Road Safety Campaign	Number of Road Safety Campaign conducted	1 Road Safety Campaign conducted	1 Road Safety Campaign conducted by 30th June 2020	R 27 000	1 Road Safety Campaign conducted	R 15 500	Yes	None	None	Attendance register and Reports

KPA		GOOD GOVERNANCE AND PUBLIC PARTICIPATION										
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
LED030	To create a conducive environment economic development, investment attraction and job creation	Cooperatives Financial Grant	Number of Cooperatives Financial Grant supported	1 Youth cooperative financial grant supported	2 Cooperatives Financial Grant supported by 30th June 2020	R 200 000	0	R 0	No	The financial grant to support cooperative was not done due to Covid-19 municipal officials were working remotely at their respective homes.	To be done in the new financial year	Invoices
LED031	To create a conducive environment economic development, investment attraction and job creation	NPO Social Special Programmes Support	Number of Social Special Programmes Support conducted	3 Social Special Programmes Support conducted	4 Social Special Programmes Support conducted by 30th June 2020	R 81 000	4 Social Special Programmes Support conducted	R69 550	Yes	None	None	Attendance registers
LED032	To create a conducive environment economic development, investment	Fun run/walk	Number of Fun run/walk conducted	1 Number of Fun run/walk conducted	1 Fun run/walk conducted by 30th June 2020	R 27 000	1 Fun run/walk conducted	R26 546	Yes	None	None	Attendance registers and Reports

KPA		GOOD GOVERNANCE AND PUBLIC PARTICIPATION										
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	attraction and job creation											
LED033	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 30th June 2020	R 171 000	0	R 134 883	No	Not conducted due to Covid-19, social gatherings and sport activities were not permitted	To be conducted in the new financial year	Attendance registers and Reports

KPA: SPATIAL RATIONALE

The department of Development and Town Panning Services overall performance for 2019/2020 financial year is 50% achievement. The department managed to achieve 02 targets out of the 04 planned targets.

KPA	SPATIAL RATIONALE											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	ANNUAL TARGET 2019/2020	ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
TP007	To manage and coordinate spatial planning and Land use management	Anti-land invasion	Number of reports on land invasion submitted to the Municipal Manager	0	4 reports on land invasion submitted to the Municipal Manager 30th June 2020	R 1 000 000	4 reports on land invasion submitted to the Municipal Manager 30th June 2020	R 509 362.72	Yes	None	None	Reports
TP010	To manage and coordinate spatial planning and Land use management	Formalization of informal settlements	Number of application submitted for formalization to Planning Tribunal	0	1 application submitted for formalization to Planning Tribunal by 30th June 2020	R 250 000	0	R 0	No	The budget is little for formalization project	To be prioritized next financial year by ensuring that there is enough budget for township establishment	Acknowledgement of submission
TP011	To manage and coordinate spatial	Town planning workshop	Number of Town Planning Workshop	0	1 Town Planning Workshop conducted	In house	1 Town Planning Workshop conducted	In house	Yes	None	None	Attendance register

KPA	SPATIAL RATIONALE											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	ANNUAL TARGET 2019/2020	ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	planning and Land use management		conducted for Traditional leaders		for Traditional leaders by 30th June 2020		for Traditional leaders by 30th June 2020					
TP012	To manage and coordinate spatial planning and Land use management	Assessment of building plans	Number of building plans received, assessed and approved	0	80 building plans received, assessed and approved by Municipality by 30th 2020	In house	61 building plans received, assessed and approved by Municipality	In house	No	The target was not achieved due to National Covid -19 lockdown	To be prioritized next financial year as we do have a quarterly target of 20 building plans received, assesses and approved, also the DTPS did not have a baseline to benchmark on.	Building Plans register

KPA: LOCAL ECONOMIC DEVELOPMENT

The department of Local Economic Development overall performance for 2019/2020 financial year is 58% achievement. The department managed to achieve 07 targets out of the 12 planned targets, as compared to 77% achieved in 2018/2019 financial year, out of 13 planned targets 10 targets was achieved.

KPA	LOCAL ECONOMIC DEVELOPMENT											
PROJECT NAME	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
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	1200 jobs created through the Community Works Programme	1200 jobs created through the Community Works Programme by 30th June 2020	In house	1200 jobs created through the Community Works Programme	In house	Yes	None	None	MIS Report
LED003	To create a conducive environment for economic development, investment attraction and job creation	Conduct LED Forum Meetings	Number of LED Forum meetings conducted	4 LED forum meetings conducted	4 LED forum meetings conducted by 30th June 2020	In house	4 LED forum meetings conducted	In-house	Yes	None	None	Minutes and attendance register
LED004	To create a conducive environment for economic development, investment	Submit LED Forum reports to the Executive Mayoral Committee	Number of LED Forum reports submitted to the Mayoral Committee	2 LED Forum reports submitted to the Mayoral Committee	2 LED Forum reports submitted to the Mayoral Committee	In house	0	In-house	No	Report could not be prepared and presented to the Mayoral Committee	Report will be presented when the situation has returned to normality. (A	Reports and minutes

KPA	LOCAL ECONOMIC DEVELOPMENT											
PROJECT NAME	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	attraction and job creation				by 30th June 2020					because of the Covid-19	report will be presented to mayoral in Q4)	
LED005	To create a conducive environment for economic development, investment attraction and job creation	Conduct LED Outreach meetings on Mass Economic Opportunities	Number of LED outreach meetings conducted	2 LED Outreaches conducted	2 LED Outreaches conducted by 30th June 2020	In house	2 LED Outreaches conducted	In house	Yes	None	None	Attendance register and reports
LED006	To create a conducive environment for economic development, investment attraction and job creation	Engagement of stakeholders on Moloto road development	Number of stakeholders engagement meetings held for Moloto Road development	2 Stakeholders engagement meetings held for Moloto Road Development	2 Stakeholders engagement meetings held for Moloto Road Development by 30th June 2020	In house	2 Stakeholders engagement meetings held for Moloto Road Development	In-house	Yes	None	None	Reports and attendance register
LED007	To create a conducive environment for economic development,	Conduct reference committee meetings for Community	Number of reference committee meetings for CWP	4 Local Reference Committee meetings	4 Local Reference Committee meetings held on	In house	3 Local Reference Committee meetings	In-house	No	4th meeting of LRC could not sit owing to Covid-19. (no Quorum)	Meeting will sit when it is convenient to do so (the LRC meeting	Minutes and attendance register

KPA	LOCAL ECONOMIC DEVELOPMENT											
PROJECT NAME	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	investment attraction and job creation	Works Programme		held on CWP	CWP by 30th June 2020		held on CWP				will be held in the 1st Q of 2020/21	
LED008	To create a conducive environment for economic development, investment attraction and job creation	Development and approval of Municipal Investment Strategy	Number of Municipal Investment Strategies developed and approved by council	1 Draft Municipal Investment Strategy developed	1 Municipal Investment Strategy developed and approved by council by 30th June 2020	In house	0	In-house	No	Strategy was referred back to senior managers for inputs.	The strategy will be taken to council in the ensuing quarter 4 council sitting.	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 to engage and support lucrative investors	2 Meetings held to engage and support lucrative investors by 30th June 2020	In house	2 Meetings held to engage and support lucrative investors.	In house	Yes	None	None	Attendance register and reports
LED013	To create a conducive environment for economic development, investment	Training and support for SMME's and Cooperatives	Number of SMME's and cooperatives trained and supported	40 SMMEs and Cooperatives trained and supported	40 SMMEs and Cooperatives trained and supported by 30th June 2020	In house	30 SMMEs and Cooperatives trained and supported by 30th June 2020	In-house	No	The 4th quarter training could not be conducted owing to Covid-19	Training will be conducted in the 1st quarter of 2020/21	Attendance registers and reports

KPA	LOCAL ECONOMIC DEVELOPMENT											
PROJECT NAME	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	attraction and job creation											
LED014	To create a conducive environment for economic development, investment attraction and job creation	Conduct cooperative project meetings	Number of cooperative projects meetings conduct	4 Cooperative projects meetings conducted	4 Cooperative projects meetings conducted by 30th June 2020	In house	4 Cooperative projects meetings conducted by 30th June	In-house	Yes	None	None	Minutes and attendance register
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	20 SMME's and Cooperatives registered on municipal data base	20 SMME's and Cooperatives registered on municipal data base by 30th June 2020	In house	27 SMME's and Cooperatives registered on municipal data base	In-house	Yes	None	None	Data log
LED016	To create a conducive environment for economic development, investment attraction and job creation	Identify and support rural smallholder farmers and community gardens	Number of rural smallholders farmers and community gardens identified	20 rural smallholder farmers and community gardens identified	20 rural smallholder farmers and community gardens identified by 30th June 2020	In house	5 rural smallholder farmers and community gardens identified	In-house	No	An error crept in wherein names of people were entered instead of their organizations.	The error is being rectified in all subsequent activities going forward.	Site visit reports and attendance register

3.24 FINANCE

ANNUAL REPORT OF THE AUDIT AND PERFORTMANCE 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 2020

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 section166 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	Special Reviewal of financial Statements	Total	Attendance
Mrs. FJ Mudau Chairperson	4	4	2	10	10
Mr. L Langalibalele (Member)	4	4	2	10	10
Mr. M Mathabathe (Member)	4	4	2	10	10
Ms J Masite (Member)	3	4	2	10	9
Mr T. Gafane (Member)	3	4	1	10	8

The following although not members of the Audit and Performance Committee (APC), have standing invitation to Audit and Performance Committee meetings to play their first level of assurance;

- The Accounting Officer;
- The Chief Financial Officer;

- The Chairperson of the Risk Management Anti-fraud and Anti-corruption Committee (RMAFACC)
- The Section 56 Managers/Departmental Heads
- Chief Audit Executive
- Chief Risk Officer
- The Auditor- General
- The National Treasury
- Mpumalanga Provincial Treasury
- Internal Audit (Secretariat function)
- PMS Assistant Manager
- ICT Assistant Manager
- Legal Assistant Manager

3. Internal Audit

The internal Audit of Thembisile Local Municipality is in-house and has discharge its mandate in terms of its approved internal audit charter and managed to execute all projects for 2019/20 financial year. The Audit and Performance Committee (APC) would like to commend the Council and Management for the dedication in strengthening the Corporate Governance, Risk Management and Internal Control processes.

The Audit and Performance Committee (APC) 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. Internal Audit further managed to achieve general conformance on all practice Standards. 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
- Performance Management Framework

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;
- Revenue Management;
- Supply Chain Management;
- ICT audit;
- Land and Building;
- Waste Management Audit;
- Risk Management Audit;
- Annual Financial Statements
- Follow-up on Internal Audit Findings

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 have been raised by the Auditor General are resolved by Management.

5. Risk Management

The Municipality has an effective Risk Unit that consist of one staff member 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
- Key performance Indicators for the Risk Management Committee.

6. Performance Management

Management has not cascaded performance measurements to employees other than senior managers and no plans have been put in place to cascade performance to other levels has it been cascaded.

The Audit committee has reviewed the Annual Performance Information report in the meeting held on the 27th August 2020 and performance unit has shown significant improvement

7. Year-end reporting

The Audit and Performance Committee (APC) has reviewed the Annual Performance Information report before the report was submitted to the Auditor-General and the quality of the quarterly reports submitted by management during the year were of acceptable standard.

8. Evaluation of draft annual financial statements

The Audit and Performance Committee (APC), on its meeting held on the 25 August 2020 to discuss the draft annual financial statements and Unaudited Annual Report with the Accounting Officer, before submitting to the Auditor General. The Audit committee wishes to indicate that it performed a review on the financial statements focusing among others;

- Significant financial reporting adjustments and estimates contained in the Annual Financial Statements
- 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

9. Final Auditor General's report

The Audit and Performance Committee (APC) has:

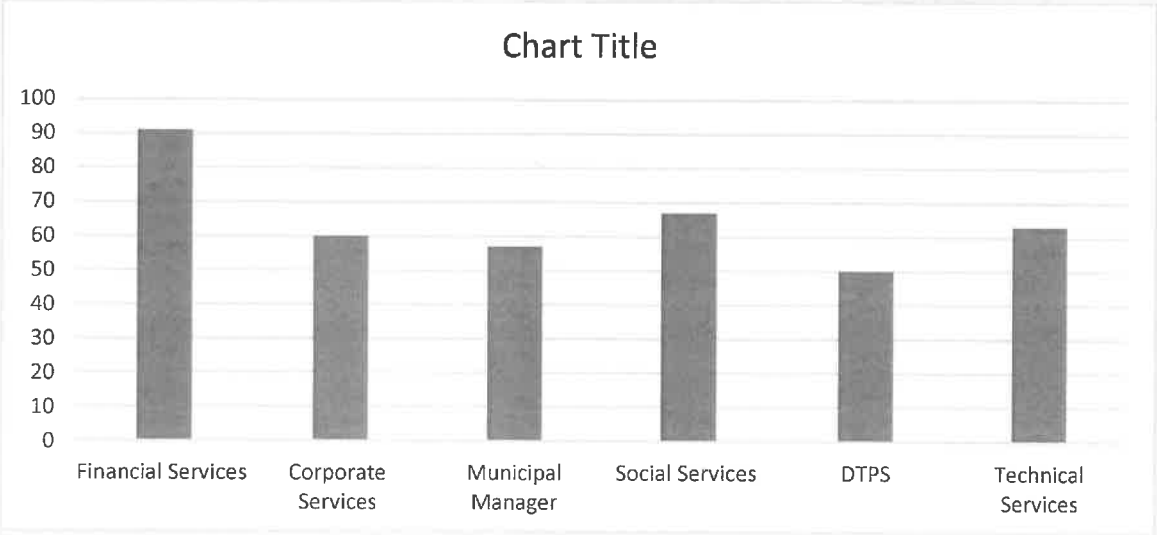
- Further reviewed the audited financial statements to be included in the Annual Report with the Accounting Officer.
- Reviewed the Auditor General Management report and management response thereof
- Reviewed the Municipality compliance with legal and regulatory provision and;
- Reviewed significant adjustments resulting from the audit.

The Audit and Performance Committee (APC) concurs and accepts the conclusions of the Auditor-General on the Annual Financial Statements be accepted and read together with the report of the Auditor-General.

The APC met with the Auditor-General of South Africa to ensure that there are no unresolved issues.
Furthermore the committee strongly recommends interaction between the Committee and the management team to discuss and agree on the way forward on the implementation plan for an improved internal control environment within the Municipality, thereby addressing the internal control environment of the Municipality.

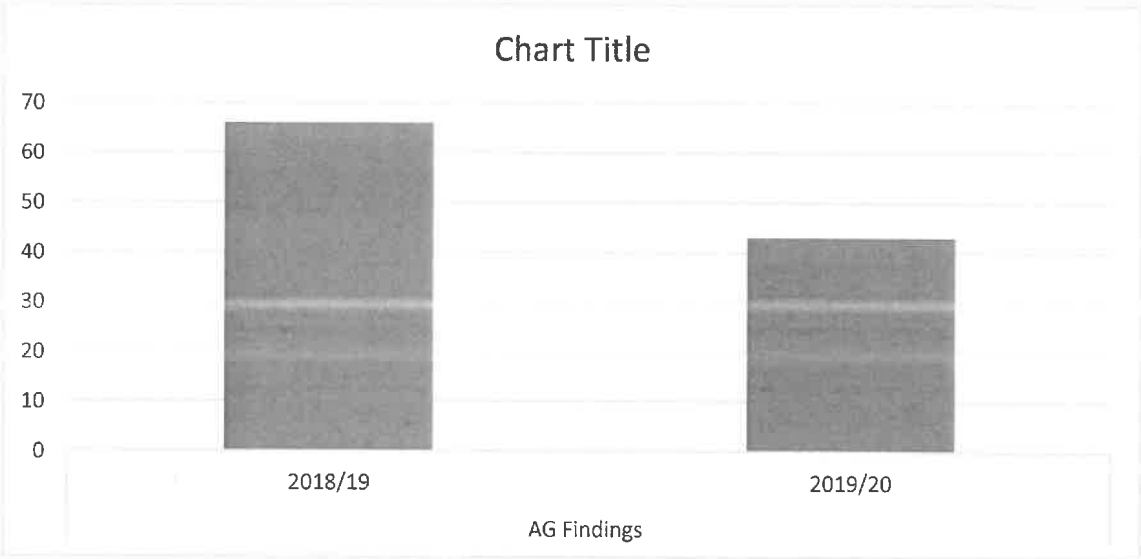
10. Implementation of Internal Audit recommendations

The chairperson of the Audit and Performance Committee would like to express her gratitude to the Top Management for implementing Internal Audit recommendations the total implementation per percentage is follows



11. Audit Action Plan

Although Thembisile Hani Local Municipality maintained the qualification audit opinion, it is also important to acknowledge the work of management team in reducing the number of audit findings raised by the Auditor General in the Management report from Sixty Six (66) to Forty three (43) findings.



12. Post Subsequent Events (COVID-19 Outbreak)

Audit Committee has engaged the Department's on its COVID-19 outbreak and management response strategy and plan (which includes the Business Continuity Plan), Audit Committee will continue to monitor the implementation of COVID19 strategy in our quarterly engagements.

13. Conclusion

The Audit and Performance Committee (APC) acknowledges the co-operation and assistance by the Thembisile Hani Local Municipality for coordinating the activities of the Committee. The Audit and Performance Committee (APC) further acknowledge the commitment into good governance as shown by Council, Speaker Hon. Mabena, MPAC, the Honorable Executive Mayor N. Mtsweni, and further express gratitude to the Chief Audit Executive and his staff for the support and commitment to the work of the Audit and Performance Committee.

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 and intervention.

The further committee is committed to fully execute its assurance and oversight functions to strengthening corporate governance and clean administration processes.

Ms. SJ. Masite
Chairperson of Audit and Performance committee

07 May 2021
Date

Chapter 4

CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE (PERFORMANCE REPORT PART II)

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	2018/2019 Total No. Of Post Approved	2019/2020 Total No. Of Post Approved	2018/2019 Number Of Filled Post	2019/2020 Number Of Filled Post	2018/2019 Number Of Vacant Posts	2019/2020 Number Of Vacant Posts	2018/2019 % Of Vacancy	2019/2020 % Of Vacancy
Political Office	16	16	15	15	1	1	6.2%	6.6%
Municipal Manager	23	12	20	11	3	1	13%	8.3%
Development & Town Planning services	11	11	9	9	2	2	18.1%	18.1%
Corporate Services	45	45	41	41	4	4	8.8%	8.8%
Finance	38	38	35	36	3	2	7.8%	5%
Sds	122	122	112	109	10	13	8.1%	10.6%
Technical	175	175	156	163	19	12	10.8%	6.8%
Total	419	419	388	384	40	35	9.5%	8.3%

Department	2018/2019 Total No. Of Post Approved	2019/2020 Total No. Of Post Approved	2018/2019 Number Of Filled Post	2019/2020 Number Of Filled Post	2018/2019 Number Of Vacant Posts	2019/2020 Number Of Vacant Posts	2018/2019 % Of Vacancy	2019/2020 % Of Vacancy
Political Office	16	16	15	15	1	1	6.2%	6.6%
Municipal Manager	23	12	20	11	3	1	13%	8.3%
Development & Town Planning services	11	11	9	9	2	2	18.1%	18.1%
Corporate Services	45	45	41	41	4	4	8.8%	8.8%
Finance	38	38	35	36	3	2	7.8%	5%

Sds	122	122	112	109	10	13	8.1%	10.6%
Technical	175	175	156	163	19	12	10.8%	6.8%
Total	419	419	388	384	40	35	9.5%	8.3%

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	Filed
Manager :Corporate	Filled
Manager Development & Town Planning Services	Filled

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 2018/2019					Hr Policies And Plans For 2019/2020		
	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%	31-July-2019
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%	31-July-2019
8	Occupational Health And Safety	100%	100%	31 May 2013	100%	100%	31-July-2019
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%	31-July-2019
12	Organisational Rights	100%	100%	1-May-2007	100%	100%	20 - July-2018
13	Performance Management And Development	100%	100%	25 July 2017	100%	100%	31-July-2019
14	Recruitment, Selection And Appointments	100%	100%	25 July 2017	100%	100%	31-July-2019
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%	31-July-2019
17	Skills Development	100%	100%	25 July 2017	100%	100%	31-July-2019
18	Smoking	100%	100%	5-Aug-2011	100%	100%	31-July-2019
19	Other: Retention Policy	100%	100%	31 May 2013	100%	100%	31-July-2019
20	Employee Assistance Programme Policy	100%	100%	October 2015	100%	100%	31-July-2019
21	HIV/AIDS Policy	100%	100%	October 2015	100%	100%	31-July-2019
22	Succession Planning And Career Pathing	100%	100%	25 July 2017	100%	100%	31-July-2019
23	Fleet Management	100%	100%	25 July 2017	100%	100%	31-July-2019

24	Leave Policy And Procedure Manual	100%	100%	25 July 2017	100%	100%	31-July-2019
Use Name Of Local Policies If Different From Above And At Any Other Hr Policies Not Listed.							

4.3 INJURIES, SICKNESS AND SUSPENSIONS

Number And Cost Of Injuries On Duty					
Type Of Injury	**Injury Leave Taken** Days	**Employees Using Injury Leave** No.	**Proportion Employees Using Sick Leave** %	**Average Injury Leave Per Employee** Days	**Total Estimated Cont** 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. M Tsebe
2. Ms P.P. Mahlangu
3. Ms P.V. Sibiya

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

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)

Financial Officials						
Accounting Officer	1	0	1	1	1	1
Chief Financial Officer	1	0	1	1	1	1
Snr. Managers	4	0	4	4	4	4
Any Other Financial Officials	33	0	33	0	0	33
Supply Chain Management Officials	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
Total	44	0	44	6	6	44
* 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 PERFORMANCE

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	2018/2019	Current Year 2019/2020			2019/2020 Variance Actual	
R Thousands	Actual Outcome	Original Budget	Adjusted Budget	Actual Outcome	Actual Outcome As % Of Final Budget	Actu Outc e A Of Orig Bud
Financial Performance						
Property Rates	31 605 482	49 770 000	49 770 000	47 680 432	95.8%	95.8
Service Charges	133 555 764	186 857 000	177 983 000	137 511 464	77.2%	73.5
Investment Revenue	6 908 088	6 500 000	4 240 811	9 138 287	215.4%	140.5
Transfers Recognised – Operational	393 949 250	434 097 000	423 405 630	421 535 930	99.5%	97.1
Other Own Revenue	112 628 211	77 029 823	108 982 775	109 417 521	100.3%	142.(
Total Revenue (Excluding Capital Transfers And Contributions)	**678 646 795**	**754 453 573**	**764 382 216**	**725 283 634**	**94.8%**	**96.1**
Employee Costs	131 696 525	156 765 000	157 683 000	141 352 568	89.6%	90.1
Remuneration Of Councillors	24 177 583	27 554 000	25 554 000	25 154 166	98.4%	91.2
Depreciation & Asset Impairment	69 574 630	84 896 000	84 896 000	71 564 107	84.2%	84.2
Finance Charges		0	0		0	0
Materials And Bulk Purchases	154 372 105	146 620 039	157 620 084	151 648 903	106.6%	109.5
Transfers And Grants	53 212	250 000	0	0	0	0
Other Expenditure	393 362 568	334 724 498	494 973 498	362 851 642	73.3%	108.4
Total Expenditure	**773 289 835**	**738 451 633**	**905 298 633**	**752 571 386**	**83.1%**	**101.9**
Surplus/(Deficit)	**(94 643 040)**	**16 001 940**	**(140 916 416)**	**(27 287 752)**	**-19.3%**	**-170.**

Transfers Recognised – Capital	144 760 267	162 287 000	191 116 853	191 115 337	99.9%	117.
Surplus/(Deficit) After Capital Transfers & Contributions	**50 117 227**	**178 288 940**	**(50 200 437)**	**163 827 585**	326.3%	91.8
Share Of Surplus/ (Deficit) Of Associate	**0**	**0**	**0**	**0**	**0**	**0**
Surplus/(Deficit) For The Year	**50 117 227**	**178 288 940**	**(50 200 437)**	**163 827 585**	326.3%	91.8
Capital Expenditure & Funds Sources						
Capital Expenditure	**164 949 725**	**167 646 750**	**199 443 408**	**196 058 218**	**98.3%**	**116.**
Transfers Recognised – Capital	163 294 983	162 286 750	192 733 408	191 115 182	99.1%	117.
Public Contributions & Donations	0	0	0	0		
Borrowing	0	0	0	0		
Internally Generated Funds	1 654 742	5 360 000	6 710 000	4 943 036	**73.6%**	**92.2**
Total Sources Of Capital Funds	**164 949 725**	**167 646 750**	**199 443 408**	**196 058 218**	**98.3%**	**116.**
Financial Position						
Total Current Assets	161 093 505	142 952 606	143 676 210	194 279 551	135.2%	135.
Total Non Current Assets	1 995 285 706	1 975 704 953	2 089 064 658	2 116 958 146	101.3%	107.
Total Current Liabilities	86 589 808	13 016 636	41 800 542	76 161 321	182.2%	585.
Total Non Current Liabilities	76 444 678	52 667 440	52 667 440	77 911 732	147.9%	147.
Community Wealth/Equity	**1 993 344 725**	**2 052 973 483**	**2 138 272 886**	**2 157 164 644**	**100.8%**	**105.**
Cash Flows						
Net Cash From (Used) Operating	179 760 482	167 688 364	134 331 636	168 736 601	125.6%	100.
Net Cash From (Used) Investing	(152 530 330)	(167 646 750)	(199 443 408)	(159 888 341)	-80.1%	-95.3
Net Cash From (Used) Financing	10 281 159	0	(5 100 111)	(3 675 426)	-72.06%	0
Cash/Cash Equivalents At The Year End	**94 286 124**	**20 291 614**	**24 071 462**	**99 458 958**	**413.1%**	**490.**

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%.

5.2 GRANTS

Grant Performance						
R						
Description	2018/2019	2019/20			2019/20variance	
	Actual	Budget	Adjustments Budget	Final Adjusted Budget	Original Budget (%)	Adjustments Budget (%)
Operating Transfers And Capital Grants						
National Government:	552 252 000	596 384 000	596 980 000	596 980 000	100%	100%
Equitable Share	364 153 000	404 156 000	404 156 000	404 156 000	100%	100%
Municipal Systems Improvement	0				0%	0%
Department Of Water Affairs	60 000 000	60 000 000	60 000 000	60 000 000	100%	100%
Levy Replacement	0				0%	0%
Other Transfers/Grants (FMG, MIG, EPWP, EEDSM and MDG]	128 099 000	132 228 000	132 824 000	132 824 000	100%	100%
Provincial Government:					**0%**	**0%**
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%
District Municipality:	**0**	**0**	**0**	**0**	**0%**	**0%**
Nnkangala District Municipality	0	0	0	0	0%	0%
	0	0	0	0	0%	0%
Other Grant Providers:	**0**	**0**	**0**	**0**	**0%**	**0%**
[Insert Description]	0	0	0	0	0%	0%
	0	0	0	0	0%	0%
Total Operating Transfers And Capital Grants	**552 252 000**	**596 384 000**	**596 980 000**	**596 980 000**		**100%**

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
2019/2020	2.55

COMMENT ON LIQUIDITY RATIO

Year	Outstanding Service Debtor To Revenue
2018/2019	1 675 days
2019/2020	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

2019/2020	% Of Expenditure Budget	Original Budget(R)	Adjustment Budget	Audited Full Year Total
MIG Capital Expenditure	100%	123 429 000	0.00	123 429 000
WSIG Expenditure	97.30%	60 000 000	0.00	58 381 774
Operating Expenditure	0.00	0.00	0.00	0.00
Total Expenditure	**197.30%**	**183 429 000**	**0.00**	**181 810 774**

5.6 SOURCES OF FINANCE

Capital Expenditure - Funding Sources 2018-2019 - 2019/2020 R						
Details	2018/2019	2019/2020				
	Original Budget (Ob)	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	**147 569 817**	**162 286 750**	**192 733 408**	191 115 182	99.16%	117.7%
Other (Internal Funding)	**17 379 908**	**5 360 000**	**6 710 000**	4 943 036	73.66%	92.2%
Total	**164 949 725**	**167 646 750**	**199 443 408**	**196 058 218**	**98.3%**	**116.9%**

Percentage Of Finance						
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

Capital Expenditure						
Water And Sanitation	109 169 275					
Electricity	2 081 228.00					
Housing	0	0	0	0	0	0
Roads And Storm Water	0	0	0	0	0	0
Other	0	0	0	0	0	0
Total	**111 250 503**					
Percentage Of Expenditure						
Water And Sanitation	98%					
Electricity	2%					
Housing	0					
Roads And Storm Water	0					
Other	0					

COMMENT ON SOURCES OF FUNDING

Grant funded projects were in line with the MIG implementation plan

5.7 CAPITAL SPENDING ON 5 LARGEST PROJECTS

Capital Expenditure Of 5 Largest Projects* R			
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 35 000 000.00	R 39 586 996.05	39 586 996.05
B- Upgrading of Kwaggafontein Landfill Site (Multi-Year Project)	R 19 964 016.01	R 19 266 363.22	R 18 578 272.59
C- Constuction of Suncity A 5ML reservior	R 14 000 000	R 9 000 000.00	R 8 965 822.49
D- Constuction of Moloto 5ML reservior	R 4 600 000.00	R 9 000 000.00	R 8 995 564.24
E- Moloto Ground Water Supply(Multi-Year Project)	R 4 400 000.00	R 8 735 768.30	R 7 697 439.83
* Completed Projects With The Highest Capital Expenditure In 2019/ 2020.			

Name Of Project - B	Upgrading of Existing Infrastructure from Agricultural Project to Augment Borehole Water Supply in Bundu (Bundu Weir, Multi-Year Project)
Objective Of Project	To address the shortage of water in the Municipality and supplement the current shortfall by adding 5 Ml per day to the network.
Delays	Local business forum challenges in light of work opportunities that are being demanded, hereby resulting in disturbance of the work on site. The pronouncement of the national state of disaster (Covid-19) as pronounced by the State President in terms of the Disaster Management Act has created delays in the project and contractors had to suspend the works during the Lockdown level 5.
Future Challenges	Inadequate bulk water supply for the Municipality in light of the 74.1 Ml 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 Ml per day from its water suppliers, which amounts to a shortfall of 31.1 Ml per day.
Anticipated Citizen Benefits	6 840 Households To Benefit

Name Of Project - B	Upgrading of Kwaggafontein Landfill Site (Multi-Year Project)

Objective Of Project	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.
Delays	Local business forum challenges in light of work opportunities that are being demanded, hereby resulting in disturbance of the work on site. The pronouncement of the national state of disaster (Covid-19) as pronounced by the State President in terms of the Disaster Management Act has created delays in the project and contractors had to suspend the works during the Lockdown level 5.
Future Challenges	Fast filling of landfill site should the KwaMhlanga one not be legalised and upgraded in the next 5 – 10 years.
Anticipated Citizen Benefits	57 600 Households To Benefit.

Name Of Project - C	Constuction of Suncity A 5ML reservoir
Objective Of Project	To provide additional storage capacity to the benefiting communities and also to improve the equitable distribution and management of the supply in the network, and assist in reducing water losses
Delays	The pronouncement of the national state of disaster (COVID 19) as pronounced by the State President in terms of the Disaster Management Act has created delays in the project and contractors had to suspend the works during the Lockdown level 5.
Future Challenges	Fast growing of the population earmarked to be serviced by the reservoirs which will be inadequate in no time.
Anticipate d Citizen Benefits	6 926

Name Of Project - D	Constuction of Moloto 5ML reservoir
Objective Of Project	To provide additional storage capacity to the benefiting communities and also to improve the equitable distribution and management of the supply in the network, and assist in reducing water losses
Delays	The pronouncement of the national state of disaster (COVID 19) as pronounced by the State President in terms of the Disaster Management Act has created delays in the project and contractors had to suspend the works during the Lockdown level 5.
Future Challenges	Fast growing of the population earmarked to be serviced by the reservoirs which will be inadequate in no time.
Anticipate d Citizen Benefits	771

Name Of Project - E	Moloto Ground Water Supply (Multi-Year Project)
Objective Of Project	To address the shortage of water in the Municipality and supplement the current shortfall by adding 4 Ml per day to the municipal network.
Delays	The pronouncement of the national state of disaster (COVID 19) as pronounced by the State President in terms of the Disaster Management Act has created delays in the project and contractors had to suspend the works during the Lockdown level 5.
Future Challenges	Inadequate bulk water supply for the Municipality in light of the 74.1 Ml 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 Ml per day from its water suppliers, which amounts to a shortfall of 36.1 Ml per day.
Anticipated Citizen Benefits	47964 Households To Benefit.

5.8 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

The Municipal grants expenditure 2019/2020 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 eecutive Mayor in the form of section 71 reports and quarterly reports to Council.

5.9 CASH FLOW

Description	2019/2020				2019/2020
R Thousand	Original Budget"000	Budget Adjustments (I.T.O. S28)	Final Adjustments Budget	Actual Outcome	Audited Outcome
	1	2	3	4	
Cash Flow From Operating Activities					
Receipts					
Ratepayers And Other	53 510 380	49 410 480	102 920 860	84 225 809	84 225 809
Government - Operating	407 955 000	13 833 920	421 788 920	421 788 920	421 788 920
Government - Capital	188 429 000	- 13 237 920	175 191 080	175 191 080	175 191 080
Interest	6 723 984	-2 156815	4 567 169	2 263 519	2 263 519
Payments					
Suppliers And Employees	-488 680 000	-80 356 393	-569 036 393	-513 759 294	-513 759 294
Finance Charges		-1 100 000	-1 100 000	-973 433	-973 433
Transfers And Grants	-250 000	250 000	0	0	0
Net Cash From/(Used) Operating Activities	**167 688 364**	**-33 356 728**	**134 331 636**	**168 736 601**	**168 736 601**
Cash Flows From Investing Activities					
Receipts	–	–	–	–	–
Proceeds On Disposal Of Ppe	–		–	–	–
Decrease (Increase) In Non-Current Debtors	–	–	–	3 385 502	3 385 502
Decrease (Increase) Other Non-Current Receivables	–	–	–	–	–
Decrease (Increase) In Non-Current Investments	–	–	–	–	–
Payments	–	–	–	–	–
Capital Assets	-167 646 750	-31 796 658	-199 443 408	-163 273 844	-163 273 844

Net Cash From/(Used) Investing Activities	**-167 646 750**	**-31 796 658**	**-199 443 408**	**-159 888 341**	**-159 888 341**
Cash Flows From Financing Activities				–	–
Receipts				–	-
Short Term Loans				–	–
Payments				–	–
Repayment Of Borrowing	0	-5 100 111	-5 100 111	-3 675 426	3 675 426
Net Cash From/(Used) Financing Activities	**0**	**-5 100 111**	**-5 100 111**	**-3 675 426**	**3 675 426**
					–
Net Increase/ (Decrease) In Cash Held	**41 614**	**-70 253 497**	**-70 211 883**	**5 172 834**	**5 172 834**
Cash/Cash Equivalents At The Year Begin:	20 250 000	74 033 345	94 283 345	94 286 124	94 286 124
Cash/Cash Equivalents At The Year End:	**20 291 614**	**3 779 848**	**24 071 462**	**99 458 958**	**99 458 958**

5.10 BORROWING

COMMENT ON BORROWING

The Municipality did not have any 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 databse. 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.
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. Zephaniah Nkosi
Ms. Pinky Sibiya
Ms. Aminah Aphane
Mr. Jabulani Skosana

Bid Evaluation Committee
Mr. Vusimuzi Skosana
Mr. Sanele Nkosi
Mr. Oupa Ledwaba
Mr. Abednego Nkwanyana
Ms. Lydia Sehlako

Bid Adjudication Committee
Ms. Jessica Mahlangu
Mr. Abram Chego
Mr. Madumetja Tsebe
Mr. Tshepiso Maphutha
Ms. Lerato Nxumalo
Ms. Felicia Ntuli

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 2019/2020 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 SCM Assistant Manager complies with these minimum competency levels. The SCM: Accountant and SCM Chief Accountant have also completed their MFMP programmes to meet the minimum competency levels. 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 the Auditor General on non – compliance with Regulations. However, most of audit queries issues raised are currently under investigation through the disciplinary board. Another remedy is to ensure that SCM personnel embarks on continuous training in order to be in line with new Regulations and developments.

Chapter 6

CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS

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 2018/2019

6.1 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 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).

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.

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

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.

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.

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

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.

COMPONENT B: AUDITOR-GENERAL OPINION 2019/2020

6.2 AUDITOR GENERAL REPORTS 2019/2020

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 2020, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget information with actual information 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 effects of the matters described in the basis for qualified opinion section of this auditor's report, the financial statements present fairly, in all material respects, the financial position of the Thembisile Hani Local Municipality as at 30 June 2020, 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 56 of 2003 (MFMA) and the Division of Revenue Act 16 of 2019 (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. Consequently, property rates and receivables from non-exchange transactions were overstated by R10, 7 million. Additionally, there was an impact on the surplus for the period.

Water distribution

4. The Municipality did not recognise water distribution in accordance with GRAP 12, *Inventory,* since it did not maintain an adequate system of internal control for recording all transactions relating to

water distribution. As a result, water issued amounting to R53 million, free basic water amounting to R41,4 million and water losses amounting to R62,8 million, reflected in note 6 to the financial statements, were recorded at incorrect amounts. I was unable to determine the impact on the net carrying amount of water inventory as it was impracticable to do so.

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 the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other 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.

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 note 40 to the financial statements, the corresponding figures for 30 June 2019 were restated as a result of an error in the financial statements of the Municipality at, and for the year ended, 30 June 2020.

Impairments – trade debtors

10. As disclosed in note 10 to the financial statements, a material impairment of consumer debtors of R1, 2 billion (2018-19: R1 billion) was incurred as a result of an impairment provision for doubtful debts.
11. As disclosed in note 32 to the financial statements, material losses of R5, 7 million (2018-19: R4,4 million) were incurred as a result of a write-off of irrecoverable trade debtors.

Events after the reporting period

12. I draw attention to note 43 to the financial statements, which deals with subsequent events and the possible effects of the future implications of covid-19 on the Municipality's operations.

Other matter

13. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Unaudited disclosure notes

14. 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.

Responsibilities of the accounting officer for the financial statements

15. 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.

16. 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

17. 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.

18. 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

19. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected development priorities presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.

20. My procedures address the usefulness and reliability of the reported performance information, which must be based on the Municipality's approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators/measures included in the planning documents. My procedures do not examine whether the actions taken by the Municipality enabled service delivery. My procedures also do 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.

21. 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 Municipality's annual performance report for the year ended 30 June 2020:

Development priority	Pages in the annual performance report
KPA 1 – basic service delivery and infrastructure development	x – x

22. 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.

23. The material findings in respect of the usefulness and reliability of the selected development priority are as follows:

KPA 1 – basic service delivery and infrastructure development

Various indicators

24. The source information for measuring the planned indicator was not clearly defined and related systems and processes were not adequate to enable consistent measurement and reliable reporting of performance against the predetermined indicator definitions. As a result, limitations were placed on the scope of my work and I was unable to audit the reliability of the achievements for the key performance indicators below reported against targets in the annual performance report.

Key performance indicator	Planned target	Reported achievement
Number of households provided with water (DTS 007)	82 653 households provided with water by 30th June 2020	57 767 households provided with water
Number of households provided with 6kl free basic water (DTS 033)	82 653 households provided with 6kl free basic water 30th June 2020	57 767 households provided with 6kl free basic water

Other matters

25. I draw attention to the matters below.

Achievement of planned targets

26. Refer to the annual performance report on pages xx to xx for information on the achievement of planned targets for the year. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information in paragraph 24 of this report.

Adjustment of material misstatements

27. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information of basic service delivery and infrastructure development. As management subsequently corrected only some of the misstatements, I raised material findings on the usefulness and reliability of the reported performance information. Those that were not corrected are reported above.

Report on the audit of compliance with legislation

Introduction and scope

28. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the Municipality's compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

29. The material findings on compliance with specific matters in key legislation are as follows:

Annual financial statements

30. 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 and non-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

31. Reasonable steps were not taken to prevent fruitless and wasteful expenditure amounting to R1 million, as disclosed in note 44 to the financial statements, as required by section 62(1)(d) of the MFMA. The majority of the fruitless and wasteful expenditure was as a result of poor project management controls, resulting in goods and services not being received by the Municipality.

Revenue management

32. I was unable to obtain sufficient appropriate audit evidence that municipal accounts for municipal tax and service charges had been prepared on a monthly basis, as required by section 64(2)(c) of the MFMA.

33. An effective system of internal control for debtors and revenue was not in place, as required by section 64(2)(f) of the MFMA.

34. Interest was not charged on all accounts in arrears, as required by section 64(2)(g) of the MFMA.

Consequence management

35. The irregular expenditure incurred by the Municipality was not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(b) of the MFMA.

36. The fruitless and wasteful expenditure incurred by the Municipality was not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(b) of the MFMA.

Strategic planning and performance management

37. A performance management system and related controls were not adequately maintained, as they did not describe how the performance monitoring and measurement processes should be conducted and managed, as required by municipal planning and performance management regulation 7(1).

Other information

38. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report, which includes the mayor's report, accounting officer's report, audit committee's report and oversight report from the municipal public accounts committee. The other information does not include the financial statements, the auditor's report and the selected development priorities presented in the annual performance report that have been specifically reported in this auditor's report.

39. 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 on it.

40. 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 priorities presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

41. If based on the work I have performed I conclude that there is a material misstatement in the other information, I am required to report on that fact.

42. I have nothing to report in this regard.

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 basis for the qualified opinion, the findings on the annual performance report and the findings on compliance with legislation included in this report.

44. Management did not maintain adequate accounting records to support the reported financial information or the reported performance.

45. Daily and monthly processing controls were not implemented to ensure that the reported financial and performance information was accurate and complete.

46. Furthermore, reviews and reconciliation measures were not implemented to detect and correct errors in the financial information reported.

47. The Municipality did not have adequate systems to monitor compliance with all applicable legislation and, as a result, non-compliance with legislation was not prevented.

48. Management did not prioritise the training of staff to ensure that they operated at optimum levels.

Mbombela

23 April 2021

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

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 selected development priorities 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 relating to events or conditions that may cast significant doubt on the ability of the Municipality 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 my 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 operating as a going concern

   - evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine 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, the actions taken to eliminate threats or the safeguards applied.

APPENDICES

GLOSSARY

Accessibility indicators	Explore whether the intended beneficiaries are able to access services or outputs.
Accountability documents	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.
Activities	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"*.
Adequacy indicators	The quantity of input or output relative to the need or demand.
Annual Report	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.
Approved Budget	The Annual Financial Statements of a Municipality as audited by the Auditor General and approved by Council or a provincial or national executive.
Baseline	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.
Basic municipal service	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.
Budget year	The financial year for which an annual budget is to be approved – means a year ending on 30 June.
Cost indicators	The overall cost or expenditure of producing a specified quantity of outputs.
Distribution indicators	The distribution of capacity to deliver services.
Financial Statements	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.
General Key performance indicators	After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally.
Impact	The results of achieving specific outcomes, such as reducing poverty and creating jobs.
Inputs	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.
Integrated Development Plan (IDP)	Set out Municipal goals and development plans.

National Key performance areas	• Service delivery & infrastructure • Economic development • Municipal transformation and institutional development • Financial viability and management • Good governance and community participation
Outcomes	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".
Outputs	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.
Performance Indicator	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)
Performance Information	Generic term for non-financial information about Municipal services and activities. Can also be used interchangeably with performance measure.
Performance Standards:	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.
Performance Targets:	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.
Service Delivery Budget Implementation Plan	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.
Vote:	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: *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* *b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned*

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 064 516 9137	Stand No 2585 Block 6 Moloto South
4	Cllr Mitopi Andries Motena	072 244 2785 074 436 1781	Stand No.521 Zakheni
5	Cllr Sipho Koos Ngoma	076 108 0871 072 588 3502	Stand 986 Thembalethu, 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 Bongani Ntokozo Dlamini	060 757 8846	Stand No 1432 Verena Section D
9	Cllr Joseph Elias Mthimunye	078 535 1287 079 933 3815 061 482 9378	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 Sipho 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
Ward	**Surname & Names**	**Contact**	**Physical Address**

16	Cllr Josephinah Lindiwe Mahlangu	079 583 3956 071 224 8623	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 079 509 7666	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	Stand1215 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 072 729 4347	1292 Kwaggafontein D (Ngendwani)
32	Cllr Oria Mpheto Mabelwane	076 088 2224	Stand No 513 Kwamhlanga B

APPENDIX A (II) – LIST OF PR COUNCILLORS

Names & Surname	Contact	Physical Address
Cllr NoMSA Sanny Mtsweni **(Her Worship Hon. Executive Mayor)**	082 824 9826	Stand 123 Section A, Kwamhlanga
Cllr Thomas Lebandla Mabena **(Hon. Speaker)**	060 696 7594 079 060 1644	Stand 447/8 Sun City AA
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 Lucky Xolani Mtsweni **(Hon. MMC DTPS)**	079 457 6531	Stand No 830 Sun City, Block B
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 Egnes 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
Cllr Laza Elsie Jiyane	072 407 0423	Stand No 797 Phola Park, Street 35, Behind The Sports Bar
Cllr Marcia Msiza	082 746 9944	Kwagga A

	084 858 5808	
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 Thembalethu,
Cllr Toenkie Linah Masilela	082 295 0417	80025 Zakheni,
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	Stand No. 90/91

	082 060 3258	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

Committees (Other Than Mayoral / Executive Committee) And Purposes Of Committees	
Municipal Committees	**Purpose Of Committee**
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

APPENDIX C –THIRD TIER ADMINISTRATIVE STRUCTURE

Third Tier Structure	
Directorate	Director/Manager (State Title And Name)
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. K.R. 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	Vacant
Use As A Spill-Over Schedule If Top 3 Tiers Cannot Be Accomodated In Chapter 2	

APPENDIX D – FUNCTIONS OF MUNICIPALITY / ENTITY

Municipal Functions	
Municipal Functions	**Function Applicable To Municipality (Yes / No)***
Constitution Schedule 4, Part B Functions:	
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
Local Amenities	Yes
Municipal Functions	

Municipal Functions	Function Applicable To Municipality (Yes / No)*
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

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	**Cllr A. Mahlangu**	Yes	12	12	2
	Themane Phakaneng Jim				
	Kheswa Vusimuzi Wellington				
	Bonokwane Seun				
	Maisela Mpelegwa Piet				
	Masogo Kedibone Caroline				
	Nkuna Mhlopheki Charles				
	Mpedi William				
	Mngidi Tryphorsa Julia				
	Mahlangu Sabani Betty				
	Shoba Mkhozile Johannes				
2	**Cllr DS Mampuru**	Yes	12	12	2
	Ratshilaya Vincent				
	Motha Joseph Velly				
	Mhlanga Nchoke Solomon				
	Wesi Kagisano David				
	Molomo Phashushu Paul				
	Madela Phila Getrute				
	Monakedi August				
	Mokone Freddie				
	Madiseng Lenah Linky				
	Masilela Thulani Kenneth				
3	**Cllr PD Makatu**	Yes	12	12	3
	Molaudzi Thomas Ntebaleng				
	Nkabinde Busisiwe Johannah				
	Makobe Jack Mashilo				
	Makena Evelina Makonketsa				
	Chabedi Dikeleli Ellen				

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**
	Alege Elsie Motjoka				
	Mahlangu Jennifer Morongwa				
	Mahlangu Mokgaetsi Penina				
	Mahlangu Sipho Petrus				
	Ndluvu Sipho				
4	**Cllr MA Motena**	**Yes**	**12**	**12**	**5**
	Matsha Mmadiale Winny				
	Gule Poppy Getrude				
	Sibanyoni Albert Alfred				
	Nthala Cecilia E				
	Mphela Jacob Mandla				
	Radebe Elizabeth Namtungwana				
	Kabini Thomas Umgolozi				
	Mbonani Anna				
	Phatlamotlaka Zacharia Johannes				
	Mathenjwa Thomas Mashobane				
5	**Cllr SK Ngoma**	**Yes**	**12**	**12**	**2**
	Masombuka Miggal Nomthandazo				
	Sibanyoni Nomalanga Elizabeth				
	Mgidi Mzakhe Witbooi				
	Motsweni Albert				
	Thabane Madumetja				
	Sikhosana Sandile				
	Mdluli Thandi Lizzy				
	Sibanyoni John Xabuzani				
	Makhananisa Vincent Boy				
	Ngoepe Lettie				
6	**Cllr KV Jiyane**	**Yes**	**12**	**12**	**2**
	Msiza Joseph Joey				

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
	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				
7	**Cllr MM Mahlangu**	**Yes**	**12**	**12**	**2**
	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 Rose				
8	**Cllr BN Dlamini**	**Yes**	**12**	**12**	**2**
	Mahlangu Bongi Engelinah				
	Sibanyoni Maria				
	Makgama Florah Madiele				
	Djiane Rose				
	Mbonani Johana Meme				
	Sibanyoni Mandla Prince				
	Mahlangu Tati Letty				
	Mahlangu Johannes Thulani				
	Thubane Nurse Sarah				

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**
	Rahlago Malendah Sape				
9	**Cllr JE Mthimunye**	**Yes**	**12**	**12**	**5**
	Skhosana Rati Johannah				
	Mahlangu Grace Nomathemba				
	Ndala Nomusa Thobile				
	Lebisi Sophy Nadima				
	Mbonani Musa Christina				
	Motha Thandi Precious				
	Masilela Sdudla Linah – Deceased				
	Kabini Thuthukile Ntombi				
	Mahlangu Elinah Jane				
	Sikhosana Lungile Annah				
10	**Cllr MT Nobela**	**Yes**	**12**	**12**	**8**
	Mtshweni Jeffrey Godfrey				
	Ragimana Sydwell Lebogang				
	Ntuli Lillian Thokozile				
	Tshabangu Sokana Stanly				
	Masango Sarah Sphenge				
	Mthombeni Angel				
	Nkambule Linah Busi				
	Msiza Phillip Sunnyboy				
	Nhlanhla Bafana Elliot				
	Mathibela Nyamana John				
11	**Cllr ST Mnisi**	**Yes**	**12**	**12**	**3**
	Maredi Elias				
	Zikalala Sindisiwe Agnes				
	Mtsweni Jeaneth Johannah				
	Tshabalala Nombulelo Precious				
	Ntuli Annah Lala				

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**
	Mtimunye Lucky Linda				
	Jiyane Mduduzi Velly				
	Mthimunye Job Rolls				
	Mthombeni Geelbooi Mphatheki				
	Ntuli David Mapocho				
12	**Cllr S Masango**	**Yes**	**12**	**12**	**3**
	Malaza Mantombi Martha				
	Ngobese Wonder Jacob				
	Nkosi Sesana Joice				
	Mabasa Nurse Prescilla				
	Skhosana Charles Vusi				
	Mkhatshwa Nonhlanhla Nonkululeko				
	Nevonde Elias Oupa				
	Mnisi Solomon Mhlanganiswa				
	Skosana Msongelwa Johannes				
	Mabena Mxolisi				
13	**Cllr CN Mahlangu**	**Yes**	**12**	**12**	**6**
	Sibeko Fikile				
	Shabalala Mandla Cyril				
	Mahlangu Andrew Zabi				
	Mahlangu Thomas Vusi				
	Ntuli Maria Timjewe				
	Mahlangu Suzan Christinah				
	Thabethe Jane Thandi				
	Mashiya Gildress Zwelibantsi				
	Mahlangu Winnie Sithembiso				
	Mashiane Zandile Margaret				
14	**Cllr JS Msiza**	**Yes**	**12**	**12**	**7**
	Ntuli Daniel Vukuzenzele				

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 Ntombi Ignatia				
	Sibiya Comfort Mduduzi				
	Mtshweni Thoko Esther				
	Khoza Anitha Sonto				
	Masombuka Lindiwe				
	Maila Joseph				
	Mahlangu Abel				
	Mabena Moses				
	Msiza Tembeni Stephinah				
15	**Cllr AS Madyungu**	**Yes**	**12**	**12**	**2**
	Skosana Gwezi Rose				
	Mahlangu Annah Nomgqibelo				
	Diala Joseph Doctor				
	Masimola Maria Swabi				
	Radebe Mompi Patience				
	Makwakwa Nomaswazi Hilda				
	Shabangu Nomhlekhabo Rooi Maria				
	Mahlangu Sabinah Thoko				
	Mnguni Simon Sipho				
	Mahlangu Wendy Lindiwe				
16	**Cllr JL Mahlangu**	**Yes**	**12**	**12**	**2**
	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				

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**
	Mthombeni Thoko Nomsa				
17	**Cllr SB Mogoboya**	**Yes**	**12**	**12**	**7**
	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	**Cllr MQ Mnguni**	**Yes**	**12**	**12**	**4**
	Malope Mpati Philly				
	Mthombeni Vusi Abram				
	Zungu Valentia Denny				
	Ntuli Mathoma Boy				
	Mahlangu Mavis Mbitjana				
	Mahlangu Thokozile Ntokozo				
	Mtshweni Zakhona Nhlanhla				
	Malatjie Ramare Hellen				
	Mahlangu Gatshi Christina				
	Mokoena David Sello				
19	**Cllr MO Sikosana**	**Yes**	**12**	**12**	**3**
	Mokwana Jack Thabang				
	Shiburi Sebetla David				
	Mashiyane Phindaphi Sarah				
	Makhubela Thomas Nzama				
	Msiza Annarancia Bangiswani				
	Mtsweni Thabisile Emily				

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
	Semelani Khulu Hendrick				
	Tema Mathews Tebogo				
	Mahlangu Letty Khabonina				
	Nkabinde Tryphina				
20	**Cllr SJ Masango**	Yes	12	12	2
	Sibanyoni Winie Sibongile				
	Sedisho Cedric Ephryme				
	Mntambo Thokozile Constance				
	Mahlangu Magie Ntombi				
	Mokoena Tsekiso Dick				
	Kgophane Sanny Busisiwe				
	Mkhuma Pauline Mabelema				
	Masuku Rebeca				
	Mokwena Millicent Evelinah				
	Masimula Fannie Thembeni				
21	**Cllr N Ngoma**	Yes	12	12	2
	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				
	Mtsweni Elias T				
22	**Cllr NB Malefo**	Yes	12	12	2
	Shabalala Zanele Yvonne				
	Komete Maria Nkele				
	Marakalala Challie Mdimetja				

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**
	Aphane Busisiwe Elizabeth				
	Maphotho Sengangayana David				
	Mahlangu Collen Simiso				
	Ngobeni Samuel Shirelela				
	Mabena Johannes Taitors				
	Matlala Sanna				
	Masilela Christinah Sibongile				
23	**Cllr VB Msibi**	**Yes**	**12**	**12**	**4**
	Matlala Joseph Makgobe				
	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	**Cllr DC Fakude**	**Yes**	**12**	**12**	5
	Tlou Nelville				
	Mazibuko Ntsoakae Alfred				
	Ntuli Lucas Bahlezinganye				
	Mthimunye Julia Hilda				
	Mahlangu Geelbooi John				
	Ngobeni Thabo				
	Sekopa Ramathabathe Norah				
	Mahlangu Linah Lindiwe				
	Mahlangu Kleinbooi Yazo				
	Masemola Christopher				
25	**Cllr JS Mahlangu**	**Yes**	**12**	**12**	**4**

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**
	Mahlangu Poppie				
	Mahlangu Paulinah Patricia				
	Sibanyoni Esther				
	Mahlangu Sipho Elias				
	Tshezi Salamina				
	Magubane Thabile Yvonne				
	Mahlangu Mpostili				
	Masanabo Lesiba Johannes Dukes				
	Mahlangu Dumeleni Rose				
	Kabini Lindiwe Sophy				
26	**Cllr MP Nduli**	**Yes**	12	12	2
	Rantseli Senzeni Anna				
	Mabena Nomacala Sophy				
	Skosana Nomangisi Betty				
	Masimula Tryphinah Noxolo				
	Mgidi Sondiwe Moses				
	Mbonani Petrus				
	Masebe Elizabeth				
	Zwane Themba Godfrey				
	Nkosi Sarah Bongi				
	Mahlangu Shadrack Mtungwa				
27	**Cllr DS Skosana**	**Yes**	12	12	2
	Ntuli Marinkie Kholekile				
	Msiza Nokuthula				
	Sithole Mandla Richard				
	Mabena Freddy				
	Ngoma Emely				
	Jiyane Kenneth				
	Mahlangu Prudence Caleni				
	Mokhoebane Hleziphi Ephenia				

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**
	Mahlangu Johannes Boyana-Deceased				
	Thembi Jane Mabena				
28	**Cllr Ka Msiza**	Yes	12	12	3
	Skhosana Ntombifuthi Emmah				
	Mthimunye Dinah Christinah				
	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	2
	Kgomo Rose Martha				
	Mahlangu Sinah Goodness				
	Sithole Martha Lolo				
	Hlongwane Skhalo				
	Makua Putswa Solon				
	Tshabalala Nozizwe Agnes				
	Mahlangu Phillimon				
	Mabhena Joseph Sipho				
	Dlhamini Makhosazana Agrineth				
	Mtshweni Mfundisi Aaron				
30	**Cllr G Mahlangu**	Yes	12	12	3
	Ntuli Richard Makhawane				
	Mthimunye Bongi Paulinah				
	Kgopane Petros Peter				
	Ntuli Emely Sibongile				
	Mnguni Betty Maria				

Functionality Of Ward Committees					
Ward Name (Number)	Name Of Ward Councilior 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
	Mnisi Sarah				
	Masombuka Sibusiso Gabariel				
	Masombuka Doctor Phillip				
	Tlape Merry				
	Mabena Stemer September				
31	**Cllr Vv Skosana**	**Yes**	**12**	**12**	**2**
	Skosana Solomon Fickson				
	Mahlangu Olga				
	Mashilo Phumzile Martha				
	Matshiya Nomsa Kedibone				
	Mahlangu Kedibone Petronella				
	Mahlangu Jabu				
	Mahlangu Khuzani Abel				
	Magane Maria Thembisile				
	Masango Ernest Sipho				
	Mahlangu Cynthia Lindiwe				
32	**Cllr Om Mabelwane**	**Yes**	**12**	**12**	**3**
	Msiza Smangele				
	Dhlamini Harry Tshepo				
	Mazibuko Khuwa Matha				
	Mahlangu Emmah Thembi				
	Mahlangu Ntombi Selinah				
	Sibiya Mokhine Johannes				
	Mkhwanazi Musa Walcott				
	Legodi Kedibone Martha				
	Mabena Johannah Nomthandazo				
	Maila Makgalaoroa Alfred				

F – WARD INFORMATION

Capital Projects: Seven Largest In 2019/ 20 (Full List At Appendix N)				
No.	**Project Name And Detail**	**Total Project Value (R)**	**Start Date**	**End Date**
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	30 November 2020
2	Upgrading of Tweefontein K Waste Water Treatment Works – Multi-Year Project	R 148 434 994.00	26 May 2020	30 September 2020
3	Upgrading of Kwaggafontein Landfill Site – Multi-Year Project (Pahase 1 and 2)	R 89 770 914.03	22 September 2017	31 January 2021
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	12 December 2020
5	Construction of Luthuli Link Road- Ward 22 -Phase 1	R 24,533,917.23	02 July 2019	30 September 2019
6	Provision of boreholes in Kwaggafontein A, D and E, Suncity A,B,C, KwaMhlanga and Luthuli (Covid 19)	R 22 742 917.50	26 May 2020	30 September 2020
7	Refurbrishment of Eastern and Western oxidation Ponds at KwaMhlanga (Covid 19)	R 21 763 060.00	26 May 2020	30 August 2020

Top Four Service Delivery Priorities For Ward (Highest Priority First)		
No.	**Priority Name And Detail**	**Progress During 2019/ 20**
1	Water	82 653 HH with access to Water.
2	Sanitation	28 189 HH with access to Sanitation.
3	Electricity	80 028 HH with access to Electricity.
4	Waste Management	32 675 HH with access to Refuse Removal on a Fortnight Basis.

APPENDIX G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2019/20

Audit Committee Recommendations		
Report Name	**Committee recommendations made during 2018/19**	**Recommendations adopted (enter Yes); not adopted (provide explanation)**
Audit Committee Report for the quarter ended 30 September 2019 (1ST Quarter Report).	**Financial Management** 1. Going forward the Loss Register should include the value of the lost items. 2. Management to develop the AFS process plan in order to allow the Internal Audit Unit ample time to perform its review on both the AFS and the Audit File. 3. full report on amnesty including the following be submitted in the next AC meeting: (i) Date of which amnesty was started (ii) Information on number of people applied (iii) Period at which amnesty ends 4. the message on issues of payment of municipal services by the community should be conveyed during the council sittings so that councillors can assist in the process	Yes
	Compliance with MFMA and DORA 1. Matters of ethics be included in the scope of work for risk management committee	Yes
	Coporate Department 1. Case/litigation number 8 'MJ Magaela v/s Minister of Police/THLM and NPA should be conducted to determine whether the case should be continued or not. 2. Urgent action be taken against the 131 unverified employees in order to ensure that they are all verified as employees working at THLM.	No, the assessment to determine wether the case should be continued or not are in process.
	Risk Management	

Audit Committee Recommendations		
	1. 4th Quarter Risk Management Committee Report 2018/19 be sent to management for implementation and progress made be submitted to the next AC meeting. 2. Code of ethics be included in the scope of RMC 3. Management be assessed on issues of risk management as well	No, the reseach is still underway on the matter of code of ethics. No, risk management issues are not yet included as part of management KPIs.
	Internal audit 1. Budget and Treasury Office to submit the outstanding Portfolio of Evidence to Internal Audit on the 34 targets that were not achieve. 2. Management is urged to treat the Internal Audit findings in a manner which those of the AG are treated. 3. Management is urged to implement 100% of all Internal Audit recommendations.	Yes, POEs were received during the next quarter assessments. No, implementation of IA recommendation is still a challenge. No, implementation of AGSA is also a challenge as POEs are not submitted to support reported information.
Audit Committee Report for the 2nd quarter ended 31 December 2019 (2ND Quarter Report).	**Financial Management** 1. 1st Quarter MSCOA Report for 2019/20 be deferred to the next Performance Audit Committee meeting with adequate information stating reasons as to what was done with the challenges outlined in the report. 2. Management to engage intensively on the Amnesty Report and come up with possible solutions to the challenges thereon. 3. Management is urged to look into the main course why Eskom sent invoices to the incorrect email address instead of that of THLM.	• Yes, Report amended and submitted in the next AC meeting • Yes, Reports on Amnesty are serving in different committees such as the S80, Mayoral Committee and Council • Yes, framework report is inclusive of progress on implementation. • Yes, COBIT 5, KING III and King VI are implemented in ICT Governance Framework. • SWIG roll over amounting to 17 542 483. As at January 2020 Technical Services has spent an amount of 13 497 094 and the available amount is 4 045 389
	Corporate department 1. following be included in the Progress Report; **Program on ICT Strategic Projects** at high level covering: i. What are the deliverables, what is the budget, what have you done thus far so that the deliverables can be gauged against the spending 2. Management must adapt to COBIT 5 and implement as required	

Audit Committee Recommendations		
	Technical Services Department 1. the unused water services Infrastructure Grant be used before the end of February 2020	• Yes,Issues of internal audit are part of the standing items in management meetings
	Internal Audit 1. Consequence management be applied where there was non-cooperation of officials when the Internal Audit was conducting its audit for the first quarter, which led to Internal Audit failing to achieve its targets.	
Audit Committee Report for the quarter ended 31 March 2020 (3RD Quarter Report)	**Internal Audit** 1. Internal sudit reports be standing items during management meetings and progress be monitored.	• Yes, IA items are standing items in management meetings.
	Financial Management 1. Management should continue and resolve findings that were raised by AG on assets 2. Management must submit quarterly reports especially on the indigent programme 3. Management must ensure that they improve the quality of the report and management must also ensure that they develop MSCOA project plan	• No, implementeation od AGSA finding is not supported by POEs • Yes, reports are tabled to AC. • Yes, Mscoa report is anended.
	Corporate Sirvices 1. Management must consult employees and the union in order to ensure that the biometric system is implemented	• No, consultation is still underway.
	Risk Management 1. Management must change the culture of how they deal with risk issues as implementation are low.	• No, progress of risk issues is still low • Yes, reasons are captured by management
	Performance management	

Audit Committee Recommendations		
	1. Management must ensure that proper reasons for non-achievement are provided. 2. Internal Audit should indicate that proper assurance has been done on the report.	
Audit Committee Report for the quarter ended 30 June 2020 (4TH Quarter Report)	**Internal Audit** 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. 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. 3. Compliance matters raised in the audit report must form part of senior managers when signing their performance agreement	• Yes, POEs were submitted in the next review • No, compliance matters are not part of managers KPIs
	Finance reports 1. The progress made be checked in terms of the process plan and the same be presented to the next AC meeting. 2. The schedule should be supported by a summary report indicating; 1. The source and 2. The comparison with other banks. 3. Cost Containment Policy be developed	• Yes, plan was submitted to AC • Yes, summary report is tabled to AC • Yes, The draft policy is tabled to AC
	Corporate services report 1. In future the ICT infrastructure report and ICT governance framework policy be combined together to make one consolidated report. 2. A Risk Management Annexure be incorporated in the ICT reports as a stand-alone annexure.	• Yes, report is amended
	Municipal Manager Management must prioritize resolving findings by the AG and Internal Audit.	• No, implementation of IA findings is still low as per report.

APPENDIX H - LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIP

Long Term Contracts					
Name Of Service Provider(Entity Or Municipal Department)	**Description Of Service Provider 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 2019/2020 FINANCIAL YEAR FOR THE PERIOD ENDING 30 JUNE 2020

The performance of external service providers was measured and rated as follows:

Performance Rating	Description
1	Poor Performance (Very Poor)
2	Below Satisfactory (Poor)
3	Satisfactory (Acceptable)
4	Good Performance(Above Expectations)
5	Excellent Performance (Excellent)

TECHNICAL SERVICES

KPA	BASIC SERVICE DELIVERY															
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
WATER																

KPA	BASIC SERVICE DELIVERY														
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/ DESCRIPTION	KEY PERFOR MANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
DTS001	To provide households with basic services including water, adequate sanitation, adequate public lighting and accessible road	Monde JV	Construction of New Reservoir and at KwaMhlanga for Phola Park and Mountain View Communities - Phase 2	Number of reservoirs completed	5.4km pipeline from new reservoir to existing pipeline which split to two areas Phola Park , & Thembalethu and Mountain View and Sheldon Extension	1 of 10Ml reservoir constructed by 30th September 2019	R 494 792	1 of 10Ml reservoir constructed	R 494 792	Yes	6 months	No	The works were practically completed on the 05th February 2019. The snag list was finally achieved in the second quarter of the year under review, whilst the target was supposed to be achieved in the 1st quarter.	To ensure that the service providers complete the project within specified timeline	3	Satisfactory

KPA	BASIC SERVICE DELIVERY															
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
DTS004	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Monde Matiyane Civils Kgotsong Oradimpho JV	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	Number of km's of bulk pipeline and valve chambers completed	9.1 km bulk, pipeline in progress	9.1 km's of bulk pipeline and 16 valve chambers completed by 31st March 2020	R 38 041 348	Commission and hand over of the projects is planned for 7 July 2020	R 39,586,996.05	No	6 months	No	Unforeseen delays due to Covid-19	Commission and hand over of the projects is planned for 7 July 2020	3	Satisfactory

KPA	BASIC SERVICE DELIVERY															
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
			Mathysen sloop and Boekenhouthoek)													
DTS005	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Monde consulting Engineers Toopvaar Kgotsong JV	Upgrading of Existing Infrastructure from Agricultural Project to Augment Borehole Water Supply in Bundu – Construction of a Water Treatment Plant (Ward 7& 24)	Number of Water Treatment Plant constructed	2.5 ML WTW constructed	1 of 7.5ML WTW constructed (10ml) by 30th June 2020		7.5ML WTW Construction in progress		No	12 Months	No	Unforeseen delays due to Covid-19	Extension of time granted and adherence to amended Covid-19 OHS regulations	2	Below Satisfactory

KPA	BASIC SERVICE DELIVERY															
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
DTS006	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Monde consulting Engineers Mbako Projects	Upgrade reservoir for Bundu project Ward 24	Number of reinforce concrete reservoir constructed	1 Reinforced concrete reservoir in progress	1 reinforce concrete reservoir constructed by 31st March 2020		1 reinforce concrete reservoir constructed		Yes	18 Months	Yes	None	None	4	Good
DTS007	To provide household with basic services including water, adequate sanitation, adequate public	Rand Water, City of Tshwane and Dr JS Moroka	Bulk purchase water	Number of household provided with water	82 653 households provided with water	82 653 households provided with water by 30th June 2020	R 142 192 000	82 653 households provided	R 13211072 2.09	Yes	3 years	No	Multi-year contract	None	3	Satisfactory

KPA	BASIC SERVICE DELIVERY															
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
	lighting and accessible road															
DTS015	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Ceenex Pty LTD Matswa JV	Upgrading of Enkeldoornog B Water infrastructure, Phase 2	Number of electrical Pump Station upgraded at Enkeldoornog B	1 Interconnection of 1000 to 500mm bulk line at Enkeldoornoog B	1 electrical Pump Station upgraded at Enkeldoornoog B by 31st March 2020	R 1 067 137	1 electrical Pump Station upgraded	R 1 067 137	Yes	12 months	Yes	None	Continuous engagement with Eskom to fast tract the installation of the collection point to be completed on the Q1 of 2020/2021	1	Poor

KPA	BASIC SERVICE DELIVERY															
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
DTS145	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Lihuzu Projects Namasango Business Enterprise	Upgrading of Sun City A reservoir	Number of reservoir upgraded	0	1 reservoir upgraded by 30th June 2020	R 9 000 000	1 reservoir construction in progress	R 8,965,822.49	No	6 months	No	Late appointment of Service Providers	Fast the construction and complete by 1st quarter 2020/2021	3	Satisfactory
DTS146	To provide household with basic services including water, adequate sanitation, adequate public	Ralema Consulting Little Rocky Construction	Upgrading Moloto storage reservoir	Number of reservoir upgraded	0	1 reservoir upgraded by 30th June 2020	R 9 000 000	1 reservoir construction in progress	R 8,995,564.24	No	6 months	No	Late appointment of Service Providers	Fast the construction and complete by 1st quarter	3	Satisfactory

KPA	BASIC SERVICE DELIVERY															
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/ DESCRIPTION	KEY PERFOR MANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
	lighting and accessible road															
DTS095	To provide households with basic water services	Endecon Consulting Nkosiphango Construction	Construction of Two Gantries on the Dr. JSMLM (Mathysensloop) and CoT (Vezubuhle) Bulk Pipelines	Number of Gantries constructed	1 Existing Non-sufficient Gantries	2 Gantries constructed by 30th June 2020	R 468 637	2 Gantries constructed	R 468 637	Yes	3 months	Yes	None	None	4	Good
						BOREHOLES AND WATER SERVICES PLANS										
DTS094	To provide household with basic services including	ZMC Consulting	Moloto Groundwater Supply Scheme	Number of Boreholes equippe	Existing drilled boreholes	9 Boreholes equipped, and	R 13 113 175	9 Boreholes equipped, and	R 7 697 439.83	Yes	12 Months	Yes	None	None	3	Satisfactory

KPA	BASIC SERVICE DELIVERY															
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
	water, adequate sanitation, adequate public lighting and accessible road	Lerato Shimi JV Zembeleni Transport and Projects	Development	d and connected to Moloto Reservoir		connected to Moloto Reservoir by 31st March 2020		connected to Moloto Reservoir								
DTS066	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	HI End Ndoko JV	Installation of boreholes at Mathysen sloop Ward 7	Number of boreholes refurbished, electrified and Installed with Electric Submersible Pump	Existing Drilled borehole	1 Borehole refurbished, Electrified and Installed with Electric Submersible Pump by 30th	R 287 536	Boreholes Tested, Energised and commissioned	R 215,779.66	Yes	6 months	Yes	None	None	4	Good

KPA	BASIC SERVICE DELIVERY															
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
						June 2020										
DTS126	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	HI End Ndoko JV	Installation of boreholes at Boekenhouthoek Ward 24	Number of boreholes refurbished, electrified and Installed with Electric Submersible Pump	Existing Drilled borehole	2 Borehole refurbished, Electrified and Installed with Electric Submersible Pump by 30th June 2020	R 435 683	2 Borehole refurbished, Electrified and Installed with Electric Submersible Pump by	431,559.34	Yes	6 months	Yes	None	None	4	Good
DTS127	To provide household with basic services including water,	HI End Ndoko JV	Installation of boreholes at Sheldon Ward 14	Number of boreholes drilled, electrifie	Existing Drilled borehole	1 borehole drilled, electrified and	R 385 060	1 borehole drilled, electrifie	R 384,382.48	Yes	6 months	Yes	None	None	4	Good

KPA	BASIC SERVICE DELIVERY															
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
	adequate sanitation, adequate public lighting and accessible road			d , installed with electric submersible pump		installed with electric submersible pump by 30th June 2020		d and installed with electric submersible pump by 30th June 2020								
DTS128	To provide household with basic services including water, adequate sanitation, adequate public lighting and	Ceneex Pty LTD/ Khuluphala and LED Engineering	Installation of boreholes at Kwaggafontein A Ward 28	Number of borehole refurbished and Installed with hand pumps	Existing Drilled borehole	1 Boreholes Refurbished and Installed with Hand Pumps by 30th June 2020	R 139 347	1 Boreholes Refurbished and Installed with Hand Pumps	R 139 347	Yes	6 Months	Yes	None	None	4	Good

KPA	BASIC SERVICE DELIVERY															
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/ DESCRIPTION	KEY PERFOR MANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFOMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
	accessible road															
DTS129	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Ceneex Pty LTD/ Khuluphala and LED Engineering	Installation of boreholes at Kwaggafontein A Ward 29	Number of boreholes refurbished, electrified and installed with electric submersible pump	Existing Drilled borehole	1 Borehole refurbished, electrified and installed with electric submersible pump by 30th June 2020	R 539 341	Boreholes Tested, Energised and commissioned	R 469,847.12	Yes	6 Months	Yes	None	None	4	Good
DTS131	To provide household with basic services including water,	Ceneex Pty LTD/ Khuluphala and LED	Installation of boreholes at Kwaggaf	Number of boreholes refurbished,	Existing Drilled borehole	1 Borehole refurbished, electrifi	R 309 807	Boreholes Tested, Energised and	R 260,494.58	Yes	6 Months	Yes	None	None	4	Good

KPA	BASIC SERVICE DELIVERY															
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
	adequate sanitation, adequate public lighting and accessible road	Engineering	ontein C Ward 26	electrified and installed with electric submersible pump		ed and installed with electric submersible pump by 30th June 2020		commissioned								
DTS132	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Ceneex Pty LTD/ Khuluphala and LED Engineering	Installation of boreholes at Kwaggafontein D Ward 31	Number of boreholes drilled, Electrified, and Installed with Electric Submersible Pump	Existing Drilled borehole	1 Borehole drilled, Electrified, and Installed with Electric Submersible Pump by 30th	R 320 980	Boreholes Tested, Energised and commissioned	R 238,366.13	Yes	6 Months	Yes	None	None	4	Good

KPA	BASIC SERVICE DELIVERY															
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
						June 2020										
DTS133	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Ceneex Pty LTD/ Khuluphala and LED Engineering	Installation of boreholes at Kwaggafontein E Ward 31	Number of boreholes refurbished, Electrified and Installed with Electric Submersible Pump	Existing Drilled borehole	1 Boreholes refurbished, Electrified and Installed with Electric Submersible Pump by 30th June 2020	R 411 956	Boreholes Tested, Energised and commissioned	R 281,333.47	Yes	6 Months	Yes	None	None	4	Good
DTS134	To provide household with basic services including water,	Ceneex Pty LTD/ Khuluphala and LED	Installation of boreholes at Verena A Ward 08	Number of boreholes drilled, Electrifi	Existing Drilled borehole	1 Borehole drilled, Electrified and	R 1 796 358	Boreholes Tested, Energised and	R 1,145,181.38	No	6 Months	Yes	Delays experienced in energising of boreholes by Eskom	None	4	Good

KPA	BASIC SERVICE DELIVERY															
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
	adequate sanitation, adequate public lighting and accessible road	Engineering		ed and Installed with Electric Submersible Pump		Installed with Electric Submersible Pump by 30th June 2020		awaited commissioning								
DTS135	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Mapoxe JV	Installation of boreholes at Bundu Ward 24	Number of boreholes refurbished, electrified and installed with electric submersible pump	Existing Drilled borehole	1 Boreholes refurbished, electrified and installed with electric submersible pump by 30th	R 461 145	Boreholes Tested, Energised and commissioned	R 348,246.48	Yes	6 Months	Yes	None	None	3	Satisfactory

KPA	BASIC SERVICE DELIVERY															
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
						June 2020.										
DTS136	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Mapoxe JV	Installation of boreholes at Machipe Ward 24	Number of boreholes operated with petrol generator refurbished and Installed with Electric Submersible Pump	Drilled Existing Boreholes	1 Borehole operated with petrol generator refurbished and Installed with Electric Submersible Pump by 30th June 2020	R 576 271	Boreholes Tested, Energised and commissioned	R 110,112.50	Yes	6 Months	Yes	None	None	3	Satisfactory
DTS137	To provide household with basic	Mapoxe JV	Installation of borehole	Number of borehol	Existing Drilled	1 Borehole	R 638 137	Boreholes Tested,	R 323,182.24	Yes	6 Months	Yes	None	None	3	Satisfactory

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PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
	services including water, adequate sanitation, adequate public lighting and accessible road		s at Rietfontein Ward 8	es refurbished Electrified and Installed with Electric Submersible Pump	borehole	refurbished Electrified and Installed with Electric Submersible Pump by 30th June 2020		Energised and commissioned								
DTS138	To provide household with basic services including water, adequate sanitation, adequate public lighting	Servinet / Mbanga JV	Installation of boreholes at Sieringkop Ward 32	Number of boreholes refurbished, electrified and installed with electric	Existing Drilled borehole	1 Borehole refurbished, electrified and installed with electric submer	R 274 127	Boreholes Tested, Energised and	R 241,751.16	Yes	6 Months	Yes	None	None	4	Good

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PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
	and accessible road			submersible pump		sible pump by 30th June 2020.										
DTS139	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Servinet / Mbanga JV	Installation of boreholes at Tweefontein C Ward 12	Number of boreholes refurbished,Electrified and Installed with Electric Submersible Pump	Existing Drilled borehole	1 Borehole refurbished, Electrified and Installed with Electric Submersible Pump by 30th June 2020	R 555 562	Boreholes Tested, Energised and commissioned	R 515,107.23	Yes	6 Months	Yes	None	None	4	Good
DTS140	To provide household with basic	Servinet /	Installation of borehole	Number of borehol	Existing Drilled	1 borehole	R 202 365	1 Boreholes	R 138,600.30	Yes	6 Months	Yes	None	None	4	Good

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PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
	services including water, adequate sanitation, adequate public lighting and accessible road	Mbanga JV	s at Loopspruit Ward 32	es refurbished and installed with wind mill	borehole	refurbished and installed with wind mill by 30th June 2020		refurbished and installed with wind mill								
DTS141	To provide household with basic services including water, adequate sanitation, adequate public lighting and	Servinet / Mbanga JV	Installation of boreholes at Tweefontein DK Ward 12	Number of boreholes refurbished and Installed with hand Pump	Existing Drilled borehole	1 boreholes refurbished and Installed with hand Pump by 30th June 2020	R 366 302	1 boreholes refurbished and Installed with hand Pump	R 347,524.70	Yes	6 Months	Yes	None	None	4	Good

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PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/ DESCRIPTION	KEY PERFOR MANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
	accessible road															
DTS156	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	SML Projects VTT Industries	Drilling, Refurbishment and Equipping of Boreholes within THLM: • Kwaggafontein A Ward 27 – 2 • Kwaggafontein A Ward 28 – 1 • Kwaggafontein D	% progress in the Drilling, Refurbishment and Equipping of Boreholes within THLM	0% progress in the Drilling, Refurbishment and Equipping of Boreholes within THLM: *	30% Drilling, Refurbishment and Equipping of Boreholes within THLM by 30th June 2021: *MIG Business Plan 5%; *Preliminary Design Report	R3,000,000.00	30% progress *MIG Business Plan 5%; *Preliminary Design Report 5%; *Detailed Design Report 5%; *Appointment of Contractor 5%; *Site	R 2,897,328.18	Yes	4 Months	Yes	None	None	4	Good

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PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
			Ward 31 – 1 • Kwaggafontein E Ward 31 – 1 • KwaMhlanga Ward 32 – 3 • Mahlabathini Ward 22 – 1 • Luthuli Ward 22 – 1 • Sun City A,B,C & D Ward 19 - 4			5%; *Detailed Design Report 5%; *Appointment of Contractor 5%; *Site Establishment 10%,		Establishment 10								

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PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/ DESCRIPTION	KEY PERFOR MANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
DTS034	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Mpumamanzi	Water Sample	Number of water samples tested	356 Water Samples tested	356 Water Samples tested by 30th June 2020	R 1 000 000	356 Water Samples tested	R 1 123 623.6	Yes	12 months	On-going	None	None	4	Good
						SANITATION										
DTS040	To provide household with basic services including water, adequate sanitation,	Element Consulting	Luthuli Waste Water Treatment Works, Phase 1	Number of approved detail design report	Preliminary design report in place	1 Approved detail design report by 30th Septem	R 748 457	1 Approved detail design report	R 748 457	Yes	18 months	Yes	None	None	3	Satisfactory

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PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
	adequate public lighting and accessible road					ber 2019										
DTS041	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Matshego Engineers Nopondé Construction	Upgrading of Tweefontein K Waste Water Treatment Works, Phase 2	Number of approved detail design report	Preliminary design report in place	1 Approved detail design report by 30th September 2019	R 7 985 248	1 Approved detail design report	R 7 985 248	Yes	3 months	Yes	None	None	4	Good
DTS157	To provide households with	Vuka Africa	Refurbishment of Sewer	% progress in the Refurbis	0% progress in the Refurbis	40% progress in the Refurbi	R 3 184 055	40% progress:	R 3,184,055.37	Yes	3 Months	Yes	None	None	4	Good

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PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
	basic services including water, adequate sanitation, adequate public lighting and accessible road	Qhubekela Phambile Construction and Projects	Oxidation Ponds	hment of Sewer Oxidation Ponds	hment of Sewer Oxidation Ponds:	shment of Sewer Oxidation Ponds: *Technical Report 5%; *Preliminary Design Report 5%; *Detailed Design Report 5% *Term of Referen		*Technical Report 5%; *Preliminary Design Report 5%; *Detailed Design Report 5% *Term of Reference for Contractor 5%; *Appoin								

KPA	BASIC SERVICE DELIVERY															
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
						ce for Contractor 5%; *Appointment of Contractor 5%; *Site Establishment 15%;		tment of Contractor 5%; *Site Establishment 15%;								
DTS098	To provide household with basic services including water, adequate sanitation, adequate public lighting and	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	12 reports on Provision of Basic Sanitation by 30th June 2020	R 1 602 000	12 reports on Provision of Basic Sanitation	R 104 962.31	Yes	On-going	Yes	None	None	4	Good

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PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/ DESCRIPTION	KEY PERFOR MANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
	accessible road															
							ELECTRICITY									
DTS076	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Qedithjirho Primary Cooperative	Installation of High Mast Light in Tweefontein G – Ward 30	Number of High Mast Lights installed and energised	Approved implementation plan and the designs	1 High Mast Lights installed and energised by 31st March 2020	R 149 985	Highmast Commissioned	R 168 820	Yes	3 Months	Yes	None	None	4	Good
DTS077	To provide household with basic services including water,	Qedithjirho Primary Cooperative	Installation of High Mast Light in Tweefont	Number of High Mast Lights installed and	Approved implementation plan	1 High Mast Lights installed and energis	R 149 985	Highmast Commissioned	R 168 820	Yes	3 Months	Yes	None	None	4	Good

KPA	BASIC SERVICE DELIVERY															
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
	adequate sanitation, adequate public lighting and accessible road		ein H – Ward 30	energised	and the designs	ed by 31st March 2020										
DTS078	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Qedithjirho Primary Cooperative	Installation of High Mast Light in Tweefontein J – Ward 9	Number of High Mast Lights installed and energised	Approved implementation plan and the designs	1 High Mast Lights installed and energised by 31st March 2020	R 121 409	Highmast Commissioned	R 125 658	Yes	3 Months	Yes	None	None	4	Good

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PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
DTS079	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 KwaMhlanga B – Ward 32	Number of High Mast Lights installed and energised	Approved implementation plan and the designs	1 High Mast Lights installed and energised by 31st March 2020	R 163 684	Highmast Commissioned	R 163 684.32	Yes	3 Months	Yes	None	None	4	Good
DTS081	To provide household with basic services including water, adequate sanitation, adequate public	MTP Refrigiration	Installation of High Mast Light in Luthuli (Mahlabathini) – Ward 22	Number of High Mast Lights installed and energised	Approved implementation plan and the designs	1 High Mast Lights installed and energised by 31st March 2020	R 163 684	Highmast Commissioned	R 163 684.32	Yes	3 Months	Yes	None	None	4	Good

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PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
	lighting and accessible road															
DTS086	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Ezimtoti	Installation of High Mast Light in Buhlebeszwe RDP – Ward 16	Number of High Mast Lights installed and energised	Approved implementation plan and the designs	1 High Mast Lights installed and energised by 31st March 2020	R 170 068	Highmast Commissioned	R 170 067.94	Yes	3 Months	Yes	None	None	4	Good
DTS087	To provide household with basic services including water,	Ezimtoti	Installation of High Mast Light in Thembalethu	Number of High Mast Lights installed and	Approved implementation plan	1 High Mast Lights installed and energis	R 65 068	Highmast Commissioned	R 75 253	Yes	3 Months	Yes	None	None	4	Good

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PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/ DESCRIPTION	KEY PERFOR MANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
	adequate sanitation, adequate public lighting and accessible road		(Section 16) – Ward 5	energised	and the designs	ed by 31st March 2020										
DTS099	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Basiamsi Mining	Installation of High Mast Light in Phola Park Ext C – Ward 6	Number of High Mast Lights installed and energised	Approved implementation plan and the designs	1 High Mast Lights installed and energised by 31st March 2020	R 231 163	Highmast Commissioned	R 150 198.24	Yes	3 Months	Yes	None	None	4	Good
DTS100	To provide household	Basiamsi Mining	Installation of High	Number of High	Approved	1 High Mast	R 170 068	Highmast	R 170 069.95	Yes	3 Months	Yes	None	None	4	Good

KPA	BASIC SERVICE DELIVERY															
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
	with basic services including water, adequate sanitation, adequate public lighting and accessible road		Mast Light in Msholozi – Ward 4	Mast Lights installed and energised	implementation plan and the designs	Lights installed and energised by 31st March 2020		Commissioned								
DTS101	To provide household with basic services including water, adequate sanitation, adequate public lighting and	Ndoko Projects	Installation of High Mast Light in Kwaggafontein A (Mgobeni) – Ward 27	Number of High Mast Lights installed and energised	Approved implementation plan and the designs	1 High Mast Lights installed and energised by 31st March 2020	R 121 409	Highmast Commissioned	R 121 409.35	Yes	3 Months	Yes	None	None	4	Good

KPA	BASIC SERVICE DELIVERY															
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/ DESCRIPTION	KEY PERFOR MANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
	accessible road															
DTS102	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Mega Works	Installation of High Mast Light in Moloto (Section B7) – Ward 3	Number of High Mast Lights installed and energised	Approved implementation plan and the designs	1 High Mast Lights installed and energised by 31st March 2020	R 355 208	Highmast Commissioned	R 355 207.53	Yes	3 Months	Yes	None	None	4	Good
DTS103	To provide household with basic services including water, adequate sanitation,	Mega Works	Installation of High Mast Light in Loopspruit Farms – Ward 32	Number of High Mast Lights installed and	Approved implementation plan and the designs	1 High Mast Lights installed and energised by 31st	R 174 348	Highmast Commissioned	R 200 500	Yes	3 Months	Yes	None	None	4	Good

KPA	BASIC SERVICE DELIVERY															
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
	adequate public lighting and accessible road			energised		March 2020										
DTS104	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Ndoko Projects	Installation of High Mast Light in Kwaggafontein C – Ward 26	Number of High Mast Lights installed and energised	Approved implementation plan and the designs	1 High Mast Lights installed and energised by 31st March 2020	R 174 348	Highmast Commissioned	R 200 500	Yes	3 Months	Yes	None	None	4	Good
DTS105	To provide household with basic services	Ezimtoti	Installation of High Mast Light in	Number of High Mast Lights	Approved implementation	1 High Mast Lights installed	R 56 878	Highmast Commissioned	R 56 877	Yes	3 Months	Yes	None	None	4	Good

KPA	BASIC SERVICE DELIVERY															
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/ DESCRIPTION	KEY PERFOR MANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
	including water, adequate sanitation, adequate public lighting and accessible road		Ntokozweni – Ward 17	installed and energised	plan and the designs	and energised by 31st March 2020										
DTS106	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Ezimtoti	Installation of High Mast Light in Mzimuhle – Ward 10	Number of High Mast Lights installed and energised	Approved implementation plan and the designs	1 High Mast Lights installed and energised by 31st March 2020	R 65 437	Highmast Commissioned	R 65 473	Yes	3 Months	Yes	None	None	4	Good

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PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
DTS107	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Wilmert Holdings	Installation of High Mast Light in Kwaggafontein A Spar Section - Ward 28	Number of High Mast Lights installed and energised	Approved implementation plan and the designs	1 High Mast Lights installed and energised by 31st March 2020	R 319 475	Highmast Commissioned	R 126 188	Yes	3 Months	Yes	None	None	4	Good
DTS108	To provide household with basic services including water, adequate sanitation, adequate public	Wilmert Holdings	Installation of High Mast Light in Kwaggafontein Corner Café - Ward 28	Number of High Mast Lights installed and energised	Approved implementation plan and the designs	1 High Mast Lights installed and energised by 31st March 2020	R 109 729	Highmast Commissioned	R 126 188	Yes	3 Months	Yes	None	None	4	Good

KPA	BASIC SERVICE DELIVERY															
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
	lighting and accessible road															
DTS109	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Wilmert Holdings	Installation of High Mast Light in Vlaklaagte No.1 – Ward 21	Number of High Mast Lights installed and energised	Approved implementation plan and the designs	1 High Mast Lights installed and energised by 31st March 2020	R 109 729	Highmast Commissioned	R 126 188	Yes	3 Months	Yes	None	None	4	Good
DTS110	To provide household with basic services including water,	Wilmert Holdings	Installation of High Mast Light in Vlaklaagte No.1	Number of High Mast Lights installed and	Approved implementation plan	1 High Mast Lights installed and energis	R 109 729	Highmast Commissioned	R 126 188	Yes	3 Months	Yes	None	None	4	Good

KPA	BASIC SERVICE DELIVERY															
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY; 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
	adequate sanitation, adequate public lighting and accessible road		Parrafin Area – Ward 21	energised	and the designs	ed by 31st March 2020										
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 and energised	Approved implementation plan and the designs	1 High Mast Lights installed and energised by 31st March 2020	R149 985	Highmast Commissioned	R 146 800.17	Yes	3 Months	Yes	None	None	4	Good

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PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/ DESCRIPTION	KEY PERFOR MANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
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 Tweefontein K – Ward 13	Number of High Mast Lights installed and energised	Approved implementation plan and the designs	1 High Mast Lights installed and energised by 31st March 2020	R 163 684	Highmast Commissioned	R 188 237	Yes	3 Months	Yes	None	None	4	Good
DTS113	To provide household with basic services including water, adequate sanitation, adequate public	Thoko Consulting Engineers	Installation of High Mast Light in Doornek Farms – Ward 08	Number of High Mast Lights installed and energised	Approved implementation plan and the designs	1 High Mast Lights installed and energised by 31st March 2020	R 174 348	Highmast Commissioned	R 200 500	Yes	3 Months	Yes	None	None	4	Good

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PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
	lighting and accessible road															
DTS114	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Qedithjirho Primary Cooperative	Installation of High Mast Light in Swartkoppies Farms – Ward 11	Number of High Mast Lights installed and energised	Approved implementation plan and the designs	1 High Mast Lights installed and energised by 31st March 2020	R 174 348	Highmast Commissioned	R 200 500	Yes	3 Months	Yes	None	None	4	Good
DTS115	To provide household with basic services including water,	MTP Refrigeration	Installation of High Mast Light in Wolvenkop	Number of High Mast Lights installed and	Approved implementation plan	1 High Mast Lights installed and energis	R 64 892	Highmast Commissioned	R 74 625	Yes	3 Months	Yes	None	None	4	Good

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PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
	adequate sanitation, adequate public lighting and accessible road		Phakama Section – Ward 11	energised	and the designs	ed by 31st March 2020										
DTS116	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	MTP Refrigeration	Installation of High Mast Light in Bundu Marhoqo Section – Ward 24	Number of High Mast Lights installed and energised	Approved implementation plan and the designs	1 High Mast Lights installed and energised by 31st March 2020	R 64 892	Highmast Commissioned	R 74 625	Yes	3 Months	Yes	None	None	4	Good
DTS154	To provide household	Ndoko Projects	Installation of High	Number of High	Approved	1 High Mast	R 301 284	Highmast	R 351 892	Yes	3 Months	Yes	None	None	4	Good

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	with basic services including water, adequate sanitation, adequate public lighting and accessible road		Mast Light in Kwaggafontein C – Ward 25	Mast Lights installed and energised	implementation plan and the designs	Lights installed and energised by 31st March 2020		Commissioned								
DTS155	To provide household with basic services including water, adequate sanitation, adequate public lighting and	Qedithjirho Primary Cooperative	Installation of High Mast Light in Tweefontein J – Ward 30	Number of High Mast Lights installed and energised	Approved implementation plan and the designs	1 High Mast Lights installed and energised by 31st March 2020	R 121 409	Highmast Commissioned	R 125 659	Yes	3 Months	Yes	None	None	4	Good

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PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/ DESCRIPTION	KEY PERFOR MANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
	accessible road															
DTS147	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Energy Dots (Pty) Ltd Artosgay and Mcube JV S&D Consulting	Design and implementation of energy efficiency program	Number of street lights and highmst refurbished	0	650 Street lights retrofitted with LED and 30 high mast lights retrofitted with LED by 30th June 2020 (03 high	R 5 000 000	650 street lights and 42 high mast lights retrofitted	R 4 997 489	Yes	6 months	Yes	None	None	5	Excellent

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PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/ DESCRIPTION	KEY PERFOR R MANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
						mast Kwamhlanga ward 32, 02 high mast Tweefontein K ward 13, 10 high mast Tweefontein A ward 23, 03 high mast Tweefontein C											

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						ward 12, 10 high mast Vlaklaagte no 1 ward 21, 02 high mast Maliva ward 17, 400 street lights Kwamhlanga ward 32,											

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						250 street lights Tweefontein K ward 13)										
	ROAD AND STORM WATER															
DTS056	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Artosgay Pty Ltd	Construction of Storm water channels, (Ward 29)	Number of meters of Storm water channels constructed	200 m of storm water completed	200 meters of Storm water channels constructed by 30th June 2020	R 200 000	200 meters of Storm water channels constructed	R153 950	Yes	2 months	Yes	None	None	5	Excellent

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DTS117	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Kago Consulting Engineers Mamolato Construction	Designs and Construction of Luthuli Link Road - Ward 22	Number of km road surfaced	1 designs completed for Luthuli link road	0.35 km road surfaced by 31st March 2020	R 3 411 617	0.35 km roads surfaced Completed	R 3 411 617.33	Yes	3 Months	Yes	None	None	5	Excellent
DTS118	To provide household with basic services including water, adequate sanitation, adequate public	Servinet Consulting Khetha Building Construction	Designs for Construction of Sun City AA Bus Route - Ward 20	Number of km road surfaced	1 designs completed for Sun City AA Bus Route	1 km road surfaced by 30th June 2020	R 6 000 000	1 km road surfacing in progress	R 5,902,305.21	No	6 Months	No	Unforeseen delays due to Covid-19	Extension of time granted and adherence to amended Covid-19 OHS	3	Satisfactory

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	lighting and accessible road		(Designs only)											regulations		
DTS119	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Kumelcon Pty LTD Japhethe WB&J JV	Construction of Chris Hani Bus Route - Ward 18	Number of km road surfaced	1 designs completed for Chris Hani Bus Route	1 km road surfaced by 30th June 2020	R 6 000 000	1 km road surfacing in progress	R 5,985,635.30	No	6 Months	No	Unforeseen delays due to Covid-19	Extension of time granted and adherence to amended Covid-19 OHS regulations	3	Satisfactory
DTS120	To provide household with basic services including water,	Kumelcon Pty LTD	Construction of KwaMhlanga B Link	Number of km road surfaced	1 designs completed for Kwamhlanga B	1 km road surfaced by 30th	R 6 000 000	1 km road surfacing in progress	R 6,108,222.25	No	6 Months	No	Unforeseen delays due to Covid-19	Extension of time granted and adherenc	3	Satisfactory

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	adequate sanitation, adequate public lighting and accessible road		Road - Ward 32		Link Route	June 2020								e to amended Covid-19 OHS regulations		
DTS121	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Kumelcon Pty LTD Zembeleni Transport and Projects	Construction of Moloto North Bus Route - Ward 2	Number of km road surfaced	1 designs completed for Moloto North Bus Route	1 km road surfaced by 30th June 2020	R 6 161 250	1 km road surfacing in progress	R 3,704,693.59	No	6 Months	No	Unforeseen delays due to Covid-19	Extension of time granted and adherence to amended Covid-19 OHS regulations	3	Satisfactory
DTS148	To provide household	Servinet Consulti	Designs for	Number of	0	1 approve	R 1 100 000	Final Detailed	R	Yes	36 Months	Yes	None	None	4	Good

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	with basic services including water, adequate sanitation, adequate public lighting and accessible road	ng Engineers	Construction of Sun City A Bus Route - Ward 19	approved Detail design report		d Detail design report completed by 31st March 2020		Design Report completed	1,058,575.00							
DTS149	To provide household with basic services including water, adequate sanitation, adequate public lighting and	Kumelcon	Designs for Construction of Moloto South Bus Route - Ward 1	Number of approved Detail design report	0	1 approved Detail design report completed by 31st March 2020	R 1 100 000	Final Detailed Design Report completed	R 1,040,226.90	Yes	3 Months	Yes	None	None	5	Excellent

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PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
	accessible road															
DTS150	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Wanoza Consulting	Designs for Construction of Boekenhouthoek Bus Route - Ward 24	Number of approved Detail design report	0	1 approved Detail design report completed by 31st March 2020	R 1 100 000	Final Detailed Design Report completed	R 1,037,108.15	Yes	36 Months	Yes	None	None	5	Excellent
DTS151	To provide household with basic services including water, adequate sanitation,	ZenkCon Engineers	Designs for Construction of Zakheni Bus Route - Ward 4	Number of approved Detail design report	0	1 approved Detail design report completed by 31st	R 1 100 000	Final Detailed Design Report completed	R 1,098,721.56	Yes	36 Months	Yes	None	None	5	Excellent

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PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
	adequate public lighting and accessible road					March 2020										
DTS152	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Dikgatho Consulting Enineers	Designs for Construction of Mathesyn sloop Bus Route - Ward 7	Number of approved Detail design report	0	1 approved Detail design report completed by 31st March 2020	R 1 100 000 -	Final Detailed Design Report completed	R 799,210.90	Yes	36 Months	Yes	None	None	5	Excellent
DTS153	To provide household with basic services	Kago Consulting	Designs for Construction of	Number of approved Detail	0	1 approved Detail design	R 1 100 000	Final Detailed Design Report	R 1,089,337.50	Yes	36 Months	Yes	None	None	5	Excellent

KPA	BASIC SERVICE DELIVERY															
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
	including water, adequate sanitation, adequate public lighting and accessible road	Engineers	Mountain View (Mandela Drive) Bus Route - Ward 14	design report		report completed by 31st March 2020		completed								
	SPORTS AND WASTE REMOVAL															
SDS001	To create a safe clean and healthy environment conducive for social development and recreation	Tshawe Consulting Engineers Artwell JV Mahlalerwa Construction	Upgrading of Kwaggafontein Land fill site (Ward 25)	Number of Landfill site upgraded	Phase 1 ongoing	1 land fill site upgraded 30th June 2020	R 19 517 706	1 land fill site construction in progress	R 14,570,170.22	No	12 Months	No	Unforeseen delays due to Covid-19	Extension of time granted and adherence to amended Covid-19 OHS	2	Below

KPA	BASIC SERVICE DELIVERY															
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
		Irhalane Construction Rapse JV London												regulations		
SDS006	To create a safe clean and healthy environment conducive for social development and recreation	Phamela Engineers	Upgrading of Kwaggafontein stadium (Ward 26)	Number of design report developed and approved	0	1 design report developed and approved by 30th June 2020	R 1 046 880	Final Detailed Design Report completed	R 1,046,879.78	Yes	36 Months	Yes	None	None	5	Excellent
SDS007	To create a safe clean and healthy environment	Monde Consulting	Upgrading of KwaMhlanga stadium	Number of designs report developed and	Phase 1 completed (Roads)	1 designs report developed and approve	R 1 485 612	Final Detailed Design Report completed	R 1,485,611.98	Yes	36 Months	Yes	None	None	5	Excellent

KPA	BASIC SERVICE DELIVERY															
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/ DESCRIPTION	KEY PERFOR MANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
	conducive for social development and recreation		(Ward 32)	approved		d by 30th June 2020										
SDS011	To create a safe clean and healthy environment conducive for social development and recreation	SPO Consulting	Construction of Multi-Purpose Centre in Phumula	Number of designs report developed and approved	Phase 1 completed	1 design report developed and approved by 30th June 2020	R 999 450	Final Detailed Design Report completed	R 997,332.26	Yes	36 Months	Yes	None	None	5	Excellent
SDS012	To create a safe clean and healthy environme	Wamil Consulting Engineers	Construction of Multipurpose Centre in Moloto	Number of designs report develop	0	1 designs report developed and	R 1 447 427	Final Detailed Design Report completed	R 2,202,333.82	Yes	36 Months	Yes	None	None	5	Excellent

KPA	BASIC SERVICE DELIVERY															
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
	nt conducive for social development and recreation		North (Ward 2)	ed and approved		approved by 30th June 2020										

SOCIAL DEVELOPMENT SERVICES

KPA	BASIC SERVICE DELIVERY															
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
SDS017	To create a safe, clean and healthy environment conducive for social development and recreation	Matimpule Security and Projects	Municipal Security Services reports	Number of quarterly status reports on Municipal security submitted to the Municipal Manager	1 quarterly status report on Municipal security submitted to Municipal Manager	4 status reports on Municipal security submitted to the Municipal Manager by 30th June 2020	R 19 283 000	4 status reports on Municipal security submitted	R 19 283 000	Yes	36 months	Yes	None	None	3	Satisfactory

CORPORATE SERVICES

KPA	MUNICIPAL TRANSFORMATIONS AND INSTITUTIONAL DEVELOPMENT														
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
DCS024	To improve organizational efficiency and promote a culture of professional conduct in order to render quality services.	Shellard Media	Submission of Reports on the repairs and maintenance of ICT hardware	Number of 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	4 reports submitted to the HOD on the repairs and maintenance of ICT hardware by 30th June 2020	R 654 000	4 reports submitted to the HOD on the repairs and maintenance of ICT hardware by 30th June 2020	R210 387,90	Yes	0	Yes	None	None	4	Good
DCS025	To improve organiza	Munsoft	Renewal of software	Number of software	VIP, 4 Server warranty,	VIP, Munsoft, 50	R 5 559 220	VIP, Munsoft, 50	R 3 054 501,32	No	24 months	Yes	None	Procurement of the PMS	4	Good

KPA	MUNICIPAL TRANSFORMATIONS AND INSTITUTIONAL DEVELOPMENT														
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
	tional efficiency and promote a culture of professional conduct in order to render quality services.			licenses renewed	Munsoft, 50 microsoft volume, 210 Symantec antivirus, Server monitoring system	Microsoft volume, 210 Symantec antivirus, Server monitoring system, PMS system renewed by 30th June 2020		Microsoft volume, 210 Symantec antivirus, Server monitoring system, Office 365 renewed by 30th June 2020						system in the first quarter.		
DCS026	To improve organizational efficiency and	Maputunuka IT Services	Procurement of computer and equipment	Number of computers and equipme	15 desktop, 34 laptops	30 Desktop to be procured by 30th	R5,430,00	45 Desktop, 11 Laptops and 65 Tablets	R4,717,930.66	Yes	3 years	Yes	None	None	4	Good

KPA	MUNICIPAL TRANSFORMATIONS AND INSTITUTIONAL DEVELOPMENT															
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
	promote a culture of professional conduct in order to render quality services.			nt procured		June 2020		were procured by 30th June 2020								
DCS031	To improve organizational efficiency and promote a culture of professional	MWG Business Solutions	Installation and implementation of Biometric clocking system	Number of Biometric clocking systems implemented on a monthly basis	1 Biometric clocking systems installed	1 Biometric clocking systems implemented on a monthly basis by 30th June 2020	In house	1 Biometric clocking system not fully implemented	In house	No	36 months	Yes	None	The system will be fully implemented when the situation normalises and	4	Good

KPA	MUNICIPAL TRANSFORMATIONS AND INSTITUTIONAL DEVELOPMENT															
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
	conduct in order to render quality services.													it's safe to do so.		

FINANCE SERVICES

KPA		MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT														
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
DBT005	To improve the financial status of the Municipality through prudent budget planning, stringent financial management and improve	LMK & Thobela Consulting	Revenue collection in line with the budgeted financial performance	Amount revenue collected excluding grants	Total Own Revenue (R54 654 649)	(R107 488 029) revenue collected excluding grants by 30th June 2020	In house							The collectgion of revenue in the Government Departments would continue after the lockdown		
					R4 255 438	1.Property Rates (R23 081 737)	In house	R13 807 380	In house	No	3 years	No	Due to the lockdown the Services provider could not proceed		3	Satisfactory

KPA		MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT														
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFOMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
	d revenue collection												with the collection from Department			
					R1 282 272	2.Service charges (R1 900 514)	In house									
					R1 122 09 6	3.Investment Revenue (R4 567 169)	In house									
					R47 994 843	4 Other own Revenue (R77 938 609)	In house									

KPA		MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT														
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
					R538 752 000	Transfers (596 384 000)	In house									
DBT013	To improve the financial status of the Municipality through prudent budget planning, stringent financial management and	I@ Consulting	Updating of the fixed Asset register	Rate update of the Fixed Asset Register	Daily update of the Fixed Asset Register by 30th June 2019	Daily update of the Fixed Asset Register by 30th June 2020	R3 000 000	Daily update of the Fixed Asset Register by 30th June 2020	R2 975 755.86	Yes	3 years	Yes	None	None	4	Good

KPA		MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT														
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
	improved revenue collection															
DBT018	To improve the financial status of the Municipality through prudent budget planning, stringent financial manage	PMH IT Management & Services (PTY) LTD	Compilation and submission of Annual Financial Statements to the Auditor General	Number of Annual Financial Statements compiled and submitted to the Auditor General	0	1 Annual Financial Statement compiled and submitted to the Auditor General by 31st August 2019	R 4 000 000	1 Annual Financial Statement compiled and submitted to the Auditor General by 31st August 201	R3 997 421.71	Yes	3 years	Yes	None	None	4	Good

KPA		MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT														
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	REVISED ANNUAL TARGET 2019/2020	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
	ment and improved revenue collection															

SPATIAL RATIONALE

KPA	SPATIAL RATIONALE														
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2018/2019	ANNUAL TARGET 2019/2020	ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
TP007	To manage and coordinate spatial planning and Land use management	Susana Projects	Anti-land invasion	Number of reports on land invasion submitted to the Municipal Manager	3 reports on land invasion submitted to the Municipal Manager	4 reports on land invasion submitted to the Municipal Manager 30th June 2020	R 1 000 000	4 reports on land invasion submitted to the Municipal Manager 30th June 2020	R 509 362 .72	Yes	3 Years	On progress	Multiyear project	None	4	Good

MEASURES TAKEN TO IMPROVE PERFORMANCE

ROOT CAUSES FOR THE POOR PERFORMANCE

- Performance Management was not embedded in our Management Committee systems.
- Performance Management was not cascaded down to the 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 2019 To 30 June 2020		
Position	**Name**	**Description Of Financial Interests* (Nil / Or Details)**
(Executive) Mayor	Nomsa Sanny Mtsweni	Nil
Speaker	Thomas Lebandla Mabena	King Makhosonke Agricultural Primary Co-Operative
		Matjhuba Primary Co-Operative Limited
		King Malusi Development Foundation
		Queen Nadima Primary Co-operative Limited
Chief Whip	Joyce Johanna Tau	Nil
Member Of Mayco / Exco	Lillian Martha Tshabangu	Nil
	Maria Poppy Msiza	Nil
	Lucky Xolani Mtsweni	Waitjokotja Trading and Projects
	Theletji James Makhwiting	Bashomi Agricultural Primary Co-Operative Limited
		Mahlatsikgolo Trading and Projects
		Simesabatha Primary Co-Operative Limited
	Nomasonto Emmah Phakathi	Umkhumbi Ohambayo Mining Primary Co-Operative
		Thembifundo Ikusasa Lakho Services Primary Co-Operative (Resigned)
		Siragela Phambili Services Primary Co-Operative Limited
		Thoma Ganyane Secondary Co-Operative Limited

Disclosures Of Financial Interests		
Period 1 July 2019 To 30 June 2020		
Position	**Name**	**Description Of Financial Interests* (Nil / Or Details)**
		Botlhabatsatsi Secondary Co-Operative Limited
		Lundani Social
Councillors	Thabisile Elsie Mashinini	Nil
	Emelinah Mavis Mathibela	Abakwethu Electrician Primary Co-Operative Limited
	Lindiwe Thembi Skosana	Si- Busy - Njan Agricultural Primary Co-Operative Limited
	Thokozile Egnes Motanyane	Nil
	Laza Elsie Jiyane	Mjadeko Trading And Projects Co-Operative Limited
	Marcia Msiza	Nil
	Zanele Maseko	Nil
	Sonto Rose Nhlapho	Nil
	Nomatjeni Nellie Msiza	Bonginkosi Construction Co-Operative Limited
	Piet Thapelo Kekana	Nil
	Remenky Stephinah Molefe	Nil
	Lucky Bruce Mahlangu	Phola City Youth Agricultural Primary Co-operative
	Alicia Lebohang Dhlamini	Ilitshe Lembube Trading And Projects
		Lwazi Professional Driving School
	Vusi Amos Msibi	Nil
	Ntombi Mitta Motaung	Nil
Councillors	Matalanyane Lucas Moloko	Nil
	Nompumelelo Merriam Mahlangu	Nil
	Toenkie Linah Masilela	Nil
	Ivy Mando Mahlangu	Nil
	Maria Adelaide Mokwena	Nil

Disclosures Of Financial Interests		
Period 1 July 2019 To 30 June 2020		
Position	**Name**	**Description Of Financial Interests* (Nil / Or Details)**
	Thabo John Tibane	Siseganomlambo Projects Primary Co-Operative Limited
	Jan Masaka Makhubela	Ajanda Enterprise
	Rubber Qaliwe Mtsweni	Sizwene Driving Academy Primary Co-Operative Limited
		Dr JS Moroka And Thembisile Huny Driving School And Taxi Association
	Salome Athana Magolego	Nil
	Amos Mahlangu	Nil
	Dipolelo Sinah Mampuru	Tlala Tsamaya Primary Co-Operative Limited
	Pheneus Doctor Makatu	Bashomi Agricultural Primary Co-Operative Limited
		Shomalerena Co-Operative Limited
	Mitopi Andries Motena	Iketleng Hospitality And Development
	Sipho Koos Ngoma	Siwuruwuru Trading Enterprise
		Friends Indeed Consortium
	Koos Vusi Jiyane	Nil
	Moses Michael Mahlangu	Nil
	Bongani Ntokozo Dlamini	Verena8
	Joseph Elias Mthimunye	Nil
	Maria Thruddy Nobela	Nil
	Sgaule Timothy Mnisi	SMB Trading
	Sipho Masango	Nil
	Christinah Ndlelehle Mahlangu	Mammabolo Waste Management And Greening
	James Simausu Msiza	Kagiso Development Co-Operative Limited
		Hlanganani Transport And Cleaning Equipment And Supplies
		Esiqongolweni Agricultural And Projects Primary Co-Operative Limited
		Abanqobi Secondary Co-Operative Limited

Disclosures Of Financial Interests		
Period 1 July 2019 To 30 June 2020		
Position	**Name**	**Description Of Financial Interests* (Nil / Or Details)**
		Asimeni Primary Co-operative Limited
		Phahlangu Construction Projects
	Alexcious Sphiwe Madyungu	Hikhensile Trading Enterprise
		Ikamuva Motor Centre
	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	Mayibuye Agricultural And Poultry
	Nimrod Boitumelo Malefo	Boikamo Business Services
	Bongani Victor Msibi	Nil
Councillors	Dumisani Chrescent Fakude	Zamambala Paving
	Jan Sizwe Mahlangu	Bavukile Empumalanga Agricultural Co-Operative Limited
		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
	Patrick Vusi Mahlangu	Mnotho Four Multi-Purpose Co-Operative Limited
		Mnotho For Trading Enterprise
		Mnotho For 45

Disclosures Of Financial Interests		
Period 1 July 2019 To 30 June 2020		
Position	**Name**	**Description Of Financial Interests* (Nil / Or Details)**
		Mtsweneng
		For Mtsweneng
	Gideon Mahlangu	Vezulwazi Building And Projects Co-Operative Limited
	Vusimuzi Vincent Skosana	Nil
	Oria Mpheto Mabelwane	Nil
Municipal Manager	O.N Nkosi	Gbu Holdings 2013/206266/07
		Samketsi 2013/074623/07
		Uhambo Petroleum 2015/023315/07
Chief Financial Officer	Ms. JG Mahlangu	Sports Spear Academy
Other S57 Officials	Ms. L Nxumalo	Nil
	Mr. VL Skosana (Manager (Technical)	Jali Brothers Investments
		Mavu Foundation
	Mr. M Tsebe (Manager: DTPS)	Nil
	Mr. A Chego (Manager: SDS)	Nil
* Financial Interests To Be Disclosed Even If They Incurred For Only Part Of The Year. See Mbrr 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

	2018/2019	2019/2020				
Vote Description	Actual	Original Budget	Adjusted Budget	Actual	Actual Outcome As % Of Final Budget	Actual Outcome As % Of Original Budget
Vote 104	481 714	472 040	501 501	498 658	99.4%	105.6%
Vote 105	125 432	124 042	124 042	124 045	100%	100%
Vote 106		305	305	251	82.2%	82.2%
Vote 107	396	728	555	530	95.4%	72.8%
Vote 108	25 807	20 551	17 188	21 307	123.9%	103.6%
Vote 300	6 097	147	747	411	55.0%	279.5%
Vote 500	0	0	0	0	0	0
Vote 520	39 223	53 859	45 219	66 242	146.4%	122.9%
Vote 530	0	5 000	5 000	5 000	100%	100%
Vote 540	143 010	237 747	259 206	197 500	76.1%	83.0%
Vote 560	1 728	2 321	1 736	2 455	141.4%	105.7%
Total Revenue By Vote	**823 407**	**916 740**	**955 499**	**916 399**	**95.9%**	**99.9%**

APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

Conditional Grants: Excluding Mig R						
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	1 770 000	1 770 000	1 770 000	0%	0%	
WSIG	60 00 000	0.00	58 381 774	03%	0%	
EPWP	2 029 000	2 029 000	2 029 000	0%	0%	
INEP	0	0	0	0%	0%	
Total	**82,799,000.00**	**22,799,000.00**	**91,180,774.00**	**03%**	**0%**	

APPENDIX M: CAPITAL EXPENDITURE - NEW ASSETS PROGRAMME

Capital Expenditure - New Assets Programme* R '000							
Description	2018/2019	2019/2020			Planned Capital Expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	Fy + 1	Fy + 2	Fy + 3
Capital Expenditure By Asset Class							
Infrastructure - Total	**182,300**	**174,993.00**	**195,206.00**	**187,722**	–	–	–
Infrastructure: Road Transport - Total	**2 636**	**1 458**	**34 173**	**33 759**	–	–	–
Roads, Pavements & Bridges	2 636	1458	34 173	33 759	-	-	-
Storm Water							
Infrastructure: Electricity - Total	**12 923**	**10 724**	**4 197**	**4 740**	-	-	-
Transmission & Reticulation							
Street Lighting	12 923	10 724	4 197	4 740	-	-	-
Infrastructure: Water - Total	**121 153**	**116 225**	**94 447**	**88 986**	–	–	–
Dams & Reservoirs	41 749	43 794	55 521	55 541	-	-	-
Water Purification	73 532	66 749	38 926	33 445	-	-	-
Reticulation	5 872	5 682			-	-	-
Infrastructure: Sanitation - Total	**1 207**	**1 122**	**3 184**	**3 184**		–	–
Reticulation							
Sewerage Purification	1 207	1 122	3 184	3 184	-	-	-
Infrastructure: Other - Total	**44 381**	**45 464**	**59 205**	**57 053**	–	–	–

Waste Management	23 931	27 081	19 518	19 353	-	-	-
Transportation	-	-			-	-	-
Gas					-	-	-
Other	450	-	4 980	4 977	-	-	-
Operational WSIG	20 000	18 383	34 707	32 723			

APPENDIX N – CAPITAL PROGRAMME BY PROJECT BY WARD 2019/20

Location	Project Description	Revised Annual Target 2019/ 2020 FY	Adjusted Annual Budget (Input Indicator' 000)	2019/ 2020 Actual Performance	Expenditure To Date
Enkeldoornoog C	Construction of New Reservoir and at KwaMhlanga for Phola Park and Mountain View Communities - Phase 2	1 of 10Ml reservoir constructed by 30th September 2019	R 494 792	1 of 10Ml reservoir constructed	R 494 792
Boekenhouthoek	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 Mathysensloop and Boekenhouthoek)	9.1 km's of bulk pipeline and 16 valve chambers completed by 31st March 2020	R 38 041 348	Commission and hand over of the projects is planned for 7 July 2020	R 39,586,996.05
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		7.5ML WTW Construction in progress	
Mathysensloop	Upgrading of Existing Infrastructure from Agricultural Project to Augment Borehole Water Supply in Bundu –	1 reinforce concrete reservoir constructed by 31st March 2020		1 concrete reservoir completed	
Enkeldooroog B	Upgrading of Enkeldoornog B Water infrastructure, Phase 2	1 electrical Pump Station upgraded at Enkeldoornoog B by 31st March 2020	R 1 067 137	1 electrical Pump Station upgraded	R 1 067 137
Suncity	Upgrading of Sun City A reservoir	1 reservoir upgraded by 30th June 2020	R 9 000 000	1 reservoir construction in progress	R 8,965,822.49
Moloto	Upgrading Moloto storage reservoir	1 reservoir upgraded by 30th June 2020	R 9 000 000	1 reservoir construction in progress	R 8,995,564.24

Location	Project Description	Revised Annual Target 2019/ 2020 FY	Adjusted Annual Budget (Input Indicator' 000)	2019/ 2020 Actual Performance	Expenditure To Date
Kwaggafontein anf Thokoza	Construction of Two Gantries on the Dr. JSMLM (Mathysensloop) and CoT (Vezubuhle) Bulk Pipelines	2 Gantries constructed by 30th June 2020	R 468 637	2 Gantries constructed	R 468 637
Moloto	Moloto Groundwater Supply Scheme Development	9 Boreholes equipped, and connected to Moloto Reservoir by 31st March 2020	R 13 113 175	9 Boreholes equipped, and connected to Moloto Reservoir	R 7 697 439.83
Mathysensloop	Installation of boreholes at Mathysensloop Ward 7	1 Borehole refurbished, Electrified and Installed with Electric Submersible Pump by 30th June 2020	R 287 536	Boreholes Tested, Energised and commissioned	R 215,779.66
Boekenhouthoek Ward 24	Installation of boreholes at Boekenhouthoek Ward 24	2 Borehole refurbished, Electrified and Installed with Electric Submersible Pump by 30th June 2020	R 435 683	Boreholes Tested, Energised and commissioned	R 431,559.34
	Installation of boreholes at Sheldon Ward 14	1 borehole drilled, electrified and installed with electric submersible pump by 30th June 2020	R 385 060	Boreholes Tested, Energised and commissioned	R 384,382.48
Kwaggafontein A Ward 28	Installation of boreholes at Kwaggafontein A Ward 28	1 Boreholes Refurbished and Installed with Hand Pumps by 30th June 2020	R 139 347	1 Boreholes Refurbished and Installed with Hand Pumps	R 139 347
Kwaggafontein A Ward 29	Installation of boreholes at Kwaggafontein A Ward 29	1 Borehole refurbished, electrified and installed with electric submersible pump by 30th June 2020	R 539 341	Boreholes Tested, Energised and commissioned	R 469,847.12
Kwaggafontein C Ward 26	Installation of boreholes at Kwaggafontein C Ward 26	1 Borehole refurbished, electrified and installed with electric submersible pump by 30th June 2020	R 309 807	Boreholes Tested, Energised and commissioned	R 260,494.58

Location	Project Description	Revised Annual Target 2019/ 2020 FY	Adjusted Annual Budget (Input Indicator' 000)	2019/ 2020 Actual Performance	Expenditure To Date
Kwaggafontein D Ward 31	Installation of boreholes at Kwaggafontein D Ward 31	1 Borehole drilled, Electrified, and Installed with Electric Submersible Pump by 30th June 2020	R 320 980	Boreholes Tested, Energised and commissioned	R 238,366.13
Kwaggafontein E Ward 31	Installation of boreholes at Kwaggafontein E Ward 31	1 Boreholes refurbished, Electrified and Installed with Electric Submersible Pump by 30th June 2020	R 411 956	Boreholes Tested, Energised and commissioned	R 281,333.47
Verena A	Installation of boreholes at Verena A Ward 08	1 Borehole drilled, Electrified and Installed with Electric Submersible Pump by 30th June 2020	R 1 796 358	Boreholes Tested, Energised and awaited commissioning	R 1,145,181.38
Bundu	Installation of boreholes at Bundu Ward 24	1 Boreholes refurbished, electrified and installed with electric submersible pump by 30th June 2020.	R 461 145	Boreholes Tested, Energised and commissioned	R 348,246.48
Machipe	Installation of boreholes at Machipe Ward 24	1 Borehole operated with petrol generator refurbished and Installed with Electric Submersible Pump by 30th June 2020	R 576 271	Boreholes Tested, Energised and commissioned	R 110,112.50
Rietfontein	Installation of boreholes at Rietfontein Ward 8	1 Borehole refurbished Electrified and Installed with Electric Submersible Pump by 30th June 2020	R 638 137	Boreholes Tested, Energised and commissioned	R 323,182.24
Seriemgkop	Installation of boreholes at Sieringkop Ward 32	1 Borehole refurbished, electrified and installed with electric submersible pump by 30th June 2020.	R 274 127	Boreholes Tested, Energised and commissioned	R 241,751.16
Tweefontein C	Installation of boreholes at Tweefontein C Ward 12	1 Borehole refurbished, Electrified and Installed with Electric Submersible Pump by 30th June 2020	R 555 562	Boreholes Tested, Energised and commissioned	R 515,107.23

Location	Project Description	Revised Annual Target 2019/ 2020 FY	Adjusted Annual Budget (Input Indicator' 000)	2019/ 2020 Actual Performance	Expenditure To Date
Loopsruit Ward 32	Installation of boreholes at Loopspruit Ward 32	1 borehole refurbished and installed with wind mill by 30th June 2020	R 202 365	1 Boreholes refurbished and installed with wind mill	R 138,600.30
Tweefontein DK Ward 12	Installation of boreholes at Tweefontein DK Ward 12	1 boreholes refurbished and Installed with hand Pump by 30th June 2020	R 366 302	1 Boreholes tested and commissioned	R 347,524.70
Various locations THLM	Drilling, Refurbishment and Equipping of Boreholes within THLM: • Kwaggafontein A Ward 27 – 2 • Kwaggafontein A Ward 28 – 1 • Kwaggafontein D Ward 31 – 1 • Kwaggafontein E Ward 31 – 1 • KwaMhlanga Ward 32 – 3 • Mahlabathini Ward 22 – 1 • Luthuli Ward 22 – 1 • Sun City A,B,C & D Ward 19 - 4	30% Drilling, Refurbishment and Equipping of Boreholes within THLM by 30th June 2021: *MIG Business Plan 5%; *Preliminary Design Report 5%; *Detailed Design Report 5%; *Appointment of Contractor 5%; *Site Establishment 10%,	R3,000,000.00	**30% progress** *MIG Business Plan 5%; *Preliminary Design Report 5%; *Detailed Design Report 5%; *Appointment of Contractor 5%; *Site Establishment 10%,	R 2,897,328.18
Luthuli	Luthuli Waste Water Treatment Works, Phase 1	1 Approved detail design report by 30th September 2019	R 748 457	1 Approved detail design report	R 748 457
Tweefpntein K	Upgrading of Tweefontein K Waste Water Treatment Works, Phase 2	1 Approved detail design report by 30th September 2019	R 7 985 248	1 Approved detail design report	R 7 985 248
KwaMhlanga	Refurbishment of Sewer Oxidation Ponds	40% progress in the Refurbishment of Sewer Oxidation Ponds: *Technical Report 5%; *Preliminary Design Report 5%; *Detailed Design Report 5%	R 3 184 055	**40% progress**: *Technical Report 5%; *Preliminary Design Report 5%; *Detailed Design Report 5% *Term of Reference for Contractor 5%; *Appointment of Contractor	R 3,184,055.37

Location	Project Description	Revised Annual Target 2019/ 2020 FY	Adjusted Annual Budget (Input Indicator' 000)	2019/ 2020 Actual Performance	Expenditure To Date
		*Term of Reference for Contractor 5%; *Appointment of Contractor 5%; *Site Establishment 15%;		5%; *Site Establishment 15%;	
Tweefontein G	Installation of High Mast Light in Tweefontein G – Ward 30	1 High Mast Lights installed and energised by 31st March 2020	R 149 985	Highmast Commissioned	R 168 820
Tweefontein H	Installation of High Mast Light in Tweefontein H – Ward 30	1 High Mast Lights installed and energised by 31st March 2020	R 149 985	Highmast Commissioned	R 168 820
Tweefontein J	Installation of High Mast Light in Tweefontein J – Ward 9	1 High Mast Lights installed and energised by 31st March 2020	R 121 409	Highmast Commissioned	R 125 658
KwaMhlanga	Installation of High Mast Light in KwaMhlanga B – Ward 32	1 High Mast Lights installed and energised by 31st March 2020	R 163 684	Highmast Commissioned	R 163 684.32
Mahlanathini	Installation of High Mast Light in Luthuli (Mahlabathini) – Ward 22	1 High Mast Lights installed and energised by 31st March 2020	R 163 684	Highmast Commissioned	R 163 684.32
Buhlebesizwe	Installation of High Mast Light in Buhlebesizwe RDP – Ward 16	1 High Mast Lights installed and energised by 31st March 2020	R 170 068	Highmast Commissioned	R 170 067.94
Thembalethu	Installation of High Mast Light in Thembalethu (Section 16) – Ward 5	1 High Mast Lights installed and energised by 31st March 2020	R 65 068	Highmast Commissioned	R 75 253

Location	Project Description	Revised Annual Target 2019/ 2020 FY	Adjusted Annual Budget (Input Indicator' 000)	2019/ 2020 Actual Performance	Expenditure To Date
Phola Park	Installation of High Mast Light in Phola Park Ext C – Ward 6	1 High Mast Lights installed and energised by 31st March 2020	R 231 163	Highmast Commissioned	R 150 198.24
Msholozi	Installation of High Mast Light in Msholozi – Ward 4	1 High Mast Lights installed and energised by 31st March 2020	R 170 068	Highmast Commissioned	R 170 069.95
Kwaggafontein A	Installation of High Mast Light in Kwaggafontein A (Mgobeni) – Ward 27	1 High Mast Lights installed and energised by 31st March 2020	R 121 409	Highmast Commissioned	R 121 409.35
Moloto(Section B7)	Installation of High Mast Light in Moloto (Section B7) – Ward 3	1 High Mast Lights installed and energised by 31st March 2020	R 355 208	Highmast Commissioned	R 355 207.53
Loopsruit Farms	Installation of High Mast Light in Loopspruit Farms – Ward 32	1 High Mast Lights installed and energised by 31st March 2020	R 174 348	Highmast Commissioned	R 200 500
Kwaggafontein C	Installation of High Mast Light in Kwaggafontein C – Ward 26	1 High Mast Lights installed and energised by 31st March 2020	R 174 348	Highmast Commissioned	R 200 500
Ntokozweni	Installation of High Mast Light in Ntokozweni – Ward 17	1 High Mast Lights installed and energised by 31st March 2020	R 56 878	Highmast Commissioned	R 56 877
Mzimuhle	Installation of High Mast Light in Mzimuhle – Ward 10	1 High Mast Lights installed and energised by 31st March 2020	R 65 437	Highmast Commissioned	R 65 473
Kwaggafontein(Spar Section)	Installation of High Mast Light in Kwaggafontein A Spar Section - Ward 28	1 High Mast Lights installed and energised by 31st March 2020	R 319 475	Highmast Commissioned	R 126 188
Kaggafontein (Coner Café)	Installation of High Mast Light in Kwaggafontein Corner Café - Ward 28	1 High Mast Lights installed and energised by 31st March 2020	R 109 729	Highmast Commissioned	R 126 188

Location	Project Description	Revised Annual Target 2019/ 2020 FY	Adjusted Annual Budget (Input Indicator' 000)	2019/ 2020 Actual Performance	Expenditure To Date
Vlaklaagte No: 1	Installation of High Mast Light in Vlaklaagte No.1 – Ward 21	1 High Mast Lights installed and energised by 31st March 2020	R 109 729	Highmast Commissioned	R 126 188
Vlaklaagte No: 1 (Parrafin Area)	Installation of High Mast Light in Vlaklaagte No.1 Parrafin Area – Ward 21	1 High Mast Lights installed and energised by 31st March 2020	R 109 729	Highmast Commissioned	R 126 188
Rietfontein Farms	Installation of High Mast Light in Rietfontein Farms – Ward 8	1 High Mast Lights installed and energised by 31st March 2020	R149 985	Highmast Commissioned	R 146 800.17
Tweefontein K	Installation of High Mast Light in Tweefontein K – Ward 13	1 High Mast Lights installed and energised by 31st March 2020	R 163 684	Highmast Commissioned	R 188 237
Doornek	Installation of High Mast Light in Doornek Farms – Ward 08	1 High Mast Lights installed and energised by 31st March 2020	R 174 348	Highmast Commissioned	R 200 500
Swartkoppies	Installation of High Mast Light in Swartkoppies Farms – Ward 11	1 High Mast Lights installed and energised by 31st March 2020	R 174 348	Highmast Commissioned	R 200 500
Wolwenkop (Phakama)	Installation of High Mast Light in Wolvenkop Phakama Section – Ward 11	1 High Mast Lights installed and energised by 31st March 2020	R 64 892	Highmast Commissioned	R 74 625
Sheldon	Installation of High Mast Light in Bundu Marhoqo Section – Ward 24	1 High Mast Lights installed and energised by 31st March 2020	R 64 892	Highmast Commissioned	R 75 625
Kwaggafontein C	Installation of High Mast Light in Kwaggafontein C – Ward 25	1 High Mast Lights installed and energised by 31st March 2020	R 301 284	Highmast Commissioned	R 351 892

Location	Project Description	Revised Annual Target 2019/ 2020 FY	Adjusted Annual Budget (Input Indicator' 000)	2019/ 2020 Actual Performance	Expenditure To Date
Tweefontein J	Installation of High Mast Light in Tweefontein J – Ward 30	1 High Mast Lights installed and energised by 31st March 2020	R 121 409	Highmast Commissioned	R 125 659
THLM	Design and implementation of energy efficiency program		R 5 000 000	650 Street lights retrofitted with LED and 30 high mast lights retrofitted with LED	R 4 997 489
Kwaggafontein A Ward 29	Construction of Storm water channels, (Ward 29)	200 meters of Storm water channels constructed by 30th June 2020	R 200 000	200 meters of Storm water channels constructed	
Luthuli	Designs and Construction of Luthuli Link Road - Ward 22	0.35 km road surfaced by 31st March 2020	R 3 411 617	0.35 km roads surfaced Completed	R 3 411 617.33
Suncity AA	Designs for Construction of Sun City AA Bus Route - Ward 20 (Designs only)	1 km road surfaced by 30th June 2020	R 6 000 000	1 km road surfacing in progress	R 5,902,305.21
Chris Hani	Construction of Chris Hani Bus Route - Ward 18	1 km road surfaced by 30th June 2020	R 6 000 000	1 km road surfacing in progress	R 5,985,635.30
KwaMhlanga	Construction of KwaMhlanga B Link Road - Ward 32	1 km road surfaced by 30th June 2020	R 6 000 000	1 km road surfacing in progress	R 6,108,222.25
Moloto North	Construction of Moloto North Bus Route - Ward 2	1 km road surfaced by 30th June 2020	R 6 161 250	1 km road surfacing in progress	R 3,704,693.59

Location	Project Description	Revised Annual Target 2019/ 2020 FY	Adjusted Annual Budget (Input Indicator' 000)	2019/ 2020 Actual Performance	Expenditure To Date
Suncity A	Designs for Construction of Sun City A Bus Route - Ward 19	1 approved Detail design report completed by 31st March 2020	R 1 100 000	Final Detailed Design Report completed	R 1,058,575.00
Moloto South	Designs for Construction of Moloto South Bus Route - Ward 1	1 approved Detail design report completed by 31st March 2020	R 1 100 000	Final Detailed Design Report completed	R 1,040,226.90
Boekenhouthoek	Designs for Construction of Boekenhouthoek Bus Route - Ward 24	1 approved Detail design report completed by 31st March 2020	R 1 100 000	Final Detailed Design Report completed	R 1,037,108.15
Zakheni	Designs for Construction of Zakheni Bus Route - Ward 4	1 approved Detail design report completed by 31st March 2020	R 1 100 000	Final Detailed Design Report completed	R 1,098,721.56
Mathysensloop	Designs for Construction of Mathesynsloop Bus Route - Ward 7	1 approved Detail design report completed by 31st March 2020	R 1 100 000	Final Detailed Design Report completed	R 799,210.90
Mountainview	Designs for Construction of Mountain View (Mandela Drive) Bus Route - Ward 14	1 approved Detail design report completed by 31st March 2020	R 1 100 000	Final Detailed Design Report completed	R 1,089,337.50

Location	Project Description	Revised Annual Target 2019/ 2020 FY	Adjusted Annual Budget (Input Indicator' 000)	2019/ 2020 Actual Performance	Expenditure To Date
Kwaggafontein B	Upgrading of Kwaggafontein Land fill site (Ward 25)	1 land fill site upgraded 30th June 2020	R 19 517 706	1 land fill site construction in progress	R 14,570,170.22
Kwaggafontein C	Upgrading of Kwaggafontein stadium (Ward 26)	1 design report developed and approved by 30th June 2020	R 1 046 880	Final Detailed Design Report completed	R 1,046,879.78
KwaMhlanga	Upgrading of KwaMhlanga stadium (Ward 32)	1 designs report developed and approved by 30th June 2020	R 1 485 612	Final Detailed Design Report completed	R 1,485,611.98
Phumula	Construction of Multi-Purpose Centre in Phumula	1 design report developed and approved by 30th June 2020	R 999 450	Final Detailed Design Report completed	R 997,332.26
Moloto North	Construction of Multipurpose Centre in Moloto North (Ward 2)	1 designs report developed and approved by 30th June 2020	R 1 447 427	Final Detailed Design Report completed	R 2,202,333.82

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 municpality 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 period ended 30 June 2020

Audited
By

Auditor General South

THEMBISILE HANI LOCAL MUNICIPALITY

Annual Financial Statements for the period ended 30 June 2020

General Information

Mayoral committee	
Executive Mayor	Cllr Mtsweni Nomsa Sanny
Speaker	Cllr Mabena Thomas Lebandla
Chief whip	Cllr Tau Joyce Johanna
Members of Executive Committee	Cllr Tshabangu Lillian Martha
	Cllr Msiza Maria Poppy
	Cllr Makhwiting Theletji James
	Cllr Phakathi Nomasonto Emmah
	Cllr Mtweni Xolani Lucky
Councillors	Cllr Mahlangu Amos
	Cllr Mampuru Dipolelo Sinah
	Cllr Makatu Phenaus Doctor
	Cllr Motena Mitopie Andries
	Cllr Ngoma Sipho Koos
	Cllr Jiyane Koos Vusi
	Cllr Mahlangu Moses Michael
	Cllr Mthimunye Joseph Elias
	Cllr Dlamini Bongani Ntokozo
	Cllr Nobela Maria Truddy
	Cllr Mnisi Sgaule Timothy
	Cllr Masango Sipho
	Cllr Mahlangu Christinah Ndlelehle
	Cllr Msiza James Simausu
	Cllr Madyungu Alexcious Sphiwe
	Cllr Mahlangu Josephinah Lindiwe
	Cllr Mogoboya Samuel Bongani
	Cllr Sikosana Mzwandile Obed
	Cllr Masango Selsiwe Jack
	Cllr Mnguni Maria Qhubeni
	Cllr Ngoma Norman
	Cllr Malefo Nimrod Boitumelo
	Cllr Malbi Bongani Victor
	Cllr Fakude Dumisani Chrescent
	Cllr Mahlangu Jan Sizwe
	Cllr Ndull Masotja Petrus
	Cllr Skosana Dini Samson
	Cllr Msiza Khulise April
	Cllr Mahlangu Patrick Vusi
	Cllr Mahlangu Gideon
	Cllr Skosana Vusimuzi Vincent
	Cllr Mabelwane Oris Mpheto
	Cllr Mashinini Thabisile Elsie
	Cllr Mathibela Emelinah Mavis
	Cllr Skosana Lindiwe Thembi
	Cllr Motanyane Thokozile Egnes
	Cllr Jiyane Laza Elsie
	Cllr Msiza Marcia
	Cllr Maseko Zanele
	Cllr Nhlapho Sonto Rose
	Cllr Msiza Nomatjeni Nellie

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Mpumalanga Business Unit

THEMBISILE HANI LOCAL MUNICIPALITY

Annual Financial Statements for the period ended 30 June 2020

General Information

Cllr Kekana Piet Thapelo
Cllr Molefe Remenky Stephinah
Cllr Mahlangu Lucky Bruce
Cllr Dhlamini Alicia Lebohang
Cllr Msibi Vusi Amos
Cllr Motaung Ntombi Mitta
Cllr Mokolo Matalanyane Lucas
Cllr Mahlangu Nompumelelo Merriam
Cllr Masilela Toenkie Linah
Cllr Mahlangu Ivy Mando (Deceased)
Cllr Mokwena Maria Adelaide
Cllr Tibane Thabo John
Cllr Mahlangu Nompumelelo
Cllr Msweni Rubber Qaliwe
Cllr Makhubela Jan Masaka
Cllr Magolego Salome Athana

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2021 23
Auditor South Africa
Mpuma

THEMBISILE HANI LOCAL MUNICIPALITY
Annual Financial Statements for the period ended 30 June 2020

General Information

Audit committee members	
Chairperson	Mrs FJ Mudau
Members	Mr L Langalibalele
	Ms SJ Masite
	Mr MG Mathsbethe
	Mr T Gafane
	Mr T Boltman
Grading of local authority	Grade 4
Accounting Officer	Mr Oscar Nkosi
Chief Finance Officer (CFO)	Ms JG Mahlangu
Business address	24 Kweggafontein C Kwaggafontein 0458
Postal address	Private Bag X4041 Empumalanga 0458
Bankers	Nedbank
Auditors	AGSA - Mpumulanga
Telephone number	(013) 986 9100
Fax number	(013) 986 0995
Web	www.thembisilehanilm.gov.za

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Mpumalanga Business Unit

THEMBISILE HANI LOCAL MUNICIPALITY
Annual Financial Statements for the period ended 30 June 2020

Index

The reports and statements set out below comprise the annual financial statements presented to the provincial legislature:

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THEMBISILE HANI LOCAL MUNICIPALITY
Annual Financial Statements for the period ended 30 June 2020

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COID	Compensation for Occupational Injuries and Diseases
CRR	Capital Replacement Reserve
COVID-19	Coronavirus Disease 2019
CIGFARO	Chartered Institute of Government Finance Audit and Risk Officers
DBSA	Development Bank of South Africa
EEDM	Energy Efficiency and Demand Site Management Grant
EPWP	Expanded Public Works Program Grant
FMG	Finance Municipal Grant
GRAP	Generally Recognised Accounting Practice
HDF	Housing Development Fund
IAS	International Accounting Standards
IPSAS	International Public Sector Accounting Standards
MDRG	Municipal Disaster Relief Grant
ME's	Municipal Entities
MEC	Member of the Executive Council
MFMA	Municipal Finance Management Act No 56 of 2003
MIG	Municipal Infrastructure Grant (Previously CMIP)
PPE	Property, Plant and Equipment
PSI	Product, Sales and Inventory
WSIG	Water Service Infrastructure Grant

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Mpumalanga Business Unit

THEMBISILE HANI LOCAL MUNICIPALITY
Annual Financial Statements for the period ended 30 June 2020

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 annual financial statements and related financial information included in this report. It is the responsibility of the accounting officer to ensure that the annual 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 annual financial statements and was given unrestricted access to all financial records and related data.

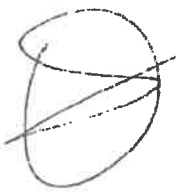
The annual financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The annual 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 annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

The annual financial statements set out on pages 11 to 90, which have been prepared on the going concern basis, were approved by the accounting officer on 31 October 2020 and were signed on its behalf by:



Mr Oscar Nkosi
Accounting Officer

Audited
By
2021 -08- 23
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THEMBISILE HANI LOCAL MUNICIPALITY

Annual Financial Statements for the period ended 30 June 2020

Report of the Audit and Performance Committee

ANNUAL REPORT OF THE AUDIT AND PERFORTMANCE COMMITTEE

We are pleased to submit the report of the Audit Committee for the year ended 30 June 2020

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 section166 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	Special Meeting	Total	Attendance
Mrs. FJ Mudau (Chairperson)	4	4	2	10	10
Mr. L Langalibalele (Member)	4	4	2	10	10
Mr. M Mathabathe (Member)	4	4	2	10	10
Ms. J Masite (Member)	3	4	2	10	9
Mr. T Gafane (Member)	3	4	1	10	8

The following although not members of the Audit and Performance Committee, have standing invitation to Audit and Performance committee meetings:

- The Accounting Officer;

Report of the Audit and Performance Committee

- 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 2019/20 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

- Audit of quarterly performance information;
- Quarterly Compliance;
- Audit of draft annual financial statements;
- Land and building;
- Environmental and Waste Management audit;
- Draft Interim Financial Statements audit;
- Risk management audit;
- Revenue management audit;

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Report of the Audit and Performance Committee

- SCM Audit (NDM);
- ICT audit (NDM);
- Follow up Internal Audit findings;
- Follow up AGSA action plan;

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 23 October 2020 and further noted that the overall institutional performance has declined from the previous year institutional performance of 2018/2019.

7. Evaluation of draft annual financial statements

The Audit and Performance Committee, on its meeting held on the 18 September 2020 and 23 October 2020 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 FinancialStatements
- 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

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THEMBISILE HANI LOCAL MUNICIPALITY
Annual Financial Statements for the period ended 30 June 2020

Report of the Audit and Performance Committee

The Audit and Performance Committee encourages management to consider inputs made during its review of two set of draft AFS during special meetings held 18 September 2020 and 23 October 2020 to ensure complete, reliable and accurate information to AGSA.

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 even under Covid-19 pandemic.

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. We are committed to fully execute our oversight function to strengthening corporate governance.

26 October 2020

Mr. F Mudau — Date

Chairperson of Audit committee

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THEMBISILE HANI LOCAL MUNICIPALITY

Annual Financial Statements for the period ended 30 June 2020

Accounting Officer's Report

The accounting officer submits his report for the period ended 30 June 2020.

1. Introduction

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 annual financial statements and related financial information included in this report. It is the responsibility of the accounting officer to ensure that the annual 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 annual financial statements and was given unrestricted access to all financial records and related data.

The annual 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 annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments 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.

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

Towards the end of the financial year the President of the country his Excellency Mr Cyril Ramaphosa declared a National State of disaster due to the Covid-19 pandemic. On the 23rd of March the president announced a 21 days lockdown to contain the spread of the pandemic. This has affected the municipality's operations drastically however we had to put measures in place to ensure that communication is maintained using different digital platforms such as radio, social media and Microsoft Teams application. The municipality received a municipal disaster recovery grant amounting to R596 000 as disclosed in Note 24 of this set.

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 annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

The accounting officer has reviewed the municipality's cash flow forecast for the year to 30 June 2020 and, in the light of this review and the current financial position, he is satisfied that the municipality has or has access to adequate resources to continue in operational existence for the foreseeable future

I certify that the salaries, allowances and benefits of Councilors, loans made to Councilors, if any, and payments made to Councilors for loss of office, if any, as disclosed in the note 26 of these annual financial statements are within the upper limits of the framework envisaged in Section 219 of the Constitution, read with the Remuneration of Public Officer Bearers Act and the Minister of Provincial and Local Government's determination in accordance with this Act.

I am responsible for the preparation of these annual financial statements, which are set out from pages 6 to 59, in terms of Section 126(1) of the Local Government: Municipal Financial Management Act and which I have signed on behalf of the municipality.

Accounting Officer's Report

3. Going concern

We draw attention to the fact that at 30 June 2020, the municipality had an accumulated surplus of R 2 157 172 310.

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 wants to draw attention on Covid-19 pandemic - refer Note 43 on page 89.

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.

6. Accounting Officer

The accounting officer of the municipality during the period and to the date of this report is as follows:

Name	Nationality
Mr Oscar Nkosi	South African

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THEMBISILE HANI LOCAL MUNICIPALITY
Annual Financial Statements for the period ended 30 June 2020

Statement of Financial Position as at 30 June 2020

Figures in Rand	Note(s)	2020	2019 Restated*
Assets			
Current Assets			
Inventories	6	48 937 943	51 173 203
Receivables from exchange transactions	7&10	24 950 227	6 379 976
Statutory receivables	8&10	6 284 700	3 739 827
VAT receivable	9	14 647 723	3 514 375
Cash and cash equivalents	11	99 458 958	94 286 124
		194 279 551	161 093 505
Non-Current Assets			
Property, plant and equipment	3	2 116 112 057	1 995 285 706
Intangible assets	4	846 089	-
		2 116 958 146	1 995 285 706
Total Assets		2 311 237 697	2 156 379 211
Liabilities			
Current Liabilities			
Finance lease obligation	12	4 144 073	3 676 293
Payables from exchange transactions	15	84 764 036	61 825 414
Unspent conditional grants and receipts	13	1 871 216	17 542 483
Provisions	14	4 373 787	3 261 618
Employee benefit obligation - current portion	5	1 008 209	284 000
		76 161 321	86 589 808
Non-Current Liabilities			
Finance lease obligation	12	2 892 758	7 035 964
Employee benefit obligation	5	7 944 882	8 536 000
Provisions	14	21 890 736	21 791 817
Payables from exchange transactions - non-current portion	15	45 183 356	39 080 897
		77 911 732	76 444 678
Total Liabilities		154 073 053	163 034 486
Net Assets		2 157 164 644	1 993 344 725
Accumulated surplus		2 157 164 644	1 993 344 725

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* See Note 40

THEMBISILE HANI LOCAL MUNICIPALITY
Annual Financial Statements for the period ended 30 June 2020

Statement of Financial Performance

Figures in Rand	Note(s)	2020	2019 Restated*
Revenue			
Revenue from exchange transactions			
Service charges	17	137 511 464	133 555 764
Rental of facilities and equipment	18	887 061	1 080 424
Other income	21	7 795 367	6 908 088
Interest received	22	59 859 228	50 752 025
Gain on non-current assets held for sale		-	20 755
Total revenue from exchange transactions		**206 053 120**	**192 317 056**
Revenue from non-exchange transactions			
Taxation revenue			
Property rates	23	47 680 432	31 605 482
Transfer revenue			
Government grants & subsidies	24	812 651 267	538 709 517
Licences, permits and agency fees	25	8 978 787	8 196 388
Donations received	26	28 417 615	34 967 669
Fines, penalties and forfeits	19	12 617 750	17 610 950
Total revenue from non-exchange transactions		**710 345 551**	**631 090 008**
Total revenue	16	**916 398 671**	**823 407 062**
Expenditure			
Employee related costs	27	(141 352 568)	(131 696 525)
Remuneration of councillors	28	(25 154 166)	(24 177 583)
Depreciation and amortisation	29	(71 584 107)	(69 574 630)
Finance costs	30	(973 434)	(438 764)
Lease rentals on operating lease	20	(1 446 315)	(921 614)
Debt Impairment	31	(209 001 742)	(254 404 296)
Bulk purchases	33	(151 648 903)	(142 097 317)
Inventories losses/write-downs		(2 434 826)	(197 222)
Amnesty: Consumer debtors written off	32	(5 728 666)	(4 434 561)
General Expenses	34	(143 266 659)	(145 347 323)
Total expenditure		**(752 571 386)**	**(773 289 836)**
Surplus for the period		**163 827 585**	**50 117 227**

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* See Note 40

THEMBISILE HANI LOCAL MUNICIPALITY

Annual Financial Statements for the period ended 30 June 2020

Statement of Changes in Net Assets

Figures in Rand	Accumulated surplus	Total net assets
Restated* Balance at 01 July 2018	**1 943 219 632**	**1 943 219 632**
Changes in net assets		
Provision for impairment - Consumer debtors	(29 871 638)	(29 871 638)
Receivables from exchange transactions	45 423 974	45 423 974
Statutory receivables: Property rates	(10 681 532)	(10 681 532)
Property, plant and equipment: Cost	27 681 120	27 681 120
Property, plant and equipment: Accumulated depreciation	1 223 449	1 223 449
Gain/(Loss) on non-current assets held for sale or disposal groups	20 755	20 755
Finance lease obligation	(159 548)	(159 548)
Net income (losses) recognised directly in net assets	33 636 580	33 636 580
Surplus previously reported	16 480 647	16 480 647
Restated Surplus for 2018-2019	50 117 227	50 117 227
Total changes	50 117 227	50 117 227
Restated* Balance at 01 July 2019	**1 993 344 725**	**1 993 344 725**
Changes in net assets		
Surplus for the period	163 827 585	163 827 585
Total changes	163 827 585	163 827 585
Balance at 30 June 2020	**2 157 172 310**	**2 157 172 310**
Note(s)	40	

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* See Note 40

THEMBISILE HANI LOCAL MUNICIPALITY
Annual Financial Statements for the period ended 30 June 2020

Cash Flow Statement

Figures in Rand	Note(s)	2020	2019 Restated*
Cash flows from operating activities			
Receipts			
VAT refund		45 220 662	54 037 180
Sale of goods and services		27 396 232	11 287 719
Grants		596 980 000	538 709 517
Interest income		2 263 519	4 877 261
Other receipts		11 608 915	9 747 558
		883 469 328	618 659 235
Payments			
Employee costs		(168 506 736)	(156 509 960)
Suppliers		(347 252 558)	(281 950 038)
Finance costs		(973 433)	(438 764)
		(514 732 727)	(438 898 753)
Net cash flows from operating activities	36	**168 736 601**	**179 760 482**
Cash flows from investing activities			
Purchase of property, plant and equipment	3	(162 273 839)	(155 709 199)
Purchase of other intangible assets	4	(1 000 005)	-
Interest income		3 385 503	3 178 869
Net cash flows from investing activities		**(159 888 341)**	**(152 530 330)**
Cash flows from financing activities			
Finance lease payments		(3 675 426)	10 281 159
Net increase/(decrease) in cash and cash equivalents		5 172 834	37 511 311
Cash and cash equivalents at the beginning of the year		94 286 124	56 774 813
Cash and cash equivalents at the end of the year	11	**99 458 958**	**94 286 124**

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* See Note 40

THEMBISILE HANI LOCAL MUNICIPALITY
Annual Financial Statements for the period ended 30 June 2020

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Statement of Financial Performance						
Revenue						
Revenue from exchange transactions						
Service charges	186 857 000	(8 874 000)	177 983 000	137 511 464	(40 471 536)	The different between the budget and actual under services charges is because of the expenditure for free basic water debited against the service charges revenue as a revenue forgone for 6 Kl
Rental of facilities and equipment	1 006 000	(3 000)	1 003 000	887 061	(115 939)	Less usage of facilities and equipment by community due to the lockdown during COVID 19
Other income - (rollup)	10 161 000	31 807 000	41 968 000	7 795 367	(34 172 633)	The direffence is because the amount received from SARS as a refund is accounted in the different way, In the budget in treated as revenue wereas on the actual cash received part is used to clear the VAT control account

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Annual Financial Statements for the period ended 30 June 2020

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Interest received - External investments	6 500 000	(2 259 189)	4 240 811	9 138 287	4 897 476	More funds were invested than anticipated due to slow spending during lockdown
Interest received - Outstanding Debtors	45 080 823	3 586 098	48 646 921	50 720 941	2 074 020	Less payments were received from consumers and this resulted to the increase of interest charged on oustading debts
Total revenue from exchange transactions	**249 584 823**	**24 256 909**	**273 841 732**	**206 053 120**	**(67 788 612)**	
Revenue from non-exchange transactions						
Taxation revenue						
Property rates	49 770 000	-	49 770 000	47 680 432	(2 089 568)	More revenue was collected than anticipated because of additional consumers added to the data base for billing purpose.
Transfer revenue						
Government grants & subsidies - Operational & Capital grants	596 583 750	17 937 587	614 521 337	612 651 267	(1 870 070)	Operational grants - Roll over 2020-2021
Licences and permits	3 143 000	(2 966 000)	177 000	289 854	112 854	More revenue was collected than anticipated because more licenence and permits for business were renewed by business owners.

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Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Agency fees	1 158 000	7 234 000	8 392 000	8 688 933	296 933	More revenue was collected than anticipated because more people used the services rendered by DLTC after lockdown due to COVID 19
Fines, Penalties and Forfeits	16 501 000	(7 704 000)	8 797 000	12 617 750	3 820 750	More traffic fines were issued by traffic officers than anticipated
Total revenue from non-exchange transactions	**667 156 750**	**14 501 587**	**681 657 337**	**681 928 236**	**270 899**	
Total revenue	**916 740 573**	**38 758 496**	**955 499 069**	**887 981 356**	**(67 517 713)**	-

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THEMBISILE HANI LOCAL MUNICIPALITY

Annual Financial Statements for the period ended 30 June 2020

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Expenditure						
Personnel	(156 785 000)	(918 000)	**(157 683 000)**	(141 352 568)	**16 330 432**	Less expenditure incurred on personel because of vacant positions which were not filled
Remuneration of councillors	(27 554 000)	2 000 000	**(25 554 000)**	(25 154 166)	**399 834**	Less expenditure incurred on remuneration of councillors because of less increase percentage than budgeted.
Depreciation and amortisation	(84 896 000)	-	**(84 896 000)**	(71 564 107)	**13 331 893**	Less expenditure incurred on assets than anticipated because of less projects completed during the financial year
Finance costs	-	(1 100 000)	**(1 100 000)**	(973 434)	**126 566**	Budget on finance cost - based on the estimate for monthly rentals
Lease rentals on operating lease	(909 498)	-	**(909 498)**	(1 446 315)	**(536 817)**	Budget on lease rentals - based on the estimate for monthly rentals
Debt impairment	(86 709 000)	(153 291 000)	**(240 000 000)**	(209 001 742)	**30 998 258**	Less expenditure was incurred than anticipated because less prior year error corrections were made on debtors than the previous financial year.

THEMBISILE HANI LOCAL MUNICIPALITY

Annual Financial Statements for the period ended 30 June 2020

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Amnesty written off	-	-	-	(5 728 666)	(5 728 666)	More expenditure was incurred under bad debt written of more consumers appplied for amnesty than anticipated
Bulk purchases	(134 262 135)	(7 930 000)	(142 192 135)	(151 648 903)	(9 456 768)	More water was supplied by services providers than anticipated
Transfers and Subsidies	(250 000)	250 000	-	-	-	Mayor's budget for Grade 12 pupils however for 2020 and 2019 there has been no expenditure iro this item
General Expenses	(247 106 000)	(5 858 000)	(252 964 000)	143 266 659	396 230 659	less expenditure was incurred than anticipated because less commitments and service delivery due were done to lockdown during COVID 19
Total expenditure	**(738 461 633)**	**(166 847 000)**	**(905 296 633)**	**(463 603 242)**	**441 695 391**	
Surplus before taxation	**176 288 940**	**(128 068 504)**	**50 200 436**	**424 378 114**	**374 177 678**	

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THEMBISILE HANI LOCAL MUNICIPALITY
Annual Financial Statements for the period ended 30 June 2020

Accounting Policies

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 GRAP 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

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.

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. 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 tangible assets are inherently uncertain and could materially change over time.

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 period required estimates and judgments, refer to note 38 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.

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.

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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, it's 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.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Land	Straight line	Indefinite
Buildings	Straight line	50 years
Furniture and fixtures	Straight line	3-5 years
Transport assets	Straight line	5-15 years
Office equipment	Straight line	3-5 years
IT equipment	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.

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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.

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.

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.

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.

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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.

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.

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.

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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 of 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.

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 unitised 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.

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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.

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-wxchange 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 exchage 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.

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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.

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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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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.

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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).

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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.

1.8 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.

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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, an 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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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.

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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.

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.

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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.

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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.

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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 overdesigned or overcapacity asset. Overdesigned 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.

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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.

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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 beneefit 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.

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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 seperate 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.

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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 38.

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.

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Levies

A levy is an outflow of resources embodying economic benefits that is imposed by governments on 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.

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THEMBISILE HANI LOCAL MUNICIPALITY

Annual Financial Statements for the period ended 30 June 2020

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 municiality's debt write off procedure include the assesment 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.

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 arise 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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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.

Gifts and donations, including goods in-kind

Gifts and donations, including goods in kind, are recognised as assets and revenue when it is probable that the future economic benefits or service potential will flow to the municipality and the fair value of the assets can be measured reliably.

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 period.

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 period 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 period 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 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.

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Accounting Policies

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), theMunicipal Systems Act (Act No.32 of 2000), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of theeconomic entity's supply chain management policy. Irregular expenditure excludes unauthorised expenditure. Irregularexpenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequentlyaccounted for as revenue in the Statement of Financial Performance.

Irregular expenditure that was incurred and identified during the current financial and which was condoned before year endand/or before finalisation of the financial statements must also be recorded appropriately in the irregular expenditure register. Insuch 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 beingawaited 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.

1.23 Budget Information

Municipality 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 municipality shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

The approved budget is prepared on a accrual basis and presented by functional classification linked to performance outcome objectives.

The approved budget covers the fiscal period from 01 Jul 2019 to 30 Jun 2020.

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.

Municipalities are required to prepare to adjustments budgets during October for approfal by council after mid year performance review

1.24 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.

Accounting Policies

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.

1.25 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

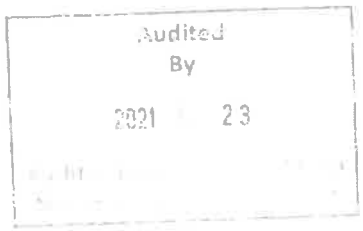
those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The municipality will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

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.

1.26 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).



Notes to the Annual Financial Statements

Figures in Rand	2020	2019

2. New standards and interpretations

2.1 Standards and interpretations effective and adopted in the current period

In the current period, the municipality has adopted the following standards and interpretations that are effective for the current financial period and that are relevant to its operations:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
GRAP 6 (as revised 2010): Consolidated and Separate Financial Statements	01 April 2019	The impact of the is not material.
Directive 7 (revised): The Application of Deemed Cost	01 April 2019	The impact of the is not material.
IGRAP 17: Service Concession Arrangements where a Grantor Controls a Significant Residual Interest in an Asset	01 April 2019	The impact of the is not material.
IGRAP 19: Liabilities to Pay Levies	01 April 2019	The impact of the is not material.

2.2 Standards and interpretations issued, but not yet effective

The municipality has not applied the following standards and interpretations, which have been published and are mandatory for the municipality's accounting periods beginning on or after 01 July 2020 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
Guideline: Guideline on Accounting for Landfill Sites	01 April 2099	Unlikely there will be a material impact
Guideline: Guideline on the Application of Materiality to Financial Statements	01 April 2099	Unlikely there will be a material impact
IGRAP 20: Accounting for Adjustments to Revenue	01 April 2020	Unlikely there will be a material impact
GRAP 1 (amended): Presentation of Financial Statements	01 April 2020	Unlikely there will be a material impact
GRAP 34: Separate Financial Statements	01 April 2020	Unlikely there will be a material impact

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Notes to the Annual Financial Statements

Figures in Rand

3. Property, plant and equipment

	2020			2019		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Land - General plant	528 902 113	-	528 902 113	528 902 113	-	528 902 113
Machinery and equipment	4 515 358	(3 241 160)	1 274 198	3 899 584	(2 754 860)	1 144 724
Furniture and office equipment	7 400 869	(5 007 072)	2 393 797	7 175 762	(4 372 444)	2 803 318
Transport assets	55 824 121	(45 854 159)	9 969 962	55 824 121	(39 564 325)	16 259 796
IT equipment	7 835 451	(4 186 363)	3 649 088	6 302 543	(3 045 221)	3 257 322
Community assets	455 945 122	(281 767 178)	174 177 944	455 945 122	(270 344 503)	185 600 619
Solid waste	396 035	(355 758)	40 277	396 035	(351 681)	44 354
Storm water Infrastructure	116 291 575	(51 884 817)	64 406 758	116 291 575	(48 758 215)	67 533 360
Water network - Boreholes	73 829 029	(24 460 672)	49 368 357	68 713 720	(20 516 549)	48 197 171
Sanitation Infrastructure	64 431 080	(41 180 549)	23 250 531	64 431 080	(38 695 199)	25 735 881
Road Infrastructure	1 043 681 182	(642 767 448)	400 913 734	1 000 198 686	(621 413 410)	378 785 276
Water Supply Distribution	549 945 661	(304 057 849)	245 887 812	548 100 428	(295 462 231)	252 638 197
Water Supply Bulk mains	214 470 349	(178 895 345)	35 575 004	214 470 348	(176 216 020)	38 254 328
Pumpstations	14 969 934	(12 869 543)	2 100 391	14 969 934	(12 413 361)	2 556 573
Reservoirs	275 221 754	(93 262 562)	181 959 192	266 865 378	(85 132 369)	181 733 009
Assets under construction	392 242 699	-	392 242 699	261 839 665	-	261 839 665
Total	**3 805 902 532**	**(1 689 790 476)**	**2 116 112 057**	**3 614 328 094**	**(1 619 040 388)**	**1 995 285 706**

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Notes to the Annual Financial Statements

Figures in Rand

Reconciliation of property, plant and equipment - 30 June 2020

	Opening balance	Additions	Allocations in kind	Transfers in/(out)	Derecognition _Cost	Derecognition _accumulated depreciation	Depreciation	Impairment loss	Total
Land - Genral plant	528 902 113	-	-	-	-	-	-	-	528 902 113
Machinery and equipment	1 144 712	124 000	491 774	-	-	-	(486 294)	-	1 274 198
Furniture and office equipment	2 803 196	225 106	-	-	-	-	(634 505)	-	2 393 797
Transport assets	16 259 796	-	-	-	-	-	(6 289 834)	-	9 969 962
IT equipment	3 257 304	1 532 907	-	-	-	-	(1 141 123)	-	3 649 088
Community assets	185 800 619	-	-	-	-	-	(11 421 394)	(1 281)	174 177 944
Solid waste	44 354	-	-	-	-	-	(4 077)	-	40 277
Storm water	67 533 360	-	-	-	-	-	(3 126 602)	-	64 406 758
Water network - Boreholes	48 197 173	-	-	5 115 309	-	-	(3 944 125)	-	49 368 357
Sanitation Infrastructure	25 735 880	-	-	-	-	-	(2 485 349)	-	23 250 531
Roads Infrastructure	378 785 311	-	27 925 842	18 553 920	(997 301)	660 261	(22 014 299)	-	400 913 734
Water Supply Distribution	252 638 193	-	-	1 845 233	-	-	(8 585 614)	-	245 897 812
Water Supply Bulk Mains	38 254 330	-	-	-	-	-	(2 679 326)	-	35 575 004
Pumpstations	2 556 572	-	-	-	-	-	(441 951)	(14 230)	2 100 391
Reservoirs	181 733 005	-	-	8 356 379	-	-	(7 386 323)	(743 869)	181 959 192
Assets under construction	261 839 901	162 273 839	-	(31 870 841)	-	-	-	-	392 242 899
	1 995 285 619	**164 155 852**	**28 417 616**	**-**	**(997 301)**	**660 261**	**(70 660 816)**	**(759 380)**	**2 116 112 057**

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Notes to the Annual Financial Statements

Figures in Rand

Reconciliation of property, plant and equipment - 30 June 2019

	Opening balance	Additions	Allocations in kind	Transfers in/(out)	Derecognition _Cost	Derecognition _accumulated depreciation	Depreciation	Impairment loss	Total
Land - General Plant	528 888 665	-	13 448	-	-	-	-	-	528 902 113
Machinery and Equipment	1 479 231	132 199	-	-	(58 850)	19 048	(426 904)	-	1 144 724
Furniture and office equipment	2 296 693	120 789	1 043 055	-	(170 618)	116 560	(603 161)	-	2 803 318
Transport assets	7 179 730	12 662 059	-	-	-	-	(3 581 993)	-	16 259 796
IT equipment	1 840 670	1 129 892	1 173 267	-	(145 251)	114 597	(855 853)	-	3 257 322
Community assets	171 155 476	-	25 596 679	-	-	-	(11 151 536)	-	185 600 619
Solid Waste	49 381	-	-	-	-	-	(5 027)	-	44 354
Storm Water	70 695 279	-	-	-	-	-	(3 161 919)	-	67 533 360
Water network - Boreholes	52 650 305	-	-	-	-	-	(4 166 873)	(286 261)	48 197 171
Sanitation Infrastructure	28 222 765	-	-	-	-	-	(2 486 884)	-	25 735 881
Road Infrastructure	400 581 360	-	-	-	-	-	(21 796 084)	-	378 785 276
Water Supply Distribution	248 182 106	-	-	13 766 520	-	-	(9 310 429)	-	252 638 197
Water Supply Bulk Mains	41 580 978	-	-	1 387 084	-	-	(4 713 734)	-	38 254 328
Pump Stations	3 002 544	-	-	-	-	-	(445 971)	-	2 556 573
Reservoirs	143 806 912	-	-	44 508 097	-	-	(6 536 542)	(45 458)	181 733 009
Assets under construction	179 837 106	141 664 260	-	(59 661 701)	-	-	-	-	261 839 665
	1 881 449 201	**155 709 199**	**27 826 449**	**-**	**(374 719)**	**250 205**	**(69 242 910)**	**(331 719)**	**1 995 285 706**

Other Information

Library books:

Library books received as a donation from the Department of Arts, Culture, Sports and Recreation in 2018-2019 to the value of R3 062 823,87 was recorded at bookvalue in the Fixed Asset Register and in the Annual Financial Statements however in the 2019-2020 financial period no depreciation was calculated on these donated books

Servitudes:

"Servitudes associated with linear infrastructure assets such as water, sewer pipelines and electricity conductors have been included in the asset register.

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The servitudes recognised in the asset register takes on the form of a "right of way" to the asset with which it is associated, as referred to in Section 101 of the Municipal Systems Act which governs municipal rights to access premises. It exist because the associated asset exist and the need (and right to have access to the asset through the land), and will continue to do so as long as that asset, or its replacement occupies that specific area, or access is required to that specific area, and as long as that portion of land is not owned by the municipality (in title deed) fall under the control of the municipality. However, during replacement of a large number of underground assets, it is impractical to remove the old asset when it has been decommissioned, and the actual replacement asset" is merely installed next to or in close proximity of the existing asset. Bulk pipelines are a good example of this, although this has become general practice with modern-day construction to not remove the old asset. In such a case, the municipality still requires access to the location of the decommissioned asset since the liability to secure does not fall away as long as that item is still in the ground. It is therefore impractical to link the life of the right to the asset, as it would imply that there is consumption/use/amortisation of the right, which is not the case.

For this reason, the land portion equivalent to the area required to access these assets, are claimed as an intangible right of way, and the life of the Servitude is infinite due to the inseparable link to the land, which is also considered to have infinite life.

Property, plant and equipment in the process of being constructed or developed

Reconciliation of Work-in-Progress 30 June 2020

	Included within Infrastructure	Total
Opening balance	261 839 901	261 839 901
Additions/capital expenditure	162 273 839	162 273 839
Transferred to completed items	(31 870 841)	(31 870 841)
	392 242 899	**392 242 899**

Reconciliation of Work-in-Progress 30 June 2019

	Included within Infrastructure	Total
Opening balance	179 837 106	179 837 106
Additions/capital expenditure	141 664 260	141 664 260
Transferred to completed items	(59 661 701)	(59 661 701)
	261 839 665	**261 839 665**

Other information

Expenditure incurred to repair and maintain property, plant and equipment included in Statement of Financial Performance		
Community assets	571 415	272 220
Roads Infrastructure	1 286 677	1 798 189
IT equipment	286 815	141 122
Water Supply Bulk Main	434 449	-
Water Supply Distribution	9 586 312	16 438 310
Transport assets	2 356 375	8 112 492
Land - General plant	192 634	-
Machinery and equipment maintenance	9 752 908	-
	24 467 585	**26 760 333**

Maintenance of property, plant and equipment

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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Notes to the Annual Financial Statements

Figures in Rand	2020	2019

Notes to the Annual Financial Statements

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4. Intangible assets

	2020			2019		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software, other	1 000 005	(153 916)	846 089	-	-	-

6. Employee benefit obligations

Other long-term employee benefits

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		
Present value of the defined benefit obligation-wholly unfunded	(8 953 091)	(8 820 000)
Non-current liabilities: < 1 year	(7 944 882)	(8 536 000)
Current liabilities: > 1 year	(1 008 209)	(284 000)
	(8 953 091)	(8 820 000)

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Notes to the Annual Financial Statements

Figures in Rand	2020	2019
Net expense recognised in the statement of financial performance		
Current service cost	988 000	954 000
Interest cost	766 000	718 000
Actuarial (gains) losses	(1 176 555)	(126 000)
Settlement	(444 354)	(739 000)
	133 091	807 000
Calculation of actuarial gains and losses		
Actuarial (gains) losses – Obligation	(1 176 555)	(394 000)
Key assumptions used		
Assumptions used at the reporting date:		
Duration of liability in years	7.74	8.49
Assumed retirement age (years)	63	63
Discount rates used	9.23 %	8.83 %
Expected rate of return on assets	4.09 %	4.92 %
Expected increase in salaries	5.09 %	5.92 %
Other material actuarial assumptions - Net discount rates used	3.94 %	2.75 %

Sensitivity analysis

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 3,94% 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	1 812 363	1 534 020
Effect on defined benefit obligation	9 594 599	8 375 114

As per the table above, a 1% increase in the salary increase rate results in a 7,17% increase in the accrued liability whilst a 1% decrease in salary increase rate will result result in a 6,46% decrease in the accrued liability.:

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Figures in Rand	2020	2019
8. Inventories		
Inventories Land held for sale	47 258 312	47 258 312
Water for distribution	1 649 392	1 490 470
Stores and materials	30 239	2 424 421
	48 937 943	**51 173 203**
Water for distribution		
Opening balance	1 490 470	6 240 782
System input volume	157 419 640	138 273 885
Water issued	(53 050 985)	(85 821 917)
Free basic water	(41 437 013)	(38 495 031)
Water losses	(62 772 719)	(37 807 049)
Closing balance	**1 649 393**	**1 490 470**
Water losses		
Water losses as percentages	(40)%	(26)%
7. Receivables from exchange transactions		
Deposits	27 842	97 511
Trade creditors with debit balances	-	2 547 245
Debtors shortages	11	45 021
Sundry debtors - Rental	414 881	451 951
Other debtors	140 689	-
Interest receivable	3 489 263	-
Consumer debtors - Electricity	1 368	1 347
Consumer debtors - Water	13 321 972	3 761 718
Consumer debtors - Sewerage	242 216	73 759
Consumer debtors - Refuse	5 328 789	1 401 424
Consumer debtors - Merchandising Jobbing & Contracts	1 983 184	-
	24 950 227	**8 378 976**
Reconciliation of provision for impairment of trade and other receivables		
Opening balance	(1 082 258 875)	(839 219 296)
Provision for impairment	(197 571 117)	(243 039 579)
	(1 279 829 992)	**(1 082 258 875)**
8. Receivables from non-exchange transactions		
Statutory receivables included in non-exchange receivables:		
Traffic fines	955 911	1 600 812
Consumer debtors - Property Rates	5 328 789	2 139 015
	6 284 700	**3 739 827**

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Figures in Rand	2020	2019
Traffic fines - Impaired		
Gross balance	28 837 368	18 051 644
Less: Allowance for impairment	(27 881 457)	(16 450 832)
	955 911	1 600 812

As of 30 June 2020, statutory receivables, Traffic fines issued of R12 617 250, (2019: R17 610 950) were impaired and provided for.

Property rates - Impaired		
Gross balance	286 891 387	315 994 090
Less: Allowance for impairment	(281 562 598)	(313 855 074)
	5 328 789	2 139 016

As of 30 June 2020, Statutory receivables, Property rates of R47 680 432, (2019: R33 836 827) were impaired and provided for.

9. VAT receivable		
VAT receivable	114 261 938	118 455 767
VAT payable	(99 634 215)	(112 941 392)
	14 647 723	3 514 375

10. Consumer debtors- Disclosure		
Gross balances		
Consumer debtors - Rates	286 891 387	315 994 089
Consumer debtors - Water	717 228 468	555 713 744
Consumer debtors - Sewerage	13 040 518	10 886 348
Consumer debtors - Refuse	286 891 387	207 030 610
	1 304 051 760	1 089 634 791
Less: Allowance for impairment		
Consumer debtors - Rates	(281 562 598)	(313 855 074)
Consumer debtors - Water	(703 906 496)	(551 952 028)
Consumer debtors - Sewerage	(12 798 300)	(10 822 589)
Consumer debtors - Refuse	(281 562 598)	(205 629 186)
	(1 279 829 992)	(1 082 258 875)
Net balance		
Consumer debtors - Rates	5 613 224	2 139 015
Consumer debtors - Water	12 837 537	3 761 716
Consumer debtors - Sewerage	242 218	73 759
Consumer debtors - Refuse	5 328 789	1 401 424
	24 221 768	7 375 916
Included in above is receivables from exchange transactions		
Water	13 321 972	3 761 717
Sewerage	242 218	73 759
Refuse	5 328 789	1 401 424
	18 892 979	5 236 900

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Figures in Rand	2020	2019
Included in above is receivables from non-exchange transactions (taxes and transfers)		
Rates	5 813 224	2 139 016
Net balance	**24 708 203**	**7 376 916**
Rates		
Current (0 -30 days)	53 288	21 390
31-60 days	106 576	42 780
61 - 90 days	53 288	21 390
91 - 120 days	106 576	42 780
121 - 365 days	799 318	320 852
> 365 days	4 209 743	1 688 823
	5 328 789	**2 139 016**
Water		
Current (0 -30 days)	133 220	37 617
31-60 days	133 220	37 617
61 - 90 days	133 220	37 617
91 - 120 days	133 220	37 617
121 - 365 days	1 198 978	338 555
> 365 days	11 590 114	3 272 695
	13 321 972	**3 761 718**
Sewerage		
Current (0 -30 days)	2 422	738
31 - 60 days	2 422	738
61 - 90 days	2 422	738
91 - 120 days	2 422	738
121 - 365 days	21 799	6 638
> 365 days	210 731	64 169
	242 218	**73 759**
Refuse		
Current (0 -30 days)	106 576	28 028
31 - 60 days	106 576	28 028
61 - 90 days	106 576	28 028
91 - 120 days	106 576	28 028
121 - 365 days	639 454	168 173
> 365 days	4 263 031	1 121 139
	5 328 789	**1 401 424**

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Figures in Rand	2020	2019
Gross balances		
Households	1 089 322 443	893 500 529
Industrial/Commercial	85 202 588	54 481 740
National and Provincial Government	169 526 729	141 652 523
	1 304 051 760	1 089 634 792
Summary of receivables by customer classification		
Households		
Current (0 -30 days)	10 693 224	8 935 005
31 - 60 days	10 693 224	8 935 005
61 - 90 days	10 693 224	8 935 005
91 - 120 days	10 693 224	8 935 005
121 - 365 days	108 932 244	89 350 053
> 365 days	919 617 302	768 410 455
	1 069 322 443	893 500 528
Industrial/ commercial		
Current (0 -30 days)	652 026	544 817
31 - 60 days	1 958 078	1 634 452
61 - 90 days	1 304 052	1 089 635
91 - 120 days	1 304 052	1 089 635
121 - 365 days	9 128 362	7 627 444
> 365 days	50 858 018	42 495 756
	85 204 588	54 481 739
National and provincial government		
Current (0 -30 days)	3 390 535	2 833 050
31 - 60 days	3 390 535	2 833 050
61 - 90 days	3 390 535	2 833 051
91 - 120 days	3 390 535	2 833 051
121 - 365 days	27 124 277	22 664 403
> 365 days	128 840 312	107 655 917
	169 526 729	141 652 522
Total		
Current (0 -30 days)	14 735 785	12 312 873
31 - 60 days	16 039 837	13 402 507
61 - 90 days	15 387 811	12 857 691
91 - 120 days	15 387 811	12 857 691
121 - 365 days	143 184 883	119 641 900
> 365 days	1 099 315 833	918 582 129
	1 304 051 760	1 089 634 791
Less: Allowance for impairment	(1 279 829 992)	(1 082 258 875)
	24 221 768	7 375 916

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Figures in Rand	2020	2019

11. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	5 000	5 000
Bank balances	78 507 108	92 391 011
Short-term deposits	20 946 850	1 890 113
	99 458 958	94 286 124

The municipality had the following bank accounts

Account number / description	Bank statement balances			Cash book balances		
	30 June 2020	30 June 2019	30 June 2018	30 June 2020	30 June 2019	30 June 2018
First National Bank - Current account 620-262-86427	58 062 611	14 541 398	46 681 814	58 062 611	14 541 399	46 585 345
First National Bank - Call deposit 621-470-52427	20 995 269	68 890 080	238 161	20 995 082	66 890 080	238 161
Nedbank - Current account 100-422-2378	20 401 078	732 213	9 801 613	20 401 078	732 213	9 793 490
Nedbank 2	-	-	-	-	10 359 770	-
Total	99 458 958	82 163 691	56 621 588	99 458 771	92 523 462	56 616 996

12. Finance lease obligation

Minimum lease payments due		
- within one year	4 550 569	4 674 341
- in second to fifth year inclusive	3 017 921	7 747 045
	7 568 490	12 421 386
less: future finance charges	(530 994)	(1 709 126)
Present value of minimum lease payments	7 037 496	10 712 260
Present value of minimum lease payments due		
- within one year	4 144 738	3 676 296
- in second to fifth year inclusive	2 892 758	7 035 964
	7 037 496	10 712 260
Non-current liabilities	2 892 758	7 035 964
Current liabilities	4 144 738	3 676 296
	7 037 496	10 712 260

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-% .

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		
WSIG	1 618 226	17 542 483
MDRG	252 990	-
	1 871 216	17 542 483

Notes to the Annual Financial Statements

Figures in Rand	2020	2019

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.

14. Provisions

Reconciliation of provisions - 30 June 2020

	Opening Balance	Additions	Total
Environmental rehabilitation	21 791 817	1 101 653	22 893 470
Provision for Bonuses	3 261 618	109 435	3 371 053
	25 053 435	1 211 088	26 264 523

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	372 158	3 261 618
	22 262 484	2 790 951	25 053 436

Non-current liabilities	21 890 736	21 791 817
Current liabilities	4 373 787	3 261 618
	26 264 523	25 053 436

The municipality raises a provision for 13th cheque bonuses that staff members receive during their anniversary. The provision is based on the appointment month and 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 KwaMlanga which is 4,5 hectares. The remaining useful lives of theses dumping sites are 10 years and 6 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	-	2 335 885
Payables and Accruals	29 658 717	21 197 973
Accrued leave pay	9 669 691	9 579 133
Retention	3 159 503	14 895 836
Unallocated deposits	1 058 563	-
Over banking	437 881	397 940
Payables and Accruals:Projects	20 779 681	12 532 975
Consumer debtors: Merchandising, jobbing and contracts	-	885 872
	64 764 036	61 826 414

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Figures in Rand	2020	2019
Payables from exchange transactions: Non-current liabilities		
Advance payments: Land and buildings	4 604 385	3 557 809
Retention	32 434 541	21 728 335
Unallocated deposits	-	3 829 408
Debtors with credit balances	7 770 238	9 649 335
Deposits received	374 192	316 010
	45 183 356	**39 080 897**
Current liabilities: Payables from exchange transactions	64 764 036	61 708 026
Non-current liabilities: Payables from exchange transactions	45 183 356	38 639 646
	109 947 392	**100 347 672**
16. Revenue		
Service charges	137 511 464	133 555 764
Rental of facilities and equipment	887 061	1 080 424
Other income	7 795 367	6 908 088
Interest received	59 859 228	50 752 025
Property rates	47 680 432	31 605 482
Government grants & subsidies	612 651 267	538 709 517
Licences and permits	8 978 787	8 196 388
Public contributions and donations	28 417 615	34 967 669
Fines, Penalties and Forfeits	12 617 750	17 610 950
	916 398 971	**823 386 307**
The amount included in revenue arising from exchanges of goods or services are as follows:		
Service charges	137 511 464	133 555 764
Rental of facilities and equipment	887 061	1 080 424
Other income	7 795 367	6 908 088
Interest received	59 859 228	50 752 025
	206 053 120	**192 296 301**
The amount included in revenue arising from non-exchange transactions is as follows:		
Taxation revenue		
Property rates	47 680 432	31 605 482
Transfer revenue		
Government grants & subsidies	612 651 267	538 709 517
Licences and permits	8 978 787	8 196 388
Public contributions and donations	28 417 615	34 967 669
Fines, Penalties and Forfeits	12 617 750	17 610 950
	710 345 851	**631 090 008**
17. Service charges		
Sale of water	85 207 608	89 276 369
Sewerage and sanitation charges	1 882 854	1 742 293
Refuse removal	50 421 002	42 537 102
	137 511 464	**133 555 764**

Notes to the Annual Financial Statements

Figures in Rand	2020	2019
18. Rental of facilities and equipment		
Facilities and equipment		
Rental of facilities	887 061	1 080 424
19. Fines, Penalties and Forfeits		
Traffic Fines - Municipal and Court	12 617 750	17 610 950
20. Lease rentals on operating lease		
Equipment		
Contingent amounts	1 446 315	921 614
The municipality has entered into operating lease agreement for the lease of printers and copiers. The lease period vary between 3 and 5 years.		
Payable within 1 year	674 953	674 953
Payable within 2-5 years	168 738	843 892
	843 691	1 518 845
21. Other Income		
Library fees & fines	3 569	8 780
Handling fees	17 709	20 621
Application fees	88 845	125 929
Building plan approval	123 144	235 210
Clearance certificates	6 025	7 608
Maps publications	1 428	2 058
Occupation certificates	783	5 009
Insurance refunds	104 423	116 121
Tender documents	616 490	1 087 286
Staff recoveries	10 195	38 648
Valuation services	759	1 106
Statutory services	7 747	5 993
Trading licences	-	164 087
VAT receivable	6 547 523	-
Sale of other goods & rendering of services	266 727	415 762
Recognition of unallocated deposits	-	4 673 872
	7 795 367	6 908 088
22. Interest received		
Interest revenue		
Current Bank	2 263 520	4 877 281
Interest charged on trade and other receivables	50 720 941	42 695 895
Interest on investments	6 874 767	3 178 869
	59 859 228	50 752 025

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Notes to the Annual Financial Statements

Figures in Rand	2020	2019
23. Property rates		
Rates received		
Property rates: Residential & other	47 680 432	31 605 482
Valuations		
Residential	907 232 000	907 232 000
Commercial	294 692 000	294 692 000
State	1 923 352 000	1 923 352 000
Municipal	7 741 869 800	7 741 869 800
Agricultural	411 350 000	411 350 000
Schools	524 311 000	524 311 000
Churches	1 246 000	1 246 000
PBO	4 700 000	4 700 000
PSI	35 000	35 000
	11 808 787 800	11 808 787 800

Valuations on land and buildings are performed every 4 years. The new general valuation came into effect on 1 July 2018. 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	2020	2019
24. Government grants and subsidies		
Operating grants		
Equitable share	404 156 000	364 153 000
FMG	1 770 000	1 770 000
EPWP	2 029 000	1 984 000
MIG	5 743 095	6 042 250
WSIG	7 394 825	20 000 000
EEDM	100 000	-
MDRG	343 010	-
	421 535 930	393 949 250
Capital grants		
MIG	117 685 905	118 302 750
EEDM	4 900 000	-
WSIG	68 529 432	26 457 517
	191 115 337	144 760 267
	612 651 267	538 709 517

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	123 429 000	124 345 000
Conditions met - Capital expenditure	(117 685 905)	(124 345 000)
Conditions met - Operational expenditure	(5 743 095)	-
	-	-

FMG

Current-year receipts	1 770 000	1 770 000
Conditions met - Operational expenditure	(1 770 000)	(1 770 000)
	-	-

EPWP Grant

Current-year receipts	2 029 000	1 984 000
Conditions met - Operational expenditure	(2 029 000)	(1 984 000)
	-	-

WSIG

Balance unspent at beginning of period	17 542 483	-
Current-year receipts	60 000 000	64 000 000
Conditions met - Capital expenditure	(68 529 432)	(46 457 517)
Conditions met - Operational expenditure	(7 394 825)	-
	1 618 226	17 542 483

Conditions still to be met - remain liabilities (see note 13).

Notes to the Annual Financial Statements

Figures in Rand	2020	2019

The municipality submitted an application for roll over funds in compliance with section 22(2) of the 2019 Division of Revenue Act, (Act No 16 of 2019) (DoRa). This requires that any conditional grants which are not spent at the end of the fianancial 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 off R1 618 228 (2019-2020) and R17 542 483 (2018-2019) has been committed and should be rolled over to the next financial year 2020-2021. Approval granted by NT - Ref:MP315/23

EEDM

Current-year receipts	5 000 000	-
Conditions met - Capital expenditure	(4 900 000)	-
Conditions met - Operational expenditure	(100 000)	-
	-	-

MDRG

Current-year receipts	596 000	-
Conditions met - Operational expenditure	(343 010)	-
	252 990	-

Conditions still to be met - remain liabilities (see note 13).

25. Licences and Permits

Vehicle licences	8 976 343	8 193 609
Public road permits	2 444	2 779
	8 978 787-	-8 196 388

26. Donations received

Nkangala District Municipality	27 925 841	1 381 412
Department of Arts, Culture, Sport and Recreation	491 774	33 014 485
Public contributions and donations	-	571 771
	28 417 615	34 967 668

Donations by way of assets were received from Nkangala District Municipality in R27 925 841; (2019: R1 381 412); and Department of Arts, Culture, Sport & Recreation of R491 774; (2019: R33 014 485), and Public contributions and donations of RNil (2019: 571 771).

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Figures in Rand	2020	2019
27. Employee related costs		
Basic	96 830 690	89 993 293
Bonus	7 609 335	7 140 723
Medical aid - company contributions	7 297 867	6 632 011
UIF	671 846	675 962
WCA	843 316	838 752
SDL	1 059 228	1 188 400
Standby allowance	1 310 526	1 115 909
Leave pay provision charge	189 733	341 025
Travel, motor car, accommodation, subsistence and other allowances	3 876 000	3 436 523
Overtime and Shift allowance	1 341 585	1 088 006
Long-service awards	444 354	738 752
Acting allowances	663 844	877 121
Housing benefits and allowances	114 378	97 169
Cellphone allowances	631 400	614 088
Pension contributions	18 435 686	17 080 621
SALGBC	42 782	40 170
	141 362 668	131 696 625
During the financial period 2018-2019 the municipality migrated from Grade 3 to 4		
Remuneration of Municipal Manager: Mr ON Nkosi 01 July 2017 to 30 June 2020		
Annual Remuneration	950 128	876 018
Car Allowance	180 000	180 000
Contributions to UIF, Medical and Pension Funds & other	149 952	156 136
	1 280 080	1 212 154
Acting allowances for Municipal Manager 01 July 2019 to 30 June 2020		
Remuneration of Chief Finance Officer: Ms JG Mahlagu 01 May 2019 to 30 June 2020		
Annual Remuneration	718 788	104 462
Car Allowance	120 000	20 000
Contributions to UIF, Medical and Pension Funds & other	188 026	28 854
	1 026 814	153 316
Remuneration of acting Chief Finance Officer: Mr JS Mzobe 01 December 2018 to 31 May 2019		
Annual Remuneration	-	55 482
Contributions to UIF, Medical and Pension Funds	-	78 107
	-	133 589
Acting allowance for Chief Finance Officer 01 November 2017 to 30 June 2020		
Mr OD Ledwaba	-	27 895
Remuneration of Corporate Service Manager: Ms SA Nxumalo 01 July 2017 to 30 June 2020		
Annual Remuneration	905 122	772 371
Car Allowance	60 000	60 000
Contributions to UIF, Medical and Pension Funds & other	96 348	99 855
	1 061 470	932 226

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Figures in Rand	2020	2019
Acting allowances for Corporate Service Manager 01 July 2019 to 30 June 2020		
Remuneration of Social Services Manager: Mr AK Chego 01 August 2018 to 30 June 2020		
Annual Remuneration	971 892	791 583
Car Allowance	120 000	110 000
Contributions to UIF, Medical and Pension Funds	69 707	53 852
	1 161 599	955 435
Remuneration of Development Planning Manager: Mr MS Tsebe 01 May 2019 to 30 June 2020		
Annual Remuneration	816 058	120 036
Car Allowance	120 000	20 000
Contributions to UIF, Medical and Pension Funds & other	117 240	13 466
	1 053 298	153 502
Acting allowances for Development Planning Manager: 01 October 2018 to 30 June 2020		
Mr WS Maiza	-	11 371
Remuneration of Technical Sevice Manager: Mr VL Skosana 01 May 2019 to 30 June 2020		
Annual Remuneration	790 674	91 990
Car Allowance	120 000	20 000
Contributions to UIF, Medical and Pension Funds	100 547	17 359
	1 011 221	129 349
Remuneration of Technical Services Manager: Ms R Morudi 01 July 2017 to 31 October 2018		
Annual Remuneration	-	331 305
Car Allowance	-	26 922
Contributions to UIF, Medical and Pension Funds	-	40 051
	-	398 278
Acting allowance Technical Services Manager 01 November 2018 to 30 June 2019		
Mr DJD Mahlangu	-	18 209
Mr CJ Mokubedi	-	18 751
	-	36 960
28. Remuneration of councillors		
Executive Mayor	944 238	911 045
Chief whip	719 102	694 181
Speaker	764 057	748 092
Councillors	22 726 769	21 824 265
	25 154 166	24 177 583

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Figures in Rand	2020	2019

In-kind benefits

The Executive Mayor, Speaker, Chief whip 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 seperate council owned vehicle for official duties.

29. Depreciation and amortisation

Property, plant and equipment	71 564 107	69 574 630

30. Finance costs

Other interest paid	970 560	431 098
Interest on overdue accounts	2 874	7 666
	973 434	438 764

31. Debt impairment

Consumer debtors contribution to debt impairment provision	197 571 117	243 039 576
Traffic fines bad debt contribution to debt impairment provision	11 430 625	11 364 719
	209 001 742	254 404 295

32. Amnesty written off - consumer debtors

Amnesty written off	5 728 666	4 434 561

33. Bulk purchases

Water purchases	151 648 903	142 097 317

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Figures in Rand	2020	2019
34. General expenses		
Advertising	451 058	759 809
Auditors remuneration	4 834 225	5 473 889
Bank charges	456 400	498 915
Consulting and professional fees	15 693 702	17 012 860
Debt collection	2 773 782	-
Entertainment	1 377 491	1 634 277
Flowers	184 800	110 000
Insurance	1 741 991	1 662 789
Conferences and seminars	535 444	1 148 061
Motor vehicle expenses	662 641	600 760
Postage and courier	-	108 509
Printing and stationery	1 182 113	1 236 026
Repairs and maintenance	24 345 073	26 760 333
Security (Guarding of municipal property)	19 263 745	18 335 462
Software expenses	3 759 933	3 300 600
Staff welfare	-	229 712
Subscriptions and membership fees	1 887 070	155 541
Telephone and fax	1 626 647	1 157 334
Travel - local	2 844 198	3 745 353
Sewerage and waste disposal	2 292 013	3 474 060
Municipal services	13 335 221	10 649 248
Uniforms	245 650	339 482
Material and supplies	8 983 414	12 274 788
Motor vehicle licences	843 646	939 937
Town planning costs	-	561 800
Indigent relief	112 544	1 794 937
Sample testing - Water	-	1 674 670
Ward committee allowances	3 724 000	3 703 000
Water delivery services	25 153 171	19 244 990
Other expenses	4 956 677	6 760 151
	143 266 659	145 347 323
35. Auditors' remuneration		
Expenses	4 834 225	5 473 889

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THEMBISILE HANI LOCAL MUNICIPALITY
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Notes to the Annual Financial Statements

Figures in Rand		2020	2019
36. Cash generated from operations			
Surplus		163 827 585	50 117 227
Adjustments for:			
Depreciation and amortisation	29	71 564 107	69 574 630
Gain on non-current assets held for sale		-	(20 755)
Finance costs - Finance leases	30	-	-
Debt impairment	31	209 001 742	264 404 296
Consumer debtors Amnesty written off	31	(5 728 666)	(4 434 561)
Donations received	26	(28 417 615)	(34 967 668)
Movements in retirement benefit assets and liabilities		587 445	1 423 393
Movements in provisions		1 211 088	2 780 951
Inventories losses/write-downs		2 434 826	197 222
Cash in transit - receipted after 30 June 2019		-	12 000 000
Changes in working capital:			
Inventories		2 235 260	5 089 511
Receivables from exchange transactions		(16 570 251)	25 693 424
Consumer debtors		(212 728 333)	(255 139 813)
Statutory receivables		(2 544 873)	9 362 807
Payables from exchange transactions		10 668 901	14 766 164
VAT receivable		(11 133 348)	11 361 171
Unspent conditional grants and receipts		(15 671 267)	17 642 483
		168 736 601	179 760 482
37. Commitments			
Authorised capital expenditure			
Already contracted for but not provided for			
Property, plant and equipment		115 167 449	94 299 565
Other: Purchase orders		1 165 013	-
		116 312 462	94 299 565
Total capital commitments			
Already contracted for but not provided for		116 312 462	94 299 565

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Figures in Rand		2020	2019
38. Contingencies			
Plaintiff	**Detail**		
Piet Chilli v/s THLM - Case nr: 12/2013	Mr. Chili has issued a summons against the Municipality claiming among others loss of income as a result of alleged breach of contract on the part of the municipality.	345 000	38 204
THLM/ Lawmark Consulting cc - Case nr: 70121/11	The contractor (Joint Venture between Lawmark and Casnans) was awarded the tender of VIP toilets in Cluster E. The municipality concluded a contract on the 24th March 2010. The contractor was unable to complete the work.	1 200 000	1 200 000
Telkom SA Limited - Case nr: 110/2015	The plaintiff is alleging that at or near Moloto Road on or about the 04th of March 2013, employees of the municipality acting within their scope of employment damaged an overhead cable belonging the plaintiff.	24 909	24 909
SAMWU obo Thutse Reinethine Mmantimo - Case nr: JS436/15	Around 2012 the municipality advertised the position of the Senior Technician: Sanitation, interviews were conducted and appointments done. There were two appointments done while the vacant position was one. The plaintiff was the second best candidates and she was issued with an appointments. She was given an appointment on the 24th December 2012 and it was discovered by HR that her appointment was erroneously issued since it was one vacant position. The plaintiff was then informed telephonically of the mistake and a letter withdrawing her appointment was sent to her on the 28th December 2012. The plaintiff wants to be reinstated to the position and she also demands to be paid all the salaries she was would have received had the municipality not repudiated the contract.	Amount not available	Amount not available
THLM vs Unlawful Occupiers of land at Empumelelweni; Verena; Zenzele; Phumula; Wolvenkop; Moloto South and Moloto North Case 2866/17 (Moloto South & North); Case 2932/17 (Wolvenkop); Case 2867/17 (Phumula);Case 2631/17 (Empumelelweni); Case 2632/17 (Zenzele); Case 2633/17 (Verena) Ndobela Lamola Attorneys	As from July 2017, the municipality received an enormous land invasion in the following areas: Empumelelweni; Verena; Zenzele; Phumula; Wolvenkop; Moloto South and Moloto North. The land invasion continued unabated even after two meetings which were held between THLM & Traditional Leaders on the 06th August 2017 and on the 08th September 2017, whereby it was agreed that there will be a moratorium on land allocation until a memorandum of understanding is signed between the two parties. The municipality was left with no option but to approach the High Court.	Amount not available	Amount not available

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Figures in Rand		2020	2019
Mabapa Building Construction t/a Morfi School Uniform CC vs THLM - Case nr: 623/16	On or about 7th August 2013 at Phola Park KwaMhlanga, 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 and destroyed the plaintiff's business premises and other items	2 000 000	2 000 000
MJ Magaela vs Minister of Police/ THLM and NPA - Case nr: Case no 64342/17 North Gauteng High court	On the 5th of January 2018 summons were served wherein the Plaintiff claim against the municipality payment of an amount of R1 280 000.00 for damages he claims to have suffered due assault by the member of the Municipal traffic officers on the 15th of March 2016 at Kwamhlanga R573 near total garage. The municipality has filed its appearance to defend and also has filed notice in terms of Rule (34). to which the Plaintiff must respond within 30 days.	660 000	RNil
Kosabo Elijah Masango & 4 others vs THLM Case no 62909/18 Ncongwane Attorneys	On the 29th August 2018, we 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 15th January 2016. The court order relates to the eviction of the unknown unlawful occupiers of portion 6 and remainder of the farm 617 KwaMhlanga JR	Amount not available	Amount not available
Dambuza Judas Mahlangu &others vs THLM Case no 3015/2019 Matlala Von Metzinger Attorneys	The municipality on the 22nd of June 2019 received an information that there was someone who is allocating sites illegally to the community of Tweefontein K. The municipality on the 25th June 2019 instructed Matlala Von Metzinger to obtain an interdict on an urgent basis in the Middelburg High Court to stop the illegal activity. The necessary papers were drawn and the matter was set down for the 13th August 2019. On the 13th August 2019, the matter was struck off the roll, the court said the matter is not urgent and it must be removed from the urgent roll to the normal roll. The matter will be heard on the 20th January 2020.	Amount not available	Amount not available
THLM vs Unlawful Occupiers of Portion 1, 22, 26 & 29 of the farm Hartebeestepruit 235 JR Moloto & Paul Phashushu Molomo Case no: 2182/2020 Ka-Mbonane Cooper Attorneys	The municipality experienced an enormous land invasion around Moloto North during the lockdown and it was left with no intention but to seek for interdict in order to stop this unlawful activities by members of the Community led by Mr Paul Phashushu Molomo. The municipality appointed the Ka-Mbonane Cooper Attorneys to apply for an interdict in order to stop the land grab and for eviction. The interdict was granted by the Court and now the second phase is to evict the unlawful occupiers or the land grabbers	Amount not available	Amount not available

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Figures in Rand		2020	2019
THLM vs Phungo Incorporated Case no:4801/19 Kunene Ramapala Attorneys	The municipality received combined summons from Phungo Incorporated, whereby the plaintiff is suing the municipality for damages amounting to R534 479.06 arising from a dispute regarding payment for services rendered. The Plaintiff was appointed to investigate Unauthorised, Irregular, Fruitless and Wasteful Expenditure, identified by Auditor-General during the annual audits from 2012/2013 to 2017/2018 financial years. The Plaintiff was expected to investigate the matters and deliver the full report and to date he has not delivered the report.	534 479	-

39. Related parties

Relationships	
Accounting Officer	Mr ON Nkosi
Corporate Service Manager	Ms SA Nxumalo
Social Service Manager	Mr AK Chego
Chief Financial Manager	Ms JG Mahlangu
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 4 (Employee benefit obligations), 13 (Bonus provision), 14 (Leave provision), 27 (employee related costs), 28 (remuneration of councilors) and 46 (Councillor's in arrears) within the financial statements where relevant to the municipality.

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40. 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:

Description of nature of the prior period error:

1. Receivables from exchange transactions - Water, Refuse and Sewerage - Correction of General ledger to Valuation roll for the mentioned services in 2019, 2018 and 2017 including correction of duplication consumer accounts within these services

2. Statutory receivables:

   (a) Property rates - Property rates were overstated in 2019 due to the new Valuation Roll update effective from 01 July 2018.

   (b) Traffic fines - Fines not automatically integrated in the finanancial system 2019.

3. VAT receivable - Vat input overstated in 2019 because of incorrect journal capturing (impractical to revisit VAT iro prior years)..

4. Cash and cash equivalent - Bank charges overstated in 2019 due to correction of FNB current account bank reconciliations 2019 (Prior years were corrected in that particular year).

5. Property, plant and equipment - Fixed asset register restated for 2019, 2018 and 2017.

6. Finance lease obligation - Correction of the amortisation schedule on finance lease from Bidvest and resulted in bank charges and finance cost understatement in 2019 .

7. Unallocated deposits - Recognition of Unallocated deposits to Revenue 2019, 2018 and 2017 due to the apportionment of Revenue based on THLM policy.

8. Other debtors - Represent overpayment of contractors that has been written back to Accumulated surplus reverting back to 2018, 2017 and 2016.

9. Property, plant and equipment additions from donations received in 2019:

   (a) Libraries have been donated by the Department of Arts, Culture, Sport and Recreation in 2019.

   (b) Movable assets, computer equipment and furniture and office equipment have been donated by way of a public donation

* (The correction explanation is indicated with a number in brackets next to the item adjusted)

* As a result of prior period errors, the cash flow June 2019 was restated to reflect accurate figures.

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Figures in Rand	2020	2019

Statement of financial position

30 June 2019

	Note	As previously reported	Correction of prior period error 2019	Correction of Disclosure alignment: Gross Note 10 & Cost Note 3	Correction of Disclosure alignment: Impairment Note 10 & Acc depreciation Note 3	Correction of error: Prior to 2018-2019	Restated
CURRENT ASSETS		-	-	-	-	-	-
Receivables from exchange transactions		-	-	-	-	-	-
- Other debtors (8)		473 303	-	-	-	(473 303)	-
- Water (1)		3 674 385	-	15 363 139	(15 276 807)	-	3 761 717
- Sewerage (1)		72 047	-	301 197	(299 486)	-	73 758
- Refuse (1)		1 368 889	-	5 722 776	(5 690 242)	-	1 401 423
Statutory receivables		-	-	-	-	-	-
- Property rates (2)(a)		2 089 356	-	8 734 766	(8 685 106)	-	2 139 016
- Traffic fines debtor (2)(b)		1 437 203	77 000	-	-	86 609	1 600 812
VAT receivable (3)		3 567 975	-	-	-	(53 600)	3 514 375
Cash and cash equivalent (4)		94 283 345	2 760	-	-	-	94 288 905
NON-CURRENT ASSETS		-	-	-	-	-	-
Property, plant and equipment (5) & (9)(a) & (9)(b)		-	-	-	-	-	-
- Machinery and equipment		771 962	-	19 051	353 711	-	1 144 724
- Furniture and office equipment		1 625 258	-	1 032 317	145 743	-	2 803 318
- Motor vehicles		14 592 653	-	(1 550 990)	3 218 133	-	16 259 796
- IT equipment		1 900 700	-	1 092 113	264 509	-	3 257 322
- Community assets (9)(a)		159 487 249	-	28 882 806	(2 769 436)	-	185 600 619
- Solid waste		42 851	-	-	1 503	-	44 354
- Storm water infrastructure		67 184 291	-	1 011 020	(661 951)	-	67 533 360
- Water network: Boreholes		47 765 842	-	680 199	(248 870)	-	48 197 171
- Sanitation infrastructure		25 749 022	-	(33 008)	19 867	-	25 735 881
		384 894 067	-	(6 221 464)	112 673	-	378 785 276
- Water supply: Distributions		242 249 570	-	10 570 024	(181 397)	-	252 638 197
- Water supply: Bulk mains		45 712 522	-	(7 726 223)	268 029	-	38 254 328
- Pump stations		2 316 180	-	284 972	(44 589)	-	2 556 573
- Reservoirs		180 693 044	-	1 058 895	(18 930)	-	181 733 009
- Assets under construction (WIP)		270 552 243	-	(8 712 578)	-	-	261 839 665
Intangible assets		1 078 085	-	-	-	(1 078 085)	-
LIABILITIES		-	-	-	-	-	-
Current liabilities		-	-	-	-	-	-
- Finance lease obligation (6)		(4 127 394)	159 548	-	291 553	-	(3 676 293)

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Notes to the Annual Financial Statements

Figures in Rand					2020	2019
Non-current liabilities	-	-	-	-	-	-
- Finance lease obligation (5)	(7 976 305)	-	-	940 341	-	(7 035 964)
- Payables from exchange transactions	-	-	-	-	-	-
> Unallocated deposits (7)	(8 830 482)	4 873 872	-	-	768 453	(3 388 157)
NET ASSETS	-	-	-	-	-	-
- Accumulated surplus	(1 967 490 628)	(4 813 200)	(50 509 012)	28 257 751	1 310 364	(1 993 344 725)

Statement of financial performance

30 June 2019

	Note	As previously reported	Correction of prior period error 2019	Restated
REVENUE				
Revenue from exchange transactions				
- Water (1)	17	65 633 905	23 642 464	89 276 369
- Sewerage (1)	17	1 200 778	541 517	1 742 295
- Refuse (1)	17	25 959 902	16 577 200	42 537 102
- Interest received (1)	22	50 763 103	(11 078)	50 752 025
- Other income (regognition of Unallocated deposits) (7)	21	2 234 216	4 673 872	6 908 088
Revenue from non-exchange transactions: 2019 Overstated				
- Property rates (2)(a)	23	42 287 013	(10 681 532)	31 605 481
Transfer revenue	23			
- Donations received (9)(a) & (9)(b)	23	7 286 549	27 681 120	34 967 669
EXPENDITURE				
- Debt impairment (Property rates overstated) and correction GL to Valuation roll (1) & (2)(a)	31	(213 090 938)	(29 948 638)	(243 039 576)
- Traffic fines impairment (2)(b)	31	(11 441 720)	77 000	(11 364 720)
- Depreciation: 2019 FAR restated (5) & (9)(b)	29	(70 798 078)	1 223 448	(69 574 630)
- Finance cost (Finance lease correction) (6)	30	(491 953)	53 189	(438 764)
- Gain/(Loss) on non-current assets held for sale or disposal groups	30	(20 755)	20 755	-
- General Expenditure			-	-
> Bankcharges (Finance lease correction) (6)	34	(286 178)	(212 737)	(498 915)
SURPLUS FOR THE PERIOD		(16 480 645)	(33 636 561)	(50 117 226)

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Figures in Rand	2020	2019

41. Risk management

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 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 2020	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Current liabilities	**76 161 321**	-	-	-
- Payables from exchange transactions	50 438 398	-	-	-
- Finance lease obligations	4 144 073	-	-	-
- Retention	3 159 503	-	-	-
- Unallocated deposits	1 058 563	-	-	-
- Over banking	437 861	-	-	-
- Accrued leave pay	9 669 691	-	-	-
- Provisions	4 373 787	-	-	-
- Unspent conditional grants	1 871 216	-	-	-
- Employee benefit obligation	1 008 209	-	-	-
Non-current liabilities: Payables from exchange transactions	-	**15 821 872**	**21 217 054**	**8 144 430**
- Deposits received	-	-	-	374 192
- Retention	-	11 217 487	21 217 054	-
- Advance payments: Land & buildings	-	4 604 385	-	-
- Debtors with credit balances	-	-	-	7 770 238
Non-current liabilities: Employee benefit obligations	-	-	-	**7 944 882**
Non-current liabilities: Landfill sites	-	-	-	**21 890 736**
Non-current liabilities: Finance lease obligation	-	**2 892 758**	-	-
	-	-	-	-

At 30 June 2019	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Current liabilities	**85 703 936**	-	-	-
- Payables from exchange transactions	36 086 633	-	-	-
- Finance lease obligations (Current portion)	3 676 293	-	-	-
- Retention	14 895 836	-	-	-
- Over banking	397 940	-	-	-
- Accrued leave pay	9 579 133	-	-	-
- Provisions	3 261 618	-	-	-
- Unspent conditional grants	17 542 483	-	-	-
- Employee benefit obligation	284 000	-	-	-
Non-current liabilities: Payables from exchange transactions	-	**10 184 262**	**18 931 290**	**9 985 345**
- Deposits received	-	-	-	316 010
- Retention	-	6 354 854	15 373 481	-
- Advance payments: Land & buildings	-	-	3 557 809	-
- Unallocated deposits	-	3 829 408	-	-
- Debtors with credit balances	-	-	-	9 649 335
Non-current liabilities: Employee benefit obligations	-	-	-	**8 536 000**
Non-current liabilities: Landfill sites	-	-	-	**21 791 817**
Non-current liabilities: Finance lease obligation	-	**7 035 964**	-	-

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Credit risk

Definition

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.

Components exposed to credit risk

Components exposed to credit risk include the following

* Cash deposits & cash and cash equivalents - risk that the municipality might deposits funds with the institution that are not approved by council and whose credit standing is questionable

* Trade debtors – possibility that the debtors might not pay the municipality on time exposing the municipality to liquidity problems.

Risk management process

* Deposits cash & cash and cash equivalents

The municipality only utilises registered major banks with high quality credit standing to curb the risk of potential losses on the funds deposited with the bank institutions

* Trade debtors

Trade receivables comprise a widespread of customer base. Management evaluates credit risk relating to customers on an ongoing basis taking into account the credit policy of the municipality which includes the following:

* risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors.

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

Financial Instrument	30 June 2020	30 June 2019
Cash and cash equivalents	99 458 958	94 286 124
Receivables from exchange transactions	24 950 227	8 379 976

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.

42. Going concern

We draw attention to the fact that at 30 June 2020, the municipality had an accumulated surplus of R 2 157 172 310.

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.

Notes to the Annual Financial Statements

Figures in Rand	2020	2019

43. Subsequent events

On 26 March 2020, our honourable president, Mr Ramaphose declared the commencement of Lock-down countrywide.

The severe operational impact of COVID-19 both in private and public sectors was felt country-wide and our municipality was not immune to that impact. As a result some projects had to be stopped to observe the National Lockdown regulations. The municipality continues to operate in a volatile environment under the pandemic where national budgets and spending is prioritised and focused to fight the spread of the virus.

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Notes to the Annual Financial Statements

Figures in Rand	2020	2019
44. Fruitless and wasteful expenditure		
Opening balance as previously reported	11 167 649	10 346 660
Opening balance as restated	**11 167 649**	**10 346 660**
Add: Fruitless and wasteful expenditure - current	1 095 525	820 989
Closing balance	**12 263 174**	**11 167 649**

TheThe municipality has appointed a disciplinary board to investigate the fruitless and wasteful expenditure. The investigation is not yet concluded and therefore Council has not condoned or written off any fruitless and wasteful expenditure.

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Figures in Rand		2020	2019
Expenditure identified in the current year include those listed below:			
	Description of expenditure		
1. Eskom and Rand Water Bulk	Interest on late payments	2 874	7 663
2. Non-compliance with indigents -Eskom FEB	Section 62(1)(d) of MFMA - The municipality subsidised community members who did not qualify to be indigent debtors for electricity services from ESKOM.	112 543	-
3. Fruitless and wasteful expenditure was identified since due care was not exercised by the Contractor, Consultant and Project manager to ensure that THLM pays for services/goods received:			
(i) Insimbemnyama Construction and Project-Kwa-Mhlanga B link route Ward 32 project	Section 62(1)(d) of MFMA	69 560	-
(ii) Insimbemnyama Construction and Project-Kwa-Mhlanga B link route Ward 32 project	Section 62(1)(d) of MFMA - items that could not be verified	585 323	-
(iii) Insimbemnyama Construction and Project-Kwa-Mhlanga B link route Ward 32 project	Section 62(1)(d) of MFMA - on compacted pavement layer dimension	118 325	-
(iv) Insimbemnyama Construction and Project-Kwa-Mhlanga B link route Ward 32 project	Section 62(1)(d) of MFMA - payment for paving laid was not support with evidence	206 900	-
4. Claims for services not rendered	Section 62(1)(d) of MFMA	-	247 281
5. Non-compliance with indigent subsidy and free basic services provision policy	Section 62(1)(d) of MFMA	-	566 044
		1 095 525	820 988
45. Irregular expenditure			
Opening balance as previously reported		44 136 824	35 008 277
Add: Irregular Expenditure - current year		13 090 789	9 128 547
Opening balance as restated		57 227 613	44 136 824
Closing balance		57 227 613	44 136 824

Notes to the Annual Financial Statements

Figures in Rand			2020	2019
Incidents/cases identified in the current year include those listed below:				
	Legislation transgressed against	**Services**		
1. Zembeleni	SCM Regulation 19(b)	Repair and maintenance of Fleet	4 400 883	-
2. Zembeleni	SCM Regulation 29(2)		-	4 759 644
3. Mamolato Construction	SCM Regulation 29(2)	Delivery of portable water	1 855 542	-
4. Mamolato Construction	SCM Regulation 29(2)		-	855 606
5. Richo	Constitution 111; SCM Regulation 32, 19(b)		-	405 902
6. Behwiti	SCM Regulation 19(b)		-	15 915
7. Tshwele Construction	SCM Regulation 18		-	31 050
8. Thobela Attorney's and LMK Consulting JV	Constitution 111; SCM Regulation 32, 19	Debt collection	2 183 797	501 786
9. Nedfleet	Constitution 111; SCM Regulation 32, 19		-	203 813
10. Fidelity Cash Solutions	SCM Regulation 19		-	167 459
11. Monde Consulting	General Condition of Contracts: Clause 10,1;1,4; MFMA Section 112(1)	Rental of fleet	-	866 295
12. Bidvest Bank	SCM Regulation 32		4 601 726	1 321 078
13. Kasonengezi Trading (COMAF 19)	SCM Regulation 44	Hiring of transport for Public consultative meeting held by the Office of the Speaker - Employed by the Departmentof Human Settlement at the time of award.	17 200	-
14. City Medical Wholesalers (COMAF 19)	SCM Regulation 13(c)	Procurement of COVID-19 materials - Non submission of declaration documents by the supplier	31 661	-
			13 090 789	**9 128 548**

Cases under investigation

The municipality has appointed a disciplinary board to investigate the irregular expenditure. The investigation is not yet concluded and therefore Council has not condoned or written off any irregular expenditure.

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Notes to the Annual Financial Statements

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46. Additional disclosure in terms of Municipal Finance Management Act		
Audit fees		
Current year subscription / fee	4 834 225	5 473 689
Amount paid - current year	(4 834 225)	(5 473 689)
	-	-
PAYE		
Current year subscription / fee	21 444 178	19 164 121
Amount paid - current year	(21 444 178)	(19 164 121)
	-	-
UIF		
Current year subscription / fee	671 697	663 401
Amount paid - current year	(671 697)	(663 401)
	-	-
Pension and Medical Aid contributions		
Current year subscription / fee	28 682 189	26 608 381
Amount paid - current year	(28 682 189)	(26 608 381)
	-	-

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Notes to the Annual Financial Statements

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Councillors' arrear consumer accounts

The following Councillors had arrear accounts outstanding for more than 90 days at 30 June 2020:

30 June 2020	Outstanding less than 90 days R	Outstanding more than 90 days R	Total R
Maseko Zanele	-	1 456	1 456
Msibi Vusi Amos	647	12 790	13 437
Dhlamini Alicia Lebohang	602	27 086	27 688
Fakude Dumisani Chrescent	655	13 408	14 063
Jiyane Laza Elsie	523	14 786	15 309
Kekana Piet Thapelo	386	13 564	13 950
Mabena Mbebenzi Ben	474	3 589	4 063
Mabena Thomas Lebandla	611	13 372	13 983
Madyungu Alexcious Sphiwe	602	23 151	23 753
Mahlangu Amos	386	4 944	5 330
Mahlangu Christinah Ndielenhle	648	16 859	17 507
Mahlangu Gideon	457	3 090	3 547
Mahlangu Moses Michael	602	22 199	22 801
Makhubela Jan Maseka	402	467	869
Mampuru Dipolelo Sinah	474	3 589	4 063
Mashinini Thabisile Elsie	386	57	443
Masilela Toenkie Linah	474	3 589	4 063
Mathibela Emelinah Mavis	648	18 425	19 073
Mnguni Maria Qhubeni	258	7 154	7 412
Mnisi Sgaule Timothy	508	6 236	6 744
Mogoboya Samuel Bongani	948	13 892	14 840
Mokwena Maria Adelaide	445	2 254	2 699
Motanyane Thokozile Egnes	602	25 379	25 981
Motaung Ntombi Mitta	643	12 486	13 129
Motene Mitopi Andries	314	4 285	4 599
Msibi Bongani Victor	576	12 202	12 778
Msiza Khutisile April	561	13 943	14 504
Msiza Nomatjeni Nellie	425	1 207	1 632
Ndull Masotja Petrus	602	30 957	31 559
Ngoma Norman	627	11 503	12 130
Ngoma Sipho Koos	386	3 270	3 656
Sikosana Mzwandile Obed	931	2 514	3 445
Skosana Dini Samson	386	11 411	11 797
Skosana Lindiwe Thembi	412	881	1 293
Skosana Vusimusi Vincent	409	14 911	15 320
Tshabangu Martha Lilian	347		347
	18 357	370 906	389 263

30 June 2019	Outstanding less than 90 days R	Outstanding more than 90 days R	Total R
Cllr Boshego Steven	393	1 834	2 227
Cllr Dhlamini Alicia Lebohang	521	24 829	25 350
Cllr Fakude Dumisani Chrescent	618	12 423	13 041
Cllr Jiyane Laza Elsie	565	12 500	13 065
Cllr Kekana Piet Thapelo	345	12 060	12 405
Cllr Mabelwane Orle Mpheto	722	48 295	49 017
Cllr Mabena Mbebenzi Ben	393	1 834	2 227
Cllr Mabena Thomas Lebandla	530	11 070	11 600
Cllr Madyungu Alexcious Sphiwe	521	20 884	21 405

THEMBISILE HANI LOCAL MUNICIPALITY

Annual Financial Statements for the period ended 30 June 2020

Notes to the Annual Financial Statements

Figures in Rand		2020	2019
Cllr Mahlangu Amos	345	3 440	3 785
Cllr Mahlangu Christinah Ndlelenhle	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 Mashinini Thabielle Elsie	309	-	309
Cllr Masilela Toenkie Linah	393	1 834	2 227
Cllr Mathibela Emelinah Mavis	567	15 975	16 542
Cllr Mnguni Maria Qhubeni	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 Thokozile Egnes	521	23 112	23 633
Cllr Motaung Ntombi Mitta	562	10 056	10 618
Cllr Motena 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 Mtsweni Nomsa Sanny	330	-	330
Cllr Mtsweni 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 Sipho Koos	345	1 765	2 110
Cllr Nhlapho Sonto Rose	223	-	223
Cllr Skosana Dini Samson	432	10 168	10 600
Cllr Sikosana 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
	16 245	390 827	409 072

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.

Audited
By
2021 23
Auditor General South
Mpumalanga Business Unit

Audited
By
Auditor Africa

Figures in Rand	2020	2019

47. Deviation from supply chain management regulations

Paragraph 36 of the MFMA Act and regulationsstates 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.

Various servicesBuses and gym equipment were procured during the financial period 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	
Registration fee: Public Sector Accounting (A Maiope, LS Sehlako, JG Mahlangu and R Makhubela	IMFO/CIGFARO	Sole provider of service	12 622
Repairs of an Engine (Mercedes Benz) HVV 223 MP	McCharthy Kunene Motor Holdings	Impractical to follow normal SCM processes	339 271
Registration fees: SALGA	SALGA	Sole provider of service	8 000
Time management, access control and CCTV system maintenance	MWG Bussiness Solutions	Impractical to follow normal SCM processes	221 457
Debt collection services	Thobela Attorneys and LMK Consulting JV	Impractical to follow normal SCM processes	2 183 797
Calibration of Speed Camera	Truvelo Africa Electronics	Sole provider of services	5 707
Provision of GRAP and mScoa compliant Fixet Asset Register, update and verification	I@Consulting (Pty) Ltd	Impractical to follow normal SCM processes	2 863 914
Municipal vehicle lease	Bidvest Bank Limited	Impractical to follow normal SCM processes	4 601 608
Registration fees: IMFO conference	IMFO/CIGFARO	Sole provider of service	-
Registration fees: Internal audit	Institute of Internal Auditors	Sole provider of service.	6 600
Registration fee (I Tshabangu, A Maiope, T Baloyi, L Sehlako, J Mahlangu)	IMFO/CIGFARO	Sole provider of service	68 974
Registration fees: UCLG Congress	South African Local Government Association	Sole provider of service	12 828
Procurement of Pressure Pumps	Shikara Holdings	Sole provider of services	353 851
Procurement of Fumigation and Deep Cleaning Services in Municipal Facilities	Manana Trading	Emergency	69 978
Procurement of emergency materials for COVID -19 emergency	Amakhosikazana Wodwa Co-operative	Emergency	25 890
Procurement of Radio Advert	Ikutani FM	Impractical to follow normal SCM processes	2 000
Body Work of White and Yellow Fleet	Batazi and Sons Trading	Impratical to follow normal process	196 000
Repairs of Municipal fleet (White and Yellow plant)	Thulasizwe Trading CC	Impratical to follow normal process	357 158
Road Worthy Test for Municipal Fleet	Eyethu	Impratical to follow normal process	30 800
Supply and Delivery of uniform	Babelegi Work Wear and Industrial	Impratical to follow normal process	445 318
Procurement of emergency materials for CVID 19 emergency	City Medical Wholesalers	Emergency	31 662
			R11 835 333

THEMBISILE HANI LOCAL MUNICIPALITY
Unaudited MFMA Section 125 (2)(e)

The following non-compliances were identified

- Non-compliance with Section 62(1) (d) of MFMA since irregular and fruitless and wasteful expenditure were incurred

Audited
By
2021 -04- 23
Auditor General South
Mpumalanga Business Unit

ACTION PLAN

ACTION PLAN 2019/20

THEMBISILE HANI LOCAL MUNICIPALITY

AG REMIDIAL ACTION PLAN

Audit outcome 2019/2020:

Audit Opinion: Qualified with Findings

Finding No.	Catergory / Key area	Focus area (Finding)	Root cause of non-compliance / Internal control deficiencies+A10:W13	Action plans to be taken	Activities to be undertaken to operationalize the Action plan	POE's of Controls set in place	Due date	Responsible person	Monitoring Mechanism / Person
Misstatements in financial statements									
20	Revenue from property rates is not complete and accurate - COMAF 03	Whilst testing property rates, we selected items from the billing report and traced them back to the valuation roll and noted that Kgarebana Boutique Bed & Breakfast was charged a levy/tariff for a residential instead of business. The full account including service charges is understated as follows:	Management negligently and lacked the discipline to ensure that policies and procedures instituted by the municipality are instituted to ensure timely and correct billing for consumer accounts. Implement controls over daily and monthly processing and reconciling transactions	Verification on the house hold properties that have been changed to businesses was done during the supplementary vulation roll and statement was issued by the Municipality to all the THLM residence to notify the Municipality of any changes failure to comply penalties will be implemented.	1. Create credit notes for all the properties that are incorrectly billed for property rates and services charges.	Monthly reconciliation of the valuation roll, deeds durb, billing report and the tarrif code.	Monthly	Chief Accountant Revenue and Accountant Billing	Assistant Manager: Revenue and CFO
24	Meter readings on water consumption and statements	Whilst auditing service charges on water consumption we noted the following: 1. The free 6Kl for residents was not applied to the following properties for	Management negligently and lacked the discipline to ensure that policies and procedures instituted by the municipality are	Necessary corrections in the billing of metres will be actioned in order to address the identified	The procedure to deal with water consumption estimates and staff officials responsible for	Reconciliation of the tariffs charged on the billing and the approve tariffs code for 2020-	May-21	Chief Accountant Revenue and Accountant Billing	Assistant Manager: Revenue and CFO

	are incorrect - COMAF 07	the whole year as the residents were charged for the full consumption, meaning the service charges is overstated by R4 032. These are the only individual consumers in the billing report who have water meters in their properties. 2. We inspected the water meter readings register and noted the following which led to an overstatement of service charges for R85 122– Refer to Annexure A, Meter readings sheet. a) For Account No 1034036 (Old Standard Bank Building) for the month of December 2019 to March 2020 the meter reading was not working and the municipality could not bill the account, therefore we could not test/confirm the accuracy of the account at year end. b) For account No 1023037 (Phola Mall) for the month of July 2019 to 30 June 2020 the municipality has been estimating the meter reading without taking the actual meter readings, therefore we could not test/confirm the accuracy of this account at year end. c) For account No 1015836 (SAPS Kwamhlanga) for the month of July 2019 to Sept 2019 there was a leakage and the municipality could not bill the account, therefore we could not test/confirm the accuracy of the account at	instituted to ensure timely and correct billing for consumer accounts. Implement controls over daily and monthly processing and reconciling transactions	over/understatement of revenue.	taking meter readings should be trained on the application of estimates. Review all the meter readings for proper functioning and ensure that the amounts recorded are correct and that the average used for billing estimates is consistent with the monthly usage from the previous months. Retrieve the possible revenue forgone by applying the most relevant and reliable records available for those account holders and sort legal advice on the possibility of retrospective billing as far back as 2018-19 on those accounts.	2021 to ensure that all consumers are billed at the correct tariffs.			

		year end. d) For account No 832 (Cross Road Plaza) for the month of July – August 2019 the meter was not working and the municipality could not estimate the readings, therefore we could not test/confirm the accuracy of the account at year end. e) For account No 1023035 (Dr JS Moroka Municipality) the meter readings were not taken for the whole year and an estimate was used without taking the actual readings, therefore we could not test/confirm the accuracy of the account at year end. f) With reference to the table below, we further observed that the billing for 2019-20 compared to 2018-19 is quite small with notable difference on Dr JS Moroka for R17.7 million which could possibly mean revenue forgone due to incorrect meter readings/estimates taken or faulty meter. It's evident from the table taking into account the observations above in a) – e) above that the meters might be faulty and the municipality has no mechanisms to perform proper estimates since there's no procedure in place to address estimates where account history is not available and also the municipality has failed to apply the by-laws on prescribed average method.							

		This matter is quite concerning considering that the municipality might have forfeited about R17.7 million whilst battling with revenue collections on other services. 3. For all accounts metered for water consumption listed in table below, between April 2020 to 30 June 2020 an estimate was used due to COVID-19 and the basis of the estimate is not supported by the current by-laws where average method is permitted for accounts with history information. Also the municipality did not set procedures to conduct estimates for those accounts where history information is not available. 4. Whilst inspecting the estimates used in the billing of accounts we noted that the estimates used to bill the accounts does not agree to the statements as per the billing report - refer to annexure A for details. 5. There were differences noted between the meter readings consumptions and the statements consumptions as per the table in Annexure A – meter readings sheet, which led to an overstatement of service charges by R85 122. 6. When inspecting the Credit control and debt collection policy, we noted that the municipality does not have procedures in place that							

		prescribe how estimates should be performed for those accounts without history information. The by-laws only prescribe average method for those accounts with history information that can be considered relevant.							
25	Revenue from service charges is not complete and accurate - COMAF 07	Whilst testing service charges for items selected from the valuation roll and traced back to the billing report, we identified the following:	Management negligently and lacked the discipline to ensure that policies and procedures instituted by the municipality are instituted to ensure timely and correct billing for consumer accounts. Implement controls over daily and monthly processing and reconciling transactions	Necessary corrections in the billing of service charges will be actioned in order to address the identified over/understatement of revenue.	Create credit notes for all the properties that are incorrectly billed for basic services.	Reconciliation of the tariffs charged on the billing and the approve tariffs code for 2020-2021 to ensure that all consumers are billed at the correct tariffs.	30-May-21	Chief Accountant Revenue and Accountant Billing	Assistant Manager: Revenue and CFO
26	Revenue from service charges is not accurate due to classification –COMAF 07	Whilst testing service charges on items selected from the billing report, we identified the following: 1. The following accounts we classified incorrectly in the billing report when compared to the valuation roll which led to an understatement of service charge of R8 052. Refer to Annexure A – Flat Rate Services sheet for details. 2. Furthermore to No 1 above, the following accounts could not be traced to the valuation roll and upon enquiries we noted that these accounts were opened without supporting documents such as the valuation roll - Refer to Annexure A - Flat Rate	Management negligently and lacked the discipline to ensure that policies and procedures instituted by the municipality are instituted to ensure timely and correct billing for consumer accounts. Implement controls over daily and monthly processing and reconciling transactions	Necessary corrections in the billing of service charges will be actioned in order to address the identified over/understatement of revenue.	Create credit notes for all the properties that are incorrectly billed for basic services and valuation roll.	Monthly reconciliation of the valuation roll, deeds durb, billing report and the tariff code.	31-Mar-21	Assistant Manager-Revenue	CFO

		Services sheet for more details. Thus led to an overstatement of service charges for R22 812.							
34	Misstatements on fines, penalties and forfeits – COMAF 13	Whilst testing fines, penalties and forfeits we identified the following: 1. 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. The municipality managed to perform interface between ETMS and Munsoft but unfortunately the process failed since the Munsoft GL information did not pull through with specific traffic fines references to identify individual accounts. When management recorded the fines on Munsoft GL, they took 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 for R10 760 510 journal no: 4720 to 4727 plus other transactions which in total equates to R12 735 340. This method of recording is not compliant with GRAP principles. 2. The following differences were noted between general	Management also lacked oversight responsibility at the specification stage when securing the service provider (LPR I-Cube) to ensure that the service provider had a credible system that could interface with Munsoft prior to securing the contract	Management will ensure that the include system interface with Munsoft and capture all the fines from the cameras and fine books daily on Munsoft.	Monthly capturing of fines from the Cameras and fine books on Munsoft.	Monthly register of fines on Munsoft	Monthly	Assistant Manager-Revenue and Assistant Manager ICT	CFO and Manager Corporate Services

		ledger & AFS and LPR I–Cube: Management response: There is an amount of R108 090 receipt which needs to be reallocated ant the GL amount will sit as R12 617 250. The new difference between the GL and the supporting schedule as per I-Cube will be R130 345 which is made up of the incorrectly captured issued amounts on the fines which were reduced (attached see the recons) 3. We also identified that the fines account in the general ledger reflect payments of R1 150 494,11 not linked to specific individual debtor's account. This occurred because management did not record each fine per individual debtor's account using the traffic fines reference to recognise each debtor. Management response: Agrees to the finding and has started with the process with Munsoft wherein a special module to open individual debtors will be created where transactions such as payment, discounts and withdrawals will be captured. 4. During our testing we selected traffic fines from the S56 books and traced them to the LPR I-Cube report. We noted that the following fine book transactions were not included in the LRP I-Cube report and eventually the GL and AFS 55/09001/045/018102 and							

		55/09025/045/018150 for period June 2020. This resulted in understatement of traffic fines which should be quantified by management. Management response: Management disagrees to the finding raised as fine no. 55/09001/045/018102 was traced are discovered in the I-Cube S56 report. During our testing we selected traffic fines from the LPR I-Cube report and traced them to the S56 fine books and noted the following which will resulted in misstatements of traffic fines revenue: a) The following traffic fine was not recorded at the correct amount as per the fines book, resulting in understatement of revenue for R1 000. Management response: Management agrees with finding and an error in capturing the issued fines which were reduced and correction was done while loading the information from I-Cube into Munsoft. b) The traffic books for fines below were not submitted for audit and thus we could not confirm the validity, accuracy and completeness of amounts recorded, thus leading to possible overstatement of revenue. Management response: Management agrees to the finding and will adjust the AFS accordingly. c) The traffic fine below was								

		traced to the books from the LPR I-Cube report to the fine book and upon inspection of the book we noted that the details of the fine were not filled ie offender's details and thus we could not validate if the fine was justified, thus leading to possible overstatement of revenue. Management response: Management agrees to the finding raised and will make investigation and make necessary amendments in the AFS. 5. The following transactions were selected from the fines books but we could not trace them to the general ledger as 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. Management response: Management has attached a report which was used when loading information into Munsoft and all the identified traffic fines has been highlighted.A similar finding was raised in 2018-19 period and management is still struggling to implement controls to ensure that revenue is recognised properly in line with GRAP principles.							

ACTION PLAN

27	Debtors with arrear accounts were not charged interest – COMAF 07	During the audit of Interest from trade receivables we noted the following: 1. The following debtors have outstanding balances at year end yet they were not charged interest.	Management negligently and lacked the discipline to ensure that policies and procedures instituted by the municipality are instituted to ensure timely and correct billing for consumer accounts.	Come up with the procedure to deal with water consumption estimates and staff officials responsible for taking meter readings should be trained on the application of estimates	retrieve the possible revenue forgone by applying the most relevant and reliable records available for those account holders	Monthly meter reading	Monthly	Chief Accountant Revenue and Accountant Billing	Assistant Manager: Revenue and CFO
38	Misstatements on operating lease rentals – COMAF 22	Whilst auditing operating leases for Data box we identified the fll: 1. The operating lease rentals were not recorded using the straight line basis but rather using actual payments. As a result, there's a potential misstatement based on non-compliance with GRAP requirements. 2. Management did not disclose the minimum lease payments as prescribed by GRAP requirements. A similar finding was raised in 2018-19 period and management failed to institute proper controls to prevent the repeat of this finding.	Management lacked the discipline to ensure that the AFS is prepared in accordance with the relevant accounting standards in order to ensure fair presentation of the AFS.	Management will ensure that the requirements of GRAP 13 are correctly applied going forward and finance lease is disclosed correctly.	Ensure compliance with applicable accounting standards for all the components of the AFS.GRAP Training to operate at optimum levels.	Monthly update of the Finance and Operating Lease for review and compliance	Monthly	Assistant Manager Assets	CFO
40	Misstatements on contingent liabilities disclosure note – COMAF 31	While auditing the Contingent liabilities note 37 we identified the following: 1. Through the confirmation received from Kunene Ramapala Incorporated, we identified a new case for R250 000 relating to the Municipality being sued for damages arising from a dispute regarding payment for services rendered by	Management lacked the discipline to exercise professional due care when preparing the AFS to ensure that it reflects valid, accurate and complete information that achieves fair presentation and supported with reliable evidence.	Beef-up controls to coordinate the information from attorneys and thereafter interrogate it for validity, accuracy and completeness before it is utilised for AFS preparation.	Portfolio of evidence should be kept by management on a monthly basis to justify the note disclosures	Monthly Contingency register supported by the letters from Attorneys.	Monthly	Assistant Manager: Legal Services	Manager Corporate services and CFO

ACTION PLAN

		Phungo Incorporated which was not disclosed in 2019/20 Annual Financial Statements.							
35	Misstatements identified in the accrued leave pay – COMAF 14	SAGE VIP HR system malfunctioned which resulted in the incorrect postings of information on the HR system. This affected multiple amounts such as salaries, leave days etc. We recalculated the leave balance and noted differences from the accrued leave pay report, refer to table below: While testing the completeness of Accrued leave pay noted that there was an employee which could not be traced to the accumulated leave report or the accrued leave report	Management's detection controls were not adequate to timeously identify and correct errors on the HR system.	Beef up detection controls on HR system to ensure that errors are timeously identified and corrected.	Monthly reconciliation of the leave balance on the system and the leave book.	Monthly leave register	Monthly	Assistant Manager HR	Corporate Services Manager
39	Goods and services not delivered incorrectly recognised as accrual – COMAF 25	With reference to the table below management recognised purchase orders for goods and services that have not been delivered/ service at year end.	Management also failed to check that amounts are recorded in the GL using invoice amounts.	Institute controls in the payment section that will serve as a reminder on staff to reconcile the invoices and statements before payments are processed.	Ensure that transaction captured are as per the invoice before payment can be done verified by the Senior Personnel within the Expenditure section.	Approved cash book capturing print out before payment can be done verified by the Chief accountant and Approved by the Assistant Manager Expenditure	Monthly	Assistant Manager Expenditure	CFO
23	Understatement of intangible assets – COMAF 06	Whilst auditing intangible assets, the following were identified: 1. The municipality purchased the computer software's (intangible assets) listed below and failed to recognise them in the AFS. The new computer software	Management lacked the discipline to ensure that the intangible assets register (IAR) and AFS are updated timeously to reflect the correct and complete financial information.	Management should revise the IAR and AFS to correct the misstatements identified	Introduce a monthly Intangible Asset Register	monthly Intangible Asset Register	Monthly	Assistant Manager ICT and Assistant Manager Assets	Corporate Service Manager and CFO

		that was acquired has a finite useful life of 3 years as per the accounting policy thus as a result of its omission the amortization in the statement of financial performance is also understated by R153 916.							
41	Misstatements identified on maintenance expenditure – COMAF 34	Whilst auditing maintenance expenditure, we identified the following: 1. With ref to the table below, we noted that Zembeleni Transport Repairs submitted a statement summing up all the invoices inclusive of VAT and charged VAT on the total outstanding amounts on the statement. Management paid using that statement without tracing back to the original invoice amounts. Therefore, the transactions were erroneously recorded in the general ledger (GL) using the statements that charged the VAT twice instead of invoices thus leading to overstatement of R122 512. 2. AFS note 2 on maintenance expenditure reflects R11 147 746.00 whereas the GL and AFS amounts reflect R24 467 585.00, thus leading to an understatement of R13 319 839 in the note disclosure	Management also failed to check that amounts are recorded in the GL using invoice amounts.	1. Institute controls in the payment section that will serve as a reminder on staff to reconcile the invoices and statements before payments are processed. 2. Notify the service provider about the error and raise a debtor to retrieve the money on the agreed date with the service provider.	Ensure that recording of transcations are as per the invoice and verify before payment is done.	Cash book capturing print out that has been checked by Chief Accountant Expenditure and Approved by the Assistant Manager Expenditure before payment is done.	Monthly	Chief Accountant and Assistant Manager Expenditure	CFO
Non-Compliance with legislation									
15	Non-compliances identified in the annual report	Whist auditing compliance with laws and regulations we identified the fll: a) Through enquiries with	(a) This finding was removed from the COMAF as it was an oversight done by AG. (b) the Investigation	Management to ensure that the investigation processes commence earlier	to ensure that the investigation process start earlier to ensure timely reporting.	Council resolution and Report	30-Jun-21	CAE	regularly meeting

	process and UIFW process – COMAF 33	management we noted that the 2018-19 Oversight report adopted by Council on 26 March 2020 was not published as required by MFMA. b) We further noted that the investigation for irregular and fruitless and wasteful expenditure of 2018-19 financial period was in progress and not finalised at 30 June 2020 by the disciplinary board.	process started late hence the report was finalised late after 30 June 2020	after the final audit report to ensure timely reporting to council					
28	The municipality continues to incur irregular expenditure – COMAF 08	Similar to prior periods, the municipality continues to incur irregular expenditure especially on multi-year contracts. AFS Note 42 below stipulates the details on irregular expenditure incurred for multi-year contracts.	Management's controls are not adequate to detect possible non compliances which could lead to irregular expenditure before the award is concluded.	Institute controls in a form of checklists, training programmes to enable all role players in procurement processes to perform their duties properly in compliance with applicable laws and regulations.	Designed a checklist for procurement processes and training on SCM officials and bid committee	Compliance checklist and training of SCM officials and bid committees	30th June 2021	Assistant Manager: Human Resource and SCM	Manager Corporate Services and CFO
31	Fruitless and wasteful expenditure identified – COMAF 10	Whilst auditing the Construction of Kwa-Mhlanga B Link route ward 32 project, we identified the following: a) With reference to the table 2 below, management paid a cumulative amount of R69 560 excl VAT (R79 994 (incl. VAT)) for prefabricated culverts per payment certificate 7 dated 19 August 2020 even though we could not see/verify them on site during the site visit conducted on 03 March 2021 b) According to payment certificate no 7 the items listed in the table 3 below were paid,	Project management implementation monitoring controls prior processing of payments. The management lacked proper control systems, measuring tools and regular site visits.	Review and enforce the current process Plan, amd procurement of measuring tools	Management will ensure timely reviewal of Process Plan, Conduct regular weekly site visits and measurement of qualities on site to ensure accuracy and correctness of work claimed versus works completed on the projects	Site Visits report, Process Plan	31-Jul-21	Technical Manager and Assistant PMU Manager	Technical Service Manager

		however we could not verify whether these items were indeed delivered and installed. This was because there was no detail valuation attached to the payment certificate that indicated the activities, quantities and rates to support the service rendered. c) The contract amount for the project was R7 318 935,80 which included contingencies of 10% and VAT. According to payment certificate No 7 contingencies to the value of R658 658,07 (incl. VAT) were claimed without any documentation supporting the authorisation attached to the claim.							
29	Performance agreements not in place for other staff officials – COMAF 08	Similar to prior periods, the municipality did not have performance agreements in place for other staff officials, except the Section 56 managers to keep the officials responsible and accountable for the areas of their responsibilities.		• Appointment of a dedicated individual that will deal with IPMS. • Development of performance agreements Assessment of performance			Dec-21	IPMS Officer	
30	Non-compliance with indigent subsidy and free basic services provision policy – COMAF 08	The following findings were identified whilst testing compliance with the above mentioned policy: a) Management could not provide the auditors with an updated indigent register for 2019-20 since the register was last updated in 2014-15 financial year and therefore the municipality could not prove if the candidates on the current register are legible for this benefit.	The council and management lacked the discipline to perform the re-application process annually as prescribed in the policy in order to ensure that the state resources are only given to well deserving individuals.	Set strict timelines for the annual application process for new beneficiaries.	Update the indigent register during the 2020-21 period with the correct information. Utilise the Search Works system to validate if the applicants are legible to be classified as	Updated and validated indigent register for 2020-21	Monthly	Assistant Manager: Revenue	CFO

		The indigent benefit recorded under general expenditure as Indigent relief is R112 544 details are noted below, Since the municipality last updated the indigent register in 2014-15, we confirmed that it does not have the current application forms in place to support the R112 544 recorded in the AFS. b) We further performed CAATs based on the Indigent registers received by the municipality from Eskom and identified the following exceptions. Refer to attachment			indigent consumers				
32	Deviation justifications not proper – COMAF 12	Whilst auditing deviations, we noted the following: a) The justification for repairs of an engine (Mercedes Benz) HVV 223 MP done by McCarthy Kunene Motor Holdings refers to sole supplier. • So far we identified the following Mercedes Benz dealers which are less than 100KMs-one way from THLM: o McCarthy Kunene Witbank 70.9KM one away o Mercedes Benz Menlyn 85 KM one away o Mercedes Benz Wonderboom 85. KM one away • Upon the inspection of the supporting document we	Management lacked the discipline to ensure that proper controls are in place to assess thoroughly the conditions of the fleet to enable the municipality to make economic decisions between new purchases Vs repairs. Management also failed to plan properly for the replacement of the exiting service provider through a competitive bid process to secure the maintenance and repairs services.	Review the procurement plan in orders for evaluation process to unfolds three months before the end of contract	1. Ensure that proper controls are in place to assess the conditions of the fleet overall and perform cost-benefit analysis on whether it's economical to procure new vehicles Vs. the repairs. 2. Plan properly in advance for the replacement of the exiting service provider through a competitive bid process to enable smooth operations on the maintenance	Review the procurement plan in orders for evaluation process to unfolds three months before the end of contract	30-Jun-21	Assistant Manager: Transport and Assistant Manager SCM	Manager Corporate services and CFO

		noted that the repairs indeed related to engine repairs meanings it was not practical to take the engine from one Mercedes dealer to the next for quotation purposes taking into account the urgency to utilise the car for operational purposes. Therefore, the correct reasoning/ justification should be impractical and not sole supplier. • We note our concerns that the book value of the said car is R186 113.71 whereas the repairs is R390 200.70 which could mean that management did not exercise sufficient oversight to weigh the benefits between buying a new car Vs the repairs. b) Whilst auditing the award for Thula Sizwe Trading for R410 731.70 we noted an urgent application by the Department of corporate services dated 12 May 2020 to utilise the service provider for the repairs of yellow plant and white big plant and the justification was Impracticability to follow normal process. • Initially the municipality had a contract from Zembeleni for supply of repairs and maintenance services for heavy white and yellow plant for a period of 36 months (27 February 2017 to 27			and repairs of fleet.				

		February 2020), contract no: THLM/SCM06/2016-2019. • We further noted through the inspection of the procurement plan that the procurement for repairs and maintenance was included in the plan per the table below meaning the municipality should have applied itself well in advance to prepare for the procurement of this magnitude since the services relates to the daily operations of the municipality. • Furthermore, we did not identify any indication that there was a tender process undertaken as per the procurement plan before the National lock down in order to justify the deviation for Thula Sizwe Trading. Based on the above information it's clear that the deviation is based on poor planning from management's side and not necessary due to impracticalities to go through a bidding process.							
33	Sub-contracting requirements not adhered to – COMAF 12	Whist auditing competitive bids we noted the following: a) That the below service providers stated in their bid documents that they will be subcontracting 30% of the tendered amount to the designated groups however there was no proof of approval by management as per the requirement of PPR 12(1). b) Furthermore, we noted that	Management lacked the discipline to ensure that the tender screening pre-qualifying requirements were adhered to.	Development of checklist to ensure tender document for construction is in line with SCM policy and review and monitor compliance with applicable legislation	Ensure that there's consistency in the tender compliance requirements in the Bid specification committee minutes (BSC), tender documents and bid evaluation	Pre-qualification criteria are properly monitored and implemented and that preferential points are calculated correctly.	01-Jul-21	Technical Service Assistant Manager /SCM Manager	Technical Service Manager & CFO

		the bid documents are silent on the sub-contracting thresholds per the Policy and thus the service providers bid documents make reference to thresholds not in line with the Policy.			committee minutes (BEC).				
36	Awards to persons in the service of the state – COMAF 19	Whilst auditing quotations, the following awards were made to persons in the service of other state institutions and the interest was not declared by the service providers	Management did not exercise oversight in ensuring that proper procurement processes were followed.	Utilise sufficiently the controls in place like Search-works to enable management to timely detect those bidders who working for other state institutions before awards are made.	Print search work reports and MBD form	search work reports and MBD form	20-Mar-21	Assistant Manager SCM	CFO
37	Deviation not disclosed in the annual financial statement – COMAF 19	The deviations below were not disclosed in AFS Note 44. Furthermore, we identified that City Medical wholesalers did not submit the independence declaration which led to irregular expenditure of R31 661	Management lacked the discipline to exercise due professional care when preparing the AFS to ensure that it reflects valid, accurate and complete information that achieves fair presentation and supported with reliable evidence.	Reconcile items on the deviation register to the deviation disclosure note on the AFS to ensure completeness of disclosures in the AFS.	Prepare the monthly deviation register and quarterly report to Council	Deviation register	01-Jul-21	All Head of Department / SCM Practitioners	CFO
Internal control deficiency									
22	Control deficiencies identified on Landfill sites – COMAF 05	1. Whist auditing the landfill sites we identified the fll: Based on the actuarial report from One Pangaea Expertise and Solutions paragraph 25 the following limitations were noted which could possibly affect the valuation of the estimate/provision at year end: a) The waste generation records provided in terms of	Management did not exercise sufficient oversight to ensure that all relevant information for rehabilitation processes are in place and that existing records contain detailed information to enable the	Management to exercise sufficient oversight to ensure that all relevant information for rehabilitation processes are in place and that existing records contain detailed information to enable the municipality to	To ensure that waste generation records for waste deposition tonnages are detailed and clear to enable the municipality to make better decisions regarding the rehabilitation	Landfill site management reports and records	30-Jun-22	AK Chego	CFO, Manager Technical and Manager SDS

		waste deposition tonnages being disposed of at the sites need to be more precise to enable the calculations to be more accurate for the purposes of this exercise. b) The lack of a detailed closure design and end-use plan has an impact on the estimated cost of the basic assessment as well as rehabilitation and closure costs. c) The lack of water monitoring has an impact on the amount of various cost elements. In the absence of information to confirm the absence of adverse impact on water, contingency can be built in that such impact may exist. d) The lack of internal and external auditing adds to the uncertainty regarding environmental impacts, which is reflected in several cost elements. 2. We performed site visits for the two landfill sites and identified the fll: 3. For Verena Dumping site, no actions are taken to address any illegal waste dumping hotspots or to address serious findings on solid waste management previously identified 4. Whilst inspecting the actuarial report from One Pangaea Expertise & Solutions consultants, we	municipality to make meaningful decisions	make meaningful decisions	programme including budgets that must be set aside for such rehabilitation. Ensure that a detailed closure design and end-use plan is in place. Ensure that water monitoring tools/mechanisms are in place to assess the availability of water for purposes of restoring the environment. Look at ways/means of incorporating environmental impact assessments either through the internal audit or external audit analysis taking into account the budget allocations of the municipality.				

		further noted that the report erroneously included the costs for upgrades of R14 038 469 that will be incurred after 30 June 2020 as part of the provision calculations. This inclusion has an overstatement impact on the provision amount calculated at year end disclosed in Note 13.							
Misstatements in annual performance report									
21	No measures taken to improve poor performance – COMAF 04	Whilst inspecting the annual performance report (APR) for this KPI: Rate of updating data on the integrated Regulatory Information System (DTS 038), we noted that no measures were taken to improve poor performance as a result of non-achievement.	The system is controlled by the DWs and dysfunctional during uploading of data	The management will investigate and develop controls that are in line with the KPI.	Update system on the monthly basis and print ourt report monthly	Monthly generated system reports	End of April 2021	Manager Technical Services	Manager Technical Services & Assistant Manager Water and Sanitation
42	Control deficiencies identified in the performance reporting process – COMAF 17	The following internal control deficiencies were identified whilst auditing the annual performance report (APR). 1. The monthly progress reports submitted by consultants to management for capital projects relating to KPIs below were not signed by the consultants. We further performed the audit on the APR and confirmed that at year end the information reported is validated by relevant supporting documents ie completion certificates for projects 1 to 3 and projects 4	Management lacked control deficiency when submitting POE and APR to review POE against report prior submission in order to confirm correctness and validity	Management shall evaluate, review, monitor and enforce the performance management system/controls measures.	The management will develop POE review forms, and utilise for approval and submissions of reports and POE	Approval forms and reports are correctly signed	N/A	Manager Technical Services	Manager Technical Services

		to 5 are still in progress. 2. The monthly progress report for the KPI below does not stipulate the stages of completion/phases of the project. We further performed the audit on the APR and confirmed that at year end the information reported is validated by relevant supporting documents ie completion certificates for projects 1 to 3 and projects 4 and 5 are still in progress. 3. For KPIs below, whist verifying the portfolio of evidence (PoE) for quarterly performance reports (QPR) we noted differences between PoE and QPR. We further performed the audit on the APR and confirmed that at year end the information reported is validated.							
Matters affecting the auditor's report									
1	Misstatements on property rates - COMAF 03	Whilst inspecting the billing report and the valuation roll we noted the following: 1. a) With reference to the table below whilst inspecting the billing report, we identified these exceptions where properties are not registered in the name of a person which is contrary to Section 1 of the Municipality Rates Act. b) Furthermore, we identified the following items with duplicate account holders yet different account numbers = 6 036.	Management lacked the discipline to ensure that the property rates are charged to legible account holders and that revenue is accounted for and classified under correct accounts. Management also lacked the discipline to ensure that the valuation roll is reconciled to the billing report	1. Develop a checklist in line with the MPRA. 2. Monthly reconciliations between the valuation roll and billing report should be performed and management should draw exception reports for further analysis and rectifications where errors are identified.	1. Monthly reconciliation between valuation roll, deeds durb and the billing report. 2. Review all the farms properties transferred to the beneficiaries.	Monthly valuation roll reconciliation and credit notes passed for the transferred properties to the beneficiaries and correction of errors between the valuation roll and billing	Monthly	Chief Accountant Revenue and Assistant Manager Revenue	CFO

		Refer to Annexure A attached for details. (i) 2 277 items for Government of KwaNdebele (ii) 535 items for National Government (iii) 1612 items for provincial government (iv) 113 items for Republic of South Africa (v) 1454 items relate to others, including individuals To validate the legibility for billing the properties mentioned in the table above, we further selected a sample of 2 properties per account holder category and traced them from the billing report to the valuation roll and noted 2 surveyed properties out of the 10 samples selected which should not have been charged property rates - Refer to Annexure C, Table 1. The municipality is further tasked with the responsibility of verifying the rest of the exceptions back to the valuation report status to ascertain if the properties are registered or surveyed. c) We performed further analysis on the duplicate account holders and picked that only 9 properties relate to duplicate ERF Numbers, the other 6 027 items relate to different ERF Numbers. The total property rates billed for 9 properties equate to R784 499.92. d) We took our analysis further and looked at the valuation roll in detail and		3. Regular engagements with DARDLA to send all the transferred farms properties to the beneficiaries.					

		noted that the valuation roll is split into two parts ie Towns and Farms. The table below reflects the results for registered properties legible to be billed property rates whose market value is greater than R50 000. Refer to Annexure B for details. e) The table below reflects duplicate registered owners in the valuation roll with different ERF numbers. When one compares the table below to the table above, it's clear that there's disconnect and the municipality should investigate the differences. Refer to Annexure B for details: f) We further discovered that the valuation roll contains 50 699 surveyed properties whose market value is above R50 000 registered under Thembisile Hani - refer to Annexure C, Table 2. g) Our analysis further picked up the blank columns relating to the following items: Refer to Annexure A for details • Items with blank ID numbers = 6 424 properties. • Items with blank account holder names = 935 properties. To substantiate the exceptions noted above, the account statements below have blank account holder or are not addressed in the name of the ratepayer/user of the service as required per the Credit control & debt							

		collection policy 2. Through inspection of the billing report we further noted that the properties below are registered under the municipality's name contrary to Section 7 of Municipal Property Rates Act. 3. Whist testing property rates we traced items from the billing report to the valuation roll and identified the following. Refer to Annexure C – Table 3 for details. a) The following properties were incorrectly classified in the billing report which led to inaccurate tariff rates being used and ultimately incorrect property rates revenue b) The following properties were marked as "surveyed" in the valuation roll yet they were charged property rates. c) Similar to finding 1) above, the properties below were not registered under the person's name: 4. We performed the last test where we selected properties from the valuation roll tracing them back to the billing report and noted that these properties were surveyed and yet were billed property rates:							
2	Municipality account statements not sent to customers on a monthly basis – COMAF 03	Whilst assessing the controls on property rates management, we noted that the municipality does not send monthly statements to the customers	Management lacked the discipline to ensure that the property rates are charged to legible account holders and that revenue is accounted for and	Ensure the valuation roll reconciled to the billing report fully	Monthly monitoring of the valuation roll and the billing	Monthly valuation roll reconciliation and credit notes passed for the transferred properties to	30-Apr-21	Assistant Manager: Revenue and Chief Account Revenue	CFO

			classified under correct accounts.			the beneficiaries and correction of errors between the valuation roll and billing			
19	Supplementary valuation roll was not done for the 2019/20 financial year - COMAF 03	The municipality did not prepare the supplementary valuation roll to take into account the exception reports raised last year per COMAF 11 which led to a qualified audit opinion.	Management lacked the discipline to ensure that the supplementary valuation roll is prepared on a yearly basis to effect any changes.	Ensure that a supplementary valuation roll is prepared on an annual basis to ensure the correct billing on property rate.	The process for compilation of the supplementary valuation roll was initiated	Supplementary valuation roll	30-Apr-21	Assistant Manager: Revenue and Chief Account Revenue	CFO
5	Misstatements on debt impairment - COMAF 15	Whilst auditing debt impairment we identified the following: 1. The journals below were included as part of the population and upon scrutiny of the general ledger we noted that these journals should not form part of debt impairment as they relate to human resource items 2. The traffic fine debt impairment calculation was based on the opening balance that is net of impairment instead of the being based on the gross amount of traffic fines outstanding as at 30 June 2019. This led to an understatement of debt impairment for traffic fines for R447 370. Refer to Annexure for detailed calculation 3. The traffic fine debt impairment calculation for 2018/19 was based on the opening balance (2017/18) that is net of impairment	Management did not exercise sufficient oversight responsibility to ensure that the calculations were done correctly.	• Apply the correct principles when calculating debt impairments. • Monitoring and supervision performed regularly by management to ensure that staff perform their responsibilities appropriately.	Apply the correct principles when calculating debt impairments quarterly	Quarterly calculation of debt impairment	30-Apr-21	Assistant Manager Revenue	CFO

		instead of being based on the gross amount of traffic fine debtors outstanding as at 30 June 2018. This led to an overstatement of R1 980 869 debt impairment for the comparative amount. Refer to annexure A for detailed calculation. 4. The incorrect calculation for the 2018/19 financial year will also have an impact on the movement between the 2018-19 and 2019-20 for debt impairment. Kindly see the detailed calculation on Annexure A. 5. The movement in debt impairment for consumer debtors from the 2019 to 2020 was inaccurately calculated as per the table below 6. The calculation of debt impairment for the 2019/20 financial was incorrectly calculated as below							
9	Misstatements identified in consumer debtors - COMAF 24	Whilst testing consumer debtors we identified the following: 1. The balance per the consumer debtors listing does not agree to the balance reported on the AFS on note 9 2. The following debtors were note supported by detailed schedules and supporting documents 3. Differences between table 1 and 2 below were noted in AFS Note 9 for 2019-20 figures, 4. With Reference to	1. Management did not exercise sufficient oversight responsibility to ensure that the data cleansing process was completed properly to ensure that the billing report and eventually the debtors listing reflects valid, accurate and complete information. 2. Management also did not perform adequate reconciliations between debtors	1. Monthly reconciliations should be performed between debtors listing and valuation roll r to promote a culture where management timeously detect and correct errors. 2. Portfolio of evidence to be kept by on a monthly basis to justify the transactions processed on the	To build up a solid audit trail to be used during the time of preparing the AFS.	Monthly reconciliation between the debtors's listing and valuation roll.	30-Apr-21	Accountant Billing and Chief Accountant Revenue	Assistant Manager: Revenue, CFO

		Annexure A finding 4 we identified accounts where service charges were not charged for the month of June which brings into question whether the receivables are complete and valued correctly at year end. This resulted in understatement of consumer debtors by R310 490. 5. With Reference to Annexure A finding 5 we identified accounts that were charged incorrect service charges due to classification errors in the debtors listing not aligned to the valuation roll. This resulted in overstatement of consumer debtors by R7 801. 6. With Reference to Annexure A finding 6 we identified properties (accounts) which could not be traced to the valuation roll which brings into question the existence of debtors. This resulted in overstatement of consumer debtors by R1 780 053,08 7. With Reference to Annexure A finding 7 we identified calculation errors between our calculations and management's calculations on the debtor's list. This resulted in overstatement of consumer debtors by R28 880 Finding No 4 to 7 results in overstatement of R2 053 862 The findings identified in 4 to 7 above bears similar	listing and valuation roll to timeously deduct and correct any errors between the two records.	financial system. of preparing the AFS.					

		reference to findings identified in COMAF 3 for property rates, meaning these findings are consequential impact of COMAF 3 from revenue side to receivable side.							
3	Internal control deficiencies identified on access and water distribution points – COMAF 09	During the audit of water inventory, we observed the distribution of water at a Gantry site (water distribution site) situated in Vezubuhle village on 24 February 2021 and noted the following internal control deficiencies: 1. There are no access controls at the distribution point which make it possible for any individual to collect water for their personal use, and not as intended by the community. 2. The municipality has two types of water carts trucks, namely, (a) municipality owned and (b) municipality's service provider. The drivers of these carts sign a register at the Gundry site upon collection of water, stating the volume of water collected, the ward number and village where the water will be distributed. Through observation and enquiries with management, we identified that there are other water carts trucks that collect water without appropriate authorization by the municipality. These trucks either sell the water or use it for personal benefit.	Municipality failed to install adequate access controls at the distribution points,	• Access to the Gundry site is controlled and limited to authorized personnel. • Water is distributed efficiently to all earmarked communities to avoid wastage	The management will include post of field controllers in the organisational structures in order to increase capacity of personnel responsible for the access control to the gantry.	Appointment of Personnel, and revised organisational structure.	01-Apr-21	Assistant Manager: Water and Sanitation: Mr C Mokubedi and Manager Technical Services: Mr VL Skosana	Manager Technical Services & Assistant Manager Water and Sanitation

		We have further observed that the drivers of these trucks do not sign the register as the water collected is for personal benefit and not for distribution to the community. Through enquiries with management we confirmed that the municipality is not reimbursed for this collections and the water collected is accounted for as 'water losses' in the financial statements. 3. During the collection process on daily basis, trucks que and each truck proceeds forward for its turn and water is not switched on/off as each truck takes its turn. Consequently, kiloliters of water are lost during that process on a daily basis contributing further to water losses presented in the financial statements. The water losses have increased significantly to R62 772 719 (2018-19: R37 907 049) and could have been avoided through implementation of appropriate access and water distribution controls at the water distribution sites.							
13	Misstatements identified in water inventory and inventory water losses – COMAF 29	Whist auditing water inventor we identified the fll: 1. Misstatement on the system input volume With reference to the table below, management included an incorrect system input volume as part of the	Management lacked the discipline to design and implement inventory management consumption controls that will enable management to compute/determine actual water	1. To develop and implement the processes and procedures to fully account for water inventory. 2. Implement controls including monitoring	Monthly process and procedures to fully account for water inventory	Monthly process and procedures to fully account for water inventory	30-Jun-21 .	Manager Technical Services and Assistant Manager: Water Service	CFO & Assistant Manager Assets

		inventory disclosure note 5 which represents the inventory purchased for the year. 2. Determination of net realisable value and current replacement costs The municipality's accounting policy in relation to inventory-water is to account for water at the lower of net realisable value (NRV) and the weighted average cost (WAC). • Through enquiries with management and inspection of the supporting documents provided by management, we noted that management only made a determination of the WAC for water inventory in the 2019-20 financial period and did not perform an assessment to determine which cost is lower between the NRV and WAC. • Based on our understanding of the municipality, management distributes water to the households within the THLM jurisdiction for a fee of R71.00 per month per household regardless of the consumption thereof. Further the municipality distributes 06 kilo-litres of water to all households for free. The municipality should thus consider the amount of inventory that is held for sale which will then be measured at the lower of NRV and WAC. • The above resulted in	consumption; water losses and eventually water inventory at year end	and review processes to ensure appropriate accounting of inventory in the AFS.					

		internal control deficiency as it poses a risk of material misstatement on the valuation of inventory. 3. Misstatement in the closing balance of Inventory-water We have recalculated the water inventory balance as at 30 June 2020 by applying the water readings as at 30 June 2020 and came up with R9,6772 WAC per table below. 4. Free basic water We have determined that the free basic water as included under Note 05 of the AFS is misstated as follows: 5. Water consumption We have noted further that management determined the water consumed during 2019/20 financial period by referring to the water revenue received. This is not the correct approximation of the water consumption as the individual households does not consume the same amount of water, but are charged a flat fee of R71.00 per month. The water revenue received thus does not correlate to the water consumption for the year. The municipality does not have processes in place to take water readings for all households to keep track of the water consumed and water lost. Furthermore, water losses are calculated as the balancing figure, taking into							

		account the opening balance, purchases, water consumption, free basic water and closing balance. The inability to quantify the water consumption for the year has a direct impact on the determination of the water losses at year end. Based on the above, we were unable to quantify the water issued as well as the water losses as included in Note 05 of the financial statements per table below.							
4	High level overview errors identified in the annual financial statements (AFS) presented for audit - COMAF 11	The following deficiencies were identified whilst reviewing the annual financial statements (AFS) submitted for audit on 31 October 2020: Findings issued on 07 March 2021 1. Page 22, Available for use: Paragraph makes reference to IAS 39 while the auditee uses GRAP as accounting framework and not IFRS. 2. Page 23, Impairment testing, the following were identified: a) Name of key assumption" is not listed. THLM must complete the paragraph. b) Furthermore, the paragraph makes ref to only goodwill and tangible assets, excluding intangible assets. c) The municipality does not recognise goodwill in the AFS thus making reference to it might be irrelevant. d) The last sentence on the last paragraph should be applicable THLM, so far the	1. Management lacked the discipline to exercise professional due care when preparing the AFS to ensure that it reflects accurate and complete information that achieves fair presentation and supported with valid evidence. 2. 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.	1. Keep portfolio of evidence on a monthly basis to justify the transactions processed on the financial system. 2. Conduct proper and thorough reviews on the AFS on time to avoid the risk of not detecting, identifying and correcting errors on time.	To build up a solid audit trail to be used during the time of preparing the AFS.	Monthly portfolio of evidence for the transactions processed on the system	31-Aug-21	CFO Assistant Manager: Budget and reporting Assistant Manager: Revenue Assistant Manager: Assets & Water Assistant Manager: SCM	CFO

		paragraph makes reference to the following: [list entity specific variables, i.e. production estimates, supply demand], [list economic factors such as exchange rates inflation interest]. 3. AFS Notes, Standards and interpretations issued, but not yet effective Standards and interpretations issued, but not yet effective are not disclosed 4. Statement of Financial Performance (SoFP), Gain on sale of assets We noted double disclosure under revenue and expense on the face of the SoFP 5. Operating lease, we identified the following: a) Entity has operating lease expenditure however there is no lease smoothing recognised either as Assets or liability b) We also picked up incomplete disclosure note for operating lease 6. Related party THLM did not disclose the related party disclosure note 7. Commitments Only "Already contracted but not provided for" was disclosed. Other commitments that had already been provided for							

		have not been disclosed. 8. Prior period error, we identified the following: a) No description of the nature of the prior period errors. b) No indication of when the error occurred and whether the reinstatement went as back as the year during which the error occurred. Further, a disclosure on the practicability of reinstatement will be expected and the reasons for such impracticability. 9. Donations received we identified the following a) Amount per the Note 25 from Nkangala District Municipality of R27 925 841 does not agree to the Note 25 description Donations by way of assets were received from Nkangala District Municipality in R28 417 615. b) The amount of R491 774 was received from Department of Arts, Culture, Sports and Recreation whereas it's reflected under Public contributions and donations in Note 25. 10. Whilst testing licenses and permits we noted that the was a mapping error in the vehicle licenses for the 2019/20 financial year as the amount of R8 686 489 has been disclosed as driver's license applications							

		Findings issued on 19 March 2021 11. Whilst testing debt impairment we noted differences below on amounts per Note 30 and the Statement of financial performance. 12. Management incorrectly described water losses per note 5 as "Actual return on planned assets" and thus the description currently is misleading. 13. Whilst auditing Provisions we identified the fll: a) Differences below were noted in the statement of financial position and note 13 b) GRAP 19 paragraph 98(c) stipulates that reductions resulting from payments or other outflows made during the reporting period should be disclosed and we noted that such disclosure was not made. c) GRAP 19 paragraph 99(b) stipulates that indication of the uncertainties about the amount or timing of those outflows should be disclosed. Where necessary to provide adequate information, an entity shall disclose the major assumptions made concerning future events, as addressed in paragraph 55 and we noted that such disclosure was not made. Findings issued on 30 March 2021 14. With reference to the							

		table below, management incorrectly grouped together trade payables with accrued expense on Note 14. Currently the note is not fairly presented since two different classes of liabilities are grouped together. Findings issued on 07 April 2021 15. Paragraph 123(a) of GRAP 31 states that an entity shall disclose for an intangible asset assessed as having an indefinite useful life, the carrying amount of that asset and the reasons supporting the assessment of an indefinite useful life. In giving these reasons, the entity shall describe the factor(s) that played a significant role in determining that the asset has an indefinite useful life. Whilst auditing intangible assets, we noted that management assessed some of its intangible assets to be having indefinite useful, however, did not disclose the reasons supporting the assessment of the indefinite useful life. 16. Whilst auditing irregular expenditure, we identified the following: a) The irregular expenditure accounting policy incorrectly refers to Section 1 of the PFMA and National Treasury Practice no.4 2008/2009 which was issued in terms of Section 76 of the PMFA							

		b) Note 42 under description of incidents makes reference to SCM Regulation 19(b) instead of SCM Regulation 29(2) for non-attendance of CFO in BAC. c) Note 42 did not include the following details as required by the SCM Regulation 36 (1) (Annexure B): o Transfer to receivables for recovery – not condoned o Condoned or written off by Council was not disclosed as required 17. We further identified that the accounting policy for both fruitless & wasteful expenditure and irregular expenditure makes reference to recognition of these expenditure under the statement of financial performance and omitted to make reference to the recognition of capital expenditure under the statement of financial position.							
10	Misstatements identified in the APR – COMAF 26	The following maters were identified whilst auditing the annual performance report (APR) KPIs: 1. Households provided with Basic Sanitation - KwaMhlanga and Tweefontein K (DTS 042): a) The actual performance reported in the APR reflects 2 283 whereas the billing report to substantiate the performance reflects 2 231,	1. a. The APR submission was due the first week of July then the billing report used by that time was not the same billing used during AFS submission due to data cleansing which was done after the submission of APR. 2&3 was resolved as it was an	To adjust the APR (PMS), Management review and reconcile the transactions to ensure accuracy (Technical). Management did not adequately review the APR against the submitted portfolio of evidence to ensure validity, accuracy and completeness of the	1. (a) Adjusted APR. (PMS), .Management shall develop form (Technical), Management to ensure that adequate regular review processes are implemented in the performance	1.(a) Adjusted APR (PMS), Approval forms and reports are correctly signed (technical), Regular reviews will be implemented in the performance	2021-03-26 (PMS), Quarterly (Technical), 2021-03-26 (SDS)	Abram Chego; Sinah Moripe & Vusi Skosana	Abram Chego; Sinah Moripe & Technical Services

		leading to an overstatement of 52 households. b) Furthermore, we inspected the billing report and identified that some account holder's names refer to commercial or government institutions and not natural persons (households) which led to an overstatement of achievement by 493. Refer to Others tab Annexure A attached for details. 4. Number of awareness campaigns and events for women, elderly, people with disabilities and children conducted (SDS022): The list below for this KPI including PoE (attendance registers) reflects 7 achievements whereas APR reflects 3 achievements, leading to an understatement of 4 achievements, leading to an error rate of 57% (4/7). 5. Number of FTEs and work opportunities created through the Extended Public Works Programme (SDS001): • We performed the calculations below for FTEs and noted differences to management's calculations 7. Number of Households with access to refuse removal (SDS002) & (SDS003): • Whilst auditing this KPI we could not make a link between the indicator and the actual performance reported in the APR since the municipality reports on the number of bins collected	error/miscalculation by AG.	reported achievements (SDS)	monitoring and reporting process to ensure that the achievements reported in the APR are valid, accurate and complete (SDS)	monitoring (SDS)			

		instead of the number of households with access to refuse removal. • Upon enquiries with management and inspection of the PoE (refuse removal control sheets) submitted for audit, we noted that the refuse removal control sheets reflect two lines – 1st line it's numbers and 2nd line below has times • Upon further enquiries with management, we noted that the 1st line is the no. of households in the area and 2nd line below relates to no. of bins collected. • On 17 of March 2021 we observed the refuse collection process at Verena C. During the process, we enquired from the truck driver and the general workers and confirmed the manager in which the control sheets are filled is population of 1st and 2nd lines above. • We selected a control sheet dated 06/09/2019 and we noted the following: o The 1st line in the control sheet referred to minutes and a heading for number of households that represents the number of households that had access to refuse removal, the 2nd line on the control sheet represents the number of refuse bins collected for the households listed on the 1st line. o The 3rd part of the additional information for the							

		waste collection report contains details of villages and towns and the outcomes represents the number of households who had access to refuse removal services and/ bins collected. • In essence management needs to ensure that the control sheet clearly outlines number of households with access to refuse on a weekly and bi-weekly basis. • From the inspection of the control sheets submitted for audit, we were able to trace the villages and townships to the billing report for the purposes of verifying the households with access and billed for refuse removal. • We further inspected the billing reports on refuse services and confirmed that the municipality has consumers that are being billed monthly and we were able to make reference to the areas where the billing is based through the inspection of the control sheets even though we could not identify each consumer account in the control sheets due to shortcomings identified above on controls sheets. • The method currently used by the municipality for collection/calculation is inappropriate as more than one bin can be collected from one household, and some households do not respond to the refuse removal truck but							

		remain uncounted even though they had access to the refuse removal services. We can therefore conclude that refuse removal control sheets are not designed in a manner that allows performance information to be collated accurately, and that the method of calculation does not address the indicator concerned. 8. Number of Households provided with water (SDS) • The achievement on the number of households provided with water is incomplete since the municipality only reported on households that were provided with water through water pipelines which are informed by the billing report and does not have mechanism, tools and controls to account for households who lack water infrastructure who receives water services through Jojo tanks and water karts. • Upon enquiries with management we identified challenges from community members who refuse to sign municipal registers as acknowledgement of receipt of water services. • We further inspected the water karts reports and noted inconsistencies in the reports where the reports at times make reference to kilometres, litres and number of return							

		trips made by the trucks. The reports do not make reference to no. of households who benefited from water services. • On 17 of March 2021 we observed the distribution of water by water trucks in Verena C, and we therefore concluded that the indicator concerned is not measurable due to the following reasons: Jojo tanks are placed in the streets for several households to make use of, and the municipality cannot certainly estimate the number of households (Incl litres) benefiting from each Jojo tank place. More than one individual from the same household can possibly collect water from the water trucks upon delivery, using multiple buckets and a risk therefore exists that the municipality might count each individual as a representative of one household. • Lastly coupled with our observation reflected in Comaf 07 on water meters and Comaf 09 on Inventory controls, there are clear indications that water management at the municipality needs an urgent intervention of both management and council. Taking the above into account our conclusion is that the KPI is not measurable							

		since we cannot validate the completeness of reported achievement. 9. Number of road blocks conducted (SDS018): a) We could not conclude on the validity, accuracy and completeness of the reported achievement since no PoE was submitted for audit b) With reference to the table below, we identified further attendance registers validating the occurrence of roadblock but such were not recorded in the APR leading to an understatement in the reported achievement of 3 which translates to an error rate of 21% (3/14 samples). 10. Number of HIV/AIDS campaign and dialogues conducted (SDS021): a) We could not conclude on the validity, accuracy and completeness of the reported achievement since no PoE was submitted for audit. Therefore, the reported achievement is overstated which translates to an error rate of 14% (1/7 samples) b) With reference to the table below, we identified further attendance registers validating the occurrence of HIV/AIDS campaign and dialogues conducted but such were not recorded in the APR leading to an understatement in the reported achievement							

		of 3 which translates to an error rate of 43% (3/7 samples).							
11	Misstatements identified on the APR – COMAF 26	Whilst auditing the KPI targets below we identified the fail: a) Management reported the target as achieved in the APR even though the completion certificate is dated 13 December 2019 after the set date of 30 September 2019 and thus the target was not achieved within the specified timeline. • KPI: Number of reservoirs completed DTS001 - Construction of New Reservoir and at KwaMhlanga for Phola Park and Mountain View Communities - Phase 2 • Target: 1 of 10Ml reservoir constructed by 30th September 2019 b) Management reported the target as achieved in the APR even though the signature and date of approval by management is 25 May 2020 after the set date of 30 September 2019 and thus the target was not achieved within the specified timeline. • KPI: Number of approved detail design report DTS041 - Upgrading of Tweefontein K Waste Water Treatment Works, Phase 2. • Target 1 Approved detail design report by 30th September 2019.	Management did not adequately review the APR against the POE to ensure validity, accuracy and completeness of the reported achievement	Management shall evaluate, review, monitor and enforce the performance management system/controls measures.	The management will develop POE review forms, and utilise for approval and submissions of reports and POE	Approval forms and reports are correctly signed	Quarterly	PMS , Technical Services	Technical Manager and PMS

16	KPI targets are not measurable and past performance challenges & resolutions not disclosed on mid-year performance assessment report – COMAF 33	Whist auditing compliance with laws and regulations we identified the following: a) KP targets below were not measurable: • Number of Households provided with 6kl free basic water – target: 82 653 • Number of household provided with water – target: 82 653 b) The mid-year performance assessment report for 2019-20 financial period did not disclose the progress made on resolving problems identified in the annual report of 2018-19.	(b) There was no specific problem identified in the annual report of 2018/2019 by AG.	(b)To monitor reports from oversight committees	None	None	30-Jun-21	MM, Vusi Skosana; Sinah Moripe	MM
6	Misstatements identified in PPE and Inventory – COMAF 18	Whilst auditing PPE, we identified the following: 1. The differences below were noted between the general ledger (GL) and the AFS. It was noted that the differences were due to the misclassification between work in progress assets and solid waste infrastructure. Therefore, the classification of solid waste infrastructure is incorrectly stated at R16 429 790.30 instead of R40 277.00 and work-in-progress is incorrectly stated on the GL at R377 488 166.40 instead of R393 940 680.00. This is a mapping issue between WIP and Solid waste infrastructure with the net effect of R0.	Management lacked the discipline to ensure that PPE and inventory information recorded is valid and accurate.	Tighten the controls for timeous updates on the FAR to ensure that all transactions are recorded at the correct amounts.	Perform Monthly inventory and PPE reconciliations	Monthly inventory and PPE reconciliations	Monthly	Chief Accountant Assets and Assistant Manager Assets	CFO

ACTION PLAN

7	Misstatements in property, plant and equipment – COMAF 20	Whist auditing PPE, we identified the fll: a) The assets below were transferred by the Department of Culture, Sports and Recreation yet were not recorded in the FAR and AFS for 2019-20. Through inspection of the supporting schedule ie PFMA section 42 certificate from the department, the accounting officer acknowledged the risks and rewards of ownership for those assets per acceptance date even though THLM was in the process of validating the records with the department for measurability purposes. In line with GRAP 17 principles to date, THLM had ample opportunity from 2018-19 period to validate to measurability of the assets. In the absence of sufficient records, a fair value principle could have been applied by the municipality to value the assets. b) The PFMA Section 42 handover certificate for library books transferred from the Department of Culture, Sports and Recreation for R3 million below was adjusted last year on the fixed assets register (FAR) and AFS per COMAF 11 of 2018-19 but subsequently taken out in 2019-20 FAR and AFS. • Furthermore, new stock of R953 167,17 received after 2018-19 was also not	Management lacked the discipline to ensure that the records were validated on time to ensure that the FAR and AFS reflect complete information supported by reliable records	Include the library books in the movable asset register using the book value as stated in the donation letter from the Department of Sports, Arts and Culture. We will re-capitalise the 2 library buildings into the infrastructure asset register and the furniture in the movable assets register as we had done in the 2017-2018 financial year.	Timeous updates on the FAR to ensure that all transactions are recorded at the correct amounts.	Monthly fixed Asset Register	Monthly	Assistant Manager Assets	CFO

		recorded in the FAR and AFS • To date management has not conducted an asset count to verify the existence of all books per the certificate. • To date management has not formulated an accounting policy for such books. • We further performed the physical verification on various libraries and confirmed per table below the existence of such books.							
8	Misstatements identified on Statement of comparison of actual and budget amounts - COMAF 21	Whilst auditing the Statement of comparison of actual and budget amounts, we identified the following: 1. The municipality did not disclose the explanation of the budgetary basis and classification basis that is adopted in the approved budget. 2. The variance explanation below does not give explanations on the accounting treatment applied by the municipality to account for amounts received from SARS Vs the treatment in the VAT control accounts. 3. We inspected the Accounting Policy 1.24 and confirmed that it does not make reference to explanations on changes between the Initial approved and final budget as disclosed in the Statement of Comparison of Budget and Actual Amounts as prescribed by GRAP 24 paragraph 27	Management lacked the discipline to exercise professional due care when preparing the AFS to ensure that it reflects accurate and complete information that achieves fair presentation and supported with valid evidence.	1. Trained thoroughly on GRAP requirements to enable them to perform their duties properly. 2. Revise the AFS and reflect the correct information pertaining to the components identified	To ensure that the AFS reflects valid, accurate and complete information.	To review the AFS to ensure that it's supported with reliable evidence as required by NT Circular No. 50.	31-Aug-21	Assistant Manager Budget and Reporting	CFO

		4. Inspected the AFS and confirmed that not all amounts under actuals are disclosed as per the Statement of financial performance, refer below: 5. Inspected the AFS and confirmed that this line item below is not on the Statement of financial performance: 6. No explanations were given on the material variances below as prescribed by GRAP 24 paragraph 14							
27	Misstatements on risk management disclosure note - COMAF 27	During the audit of risk management disclosure note, we identified the following: 1. Liquidity risk a) Management provided an ambiguous description of how the municipality is exposed to the liquidity risk. Management refers to the municipality having available funds to fund future commitments whereas liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The description is thus contradictory. Further, commitments are not financial liabilities, thus do not expose management to the liquidity risk. b) Management further made reference to net-settled derivative financial liabilities. Based on the understanding	Management lacked the discipline to ensure that GRAP requirements were complied with and that the AFS are free from material misstatements.	• Use of GRAP requirements checklist to ensure compliance with all requirements when preparing the AFS. • Conduct GRAP training to ensure that staff is up to date with the requirements and the application thereof.	GRAP requirements checklist to ensure compliance with all requirements when preparing the AFS.	Monitor GRAP requirements checklist to ensure compliance with all requirements when preparing the AFS.	30-Jun-21	BTO Assistant Managers	CFO

		of the municipality's operations, the municipality does not have derivatives. 2. Credit risk a) The description of the risk provided by management is ambiguous and does not provide detail of how the municipality is exposed to this risk. b) Management further makes reference to the risk consisting of derivative financial instruments. Based on the understanding of the entity, the municipality does not have any derivatives, thus the reference to derivatives thereof is misleading. c) Management further indicated that they evaluated credit risk relating to customers on an ongoing basis and utilize credit limits that are reviewed on a regular basis. Based on our understanding of the entity, the municipality does not evaluate credit risk and set credit limits for their debtors. Further, the municipality does not purchase credit insurance. The assertions presented by management are thus misleading. 3. Statutory receivables a) We noted that management included the statutory receivables as part of its financial instruments exposing municipality to the							

		credit risk which is contrary to GRAP 104 paragraph 3i). 4. Misstatements on Note 39 disclosure and SoFP The differences below were identified between Note 39 and the face of the statement of financial position (SoFP). 5. The aggregate amount for non-current liabilities: payables from exchange transactions for "Between 2 and 5 years" is incorrect, it was supposed to be R21 217 054, instead of R8 182 541, resulting in a difference of understatement for R13 034 513. 6. The retention amount of R3 159 503 (2019: R14 895 836) was classified as non-current liabilities in Note 39 under the less 01-year category whereas the amounts are disclosed as current liabilities under Note 14 of the AFS. The amounts are thus misclassified in Note 39. 7. Similarly, unallocated deposits are disclosed as current liabilities under Note 14 but presented under non-current liabilities on risk management note. Management should correct the misclassification. 8. The following financial liabilities were omitted from							

		the risk management disclosure note:							
14	Misstatements on the prior year adjustment disclosure note 38 and statement of changes in net assets – COMAF 29	During the audit of prior period error note, we noted the following misstatements in relation to the disclosure note: 1. Management included land: general plants reflecting balance of R528 888 664; and payables from exchange transaction reflecting balance of R0 in note 38 whereas there were no prior period error corrections done in relation to those line items. 2. The following differences were identified in note 38 and the statement of financial performance (SoFP) heading of the note 38. Based on enquiries with management, we noted that the differences are due to management accounting for only errors that took place during the 2019 financial period in the statement of financial performance part of the note. Management further does not indicate the impact of the error in the financial periods beyond 2019 financial period. Furthermore, there is no disclosure of the reasons of impracticability of disclosing errors that occurred during the other financial periods beyond the 2019 financial period. 3. Management did not indicate nature of the prior period error in note 38.	Management lacked the discipline to design and implement inventory management consumption controls that will enable management to compute/determine actual water consumption; water losses and eventually water inventory at year end	Design and implement appropriate procedures and controls to account for water consumption on a monthly basis.	To compute/determine actual water consumption; water losses and eventually water inventory at year end	Monthly procedure and controls to account for water consumption.	Monthly	Assistant Manager: Water and Manager Technical Services	Assistant Manager: Assets and CFO

		4. With reference to the table below, we further reconciled the statement of changes in net assets to Note 38 and identified the differences below. We also identified casting errors in red on the statement of changes in net assets							
Other Important Matters									
17	Supporting documents were not submitted for audit – COMAF 01	During the audit, the following information was requested on various requests for information (RFI) sent to management and was not provided for audit. The table below details the outstanding information: The supporting documents for the journals below relating to PPE were not submitted for audit per RFI 47 issued on 18 February 2021 which was due on 22 February 2021 The information below was requested on RFI 25 issued on 03 February 2021 and due on 05 February 2021 and to date we have not received the information after numerous attempts with management 1. The following declaration of interest documents were not submitted for audit 2. The following suppliers CSD reports were not submitted for audit 3. The three quotations for order below were not submitted for audit	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.	1. Institute proper records management controls to ensure that the information is timely available and accessible by various stakeholders. 2. Seeking clarity from AG office on the information requested	Implement proper record keeping	1. Submit complete and accurate information as per the AFS project plan during the AFS preparations as Audit file. 2. Submit the requested information from the AG office after a day to the Manager to review and submit to the AG office within two days.	Aug-21	Various sections	Various Head of departments

		4. The B-BBEE certificate for the following suppliers below not submitted for audit 5. The request for quotation (Public Notice) for the following order was not submitted for audit With reference to the table below, RFI 70 for indigent application forms submitted on 11 March 2021 and due on 15 March 2021 was not submitted for audit The supporting documents (payment batches) for contract management were not submitted for audit.							
18	KwaMhlanga landfill site is not licensed – COMAF 02	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. 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. Through enquiry with management, we further noted that the KwaMhlanga landfill site did not meet the requirements of the environmental impact assessment that was conducted due to further tests which were outstanding.	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 municipality will facilitate the process of Environmental Impact Assessment in the next financial year to ensure that the process of acquiring a licence to operate Kwamhlanga landfill sites concluded	Facilitate the Environmental Impact Assessment and undertake necessary application process in the next financial year	Follow up on the Environmental Impact Assessment (EIA) to be conducted by the Department of Environment Forestry and Fisheries on sites allocated for studies.	30-Jun-21	AA Aphane	AK Chego

		The same finding was reported in the 2018-19 period and management still could not obtain the required license in the current year.							
Administrative matters									
43	Differences between GL and AFS identified – COMAF 23	Whilst testing general expenditure, we identified the following was noted: a) The differences between the general ledger & trial balance and AFS were identified	Management lacked the discipline to exercise professional due care when preparing the AFS to ensure that it reflects accurate and complete information that achieves fair presentation and supported with valid evidence.	Ensure that the action plan created to address the material misstatements of prior years and the prevention of new material misstatement in the current year is working effectively.	Create action plan to address the material misstatements of prior years and the prevention of new material misstatement in the current year	Create action plan to address misstatements	30-Jun-21	AFS Consultants	CFO
END OF REPORT									