



Kopano ke maatla, go aga setshaba se kaone

# Molemole Municipality

**2015-2016**

**ANNUAL REPORT**

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## CHAPTER 1: MAYOR`S FOREWORD AND EXECUTIVE SUMMARY

### COMPONENT A: MAYOR`S FOREWORD



It is with great fulfilment and humility to present a detailed reflection of the work undertaken from 1<sup>st</sup> July 2015 to 30<sup>th</sup> June 2016 which has been the most complex of all financial years due to the planning, pre-occupation and a lot of work and activities that had to be undertaken leading to successful local government elections but also pre-occupation with activities related to demarcation outcomes. It couldn't have been possible though, if it wasn't of the cohesive nature of the relationship between the leadership of the municipality, working side by side with all employees of the municipality and the broader external stakeholders which included but not limited to the traditional leaders within Molemole jurisdiction. Broader consultative processes were conducted through ward based planning, traditional authorities, faith based organisations, special focus groups, business fraternity and the IDP Representative Forum= with a view to pursuing inclusivity towards attaining a common vision to take the municipality forward.

These consultative processes took place across various wards in the municipality and we greatly appreciate communities that have taken their precious time to actively take advantage of this platforms and indeed raise their concerns so as to guide priority areas for the entity. This engagement sessions have not only built community confidence but also gave better clarity to our citizenry of what the municipality can afford within its limited resources, synergised relations and interactions in all instances of need and where they are experiencing service delivery related challenges.

The act of consulting communities in all development matters affecting their lives has revived a true spirit of collaboration and patriotism. Although over the year under review, the municipality never experienced interruptions emanating from service delivery related protests, there has been an observatory diagnostic assessment which revealed that the need still remains to enhance accessibility of councillors to communities they serve. It has to be acknowledged that there remains a critical need to strengthen public participation in the form of a comprehensive wall-to-wall public participation programme but also find a workable approach of interfacing the role of Community Development Workers (CDW's) and Ward committees but also synergising their reports and findings and further find an appropriate and integrated way of processing them.

Central to how the municipality implemented its SDBIP priorities has been an attempt to be biased towards the poorest areas of our municipality, because that is where high level of underdevelopment, poverty, unemployment and inequality is deeply rooted. To this end the municipality has managed through various programmes such as Expanded Public Works Programme (EPWP) and Youth Jobs in Waste absorbed a combined sixty five (65) community members, Learnerships (LEDP- 5) and Internships (9) in totality created opportunities to a whopping seventy nine (79) beneficiaries overall despite the size of our municipality.

A report on key service delivery achievements in the 2015/16 financial years is as follows:

1. Machaka to Sekakeng Gravel to Tar phase 1
2. Mohodi to Thupana Gravel to Tar phase 2
3. Mohodi Sports Complex Phase2
4. Design and Construction of Morebeng Change Rooms
5. Mohodi / Maponto cross taxi rank
6. Madikana Low Level Bridge
7. Madiehe Low Level Bridge
8. Ramatjowe Low Level Bridge
9. Upgrading of Electricity Network in Mogwadi and Morebeng
10. Installation of High mast lights at Mogwadi Ext 4, Machaka tribal and Makgato Tribal
11. Installation of 30 street litter bins at Morebeng
12. Purchase of new Grader
13. Purchase of Compactor Roller

It still remains pertinent that our local business community improve on their performance when awarded projects so that whilst we really want to uplift them, they also do their part in ensuring that they provide goods and services of good quality to avoid termination of contracts thereby resulting in re-advertisement of projects, delayed spending and most critically robbing the community of the benefits that are to emanate from the outcome of the projects

The greatest of all achievements for the municipality beyond retaining an unqualified audit opinion is having had a breakthrough with regards to construction of Ramokgopa Eisleben Gravel to Tar-road which is still in progress. We appreciate the collective leadership of the municipality for demonstrating cohesion during the tough times we have had in resolving related disputes around the project. We feel proud when delivery of services is converted into reality to our people and we can evidently pinpoint success stories despite existing major challenge of low revenue resulting from non-payment of municipal rates by some members of the community in the two (2) towns, i.e. Mogwadi and Morebeng.

Demographic trends are key driving forces in any economic development strategy and hence must be considered in any planning process. The demographic profile influences the type and level of demand of goods and services and the pressure on local services and transport. The total population of Molemole Municipality over a period of four years increased from 100,406 in 2007 to 108,321 in 2011. This resulted in an increase of about 7 915 to our then population size. This reflected an increase of 1, 9% average growth per annum. We do however acknowledge that although an increase in population might result in a strain on our scarce resources, we are positively hopeful that this will also add value to our Local Economic Development.

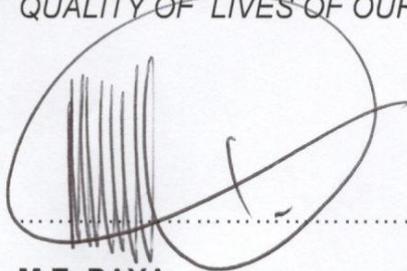
We take cognisance, of the migration of vital scarce skills from our municipality in search for employment opportunities elsewhere outside our municipal boundaries, which in turn impacts negatively on our economic growth. We have however enrolled 6 learner's in different tertiary institutions through our Mayoral Bursary Fund. Through our database of unemployed Agriculture Graduates, we have enrolled 9 students into an internship programme through partnership with local commercial farmers. The objective, is to develop them into fully fledged commercial farmers who can take the sector to another level through technological innovations, guaranteeing food security for coming posterity.

Investor attraction is one of the critical strategies pursued by the municipality of job creation and economic growth. Our target is recruitment of key investors in the mining, Agriculture, Tourism and Manufacturing sectors. We have in response to that, implemented an investor coordination programme which intends to expose Molemole economic prospects to potential investors in sectors alluded to; the outcome of which will be realized in the long term for generations to come.

We are humbled and greatly honoured to have contributed towards an upward trajectory on the achievements of a municipality with a record of negative audit opinions ranging from adverse to disclaimer audit opinions, but which as we speak has now eventually improved to a record of qualified audit opinions in two (2) successive financial years ( 2014/ 15 and 2015/16 financial years), We can proudly boasts that the collective of Molemole with all other stakeholders have been hard at work to attain best results as the trend demonstrates.

I further take this opportunity to thank the Audit Committee for assisting the municipality in improving its internal controls; National and Provincial Treasuries for having considered our municipality in terms of deploying a Technical Advisor to advise on all technical operations of the municipality including but not limited to finance related matters; Coghsta, SALGA, the district municipality as well as Office of the Auditor General for keeping us on our toes ensuring consistent improvement on performance.

*"UNITED WE STAND AND DIVIDED WE FALL IN THE QUEST TO ATTAIN IMPROVED QUALITY OF LIVES OF OUR PEOPLE".*

A handwritten signature in black ink, consisting of a series of vertical lines followed by a large, sweeping flourish that extends to the right and loops back down.

**M.E. PAYA**

**HON.MAYOR CLLR.**

## COMPONENT B: EXECUTIVE SUMMARY

### 1.1. MUNICIPAL MANAGER'S OVERVIEW



Municipal councils are obliged by section 127 of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) to table and adopt an annual report at the end of every financial year within a prescribed period. It is with humility and honour that I present the Annual Report for the 2015/16 Financial Year. This report seeks to demonstrate a fair presentation of the organization-wide performance for the year under review but also to enable all key stakeholders such as Council, Traditional and Community Leaders, Administration, members of the community and business to partake in reviewing municipal performance. In moving towards improved governance, the Council of Molemole adopted various cross-cutting policies geared at ensuring that the necessary controls remain in place and enable a conducive climate for accelerated service delivery characterized by principles of good governance that will eventually improve the quality of lives of our communities.

A number of policies tailor-made to suit our locality were crafted and successfully adopted by Council including but not limited to ICT Change Management, Disaster Recovery, Continuity Management, ICT User Account Management, Bereavement, Laptop Allowance, Petty Cash, Virement, Staff Retention, Contingent Liability Manual and a set of Budget related policies.

Interestingly and as part of institutional development and transformation, Organizational Process Re-engineering has produced positive results in boosting employee morale, enabling the municipality to attract accordingly qualified and experienced employees but also retaining them through the approved retention strategy.

In our quest for organisational renewal, it became necessary and essential that the Municipality identify programmes that have not been implemented but have the potential to enhance institutional performance hence robust training interventions per the approved WSP on key finance officials including those at lower levels as well other employees at strategic levels.

Our Integrated Development Plan (IDP) document has clearly set out objectives and targets for the realization of six (6) objects of local government. This principal strategic planning instrument also lay the basis for performance monitoring, measurement and evaluation. However, it goes further to guide and inform all planning, budgeting, management and decision-making processes in the municipality. It enabled highly improved performance by the entity in the financial year which led to an unqualified audit opinion for the second time since the existence of the municipality. We are hard at work in ensuring that we improve from the said outcome and this time around work towards acquiring a clean audit and our belief as Molemole is that through the same spirit of collectivism, it is achievable.

Although few of the projects experienced isolated setbacks and challenges, the screws are being tightened to ensure that adequate monitoring and evaluation is exercised by highly competent employees who have some sense of selflessness, servitude, ethos of Ubuntu and who understand the plight of our communities.

Shortage of underground water, infrastructure theft, equipment breakdown and maintenance of ageing infrastructure remain a major challenge requiring long-term well researched integrated solution and a

lasting or sustainable funding model because the repercussions have made it somewhat difficult to sufficiently deliver water to satisfactory levels.

A filling station and truck-in centre has been successfully opened as was planned creating jobs for the local unemployed residents but also enabling improved revenue generation and the economic growth for Mogwadi town.

The municipality also managed to put processes in place to finally implement the long awaited Ramokgopa- Eisleben second phase Road project which put the municipality in media over the years for all the wrong reasons. The dispute resolution processes were an offshoot of the protracted discussions we held with National Treasury and the contractor since 2014, the 4 km Mohodi to Thupana Phase 2, designs for Machaka Sekakene Road and Installations of Highmast Lights at Nthabiseng settlement in Morebeng Stadium, Machaka Tribal offices and Makgato Tribal offices. The multi-year Sport Complex project in Mohodi is also in progress

A significant improvement in terms of compliance to the National Environmental Management Waste Act (NEMWA) no. 26 of 2014 was realised during the financial year under review in that the license for the Soekmekaar (Morebeng) waste disposal site was obtained. Services of bulk refuse collection also commenced not only in the two towns but also at the Botlokwa Plaza. In its endeavours to provide healthy and safe environments within the community, the municipality has plans to extend waste management services to rural areas in future.

Traffic law enforcement has since been accelerated through filling of critical posts in the unit. Roadblocks and other law enforcement operations are staged on a consistent basis to ensure safety of road users.

Although adequate revenue generation still remains a major challenge, the municipality embarked on a mission to convert conventional metres to prepaid metres in both two (2) towns Mogwadi and Morebeng and is due for finalization.

Functional council committees such as Audit committee, Municipal Public Accounts (MPAC) and Risk & Audit Committees continue to play a very instrumental role in ensuring accountability and exercising their oversight and their relentless efforts and contribution is highly appreciated.

Human Resources Management and Development initiatives have yielded acceptable results in that the municipality managed to fill three (3) permanent key positions. Other vacant funded positions could not be filled due to the demarcation outcomes which resulted in the disestablishment of Aganang local municipality. The arrangement has been such that some employees from the disestablished local municipality will be transferred to Molemole Local municipality and the other two (2) Locals which are Blouberg and Polokwane.

Due to low revenue, the municipality in its cost containment techniques will prioritise mainly critical positions to minimise excessive spending on personnel than on projects that will have a direct impact on the quality of lives of our communities hence very few positions going forward will be filled until the revenue situation improves. Various skills development initiatives were rolled out to larger population of the municipality in line with the skills workplace plan and skills programmes rolled out to Councillors enabled the municipality to scoop an award recognized by SALGA as the most innovative municipality in the Province when it comes to Councillor development.

The contribution made by our partners such as Capricorn District Municipality, COGHSTA, SALGA and Provincial Treasury cannot be left unappreciated because through tough times, they ensure that we rise above all challenges facing us in the spirit of cooperative governance and inter-governmental relationship. The need for continuous performance improvement through accelerated delivery of basic services to our communities in order to sustainably enhance their quality of lives remain our guiding principle as a service delivery machinery of government within the local sphere and such should be achieved within the spirit of doing more with less.

The municipality is however in an upward trajectory through the spirit of collectivism with all relevant stakeholders hence over the past three(3) financial years there has been improved audit outcomes dating from 2012/13 FY (Qualified audit opinion), 2013/14 (Qualified audit opinion) and 2015/16 an unqualified audit outcome was attained which is a sign of improved accountability on matters of governance, compliance and financial administration.

The municipality is sustainable and financially sound as efforts put in place in every financial year to reduce operational costs and enhance revenue collection bear results for the municipality. There has been improvement in project management and implementation capabilities through forward planning which enables timeous completion of projects thereby resulting in improved share allocation by Treasury. The municipality is implementing Enterprise Wide Risk Management (ERM) which covers both strategic and operational risks. The risk management strategy and policy are reviewed on annual basis to assist with the implementation of risk management in accordance with applicable laws and legislations.

**We envisage the expansion of Mogwadi as town through the creating of more settlement partens. The town has 800 undeveloped sites which are targeted for provision for more sites for residents who are eager reside in town.**

The Risk Management Committee is fully operational which comprises of an independent external Chairperson and all Senior Managers of various departments within the municipality. The Risk Management Committee meetings are held on a quarterly basis to report on progress made to mitigate risks. Quarterly reports are prepared and submitted to Council. Risk management is serving as an item in the Senior Management meetings on a monthly basis to report on progress to mitigate all identified risks. The annual risk assessment was conducted in **May 2015 wherein** risks that could hamper achievement of the strategic objectives were identified and documented in the risk register.

We have an effective internal control measures in place which lead to the improvement in financial management (unqualified opinion). Although adequate revenue generation still remains a major challenge, the municipality embarked on a mission to convert conventional metres to prepaid metres in both two (2) towns (Mogwadi and Morebeng) and is due for finalization. Rate payers are being fully consulted in addressing the previous financial year's challenges in respect to non-payment of municipal services.

The following risks were identified as top five (5) risks for the municipality

1. Lack of land for development purposes.
2. Misuse of land.
3. Illegal dumping.
4. Ageing infrastructure e.g. electricity, roads and water.
5. Inability to attract investors.

The risks are monitored and progress to mitigate is updated continuously in the risk register.



**Mr. Ni Makhura**

**Municipal Manager**

## 1.2. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

### INTRODUCTION TO BACKGROUND DATA

Molemole Local Municipality (MLM) is located in the Capricorn District Municipality (CDM) in the Limpopo Province. Other local municipalities constituting the CDM are Blouberg, Aganang, Lepelle-Nkumpi and Polokwane. MLM head office is located 60 kilometres to the north of Polokwane, with a population of 108,321 people<sup>1</sup>. The majority of the population is comprised of black Africans (98.1%) with a minority of whites, Indians and coloureds, which equates to only 1.9% of the population.

MLM has a population density of 31.9 persons per square kilometre, which is lower than the district, provincial and national averages of 75.1, 43.2 and 40.9 persons per square kilometres respectively which infers that the municipality is sparsely populated relative to the district, province and South Africa. Molemole Local Municipality covers an area of 3347km<sup>2</sup>. The municipality is bordered by:

- Polokwane local municipality to the south;
- Blouberg Local Municipality to the north west;
- Aganang Local Municipality to south west,
- Greater Letaba Local Municipality towards the south east; and
- Makhado Local Municipality in the northern direction

The municipality has four Traditional Authorities namely Manthata, Makgato, Ramokgopa, and Machaka. It is the fifth densely populated municipality within Capricorn District and has a population of 108 321 and total of 30 043 households as reported in the Stats SA Census 2011.

Molemole municipality is predominantly rural and characterised by high level of poverty and inequalities. A large part of Molemole's economy depends on agricultural development. The municipality produces the finest potatoes and tomatoes for the export markets. However the agricultural sector has contracted significantly, resulting in many crop commercial farmers opting for game farming. Those employed are predominantly employed in government and community service sectors, followed by those working for a household, then retail and trade, followed by construction and then agriculture. The majority of households derive their income from social grants, public sector and informal sector.

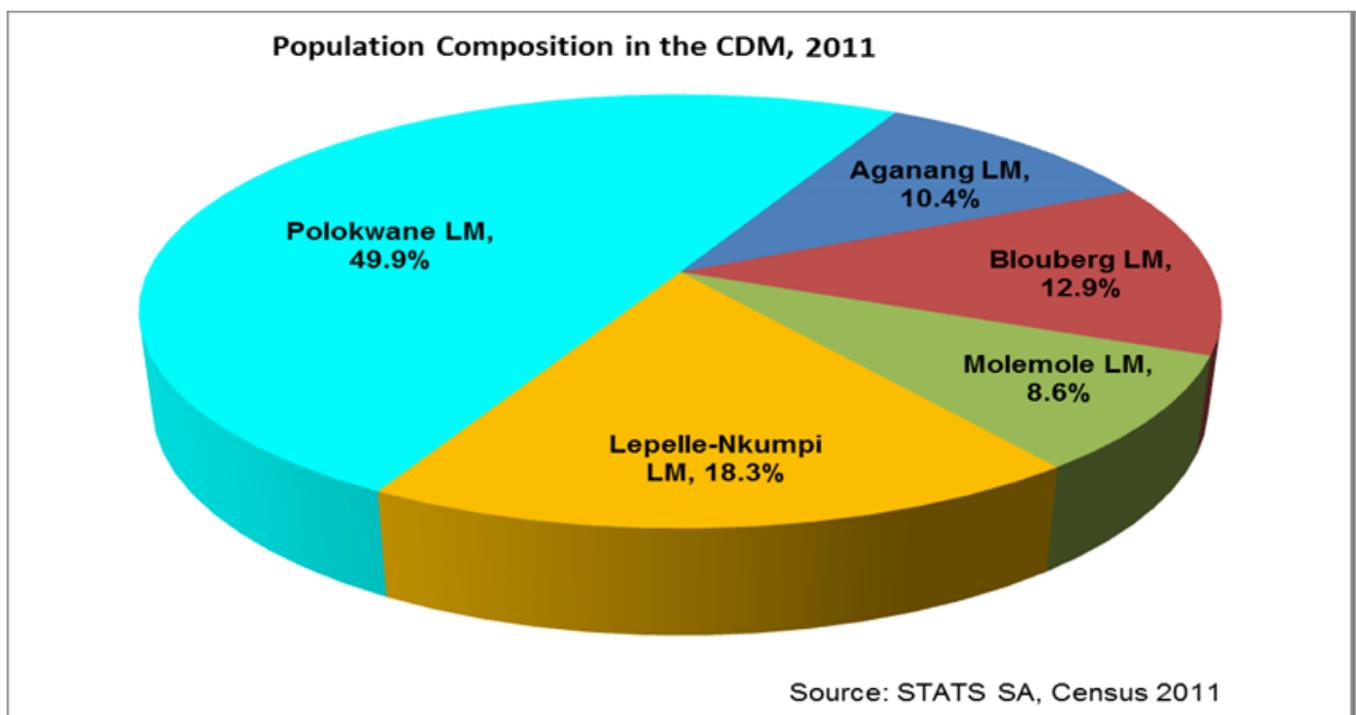
Molemole municipality is the second largest economy, after Polokwane municipality, in the Capricorn District municipality. The development of the LED strategy is complete and the Housing Chapter is still a draft. The existence of the LED forum is also an advantage to the municipality.

## POPULATION TRENDS

Demographic trends are key driving forces in any economic development strategy and hence must be considered in any planning process. The demographic profile influences the type and level of demand of goods and services and the pressure on local services and transport. The total population of Molemole LM increased over a period of four years from 100 406 in 2007 to 108 321 in 2011, resulting in an increment of about 7 915 people (1.9% average growth per annum) as reflected in **table 1**). The Molemole population constitutes 8.6% of the Capricorn District's and only 2% of the Limpopo Province's population.

According to **Diagram 1** below, it is clear that Molemole Municipality has the lowest (8.6%) of population in the CDM District as compared to other four Local Municipalities with Polokwane Municipality having the highest (49.9%) population.

The Black African population in 2011 accounted for about 98.36% of the Molemole Municipal population, followed by the White population at 1.12%. The Coloured and Indian population together accounted for only 1.1% of the total municipal population (see **Diagram 2**).



**Diagram 1: Population Composition in the CDM**

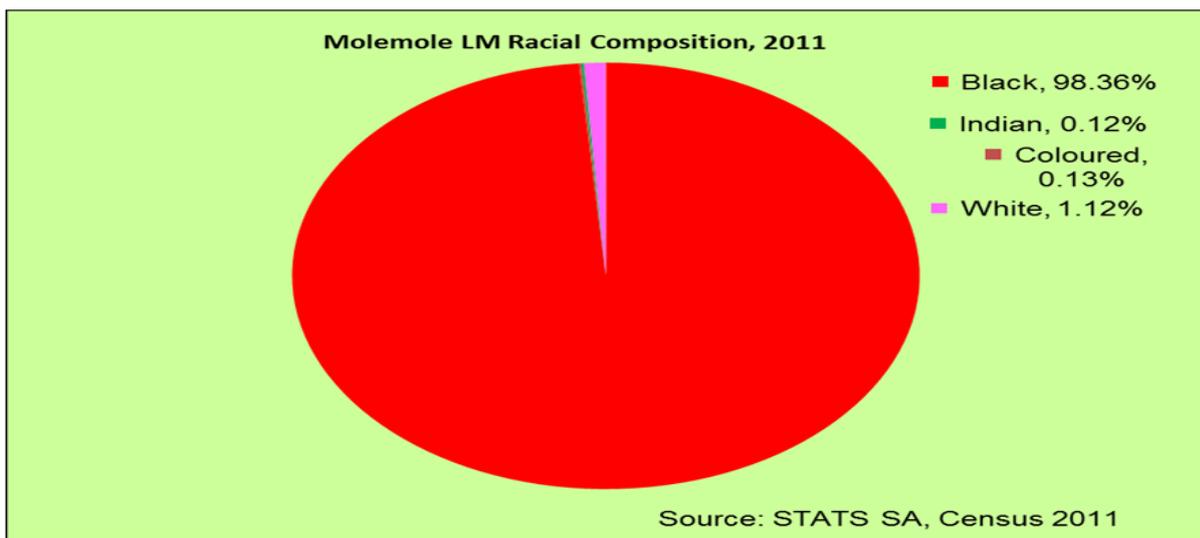
**Table 1: Population of Molemole, Capricorn District and Limpopo**

	2007						2011						
	Black	Coloured	Indian	White	Total	%	Black	Coloured	Indian	White	Other	Total	%
Aqanang LM	145 388	3	56	6	145 453	11.70	130 638	76	107	84	259	131 164	10.4%
Blouberg LM	193 979	54	0	87	194 120	15.61	161 075	65	151	1 008	332	162 631	12.9%
<b>Molemole LM</b>	<b>99 765</b>	<b>0</b>	<b>0</b>	<b>639</b>	<b>100 404</b>	<b>8.08</b>	<b>106 545</b>	<b>139</b>	<b>134</b>	<b>1 210</b>	<b>293</b>	<b>108 321</b>	<b>8.6%</b>
Lepelle-Nkumpi LM	241 035	58	71	247	241 411	19.42	229 463	171	209	308	199	230 360	18.3%
Polokwane LM	528 468	5 378	827	27 110	561 783	45.19	584 163	5820	4633	32 862	1 530	628 998	49.9%
Capricorn DM	1 208 635	5 433	954	28 089	1 243 171	100	1 211 874	6 271	5 234	35 472	2 613	1 261 464	100.0%
Limpopo Prov.	5 105 854	9 453	8 233	114 725	5 238 265		5 224 754	14 415	17 881	139 359	8 459	5 404 868	

INCREMENT	2007 - 2011				
	Black	Coloured	Indian	White	Total
Molemole LM	6 780	139	134	571	<b>7 624</b>
GROWTH PER ANNUM	2007 - 2011				
	Black	Coloured	Indian	White	Total
Molemole LM	1.7%	0.0%	0.0%	17.3%	<b>1.9%</b>

Sources: STATS SA, Community Survey, 2007; Census 2011

**Diagram 2: Molemole Racial Composition**



**Table 2 Molemole Racial Composition per ward.**

Statistics South Africa/Census 2011 Community Profiles						
Descriptive_Electoral_Wards Geography by Population group For Person Weighted						
Ward number	Black African	Coloured	Indian or Asian	White	Other	Grand Total
93503001: Ward 1	9541	23	27	796	79	10465
93503002: Ward 2	8884	3	5	2	14	8908
93503003: Ward 3	5885	10	9	8	1	5914
93503004: Ward 4	7148	-	8	2	13	7171
93503005: Ward 5	4916	-	8	4	2	4930
93503006: Ward 6	8434	5	10	3	47	8499
93503007: Ward 7	10065	13	18	10	11	10117
93503008: Ward 8	9736	3	9	1	16	9765
93503009: Ward 9	7988	11	7	5	31	8043
93503010: Ward 10	7423	46	18	352	44	7883
93503011: Ward 11	5026	8	5	1	20	5060
93503012: Ward 12	8335	14	5	17	9	8380
93503013: Ward 13	7076	2	6	3	7	7094
93503014: Ward 14	6087	-	-	4	-	6092
<b>Grand Total</b>	<b>106545</b>	<b>139</b>	<b>134</b>	<b>1210</b>	<b>293</b>	<b>108321</b>

**Table 3: Capricorn District Racial Composition.**

Statistics South Africa/Census 2011 Community Profiles						
Descriptive_Electoral_Wards Geography by Population group for Person weighted						
Municipality	Black African	Coloured	Indian or Asian	White	Other	Grand Total
LIM351: Blouberg	161075	65	151	1006	332	162629
LIM352: Aganang	130637	76	107	84	259	131164
LIM353: Molemole	106545	139	134	1210	293	108321
LIM354: Polokwane	584153	5820	4633	32862	1530	628999
LIM355: Lepele-Nkumpi	229463	171	209	308	199	230350
DC35: Capricorn	1211874	6271	5234	35470	2613	1261463
<b>Grand Total</b>	<b>2423748</b>	<b>12542</b>	<b>10469</b>	<b>70940</b>	<b>5226</b>	<b>2522925</b>

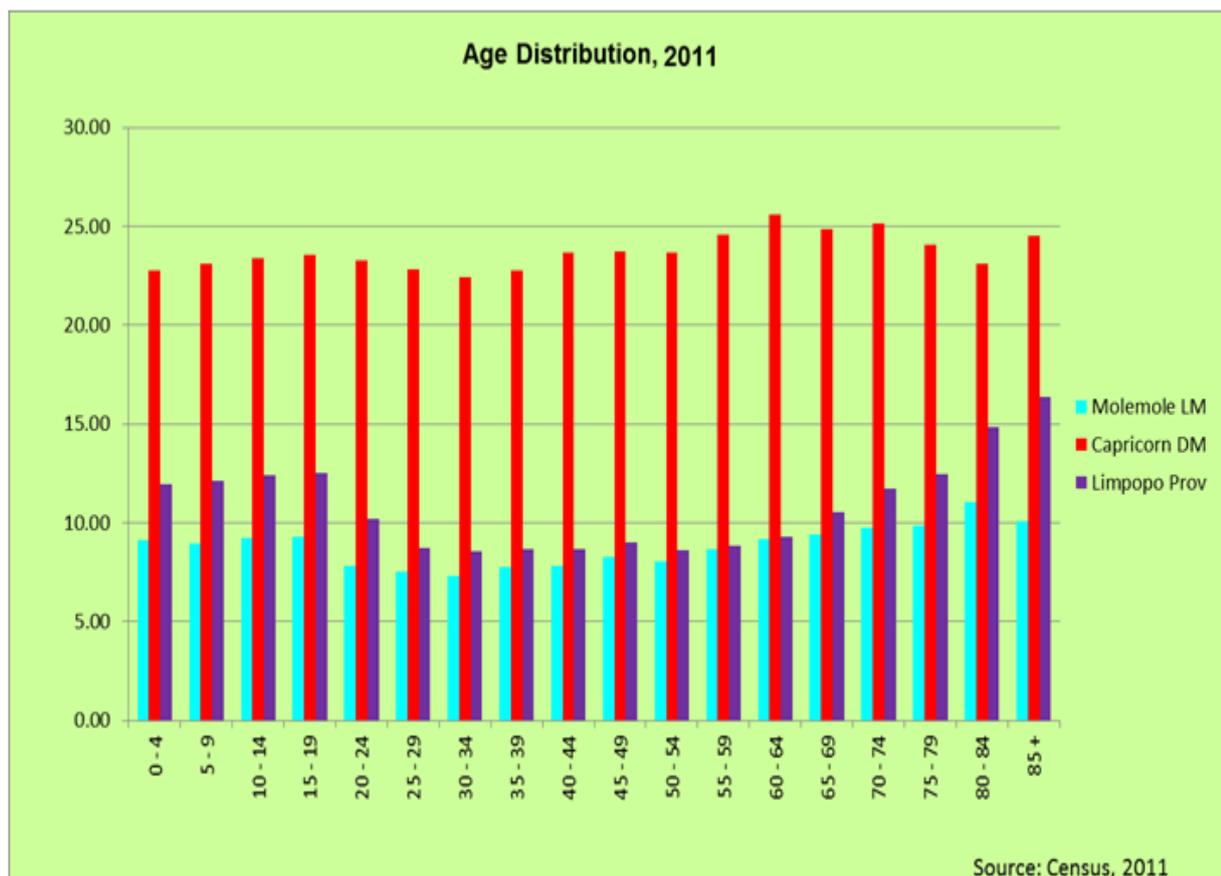
## AGE AND GENDER DISTRIBUTION

The age structure of a population plays an equally vital role in influencing growth prospects, and will inform decisions on the provision of services such as community services and transport. The age structure of Molemole LM compares relatively well to that of the Capricorn DM, and Limpopo Province (see **Diagram 3 and 4**). The proportion of people in the age categories (75+ years) has slightly increased since 2007. This means that there is an expected pressure on the provision of old age facilities such as pension pay points.

Evidently, the proportion of people in the working age groups (20-65 years) declined and slightly increased as people reach retirement years.

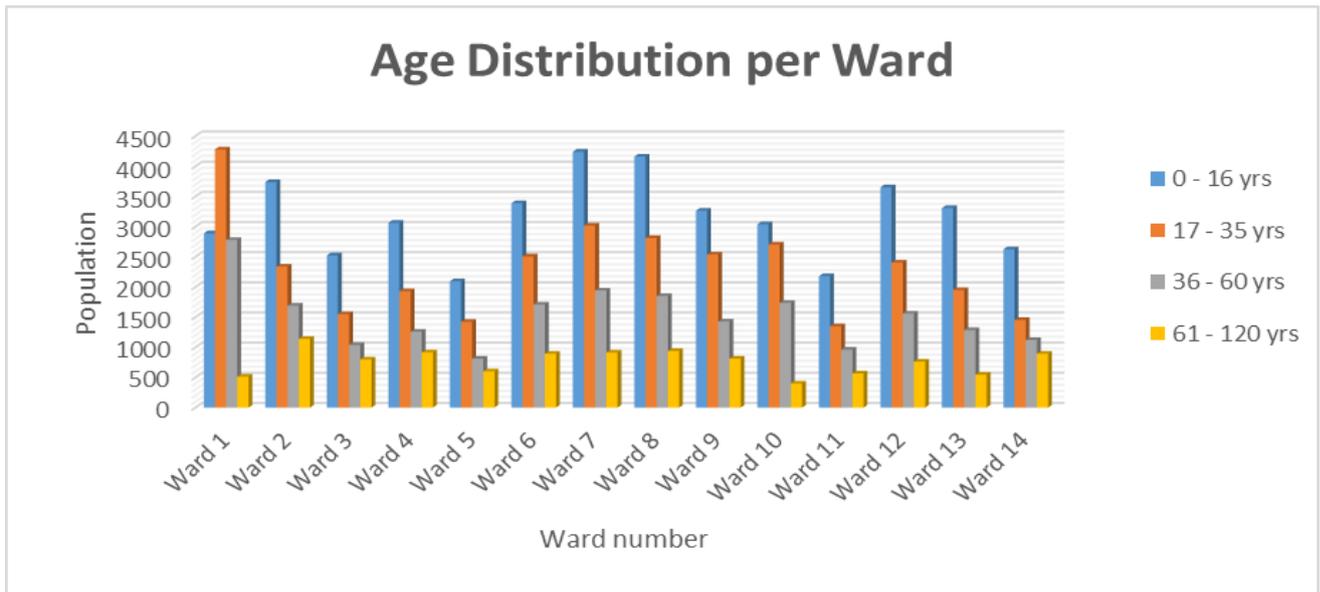
The proportion of people in the low and school-going age categories (0-19 years) slightly remains high like Limpopo and Capricorn DM in terms of gender composition, female gender in Molemole LM is relatively dominant (54%) than male gender (46%). Clearly this is as a result of migration of male population to other provinces in search of job opportunities. This puts pressure on the Molemole LM to create job opportunities to counter exodus of economically active population to other areas.

**Diagram 4: Molemole Age Distribution**



**Table 4: Molemole Age Distribution in terms of gender.**

Statistics South Africa/Census 2011 Community Profiles			
Descriptive_Electoral_Wards			
Age in completed years by Gender			
for Person weighted, LIM353: Molemole			
Age Groups	Male	Female	Grand Total
0 – 16	22344	21845	44189
17 – 35	15591	16673	32264
36 – 60	8377	12797	21174
61 – 120	3569	7125	10693
<b>Grand Total</b>	<b>49881</b>	<b>58440</b>	<b>108321</b>



**Diagram 5: MLM Age Distribution per ward**

## EMPLOYMENT PROFILE

The economically active population in Molemole Local Municipality increased significantly from 9.7% in 2001 to 26.3% in 2007 (see **Table 5**). Although the unemployment rate decreased from 39% in 2001 to 32% in 2007, it is relatively a smaller improvement. Job creation and poverty alleviation still remain important challenges to be addressed. Majority of the people are more concentrated in the public sector. There are limited industrial areas which can be able to absorb the technical skilled employees.

As with education levels, income levels are concentrated in the low income categories and decrease in the high income brackets. This is an indication of poverty levels or state of communities and hence low affordability levels. **Diagram 5** shows high proportion of people with no income which also signals the level of poverty in this Municipality. This category represents the proportion of people who are unemployed and rely on government grants. This poses a challenge for the Municipality in terms of job creation and the need to invest in education and skills training

**Table 5: MLM Employment Status**

	Population	Percentage (%)
Employed	15225	57.3
Unemployed	11344	42.7
<b>Total</b>	<b>26569</b>	<b>100.0</b>
Economically Active	61598	56.9
Not Economically Active	46723	43.1
<b>Total population</b>	<b>108321</b>	<b>100.0</b>

**Table 6: MLM Formal Sector Employment Status per wards**

<b>Statistics South Africa/Census 2011 Community Profiles</b>			
<b>In the formal sector</b>			
<b>Ward Number</b>	<b>Male</b>	<b>Female</b>	<b>Grand Total</b>
93503001: Ward 1	1450	1066	2516
93503002: Ward 2	230	250	480
93503003: Ward 3	217	231	448
93503004: Ward 4	117	176	293
93503005: Ward 5	99	109	208
93503006: Ward 6	243	322	566
93503007: Ward 7	362	417	779
93503008: Ward 8	229	261	490
93503009: Ward 9	201	224	425
93503010: Ward 10	617	549	1165
93503011: Ward 11	148	177	326
93503012: Ward 12	307	305	612
93503013: Ward 13	231	209	440
93503014: Ward 14	185	233	418
<b>Grand Total</b>	<b>4637</b>	<b>4529</b>	<b>9165</b>

**Table 7: MLM informal Sector Employment Status per wards**

<b>Statistics South Africa/Census 2011 Community Profiles</b>			
<b>Labour Force_Electoral_Wards</b>			
<b>Type of sector by Geography by Gender</b>			
<b>In the informal sector</b>			
<b>Ward Number</b>	<b>Male</b>	<b>Female</b>	<b>Grand Total</b>
93503001: Ward 1	424	278	701
93503002: Ward 2	70	55	125
93503003: Ward 3	28	34	62
93503004: Ward 4	72	75	148
93503005: Ward 5	29	25	54
93503006: Ward 6	70	76	146
93503007: Ward 7	113	90	203
93503008: Ward 8	139	88	227
93503009: Ward 9	58	31	88
93503010: Ward 10	337	222	558
93503011: Ward 11	63	57	120
93503012: Ward 12	111	97	207
93503013: Ward 13	92	63	155
93503014: Ward 14	29	20	49
<b>Grand Total</b>	<b>1633</b>	<b>1211</b>	<b>2845</b>

The economically active population in Molemole Local Municipality increased significantly from 26.3% (26 412) in 2007 to 56.9% (61598) in 2011(see **Table 2**). Job creation and poverty alleviation still remain

important challenges to be addressed as the unemployment rate increased from 32.4% (8 561) in 2007 to 42.7% (11 344) in 2011.

As with education levels, income levels are concentrated in the low income categories and decrease in the high income brackets. This is an indication of poverty levels or state of communities and hence low affordability levels.

**Diagram 7** shows high proportion of people with no income which also signals the level of poverty in this Municipality. This category represents the proportion of people who are unemployed and rely on government grants. This poses a challenge for the Municipality in terms of job creation and the need to invest in education and skills training.

## UNEMPLOYMENT RATE

The economically active population in Molemole Local Municipality increased significantly from 26.3% (26 412) in 2007 to 56.9% (61598) in 2011(see **Table 2**). Job creation and poverty alleviation still remain important challenges to be addressed as the unemployment rate increased from 32.4% (8 561) in 2007 to 42.7% (11 344) in 2011.

**Table 2: Employment Status in Molemole LM, 2011**

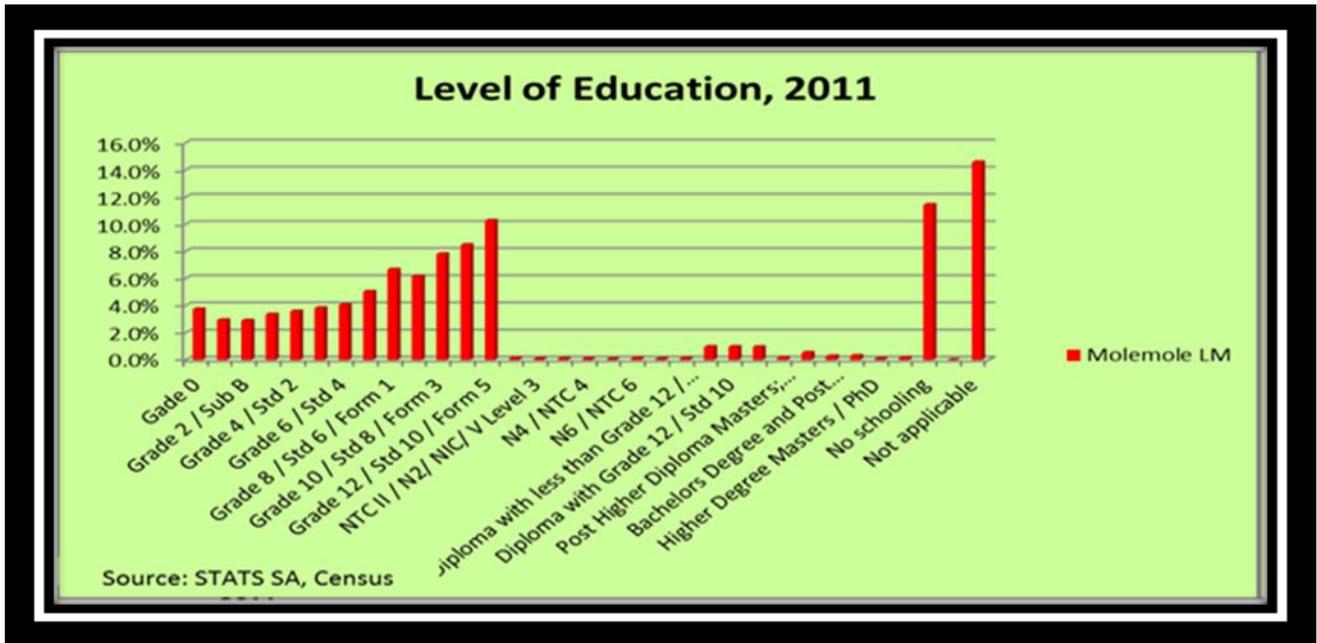
	<b>2011</b>	<b>Percentage</b>
Employed	15225	57.3
Unemployed	11344	42.7
<b>Total</b>	<b>26569</b>	<b>100.0</b>
Economically Active	61598	56.9
Not Economically Active	46723	43.1
<b>Total population</b>	<b>108321</b>	<b>100.0</b>

Source: STATTS Census 2011

## INCOME LEVELS

As with education levels, income levels are concentrated in the low income categories and decrease in the high income brackets. This is an indication of poverty levels or state of communities and hence low affordability levels. **Diagram 5** shows high proportion of people with no income which also signals the level of poverty in this Municipality. This category represents the proportion of people who are unemployed and rely on government grants. This poses a challenge for the Municipality in terms of job creation and the need to invest in education and skills training.

According to the 2011 Census results 11.4% of the population in Molemole LM received no schooling at all, while 68.8% of the population were in Grade 0 to 12 and only 5% of the population received or were busy



with post matric qualifications. The above signals the need for education support programmes such as ABET education centres and the need for increased support in post matric programmes.

## EDUCATIONAL PROFILE

The high proportion of people not schooling is a very important issue to advise on as a high illiteracy will reflect negatively on the socio-economic performance and development of the municipality. The improvement of the resident’s skills will act as a catalyst to the development of the municipality. Molemole is serviced by 82 schools comprising 51 primary schools, 30 secondary schools and 1 combined school.

There is one satellite FET College in Ramokgopa village and one Nursing College in Morebeng. Molemole has the highest proportion (20, 1%) of people not schooling. Of the people that have had formal education, 3% completed primary school, and only 18, 4% completed matric. All the schools have access to water, sanitation and electricity. All schools are provided with school nutrition.

Molemole has two (2) functional community libraries at Mogwadi and Morebeng and six (6) mobile libraries at schools – four in the East (Sefoloko High School, Kgwadu Primary School, Itshumeleng Primary and Rakgasema Pre-School) and two (2) in the west (Seripa High School and Mangwato Primary School). The municipality also has two libraries in the village, Ramatjowe and Matseke libraries but due to staff shortages and limited resources, the libraries are not functional.

Most of the schools are currently experiencing shortages of both classrooms and educators hence an imbalance in the teacher/learner ratio. Most of the schools are at a dilapidating stage and need to be rebuild, e.g. Masenwe Primary School at Mohodi Ha-Manthata.

According to the 2011 Census results (**Diagram 5**), 11.4% of the population in Molemole LM received no schooling at all, while 68.8% of the population were in Grade 0 to 12 and only 5% of the population received or were busy with post matric qualifications. The above signals the need for education support programmes such as ABET education centres and the need for increased support in post matric programmes.

**Table 8: Educational Institution by Present school attendance**

<b>Statistics South Africa/Census 2011 Community Profiles</b>					
<b>Educational institution by Present school attendance</b>					
<b>for Person weighted, LIM353: Molemole</b>					
	<b>CURRENT</b>	<b>SCHOOL</b>	<b>ATTENDANCE</b>		
<b>EDUCATIONAL INSTITUTION</b>	<b>Yes</b>	<b>No</b>	<b>Do not know</b>	<b>Unspecified</b>	<b>Not applicable</b>
Pre-school including day care; crèche; Grade R and Pre-Grade R in an ECD centre	381	-	-	-	-
Ordinary school including Grade R learners who attend a formal school; Grade 1-12 learners & learners in special class	36708	-	-	-	-
Special school	128	5	-	-	-
Further Education and Training College FET	529	-	-	-	-
Other College	233	-	-	-	-
Higher Educational Institution University/University of Technology	960	-	-	-	-
Adult Basic Education and Training Centre ABET Centre	637	-	-	-	-
Literacy classes e.g. Kha Ri Gude; SANLI	147	-	-	-	-
Home based education/ home schooling	111	12	-	-	-
Unspecified	-	-	-	-	-
Not applicable	-	50783	21	1865	15801

<b>Statistics South Africa/Census 2011 Community Profiles</b>						
<b>Education_Electoral_Wards</b>						
<b>Highest educational level by Population group</b>						
<b>for Person weighted, LIM353: Molemole</b>						
<b>HIGHEST EDUCATIONAL LEVEL</b>	<b>Black African</b>	<b>Coloured</b>	<b>Indian or Asian</b>	<b>White</b>	<b>Other</b>	
Gade 0	4030	2	1	16	5	
Grade 1 / Sub A	3166	4	-	14	1	
Grade 2 / Sub B	3128	1	1	9	1	
Grade 3 / Std 1/ABET 1Kha Ri Gude;SANLI	3617	2	2	9	4	
Grade 4 / Std 2	3855	1	1	12	9	
Grade 5 / Std 3/ABET 2	4112	2	2	21	11	
Grade 6 / Std 4	4364	2	5	20	2	
Grade 7 / Std 5/ ABET 3	5374	2	4	51	25	
Grade 8 / Std 6 / Form 1	7139	15	5	49	22	
Grade 9 / Std 7 / Form 2/ ABET 4	6620	7	1	38	16	
Grade 10 / Std 8 / Form 3	8286	17	15	117	22	

Grade 11 / Std 9 / Form 4	9084	6	6	48	42
Grade 12 / Std 10 / Form 5	10679	7	36	377	26
NTC I / N1/ NIC/ V Level 2	122	-	-	5	5
NTC II / N2/ NIC/ V Level 3	76	-	-	3	-
NTC III /N3/ NIC/ V Level 4	85	-	-	20	1
N4 / NTC 4	73	-	-	6	-
N5 /NTC 5	52	-	-	3	-
N6 / NTC 6	125	-	-	6	1
Certificate with less than Grade 12 / Std 10	74	-	5	-	-
Diploma with less than Grade 12 / Std 10	119	-	1	3	-
Certificate with Grade 12 / Std 10	1014	1	3	24	-
Diploma with Grade 12 / Std 10	1021	-	-	30	-
Higher Diploma	971	2	2	59	-
Post Higher Diploma Masters; Doctoral Diploma	178	-	-	8	-
Bachelors Degree	530	1	2	38	3
Bachelors Degree and Post graduate Diploma	276	-	-	13	-
Honours degree	314	-	2	19	-
Higher Degree Masters / PhD	85	-	2	11	3
Other	147	-	3	10	10
No schooling	12290	5	8	36	49
Unspecified	-	-	-	-	-
Not applicable	15541	62	27	135	36

**Table  
9**

## PEOPLE WITH DISABILITIES

According to the 2011 Census results (**Table 10**), majority of people with disabilities have a challenge with concentration/remembering with the total of 1102 persons. It is followed by those with a challenge of communication with the total of 974 persons

	Communication	Concentration /Remembering	Hearing	Seeing	Walking/Climbing stairs
<b>Some difficulty</b>	1724	3043	2574	6991	2760
<b>A lot of difficulty</b>	595	1074	498	1301	777
<b>Cannot do at all</b>	974	1102	294	357	802
<b>Do not know</b>	289	471	152	117	207
<b>Cannot yet be determined</b>	5356	5690	5273	5393	5301
<b>Unspecified</b>	2638	2255	2476	2363	2084
<b>Not applicable</b>	1725	1725	1725	1725	1725
<b>Grand Total</b>	<b>13301</b>	<b>15360</b>	<b>12992</b>	<b>18247</b>	<b>13656</b>

Source: STATSA SA, Census 2011

## LAND DEVELOPMENT AND LAND USE MANAGEMENT

Molemole Spatial Development Framework, 2013 (SDF) integrate and coordinate on a broader level spatial information which includes the whole area of our jurisdiction and Molemole Land Use Management Scheme, 2006 (LUMS) on the other hand deals with the detailed administration of land development and land use change. The scheme assists to guide development and land control management. The implementation of the LUMS is still a challenge as majority of the settlements in Molemole are not formalised therefore, a phased approach will be used in order to address the challenge.

Land development and land use management is hindered by the applicability of different types of legislation to different areas and towns/settlements/villages in the Molemole Municipal area. There are four main types of land tenure in MLM that can be divided into Commercial Land (owned by banks, churches etc.), Government Land, Tribal Land; and Private Land. Tribal authorities are managing a small portion of the municipal land and other portions of land held in trust for the tribal authority although owned by the government. The Spatial Planning and Land Use Management Act, 2013 came in provide a framework for spatial planning and land use management in the Republic and promote greater consistency in the application procedures and decision-making by authorities responsible for land use decisions and development applications.

Provision of SPLUMA compel municipalities to create SPLUMA compliant Bylaws Spatial Development Framework and Land Use Schmes in order to ensure full implementation of the Act.

### 1.3. SERVICE DELIVERY OVERVIEW

During the 2015/2016 financial year, Molemole Local Municipality made progress in key service delivery areas as aligned with the municipality's Integrated Development Plan (IDP) and Service Delivery Budget Implementation Plan (SDBIP). We believe that as a municipality we are making positive strides in the best interest of the communities we are servicing.

#### COMMENT ON BACKGROUND DATA

Though diversity of 20 mineral deposits exists in the municipality, their size is so small that it renders them uneconomical or unsuitable for exploration. Mining in the municipality has been static, registering gross value-added of less than R50m for the past ten years. Mining activities in the municipality have over the years mainly been in the form of quarries which produced granite.

Visible mining activities over the years are dimension stones (granite) and crusher stone. The value of granite and its potential to stimulate the economy is miniature. The crusher stone has potential for growth in supplying various national, provincial and local government infrastructure projects in the municipality and beyond.

The other mining activity which has the potential is sand. Currently, the bricks for building inexpensive houses are sourced from outside the municipality as a result of lack of high magnitude for sand exploration in the municipality. There is a need for local entrepreneurs to apply for mining permits for building sand and building bricks.

There is a potential for the exploration of Iron Ore minerals in the Zandriverspoot area. Currently, there are two companies, Sekoko Resources and Sishen Iron Ore Company (trading as Polokwane Iron Ore Company, a partnership between Kumba Resources and AcelorMittal) which are evaluating economic potential of these iron ore mineral deposits. It is estimated that production will start in 2019.

Machaka Game Reserve is a 1100ha game reserve set in the beautiful mountains and offers visitors great game drives, nature trails, quad bike and rock climbing adventures. Institutional framework for operationalisation of the resource impedes development and operation of the facility to its full potential.

Tropic of Capricorn needle marks the furthest point south at which the sun can be seen directly overhead at noon. This provides an opportunity for tourism development in the area. Its proximity to Machaka Nature Reserve is an added advantage.

A wetland in Morebeng is another important natural resource which serves as a water source during drought after catchment water can be diverted for storage.

Every municipality must give priority to the basic needs of their communities and at the same time making provision for the development of the local community whilst ensuring that municipal basic services are accessible and equitable.

We have been able to provide water and electricity to our communities though the District Municipality is still a water service authority. As a local municipality we only deal with Operation and Maintenance. The municipality is only responsible for both Morebeng and Nthabiseng Townships in terms of electricity. We are busy replacing our aging infrastructure in the two towns.

The tiring of the two roads namely Matipane-Madikana and Ramokgopa Eisleben are complete on their first phase. The challenges we are facing from water is the unreliable source as the municipality totally

depend on ground water. On indigents the municipality is having an indigent register and provide free basic water and electricity to our indigents.

#### **1.4. FINANCIAL HEALTH OVERVIEW**

The municipality draws its mandate from the Municipal Finance Management Act (MFMA) (Act 56 of 2003) based on chapter 13 of the constitution. The specific mandate is the implementation of the financial plan and the actual execution and reporting on the financial aspects of the overall Service Delivery Budget and Implementation Plan of the municipality. The municipality is comfortably liquid and have not experienced any cash-flow problem. The municipality has successfully closed its books on time and submitted its annual financial statements in accordance with section 126 of the MFMA.

The Municipality will continue to:

- Communicate performance achievements throughout all levels in the organization when it is adhering to the timely submission of section 71 reports, a section of the Municipal Finance Management Act (Act 56 of 2003) and annual reporting according to section 126 of the same act.
- Maintain integrity when it ensures compliance with all the Municipal Supply Chain Regulations as dictated by the Preferential Procurement Policy Frame Act (Act No. 5 of 200) as amended and all the relevant Regulations and Practice notes.
- Report its activities objectively and transparently when it periodically report to the Co-operative Governance Human Settlement and Traditional Affairs (CoGHSTA) and Treasury as the primary stakeholders in the public sector.
- Keep the public informed when it publishes its results as a major and important portion of the annual report of the municipality.

The Budgets and Treasury function of the Municipality is operating with a complete staff complement of skilled and experienced staff. The Municipality is recruiting and continue train internson a continuous bases. This is coupled with improving the information technology environment when the Municipality acquired latest reporting and asset tracking technology.

It remains a belief of the Municipality that clean administration in government is an achievable goal.

#### **GOING CONCERN OF MOLEMOLE MUNICIPALITY**

The going concern status of the municipality is continuing confidently into the foreseeable future. The municipality has neither the intention to cease operations nor are there conditions that points to any necessity for liquidation or cessation of trading. Accordingly, assets and liabilities of Molemole Local Municipality are recorded on the basis that the entity will be able to realize its assets and discharge its liabilities in the normal course of business.

Management of Molemole Local Municipality confirms that no uncertainties were noted in making its assessment. The Municipality is currently facing no cash flow challenges only general resistance mainly resulting from unpaid services by the surrounding communities, however these is a reason why a formal service(s) Debt Recovery Strategy was approved by Council and is currently implemented.

### **THE CURRENT RATIO**

The Current ratio of 3.5:1 has been posted in the 2015/16 financial year.

The current ratio is a liquidity ratio that measures the municipality's ability to pay short-term and long-term obligations. To gauge this liability, the current ratio considers the current total assets of the municipality (both liquid and illiquid) relative to the municipality's current total liabilities.

### **DEBT TO EQUITY RATE**

The municipality does not carry any debt that is more than 30 days. Such are not interest bearing.

### **FINANCIAL**

The Municipality's net worth/Net assets of R 185 983 372 is positive as at the end of the financial year; the Net working Capital of the Municipality is significantly in a healthy balance.

The Municipality has been operating in a positive cash flow for the past financial year and the trend continues into the current financial year.

There was never a slight threat to pay creditors on due dates.

The Municipality does not borrow and do not have any loans with any 3<sup>rd</sup> party.

### **CONTINGENT LIABILITIES**

The pending contingent liabilities in the amount of **R 940 000.00** is the lowest in the past 3 years.

All pending legal or regulatory proceedings against the entity will be paid, if successful.

### **MITIGATING PLANS**

The entity has debtors amounting **R 58 004 518.54** (Gross including water debtors and interest) and has commenced on a rigorous debt collection campaign to liquidate this asset.

There are no new financial commitments with any party and priority is given to the already committed roll over project.

### **CONCLUSION**

### **FINANCIAL**

There are no borrowings approaching maturity without realistic prospects of renewal or repayment; or excessive reliance on short-term borrowings to finance long-term assets.

There are no substantial operating risks or operating factors that are serious significantly causing deterioration in the value of assets used to generate cash flows.

The municipality is in a position and has demonstrated its ability to comply with the terms of all its obligations.

## OPERATING

The political situation is stable.

All senior management are in place and there is no threats to abrupt termination of any of their contract(s).

There are no Labour difficulties, nor shortages of important suppliers.

## OTHER

There will be full compliance with capital or other statutory requirements.

There is no pending legal or regulatory proceedings against the entity that may, if successful, result in claims that the entity is unlikely to be able to satisfy.

There is no threat of any changes in law or regulation or government policy expected to adversely affect the municipality.

<b>Financial Overview – 2015/16</b>			
<b>R`000</b>			
<b>Details</b>	<b>Original Budget</b>	<b>Adjustment Budget</b>	<b>Actual</b>
Income	40 031 429	38 873 750	34 668 561
Grants	142 635 576	142 956 433	140 722 555
<b>Sub Total</b>	<b>182 667 005</b>	<b>181 830 183</b>	<b>175 391 116</b>
<b>Less Expenditure</b>	<b>133 114 557</b>	<b>144 260 633</b>	<b>163 055 756</b>
Net Total	49 552 448	37 569 550	12 335 360
*Note: T1.4.2			surplus/(deficit)
<b>Operating Ratios</b>			
<b>Detail</b>	<b>%</b>		
Employee Cost	38%		
Repairs & Maintenance	4%		
Finance Charges & Depreciation	5%		

<b>Total Capital Expenditure 2013/14, 2014/15 &amp; 2015/16</b>			
<b>R`000</b>			
<b>Detail</b>			

	2013/14	2014/15	2015/16
Original budget	40,474,395	42,784,870	49 276 150
Adjustment budget	43,695,460	42,893,849	51 291 447
Actual	24,526,305	34,354,278	14 101 374

## 1.5. ORGANISATIONAL DEVELOPMENT OVERVIEW

### ORGANISATIONAL DEVELOPMENT PERFORMANCE

Council approved an organisational structure making provision for a total of 204 funded and unfunded posts. Out of a total of 204 funded and unfunded posts, 32 is vacant and unfunded whilst 5 is vacant and funded. A total thereof of 169 posts are filled and fully funded on the organizational structure of the municipality. Percentage-wise the occupancy rate translates to 82% and the vacancy rate stands at 18%.

A Workplace Skills plan (WSP) was compiled, consequently submitted as required to guide desired training programmes in an effort to strengthen capacity and a total of 102 employees despite limited funding were trained on various municipal programmes not limited to Minimum Competency prescribed Regulation. A total of 23 Councillors were also trained on various Councillors development programmes. A total of 80 employees including Councillors got trained specifically on skills programmes whilst 28 were subjected to short courses. A total of 3 appointments were made which arose out of terminations and a larger part thereof per the above figures were filled. The Human Resource Management (HRM) is further strengthened through various Committees in line with Good Governance and are fully functional.

- Training Committee
- Workplace Forum (Local Labour Forum)
- Health & Safety Committee

#### a) External Bursary Programme

One (1) student has since completed her studies and four (4) are set to complete by end 2016.

#### b) Internal Employee bursary programme

Two (2) employees were awarded bursaries to pursue studies at various institutions of higher learning for the 2015/2016 financial year under Budget and Treasury office.

#### c) Internships and Learnerships

Internships that were facilitated by the municipality were in the areas of Finance; Town and regional planning; Administration and , IDP and Water and Sanitaion. In these various areas, all the appointed are Youth; 1 placed in Town and regional planning, 2 Administration, 1 Water and Sanitation whom their contract ended on the 30<sup>th</sup> May 2016 and 5 interns are part of the Financial Management Grant (FMG) Internship programme. The interns on the FMG programme are on a two (2) year contract.

#### d) Employee Wellness Program

The municipality continues to provide Employee Wellness Services to all employees who require such services and has coordinated one (1) Employee Wellness Session during the financial year under review.

**e) Individual performance management**

The Performance Management system within the municipality is limited to Senior Management due to unavailability of an official to handle it properly and is planned for roll-out as soon as the recently created vacant funded post is filled, though pending integration of municipalities. There are no performance rewards within the current system although the Municipality plans to cascade PMS to managers reporting the Section 57 managers in the 2016/2017 Financial year.

**PERSONNEL PROVISIONING**

- a) **Recruitment and retention of employees** – 3 positions were filled in the year under review, 02 positions in Budget and Treasury, 01 position in LED & Planning.
- b) An **Employment Equity** report was developed and submitted to the Department of labour in line with the requirements of the Employment Equity Act.

<b>EMPLOYMENT EQUITY ALL EMPLOYEES</b>	
Female	73
Male	90
<b>Grand Total</b>	<b>163</b>

- c) **Gender representatives** in respect of departments is outlined hereunder:

<b>Department</b>	<b>Female</b>	<b>Male</b>	<b>Total</b>
Community Services	22	25	47
Corporate Services	24	10	35
Local Economic Development & Planning	1	5	6
Finance Management Services	18	8	26
Technical Services	3	35	38
Municipal Manager's office	5	7	12
<b>Grand Total</b>	<b>75</b>	<b>92</b>	<b>167</b>

- d) **Disability** profile for the whole organization is represented hereunder.

Number of total employees = 163  
 Number of people with disability = 4  
 Percentage = 2.40%

- e) **Equity Status** at managerial level as at end 2015/2016 Financial year.

Occupational Category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
15-17	16	0	0	0	6	0	0	0	22
Percentage	76%	0	0	0	24%	0	0	0	100%

- f) **Occupational Health and Safety** – Occupational Health and Safety committee is established and fully functional. The municipality has complied with the Collective Agreement by ensuring that legislated Committees that handle human resources related issues are established and active.
- g) **Human Resources Development** - On annual basis, municipality compiles and submits to Local Government SETA a Workplace Skills Plan (WSP) and the Annual Training Report (ATR) by the end of each financial year and same was complied within 2015/16 financial year.
- h) **Workplace Skills Plan (WSP)** and the **Annual Training Report (ATR)** were developed and submitted to the Local Government SETA by the 30<sup>th</sup> of April 2016.
- i) **Leave Management Employees:**
- Personal leave files were opened for all employees including transferred employees.
  - Approved leave applications were captured weekly on payday system and updated regularly.
  - The municipality is slowly migrating to electronic leave management system although there have been challenges when it comes to approval due to system downturn and server downturn as a result of Telkom data line.
- j) **Labour Relations**
- Molemole Municipality had a good relationship with Trade Unions and issues of Labour forums were attended to promptly
  - There has never been any protest action in 2015/16 financial year.
  - Matters of mutual interest between the employer and employees are bargained at LLF and there were challenges in holding meetings as prescribed due to members not forming a quorum. A total of four (4) LLF meetings were convened.

## **1.6. AUDITOR GENERAL REPORT**

### **AUDITOR GENERAL REPORT 2014/15**

The municipality has for the first time obtained unqualified audit opinion. Historically, the municipality has been in tireless effort to correct prior year errors which led to material misstatements in annual financial statements. Over the past two financial years, efforts to correct such errors through putting up appropriate control mechanisms, credible asset inventory, full implementation of the audit action plan and ensuring compliance in all respects have materially amongst other things contributed to an improved audit opinion.

### **EXPLANATION TO CLARIFY SIGNIFICANT ISSUES RELATED TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 2014/15.**

#### **COMMENT ON THE PERFORMANCE OF FINANCIAL SERVICES OVERALL**

The municipality is responsible to implement the service delivery and budget implementation plan (SDBIP) of the municipality. This is done with the going concern and sustainable liquidity and cash flow as its main driver.

The municipality has not experienced any threat to its immediate cash flow or working capital diminishing threats in the medium term. Division of Revenue Act (DoRA) remains the sole source of working capital and this municipality is currently developing a strategy to acquire funding to acquire assets that may be used to maximise exchange transactions between the municipality and its clients.

Prior year errors on the financial statement were subjected to audit. This includes the re-statement of actual cash received by the municipality which was used as a factor to review the grading of the municipality from grade 2 to grade 3.

The above downgrading culminate in various negative consequences for the municipality. The previous negative development lead to loss of confidence by various important stakeholders, but this have been restored by the acceptance of the correction in the 2014/15 financial year.

#### **GOING CONCERN**

There is no indication of any event or factor that threaten the going concern of the municipality or any factor that may justify application of section 139(1) of the Constitution of the RSA relating to take over by the Provincial or National Government.

#### **LIQUIDITY**

Liquidity management has been maintained at a ratio of 3.1:1 for the financial year. The municipality is solvent with positive cash flows. The municipality does not have any long outstanding debt with bulk service supplier(s) like Eskom; Telkom or any water authority. All debts are paid within 30 days as per section 65 of the Municipal Finance Management Act (Act 56 of 2003). The municipality does not borrow and does not have any borrowings that may be impact its risk profile.

## 1.7. STATUTORY ANNUAL REPORT PROCESS

### COMMENT ON THE ANNUAL REPORT PROCESS:

The deadlines are important as they make the processes easy and consultation of all stakeholders possible. The municipality is able to reflect on the successes, failures and challenges of the previous financial year. This then prepares planners to come up with clear strategies to improve on where we did not do well as a municipality.

The importance of alignment is that there is common understanding and approach towards service delivery of the municipality as outlined in the IDP which is the strategic document of the municipality. The IDP sets broader objectives; narrows the objectives to the departmental level and performance monitoring monitors the indicators of our objective areas.

No.	Activity	Timeframe
1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period.	July
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
3	Finalise 4 <sup>th</sup> quarter Report for previous financial year	
4	Submit draft 08/09 Annual Report to Internal Audit and Auditor-General	
5	Municipal entities submit draft annual reports to MM	
6	Audit/Performance committee considers draft Annual Report of municipality and entities (where relevant)	August
8	Mayor tables the unaudited Annual Report	
9	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General.	
10	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	
11	Auditor General assesses draft Annual Report including consolidated Annual Financial Statements and Performance data	September - October
12	Municipalities receive and start to address the Auditor General's comments	November
13	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor-General's Report	
14	Audited Annual Report is made public and representation is invited	

15	Oversight Committee assesses Annual Report	
16	Council adopts Oversight report	December
17	Oversight report is made public	
18	Oversight report is submitted to relevant provincial councils	
19	Commencement of draft Budget/ IDP finalisation for next financial year. Annual Report and Oversight Reports to be used as input.	January

## CHAPTER 2 – GOVERNANCE

### COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

#### 2.1 POLITICAL GOVERNANCE

Molemole municipality has twenty seven (27) councillors with Executive Committee comprising of five (5) councillors, chaired by the Mayor. The portfolios within the municipality are Corporate Services, Community Services, Budget and Treasury Department and Local Economic Development and Planning and finally the Portfolio on Technical Services. Each Portfolio has a Chairperson except for LEDP and Technical services which shares one Chairperson. Council remains the highest decision making body where decisions are taken through passing of council resolutions. The Portfolio Committees recommend to EXCO whilst EXCO obtains approval from Council. Once Council has passed resolutions, they are then signed by the Municipal Speaker and kept in the Council resolutions register, copies The resolutions are then distributed to relevant departments for implementation.

The municipality has an active Audit Committee which is chaired by an outside independent person. The committee gives technical advice on financial and performance related matters matters but also reports directly to Council through its chairperson. Internal Audit unit is fully functional within the entity. Performance assessment is only applicable to Senior Managers through Chairperson of the Audit committee.

Municipal Public Accounts Committee (MPAC) is also established and fully functional. Members of MPAC are not serving in either of the council sub-committees. MPAC is the custodian of the Annual Report including community consultation and related stakeholder consultation before generating an oversight report.

**POLITICAL STRUCTURE**

**MAYOR**  
Makgato P

**SPEAKER**  
Moabelo L

**CHIEF WHIP**  
Rakubu P

**MAYORAL COMMITTEE/ EXECUTIVE COMMITTEE**

Matlou D

Phihlela M.A

Paya M.E

Moseamo R.M

Disclosures of Financial Interests		
Period 1 July 2014 to 30 June 2016		
Position	Name	Description of financial interest* (Nil/or details)
Mayor	Makgato P	Nil
Member of Mayco/Exco	Matlou D	Nil
	Phihlela M.A	Nil
	Paya M.E	Nil
	Moseamo R.M	Nil
Councillor	Moabelo L	Nil
	Rakubu P	Nil
Municipal Manager	Makhura NI	Nil
Chief Financial Officer	Moloko EK	Supply Matrix CC KMTM Financial Services Moloko Mokoko Construction
Other S57 Officials		
	Madibana MH	Sasol Limited share
	Keetse NN	Nil
	Masipa D.M	Nil
	Moabelo MP	Sasol Izalo Shares

## COUNCILLORS

**Delete Directive note once comment is complete** - Provide a brief paragraph on the Councillors, indicating the total number of Councillors and making a distinction between ward councillors and those appointed on a proportional basis. Refer to **Appendix A** where a full list of Councillors can be found (including committee allocations and attendance at council meetings).

Also refer to **Appendix B** which sets out committees and committee purposes.

## POLITICAL DECISION-TAKING

**Delete Directive note once comment is complete** – Explain how political decisions are taken and provide the percentage of Council Resolutions implemented against the number of decisions taken. List those not implemented and indicate why not.

## **ADMINISTRATIVE GOVERNANCE**

### *ROLE OF THE MUNICIPAL MANAGER.*

The municipal manager is the head of administration of the municipality and is amongst other issues responsible for the policy direction of the municipal council ensuring that the day to day activities of various components deliver on the strategic objectives and also accountable for:

- The formation and development of an economical, effective, efficient and accountable administration.

carry out the task of implementing the municipality's integrated development plan in accordance with chapter 5 of the Municipal Systems Act 32 of 2000.

Manage the Performance Management System of the municipality in accordance with chapter 6 of Municipal Systems Act 32 of 2000.

Responsible for the community needs and make sure that the community participates in the affairs of the municipality.

Manage the provision of services to the local communities in an equitable and sustainable manner.

The appointment of staff other than those referred to in section 56.

Maintenance of discipline of staff.

Manage communication channels between the municipality's administration and its political structures and political office bearers.

Carry out decisions of the political structures and political office bearers of the municipality.

Responsible for all income and expenditure of the municipality, all assets and the discharge of all liabilities of the municipality.

Proper and diligent compliance with the Municipal Finance Management Act.

Ensuring adherence to principles guiding attainment of improving audit opinion by tightening internal controls.

## **ROLE OF SENIOR MANAGERS**

- These are the managers appointed by the Municipal Council after consultation with the Municipal Manager.
- They are responsible to carry out mandates of their respective departments.
- They are also responsible to manage the budgets and personnel within their departments.
- Ensure maintenance of discipline within their departments.
- Coordination of their Portfolio committees before Executive committee and council could decide on matters presented to them.

- Manage the performance of their respective departments.

**HOW THE MUNICIPAL MANAGER AND SENIOR MANAGERS WORK TOGETHER COOPERATIVELY IN THEIR THEMATIC AND SERVICE GROUP ROLES TO MAKE THE GREATEST IMPACT ON SERVICE DELIVERY**

All Senior Managers account to the Municipal Manager as head of administration. Meetings of Senior Management generally take place on Mondays to map a way forward in terms of administrative responsibilities of the municipality. The Senior Managers are responsible for communicating with their respective departments through middle Managers and ensure that matters discussed at Senior Management level are cascaded down for effective execution of the targets set-out for each department per the IDP with respective middle managers.

There are quarterly extended management committee meetings whereby the Municipal Manager reflects on the status of the municipality in terms of performance against set targets and the direction the municipality is taking. The meeting involves Senior Managers, Middle Managers and those positions which are seen as key even though they don't fall in either of the above categories. Staff General Meetings are convened Mid-yearly.

**TOP ADMINISTRATIVE STRUCTURE**

<b>Designation</b>	<b>Initials and Surname</b>
Municipal Manager	Mr. N.I Makhura
Chief Financial Officer	Mr. E.K Moloko
Senior Manager: Corporate Services	Mr. M.H Madibana
Senior Manager: Technical Services	Mr. DM Masipa
Senior Manager: Community Services	Mrs. M.P Moabelo
Senior Manager: LED&P	Mr. N.N Keetse

## **INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTER-GOVERNMENTAL RELATIONS**

Molemole views cooperative governance and inter-governmental Relations (IGR) in a very serious light as enshrined in section 41 of the Constitution. Taken together both the formal and informal components of the IGR system shapes the incentives for good governance and integrated service delivery. Keeping the relationship with other spheres of government as harmonious as possible remains a key factor in driving service delivery priorities in a more integrated manner hence our municipality continues to actively partake in both District and Provincial IGR forums not only to share common local government service delivery bottlenecks but also share best practices for continuous improvement.

Sharing of limited resources including expertise between Molemole and some sector departments continues to accelerate service delivery within our local communities and the contributions made by other departments on how we run processes as a municipality changes the phase of the municipality. The role that SALGA, COGHSTA, Provincial Treasury to list but a few departments play in our municipality is enormous and without their intervention from time to time on policy, IT, training interventions, finance management related interventions and other governance related issues, it will be difficult to completely do without them hence this unbreakable intergovernmental relations grows from strength to strength year after year.

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### **2.3 INTERGOVERNMENTAL RELATIONS**

#### **NATIONAL INTER-GOVERNMENTAL STRUCTURES.**

It is mainly SALGA initiated forums such as National IGR, Premier's IGR forums which from time to time enable various municipalities to interchange or share best practice models on a whole range of issues geared at accelerating service delivery for a better life. To a limited extent, institute for Local Government Management also does once in a while initiate meetings between municipalities. It goes without saying greater involvement of National and Provincial sector departments is still necessary in the development of IDP's and the involvement thereof should be of more senior representatives within this IDP processes so tht projects planned for them by individual municipalities find expression in the IDP documents and are accordingly planned, that synergy of ensuring that Integrated Planning is still not good enough.

#### **PROVINCIAL INTER-GOVERNMENTAL STRUCTURE.**

Molemole participates in various National, Provincial and local IGR forums in order to ensure that it is kept abreast of important developments in various areas of responsibilities. Through these forums, Molemole is able to exchange ideas, influence legislative and policy direction and benchmark with other spheres of government in an effort to share best practices.

## RELATIONSHIP WITH MUNICIPAL ENTITIES

The municipality does not have any entity.

## DISTRICT INTER-GOVERNMENTAL STRUCTURES

Beyond the above mentioned section, section 40 of the constitution on co-operative government also requires of all spheres of government despite their distinctiveness to work interdependently. That they should not only assist each other but learn from each other to avoid competition and improve service delivery through a more integrated approach. As a result of these approaches, the Municipality participates in IGR structures including the following: MTAS, Premier's IGR and EXCO Lekgotla, District IGR and Mayoral Magoshi Forum. IGR Forums and committees ensured that sector-based projects are not only reflected in the IDP but are also aligned with Service Delivery imperatives of our local communities.

## COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

### OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION:

In pursuit of promoting public accountability and participation, Molemole Municipality demonstrated a strong commitment on community centred participatory approach in the management of the municipality. Extensive/ entrenched involvement of communities in Municipal planning through established institutional arrangements characterised by the initiative undertaken to give expression to public accountability. In this regard significant strides were made in engaging communities through the utilization of various governmental structures at both the Executive and Legislative components of Council.

Significantly this was aimed at ensuring that communities participate actively in the development of their respective areas and also ensuring that the Municipality's commitment to supplying the community with information concerning issues of Municipal governance, management and development. IDP and Budget engagements –IDP review meetings were held as a means to consult broader communities in an effort to allow them to prioritise their needs for consideration in the planning of the business of the Municipality.

#### 2.4 PUBLIC MEETINGS

The turnout/audience at the events exceeded expected targets by bigger margins.

Stakeholders who participated in the above public meetings include in the main, Traditional Leaders, Ward Committees, CDW's, Sector Departments, NGO's, CBO's, and the community members from various constituencies.

Feedback on most issues raised were responded to immediately by the Political and Administrative leadership while some issues were referred to their relevant departments for further attention.

In the period under review, there were no community protests, petitions or unrests directed at the municipality.

### WARD COMMITTEES

Ward Committees serve as advisory body to the ward councillor. Take community issues to the council through ward councillor. Convene community feedback meetings in consultation with the Ward Councillor.

PUBLIC MEETINGS					
Nature and purpose of the meeting	Date of Events	Number of participating Municipal Councillors	Number of participating Municipal administrators	Number of Community members attending	Date and manner of feedback given to community
Mayoral Imbizos	10/09/2015 Nyakelane sports ground	25	10	350	29 May 2015, IDP/Budget Final adoption @ Capricorn Park, Morebeng.
	09/12/2015 Madikana home sweepers ground	08	08	280	
	09/04/2015 @ Mamolamodi Swallows	27	07	400	
	09/06/2016 Sekonye Mighty Blues ground	25	07	406	
IDP Consultative meetings					
Council Outreach Meeting					
Open Council Meeting	25/02/2016 Ga Sako pre school				
	30/03/2016 Rampo High School				

## 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, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	No
Does the budget align directly to the KPIs in the strategic plan?	No
Do the IDP KPIs align to the Section 57 Managers	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
Do the IDP KPIs align with the provincial KPIs 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	
T2.5.1	

### COMPONENT D: CORPORATE GOVERNANCE

#### OVERVIEW OF CORPORATE GOVERNANCE

During the year under review, the priorities of the Municipality were channelled at strengthening good governance, deepening broader community participation in development planning, facilitating job creation initiatives and improving operational efficiency. In this instance the focus was on strengthening capacity in line with the priorities of the NDP (National Development Plan), tightening internal controls through review and development of other necessary policies, improving community participation processes and strengthening financial Governance.

In pursuit of enhancing good governance, the following interventions were made and National Treasury extended a helping hand and assigned a Technical Advisor who will assist the Municipality in all issues of Finance Management and broader compliance issues thereby ensuring skills transfer to existing personnel. Municipality ensured installation of prepaid meters in both towns for electricity and on-line vending solution for uninterrupted service when it comes to electricity purchase and Council on the other hand revised existing finance related policies ranging from SCM and other key rates policy streamlining them to external legislative amendments. In order to improve operational efficiency, the Municipality identified capacity building as a key strategic lever for the long term relevance of the Municipality and key focus thereof was on capabilities of broader workforce in keeping with the spirit of the NDP/ vision 2030 of strengthening the capacity of the state.

The Municipality has reasonably had a stable workforce since implementation of an organization wide re-engineering process which got introduced at the time when the Municipality experienced high turnover rate some three (3) years ago. At senior management and mid-management level, there has never been any exit in the past two (2) years which then validates the positive results that came out of the said exercise

and for a change, the Municipality is in a position to attract reasonably knowledgeable and better skilled employees. At this moment almost all critical positions except two (2) in the entity haven't been filled despite being funded and are due for processing pending Council resolve.

In recognition of participatory development planning as a key driver of developmental local government, the municipality made commendable strides involving (planning & budgeting). Against this backdrop, several community engagement structures were used as a means of consultation and the most fundamental has been that of involving Local Traditional Leaders in the affairs of the Municipality beyond other legislated forums such as Izimbizo's and others.

The Municipality continued to express its commitment to the provision of quality services to its residents despite budget limitations resulting from non-payment of services in the two (2) towns by a larger group of residents. Although some challenges were experienced most of them were resolved and only two (2) projects could not be achieved whilst one (1) out of the two (2) is still undergoing court processes.

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## 2.6 RISK MANAGEMENT

The Accounting Officer must ensure that the municipality has and maintains effective, and transparent system of financial, risk and internal control. During the 2015/2016 financial year Molemole had a functional Risk Management unit and the Risk Management Committee which is chaired by an external independent person. The Risk Management Committee is represented by various departmental heads.

Council approved policies to assist with the effective and efficient implementation of risk management. The policies approved comprises of Risk Management Policy, Risk Management Strategy and Risk Management Plan. The municipality also maintained a risk register during the year.

Molemole Local Municipality conducted a risk assessment session whereby all risk affecting the strategic objectives of the municipality were identified.

Quarterly progress reports were submitted to council in terms of the strategic risk register. The following risks were identified as top five (5) risks for the municipality

Lack of land for development purposes.

Misuse of land

Illegal dumping

Ageing infrastructure e.g. electricity, roads and water.

Inability to attract to investors.

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## 2.7 ANTI-CORRUPTION AND FRAUD

### ***Anti Fraud And Corruption Strategy***

The municipality does not tolerate any corrupt or fraudulent activities whether internal or external to the organisation, and will vigorously pursue and prosecute any party, by legal means available, which engage in such practices or attempt to do so. In an effort to fight Fraud and Corruption the municipality has approved and implemented the Fraud Prevention Policy, Fraud Prevention Strategy and the Fraud Prevention Plan.

The municipality also uses the review by the internal audit unit and the Office of the Auditor General (AGSA) on the control environment to the municipality to detect any corrupt and fraudulent activities. The oversight by the MPAC and the Audit Committee also add value in the fight against fraud and corruption. The Anti-Fraud hotline by the Capricorn District Municipality and Premier's fraud hotline are other measures that the municipality utilised in the fight against Fraud and Corruption. The municipality also uses review by the internal audit unit and Office of the Auditor General (AGSA) on the control environment to detect any corrupt and fraudulent activities.

The municipality has implemented the following controls to prevent fraud and corruption.

- Financial policies and procedures
- Code of conduct for municipal officials and councillors
- Physical security
- Human resources policies and procedures

The oversight role by MPAC and Audit Committee also add value in the fight against fraud and corruption. The anti - fraud hotline by Capricorn District Municipality is one of the measurers that the municipality utilises in the fight against fraud and corruption.

## **INTERNAL AUDIT**

The Internal Audit unit has in accordance with the approved annual plan conducted regulatory, internal control, performance audits and IT audits and presented to the Audit Committee for approval. The audits are informed by an approved three (3) years rolling Internal Audit plan which is being reviewed annually. The follow up report on issues raised by the Auditor General(AGSA) and Internal Audit are continually monitored and reported in the Audit Committee on a quarterly basis.

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## **2.8 SUPPLY CHAIN MANAGEMENT**

Section 217(1) of the Constitution of South Africa requires that every organ of the state and all public institutions and related structures shall contract for goods and services in accordance with a system which is:

- Fair
- Equitable

- Transparent
- Competitive and Cost effective

The above principles are ushered and are made alive through a range of legislation and supply chain management is governed and enforced in compliance with the constitutional principles through the procurement policy framework Act (Act 5 of 2005) as amended and the appropriate SCM regulations and related public practise notes.

Procurement is governed by an approved policy that has been formed through the above framework and is slowly in the process of in-keeping with the recent legislation and other pieces of legislation(s) that discourages fraud, corruption and money laundering and other anti-social behaviours related to financial impropriety and tax evasion. Preferential treatment is practiced by the organ of the state in order to protect and assist in the protection or advancement of persons or categories of persons disadvantage by unfair discrimination.

## 2.9 BY-LAWS

### COMMENT ON BY-LAWS

The Municipality is in the process of developing three (3) by-laws addressing Traffic (enforce and ensure compliance NRTA), street trading and (Spatial Planning and Land Use Management Act (SPLUMA)). The aforementioned by-laws is in addition to the existing thirteen (13) Council adopted by-laws in the Municipality addressing various compliance issues.

By-laws Introduced during Year 2015/16					
Newly Developed	Revised	Public Participation Conducted Prior to Adoption of By-Laws (Yes/No)	Dates of Public Participation	By-Laws Gazetted* (Yes/No)	Date of Publication
Traffic (enforce and ensure compliance NRTA) By-law	No	Yes		No	
Spatial Planning and Land Use Management Act By-law	No	Yes		No	
street trading By-law	No	Yes		No	

## 2.10 WEBSITES

<b>Municipal website: content and currency of material</b>		
<b>Documents published on the municipality`s /entity`s website</b>	<b>Yes/No</b>	<b>Publishing date</b>
Current annual and adjustment budgets and all budget related documents	Yes	Monthly
All current budget related policies	Yes	1 <sup>st</sup> July
The previous annual report (2012/13)	Yes	
The annual report (2012/13 and 2013/14) published / to be published	Yes	
All current performance agreements required in terms of section 57 (1) (b) of the MSA and resulting score cards	Yes	On appointment
All service delivery agreements (2015/16)	Yes	
IDP 2015/16	Yes	
All long term borrowing contracts (2013/14)	N/A	
All supply chain management contracts above a prescribed value (give value)	N/A	
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)	Yes	Yearly
Contracts agreed in 2015/16 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	N/A	
PPP agreements referred to in section 120	N/A	
All quarterly reports tabled in the council in terms of section 52 (d) during (2015/16)	Yes	As and when tabled to council

### **COMMENT MUNICIPAL WEBSITE CONTENT AND ACCESS**

Molemole municipality conforms to section 21 of the Municipal Systems Act, 2000 (Act 32 of 2000 as amended) and section 75 of the Municipal Finance Management Act, 2003 (Act 56 of 2003), whose main objective it is to notify the community about municipal events or any statutory matter which is of public interest. During the financial year the municipal website was used to publicise notices on mayoral outreach programmes, section 71 reports, Quarterly reports, all budget related reports in the spirit of openness, accountability and transparency as espoused in section 195 of the Constitution of 1996, (Act 108 of 1996).

Although we believe a lot is being publicised in terms of MFMA (2003), we still believe a lot needs to be done to ensure full compliance to section 75 of the Act, especially on issues relating to supply chain contracts above R 100 000.00 and most importantly on contracts that have a bearing on the subsequent financial years (section 33 of the MFMA). In the coming financial years the municipality is planning to upgrade its website to be a hub of information for our residents. This will include an interactive system to enable our residents to share their service delivery experiences with the Mayor of the municipality.

Customer satisfaction surveys will be conducted online to take advantage of its speed of response as well as lower drop out rate usually experienced with manual surveys. Residents will also be able to download important information on government-wide policies and other service delivery programmes. Social media platforms like Facebook and Twitter will be introduced to heighten our interaction with communities.

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## 2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

The municipality is quite happy with the response rate generated from the use of our suggestion books in all our service points. This is because there has been an increase in the number of residents using suggestion books to register their complaints, suggestions or compliments. This makes work a lot easier for the municipality as with recent cases, it became possible to invite the complainants to show the municipal official handling complaints those areas they feel needed improvement and once addressed, the said complainant would be re-invited to check if the problem has been attended to their satisfaction. This is quite appreciated as it increases interaction with communities; an important ingredient of a fully functioning developmental local government. Another reason for the increase is the commitment of officials to ensure complaints are addressed at least within ten (10) days from date lodged.

The increased use of walk-in suggestions, complaints or compliments have also reduced the number of hoax complaints wherein resources had to be expended to follow up complaints which do not exist and those who lodged complaints not accessible on their preferred mode of contact. Communities are encouraged to continue working with the municipality and report service delivery related challenges which will accordingly be addressed based on availability of resources.

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

**CHAPTER 3 – SERVICE DELIVERY**

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

### PERFORMANCE (PERFORMANCE REPORT PART I)

#### THE FINANCIAL PERFORMANCE REPORT OF THE MUNICIPALITY FOR THE FINANCIAL YEAR 2015/2016

#### REVENUE

##### The Financial Performance report of the municipality for the financial year 2015/16:

##### Revenue

The annual revenue budget 2015/16 financial year amounts to **R181 830 133** and the Actual revenue collected as at 30 June 2016 amounts to **(95%) R172 438 938** compared to the proportional percentage of **100**. The **95%** revenue recognized is based on accrual based accounting concept not on cash basis.

DESCRIPTION	TOTAL ANNUAL BUDGET	12 MONTHS BUDGET	12 MONTHS ACTUAL	12 MONTHS %	VARIANCE FROM 12 MONTHS	REASONS FOR VARIANCE
	R	R	R	%	R	
<b>Revenue By Source</b>						
Property Rates	10 866 049	10 866 049	10 850 493	100	15 556	None
Service Charges- Electricity revenue including selling of prepaid electricity	9 556 982	9 556 982	6 027 568	63	3 529 414	Reduction emanated based on the Continuous changes in respect to the electricity operation processes in the implementation of prepaid electricity meters.
Service Charges-Refuse Revenue	1 534 222	1 534 222	1 551 721	101	-17 499	None
Rental of facilities and equipment	286 851	286 851	295 195	103	-8 344	None
Interest earned- external investment	2 200 000	2 200 000	2 100 559	95	99 441	None

Interest earned- outstanding debtors	4 569 726	4 569 726	2 554 030	56	2 015 696	Due to the long outstanding debts written off, interest charge on the initial balance had a reduction.
Fines	954 154	954 154	1 874 050	196	-919 896	
Licence and permits	5 602 114	5 602 114	3 296 249	59	2 305 865	Equipment technical break-down challenges led to the reduction of revenue to be collected by the municipality.
Transfers recognized- operational	111 217 000	111 217 000	109 080 659	98	2 136 341	None
Agency services	2 082 852	2 082 852	2 188 588	105	-105 736	None
Transfers recognized – capital	31 739 433	31 739 433	31 641 896	100	97 537	None
Other revenue	1 220 799	1 220 799	977 930	80	242 869	Municipality budgeted for a cash surplus as part of other income.
<b>Total Revenue ( including Capital transferred)</b>	<b>181 830 133</b>	<b>181 830 133</b>	<b>172 438 938</b>	<b>95</b>	<b>9 391 244</b>	

The annual operating budget for 2015/16 financial year amounts to **R144 260 633**. The actual expenditure from as at 30 June 2016 amounts to **R135 470 622(94%)** against proportional percentage of 100.

DESCRIPTION	TOTAL ANNUAL BUDGET	12 MONTHS BUDGET	12 MONTHS ACTUAL	12 MONTHS %	VARIANCE FROM 12 MONTHS	REASONS FOR VARIANCE
Salaries and Allowances(including councillors)	66 166 386	66 166 386	61 771 286	93	4 395 100	Vacant and funded post not filled awaiting for de establishment of Aganang Municipality to accommodate employees to be transferred to Molemole Municipality
Remuneration of Councillors	10 246 420	10 246 420	8 659 340	85	1 587 080	Time related (matching) of upper limits due to temporary downgrading of municipality.
Debt impairment	6 000 000	6 000 000	10 525 152	175	-4 525 152	Long outstanding debts written off affected the debt impairment increase.
Electric Purchases	8 500 000	8 500 000	8 299 046	98	200 954	None

Contracted services	3 307 856	3 307 856	2 901 362	88	406 494	None
Depreciation & asset impairment	8 000 000	8 000 000	8 360 061	105	-360 061	The excess amount of depreciation was brought by donated assets Capricorn District Municipality(CDM) and Department of road and Transport
Repair and maintenance	6 502 592	6 502 592	5 828 037	90	674 555	While budget adjustment was increased as anticipated, formal specifications for planned (capital maintenance) took time to develop into formal tender specifications.
Other expenditure	42 039 971	42 039 971	34 203 667	81	6 411 041	The over expenditure is due to movement of two RAL roads from capital expenditure to operational expenditure. The two roads projects was budgeted under MIG capital grant. The Circular for RAL roads were issued when these projects were on implementation stage.
<b>GRAND TOTAL</b>	<b>144 260 633</b>	<b>144 260 633</b>	<b>135 470 622</b>	<b>94</b>	<b>8 790 011</b>	

Payments in respect of capital projects funded internally up to 30 June 2016 amounts to R9 248 166 against an annual budget of R 21 670 641 which translates to 43%. Payments in respect of capital projects funded by grants and subsidies up to 30 June 2016 amounts to R4 853 207 against the annual budget of R29 620 806 which translates to 16%. The total payments of capital projects as at 30 June 2016 amounts to R14 101 373 against the annual budget of R51 291 447 which translates to 27%.

DESCRIPTION	TOTAL ANNUAL BUDGET	12 MONTHS BUDGET	12 MONTHS ACTUAL	12 MONTHS %	VARIANCE FROM 12 MONTHS	REASONS FOR VARIANCE
Assets from own funds	21 670 641	21 670 641	9 248 166	43	12 422 475	
Assets from Grants and subsidies	29 620 806	29 620 806	4 853 207	16	24 767 599	
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>51 291 447</b>	<b>51 291 447</b>	<b>14 101 373</b>	<b>27</b>	<b>37 190 074</b>	

## **DEBTORS**

### **Comprehensive analysis of services debtors**

The net outstanding service debtors as at 30 June 2016 amounts to Rand is made up as follows:

Service	Current	Current - VAT	30 Days	30 Days VAT	60 Days	60 Days VAT	90 Days	90 Days VAT	120 Days + VAT	Total Debtors
Basic Electricity	-	-	-	-	-	-	-	-	516 228.66	516 228.66
Basic Refuse	125 835.44	17 613.07	123 697.98	17 311.64	122 598.79	17 148.37	120 133.16	16 736.51	4 668 905.07	5 229 980.03
Basic Water	-	-	-	-	-	-	-	-	49 362.21	49 362.21
Deposit	105.93	-	614.00	-	1 334.27	-	-	-	13 687.76	15 741.96
Electricity	138 220.44	17 874.02	108 775.37	13 965.76	103 950.36	6 882.43	39 644.57	5 104.21	3 134 398.60	3 568 815.76
Interest	123 412.28	-	119 136.61	-	116 870.04	-	112 542.04	-	2 682 301.81	3 154 262.78
Sewerage	16 359.65	2 235.32	21 015.49	2 936.45	39 422.68	5 449.46	-	-	725 884.08	813 303.13
Sundry	2 532.48	354.54	2 532.48	354.54	2 532.48	354.54	1 630.28	199.43	363 414.25	373 905.02
Property rates	902 605.00	-	866 809.87	-	856 449.83	-	849 504.16	-	32 811 994.26	36 287 363.12
Water	127 500.60	17 842.15	144 936.28	20 268.34	232 038.28	29 375.56	45 607.20	6 387.46	7 371 600.00	7 995 555.87
	<b>1 436 571.82</b>	<b>55 919.10</b>	<b>1 387 518.08</b>	<b>54 836.73</b>	<b>1 475 196.73</b>	<b>59 210.36</b>	<b>1 169 061.41</b>	<b>28 427.61</b>	<b>52 337 776.70</b>	<b>58 004 518.54</b>

The outstanding amount of R58 004 518.54 is divided as follows:

Category	Amount
Government	20 703 000.00
Business	1 375 000.00
Households	22 466 000.00
Other	13 460 518.54
<b>Total</b>	<b>58 004 518.54</b>

The net outstanding debtors as per services as at 30 June 2016 is as follows:

Service	Amount
Basic Electricity	516 228.66
Basic Refuse	5 229 980.03
Basic Water	49 362.21
Deposit	15 741.96
Electricity	3 568 815.76
Interest	3 154 262.78
Sewerage	813 303.13

Sundry	373 905.02
Property rates	36 287 363.12
Water	7 995 555.87
<b>TOTAL</b>	<b>58 004 518.54</b>



COMPONENT A: BASIC SERVICES

### 3.1. WATER PROVISION

The municipality is a Water Service Provider under Capricorn District Municipality as a Water Service Authority. The powers and functions of Water Services Authorities is still with Capricorn District Municipality. Water and Sanitation provisions are guided by the Water Services Act (Act no. 108 of 1997) and Water National Act (Act no.36 of 1998). Molemole relies solely on boreholes or ground water for its water supply for both primary and agricultural use. 25% of Municipal households have access to water through water infrastructure while 47% of households have access to water through stand pipes and 28% of households are supplied through water tankers as they do not have water sources and reticulation. The District Municipality has in 2015/16 FY extended water reticulation and bulk water supply to villages in Mohodi, Maponto, Mekomene and Eisleben.

There is generally a major decline in the number of households without water supply. There is however a common challenge of water shortages especially in the villages as boreholes are running dry. Contingency plans have been put in place and seems to be functioning well. Statistics South Africa (Non- Financial Census, 2008) confirmed that 19 595 households received free basic water.

Description	2013/14	2014/15	2015/16
	Actual No.	Actual No.	Actual No.
Water: (above min level)	-	1376	1389
<i>Piped water inside dwelling</i>	-	-	-
<i>Piped water inside yard (but not dwelling)</i>	-	15067	15080
<i>Using public tap (stand pipes)</i>	-	6513	6539
<i>Other water supply (within 200m)</i>	-		
Minimum service level and above percentage	-	51%	53%
Water; (below min level)		15120	16235
Using public tap (more than 200m from dwelling)		15067	16166
Other water supply (more than 200m from dwelling)		5756	6214
No water supply		49%	47%
Below minimum service level sub-total			
Below minimum service level percentage			
Total number of households*			

### 3.2 WASTE WATER (SANITATION) PROVISION

The municipality is responsible for supplying sanitation services in Morebeng and Mogwadi, while the District Municipality is responsible for sanitation provision in the rural areas. The District Municipality managed to construct 300 VIP toilets in 2015/16 through MIG funding. The local municipality is only responsible for operations and maintenance on sanitation infrastructure in Mogwadi and Morebeng. There is no sewer reticulation in the villages/rural areas, hence there is construction of VIP toilets.

<b>Sanitation Service Delivery Levels Households</b>				
<b>Description</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>
	<b>Outcome No.</b>	<b>Outcome No.</b>	<b>Outcome No.</b>	<b>Actual No.</b>
<u>Sanitation/sewerage; (above minimum level)</u>		2121	2121	
Flush toilet (connected to sewerage)		455	455	
Flush toilet (with septic tank)		111	111	
Chemical toilet		5857	6157	
Pit toilet (ventilated)				
Other toilet provisions (above min. service level)		14433	14729	
Minimum service level and above sub-total		22.97 %	24 %	
Minimum service level and above percentage				
<u>Sanitation/sewerage; (below minimum level)</u>				
Bucket toilet		None	None	
		5667	5367	
Other toilet provisions (below min service level)		2922	2629	
No toilet provisions	8589	8289		
Below Minimum service level sub-total				
Below Minimum service level percentage				
Total Households				

Employees: Sanitation Services					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	3	3	3	0	0%
7 - 9	6	8	6	2	25%
10 - 12	7	15	7	8	53%
13 - 15	9	15	9	6	40%
16 - 18	11	21	11	10	48%
19 - 20	18	30	18	12	40%
Total	55	93	55	38	41%

*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.*

T 3.2.7

### 3.3 ELECTRICITY

The Municipality holds the electrification license for Mogwadi and Morebeng towns and all villages are serviced by ESKOM. Our strategic objective is to provide, operate and maintain effective electricity services in order to improve the lives of our people. We are also working together with other sector department to address electricity backlogs i.e Capricorn District Municipality (CDM), Department of Energy (DoE) and ESKOM.

Our main strategic objective is to provide, operate and maintain effective electricity services in order to improve the lives of our people. We are also working together with other sector department to address electricity backlogs i.e Capricorn District Municipality (CDM), Department of Energy (DoE) and Eskom.

In 2015 we have managed through CDM to provide electrification project to Matseke, Ga- Sekhwama and Ga-Mokganya village. In the year under review we also managed to apply for additional funding from DoE. Like any other Municipalities our major challenge we are facing is the lack of funding. We therefore through IDP and other sector department strive to provide electricity services to our communities. Molemole Municipality is responsible to provide electricity only in Mogwadi and Morebeng towns; however Eskom is responsible to provide electricity in all villages within the municipal jurisdiction.

<b>Households – Electricity service delivery levels below the minimum (Complete outer years)</b>						
<b>Households</b>						
	2012/13	2013/14	2014/15	2015/16		
	Actual No.	Actual No.	Actual No.	Original Budget No.	Adjusted Budget No.	Actual No.
Formal settlements		-	-	-	-	
Total households		-	-	-	-	1081
Households below minimum service level						
Proportion of households below minimum service level						
Informal settlements		-	-	-	-	-
Total households		-	-	-	-	-
Households below minimum service level						
Proportion of households below minimum service level						

<b>Financial performance 2015/16; Electricity Services</b>					
<b>R`000</b>					
Details	2014/15	2015/16			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total revenue operational (excluding tariffs)</b>	<b>6,538,615</b>	10,910,785	9,936,005	6,422,523	3,513,482
<b>Expenditure</b>					
Employees	1,829,925	2,294,034	2,321,589	1,947,862	373,727
Repairs and Maintenance	159,199	486,612	686,612	498,286	188,327
Other	925,999	0	1,100,000	0	1,100,000
<b>Total Operational Expenditure</b>	<b>2,915,123</b>	2,780,646	4,108,201	2,446,148	1,662,053
<b>Net Operational (service) expenditure</b>	<b>3,623,492</b>	-8,130,139	-5,827,804	-3,976,375	-1,851,429

**Capital expenditure 2015/16: Electricity Services  
R`000**

Capital Projects	2015/16				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total project value
<b>Total all</b>					
<b>Electricity Networks</b>	1,200,000	1,642,332	1,008,875	633,457	1,642,332
<b>Highmast</b>	700,000	1,198,854	945,760	253,094	1,198,854
Relocation of prepaid meters	1,000,000	0			
Replacement of old electricity	500,000	500,000	0	500,000	500,000
<b>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate)</b>					

**Employees: Electricity Services**

Job Level	Year -1		Year 0		
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	3	3	3	0	0%
7 - 9	6	8	6	2	25%
10 - 12	7	15	7	8	53%
13 - 15	9	15	9	6	40%
16 - 18	11	21	11	10	48%
19 - 20	18	30	18	12	40%
Total	55	93	55	38	41%

### 3.4 WASTE MANAGEMENT

Refuse removal takes place consistently at Mogwadi and Morebeng towns. Refuse collection services are rendered by municipal employees once a week for households and twice a week for businesses. The municipality has commenced with bulk refuse collection (garden waste and builders' rubble).

Molemole has two licensed waste disposal sites, the Soekmekaar (Morebeng) and the Dendron (Mogwadi) landfill sites where waste from the two towns and surrounding villages are disposed. There is gradual improvement towards compliance of the two waste disposal sites to the National Environmental Management Waste Act (NEMWA) no 59 Of 2008. The first phase for refurbishment of the Mogwadi landfill site took place in the current financial year and will continue into the next financial year.

In rural areas, refuse is mostly buried, dumped or burnt. Illegal dumping is currently a course for concern in most areas due to high volumes of waste generated within the community. A need for rural waste management has been identified and the municipality has commenced with bulk refuse collection services at the Botlokwa Plaza in Ward seven and at the Capricorn FET College Ramokgopa Campus in ward 3. Plans are in place to gradually expand rural waste management services to other wards in the long term.

Environmental awareness educational campaigns were conducted at identified schools and within the community through the EPWP Youth Jobs in Waste program driven by the municipality. Ward councilors also engaged in waste management initiatives through volunteer recyclers at villages. Lack of funds pose challenges in implementing recycling, reuse and reduce practices but engagements for sourcing of funds from government and private sector are underway.

#### 3.1. Access to refuse removal

Wards	Removed by local authority/private company at least once a week	Removed by local authority/private company less often	Communal refuse dump	Own refuse dump	No rubbish disposal	Other
Ward 1	605	62	306	2841	237	10
Ward 2	6	13	8	2435	28	5
Ward 3	19	7	24	1436	56	25
Ward 4	12	2	2	1825	25	-
Ward 5	9	2	6	1172	16	-
Ward 6	25	2	8	1920	298	10
Ward 7	25	6	21	2745	20	2
Ward 8	26	8	26	2398	199	7
Ward 9	4	6	6	1709	337	24
Ward	938	11	19	1095	55	14

10						
Ward 11	9	2	-	1154	118	-
Ward 12	9	1	82	1890	194	12
Ward 13	3	-	1	1461	259	1
Ward 14	6	7	2	1647	26	-

#### CHALLENGES PERTAINING TO WASTE MANAGEMENT.

- Lack of funding for implementation of waste management initiatives like recycling and energy recovery from waste.
- Incapacity and lack of resources to control volumes of waste generated in wards two, three, four, eleven, twelve and thirteen in particular. There is a dire need for construction of a landfill site at Ramokgopa.
- Illegal dumping of solid waste and builders' rubble within the community.
- Lack of waste transference stations in rural areas

Employees: Solid Waste Magement Services					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	3	3	3	0	0%
7 - 9	6	8	6	2	25%
10 - 12	7	15	7	8	53%
13 - 15	9	15	9	6	40%
16 - 18	11	21	11	10	48%
19 - 20	18	30	18	12	40%
Total	55	93	55	38	41%

*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.*

T3.4.5

### 3.5 HOUSING

Molemole is not a housing implementation agency but depends on COGHSTA for provision of RDP houses. The municipality only provides land for construction of such units and assists with distribution of such units after completion. The housing backlog is currently at 15 000 of which 200 units will be build in the 2015\2016 financial year.

Since completion of the verification process towards normalization of disparities which resulted from improper allocation of RDP units in 2012, the municipality is still awaiting awarding of title deeds by the Deeds Office. Council approved that after completion of this process at Mogwadi, the same exercise should be extended to Nthabiseng and Capricorn Park. The municipality does not have any informal settlement due to its rural nature.

#### Housing challenges.

- Accumulative backlogs.
- Incomplete RDP housing units across the municipality.
- Poor workmanship and non- compliance to NHBRC standards on some of the RDP units constructed previously.

Employees: Housing Services					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	3	3	3	0	0%
7 - 9	6	8	6	2	25%
10 - 12	7	15	7	8	53%
13 - 15	9	15	9	6	40%
16 - 18	11	21	11	10	48%
19 - 20	18	30	18	12	40%
Total	55	93	55	38	41%

*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.*

T 3.5.4

### 3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

#### INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

Molemole Municipality is providing its debts collection and credit policy for indigent debtors in any manner that is consistent with its rates and tariffs policies and any national policy on indigents as regulated by section 97(1)(c) of the local government Municipal System Act 2000.

Molemole Municipality believes that everyone has a right to access health care services, sufficient food, water and social security, If they are unable to support themselves and their dependents as stipulated by section 27 of the South African Constitution Act 1996(Act 108 of 1996).

<b>Free basic services to low income households</b>										
	<b>Number of households</b>									
	<b>Total</b>	<b>Households earnings less than R2 700 per month</b>								
			<b>Free water basic</b>		<b>Free sanitation basic</b>		<b>Free electricity basic</b>		<b>Free refuse basic</b>	
	<b>Total</b>	<b>Access</b>	<b>%</b>	<b>Access</b>	<b>%</b>	<b>Access</b>	<b>%</b>	<b>Access</b>	<b>%</b>	
2013/14	6143	266	266	4%	266	4%	266	4%	266	4%
2014/15	5756	266	266	4%	266	4%	266	4%	266	4%
2015/16	5756	266	266	4%	266	4%	266	4%	266	4%

### **COMMENT ON FREE BASIC SERVICES AND INDIGENT SUPPORT**

Free basic water and electricity is being provided to low income earnings who applied at the Municipality. For the household to qualify according to the approved policy of Molemole Municipality the total household income must be R2,500.00 or less per month subject to periodic adjustments by Council .The total expenditure for both water and electricity is R2,677,320.00 an only 50 households benefitted for the financial year under review.

## **COMPONENT B: ROAD TRANSPORT**

### **3.7 ROADS**

#### **INTRODUCTION**

The municipality is responsible for upgaring, oparations and maintainance of roads and stormwater infrustructure. Our strategic objective for roads and stormwater is to improve/upgrade conditions of municipal roads and adequate maintenance of roads to enable economic growth. The maintenance of gravel road is done through continues grading and re-graveling, the upgrading of gravel to tar is done through Municipal Infrustructure Grant (MIG) as the municipality is unable to fund capital projects internally.

The municipality is having a road network of 629 Km, which is consists of National Road (N1), Provinvial Roads and Municipal roads. Only municipal roads is the responsibility of the local municipality for upgrading, operations and maintainance. The municipality managed to upgrade 4.8 km of roads in the 2015/16 FY.

Gravel road infrastructure Kilometers				
	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar	Gravel roads graded/maintained
2012/13	623.6 km	-	5.1 km	623.6 km
2013/14	618.5 km	-	-	618.5 km
2014/15	613.2 km	-	5.3 km	613.2 km
2015/16	628.2 km	-	7 km	628 km
T3.7.2				

Asphalted Road Infrastructure					
	Total Asphalted roads	New asphalt roads	Existing asphalt roads re-asphalted	Existing asphalt roads re-sheeted	Asphalt roads maintained
2012/13	6.2 km	6.2km	-	-	-
2013/14	-	-	-	-	-
2014/15	5.3 km	5.3 km	-	-	-
2015/16	4.8km	4.8 km	-	-	-
T3.7.3					

Financial performance 2015/16 Road services & Storm water R`000					
Details	2014/15	2015/16			Variance to budget
	Actual	Original budget	Adjustment budget	Actual	
<b>Total operational revenue (excluding tariffs)</b>	<b>29,976,813</b>	31,017,000	31,337,857	31,240,320	97,537
<b>Expenditure:</b>					
Employees	3,535,501	4,085,869	4,222,743	4,074,977	147,766
Repair & Maintenance	1,995,827	3,000,000	4,552,000	4,031,336	520,664
Other:	21,587,354	1,515,892	1,748,152	1,427,411	320,741
<b>Total operational expenditure</b>	<b>27,118,682</b>	8,601,761	10,522,895	9,533,724	989,171
<b>Net operational (service) expenditure</b>	<b>2,858,131</b>	-22,415,239	-20,814,962	-21,706,596	891,634

Capital expenditure 2015/16: Road Services & Storm Water R`000					
Capital Projects	2015/16				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total project value
<b>Construction of change rooms</b>	0	1,413,090	524,206	888,884	1,413,090
Madiehe low level bridge	500,000	420,000	268,832	151,168	420,000

Madikana low level bridge	500,000	420,000	288,265	131,735	420,000
Purchase of new graders:special vehicles	3,000,000	2,193,088	2,193,088	0.45	2,193,088
Mogwadi internal streets	10,000,000	10,000,000	1,165,587	8,834,413	10,000,000
Compactor roller	0	1,234,538	1,082,928	151,610	1,234,538
Ramatjowe low level bridge	500,000	500,000	371,910	128,090	500,000
Machaka to sekakene gravel to tar road	14,221,600	14,542,457	12,756,541	1,785,916	14,542,457
Mohodi to thupana gravel to tar road pha	9,792,000	9,792,000	8,589,474	1,202,526	9,792,000

### 3.8 TRANSPORT (INCLUDING VEHICLE LICENSING & PUBLIC BUS OPERATION)

The municipality does not render transport services

## COMPONENT C: PLANNING AND DEVELOPMENT

### 3.10 PLANNING

#### INTRODUCTION TO PLANNING

The municipality's planning strategy is to promote orderly development by implementing Integrated Development Planning and Spatial Rationale Principles. Molemole is characterised by first and second order settlement patterns. An analysis of the regional and local context of Molemole Local Municipality has revealed a Municipality as mentioned earlier that is characterised by a fragmented spatial structure comprising of small, low density, spatially segregated settlements with limited economic and social opportunities which have created unviable and unsustainable settlements.

The potential for mining activities, vegetable and livestock farming provide opportunities for backward and forward linkages which will open up job opportunities and more economic opportunities in other sectors such as agro-processing, beneficiation projects, etc. This scenario is likely to help the municipality to have balance of economic growth in primary, secondary and tertiary sector. The LED strategy provides an indication of LED programmes, projects, stakeholders and the institutional requirements to implement the LED strategy.

The dominant economic sectors (mining, tourism and subsistence farming) characterizing Molemole local municipality should be protected and exploited via appropriate spatial allocation. Similarly, there is a need for the diversification of the economy by focusing on all economic sectors (e.g. tourism), and not just the primary sector (e.g. mining). Such an approach would render Molemole local municipality less vulnerable to external pressures.

<b>Overview of neighborhoods within Molemole Municipality</b>	
<b>Settlements Type</b>	<b>Population</b>
<b>Towns</b>	
Morebeng	1004
Mogwadi	4045
<b>Sub-Total</b>	<b>5049</b>
<b>Townships</b>	
Nthabiseng	2679
Capricorn Park	1366
<b>Sub-total</b>	<b>4045</b>
<b>Rural Settlements</b>	
Madikana	3668
Mohodi	13125
Ga-Maponto	4530
Molemole NU	6545
Westphalia	1026
Ga Moleele	596
Moshasha	77
Schellenburg	352
Koekoek	421
Ga-Mokwele	174
Ga-Mabotha	113

<b>Overview of neighborhoods within Molemole Municipality</b>	
<b>Settlements Type</b>	<b>Population</b>
<b>Towns</b>	
Shashe	382
Ga-Poopedi	343
Tshitale	654
Manthata	450
Ga-Mokgehle	555
Brussels/Ga Tibu	803
Schoonveld	577
Sakoleng	584
Ga-Sako	520
Ga-Phasha	1896
Sekakene	3744
Mangata	1508
Mphakane	20438
Sefene	3949
Ramatjowe	2403
Matseke	6150
Ramokgopa	14859
Makgalong	373
Ga-Makgato	3160
Eisleben	4840
Ga-Kgare	407
<b>Sub-total</b>	<b>99222</b>
<b>Informal Settlements</b>	
Not applicable	0
<b>Sub-total</b>	<b>0</b>
<b>Total</b>	<b>108316</b>

Molemole Local Municipality (MLM) is located in the Capricorn District Municipality (CDM) in the Limpopo Province. The neighbouring local municipalities forming the CDM are Blouberg, Aganang, Lepelle-Nkumpi and Polokwane. The Municipality has two towns known as Mogwadi (formerly known as Dendron) which is the administrative and economic capital of the Municipality and Morebeng. The two towns were classified as District Growth Points by Capricorn District Municipality. The municipality is institutionalising initiatives to expand the two towns spatially and economically. These includes fast tracking funds to install bulk infrastructure in the newly demarcated sites in Morebeng and Mogwadi

Molemole Spatial Development Framework, Molemole Land Use Scheme and building control by-laws contribute to effective spatial development and land use planning in the area of municipal jurisdiction (villages and town settlements). The implementation of the Spatial Planning and Land Use Management Act, 2013 (Act 16 of 2013) will allow for greater number of land development applications to be considered.

This would be an improvement on the current scenario where many applications are lodged interms of the proclamation R188.

The municipality is investing in the creation of an effective Geographic Information System (GIS) unit and with realible database in order to sustain the priority of providing reliable data and mapping information to stakeholders and investors. The availability of this information plays a vital role in informing the municipal stakeholders and investors of the location of infrastructure investments.

Applications for Land Use Development						
Detail	Formalisation of Townships		Rezoning		Building plans	
	2013/2014	2014/2015	2013/2014	2014/2015	2013/2014	2014/2015
Planning application received	0	0	8	5	40	42
Determination made in year of receipt	0	0	8	5	0	0
Determination made in following year	0	0	0	0	0	0
Applications withdrawn	0	0	0	0	0	0
Applications outstanding at year end	0	0	0	0	0	0

Employees: Planning Services					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	3	3	3	0	0%
7 - 9	6	8	6	2	25%
10 - 12	7	15	7	8	53%
13 - 15	9	15	9	6	40%
16 - 18	11	21	11	10	48%
19 - 20	18	30	18	12	40%
Total	55	93	55	38	41%

Financial performance 2015/16: Economic Development and Planning Services						
R`000						
Details	2014/15	2015/16				
	Actual	Original budget	Adjustment budget	Actual	Variance to budget	
Total operational revenue (excluding tariffs)	25,004	551,541	493,858	349,626	144,232	
<b>Expenditure:</b>						
Employees	2,936,761	3,277,012	3,241,593	3,007,236	234,357	

Repairs & Maintenance	0				
Other	581,792	3,157,000	3,643,550	2,616,528	1,027,022
<b>Total operational expenditure</b>	<b>3,518,553</b>	<b>6,,434012</b>	<b>6,885,143</b>	<b>5,623,765</b>	<b>1,261,378</b>
<b>Net Operational (service) expenditure</b>	<b>3,493,549</b>	<b>5,882,471</b>	<b>6,391,285</b>	<b>5,274,139</b>	<b>1,117,146</b>

<b>Capital expenditure 2015/16: Economic Development and Planning Services</b>					
<b>R`000</b>					
<b>Capital Projects</b>	<b>2015/16</b>				
	<b>Budget</b>	<b>Adjustment Budget</b>	<b>Actual Expenditure</b>	<b>Variance from original budget</b>	<b>Total project value</b>
<b>Total all</b>					
GIS system	<b>0</b>	100,000	74,500	25,500	100,000

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

#### INTRODUCTION TO ECONOMIC DEVELOPMENT

The municipality through the Local Economic Development Department play a huge role in ensuring that it creates a conducive environment for job creation; this is mainly achieved through active participation of community members tapping in the key economic sectors within the main stream economy.

Coordination and exploring of all the investment opportunities has become fundamental within the municipality in recent years, Molemole Municipality takes pride in sharing that it has been approached by various industrial and property development organizations that have aspiration to invest in the municipality. The majority of these investments are long-term projects, there is a need to align these business opportunities with the municipal objectives of instilling value into the local communities. the municipality has therefore initiated the process of undertaking investment facilitation, wherein, the potential investors and developers are being engaged, with the main objectives of understanding the progress of the project or opportunity and to understand opportunities for local economic development, which includes a broader transformation and development opportunities such as; job creation, local business opportunities, enterprise development, community equity participation, skills development and social and labour programmes. Programmes such as youth in agriculture which is being driven by the municipality has become more prominent as it has created job opportunities for five (05) graduates; the graduates are contracted to the municipality for two years and are placed at four (04)

farms within Molemole. This youth in agriculture programme is implemented through partnership with other key stakeholders such as Department of Agriculture, Capricorn District Municipality, Department of Cooperative Governance, Human Settlements and Traditional Affairs.

<b>Economic Activity by Sector: R`000</b>			
<b>Sector</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>
<b>Agric, forestry and fishing</b>	<b>16%</b>	<b>16%</b>	<b>16%</b>
<b>Mining and quarrying</b>	<b>3%</b>		
<b>Manufacturing</b>	<b>8%</b>		
<b>Wholesale and retail trade</b>	<b>15%</b>		
<b>Finance, property, etc.</b>	<b>24%</b>		
<b>Govt, community and social services</b>	<b>24%</b>		
<b>Infrastructure services</b>	<b>14%</b>		
<b>Total</b>			
<b>T3.11.2</b>			

<b>Economic Employment by Sector</b>			
<b>Sector</b>	<b>Jobs</b>		
	<b>Year 1 No.</b>	<b>Year -1 No.</b>	<b>Year 0 No.</b>
Agric, forestry and fishing	20,000	25,000	30,000
Mining and quarrying	400,000	435,000	372,000
Manufacturing	320,000	300,000	270,000
Wholesale and retail trade	190,000	200,000	210,000
Finance, property, etc.	275,000	255,000	235,000
Govt, community and social services	300,000	310,000	320,000
Infrastructure services	400,000	430,000	450,000
Total	1905000	1955000	1887000

<b>Jobs Created during Year 0 by LED Initiatives (Excluding EPWP projects)</b>				
<b>Total Jobs created / Top 3 initiatives</b>	<b>Jobs created</b>	<b>Jobs lost/displaced by other initiatives</b>	<b>Net total jobs created in year</b>	<b>Method of validating jobs created/lost</b>
	<b>No.</b>	<b>No.</b>	<b>No.</b>	
Total (all initiatives)				
Year -2				
Year -1				
Year 0				
Initiative A (Year 0)				
Initiative B (Year 0)				
Initiative C (Year 0)				

Job creation through EPWP* projects		
Details	EPWP Projects	Jobs created through EPWP projects
	No.	No.
Year -2	40	2,000
Year -1	50	2,900
Year 0	66	4,500

Employees: Local Economic Development Services					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	3	3	3	0	0%
7 - 9	6	8	6	2	25%
10 - 12	7	15	7	8	53%
13 - 15	9	15	9	6	40%
16 - 18	11	21	11	10	48%
19 - 20	18	30	18	12	40%
Total	55	93	55	38	41%

3.52 LIBRARIES; ARCHIEVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES; OTHER (THEATRES, ZOOS, ETC)

## INTRODUCTION TO COMMUNITY AND SOCIAL SERVICES

### COMMUNITY FACILITIES

#### LIBRARIES

The municipality has two functional libraries, one at Mogwadi and another one at Morebeng. For extension of services to schools, there are six mobile libraries at Rakgasema Pre-School in Eisleben, Kgwadu Primary School in Sekonye, Itshomeleng Primary School in Nthabiseng, Sefoloko High School in Mokomene, Mangwato Primary School in Mohodi and Seripa High School in Brussels. The Librarians visit these mobiles once a month for support and monitoring.

The municipality has a Service Level Agreement with the Department of Arts and Culture where issues pertaining to support from the department in terms of provision of personnel, equipment and maintenance of infrastructure are clearly outlined.

The department commenced with a R4,5 million multi year project for construction of the Ramokgopa Library during the financial year under review. The project was planned to commence in the 2015/2016 financial year but, has not yet started.

#### CEMETERIES

We still have two cemeteries in our towns of Mogwadi and Morebeng. Both cemeteries are fenced but still lack ablution blocks. Rural communities are supported by grading of roads leading to cemeteries and cutting of grass by Community Works Programme (CWP) beneficiaries.

#### SPORTS AND RECREATION

Sports and Recreation are key competencies of the Department of Sports, Arts and Culture. The municipality coordinates programmes from the department and Capricorn District Municipality. Due to budget constraints, there are limitations for coordination and community support at times.

The Ramokgopa Stadium in Molemole East was refurbished in the previous financial year. However, the amenity has already been vandalised several times and this results in serious setbacks for both the municipality and the community. The multi year project for the construction of the Mohodi Sports Complex commenced in the current year under review and is planned for completion in the 2016/2017 financial year.

The two tennis courts at Mogwadi and Morebeng are due for refurbishment. The municipality has plans to refurbish the two amenities in the near future. There are a number of soccer fields in the villages and the municipality assists by grading them as requested by the community.

The availability of the Ramokgopa Stadium in Molemole East (what about Mohodi Sports Centre, Tennis Court and swimming pool in Mogwadi. Is it not important to give an expression about their status and future plans even though not functional at present) accords both the youth and the community opportunity to engage in sporting and other activities.

The non functionality of the Molemole Sports and Recreation Council impacts negatively on the general coordination of this function. There is a need for proper coordination between the municipality and sporting federations. The municipality participated in almost all Provincial games during the year under review.

The third phase of the Mogwadi Park was implemented in the year under review 2015/16, where the existing swimming pool and ablution facilities were refurbished. Additional braai stands were planted and walk paths were also paved in. The facility was also exposed to vandalism since the fence at one corner was cut for access into the amenity. The gate to the children's play area has been forced open and is currently broken as well. The Mogwadi Park is currently not in good a good state for utilization by the community. Plans are in place to repair the damages in order for the amenity to be fully functional for usage

## **PUBLIC TRANSPORT**

Public transport forms a key part in the socio-economic development of our municipality. It also assists in providing communities with access to opportunities outside the local community. This is important to our Municipality as there are no opportunities for sustainable employment in most villages. The communities are mostly dependent on public transport to reach health care facilities, schools and other social facilities. The Eisleben Cross Taxi Rank finally came into being during the financial year under review. This amenity serves as a transfer public transport waiting facility for commuters travelling in the vicinities of wards one,two and three.

There are currently four taxi ranks in Molemole - Mogwadi, Marama, Morebeng and Eisleben Cross. Various bus companies operate within the municipality. Molemole residents mostly rely on mini bus taxis and busses to commute within and outside the municipal boundaries.

The railway line that runs between Musina and Johannesburg passes in our municipality with Morebeng as one of the stations. There is no landing strip in the municipal area. The Molemole Transport Forum has been launched to address issues pertaining to transport and its logistics.

The Municipality does not have financial muscles to provide public transport services to the community. However, there are two taxi associations that operate within our area of jurisdiction, namely: Machaka Ramokgopa Makgato (Marama) and Bochum Taxi Associations.

CDM's Integrated Transport Plan (2007, ITP) prioritised the following projects for tarring over a short to medium term period:

- Surfacing of Road **D2037** linking Mogwadi to Bandelierkop;
- Surfacing of Road **D15 (P54/1)** linking between CDM and Vhembe DM around Morebeng;
- Surfacing of Road **D3459** which is gravel road between Ga-Kgare and Road D1200; and
- Surfacing of Road **D879** which is road between Boschbokhoek and Provincial Road D1356.

In addition to general maintenance problems, there are challenges facing the road network of the Molemole LM which include amongst others the following:

- The lack of access to, and within villages;
- The lack of bridges on some roads;
- The lack of stormwater provision on most roads and
- The lack of clear road markings;

Apart from the road network, there is a railway line servicing the Molemole LM. This line links Polokwane to Makhado and other towns in the north and south via Molemole LM in a north-south direction. Currently this line only provides a freight service and long distance passenger service. Public transport service is partially provided by Great North Transport and taxi minibuses.

#### **Challenges pertaining to public transport.**

- Lack of efficient public transport accessibility due to poor road infrastructure.
- High taxi fare tariffs in areas where road infrastructure is poor.
- Increased motor vehicle ownership and reluctance to use public transport.
- None compliance with transport permits to public transport owners, especially the bus and taxi industries.
- Lack of grants to subsidise the taxi industry for purchasing of new vehicles.

## 1. WASTE WATER (SANITATION) PROVISION.

Sanitation Service Delivery Levels Households				
Description	2012/13	2013/14	2014/15	2015/16
	Outcome No.	Outcome No.	Outcome No.	Actual No.
<u>Sanitation/sewerage; (above minimum level)</u>		2121	2121	
Flush toilet (connected to sewerage)		455	455	
Flush toilet (with septic tank)		111	111	
Chemical toilet		5857	6157	
Pit toilet (ventilated)				
Other toilet provisions (above min. service level)				
		14433	14729	
Minimum service level and above sub-total		22.97 %	24 %	
Minimum service level and above percentage				
<u>Sanitation/sewerage; (below minimum level)</u>				
Bucket toilet		None	None	
		5667	5367	
Other toilet provisions (below min service level)		2922	2629	
No toilet provisions	8589	8289		
Below Minimum service level sub-total				
Below Minimum service level percentage				
Total Households				

### COMMENT ON SANITATION SERVICES PERFORMANCE OVERALL

The Capricorn District Municipality as the Water Services Authority managed to construct 300 VIP toilets in the Molemole Local Municipality villages. As the Water Services Provider we are only responsible for maintaining the existing sanitation infrastructure in Mogwadi and Morebeng towns, there is no sanitation infrastructure in the villages hence there is construction of VIP toilets.

## 2. ELECTRICITY

Electricity Service Delivery Levels (complete the outer years)				
Households				
Description	2012/13	2013/14	2014/15	2015/16
	Actual No.	Actual No.	Actual No.	Actual No.
Energy: (above minimum level)	-	-	<b>30485</b>	<b>30485</b>
Electricity (at least min. service level)	-	-	-	
Electricity – prepaid (min. service level)	-	-	-	
Minimum service level and above sub- total				
Minimum service level and above percentage				
Energy: (below minimum level)	-	-	<b>1081</b>	<b>1081</b>
Electricity (< min. service level)				
Electricity – prepaid (<min. service level)				
Other energy sources	-	-	-	-
Below minimum service level sub-total	-	-	-	-
Below minimum service level percentage	-	-	-	-
Total number of households				

Households – Electricity service delivery levels below the minimum (Complete outer years)						
Households						
	2012/13	2013/14	2014/15	2015/16		Actual No.
	Actual No.	Actual No.	Actual No.	Original Budget No.	Adjusted Budget No.	
Formal settlements		-	-	-	-	
Total households		-	-	-	-	1081
Households below minimum service level						
Proportion of households below minimum service level						
Informal settlements		-	-	-	-	-
Total households		-	-	-	-	-
Households below minimum service level						
Proportion of households below minimum service level						

<b>Financial performance 2015/16; Electricity Services R`000</b>					
<b>Details</b>	<b>2014/15</b>	<b>2015/16</b>			<b>Variance to Budget</b>
	<b>Actual</b>	<b>Original Budget</b>	<b>Adjustment Budget</b>	<b>Actual</b>	
<b>Total operational revenue (excluding tariffs)</b>	<b>6,538,615</b>	10,910,785	9,936,005	6,422,523	3,513,482
<b>Expenditure</b>					
Employees	1,829,925	2,294,034	2,321,589	1,947,862	373,727
Repairs and Maintenance	159,199	486,612	686,612	498,286	188,327
Other	925,999	0	1,100,000	0	1,100,000
<b>Total Operational Expenditure</b>	<b>2,915,123</b>	2,780,646	4,108,201	2,446,148	1,662,053
<b>Net Operational (service) expenditure</b>	<b>3,623,492</b>	-8,130,139	-5,827,804	-3,976,375	-1,851,429

<b>Capital expenditure 2015/16: Electricity Services R`000</b>					
<b>Capital Projects</b>	<b>2015/16</b>				
	<b>Budget</b>	<b>Adjustment Budget</b>	<b>Actual Expenditure</b>	<b>Variance from original budget</b>	<b>Total project value</b>
<b>Total all</b>					
<b>Electricity Networks</b>	1,200,000	1,642,332	1,008,875	633,457	1,642,332
<b>Highmast</b>	700,000	1,198,854	945,760	253,094	1,198,854
Relocation of prepaid meters	1,000,000	0			
<b>Replacement of old electricity</b>	<b>500,000</b>	<b>500,000</b>	<b>0</b>	<b>500,000</b>	<b>500,000</b>
<b>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate)</b>					

## COMPONENT D: ROADS & STORMWATER

This component includes: roads; transport; and waste water (storm water drainage)

## COMPONENT E: PLANNING AND DEVELOPMENT

## COMPONENT F: SERVICE STATISTICS FOR LIBRARIES; COMMUNITY FACILITIES

Service Objectives  Service indicators (i)	Outline service targets  (ii)	2012/14		2013/14			2015/16
		Target	Actual	Target		Actual	Target
		*Previous year  (iii)	(iv)	*Previous year  (v)	*Current year  (vi)	(vii)	*Current year  (viii)
Mogwadi and Morebeng libraries	To provide service to youth by encouraging them to read	9000	5689		10500	7819	<ul style="list-style-type: none"> <li>Fully constructed pre-schools/community halls at Molemole.</li> </ul>

Employees: Libraries; Archives; Museums; Galleries; Community Facilities; Other					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	3	3	3	0	0%
7 - 9	6	8	6	2	25%
10 - 12	7	15	7	8	53%
13 - 15	9	15	9	6	40%
16 - 18	11	21	11	10	48%
19 - 20	18	30	18	12	40%
Total	55	93	55	38	41%

<b>Financial performance 2015/16: Libraries, Community Facilities, other R`000</b>						
<b>Details</b>	<b>2014/15</b>	<b>2015/16</b>				
	<b>Actual</b>	<b>Original budget</b>	<b>Adjustment budget</b>	<b>Actual</b>	<b>Variance to budget</b>	
<b>Total operational revenue (excluding tariffs)</b>	<b>7,866,599</b>	11,227,716	9,232,394	9,123,744	108,650	
<b>Expenditure:</b>						
Employees	14,030,453	15,942,563	16,052,331	15,374,298	678,033	
Repairs & Maintenance	108,397	127,795	172,795	170,541	2,254	
Other	2,211,892	1,305,099	1,322,689	1,225,964	96,725	
<b>Total operational expenditure</b>	<b>16,350,742</b>	17,375,457	17,547,815	16,770,803	777,012	

<b>Capital expenditure 2015/16: Community facilities R`000</b>					
<b>Capital Projects</b>	<b>2015/16</b>				
	<b>Budget</b>	<b>Adjustment Budget</b>	<b>Actual Expenditure</b>	<b>Variance from original budget</b>	<b>Total project value</b>
Mohodi/Maponto cross taxi rank	600,000	600,000	525,000	75,000	600,000
<b>Erection of street litter bins</b>	100,000	100,000	87,600	12,400	100,000
<b>Mogwadi Landfill site</b>	500,000	500,000	<b>0</b>	500,000	500,000
<b>Mohodi sports complex</b>	4,502,550	4,502,550	3,965,153	537,397	4,502,550

### **COMMENT ON THE PERFORMANCE OF LIBRARIES & COMMUNITY FACILITIES**

The municipality intends to build more community halls/crèches as per approved IDP .The two libraries are well maintained. The library policy is in place and is reviewed on a yearly basis.

### **3.55 CEMETORIES AND CREMATORIUMS**

#### **INTRODUCTION TO CEMETORIES**

The Municipality services and maintains two cemeteries at Mogwadi and Morebeng. The two cemeteries were fenced in the financial year under review. Currently the municipality does not have any crematoriums.

#### *SERVICE STATISTICS FOR CEMETORIES*

The municipality services and maintains two cemeteries at Mogwadi and Morebeng. The two cemeteries were fenced in the 2011/2012 financial year. Currently the municipality does not have any crematoriums.

#### **COMMENT ON THE PERFORMANCE OF CEMETORIES**

To ensure compliance with relevant environmental legislation, the 2 cemeteries at Mogwadi and Morebeng have been refurbished. The Waste and Environmental Management also provides for services of digging of graves as required by residents. The municipality does not have provision for crematorium services.

#### **CHILD AND AGED CARE; SOCIAL PROGRAMMES**

##### INTRODUCTION TO CHILD AND AGED CARE; SOCIAL PROGRAMMES

The Municipality does not offer child care services but only assist by building community halls which are coupled with pre schools. The Molemole Local Aids Council Technical Committee was inaugurated sometime in September 2012.

##### **SERVICE STATISTICS FOR CHILD CARE**

The function is a key competency for the Department of Health and Social Welfare. Capricorn District Municipality is assisting with the programmes that deal with child care. We are having HIV infected children within our municipality. These centres are financially assisted by the Department of Health.

### **COMPONENT E: ENVIRONMENTAL PROTECTION**

##### INTRODUCTION TO POLLUTION CONTROL

Issues pertaining to air quality are functions of Capricorn District Municipality. Air quality management plan is under review by Capricorn District Municipality. The plan covers aspects of:

- o Health impacts of key atmospheric pollutants
- o Meteorological review
- o Ambient air quality control and management
- o Source identification and emission quantification
- o Air quality management
- o Emission reduction strategies and implementation
- o Capacity Building and training.

Some aspects of the plan will be implemented in the local municipalities including Molemole municipality. The implementation process will be headed by the Capricorn District Municipality with the support of the officials of Molemole Municipality in relevant and affected divisions..

## **COMPONENT F: HEALTH**

The function is a key competency for the Department of Health and Social Welfare

## **COMPONENT G: SECURITY AND SAFETY**

The function is a key competency for the South African Police Services (SAPS) and Capricorn District Municipality.

## **COMPONENT H: SPORT AND RECREATION**

This component includes: community parks; sports fields; sports halls; stadiums; swimming pools; and camp sites.

### **INTRODUCTION TO SPORT AND RECREATION**

Sports and Recreation are key competencies of the Department of Sports, Arts and Culture. However, the municipality has the responsibility of coordinating sports within its community.

The availability of the Ramokgopa Stadium in Molemole East (what about Mohodi Sports Centre, Tennis Court and swimming pool in Mogwadi. Is it not important to give an expression about their status and future plans even though not functional at present) accords both the youth and the community opportunity to engage in sporting and other activities.

### **COMMENT ON THE PERFORMANCE OF SPORT AND RECREATION OVERALL:**

The non functionality of the Molemole Sports and Recreation Council is impacting negatively on the general performance of this unit. There is a need for proper coordination between the Municipality and sporting federations. The Municipality has participated in almost all Provincial games during the year under review.

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

This component includes: corporate policy offices, financial services, human resource services, ICT services, property services.

SERVICE STATISTICS FOR THE EXECUTIVE AND COUNCIL

Employees: The Executive and Council					
Job level	2014/15		2015/16		
Job Level	Councillors	Posts	Councillors	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0-3	27	27	27	0	0
4-6	-	-	-	-	-
7-9	-	-	-	-	-
10-12	-	-	-	-	-
13-15	-	-	-	-	-
16-18	-	-	-	-	-
19-20	-	-	-	-	-
<b>Total</b>	<b>27</b>	<b>27</b>	<b>27</b>	<b>-0</b>	<b>-0</b>

3.70 FINANCIAL SERVICES

Debt recovery								
Details of the types of account raised and recovered	2012/13		2013/14			2014/15		
	Actual for accounts billed in year	Proportion of accounts value billed that were collected in the year %	Billed in year	Proportion of accounts value billed that were collected in the year %	Proportion of accounts value billed that were collected %	Billed in year	Proportion of accounts value billed that were collected in the year %	Proportion of accounts value billed that were collected %
Property Rates	1 066 804.07	11.20	8 577 256.10	1 317 203.70	12.04	3782233 .85	7075894 .08	187.08
Electricity – B	94 626.49	56.45	161 853.96	81 799.34	50.45	0		
Electricity - C	1 570 268.84	56.88	2 257 105.09	1 493 385.78	66.07	2740356 .74	2284215 .13	82.79
Water – B	-	-	-			0	0	0
Water – C	499 741.74	20.87	1 701 122.43	377 771.09	21.89	1017654 .72	666134. 77	64.50
Sanitation	78 757.87	29.34	141 523.86	43 055.14	30.38	175940. 08	90106.5 5	51.24
Refuse	173 377.84	13.42	1 368 150.45	157 374.84	11.48	1454935 .92	189562. 65	13.00
Other	845 305.49	0.29	3 420 617.16	1 032 035.92	30.17	4230481 .88	630245. 48	14.90

**B-Basic, C-Consumption. See chapter 6 for the Auditor General's rating of the quality of the financial Accounts and the systems behind them T3.70.2**

<b>Financial performance 2015/16: Financial Services</b>					
<b>R`000</b>					
<b>Details</b>	<b>2014/15</b>	<b>2015/16</b>			
	<b>Actual</b>	<b>Original budget</b>	<b>Adjustment budget</b>	<b>Actual</b>	<b>Variance to budget</b>
<b>Total operational revenue (excluding tariffs)</b>	<b>107,869,677</b>	125,699,772	130,211,161	126,887,845	-3,323,316
<b>Expenditure:</b>					
Employees	8,562,106	7,437,737	7,453,144	7,383,021	70,123
Repairs & Maintenance	0				
Other	28,972,380	26,447,288	33,639,110	37,343,091	-3,703,981
<b>Total operational expenditure</b>	<b>37,534,486</b>	35,678,565	42,891,307	46,370,926	-3,479,619

<b>Capital expenditure 2015/16: Financial Services</b>					
<b>R`000</b>					
<b>Capital Projects</b>	<b>2015/16</b>				
	<b>Budget</b>	<b>Adjustment Budget</b>	<b>Actual Expenditure</b>	<b>Variance from original budget</b>	<b>Variance from adjusted budget</b>
<b>Total all</b>					
Office furniture and equipments - fmg	50,000	50,000	49,566	434	50,000

### 3.71 HUMAN RESOURCE SERVICES

#### INTRODUCTION TO HUMAN RESOURCE SERVICES

The Division has successfully facilitated implementation of various employee benefits, labour relations & discipline, Wellness, Occupational Health & Safety, Training & Development and Organisational Development functions., filled three (3) posts within the municipality, successfully reviewed the 2015/2016 organisational structure, engaged in municipal-wide Occupational Health and Wellness session and took steps to ensure that municipal offices meet safety compliance even within limited budgetary constraints. The municipality rolled-out several training interventions in terms of Learnerships, Skills Programmes and Short courses leading to 100% implementation of the planned training programmes as per the approved workplace skills plan (WSP) although challenges are encountered in terms of attracting accredited Training Providers for some of the desired Unit Standards leading to re-adverts. It remains an ongoing process to ensure that every employee in the municipality is capacitated enough to best discharge his or her responsibilities.

SERVICE STATISTICS FOR HUMAN RESOURCE SERVICES

Service Objectives  Service Desk  indicators (i)	Outline service targets  (ii)	2014/15		2015/16		2016/17
		Target	Actual	Target		
		*Previous year  (iii)		*Current year  (viii)	*Current year  (ix)	*following year  (x)
Council Approved HR strategy	Development of car allowance policy	None	None	Car allowance	Achieved	Overtime Policy

Financial performance 2015/16: Corporate services R` 000					
Details	2014/15	2015/16			
	Actual	Original budget	Adjustment budget	Actual	Variance to budget
<b>Total operational revenue (excluding tariffs)</b>	<b>209,716</b>	390,783	390,783	267,583	123,200
<b>Expenditure:</b>					
Employees	10,574,841	11,005,018	10,568,043	10,544,627	23,416
Repairs & Maintenance	858,999	771,185	1,091,185	1,127,874	-36,689
Other	12,774,940	12,151,529	12,202,266	10,663,239	1,539,027
<b>Total operational expenditure</b>	<b>24,208,780</b>	23,927,732	23,861,494	22,335,740	1,525,754

Capital expenditure 2015/16: Corporate Services R` 000					
Capital Projects	2015/16				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total project value
ICT Equipments	510,000	710,000	707,052	2,948	710,000
Palisade Fence	500,000	470,315	470,315	0	470,315
PABX System	0	258,376	226,646	31,730	258,376
<b>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate)</b>					

**INTRODUCTION TO INFORMATION AND COMMUNICATIONS TECHNOLOGY (ICT) SERVICES**

The municipality's IT unit has been beefed up with the introduction of Manager: Information and Communications Technology services with the aim to address the persistent governance related challenges that the municipality has been facing over the past years. The incumbent will also be supervising all ICT related projects commissioned by the municipality and provide onsite support to users and also ensure that development of related IT controls are in place but also continuously probe efforts to improve ICT security within the municipality.

**SERVICE STATISTICS FOR ICT SERVICES**

ICT Services Policy objectives taken from IDP									
Service Objectives  Service indicators (i)	Outline service targets  (ii)	2011/12		2013/14		2014/15	2014/15	2015/16	
		Target	Actual	Target		Actual	Target		
		*Previous year  (iii)	(iv)	*Previous year  (v)	*Current year  (vi)	(vii)	*Current year  (viii)	*Current year  (ix)	*following year  (x)
Service objective: Installation of network infrastructure and ict equipment									
ICT Equipment	Procurement of ICT Equipment	None	None	Procurement of equipment.	Configuration of equipment.	Configuration of equipment	Disaster recovery plan has been fully implemented	Procured 1 DR Server, 1 payroll printer and 13 office printer	None
Network infrastructure	Supply and installation of ICT Network infrastructure			Preparation of specification and procurement of equipment	Configuration of equipment	Installation of equipment	Wireless network installed at Morebeng municipal offices, library	Network cabling upgraded from CAT 6 in Mogwadi Civic Centre building	None

							and traffic		
Annual Renewal Software Licenses	of Rene w annu al softw are licens es	Softwar e license s renewe d for municip al system: Venus, Payday , Microso ft, Symant ec antiviru s, backup exec		None	None	None	None	Renewed annual licenses for symantec Anti-virus Microsoft server & backup Exec payday venus Microsoft server, GIS and CASE ware	

**COMMENT ON THE OVERALL PERFORMANCE OF ICT SERVICES**

Molemole municipality strives by all means to adapt to technological changes however the 2015/16 financial year was the toughest of all years due to unstable network connection resulting from migration from traditional Telephone Management System to VOIP (Voice Over IP Telephone System). The challenge lasted for around five (5) to six (6) months with collaboration of external stakeholders such as SITA and Telkom who advised for implementation of VLAN to allow data and voice to run on separate lines.

The actual finalization of the project started around April 2016 targeting New building or civic center and it was successfully concluded in June 2016. The network cabling was upgraded from CAT 5 to CAT 6 whilst the standard network switches were upgraded to POE (Power Over Ethernet) network switches. Tools of trade in the form of Desktops, Printers and Laptops were also provided for new employees and those whose equipments were auctioned.

A Disaster Recovery Server (DR Server) was also procured in order to ensure that municipal data is backed-up off-site. Several policies were reviewed whilst others were introduced and adopted by council for implementation.

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### 3.73 PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

## COMPONENT J: MISCELLANEOUS

The municipality is not responsible for issues under this section. The department of Agriculture is responsible for activities related to Abbartour and other agricultural related issues.

## COMPONENT K: ORGANISATIONAL PERFORMANCE SCORECARD

### DEPARTMENT: CORPORATE SERVICES

<b>Key Performance Area (KPA) 6:</b>					<b>Municipal Transformation and Organizational Development</b>						
<b>Outcome 9:</b>					<b>Responsive, Accountable, Effective and Efficient Local Government System</b>						
<b>Outputs :</b>					<b>Implement a differentiated approach to municipal financing, planning, and support</b>						
<b>Strategic objectives</b>					<b>Ensure administrative support to municipal units through continuous institutional development and innovation.</b>						
No	Priority area (IDP)	Project Name	Key performance indicator	Baseline	2015/16 annual target	Actual achievement	Reason for deviation	Progress (%to target)	Revised target of (Means improvement)	2015/16 Annual budget	Means of verification
1.	Administration	Erection of Palisade Fence at Sekgoses DLTC	353m of palisade fence erected at Sekgoses DLTC	135m of Palisade fence constructed in Sekgoses DLTC	353m of palisade fence erected at Sekgoses DLTC	353m of palisade fence completed at Sekgoses DLTC	None	100%	None	Budget R470 315.00  Expenditure R470 315.00	Approved Spec, advert, attendance register for briefing, appointment letter and SLA, Completion Certificate

<b>Key Performance Area (KPA) 6:</b>					<b>Municipal Transformation and Organizational Development</b>						
<b>Outcome 9:</b>					<b>Responsive, Accountable, Effective and Efficient Local Government System</b>						
<b>Outputs :</b>					<b>Implement a differentiated approach to municipal financing, planning, and support</b>						
<b>Strategic objectives</b>					<b>Ensure administrative support to municipal units through continuous institutional development and innovation.</b>						
2.		Supply, installation and maintenance of Cleaning equipment & accessories.	Number of Municipal building installed with Cleaning Equipment & accessories	Inadequate Cleaning equipment & accessories	08 municipal buildings: Installed with Cleaning equipment & accessories	Service provider appointed and cleaning equipments and accessories fully completed. 24 months maintenance contract concluded.	None	100%	None	Budget R303 389.00  Expenditure R269 572.30	Approved spec, advert, attendance register for site Briefing, appointment Letter and a 2 year SLA for supply, installation and maintenance of cleaning equipment & accessories. Monthly/Annual performance reports

No	Priority area (IDP)	Project Name	Key performance indicator	Baseline	2015/16 annual target	Actual achievement	Reason for deviation	Progress (%to target)	Revised target for (Means improvement)	2015/16 annual budget	Means of verification
3	ADMINISTRATION	Annual Renewal of Software License	Number of Software licenses renewed	Seven (7) Software licenses renewed for municipal systems (Venus, Payday, Microsoft server, Symantec antivirus, Backup Exec, GIS and case ware.)	Seven (7) Software licenses renewed for municipal systems: Venus, Payday, Microsoft, Symantec antivirus, backup exec, GIS and case ware,	Renewed annual licenses for Symantec Anti-Virus Microsoft server & backup Exec payday venus Microsoft server, GIS and CASE ware	None	100%	None	Budget R535 000.00  Expenditure R534 474.64	Approved Spec, advert, appointment letter and renewal certificate

No	Priority area (IDP)	Project Name	Key performance indicator	Baseline	2015/16 annual target	Actual achievement	Reason for deviation	Progress (%to target)	Revised target for (Means improvement)	2015/16 annual budget	Means of verification
4	INFORMATION AND COMMUNICATION	Procurement of ICT equipment	Number of ICT Equipment purchased	Total Laptops 46 Total Desktops 64 Total Server 7 Total Printers 19	17 ICT Equipment purchased (2 DR Servers, 1 payroll printer, 13 office printers, 1 Sever rack with KVM console kit, 5 boxes of backup tapes)	Procured 1 DR Server, 1 payroll printer 13 office printers	SITA provided backup tapes as per the Disaster Recovery and backup signed SLA, 1 DR server and server rack with console kit couldn't be procured due to budget constraints	90%	1 server rack with KVM console kit to be procured in 2016/17 financial year	Budget R710 000.00  Expenditure R707 052.00	Approved Spec, advert, appointment letter/Orders and delivery notes
5		Supply and installation of ICT Network infrastructure	Number of office buildings installed with ICT Network infrastructure	Network infrastructure installed in 7 municipal buildings	Network cabling upgrade from CAT5E to CAT6 IN Civic Building	Network cabling upgraded from CAT6 in Mogwadi Civic Centre building	None	100%	None	Budget R270 000.00  Expenditure R260 904.33	Approved Spec, advert, appointment letter and test results

No	Priority area (IDP)	Project Name	Key performance indicator	Baseline	2015/16 annual target	Actual achievement	Reason for deviation	Progress (%to target)	Revised target of (Means improvement)	2015/16 annual budget	Means of Verification
6.	<b>HUMAN RESOURCES MANAGEMENT</b>	Management of discipline in the workplace	Percentage of referred cases attended to within the required time frames	100 percent of all cases attended to within 90 days	100% of all cases attended to within 90 days	100% of all cases attended to within 90 days	None	None	Target not measurable.	Nil	Attendance registers and Minutes of proceedings
		Local Labour Forum (LLF)	Number of LLF and sub-committee meeting coordinated to enhance labour relations	3 LLF and 3 sub-committee meeting held	4 LLF and 4 Sub-committee meeting held	3 LLF and 7 sub-committee meeting held	1 LLF meeting couldn't quorate due to unavailability of committee members	75%	None	Nil	Invites, attendance registers and Minutes
		Training of Councillors and employees	Number of Councillors Trained on municipal programmes	20 Councilors trained	20 Councilors Trained on municipal programmes	12 Councillors trained on Municipal programmes	Non responsive tender bids (Unaccredited bidders)	60%	None	Budget R500 000.00 Expenditure R493 807.66	Attendance register and Training report

No	Priority area (IDP)	Project Name	Key performance indicator	Baseline	2015/16 annual target	Actual achievement	Reason for deviation	Progress to target (%)	Revised target (Means of improvement)	2015/16 annual budget	Means of Verification
8.	HUMAN RESOURCE MANAGEMENT		Number of employees capacitated on all identified municipal programmes	49 employees capacitated on all identified municipal programmes	40 employees capacitated on all identified municipal programmes as per workplace skills plan (WSP)	67 employees capacitated on all identified municipal programmes as per workplace skills plan (WSP)	None	100%	None		Attendance register and Training report
9.		WSP (Workplace Skills Plan) submitted to LGSETA	Number of WSP (Workplace Skills Plan) submitted to LGSETA	WSP (Workplace Skills Plan) submitted on 30 April 2015	1 WSP (Workplace Skills Plan) submitted to LGSETA by 30 April 2016	1 WSP (Workplace Skills Plan) submitted to LGSETA by 30 April 2016	None	100%	None	Nil	Impact assessment report and Approved WSP document. Acknowledgement of receipt.
10.		Development and submission of Employment Equity Report to Department of Labour	Number of Employment Equity Reports developed and submitted	One (1) Employment Equity Report developed and submitted	One (1) Employment Equity Report developed and submitted	One (1) Employment Equity Report developed and submitted to	None	100%	None	Nil32.	Final approved EE report. Acknowledgement of receipt.

		(DoL)		to DoL	to DoL	DoL					
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Project No.	Priority area(ID P)	Project Name	Key performance indicator	Baseline	2015/16 annual target	Actual achievement	Reason for deviation	Progress (% to target)	Revised target for (Means improvement)	2015/16 annual budget	Means of verification
<b>OFFICE OF THE SPEAKER</b>											
11.	Council and Administrative Support	Council and Council Committee Meetings	Number of Council meetings held	4 Council meetings	4 Council meetings coordinated	12 Council meetings coordinated	8 Special Council meetings coordinated	100%	None	Nil	Attendance registers and minutes Resolutions
12.			Number of Portfolio Committee meetings held	60 Portfolio Committee Meetings	60 Portfolio Committees held	50 portfolio committee meetings coordinated	10 meetings could not quorate	83%	Political intervention.	Nil	Notice, Attendance registers and minutes Resolutions

13.			Number of Exco meetings held	12 Exco Meetings held	03 Exco Meetings held	10 Exco meetings coordinated	Due to special Council meetings	100%	None	Nil	Attendance registers and minutes Resolutions
14.	Public Participation programmes	Oversight Programmes	Number of MPAC meetings held  Number of Public hearings held	5 MPAC meetings held  2 MPAC Public Hearings held	4 MPAC meetings held  2 MPAC Public Hearings held	7 MPAC meetings coordinated  1MPAC public hearing coordinated	Due to follow-up meetings  Unavailability of MPAC members for preparatory meeting	100%  50%	None  Political intervention.	Nil  Nil	Minutes and attendance registers  Attendance Register, Notices, Oversight Report and Invitations.
15.		Ward Committee Capacity Building	Number of training interventions conducted	4 training interventions conducted	4 training interventions conducted	3 training interventions conducted	Budgetary constraints	75%	2016/17 financial year	Budget R243 231.00  Expenditure R243 231.00	Invitations, Training Reports and attendance registers
16.	Risk Management		% of identified risks resolved within timeframe	50%	100% of risks resolved within the timeframe as specified	100% of strategic risks resolved within the timeframe	None	100%	None	Nil	Updated risk register

			e as specified in the risk register		in the register	as specified in the register					
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**DEPARTMENT: TECHNICAL SERVICES**

<b>Key Performance Area (KPA) 2:</b>				<b>Basic Services &amp; Infrastructure Planning</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs:</b>				<ul style="list-style-type: none"> <li>• Implement a differentiated approach to municipal financing, planning, and support</li> <li>• Improving access to basic services</li> <li>• Implementation of the community works programme</li> </ul>							
<b>Strategic objectives</b>				<ul style="list-style-type: none"> <li>• Provision of sustainable infrastructure and basic services</li> </ul>							
Project No.	Priority area (IDP)	Project Name	Key performance indicator	Baseline	2015/16 annual target	Actual achievement	Reason for deviation	Progress (% to target)	Revised target (Means for improvement)	2015/16 annual budget	Means verification of
<b>OPERATIONS AND MAINTENANCE</b>											
17.	S AD RO	maintenance of roads	Number of	613 km of gravel	613 km of gravel roads	620 km of gravel	Breakdown on	100%	None	Nil	Monthly Reports and signed

<b>Key Performance Area (KPA) 2:</b>				<b>Basic Services &amp; Infrastructure Planning</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs:</b>				<ul style="list-style-type: none"> <li>• Implement a differentiated approach to municipal financing, planning, and support</li> <li>• Improving access to basic services</li> <li>• Implementation of the community works programme</li> </ul>							
<b>Strategic objectives</b>				<ul style="list-style-type: none"> <li>• Provision of sustainable infrastructure and basic services</li> </ul>							
<b>Project No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performance indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievement</b>	<b>Reason for deviation</b>	<b>Progress (% to target)</b>	<b>Revised target for (Means improvement)</b>	<b>2015/16 annual budget</b>	<b>Means of verification</b>
<b>OPERATIONS AND MAINTENANCE</b>											
		and storm water infrastructure	kilometres of gravel roads graded and storm water maintained	roads	graded and storm water maintained.	roads graded and storm water maintained	machineries				worksheets
18.		Purchase of new grader	Number of Graders procured.	3 graders available	1x Grader procured	Grader is delivered	None	100%	None	Budget R2 193 088.00  Expenditure R2 193 087.55	Advertisement Appointment letter Delivery note
19.		Madikana low level	Number of low	Limited access at	1x low level bridge	Project Completed	None	100%	None	Budget	Advertisement

<b>Key Performance Area (KPA) 2:</b>				<b>Basic Services &amp; Infrastructure Planning</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs:</b>				<ul style="list-style-type: none"> <li>• Implement a differentiated approach to municipal financing, planning, and support</li> <li>• Improving access to basic services</li> <li>• Implementation of the community works programme</li> </ul>							
<b>Strategic objectives</b>				<ul style="list-style-type: none"> <li>• Provision of sustainable infrastructure and basic services</li> </ul>							
<b>Project No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performance indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievement</b>	<b>Reason for deviation</b>	<b>Progress (% to target)</b>	<b>Revised target for (Means improvement)</b>	<b>2015/16 annual budget</b>	<b>Means of verification</b>
<b>OPERATIONS AND MAINTENANCE</b>											
		bridge	level bridge constructed	Madikana internal streets	constructed at Madikana	and Site handed over				R420 000.00	Appointment letter Progress reports Completion certificate
20.		Madiehe low level bridge	Number of low level bridge constructed	Limited access at Madiehe internal streets	1x low level bridge constructed at Madiehe	Project Completed and Site handed over	None	100%	None	Budget R 420 000.00 Expenditure R 275 821.79	Advertisement Appointment letter Progress reports Completion certificate

<b>Key Performance Area (KPA) 2:</b>				<b>Basic Services &amp; Infrastructure Planning</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs:</b>				<ul style="list-style-type: none"> <li>• Implement a differentiated approach to municipal financing, planning, and support</li> <li>• Improving access to basic services</li> <li>• Implementation of the community works programme</li> </ul>							
<b>Strategic objectives</b>				<ul style="list-style-type: none"> <li>• Provision of sustainable infrastructure and basic services</li> </ul>							
<b>Project No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performance indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievement</b>	<b>Reason for deviation</b>	<b>Progress (% to target)</b>	<b>Revised target for (Means improvement)</b>	<b>2015/16 annual budget</b>	<b>Means of verification</b>
<b>OPERATIONS AND MAINTENANCE</b>											
21.		Ramatjowe low level bridge	Number of low level bridge constructed	Limited access at Ramatjowe internal streets	1x low level bridge constructed at Ramatjowe	Project Completed and Site handed over	None	100%	None	Budget R 500 000.00  Expenditure R 381 579.66	Advertisement  Appointment letter  Progress reports  Completion certificate
22.	Roads	Mogwadi internal streets	2 km of Mogwadi internal streets constructed	2.6 km tarred	Appointment of contractor, site establishment	Contractor has been Appointed	Late appointment of the contractor.	50%	Adherence to procurement plan.	Budget R10 000 000  Expenditure R 1 328 769.18	Advertisement  Appointment letter  Progress reports  Completion certificate

<b>Key Performance Area (KPA) 2:</b>				<b>Basic Services &amp; Infrastructure Planning</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs:</b>				<ul style="list-style-type: none"> <li>• Implement a differentiated approach to municipal financing, planning, and support</li> <li>• Improving access to basic services</li> <li>• Implementation of the community works programme</li> </ul>							
<b>Strategic objectives</b>				<ul style="list-style-type: none"> <li>• Provision of sustainable infrastructure and basic services</li> </ul>							
<b>Project No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performance indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievement</b>	<b>Reason for deviation</b>	<b>Progress (% to target)</b>	<b>Revised target for (Means improvement)</b>	<b>2015/16 annual budget</b>	<b>Means of verification</b>
<b>OPERATIONS AND MAINTENANCE</b>											
23.	Roads	Machaka to sekakene gravel to tar road	3.1 km of Machaka to sekakene road from gravel to tar constructed	613 km gravel road	Construction of Machaka to sekakene road from gravel to tar (3,1 km of road tarred)	Project Completed and Site handed over	None	100%	None	Budget R 14 221 600  Expenditure R 14 221 600	Advertisement  Appointment letter  Progress reports  Completion certificate
24.	Roads	Mohodi to Thupana gravel to tar road	2km of Mohodi to Thupana road from gravel to tar constructed	4.8km tarred	Construction of Mohodi to Thupana road from gravel to tar (2 km of road tarred)	Project Completed and Site handed over	None	100%	None	Budget R 9 792 000  Expenditure R 9 792 000	Advertisement  Appointment letter  Progress reports  Completion certificate

<b>Key Performance Area (KPA) 2:</b>				<b>Basic Services &amp; Infrastructure Planning</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs:</b>				<ul style="list-style-type: none"> <li>• Implement a differentiated approach to municipal financing, planning, and support</li> <li>• Improving access to basic services</li> <li>• Implementation of the community works programme</li> </ul>							
<b>Strategic objectives</b>				<ul style="list-style-type: none"> <li>• Provision of sustainable infrastructure and basic services</li> </ul>							
<b>Project No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performance indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievement</b>	<b>Reason for deviation</b>	<b>Progress (% to target)</b>	<b>Revised target (Means improvement)</b>	<b>2015/16 annual budget</b>	<b>Means verification of</b>
<b>OPERATIONS AND MAINTENANCE</b>											
25.	Social facilities	Mohodi Sport Complex	Complete sport complex	Palisade Fence and ticket sales house completed	Dam rehabilitation, electrical works, borehole drilling and elevated tank	Electrical works, high mast lights and fencing lights	Shortage of underground water delayed installation of elevated tank.	95%	Identify the nearest source of water.	Budget R 4 502 550  Expenditure R 4 502 550	Progress Report  Payment certificates

<b>Key Performance Area (KPA) 2:</b>				<b>Basic Services &amp; Infrastructure Planning</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs:</b>				<ul style="list-style-type: none"> <li>• Implement a differentiated approach to municipal financing, planning, and support</li> <li>• Improving access to basic services</li> <li>• Implementation of the community works programme</li> </ul>							
<b>Strategic objectives</b>				<ul style="list-style-type: none"> <li>• Provision of sustainable infrastructure and basic services</li> </ul>							
<b>Project No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performance indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievement</b>	<b>Reason for deviation</b>	<b>Progress (%to target)</b>	<b>Revised target (Means for improvement)</b>	<b>2015/16 annual budget</b>	<b>Means verification of</b>
<b>ELECTRICITY</b>											
26.	<b>ELECTRICAL SERVICES</b>	Upgrading Electricity network	Uninterrupted electricity supply and compliance with electricity standard.	Overloaded aging electricity infrastructure	Replacement of 80 rotten poles, 1500 Low Voltage conductor and 120 Low Voltage insulators	Replacement of 80 rotten poles, 1500 Low Voltage conductor and 120 Low Voltage insulators	None	100%	None	Budget R1 642 332 .00 Expenditure R1 150 117 .50	Progress report and payment certificates.

<b>Key Performance Area (KPA) 2:</b>				<b>Basic Services &amp; Infrastructure Planning</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs:</b>				<ul style="list-style-type: none"> <li>• Implement a differentiated approach to municipal financing, planning, and support</li> <li>• Improving access to basic services</li> <li>• Implementation of the community works programme</li> </ul>							
<b>Strategic objectives</b>				<ul style="list-style-type: none"> <li>• Provision of sustainable infrastructure and basic services</li> </ul>							
<b>Project No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performance indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievement</b>	<b>Reason for deviation</b>	<b>Progress (%to target)</b>	<b>Revised target (Means for improvement)</b>	<b>2015/16 annual budget</b>	<b>Means verification of</b>
<b>ELECTRICITY</b>											
27.		High mast Lights	Provide night time security to the community.	No high mast lights at Capricorn park and Mogwadi Ext 4	2 x High mast lights constructed.	2 x High mast lights constructed.	None	100%	None	Budget R1 198 854 .00  Expenditure R1 078 166 .00	Physical verification of High mast lights, payment certificate.

<b>Key Performance Area (KPA) 2:</b>				<b>Basic Services &amp; Infrastructure Planning</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs:</b>				<ul style="list-style-type: none"> <li>• Implement a differentiated approach to municipal financing, planning, and support</li> <li>• Improving access to basic services</li> <li>• Implementation of the community works programme</li> </ul>							
<b>Strategic objectives</b>				<ul style="list-style-type: none"> <li>• Provision of sustainable infrastructure and basic services</li> </ul>							
<b>Project No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performance indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievement</b>	<b>Reason for deviation</b>	<b>Progress (%to target)</b>	<b>Revised target (Means for improvement)</b>	<b>2015/16 annual budget</b>	<b>Means verification of</b>
<b>ELECTRICITY</b>											
28.		Replacement of old electricity meters	Number of electricity prepaid meters replaced	Old and incompatible prepaid meters	160 electricity meters replaced	Specification compiled and approved by committee and the contractor appointed.	Late appointment of contractor.	25%	To adhere and monitor procurement plan.	Budget R500 000.00 Expenditure R0	Specification report, appointment letter and Service level agreement (SLA).

<b>Key Performance Area (KPA) 2:</b>				<b>Basic Services &amp; Infrastructure Planning</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs:</b>				<ul style="list-style-type: none"> <li>• Implement a differentiated approach to municipal financing, planning, and support</li> <li>• Improving access to basic services</li> <li>• Implementation of the community works programme</li> </ul>							
<b>Strategic objectives</b>				<ul style="list-style-type: none"> <li>• Provision of sustainable infrastructure and basic services</li> </ul>							
<b>Project No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performance indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievement</b>	<b>Reason for deviation</b>	<b>Progress (%to target)</b>	<b>Revised target (Means for improvement)</b>	<b>2015/16 annual budget</b>	<b>Means verification of</b>
<b>ELECTRICITY</b>											
29.		Relocation of prepaid meters.	Number electricity meters relocated	Inaccessible of electricity meters	Relocated 120 electricity meters.	Specification compiled and approved by committee and the contractor appointed.	Late appointment of contractor.	25%	To adhere and monitor procurement plan.	Budget R1 000 000 .00 Expenditure R0	Specification report, appointment letter and Service level agreement (SLA).
30.	Risk Management		% of identified risks resolved within timeframe	50%	100% of risks resolved within the timeframe as specified in the register	50% of risks resolved within the timeframe as specified in the register	Insufficient funds to repair and maintain all existing infrastructure	50%	<b>Revised target</b> 2017/18. <b>Improvement measures</b> To improve own revenue collection.	Nil	Updated risk register

**DEPARTMENT: COMMUNITY SERVICES**

<b>Key Performance Area (KPA) 2:</b>				<b>Basic Services Delivery</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs :</b>				<b>Actions supportive of the human settlement outcome</b>  <b>Implement a differentiated approach to municipal financing, planning, and support</b>							
<b>Strategic objectives</b>				<b>Provision of sustainable infrastructure and basic services</b>  <b>Provision of social amenities and promotion of healthy and safe communities</b>							
<b>Project No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performance indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievement</b>	<b>Reason for deviation</b>	<b>Progress (%to target)</b>	<b>Revised target (Means for improvement)</b>	<b>2015/16 annual budget</b>	<b>Means of verification</b>
<b>TRAFFIC AND LICENSING</b>											
31.	<b>TRAFFIC AND LICENSING</b>	Law enforcement operations	Number of roadblocks staged within the required time frames	48 roadblocks staged	48 roadblocks staged	49 roadblocks were staged in the financial year	None	100%	None	Nil	Attendance registers/ reports
32.		Management of driving licenses	Number of drivers licenses examined	6125 drivers license clients examined	100% of drivers licenses examined	5307 drivers' licenses were examined	None	100%	None	Nil	Monthly reports

<b>Key Performance Area (KPA) 2:</b>				<b>Basic Services Delivery</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs :</b>				<b>Actions supportive of the human settlement outcome</b>							
				<b>Implement a differentiated approach to municipal financing, planning, and support</b>							
<b>Strategic objectives</b>				<b>Provision of sustainable infrastructure and basic services</b>							
				<b>Provision of social amenities and promotion of healthy and safe communities</b>							
<b>Project No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performance indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievement</b>	<b>Reason for deviation</b>	<b>Progress (%to target)</b>	<b>Revised target (Means for improvement)</b>	<b>2015/16 annual budget</b>	<b>Means of verification</b>
<b>TRAFFIC AND LICENSING</b>											
33.		Management of learners licenses	Number of learners licenses examined	5586 learners license clients examined	100% of learners licenses examined	6681 learners' licenses were examined	None	100%	None	Nil	Monthly reports
34.		Management of registration of motor vehicles	Number of vehicles registered	1046 motor vehicles registered	100% of received applications for vehicle registration processed	853 motor vehicles were registered	None	100%	None	Nil	RD329 reports
35.		Management of licencing of motor	Number of vehicles licensed	6687 vehicles licensed	100% of received applications for vehicle	5924 motor vehicles were	None	100%	None	Nil	RD 329 reports

<b>Key Performance Area (KPA) 2:</b>				<b>Basic Services Delivery</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs :</b>				<b>Actions supportive of the human settlement outcome</b>  <b>Implement a differentiated approach to municipal financing, planning, and support</b>							
<b>Strategic objectives</b>				<b>Provision of sustainable infrastructure and basic services</b>  <b>Provision of social amenities and promotion of healthy and safe communities</b>							
<b>Project No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performance indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievement</b>	<b>Reason for deviation</b>	<b>Progress (%to target)</b>	<b>Revised target (Means for improvement)</b>	<b>2015/16 annual budget</b>	<b>Means of verification</b>
<b>TRAFFIC AND LICENSING</b>											
		vehicles			licensing processed	licensed					

Key Performance Area (KPA) 2:				Spatial Rationale							
Outcome 9:				Responsive, Accountable, Effective and Efficient Local Government System							
Outputs :				Actions supportive of the human settlement outcome.							
Strategic objectives				To promote orderly development through integrated spatial planning and Land Use Management.							
Project No.	Priority area (IDP)	Project Name	Key performance indicator	Baseline	2015/16 annual target	Actual achievement	Reason for deviation	Progress (% to target)	Revised target (Means for improvement)	2015/16 annual budget	Means of verification
<b>ENVIRONMENTAL MANAGEMENT</b>											
36.	Environmental Management	Beautification Plan	Percentage implementation of beautification plan	Phase 1 of beautification plan completed at Mogwadi town	Implementation of beautification plans at Morebeng	Beautification Plan design approved and project fully implemented and handed over.	None	100%	None	Budget R250 000.00  Expenditure R196 650.00	Approved Spec, advertisement, appointment letter, project plan and designs, pictures.
37.	Environmental Management	Refurbishment of Mogwadi Landfill site	Number of Landfill Sites refurbished	Non compliant Landfill Site	Construction of 400m of palisade fence at Mogwadi	None	Re-advertisements of bid due to non-responsiveness of bidders.	0%	2016/2017FY	Budget R500 000.00  Expenditure R0.	Approved Spec, advertisement, appointment letter Project plan and designs, pictures

<b>Key Performance Area (KPA) 2:</b>				<b>Spatial Rationale</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs :</b>				<b>Actions supportive of the human settlement outcome.</b>							
<b>Strategic objectives</b>				<b>To promote orderly development through integrated spatial planning and Land Use Management.</b>							
<b>Pro jec t No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performance indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievemen t</b>	<b>Reason for deviation</b>	<b>Progre ss (% to target)</b>	<b>Revised target (Means for improvement)</b>	<b>2015/16 annual budget</b>	<b>Means of verification</b>
<b>ENVIRONMENTAL MANAGEMENT</b>											
38.	Environmental Management	EPWP Environment & Culture Sector	Number of jobs created	54 job opportunities created	Create 50 job opportunities	50 job opportunities created	None	100%	None	Budget R500 000.00  Expenditure R496 840.00	Order, Project Implementation Plan, employment contracts.  Attendance registers of beneficiaries
39.	Basic Services Provision	Erection of Street Litter Bins	Number of bins procured and installed	No street litter bins at Morebeng town	30 street litter bins procured and installed at Morebeng	30 street litter bins were procured and installed in Morebeng	None	100%	None	Budget R100 000.00	Approved Spec, advert, pictures & physical verification

<b>Key Performance Area (KPA) 2:</b>				<b>Spatial Rationale</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs :</b>				<b>Actions supportive of the human settlement outcome.</b>							
<b>Strategic objectives</b>				<b>To promote orderly development through integrated spatial planning and Land Use Management.</b>							
<b>Pro jec t No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performance indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievemen t</b>	<b>Reason for deviation</b>	<b>Progre ss (% to target)</b>	<b>Revised target (Means for improvement)</b>	<b>2015/16 annual budget</b>	<b>Means of verification</b>
<b>ENVIRONMENTAL MANAGEMENT</b>											
					town	town				Expenditure R96 864.00	
40.	Basic Services Provision	Mohodi/Maponto Cross Taxi Rank	Number of taxi ranks constructed at Mohodi Maponto	No formal taxi rank structures at Mohodi Maponto	1x constructed taxi rank at Mohodi Maponto cross	Mohodi Maponto Cross Taxi Rank project completed and handed over	None	100%	None	Budget R600 000  Expenditure R538 650.00	Approved Spec, advert,pictures,p hysical verification, PSC minutes

<b>Key Performance Area (KPA) 2:</b>				<b>Basic Services Delivery</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs :</b>				<ul style="list-style-type: none"> <li>▪ Improving access to basic services.</li> <li>▪ Implementation of the community works programme.</li> </ul>							
<b>Strategic objectives</b>				<b>Provision of sustainable infrastructure and basic services.</b>							
<b>Pro jec t No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performance indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievemen t</b>	<b>Reason for deviation</b>	<b>Progre ss (% to target)</b>	<b>Revised target (Means for improvement)</b>	<b>2015/16 annual budget</b>	<b>Means of verification</b>
<b>ENVIRONMENTAL MANAGEMENT</b>											
41.	Risk Management		% of identified risks resolved within timeframe as specified in the risk register	100% of risks resolved	100% of risks resolved within the timeframe as specified in the register	0% of risks resolved within the timeframe as specified in the register	Inefficient capacitation of the municipality environmental Inspectorate	0%	Enforcement of the waste By-law.	Opex	Updated risk register

DEPARTMENT: LOCAL ECONOMIC DEVELOPMENT AND PLANNING

<b>Key Performance Area (KPA) 1:</b>				<b>Spatial Rationale</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs :</b>				<ul style="list-style-type: none"> <li>• <b>Actions supportive of the human settlement outcome</b></li> <li>• <b>Implement a differentiated approach to municipal financing, planning, and support</b></li> </ul>							
<b>Strategic objectives</b>				<ul style="list-style-type: none"> <li>• <b>To Promote Orderly Development Through Integrated Spatial Planning And Land Use Management</b></li> </ul>							
<b>Proj ect No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performanc e indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievem ent</b>	<b>Reason for deviation</b>	<b>Progre ss (%to target)</b>	<b>Revised target (Measures for improvement)</b>	<b>2015/16 annual budget</b>	<b>Means of verification</b>
<b>SPATIAL PLANNING</b>											
42.	<b>SPATIAL PLANNING</b>	Building control	Percentage of building plans considered for approval	40 building plans received, considered for approval	100% received building plans. Processed	42 building plans received and 42 were processed.	None	100%	None	Opex	Register of building plans received and plan approval form
43.		Assessment of land use applications	Percentage of applications tabled to the Land Use Committee for consideration	4 land development applications received	100% of lodged land use applications processed	No land use applications were processed.	SPLUMA implementation is on hold as a result of ongoing consultations with traditional	0%	Revised target June 2017. Awareness campaign to Traditional leaders.	Opex	Register of applications lodged, reports from the land use committee

<b>Key Performance Area (KPA) 1:</b>				<b>Spatial Rationale</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs :</b>				<ul style="list-style-type: none"> <li>• <b>Actions supportive of the human settlement outcome</b></li> <li>• <b>Implement a differentiated approach to municipal financing, planning, and support</b></li> </ul>							
<b>Strategic objectives</b>				<ul style="list-style-type: none"> <li>• <b>To Promote Orderly Development Through Integrated Spatial Planning And Land Use Management</b></li> </ul>							
<b>Proj ect No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performanc e indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievem ent</b>	<b>Reason for deviation</b>	<b>Progre ss (%to target)</b>	<b>Revised target (Measures for improvement)</b>	<b>2015/16 annual budget</b>	<b>Means of verification</b>
<b>SPATIAL PLANNING</b>											
							leaders.				
44.		Repegging of sites	Number of sites pegged at Morebeng.	13 demarcated sites not pegged at Morebeng.	13 demarcated sites pegged in Morebeng	13 demarcated sites in Morebeng were pegged.	None	100%	None	Budget R120 000.0 0  Expenditure R83 757.00	Advert, appointment letter and final pegging plan.
45.		Audit of community facilities	Number of reports compiled	New indicator	1x Audit report of community facilities compiled	Service provider appointed and submitted preliminary report	Late appointment of service provider as responsive bids could not be sourced.	75%	30 September 2016	Budget R400 000.0 0  Expenditure R251 712.0 0	Advert, appointment letter, draft and final reports.

Key Performance Area (KPA) 1:				Spatial Rationale							
Outcome 9:				Responsive, Accountable, Effective and Efficient Local Government System							
Outputs :				<ul style="list-style-type: none"> <li>• Actions supportive of the human settlement outcome</li> <li>• Implement a differentiated approach to municipal financing, planning, and support</li> </ul>							
Strategic objectives				<ul style="list-style-type: none"> <li>• To Promote Orderly Development Through Integrated Spatial Planning And Land Use Management</li> </ul>							
Project No.	Priority area (IDP)	Project Name	Key performance indicator	Baseline	2015/16 annual target	Actual achievement	Reason for deviation	Progress (%to target)	Revised target (Measures for improvement)	2015/16 annual budget	Means of verification
<b>SPATIAL PLANNING</b>											
46.	<b>SPATIAL PLANNING</b>	Integrated transport plan	Number of Integrated Transport Plans developed	New indicator	1x Molemole Integrated Transport Plan developed	Plan not in place	Late appointment of service provider as responsive bids could not be sourced.	0%	30 December 2016.	Budget R500 000.00  Expenditure R0	Advert, appointment letter, draft and final reports.
47.		Township establishment	Number of layout plans compiled for township establishment	Mogwadi park not demarcated	1x layout plan compiled for township establishment	Demarcation of Mogwadi Park completed and adopted by council on 30 June 2016.	None	100%	None	Budget R500 000.00  Expenditure R339 549.00	Advert, appointment letter, draft layout plan, Council resolution and acknowledgment

Key Performance Area (KPA) 1:				Spatial Rationale							
Outcome 9:				Responsive, Accountable, Effective and Efficient Local Government System							
Outputs :				<ul style="list-style-type: none"> <li>• Actions supportive of the human settlement outcome</li> <li>• Implement a differentiated approach to municipal financing, planning, and support</li> </ul>							
Strategic objectives				<ul style="list-style-type: none"> <li>• To Promote Orderly Development Through Integrated Spatial Planning And Land Use Management</li> </ul>							
Project No.	Priority area (IDP)	Project Name	Key performance indicator	Baseline	2015/16 annual target	Actual achievement	Reason for deviation	Progress (%to target)	Revised target (Measures for improvement)	2015/16 annual budget	Means of verification
<b>SPATIAL PLANNING</b>											
											letter.
48.	LED	Youth in agriculture programme	Number of graduates capacitated in agricultural programmes	8 Graduates appointed and currently being capacitated  Concept Document and ToR in place	5 graduates to be recruited, but placement and capacity building will take place in July	Recruitment of 5 unemployed Agriculture graduates completed.  8 graduates capacitated.	None	100%	None	Budget R436 550.00  Expenditure R436 550.00	Signed SLA with farmers 13x graduates contracts, 1x reviewed concept document
49.	LED	Investment coordination and	Number of partnership agreements	No partnership agreement	2x partnership agreements	No partnership agreement	Investors were mainly recruited	50%	Adherence to the procurement plan.Revised	Budget R350 000.00	3x Partnership agreements, 1x SLA, 1 x investor

<b>Key Performance Area (KPA) 1:</b>				<b>Spatial Rationale</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs :</b>				<ul style="list-style-type: none"> <li>• <b>Actions supportive of the human settlement outcome</b></li> <li>• <b>Implement a differentiated approach to municipal financing, planning, and support</b></li> </ul>							
<b>Strategic objectives</b>				<ul style="list-style-type: none"> <li>• <b>To Promote Orderly Development Through Integrated Spatial Planning And Land Use Management</b></li> </ul>							
<b>Project No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performance indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievement</b>	<b>Reason for deviation</b>	<b>Progress (%to target)</b>	<b>Revised target (Measures for improvement)</b>	<b>2015/16 annual budget</b>	<b>Means of verification</b>
<b>SPATIAL PLANNING</b>											
		facilitation	signed Number of investor conference held	No investor conference	and 1x investor conference	signed. Investor Conference held on 23 June 2016.	and engaged during the conference.  Schilde Municipality in Belgium has offered to partner with Molemole Municipality on empowerment of		31 Mar 2017.	Expenditure R347 150.00	conference report

Key Performance Area (KPA) 1:				Spatial Rationale							
Outcome 9:				Responsive, Accountable, Effective and Efficient Local Government System							
Outputs :				<ul style="list-style-type: none"> <li>• Actions supportive of the human settlement outcome</li> <li>• Implement a differentiated approach to municipal financing, planning, and support</li> </ul>							
Strategic objectives				<ul style="list-style-type: none"> <li>• To Promote Orderly Development Through Integrated Spatial Planning And Land Use Management</li> </ul>							
Project No.	Priority area (IDP)	Project Name	Key performance indicator	Baseline	2015/16 annual target	Actual achievement	Reason for deviation	Progress (%to target)	Revised target (Measures for improvement)	2015/16 annual budget	Means of verification
<b>SPATIAL PLANNING</b>											
							SMME's.				
50.	LED	Molemole LED Forum	Molemole LED Forum	Number of LED forum meetings held	3x LED forum meetings held	4x LED forum meetings held	4 x LED Forum meeting held.	None	100%	Opex	LED forum meetings reports, reviewed ToR, Action Plan for LED
51.		Molemole CWP LRC Forum	Number of CWP LRC Forum held	11x CWP LRC Forum held	12x CWP LRC Forums held	11 x CWP meetings held.	June meeting was not held due to lack of quorum	90%	Political intervention.	Opex	CWP LRC reports, reviewed ToR and action plan
52.		Career Expo	Number of Career Expo held	1x Career Expo held	1x Career expo held	1 x Career Expo held on 21 June	None	None	100%	None	Budget R150 000.00

<b>Key Performance Area (KPA) 1:</b>				<b>Spatial Rationale</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs :</b>				<ul style="list-style-type: none"> <li>• <b>Actions supportive of the human settlement outcome</b></li> <li>• <b>Implement a differentiated approach to municipal financing, planning, and support</b></li> </ul>							
<b>Strategic objectives</b>				<ul style="list-style-type: none"> <li>• <b>To Promote Orderly Development Through Integrated Spatial Planning And Land Use Management</b></li> </ul>							
<b>Proj ect No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performanc e indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievem ent</b>	<b>Reason for deviation</b>	<b>Progre ss (%to target)</b>	<b>Revised target (Measures for improvement)</b>	<b>2015/16 annual budget</b>	<b>Means of verification</b>
<b>SPATIAL PLANNING</b>											
						2016.				Expenditure R147 000.0 0	action plan
53.		SMME Training	Number of SMME's trained	No SMME's trained	20 SMME's trained	20 SMME's trained.	None	100%	None	Budget R200 000.0 0  Expenditure R179 000.0 0	ToR, Consultation report, partnership agreement and capacity building report
54.	<b>INTEGRATE</b>	Review of 2015/201 6 IDP	Reviewed 2015/2016 IDP	Reviewed 2014/2015 IDP	Adopted and printed a credible IDP	2015/16 IDP reviewed.	None	100%	None	Budget R420 000.0 0	Invites and Attendance registers, IDP document, Process plan

<b>Key Performance Area (KPA) 1:</b>				<b>Spatial Rationale</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs :</b>				<ul style="list-style-type: none"> <li>• <b>Actions supportive of the human settlement outcome</b></li> <li>• <b>Implement a differentiated approach to municipal financing, planning, and support</b></li> </ul>							
<b>Strategic objectives</b>				<ul style="list-style-type: none"> <li>• <b>To Promote Orderly Development Through Integrated Spatial Planning And Land Use Management</b></li> </ul>							
<b>Project No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performance indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievement</b>	<b>Reason for deviation</b>	<b>Progress (%to target)</b>	<b>Revised target (Measures for improvement)</b>	<b>2015/16 annual budget</b>	<b>Means of verification</b>
<b>SPATIAL PLANNING</b>											
										Expenditure R335 784.73	
55.		Strategic working sessions on the IDP and SDBIP review	Number of strategic working sessions held	4 strategic working sessions held	4 strategic sessions held	4 Strategic working sessions conducted.	None	100%	None	Budget R250 000.00  Expenditure R250 000.00	Invites and Attendance registers

<b>Key Performance Area (KPA) 1:</b>				<b>Spatial Rationale</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs :</b>				<ul style="list-style-type: none"> <li>• <b>Actions supportive of the human settlement outcome</b></li> <li>• <b>Implement a differentiated approach to municipal financing, planning, and support</b></li> </ul>							
<b>Strategic objectives</b>				<ul style="list-style-type: none"> <li>• <b>To Promote Orderly Development Through Integrated Spatial Planning And Land Use Management</b></li> </ul>							
<b>Proj ect No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performanc e indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievem ent</b>	<b>Reason for deviation</b>	<b>Progre ss (%to target)</b>	<b>Revised target (Measures for improvement)</b>	<b>2015/16 annual budget</b>	<b>Means of verification</b>
<b>SPATIAL PLANNING</b>											
56.		Compilati on of Annual Report	Approved 2014/2015 Annual Performance report and Annual Report	Approved 2013/2014 Annual Performanc e report and Annual report	2014/2015 Annual Report approved	2014/15 Annual Report compiled, approved by Council and submitted to COGHST A and Treasury.	None	100%	None	Budget R200 000.0 0  Expenditure R100 000.0 0	Invites and Attendance registers, Annual Performance Report, Annual Report, Council Resolution
57.		Consolidat ion of SDBIP	2016/17 SDBIP	2014/2015 SDBIP in place	2016/17 SDBIP developed	2016/17 SDBIP consolidat ed.	None	100%	None	Opex	Invites and Attendance registers

Key Performance Area (KPA) 1:				Spatial Rationale							
Outcome 9:				Responsive, Accountable, Effective and Efficient Local Government System							
Outputs :				<ul style="list-style-type: none"> <li>• Actions supportive of the human settlement outcome</li> <li>• Implement a differentiated approach to municipal financing, planning, and support</li> </ul>							
Strategic objectives				<ul style="list-style-type: none"> <li>• To Promote Orderly Development Through Integrated Spatial Planning And Land Use Management</li> </ul>							
Project No.	Priority area (IDP)	Project Name	Key performance indicator	Baseline	2015/16 annual target	Actual achievement	Reason for deviation	Progress (%to target)	Revised target (Measures for improvement)	2015/16 annual budget	Means of verification
<b>SPATIAL PLANNING</b>											
58.	IDP Unit	Coordination of IDP Representative Forum meetings	Number of IDP Representative Forum coordinated	2014/15 IDP Representative Forum in place	4 X 2015/16 IDP Representative Forum coordinated	4 IDP representative Forums coordinated.	None	100%	None	Budget R30 000.00  Expenditure R30 000.00	Updated risk register
59.	Risk Management		% of identified risks resolved within timeframe as specified in the risk register	50% of risks resolved	100% of risks resolved within the timeframe as specified in the register	33% of strategic risks resolved within the timeframe as specified in the register.	Lack of implementation of SPLUMA.	33%	Awareness campaign on SPLUMA to Traditional leaders.	Opex	Updated risk register

<b>Key Performance Area (KPA) 4:</b>				<b>Municipal Financial Viability and Management</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs :</b>				<ul style="list-style-type: none"> <li>• Implement a differentiated approach to municipal financing, planning and support.</li> <li>• Administrative and financial capability.</li> </ul>							
<b>Strategic objectives</b>				<ul style="list-style-type: none"> <li>• To ensure sound and stable financial management.</li> </ul>							
<b>Proj ect No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performanc e indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievem ent</b>	<b>Reason for deviation</b>	<b>Progre ss (%to target)</b>	<b>Revised target (Means for verification)</b>	<b>2015/16 annual budget</b>	<b>Means of verification</b>
<b>BUDGET AND REPORTING</b>											
60.	Financial viability	Submission of Section 71 reports	Number of Section 71 reports submitted	12x Section 71 reports submitted	12x Section 71 reports submitted	12x Section 71 reports submitted	None	100%	None	Opex	Quality certificate by MM and copy of acknowledgement letters from relevant departments.
61.	Financial Management	Financial Management	Number of Financial Statement submitted	4x financial statement submitted	4x financial statement submitted	0	Late confirmation of opening balances	0%	None	Opex	Quarterly financial statement
62.	Financial viability	Annual Financial statements(AFS)	Fair presentation of Annual Financial Statements	AFS with a Qualified opinion by AG	AFS with an unqualified AG opinion	1 Unqualified Audit Opinion	None	100%	None	Opex	Fairly presented Annual Financial Statements

<b>Key Performance Area (KPA) 4:</b>				<b>Municipal Financial Viability and Management</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs :</b>				<ul style="list-style-type: none"> <li>• <b>Implement a differentiated approach to municipal financing, planning and support.</b></li> <li>• <b>Administrative and financial capability.</b></li> </ul>							
<b>Strategic objectives</b>				<ul style="list-style-type: none"> <li>• <b>To ensure sound and stable financial management.</b></li> </ul>							
<b>Proj ect No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performanc e indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievem ent</b>	<b>Reason for deviation</b>	<b>Progre ss (%to target)</b>	<b>Revised target (Means for verification)</b>	<b>2015/16 annual budget</b>	<b>Means of verification</b>
63.	Financial viability	<b>Submiss ion of in year reports</b>	MFMA compliance reports submitted	4 quarterly reports	4 quarterly reports	4x quarterly reports compiled and submitted	None	100%	None	Opex	Quality certificate by MM and copy of acknowledgement letters from relevant departments.
64.	Financial viability	<b>Submiss ion of Section 72 report</b>	Number of Section 72 report submitted	1 mid-year report(s72)	1 mid-year report(s72)	1 mid-year report submitted	None	100%	None	Opex	Quality certificate
65.	Financial viability	<b>Submiss ion of in year reports</b>	Number of 2015/16 Adjustment budget compiled	1x 2014/15 Adjustment budget approved	1x 2015/16 Adjustment budget compiled & approved	1x 2015/16 Adjustmen t budget compiled & approved	None	100%	None	Opex	Council resolution
66.	Financial	<b>Compilat ion of</b>	2016/17 Budget	Approved 2015/2016	2016/2017 budget	2016/2017 budget	None	100%	None	Opex	Council resolution

<b>Key Performance Area (KPA) 4:</b>				<b>Municipal Financial Viability and Management</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs :</b>				<ul style="list-style-type: none"> <li>• Implement a differentiated approach to municipal financing, planning and support.</li> <li>• Administrative and financial capability.</li> </ul>							
<b>Strategic objectives</b>				<ul style="list-style-type: none"> <li>• To ensure sound and stable financial management.</li> </ul>							
<b>Proj ect No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performanc e indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievem ent</b>	<b>Reason for deviation</b>	<b>Progre ss (%to target)</b>	<b>Revised target (Means for verification)</b>	<b>2015/16 annual budget</b>	<b>Means of verification</b>
	viability	<b>2015/16 budget</b>	compiled	budget in place	compiled and approved	compiled and approved					
67.	Financial viability	Reconcilia tion of bank statement	Number of Bank reconciliatio n compiled	12 Bank reconciliati ons in place	12 Bank reconciliati on compiled	12 Bank reconciliati on compiled	None	100%	None	Opex	Signed bank reconciliation
68.	Financial viability	<b>Reconcili ation of Investme nt register</b>	Number of investment registers report compiled	12 Investment registers in place	12 Investment registers	12 Investmen t registers	None	100%	None	Opex	Signed investment registers
69.	Financial viability	Reconcilia tions	Number of grant registers submitted	12 grant registers submitted	12 grant registers	12 grant registers	None	100%	None	Opex	Signed grant registers

INCOME AND REVENUE MANAGEMENT											
70.	Revenue management	Revenue collection	Percentage of revenue collected	R11, 211 199	R13, 250 000	Revenue collection amounting to R11 716 919.00 as at 30th June 2016.	Non-implementation Of Credit control and debt collection procedures	88%	Implementation of Credit Control and Debt Collection procedures.	Opex	BS 902 Report and Venus financial reports
71.	Debtors Management	Balancing of debtors Control against age analysis	Number of Reports Submitted	12 Completed Reports	12 Complete Debtors Control Reports and Ageing Analysis	12 X Debtors reconciliations has been submitted.	None	100%	None	Opex	Debtors Reconciliation reports
72.	Revenue management	Reminding customers to settle their outstanding municipal accounts	Number of Reports Submitted	New indicator	4x Notices of reminding customers to honour their payment.	None	Credit Control and Debt Collection procedures by-laws to be approved.	0%	Implementation of Credit Control and Debt Collection procedures.	Opex	Reminder notices
73.	Revenue management	Monitoring and allocation	Number of Reports	12 Completed	12 Completed	12 X Unallocated reports	None	100%	None	Opex	Unallocated deposits

	nt	of Unallocate d Deposit	Submitted	Reports	Reports	reviewed and submitted					reports
74.	Debtors Managem ent	Revenue Collection	Cost recovery and debtors analysis	None	Debtor's analysis and Cost recovery report.	By-laws and procedur es are in place and account informatio n has been uploaded to the system(on line vending system)	None	100%	None	Budget R1 100 000.00  Expenditure R1 092 318. 20	Debtor's analysis and Cost recovery  Report, update from the online vending solution and the updated Credit Control and Debt Collection by-laws.



EXPENDITURE MANAGEMENT											
75.	Expenditure Management	Salary reconciliations	Number of Salary reports reconciled to General Ledger	12 Salary reconciled to General Ledger	12 Salary reconciliations/reports completed	12 Salary reports reconciled to General Ledger	None	100%	None	Opex	System Salary Reports, Payment schedules, HR Memos, S&T claims, GL Reconciliations, EMP501 Forms
76.	EXPENDITURE MANAGEMENT	Petty Cash reconciliations	Number of Petty Cash reconciliation	12 Petty Cash reconciliation completed	12 Petty Cash reconciliation reports	12 Petty Cash reconciliation reports	None	100%	None	Opex	Petty cash vouchers, Cash slips, Replenishments reports
77.		VAT 201 Reconciliation	Number of VAT 201 Reconciliations submitted to SARS	6x VAT 201 Reconciliations submitted to SARS	6x VAT 201 Reconciliations submitted to SARS	6x VAT 201 Reconciliations submitted to SARS	None	100%	None	Opex	Output VAT reports, Input VAT invoices, VAT 201 Forms, Reconciliation
78.		Project and Retention register	Updated Project and Retention register	1x updated Project and Retention register compiled	1x updated Project and Retention register compiled	Updated Project and Retention register compiled	None	100%	None	Opex	Project certificates, Supplier Invoices, Reconciliations
79.		Creditors Reconciliation	Number of Creditors Reconciliation	12 Creditors Reconciliation	12 Creditors Reconciliation and 1	12 Creditors Reconciliation and 1	12 Creditors Reconciliation and 1	None	100%	None	Opex

		Reports	Approved by CFO	ons	Annual creditors lead schedule balanced to GL	Annual creditors lead schedule balanced to GL					Lead schedule
<b>SUPPLY CHAIN MANAGEMENT</b>											
80.	Supply Chain Management	<b>Asset Reconciliation</b>	Number of FAR & GL reconciliation	12x FAR & GL reconciliation	12x FAR & GL reconciliation	12 x FAR & GL reconciliation	None	100%	None	Opex	Reconciliation Reports
81.	Supply Chain Management	Asset Verification	Number of Asset Verification Reports	2 Asset Verification Reports	2 Asset Verification Reports	2x Asset Verification Reports	None	100%	None	Opex	Asset verification reports
82	Supply Chain Management	Development of loose asset register and Loose asset verification	Number of loose asset register developed and Loose asset verification	New indicator	1x loose asset register developed and 2x Loose asset verification compiled	1x loose assets register developed and 2 X loose asset verification compiled	None	100%	None	Opex	Loose assets register. Loose Asset register, Loose assets verification reports
83	Supply Chain Management	Revaluation of Assets	Approved Revaluation Report	2014/2015 Revaluation Report in place	1 x Revaluation report compiled	1 Revaluation report compiled	None	100%	None	Budget R800 000.00 Expenditure	Revaluation reports

										R850 025.05	
84.	Supply Chain Management	Inventory Count	Number of Inventory Count Reports	1 Inventory Count Report	4 Inventory Count Reports compiled	1 x Inventory count reports compiled	Inventory count is done once at the end of the year with AG & internal Audit observing	100%	None	Opex	Inventory reports
85.	Supply Chain Management	Procurement Plan	Approved Procurement Plan	Approved spending plan	Approved Procurement Plan	Approved Procurement Plan	None	100%	None	Opex	Procurement Plan
86.	Supply Chain Management	Supplier Database management	Number of supplier database advertisement	1x supplier database advertisement	1x supplier database advertisements	1x supplier database advertisement	None	100%	None	Opex	Advertisement & updated database
	Supply Chain Management	Supplier Database management	Revised existing supplier database	Noncompliant supplier database	Compliant supplier database	Compliant supplier database	None	100%	None	Opex	Compliant supplier database
87.	Supply Chain Management	SCM performance Report	Number of performance reports	New indicator	4 x SCM performance reports compiled and table to the Council	4 x SCM performance reports compiled	None	100%	None	Opex	SCM performance reports

88.	Supply Chain Management	Declaration of business interest-new council	Percentage of declaration forms signed	New indicator	100% of Declaration forms of councillors and employees signed	100% of Declaration forms of councillors and less than 100% employees signed	Not all employees signed and submitted the declaration forms	50%	Employee awareness.	Opex	Signed declaration forms
	Risk Management		% of identified risks resolved within timeframe as specified in the risk register	0% of risk resolved	100% of risks resolved within the timeframe as specified in the register	75% of Strategic risks resolved within the timeframe as specified in the register.	None	75%	None	Opex	Updated risk register

**DEPARTMENT: MAYOR AND MUNICIPAL MANAGER**

<b>Key Performance Area (KPA) 5:</b>				<b>Good governance and Public Participation</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs :</b>				<ul style="list-style-type: none"> <li>• Deepen democracy through a refined ward committee model.</li> </ul>							
<b>Strategic objectives</b>				<ul style="list-style-type: none"> <li>• Provide an accountable and transparent municipality through sustained public participation, coordination of administration and Council committees.</li> </ul>							
<b>Project No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performance indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievement</b>	<b>Reason for deviation</b>	<b>Progress (%to target)</b>	<b>Revised target (Means for improvement)</b>	<b>2015/16 annual budget</b>	<b>Means of verification</b>
<b>MAYOR'S OFFICE</b>											
90.	Mayoral Support Services	Mayoral outreach programmes	Number of Mayoral Outreach Programmes Held	4 Mayoral Outreach Programmes Held	4 Mayoral Outreach Programmes Held	4 mayoral imbizo's held	None	100%	None	Opex	Invitations and Attendance registers, Public Notices.
91.	Mayoral Support Services	Mayor Stakeholder Participation (State of the Municipal address)	Number of State of the Municipal Address Held	1 State of the Municipal Address held	1 State of the Municipal Address Held	1 state of the Municipality Address held on 30 May 2016 at Nthabiseng sports	None	100%	None	Opex	Invitations and Attendance registers, Public Notices, SOMA Report

<b>Key Performance Area (KPA) 5:</b>				<b>Good governance and Public Participation</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs :</b>				<ul style="list-style-type: none"> <li>• Deepen democracy through a refined ward committee model.</li> </ul>							
<b>Strategic objectives</b>				<ul style="list-style-type: none"> <li>• Provide an accountable and transparent municipality through sustained public participation, coordination of administration and Council committees.</li> </ul>							
<b>Project No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performance indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievement</b>	<b>Reason for deviation</b>	<b>Progress (%to target)</b>	<b>Revised target (Means for improvement)</b>	<b>2015/16 annual budget</b>	<b>Means of verification</b>
						ground					
92.	Mayoral Support Services	Back to school outreach programme	Number of schools visited	2 schools visited	4 schools visited	4 schools visited	None	100%	None	Opex	Attendance register
<b>OFFICE OF THE SPEAKER</b>											
93.	Council and Administrative Support	Council and Council Committee Meetings	Number of Council and Council Committee meetings held	4 Council meetings & 60 committee meetings held	4 Council and 60 Committee meetings held	4 council and 60 committee meetings held	None	100%	None	Opex	Notice, Attendance registers and minutes Resolutions
94.	Public Participation	Oversight Programme	Number of MPAC	5 MPAC meetings	4 MPAC meetings	4 MPAC meetings	None	100%	None	Opex	Minutes and attendance

<b>Key Performance Area (KPA) 5:</b>				<b>Good governance and Public Participation</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs :</b>				<ul style="list-style-type: none"> <li>• Deepen democracy through a refined ward committee model.</li> </ul>							
<b>Strategic objectives</b>				<ul style="list-style-type: none"> <li>• Provide an accountable and transparent municipality through sustained public participation, coordination of administration and Council committees.</li> </ul>							
<b>Project No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performance indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievement</b>	<b>Reason for deviation</b>	<b>Progress (%to target)</b>	<b>Revised target (Means for improvement)</b>	<b>2015/16 annual budget</b>	<b>Means of verification</b>
	programmes	es	meetings held  Number of Public hearings held	held  2 MPAC Public Hearings held	held  2 MPAC Public Hearings held	held  1 MPAC public hearing held	Unavailability of MPAC members for preparatory meeting	50%	Political intervention		registers  Attendance Register, Notices, Oversight Report and Invitations.
95.	Public Participation programmes	Ward Committee Capacity Building	Number of training interventions conducted	4 training interventions conducted	4 training interventions conducted	3 training interventions conducted	Budgetary constraints	75%	2016/17 financial year	Opex	Invitations, Training Reports and attendance registers
<b>LEGAL SERVICES</b>											
96.	Legal services	Litigation management	Number of litigations defended and	12 of cases instituted and	100% of cases instituted and	22 of cases instituted and	None	100%	None	Budget R730 000.00 Expenditure	Litigation Reports, Contingency liability

<b>Key Performance Area (KPA) 5:</b>				<b>Good governance and Public Participation</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs :</b>				<ul style="list-style-type: none"> <li>• Deepen democracy through a refined ward committee model.</li> </ul>							
<b>Strategic objectives</b>				<ul style="list-style-type: none"> <li>• Provide an accountable and transparent municipality through sustained public participation, coordination of administration and Council committees.</li> </ul>							
<b>Proj ect No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performanc e indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achieveme nt</b>	<b>Reason for deviatio n</b>	<b>Progre ss (%to target)</b>	<b>Revised target (Means for improvem ent)</b>	<b>2015/16 annual budget</b>	<b>Means of verification</b>
			instituted	defended	defended	defended				R530 576.55	
97.	Legal services	Legal advisory services	Number of documented Legal advisory services	Limited documentation on legal advisory services	100% of legal advises provided & documented	25 of legal advises provided & documented	None	100%	None	Opex	Legal advisory Reports and/or written opinions
98.	Legal Services	Contracts Development and/or Review	Percentage of contracts developed and reviewed	46 of contracts developed and drafted as per instruction	100% of contracts developed and reviewed	41 of contracts developed and reviewed	None	100%	None	Opex	Contract Register Contract documents

<b>Key Performance Area (KPA) 5:</b>				<b>Good governance and Public Participation</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs :</b>				<ul style="list-style-type: none"> <li>• Deepen democracy through a refined ward committee model.</li> </ul>							
<b>Strategic objectives</b>				<ul style="list-style-type: none"> <li>• Provide an accountable and transparent municipality through sustained public participation, coordination of administration and Council committees.</li> </ul>							
<b>Project No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performance indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievement</b>	<b>Reason for deviation</b>	<b>Progress (%to target)</b>	<b>Revised target (Means for improvement)</b>	<b>2015/16 annual budget</b>	<b>Means of verification</b>
99.	Communication management  Corporate Identity	Advertising and Publications of municipal activities	percentage of advertisement of municipal activities placed	6x advertisement of municipal activities placed	100% of requested municipal publications placed	100% of Municipal activities publicised in electronic and print media	None	100%	None	Budget  R481 769.00  Expenditure R372 585.1	Notices, adverts, publications,  Copies of media statements, annual reports, attendance registers, agenda and video produced

<b>Key Performance Area (KPA) 5:</b>				<b>Good governance and Public Participation</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs :</b>				<ul style="list-style-type: none"> <li>• Deepen democracy through a refined ward committee model.</li> </ul>							
<b>Strategic objectives</b>				<ul style="list-style-type: none"> <li>• Provide an accountable and transparent municipality through sustained public participation, coordination of administration and Council committees.</li> </ul>							
<b>Project No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performance indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievement</b>	<b>Reason for deviation</b>	<b>Progress (%to target)</b>	<b>Revised target (Means for improvement)</b>	<b>2015/16 annual budget</b>	<b>Means of verification</b>
			Number of newsletters published.	No newsletter published in 2014/15.	2 newsletters published.	Done	None	100%	None		Official order, Publicised news letter
			Number of diaries and calendars printed	300 diaries and 800 calendars printed	300 diaries and 1000 calendars printed	Done	None	100%	None		Appointment letter and delivery note
100.		Purchase of Communication material and event equipment	No of equipment and materials purchased	One audio camera, one video camera and limited branding material	Procurement of 1x Branded trailer 27x Branded watches, 4x loud hailers and 8x work suites	Done	Procurement of watches was cancelled in line with MFMA Circular 82s that speaks	50%	Adherence to the procurement plan and Circular 82.	Budget R110 000.00  Expenditure R44 822.54	Purchased equipment and delivery note  Purchase Orders

<b>Key Performance Area (KPA) 5:</b>				<b>Good governance and Public Participation</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs :</b>				<ul style="list-style-type: none"> <li>• Deepen democracy through a refined ward committee model.</li> </ul>							
<b>Strategic objectives</b>				<ul style="list-style-type: none"> <li>• Provide an accountable and transparent municipality through sustained public participation, coordination of administration and Council committees.</li> </ul>							
<b>Proj ect No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performanc e indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achieveme nt</b>	<b>Reason for deviatio n</b>	<b>Progre ss (%to target)</b>	<b>Revised target (Means for improvem ent)</b>	<b>2015/16 annual budget</b>	<b>Means of verification</b>
							to cost containm ent				
<b>INTERNAL AUDIT AND RISK MANAGEMENT</b>											
101.	Internal Audit	Action plan	% of audit queries addressed	60% of audit queries addressed	100% of Auditor General queries addressed	83% of Auditor General Queries addressed.	Slow progress in resolving issues raised by manage ment	83%	First quarter 2016/17.	Opex	Updated action plan on issues raised by the Auditor General

<b>Key Performance Area (KPA) 5:</b>				<b>Good governance and Public Participation</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs :</b>				<ul style="list-style-type: none"> <li>• Deepen democracy through a refined ward committee model.</li> </ul>							
<b>Strategic objectives</b>				<ul style="list-style-type: none"> <li>• Provide an accountable and transparent municipality through sustained public participation, coordination of administration and Council committees.</li> </ul>							
<b>Project No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performance indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievement</b>	<b>Reason for deviation</b>	<b>Progress (%to target)</b>	<b>Revised target (Means for improvement)</b>	<b>2015/16 annual budget</b>	<b>Means of verification</b>
102.	Risk Management		% of identified risks resolved within timeframe as specified in the risk register	36%	100% of risks resolved within the timeframe as specified in the register	52% of risks resolved.	Slow progress in mitigation of risks by management	52%	First quarter 2016/17.	Opex	Updated risk register
103.	Risk Management		Number of Risk Management Committees coordinated	2 Risk Management Committee meeting coordinated.	4 Risk Management Committee coordinated	4 RISK MANAGEMENT COMMITTEE MEETINGS COORDINATED	None	100%	None	Opex	Minutes, attendance register

<b>Key Performance Area (KPA) 5:</b>				<b>Good governance and Public Participation</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs :</b>				<ul style="list-style-type: none"> <li>• Deepen democracy through a refined ward committee model.</li> </ul>							
<b>Strategic objectives</b>				<ul style="list-style-type: none"> <li>• Provide an accountable and transparent municipality through sustained public participation, coordination of administration and Council committees.</li> </ul>							
<b>Project No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performance indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievement</b>	<b>Reason for deviation</b>	<b>Progress (%to target)</b>	<b>Revised target (Means for improvement)</b>	<b>2015/16 annual budget</b>	<b>Means of verification</b>
104.	Internal Audit	Audit Committee meeting	Number of Audit Committee meetings held successfully	4 Audit Committee meeting held	4 Audit Committee meeting held	4 ordinary Audit Committee meetings held	None	100%	None	Opex	Audit Committee reports, Minutes, attendance register,
105.	Internal Audit	Performance audits	Number of Performance audit reports submitted to Council	4 Performance audit report submitted to council	4 Performance audit report submitted to council	4 Performance audit report submitted to Council	None	100%	None	Opex	Performance Audit reports

**PERFORMANCE MANAGEMENT SYSTEM**

Project no	Priority area(IDP)	Project name	Key performance indicator	Baseline	Annual target	Actual achievement	Reason for deviation	Progress(% to target)	Revised target (Means for improvement)	2015/16 annual budget	Means of verification
106.	<b>PERFORMANCE MANAGEMENT</b>	Review of Performance Management Framework	Review of performance management framework	Performance Management Framework	1 Performance Management Framework reviewed	Performance Management framework reviewed and adopted by council on 30 June 2016	None	100%	None	Opex	Approved Performance Management Framework.
107.		Assessment of Senior Managers.	Quarterly Performance assessment	None	4 performance assessments coordinated and conducted	1 performance assessment coordinated and conducted	Non availability of assessment team members( councilors and external state holders)	25%	Development of schedule of assessment and communication with the relevant stakeholders.	Opex	Performance assessment report.
108.		Annual performance	Coordination of Annual	1 Annual Performance	1 Annual Performance	2014/15 annual		None	100%	None	Opex

		ce report	Performanc e Report	e report compiled	e report compiled and submitted	performan ce report compiled and submitted to COGHST A						Report
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## CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE (PERFORMANCE REPORT PART II)

### COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

#### INTRODUCTION

The municipality's organisational development function focus largely on the creation of employment opportunities particularly to the designated groups as per Employment Equity Act (EEA), further the function provides opportunities for internal and external human resources capacity development in the form of skills programmes, trainings, learner-ships and bursaries. The function caters for key areas such as recruitment and skills development.

#### 4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

EMPLOYEE TOTALS, TURNOVER AND VACANCIES						
Description	14/15		15/16			
	No. Employees	No. Approved posts	No. of employees	No. of vacancies	% of vacancies	
Water & Sanitation	22	24	23	1	-	
Electricity	03	03	03	-	-	
Waste Management	10	10	10	-	-	
Waste Water (Storm water Drainage)	02	02	02	2	-	
Roads & Storm Water	13	13	13	3	-	
Local Economic Development	01	01	01	-	-	
Planning (Strategic & Regulatory)	04	04	04	-	-	
Community & social services	05	05	05	-	-	
Environmental protection	02	02	02	-	-	
<b>Totals</b>	<b>63</b>	<b>63</b>	<b>63</b>	<b>6</b>		

<b>Vacancy Rate: 15/16</b>			
<b>Designation</b>	<b>*Total approved posts No.</b>	<b>*Variances (Total time that vacancies exist using fulltime equivalents) No.</b>	<b>*Variances (as a proportion of total posts in each category) %</b>
Municipal Manager	1	0	0
CFO	1	0	0
Other S57 Managers (excluding Finance Posts)	4	0	0
Other S57 Managers (Finance posts)	0	0	0
Middle Management: Task Grade 15 -16 (excluding Finance Posts)	12	0	0
Middle Management: Task Grade 15 -16 (Finance Posts)	4	0	0
Professionals Task Grade 13-14 (Excluding Finance posts)	4	0	0
Professionals Task Grade 13-14 (Finance)	4		
Highly skilled supervision: Task grade 9-12 (excluding Finance posts)	54	2	2
Highly skilled supervision: Task grade 9-12 (Finance posts)	6	0	0
Semi-skilled Task Grade 6-8	29	3	3
<b>Total</b>	<b>119</b>	<b>0</b>	<b>0</b>

<b>Turn-over Rate</b>			
<b>Details</b>	<b>Total Appointments as of beginning of financial year No.</b>	<b>Terminations during the financial year No.</b>	<b>Turn-over Rate*</b>
<b>2014/15</b>	<b>152</b>	<b>10</b>	<b>7.74%</b>
<b>2015/16</b>	<b>163</b>	<b>4 Retired</b>	<b>6.57%</b>

## COMMENT ON VACANCIES AND TURNOVER

The municipality has improved significantly in the year under review in reducing the turnaround time for filling funded vacancies but also improved drastically in retaining employees due to the implementation of the re-engineering programme and a retention strategy. A total of twenty three (23) appointments were made. The municipality experienced ten (10) terminations ranging from normal retirement, death and resignations during 2015/16 financial year but 98% of the vacant posts due to said terminations were filled in the same financial year and only 2% in the subsequent financial year. Delays that occurred were due to MEC directive that employees from Aganang Municipality be absorbed into the vacant and funded positions.

## COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

### INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

The municipality has adopted an organisational structure, policies and procedures to ensure efficient operation as envisaged by section 67 of the Municipal Systems Act of 2000.

The municipality has established a sound administration that is reasonably representative with a workforce profile that depicts shortcomings in as far as representation of people with disabilities and women mostly at supervisory, middle management and senior management levels of the workforce are concerned. A lot still needs to be done as and when vacancies become available at both Middle and Senior Management to ensure replacement by female appointees who remain in the minority to try and balance the equation.

### 4.2 POLICIES

NO	POLICY NAME	DATE APPROVED	DATE LAST REVIEWED	RESOLUTION NUMBER	DEPARTMENT
1	Integrated Environmental Management Plan and Framework Report	31-03-2009	31-03-2009	A015/2009	Community Services
2	HIV/AIDS policy	31-03-2009	31-03-2009	31-03-2009	Corporate Services
3	Cellphone policy	28-04-2011	28-04-2011	A015/2009	Corporate Services
4	Mayoral Vehicle policy	30-05-2012	30-05-2012	OC03/2012	Corporate Services
5	Fleet Management Policy	31-05-2009	28-04-2011	A029/2011	Corporate Services
6	Customer Care Policy	31-05-2009	28-04-2011	A029/2011	Corporate Services
7	Records Management and Registry Policy	31-05-2009	28-04-2011	A029/2011	Corporate Services
8	S & T Policy	29-05-2012	29/05/2015	OC 6.4.6 /29/05/2015	Corporate Services
9	Telephone Usage Policy	28-04-2011	28-04-2011	A029/2011	Corporate Services
10	Municipal By-laws	29-05-2009	29-05-2009		Corporate Services
11	IT Password Policy	30-05-2012	30-05-2012	OC03/2012	Corporate Services
12	IT Data Backup Policy	30-05-2012	29/05/2015	OC 6.4.1/29/05/2015	Corporate Services

NO	POLICY NAME	DATE APPROVED	DATE LAST REVIEWED	RESOLUTION NUMBER	DEPARTMENT
13	Internet and electronic mail policy	30-05-2012	30-05-2012	OC03/2012	Corporate Services
14	Molemole Budget Policy	01/07/2016	29-05-2015	OC29/05/15	Finance
15	Virement Policy	29-05-2015	29-05-2015	OC 6.3.1 /29/05/2015	Finance
16	SCM Policy	29-05-2015	29-05-2015	OC 6.3.1 /29/05/2015	Finance
	SCM Procedure Manual	29-05-2015	29-05-2015	OC 6.3.1 /29/05/2015	Finance
17	Tariff Policy	29-05-2015	29-05-2015	OC 6.3.1 /29/05/2015	Finance
18	Property Rates Policy	29-05-2015	29-05-2015	OC 6.3.1 /29/05/2015	Finance
19	Investment and Cash Management Policy	29-05-2015	29-05-2015	OC 6.3.1 /29/05/2015	Finance
20	Indigent Support Policy	29-05-2015	29-05-2015	OC 6.3.1 /29/05/2015	Finance
21	Policy on debt write-off	29-05-2015	29-05-2015	OC 6.3.1 /29/05/2015	
22	Asset Management Policy	29-05-2015	29-05-2015	OC 6.3.1 /29/05/2015	Finance
23	Credit Card Policy	29-05-2015	29-05-2015	OC29/05/15	Finance
24	Petty Cash Policy	30-05-2012	29-05-2015	OC 6.3.1 /29/05/2015	Finance
25	Spatial Development Framework	12-07-2007	12-07-2007	A053/2007	LED&P
26	LED Strategy	30-05-2012	30-05-2012	OC03/2012	LED&P
28	Communications Strategy	29-05-2015	29-05-2015	OC 6.4.10/29/05/2015	Municipal Manager's Office
29	Public participation policy	14-08-2009	14-08-2009	A050/2009	Municipal Manager's Office
30	Schedule of Delegation of Powers	31-05-2009	31-05-2009	A034/2009	Municipal Manager's Office
31	Mayoral Study Bursary Fund Policy	31-05-2009	29-05-2015	OC 6.4.6/29/05/2015	Municipal Manager's Office
32	Fraud Prevention Strategy and Prevention Plan	25-08-2015	25-08-2015	OC61528/08/15	Municipal Manager's Office
33	Fraud Prevention Policy	02-08-2012	02-08-2012	OC61528/08/15	Municipal Manager's Office
34	Risk Management Strategy	25-08-2015	25-08-2015	OC61528/08/15	Municipal Manager's Office
35	Risk management Policy	02-08-2012	02-08-2012	OC61528/08/15	Municipal Manager's Office
36	Performance Management System Policy	29-05-2015	29-05-2015	OC 6.4.8/29/05/2015	Municipal Manager's Office
38	Staff Provisioning Policy & Recruitment Policy	29-05-2013	29-05-2013	OC04/2013	Corporate Services
39	Training and Development Policy	29-05-2015	29-05-2015	OC 6.4.7/29/05/2015	Corporate Services
40	Credit Control and Debt	29-05-2015	29-05-2015	OC 6.3.1	Finance

NO	POLICY NAME	DATE APPROVED	DATE LAST REVIEWED	RESOLUTION NUMBER	DEPARTMENT
	Collection Policy			/29/05/2015	
41	Policy on write-off and irrecoverable debts	29-05-2015	29-05-2015	OC 6.3.1 /29/05/2015	Finance
42	Cash Management and Investment policy	29-05-2015	29-05-2015	OC 6.3.1 /29/05/2015	Finance
43	Tarrif Structure	29-05-2015	29-05-2015	OC 6.3.1 /29/05/2015	Finance
44	Employee leave policy	29-05-2015	29-05-2015	OC 6.4.5/29/05/2015	Corporate Services
45	IT Security Management Policy	29-05-2015	29-05-2015	OC 6.4.2 /29/05/2015	Corporate Services
46	ICT Change Management Policy	29-05-2015	29-05-2015	OC 6.4.3 /29/05/2015	Corporate Services
47	Budget process policy	29-05-2015	29-05-2015	OC 6.3.1 /29/05/2015	Finance
48	Molemole Placement policy	20/01/2016	20/01/2016	SC5.2.1/201/2016	Corporate
49	Outdoor advertisement by-law	31/03/2016	31/03/2016	OC6.3.3.31/03/2016	Corporate

#### COMMENT ON WORKFORCE POLICY DEVELOPMENT

The municipality follows an all-inclusive approach when it comes to policy development. The draft policies are circulated to all officials for inputs and comments before being escalated to Local Labour Forum for further engagement and inputs sourcing. The final draft will then be circulated again to employees for their final comments. Only after they have ratified the final draft the municipality can then submit it to Exco for recommendation to Council for approval. In the financial year under review, Department of Cooperative Governance, Human Settlements and Traditional Affairs (COGHSTA) was also invited to coordinate training to Middle Managers and Senior Managers on policy development in an effort to nurture existing knowledge base. A lot of review on policies is done during strategic engagement sessions annually then escalated to council for adoption except on new policies and in special circumstances where pertinent and material policy gaps could be identified, they would as and when such gaps are identified be developed, consulted on submitted for approval.

#### 4.3 INJURIES, SICKNESS AND SUSPENSIONS

Number and cost of injuries on duty					
Type of injury	Injury taken leave Days	Employees using injury leave	Proportion employees using sick leave %	Average injury leave per employee Days	Total estimated cost R`000
Required basic medical attention only	0	0	0	0	0
Temporary total disablement	15	2	0	15	0

Permanent disablement	0	0	0	0	0
Fatal	0	0	0	0	0
<b>Total</b>	<b>15</b>	<b>2</b>	<b>0</b>	<b>15</b>	<b>0</b>

<b>Number of days and Cost of Sick Leave (excluding injuries on duty)</b>						
Salary band	Total sick leave	Proportion of sick leave without medical certification	Employees using sick leave	Total employees in post*	*Average sick leave per Employees	Estimated cost
	Days	%	No.	No.	Days	R' 000
Lower skilled (Levels 1-2)	24	90%	10	30	0.15	30
Skilled (Levels 3-5)	40			22	0.26	
Highly skilled production (levels 6-8)	136			58	0.88	
Highly skilled supervision (levels 9-12)	6	95%	2	26	0.04	31
Senior management (Levels 13-15)	230			11	1.48	
MM and S57	65			8	0.42	
<b>Total</b>	<b>501</b>	<b>93%</b>	<b>12</b>	<b>155</b>	<b>3.23</b>	<b>61</b>

<b>Number and period of suspensions</b>				
Position	Nature of alleged misconduct	Date of suspension	Details of disciplinary action taken or status of case and reasons why not finalized	Date finalized
Municipal Manager	None	None	None	None
Chief Financial Officer	None	None	None	None
Senior Manager Community Services	None	None	None	None
Senior Manager Local Economic Development & Planning	None	None	None	None
Senior Manager Technical Services	None	None	None	None
Senior Manager Corporate services	None	None	None	None

<b>Disciplinary action taken on cases of financial misconduct</b>			
Position	Nature of alleged misconduct and rand value of any loss to the municipality	Disciplinary action taken	Date finalized
None	None	None	None
None	None	None	None

#### 4.4 PERFORMANCE REWARDS

Designations	Beneficiary profile				
	Gender	Total number of employees in group	Number of beneficiaries	Expenditure on rewards Year 1 R' 000	Proportion of beneficiaries within group %
Lower skilled (Levels 1-2)	Female	N/A	N/A	N/A	N/A
	Male	N/A	N/A	N/A	N/A
Skilled (Levels 3-5)	Female	N/A	N/A	N/A	N/A
	Male	N/A	N/A	N/A	N/A
Highly skilled production (levels 6-8)	Female	N/A	N/A	N/A	N/A
	Male	N/A	N/A	N/A	N/A
Highly skilled supervision (levels 9-12)	Female	N/A	N/A	N/A	N/A
	Male	N/A	N/A	N/A	N/A
Senior management (Levels 13-15)	Female	N/A	N/A	N/A	N/A
	Male	N/A	N/A	N/A	N/A
MM and S57	Female	N/A	N/A	N/A	N/A
	Male	N/A	N/A	N/A	N/A
<b>Total</b>		N/A	N/A	N/A	N/A
<i>Has the statutory municipal calculator been used as part of the evaluation process ?</i>					N/A

### COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

#### INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

There is a noticeable improvement in the sense that the developed WSP is strictly adhered to and addresses scarce and critical skills. The implementation is focused specifically on the planned interventions and lately LGSETA reimburses grant annually into the municipal kitty which was never the case before besides follow-ups made then.

Challenges : Unavailability of provincially accredited providers and non submission of tender bids by training service providers.

Lack of memorandum of understanding between municipality and local FET colleges , which could be utilised in training some of the planned interventions.

Disciplinary action taken on cases of financial misconduct			
Position	Nature of alleged misconduct and rand value of any loss to the municipality	Disciplinary action taken	Date finalized
Not Applicable	-	-	-

#### 4.5 SKILLS DEVELOPMENT AND TRAINING

<b>Skills Matrix</b>														
Management	Gender M= ALE F=FEMALE	Employees in post as at 30 June 2016	Number of skilled employees required and actual as at 30 June 2016											
		No.	Learner-ships			Skills programme & other short courses			Other forms of training			Total		
			Actual 30 June 2015	Actual 30 June 2016	Target	Actual 30 June 2015	Actual 30 June 2016	Target	Actual 30 June 2015	Actual 30 June 2016	Target	Actual 30 June 2015	Actual 30 June 2016	Target
MM & S57	F	1	0	0	0	0	1	0	0	0	0	0	1	0
	M	5	0	1	0	0	5	0	0	0	0	0	6	0
F	F	F	F	F	F	F	F	F	F	F	F	F	F	F
	M	13	0	0	0	0	23	0	0	0	0	0	24	0
Technicians & associate professionals	F	1	0	0	0	0	0	0	0	0	0	0	0	0
	M	3	0	0	0	0	0	0	0	0	0	0	0	0
Professionals	F	9	0	0	0	0	5	0	0	0	0	0	9	0
	M	3	0	0	1	0	5	0	0	0	0	0	6	0
Clericals	F	22	0	0	15	0	7	0	0	0	0	0	29	0
	M	24	0	0	0	0	16	0	0	0	0	0	16	0
Semi Skilled	F	21	0	0	6	0	7	0	0	0	0	0	12	0
	M	10	0	0	5	0	2	0	0	0	0	0	7	0
Sub Total	F	59	0	0	0	0	0	0	0	0	0	0	0	0
	M	58	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>		117			31		80						134	

<b>Financial competency development: progress report</b>						
<b>Description</b>	<b>A Total number of officials employed by municipality (Regulation 14 (4)(a) and (c))</b>	<b>B Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c))</b>	<b>Consolidated: Total of A and B</b>	<b>Consolidated: competency assessment completed for a and B (regulation 14(4)(b) and (d))</b>	<b>Consolidated: Total number of officials whose performance agreements comply with regulation 16 (Regulation 14(4)(f))</b>	<b>Consolidated: Total Number of officials that meet prescribed competency levels (Regulation 14(4)(a))</b>
Financial officials	16	-	16	-	-	9
Accounting officer	1	-	1	1	1	1
Chief Financial Officer	1	-	1	-	1	0
Senior Managers	4	-	4	4	4	0
Any other financial officials	6	-	6	-	-	2
Supply Chain Management officials	2	-	2	-	-	1
Heads of SCM units	1	-	1	-	-	1
<b>Total</b>	<b>31</b>	<b>-</b>	<b>31</b>	<b>5</b>	<b>6</b>	<b>16</b>

Skills Development Expenditure										
Management Level	Gender	Employees as at the beginning of the financial year	Original Budget and Actual Expenditure on skills development 2015/16							
			Learnerships		Skills programmes & other short courses		Other forms of training		Total	
			No.	Original Budget	Actual	Original Budget	Actual 2015/6	Original Budget	Actual	Original Budget
MM and S57	Female	1	0	<b>0</b>	-	<b>5 500</b>	-	-	-	-
	Male	5	-	<b>24 000</b>	-	<b>27 500</b>	-	-	-	-
Legislators, senior officials and managers	Female	5	-	-	-	<b>150 029</b>	-	-	-	-
	Male	13	-	-	-	-	-	-	-	-
Professionals	Female	2	-	-	500 000	<b>20 888</b>	-	-	-	-
	Male	3	-	-	-	<b>11 688</b>	-	-	-	-
Technicians and associate professionals	Female	1	-	-	-	-	-	-	-	-
	Male	1	-	-	-	-	-	-	-	-
Clerks	Female	4	-	<b>289 200</b>	-	<b>43 456</b>	-	-	-	-
	Male	1	-	<b>0</b>	-	<b>36 390</b>	-	-	-	-
Service and sales workers	Female	-	-	-	-	<b>6 000</b>	-	-	-	-
	Male	-	-	-	-	<b>3 000</b>	-	-	-	-
Plant and machine operators and assemblers	Female	<b>8</b>	-	-	-	<b>0</b>	-	-	-	-
	Male	<b>22</b>	-	-	-	<b>14 700</b>	-	-	-	-
Elementary occupation	Female	<b>8</b>	-	-	-	<b>3 000</b>	-	-	-	-
	Male	<b>22</b>	-	-	<b>3 000</b>	-	-	-	-	-
Sub Total	Female	<b>28</b>	-	-	-	-	-	-	-	-
	Male	<b>52</b>	-	-	-	-	-	-	-	-

COMMENT ON SKILLS DEVELOPMENT AND RELATED EXPENDITURE AND ON THE FINANCIAL COMPETENCY REGULATIONS:

Note that our budget is centrally based in Corporate Services Department under Human Resources Management unit.

Number of employees whose salaries were increased due to their positions being upgraded		
Beneficiaries	Gender	Total
Lower skilled (level 1-2)	Female	0
	Male	0
Skilled (level 3-5)	Female	0
	Male	0
Highly skilled production (levels 6-8)	Female	0
	Male	0
Highly skilled supervision (level 9-12)	Female	0
	Male	0
Senior management (levels 13-15)	Female	0
	Male	0
MM & S57	Female	0
	Male	0
<b>Total</b>		
Those with disability are shown in brackets `(x)` in the number of beneficiaries column as well as in the numbers at the right hand side		

Employees whose salary levels exceed the grade determined by Job Evaluation				
Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
None	None	None	None	None

Employees appointed to posts not approved				
Department	Level	Date of appointment	No. appointed	Reason for appointment when no established post exist
None	None	None	None	None

## REPORT ON MINIMUM COMPETENCY REGULATIONS AS AT 30 JUNE 2016

Position	Total Employed	Total Acting in Position	Completed relevant standards per regulation	all unit as the	Outstanding Unit Standards as per the regulation	In training	Target date
Municipal Manager	1	none	YES		N/A	Completed	Completed
Manager Income	1	none	YES		N/A	Completed	Jun-16
Manager Budget and Reporting	1	none	YES		N/A	Completed	Completed
Accountant Expenditure	1	none	YES		Registered 2015/16	Completed	Jun-16
Debtors Clerk	1	None	YES		Registered 2015/16	2 Modules left	Dec-16
3 Financial Management Interns	3	none	NO		Registered 2015/16 (2 Unit standards outstanding)	2 Modules left	Dec-16

### COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

#### 1. THE IMPORTANCE OF MANAGING WORKFORCE EXPENDITURE

The municipality has committed to comply with the general expenditure responsibilities in terms of section 65 of the MFMA and specific reporting requirements related to expenditure on staff benefits as set out in section 66 of the MFMA and other relevant commitments and conditions of service. The municipality has committed to comply with the general expenditure responsibilities in terms of section 65 of the MFMA and specific reporting requirements related to expenditure on staff benefits as set out in section 66 of the MFMA and other relevant commitments and conditions of service. The Expenditure unit from Finance department take responsibility to make payments directly to the people to whom the payment is due and on due date.

#### MANAGING PRESSURES TO OVERSPEND

The salary budget forms a substantial portion of the municipality's operating budget and hence, there are controls in place to manage this huge piece of a pie. The office of the Chief financial officer has delegated functions to administer the Payroll function. Internal controls have been put in place to avoid overspending on workforce expenditure. Employees' allowances, such as standby and overtime are preapproved by departmental Senior Managers and the Chief Financial Officer; only after it has been confirmed that the budget is available to defray the costs. Where the budget is exhausted and no shifting of funds (virement) is possible, (in terms of the need to have transactions, e.g. attending valuable workshops, meetings, seminars, etc.) payments are withheld until after budget adjustment or if that is not possible the relevant departments is advised against incurring expenditure. No expenditure should be incurred if funds are not available!

## HOW SPENDING IS CONTROLLED

The municipality has Council approved budget, policies in place, Council resolutions as well as internal memoranda to regulate the spending on staff benefits. Strict internal controls are employed in the municipality to manage expenditure on employees. There is segregation of duties to facilitate peer review throughout the value chain activities relating to workforce expenditure. Human Resource section prepares all the memoran, Payroll initiates transactions and capture on the accounting system as well as checking, reviews, reporting and custody of supporting documentation. The Chief Financial Officer is responsible for approval of the transaction.

Salaries are determined according to the task grades and levels to which the employee is appointed. This serves as a control mechanism to ensure correct salary amounts are paid to the right employee. Spending on the workforce expenditure is done only once per month. It incorporates all four components of employee remuneration, i.e. Salaries; allowances and fringe benefits (overtime, standby allowances, Housing allowances fixed travel allowances, cell phone and data card allowances, subsistence and accommodation allowances); Other allowances (danger allowances) and third party deductions. Once this payments are made, the accounting system is closed to avoid any irregularities.

## VALUE FOR MONEY FROM WORKFORCE EXPENDITURE

Each department keeps a staff attendance register and this register is submitted every month to Human Resource section to determine whether there are employees who were absent without official leave. For all allowances a need analysis is conducted by Line Managers and a memorandum to same effect is drawn and preapproved by the Senior Manager of the department upon verification of the available budget, to ensure value for money.

The total salary expenditure for the **2015/16** financial year is detail in the table below:

	Budget	Actual
<b>Councillors (Political Office Bearers plus Other) R'000</b>		
Coucillors Allowance	R7,586,108	5,990,000
Pension Contributions	R 0.00	R 0.00

Medical Aid Contributions	R 0.00	R 0.00
Motor Vehicle allowance	R1,999,676.00	R2,000,000.00
Cell phone allowance	R659,636.00	R661,000.00
<b>Senior Managers of the Municipality R'000</b>		
Salaries		R 3,906,742.95
Pension Contribution		R 0.00
Medical Aid Contribution		R 0.00
Motor Vehicle Allowance		R 729,391.30
Cellphone Allowance		R 239,130.20
Housing Allowance		R 263,307.00
Subsistence & Travel Allowance		R 112,594.69
Bonus		R 122,456.69
<b>Other Municipal Staff R'000</b>		
Basic Salaries & Wages	R 38,911,330.00	R 35,896,210.07
Motor Vehicle Allowance	R 3,395,568.00	R 3,078,521.23
Cellphone Allowance	R 895,824.00	R 745,605.80
Housing Allowance	R 82,920.00	R 49,232.00
Overtime	R 715,500.00	R 653,566.12
Bonus	R 506,194.00	R 2,703,782.77
Danger Allowance	R 33,600.00	R 30,000.00
Laptop Allowance	R 408,156.00	R 382,181.38
Subsistence & Travel Allowance	R 1,239,000.00	R 1,288,973.00
Acting Allowance	R 228,700.00	R 52,072.23
Redemption of Leave	R 265,000.00	R 197,141.84
Standby Allowance	R 170,000.00	R 155,867.02
Interns Salary	R 500,000.00	R 520,458.04
PMU – MIG	R 1,274,769.00	R 962,023.84
Long Service	R 219,698.00	R 209,701.45
Clothing Allowance	R 6,000.00	R 6,000.00
<b>Third Party Obligations</b>		
Pension Contribution	R 6,983,678.00	R 6,319,762.85
Medical Aid Contribution	R 2,320,000.00	R 2,149,402.80
UIF	R 266,172.00	R 247,635.50
Bargaing Council Contribution	R 14,220.00	R 12,535.79
Skills Development Levy	R 656,000.00	R 517,405.52

## CHAPTER 5 – FINANCIAL PERFORMANCE

### 1. INTRODUCTION

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

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

## COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

### 5.1 STATEMENTS OF FINANCIAL PERFORMANCE

Financial Summary						
Description	2013/14	Current year 2015/16		2015/16 Variance		
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjusted budget
<b>Financial Performance</b>						
Property Rates	9,399,061	8,345,692	10,368,367	10,319,307	-24%	0%
Service charges	6,927,963	11,848,358	11,605,166	7,868,111	34%	32%
Investment revenue	481,419	683,959	723,959	1,255,011	-83%	-73%
Transfers recognised – operational	85,002,910	96,502,000	97,080,948	94,106,231	2%	3%
Other own revenue	10,267,998	14,003,289	18,597,509	11,669,335	7%	27%
<b>Total revenue (excluding capital transfers and contributions)</b>	<b>112,079,351</b>	<b>131,383,298</b>	<b>138,375,949</b>	<b>125,217,995</b>		
Employees costs	45,243,658	63,173,523	61,265,253	58,009,620	8%	5%
Remuneration of councillors	7,584,942	9,040,482	10,040,482	7,650,725	8%	5%
Depreciation & asset impairment	6,637,029	4,000,000	4,000,000	8,147,957	-104%	-104%
Finance charges	1,186,335	25,000	25,000	827,815	-	-3,211%
Materials and bulk purchases	1,923,947	7,000,000	7,700,000	7,073,013	-1%	8%
Transfers and grants	0	0	0	0		
Other expenditure	53,241,518	43,336,407	64,263,574	58,539,121	-35%	9%
	<b>115,817,429</b>	<b>126,575,412</b>	<b>147,294,309</b>	<b>140,248,251</b>		
		28,943,000	29,141,859	28,483,273		

Financial Summary						
<b>Total Expenditure</b>						
<b>Surplus (deficit)</b>						
Transfers recognised – capital						
Contributions recognised – capital & contributed assets						
<b>Surplus (deficit) after capital transfers &amp; contributions</b>						
Share of surplus (deficit) of associates						
<b>Surplus (deficit) for the year</b>						
<b>Capital expenditure &amp; funds sources</b>						
<b>Capital expenditure</b>	16,441,583					
Transfers recognised – capital	-					
Public contributions & donations	8,084,722					
Borrowing						
Internally generated funds						
<b>Total source of capital funds</b>						
<b>Financial position</b>						
Total current assets	47,347,629	38,010,899	38,010,899	51,890,714	-	-
Total non-current assets	179,330,341	212,527,103	212,527,103	144,464,582	-	-
Total current liabilities	18,237,762	28,088,776	28,088,776	16,407,804	-	-
Total non-current liabilities	7,110,032	4,081,978	4,081,978	8,815,029	-	-
Community wealth/equity	-	-	-	-	-	-
<b>Cash flows</b>						
Net cash from (used) operating	12,298,990	41,485,371	32,567,663	18,991,056	-	-
Net cash from (used) investing	14,267,255	38,506,383	32,567,000	14,095,519	-	-
Net cash from (used) financing	342,042	-	-	143,944	-	-
<b>Cash/cash equivalents at the year end</b>	<b>26,761,316</b>	<b>84,485,754</b>	<b>3,634,111</b>	<b>4,663,283</b>	-	-
<b>Cash banking/surplus reconciliation</b>						
Cash and investments available	8,972,348	-	-	-	-	-
Application of cash and investments	-	-	-	-	-	-
<b>Balance – surplus (shortfall)</b>						

Financial Summary						
<b>Asset management</b>						
Asset register summary (WDV)	-	-	-	-	-	-
Depreciation & asset impairment	-	-	-	-	-	-
Renewal of existing assets	-	-	-	-	-	-
Repairs and maintenance	-	-	-	-	-	-
<b>Free basic services</b>						
Cost of free basic services provided	2446753					64%
Revenue cost of free services provided	2446753					64%
	5155					0
<b>Households below minimum service level</b>	65					0
Water	5155					0
Sanitation/sewerage	65					0
Energy						
Refuse						
Variances are calculated by dividing the difference between actual & original /adjustments budget by the actual. Table is aligned to MBRR table 1						

## 5.2 GRANTS

Grant Performance R`000						
Description	2014/15	2015/16			2015/16 variance	
	Actual	Budget	Adjustments budget	Actual	Original budget %	Adjustments budget %
<b>Operating transfers and grants National Government:</b>						
Equitable share	89,014,492	106,287,000	106,287,000	106,286,857	143	143
Finance Management Grant	1,916,852	1,600,000	1,600,000	1,489,075	110,925	110,925
Municipal systems improvement	1,011,985	930,000	930,000	930,000	0	0
Other transfers/grants (Municipal Infrastructure Grant)	28,483,272	30,017,000	30,337,857	30,246,576	229,576	91,281
District municipality (CDM)	1,303,384	2,400,000	2,400,000	532,219	1,867,782	1,867,782

Other grant providers: (EPWP)	1,454,000	1,000,000	1,000,000	993,744	6,256	6,256
<b>Variance are calculated by dividing the difference between actual and original/adjustments budget by actual</b>						
<b>T5.2.1</b>						

### 5.3 ASSET MANAGEMENT

#### INTRODUCTION TO ASSET MANAGEMENT

<b>TREATMENT OF THE THREE LARGEST ASSETS</b>			
<b>Assets 1</b>			
<b>Name</b>	Mohodi Sport Complex		
<b>Description</b>	Recreational Facilities		
<b>Asset Type</b>	Sports Complex		
<b>Key staff involved</b>	Community Services		
<b>Staff responsibilities</b>	Operation & Maintenance		
<b>Asset Value</b>	<b>2014/15</b>	<b>2015/16</b>	
	R3 790 603.45	R3,965,152.57	
<b>Capital implications</b>			
<b>Future purpose of asset</b>	Entertainment		
<b>Describe key issues</b>			
<b>Policies in place to manage asset</b>	Asset Management Policy		

<b>Assets 2</b>			
<b>Name</b>	Volvo Grader 6930		
<b>Description</b>	Plant and Equipment		
<b>Asset Type</b>	Plant and Equipment		
<b>Key staff involved</b>	Technical Department (PMU/Road)		
<b>Staff responsibilities</b>	Gravelling of Roads		
<b>Asset Value</b>	<b>2014/15</b>	<b>2015/16</b>	
	R0.00	R2,193,087.55	
<b>Capital implications</b>			
<b>Future purpose of asset</b>	Roads Maintenance		
<b>Describe key issues</b>			
<b>Policies in place to manage asset</b>	Asset Management Policy		

<b>Asset 3</b>	
<b>Name</b>	Caterpillar Vibratory Soil Compactor Roller
<b>Description</b>	Plant and Equipment
<b>Asset Type</b>	Plant and Equipment
<b>Key staff involved</b>	Technical Department (PMU/Road)

<b>Staff responsibilities</b>	Gravelling of Roads		
<b>Asset Value</b>	<b>2014/15</b>	<b>2015/16</b>	
	R0.00	R1,082,928.00	
<b>Capital implications</b>			
<b>Future purpose of asset</b>	Roads Maintenance		
<b>Describe key issues</b>			
<b>Policies in place to manage asset</b>	Asset management Policy		
<b>T5.3.2</b>			

#### **COMMENT ON ASSET MANAGEMENT**

The municipal assets are well recorded / kept in the GRAP compliant asset register. The asset register provide information in detail of each individual asset.

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#### 5.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

### COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

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#### 5.5 CAPITAL EXPENDITURE

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#### 5.6 SOURCES OF FINANCE

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#### 5.7 CAPITAL SPENDING ON 5 LARGEST PROJECTS

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#### 5.8 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

### COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENT

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#### 5.9 CASH FLOW

Molemole Municipality has the approved cash management and investment policy in place. The primary and the ultimate goal of investing funds is to earn highest return on invested principal amount at minimum risk, within the parameters of authorized instruments as per the MFMA. However, the decision to invest funds is done in such way as to not compromise liquidity requirements of the municipality. In relation to cash management, the Chief Financial Officer ensures that Molemole Municipality is financially viable and sustainable by enforcing appropriate internal financial systems and controls that will enable the municipality to detect the mismanagement of funds.

5.10 BORROWING AND INVESTMENTS

5.11 PUBLIC PRIVATE PARTNERSHIPS

**COMPONENT D: OTHER FINANCIAL MATTERS**

5.12 SUPPLY CHAIN MANAGEMENT

**INTRODUCTION TO ASSET MANAGEMENT**

<b>TREATMENT OF THE THREE LARGEST ASSETS</b>			
<b>Assets 1</b>			
<b>Name</b>	Mohodi Sport Complex		
<b>Description</b>	Recreational Facilities		
<b>Asset Type</b>	Sports Complex		
<b>Key staff involved</b>	Community Services		
<b>Staff responsibilities</b>	Operation & Maintenance		
<b>Asset Value</b>	<b>2014/15</b>	<b>2015/16</b>	
	R3 790 603.45	R3,965,152.57	
<b>Capital implications</b>			
<b>Future purpose of asset</b>	Entertainment		
<b>Describe key issues</b>			
<b>Policies in place to manage asset</b>	Asset Management Policy		

<b>Assets 2</b>			
<b>Name</b>	Volvo Grader 6930		
<b>Description</b>	Plant and Equipment		
<b>Asset Type</b>	Plant and Equipment		
<b>Key staff involved</b>	Technical Department (PMU/Road)		
<b>Staff responsibilities</b>	Gravelling of Roads		
<b>Asset Value</b>	<b>2014/15</b>	<b>2015/16</b>	
	R0.00	R2,193,087.55	
<b>Capital implications</b>			
<b>Future purpose of asset</b>	Roads Maintenance		
<b>Describe key issues</b>			
<b>Policies in place to manage asset</b>	Asset Management Policy		

<b>Asset 3</b>	
<b>Name</b>	Caterpillar Vibratory Soil Compactor Roller
<b>Description</b>	Plant and Equipment
<b>Asset Type</b>	Plant and Equipment

<b>Key staff involved</b>	Technical Department (PMU/Road)		
<b>Staff responsibilities</b>	Gravelling of Roads		
<b>Asset Value</b>	<b>2014/15</b>	<b>2015/16</b>	
	R0.00	R1,082,928.00	
<b>Capital implications</b>			
<b>Future purpose of asset</b>	Roads Maintenance		
<b>Describe key issues</b>			
<b>Policies in place to manage asset</b>	Asset management Policy		
<b>T5.3.2</b>			

## COMMENT ON ASSET MANAGEMENT

The municipal assets are well recorded / kept in the GRAP compliant asset register. The asset register provide information in detail of each individual asset.

### 5.13 GRAP COMPLIANCE

## PERFORMANCE OF SERVICE PROVIDERS AND SERVICE DELIVERY PRIORITIES DURING THE FINANCIAL YEAR

Project Name	Advertis Date	Appoin tment Date	Name of Supplier	Amount	Locality	Gend er		Age Gro up		Proje ct Dura tion	Comple tion period	Perf orma nce
						M	F	Y	A			
Upgradin g of Machaka to Sekaken e Gravel to Tar	29/04/ 2015	01/07/2 015	Mashaipon e General Constructi on	R 12 504 446,80	Polokwn ae	x			x	09 mont hs	0 9 m o n t h s	Good
Upgradin g of Mogwadi to Thupana Phase 2	04/08/ 2015	29/09/2 015	Tsentse Manufactu rers	R 8 055 099,57	Polokwa ne	x		x		06 mont hs	06 months	Good
Consulta nts for Mogwadi Internal Streets	29/09/ 2015	22/12/2 015	STK Consulting Engineers	R 2 124 248,68	Polokwa ne	x		X		30 mont hs	On going	Good
Supply and delivery of motor grader	14/07/ 2015	09/09/2 015	Earthmovi ng Filtration and Compactio	R 2 500 119,81	Polokwa ne	X			x	Once off suppl y	Once off supply	Good

Project Name	Advertiser Date	Appointment Date	Name of Supplier	Amount	Locality	Gender		Age Group		Project Duration	Completion period	Performance
						M	F	Y	A			
			n									
Supply, delivery and installation of high mast lights	14/07/2015	09/09/2015	Tshipota Electrical Contractors	R 1 078 166,44	Polokwane	X			X	4 months	08 months	Good
Construction of Mogwadi Internal Streets	18/02/2016	14/06/2016	Capstan Trading 215 cc	R 24 194 009,10	Giyani	X			X	09 months	On-going	Good
Upgrading of Electricity Network	29/09/2015	22/12/2015	Africa Related Mo Electrical Engineering cc	R 1 150 117,50	Pretoria	X		X		06 months	06 months	Good
Construction of Mohodi sports complex	24/09/2014	5/12/2014	Casnan Civils	13,254,570.13	Nelspruit		X	X		3 years	On going	Fair

## ANNUAL PERFORMANCE REPORT 2015/2016

### INTRODUCTION AND BACKGROUND

The development, implementation and monitoring of a Service Delivery and Budget Implementation Plan (SDBIP) is required by the Municipal Finance Management Act (MFMA) section 69 (3) (b). Circular 13 of the National Treasury stipulates that, "the SDBIP gives effect to the Integrated Development Plan (IDP) and the budget of the municipality and will be possible if the IDP and the budget are fully aligned with each other, as required by the MFMA."

As the budget gives effect to the strategic priorities of the municipality it is important to supplement the budget and the IDP with a management and implementation plan. The SDBIP serves as the commitment by the municipality, whereby the intended objectives and projected achievements are expressed in order to ensure that desired outcomes over the long term are achieved and are implemented by the administration over the next 12 months.

The Municipal Finance Management Act (MFMA) no 56 of 2003, defines the Service Delivery Budget Implementation Plan as a detailed plan approved by the Mayor of the municipality for implementing the municipality's delivery of municipal services and its annual budget and must include the following:

- (a) Projections of each month of:
  - (i) Revenue to be collected, by source and
  - (ii) Operational and Capital expenditure, by vote;
- (b) Service delivery targets and performance indicators for each quarter

### PURPOSE

The document presents the 2015/2016 Service Delivery and Budget Implementation Plan of the municipality drafted in compliance with the requirements of the MFMA. The performance targets set in this document lay basis for the performance contracts of all Departmental Heads and Middle Managers. It enables the Municipal Manager to monitor the performance of Senior Managers; and the community to monitor the performance of the municipality

#### LEGAL REQUIREMENTS CONSIDERED WITH THE DEVELOPMENT/DESIGN OF THE SDBIP

Section 53 1(c) (ii) of the MFMA states that the Mayor must ensure that the municipality's SDBIP is approved within 28 days after approval of the budget. Section 69(3) of the MFMA states that the Accounting Officer must no later than 14 Days after the approval of the Budget submit the draft SDBIP and Performance Agreements for the Municipal Manager and all Senior Managers to the Mayor. Sec 53 3(b) also states that the SDBIP's must be made public no later than 14 days after its approval by Council and that the Performance agreements of the Municipal Manager, Senior Managers and any other categories of officials as may be prescribed, should be made public no later than 14 days after the approval of the SDBIP.

#### REPORTING ON SDBIP

This section covers reporting on the SDBIP as a way of linking the SDBIP with the oversight and monitoring operations of the Municipal administration. Various reporting requirements are outlined in the MFMA. Both the Mayor and the Accounting Officer have clear roles to play in preparing and presenting these reports. The SDBIP provides an excellent basis for generating the reports for which MFMA requires. The reports then allow the Municipality to monitor the implementation of service delivery programs and initiatives across the Molemole municipal jurisdiction.

#### QUARTERLY REPORTING

Section 52 (d) of the MFMA compels the mayor to submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality within 30 days of the end of each quarter. The quarterly performance projections captured in the SDBIP form the basis for the mayor's quarterly report.

#### MID-YEAR REPORTING

Section 72 (1) (a) of the MFMA outlines the requirements for mid-year reporting. The accounting officer is required by the 25<sup>th</sup> January of each year to assess the performance of the municipality during the first half of the year taking into account:

- (i) the monthly statements referred to in section 71 of the first half of the year
- (ii) the municipalities service delivery performance during the first half of the financial year, and the service delivery targets and performance indicators set in the service delivery and budget implementation plan;
- (iii) the past year's annual report, and progress on resolving problems identified in the annual report; and
- (iv) the performance of every municipal entity under the sole or shared control of the municipality, taking into account reports in terms of section 88 from any such entities.

Based on the outcomes of the mid-year budget and performance assessment report, an adjustments budget may be tabled if actual revenue or expenditure amounts are materially different from the projections contained in the budget or the SDBIP. The SDBIP is also a living document and may be modified based on the mid-year performance review. Thus the SDBIP remains a kind of contract that holds the Municipality accountable to the community.

#### ANNUAL REPORTING

Section 46 (1) of Municipal Systems Act stipulates that a municipality must prepare for each financial year a performance report reflecting

- a) the municipality's, and any service provider's, performance during that financial year, also in comparison with targets of and with performance in the previous financial year;
- b) the development and service delivery priorities and the performance targets set by the municipality for the following financial year; and
- c) measures that were or are to be taken to improve performance.

Sec 46 (2) further states that an annual performance report must form part of the municipality's annual report in terms of Chapter 12 of the MFMA.

THE FINANCIAL PERFORMANCE REPORT OF THE MUNICIPALITY FOR THE FINANCIAL YEAR 2015/16

**REVENUE**

The annual budget 2015/16 financial year amounts to **R181 830 133** and the Actual revenue collected as at 30 June 2016 amounts to **(92%) 167 244 599** compared to the proportional percentage of **100**. The **92%** revenue recognized is based on accrual based accounting concept not on cash basis.

DESCRIPTION	TOTAL ANNUAL BUDGET	12 MONTHS BUDGET	12 MONTHS ACTUAL	12 MONTHS %	VARIANCE FROM 12 MONTHS	REASONS FOR VARIANCE
	R	R	R	%	R	
<b>Revenue By Source</b>						
Property Rates	10 866 000	10 866 000	10 850 000	100	16 000	None
Service Charges- Electricity revenue including selling of prepaid electricity	9 556 982	9 556 982	5 940 000	62	3 616 982	The budgeted amount was based on the high billing population (conventional electricity meters) from the previous environment
Service Charges-Refuse Revenue	1 534 222	1 534 222	1 552 000	101	-17 778	None
Rental of facilities and equipment	286 851	286 851	290 000	101	-3 149	None
Interest earned- external investment	2 200 000	2 200 000	2 101 000	96	99 000	None
Interest earned- outstanding debtors	4 569 726	4 569 726	2 554 000	56	2 015 726	Reduction on interest of outstanding debtors due to bad debts write offs during the year
Fines	954 154	954 154	366 000	38	588 154	Traffic fines not recognised in line with GRAP standards.
Licence and permits	5 602 114	5 602 114	4 908 000	88	694 114	None

Transfers recognized- operational	111 217 000	111 217 000	108 207 000	97	3 010 000	None
Agency services	2 082 852	2 082 852	2 188 000	105	-105 148	None
Transfers recognized - capital	31 739 433	31 739 433	26 984 000	85	4 755 433	The actual is exclusive of VAT
Other revenue	1 220 799	1 220 799	1 304 599	107	-83 799	No sale of assets as planned
<b>Total Revenue ( including Capital transferred)</b>	<b>181 830 133</b>	<b>181 830 133</b>	<b>167 244 599</b>	<b>92</b>	<b>14 585 534</b>	
<b>DESCRIPTION</b>	<b>TOTAL ANNUAL BUDGET</b>	<b>12 MONTHS BUDGET</b>	<b>12 MONTHS ACTUAL</b>	<b>12 MONTHS %</b>	<b>VARIANCE FROM 12 MONTHS</b>	<b>REASONS FOR VARIANCE</b>
	R	R	R	%	R	
<b>OPERATIONAL EXPENDITURE</b>						
Salaries and Allowances(including councillors)	66 166 386	66 166 386	61 298 000	93	4 868 386	Vacant and funded posts not filled
Remuneration of Councillors	10 246 420	10 246 420	8 659 000	85	1 587 420	None
Debt impairment	6 000 000	6 000 000	0	0	6 000 000	Provision for doubtful debts is still finalised for the end year reporting.
Electric Purchases	8 500 000	8 500 000	7 776 00	91	724 000	None
Contracted services	3 307 856	3 307 856	2 901 000	88	406 856	None
Depreciation & asset impairment	8 000 000	8 000 000	9 614 000	120	-1 614 000	
Other expenditure	42 039 971	42 039 971	28 728 000	68	13 311 971	

<b>GRAND TOTAL</b>	<b>144 260 633</b>	<b>144 260 633</b>	<b>118 976 000</b>	<b>82</b>	<b>25 284 633</b>
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Payments in respect of capital projects funded by grant up to 30 June 2016 amounts to **R 24 013 000** against a 12 months budget of **R 29 620 806** which translates to 81%.

Total payments of capital projects as at 30 June 2016 is **R 35 338 322** against a 12 months budget of **R 51 291 447** which translates to 69%.

<b>DESCRIPTION</b>	<b>TOTAL ANNUAL BUDGET</b>	<b>12 MONTHS BUDGET</b>	<b>12 MONTHS ACTUAL</b>	<b>12 MONTHS %</b>	<b>VARIANCE FROM 12 MONTHS</b>	<b>REASONS FOR VARIANCE</b>
	<b>R</b>	<b>R</b>	<b>R</b>	<b>%</b>	<b>R</b>	
<b>CAPITAL EXPENDITURE</b>						
Assets from own funds	21 670 641	21 670 641	11 325 322	52	10 345 319	Contractor of Mogwadi internal street just appointed
Assets from Grants and subsidies	29 620 806	29 620 806	24 013 000	81	5 607 806	Actual shown exclusive of VAT
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>51 291 447</b>	<b>51 291 447</b>	<b>35 338 322</b>	<b>69</b>	<b>15 953 125</b>	

## **DEBTORS**

### **Comprehensive analysis of services debtors**

The net outstanding service debtors as at 30 June 2016 amounts to Rand is made up as follows:

<b>Current Debt</b>	<b>Amount</b>
30 Days	1 492 490
60 Days	1 442 354
90 Days	1 534 407
120+ Days	53 535 266
Plus Journals	0
<b>Sub Total</b>	<b>58 004 517</b>
<u>Less:</u> Credit Amounts	0
<b>Total</b>	<b>58 004 517</b>

The outstanding amount of R58 004 517 is divided as follows:

<b>Category</b>	<b>Amount</b>
Government	20 703 259
Business	1 374 737
Households	22 465 641
Other	13 460 880
<b>Total</b>	<b>58 004 517</b>

A) TABULATED SUMMARY

DEPARTMENT: CORPORATE SERVICES

<b>Key Performance Area (KPA) 6:</b>					<b>Municipal Transformation and Organizational Development</b>						
<b>Outcome 9:</b>					<b>Responsive, Accountable, Effective and Efficient Local Government System</b>						
<b>Outputs :</b>					<b>Implement a differentiated approach to municipal financing, planning, and support</b>						
<b>Strategic objectives</b>					<b>Ensure administrative support to municipal units through continuous institutional development and innovation.</b>						
No	Prior ity area (IDP)	Project Name	Key performan ce indicator	Baseline	2015/16 annual target	Actual achievement	Reason for deviation	Progress (%to target)	Revised target (Means improvement)	2015/16 Annual budget	Means of verification
1.	Administration	Erection of Palisade Fence at Sekgose DLTC	353m of palisade fence erected at Sekgose DLTC	135m of Palisade fence constructed in Sekgose DLTC	353m of palisade fence erected at Sekgose DLTC	353m of palisade fence completed at Sekgose DLTC	None	100%	None	Budget R470 315.00  Expenditure R470 315.00	Approved Spec, advert, attendance register for briefing, appointment letter and SLA, Completion Certificate
2.		Supply, installation and maintenance of Cleaning	Number of Municipal building installed with Cleaning Equipment &	Inadequate Cleaning equipment & accessories	08 municipal buildings: Installed with Cleaning equipment & accessories	Service provider appointed and cleaning equipments and accessories fully	None	100%	None	Budget R303 389.00	Approved spec, advert, attendance register for site Briefing, appointment Letter and a 2 year SLA for

<b>Key Performance Area (KPA) 6:</b>				<b>Municipal Transformation and Organizational Development</b>								
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>								
<b>Outputs :</b>				<b>Implement a differentiated approach to municipal financing, planning, and support</b>								
<b>Strategic objectives</b>				<b>Ensure administrative support to municipal units through continuous institutional development and innovation.</b>								
		equipment & accessories.	accessories			completed. 24 months maintenance contract concluded.					Expenditure R269 572.30	supply, installation and maintenance of cleaning equipment & accessories. Monthly/Annual performance reports

No	Priority area (IDP)	Project Name	Key performance indicator	Baseline	2015/16 annual target	Actual achievement	Reason for deviation	Progress (%to target)	Revised target for (Means improvement)	2015/16 annual budget	Means of verification
3	ADMINISTRATION	Annual Renewal of Software Licenses	Number of Software licenses renewed	Seven (7 Software licenses renewed for municipal systems (Venus, Payday, Microsoft server, Symantec antivirus, Backup Exec, GIS and case ware.)	Seven (7) Software licenses renewed for municipal systems: Venus, Payday, Microsoft, Symantec antivirus, backup exec, GIS and case ware,	Renewed annual licenses for Symantec Anti-Virus Microsoft server & backup Exec payday venus Microsoft server, GIS and CASE ware	None	100%	None	Budget R535 000.00  Expenditure R534 474.64	Approved Spec, advert, appointment letter and renewal certificate

No	Priority area (IDP)	Project Name	Key performance indicator	Baseline	2015/16 annual target	Actual achievement	Reason for deviation	Progress (%to target)	Revised target for (Means improvement)	2015/16 annual budget	Means of verification
4	INFORMATION AND COMMUNICATION	Procurement of ICT equipment	Number of ICT Equipment purchased	Total Laptops 46 Total Desktops 64 Total Server 7 Total Printers 19	17 ICT Equipment purchased (2 DR Servers, 1 payroll printer, 13 office printers, 1 Sever rack with KVM console kit, 5 boxes of backup tapes)	Procured 1 DR Server, 1 payroll printer 13 office printers	SITA provided backup tapes as per the Disaster Recovery and backup signed SLA, 1 DR server and server rack with console kit couldn't be procured due to budget constraints	90%	1 server rack with KVM console kit to be procured in 2016/17 financial year	Budget R710 000.00  Expenditure R707 052.00	Approved Spec, advert, appointment letter/Orders and delivery notes
5		Supply and installation of ICT Network infrastructure	Number of office buildings installed with ICT Network infrastructure	Network infrastructure installed in 7 municipal buildings	Network cabling upgrade from CAT5E to CAT6 IN Civic Building	Network cabling upgraded from CAT6 in Mogwadi Civic Centre building	None	100%	None	Budget R270 000.00  Expenditure R260 904.33	Approved Spec, advert, appointment letter and test results

No	Priority area (IDP)	Project Name	Key performance indicator	Baseline	2015/16 annual target	Actual achievement	Reason for deviation	Progress (%to target)	Revised target of (Means improvement)	2015/16 annual budget	Means of Verification
6.	HUMAN RESOURCES MANAGEMENT	Management of discipline in the workplace	Percentage of referred cases attended to within the required time frames	100 percent of all cases attended to within 90 days	100% of all cases attended to within 90 days	100% of all cases attended to within 90 days	None	None	Target not measurable.	Nil	Attendance registers and Minutes of proceedings
		Local Labour Forum (LLF)	Number of LLF and sub-committee meeting coordinated to enhance labour relations	3 LLF and 3 sub-committee meeting held	4 LLF and 4 Sub-committee meeting held	3 LLF and 7 sub-committee meeting held	1 LLF meeting couldn't quorate due to unavailability of committee members	75%	None	Nil	Invites, attendance registers and Minutes
		Training of Councillors and employees	Number of Councillors Trained on municipal programmes	20 Councilors trained	20 Councilors Trained on municipal programmes	12 Councillors trained on Municipal programmes	Non responsive tender bids (Unaccredited bidders)	60%	None	Budget R500 000.00 Expenditure R493 807.66	Attendance register and Training report

No	Priority area (IDP)	Project Name	Key performance indicator	Baseline	2015/16 annual target	Actual achievement	Reason for deviation	Progress to target (%)	Revised target (Means of improvement)	2015/16 annual budget	Means of Verification
8.	HUMAN RESOURCE MANAGEMENT		Number of employees capacitated on all identified municipal programmes	49 employees capacitated on all identified municipal programmes	40 employees capacitated on all identified municipal programmes as per workplace skills plan (WSP)	67 employees capacitated on all identified municipal programmes as per workplace skills plan (WSP)	None	100%	None		Attendance register and Training report
9.		WSP (Workplace Skills Plan) submitted to LGSETA	Number of WSP (Workplace Skills Plan) submitted to LGSETA	WSP (Workplace Skills Plan) submitted on 30 April 2015	1 WSP (Workplace Skills Plan) submitted to LGSETA by 30 April 2016	1 WSP (Workplace Skills Plan) submitted to LGSETA by 30 April 2016	None	100%	None	Nil	Impact assessment report and Approved WSP document. Acknowledgement of receipt.
10.		Development and submission of Employment Equity Report to Department of Labour	Number of Employment Equity Reports developed and submitted	One (1) Employment Equity Report developed and submitted	One (1) Employment Equity Report developed and submitted	One (1) Employment Equity Report developed and submitted to	None	100%	None	Nil32.	Final approved EE report. Acknowledgement of receipt.

		(DoL)		to DoL	to DoL	DoL					
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Project No.	Priority area(ID P)	Project Name	Key performance indicator	Baseline	2015/16 annual target	Actual achievement	Reason for deviation	Progress (% to target)	Revised target (Means for improvement)	2015/16 annual budget	Means of verification
<b>OFFICE OF THE SPEAKER</b>											
11.	Council and Administrative Support	Council and Council Committee Meetings	Number of Council meetings held	4 Council meetings	4 Council meetings coordinated	12 Council meetings coordinated	8 Special Council meetings coordinated	100%	None	Nil	Attendance registers and minutes Resolutions
12.			Number of Portfolio Committee meetings held	60 Portfolio Committee Meetings	60 Portfolio Committees held	50 portfolio committee meetings coordinated	10 meetings could not quorate	83%	Political intervention.	Nil	Notice, Attendance registers and minutes Resolutions

13.			Number of Exco meetings held	12 Exco Meetings held	03 Exco Meetings held	10 Exco meetings coordinated	Due to special Council meetings	100%	None	Nil	Attendance registers and minutes Resolutions
14.	Public Participation programmes	Oversight Programmes	Number of MPAC meetings held  Number of Public hearings held	5 MPAC meetings held  2 MPAC Public Hearings held	4 MPAC meetings held  2 MPAC Public Hearings held	7 MPAC meetings coordinated  1MPAC public hearing coordinated	Due to follow-up meetings  Unavailability of MPAC members for preparatory meeting	100%  50%	None  Political intervention.	Nil  Nil	Minutes and attendance registers  Attendance Register, Notices, Oversight Report and Invitations.
15.		Ward Committee Capacity Building	Number of training interventions conducted	4 training interventions conducted	4 training interventions conducted	3 training interventions conducted	Budgetary constraints	75%	2016/17 financial year	Budget R243 231.00  Expenditure R243 231.00	Invitations, Training Reports and attendance registers
16.	Risk Management		% of identified risks resolved within timeframe	50%	100% of risks resolved within the timeframe as specified	100% of strategic risks resolved within the timeframe	None	100%	None	Nil	Updated risk register

			e as specified in the risk register		in the register	as specified in the register					
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**DEPARTMENT: TECHNICAL SERVICES**

<b>Key Performance Area (KPA) 2:</b>				<b>Basic Services &amp; Infrastructure Planning</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs:</b>				<ul style="list-style-type: none"> <li>• Implement a differentiated approach to municipal financing, planning, and support</li> <li>• Improving access to basic services</li> <li>• Implementation of the community works programme</li> </ul>							
<b>Strategic objectives</b>				<ul style="list-style-type: none"> <li>• Provision of sustainable infrastructure and basic services</li> </ul>							
Project No.	Priority area (IDP)	Project Name	Key performance indicator	Baseline	2015/16 annual target	Actual achievement	Reason for deviation	Progress (% to target)	Revised target (Means for improvement)	2015/16 annual budget	Means verification of
<b>OPERATIONS AND MAINTENANCE</b>											
17.	ROADS	maintenance of roads	Number of	613 km of gravel	613 km of gravel roads	620 km of gravel	Breakdown on	100%	None	Nil	Monthly Reports and signed

<b>Key Performance Area (KPA) 2:</b>				<b>Basic Services &amp; Infrastructure Planning</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs:</b>				<ul style="list-style-type: none"> <li>• Implement a differentiated approach to municipal financing, planning, and support</li> <li>• Improving access to basic services</li> <li>• Implementation of the community works programme</li> </ul>							
<b>Strategic objectives</b>				<ul style="list-style-type: none"> <li>• Provision of sustainable infrastructure and basic services</li> </ul>							
Project No.	Priority area (IDP)	Project Name	Key performance indicator	Baseline	2015/16 annual target	Actual achievement	Reason for deviation	Progress (% to target)	Revised target (Means improvement)	2015/16 annual budget	Means of verification
<b>OPERATIONS AND MAINTENANCE</b>											
		and storm water infrastructure	kilometres of gravel roads graded and storm water maintained	roads	graded and storm water maintained.	roads graded and storm water maintained	machineries				worksheets
18.		Purchase of new grader	Number of Graders procured.	3 graders available	1x Grader procured	Grader is delivered	None	100%	None	Budget R2 193 088.00 Expenditure R2 193 087.55	Advertisement Appointment letter Delivery note
19.		Madikana low level	Number of low	Limited access at	1x low level bridge	Project Completed	None	100%	None	Budget	Advertisement

<b>Key Performance Area (KPA) 2:</b>				<b>Basic Services &amp; Infrastructure Planning</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs:</b>				<ul style="list-style-type: none"> <li>• Implement a differentiated approach to municipal financing, planning, and support</li> <li>• Improving access to basic services</li> <li>• Implementation of the community works programme</li> </ul>							
<b>Strategic objectives</b>				<ul style="list-style-type: none"> <li>• Provision of sustainable infrastructure and basic services</li> </ul>							
<b>Project No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performance indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievement</b>	<b>Reason for deviation</b>	<b>Progress (% to target)</b>	<b>Revised target for (Means improvement)</b>	<b>2015/16 annual budget</b>	<b>Means of verification</b>
<b>OPERATIONS AND MAINTENANCE</b>											
		bridge	level bridge constructed	Madikana internal streets	constructed at Madikana	and Site handed over				R420 000.00	Appointment letter Progress reports Completion certificate
20.		Madiehe low level bridge	Number of low level bridge constructed	Limited access at Madiehe internal streets	1x low level bridge constructed at Madiehe	Project Completed and Site handed over	None	100%	None	Budget R 420 000.00 Expenditure R 275 821.79	Advertisement Appointment letter Progress reports Completion certificate

<b>Key Performance Area (KPA) 2:</b>				<b>Basic Services &amp; Infrastructure Planning</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs:</b>				<ul style="list-style-type: none"> <li>• Implement a differentiated approach to municipal financing, planning, and support</li> <li>• Improving access to basic services</li> <li>• Implementation of the community works programme</li> </ul>							
<b>Strategic objectives</b>				<ul style="list-style-type: none"> <li>• Provision of sustainable infrastructure and basic services</li> </ul>							
<b>Project No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performance indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievement</b>	<b>Reason for deviation</b>	<b>Progress (% to target)</b>	<b>Revised target for (Means improvement)</b>	<b>2015/16 annual budget</b>	<b>Means of verification</b>
<b>OPERATIONS AND MAINTENANCE</b>											
21.		Ramatjowe low level bridge	Number of low level bridge constructed	Limited access at Ramatjowe internal streets	1x low level bridge constructed at Ramatjowe	Project Completed and Site handed over	None	100%	None	Budget R 500 000.00  Expenditure R 381 579.66	Advertisement  Appointment letter  Progress reports  Completion certificate
22.	Roads	Mogwadi internal streets	2 km of Mogwadi internal streets constructed	2.6 km tarred	Appointment of contractor, site establishment	Contractor has been Appointed	Late appointment of the contractor.	50%	Adherence to procurement plan.	Budget R10 000 000  Expenditure R 1 328 769.18	Advertisement  Appointment letter  Progress reports  Completion certificate

<b>Key Performance Area (KPA) 2:</b>				<b>Basic Services &amp; Infrastructure Planning</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs:</b>				<ul style="list-style-type: none"> <li>• Implement a differentiated approach to municipal financing, planning, and support</li> <li>• Improving access to basic services</li> <li>• Implementation of the community works programme</li> </ul>							
<b>Strategic objectives</b>				<ul style="list-style-type: none"> <li>• Provision of sustainable infrastructure and basic services</li> </ul>							
<b>Project No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performance indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievement</b>	<b>Reason for deviation</b>	<b>Progress (% to target)</b>	<b>Revised target for (Means improvement)</b>	<b>2015/16 annual budget</b>	<b>Means of verification</b>
<b>OPERATIONS AND MAINTENANCE</b>											
23.	Roads	Machaka to sekakene gravel to tar road	3.1 km of Machaka to sekakene road from gravel to tar constructed	613 km gravel road	Construction of Machaka to sekakene road from gravel to tar (3,1 km of road tarred)	Project Completed and Site handed over	None	100%	None	Budget R 14 221 600  Expenditure R 14 221 600	Advertisement  Appointment letter  Progress reports  Completion certificate
24.	Roads	Mohodi to Thupana gravel to tar road	2km of Mohodi to Thupana road from gravel to tar constructed	4.8km tarred	Construction of Mohodi to Thupana road from gravel to tar (2 km of road tarred)	Project Completed and Site handed over	None	100%	None	Budget R 9 792 000  Expenditure R 9 792 000	Advertisement  Appointment letter  Progress reports  Completion certificate

<b>Key Performance Area (KPA) 2:</b>				<b>Basic Services &amp; Infrastructure Planning</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs:</b>				<ul style="list-style-type: none"> <li>• Implement a differentiated approach to municipal financing, planning, and support</li> <li>• Improving access to basic services</li> <li>• Implementation of the community works programme</li> </ul>							
<b>Strategic objectives</b>				<ul style="list-style-type: none"> <li>• Provision of sustainable infrastructure and basic services</li> </ul>							
<b>Project No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performance indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievement</b>	<b>Reason for deviation</b>	<b>Progress (% to target)</b>	<b>Revised target (Means improvement)</b>	<b>2015/16 annual budget</b>	<b>Means verification of</b>
<b>OPERATIONS AND MAINTENANCE</b>											
25.	Social facilities	Mohodi Sport Complex	Complete sport complex	Palisade Fence and ticket sales house completed	Dam rehabilitation, electrical works, borehole drilling and elevated tank	Electrical works, high mast lights and fencing lights	Shortage of underground water delayed installation of elevated tank.	95%	Identify the nearest source of water.	Budget R 4 502 550  Expenditure R 4 502 550	Progress Report  Payment certificates

<b>Key Performance Area (KPA) 2:</b>				<b>Basic Services &amp; Infrastructure Planning</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs:</b>				<ul style="list-style-type: none"> <li>• Implement a differentiated approach to municipal financing, planning, and support</li> <li>• Improving access to basic services</li> <li>• Implementation of the community works programme</li> </ul>							
<b>Strategic objectives</b>				<ul style="list-style-type: none"> <li>• Provision of sustainable infrastructure and basic services</li> </ul>							
<b>Project No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performance indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievement</b>	<b>Reason for deviation</b>	<b>Progress (%to target)</b>	<b>Revised target (Means for improvement)</b>	<b>2015/16 annual budget</b>	<b>Means verification of</b>
<b>ELECTRICITY</b>											
26.	<b>ELECTRICAL SERVICES</b>	Upgrading Electricity network	Uninterrupted electricity supply and compliance with electricity standard.	Overloaded aging electricity infrastructure	Replacement of 80 rotten poles, 1500 Low Voltage conductor and 120 Low Voltage insulators	Replacement of 80 rotten poles, 1500 Low Voltage conductor and 120 Low Voltage insulators	None	100%	None	Budget R1 642 332 .00 Expenditure R1 150 117 .50	Progress report and payment certificates.

<b>Key Performance Area (KPA) 2:</b>				<b>Basic Services &amp; Infrastructure Planning</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs:</b>				<ul style="list-style-type: none"> <li>• Implement a differentiated approach to municipal financing, planning, and support</li> <li>• Improving access to basic services</li> <li>• Implementation of the community works programme</li> </ul>							
<b>Strategic objectives</b>				<ul style="list-style-type: none"> <li>• Provision of sustainable infrastructure and basic services</li> </ul>							
<b>Project No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performance indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievement</b>	<b>Reason for deviation</b>	<b>Progress (%to target)</b>	<b>Revised target (Means for improvement)</b>	<b>2015/16 annual budget</b>	<b>Means verification of</b>
<b>ELECTRICITY</b>											
27.		High mast Lights	Provide night time security to the community.	No high mast lights at Capricorn park and Mogwadi Ext 4	2 x High mast lights constructed.	2 x High mast lights constructed.	None	100%	None	Budget R1 198 854 .00  Expenditure R1 078 166 .00	Physical verification of High mast lights, payment certificate.

<b>Key Performance Area (KPA) 2:</b>				<b>Basic Services &amp; Infrastructure Planning</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs:</b>				<ul style="list-style-type: none"> <li>• Implement a differentiated approach to municipal financing, planning, and support</li> <li>• Improving access to basic services</li> <li>• Implementation of the community works programme</li> </ul>							
<b>Strategic objectives</b>				<ul style="list-style-type: none"> <li>• Provision of sustainable infrastructure and basic services</li> </ul>							
<b>Project No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performance indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievement</b>	<b>Reason for deviation</b>	<b>Progress (%to target)</b>	<b>Revised target (Means for improvement)</b>	<b>2015/16 annual budget</b>	<b>Means verification of</b>
<b>ELECTRICITY</b>											
28.		Replacement of old electricity meters	Number of electricity prepaid meters replaced	Old and incompatible prepaid meters	160 electricity meters replaced	Specification compiled and approved by committee and the contractor appointed.	Late appointment of contractor.	25%	To adhere and monitor procurement plan.	Budget R500 000.00 Expenditure R0	Specification report, appointment letter and Service level agreement (SLA).

<b>Key Performance Area (KPA) 2:</b>				<b>Basic Services &amp; Infrastructure Planning</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs:</b>				<ul style="list-style-type: none"> <li>• Implement a differentiated approach to municipal financing, planning, and support</li> <li>• Improving access to basic services</li> <li>• Implementation of the community works programme</li> </ul>							
<b>Strategic objectives</b>				<ul style="list-style-type: none"> <li>• Provision of sustainable infrastructure and basic services</li> </ul>							
<b>Project No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performance indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievement</b>	<b>Reason for deviation</b>	<b>Progress (%to target)</b>	<b>Revised target (Means for improvement)</b>	<b>2015/16 annual budget</b>	<b>Means verification of</b>
<b>ELECTRICITY</b>											
29.		Relocation of prepaid meters.	Number electricity meters relocated	Inaccessible of electricity meters	Relocated 120 electricity meters.	Specification compiled and approved by committee and the contractor appointed.	Late appointment of contractor.	25%	To adhere and monitor procurement plan.	Budget R1 000 000 .00 Expenditure R0	Specification report, appointment letter and Service level agreement (SLA).
30.	Risk Management		% of identified risks resolved within timeframe	50%	100% of risks resolved within the timeframe as specified in the register	50% of risks resolved within the timeframe as specified in the register	Insufficient funds to repair and maintain all existing infrastructure	50%	<b>Revised target</b> 2017/18. <b>Improvement measures</b> To improve own revenue collection.	Nil	Updated risk register

**DEPARTMENT: COMMUNITY SERVICES**

<b>Key Performance Area (KPA) 2:</b>				<b>Basic Services Delivery</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs :</b>				<b>Actions supportive of the human settlement outcome</b>  <b>Implement a differentiated approach to municipal financing, planning, and support</b>							
<b>Strategic objectives</b>				<b>Provision of sustainable infrastructure and basic services</b>  <b>Provision of social amenities and promotion of healthy and safe communities</b>							
<b>Project No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performance indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievement</b>	<b>Reason for deviation</b>	<b>Progress (%to target)</b>	<b>Revised target (Means for improvement)</b>	<b>2015/16 annual budget</b>	<b>Means of verification</b>
<b>TRAFFIC AND LICENSING</b>											
31.	<b>TRAFFIC AND LICENSING</b>	Law enforcement operations	Number of roadblocks staged within the required time frames	48 roadblocks staged	48 roadblocks staged	49 roadblocks were staged in the financial year	None	100%	None	Nil	Attendance registers/ reports
32.		Management of driving licenses	Number of drivers licenses examined	6125 drivers license clients examined	100% of drivers licenses examined	5307 drivers' licenses were examined	None	100%	None	Nil	Monthly reports

<b>Key Performance Area (KPA) 2:</b>				<b>Basic Services Delivery</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs :</b>				<b>Actions supportive of the human settlement outcome</b>							
				<b>Implement a differentiated approach to municipal financing, planning, and support</b>							
<b>Strategic objectives</b>				<b>Provision of sustainable infrastructure and basic services</b>							
				<b>Provision of social amenities and promotion of healthy and safe communities</b>							
<b>Project No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performance indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievement</b>	<b>Reason for deviation</b>	<b>Progress (%to target)</b>	<b>Revised target (Means for improvement)</b>	<b>2015/16 annual budget</b>	<b>Means of verification</b>
<b>TRAFFIC AND LICENSING</b>											
33.		Management of learners licenses	Number of learners licenses examined	5586 learners license clients examined	100% of learners licenses examined	6681 learners' licenses were examined	None	100%	None	Nil	Monthly reports
34.		Management of registration of motor vehicles	Number of vehicles registered	1046 motor vehicles registered	100% of received applications for vehicle registration processed	853 motor vehicles were registered	None	100%	None	Nil	RD329 reports
35.		Management of licencing of motor	Number of vehicles licensed	6687 vehicles licensed	100% of received applications for vehicle	5924 motor vehicles were	None	100%	None	Nil	RD 329 reports

<b>Key Performance Area (KPA) 2:</b>				<b>Basic Services Delivery</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs :</b>				<b>Actions supportive of the human settlement outcome</b> <b>Implement a differentiated approach to municipal financing, planning, and support</b>							
<b>Strategic objectives</b>				<b>Provision of sustainable infrastructure and basic services</b> <b>Provision of social amenities and promotion of healthy and safe communities</b>							
<b>Project No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performance indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievement</b>	<b>Reason for deviation</b>	<b>Progress (%to target)</b>	<b>Revised target (Means for improvement)</b>	<b>2015/16 annual budget</b>	<b>Means of verification</b>
<b>TRAFFIC AND LICENSING</b>											
		vehicles			licensing processed	licensed					

Key Performance Area (KPA) 2:				Spatial Rationale							
Outcome 9:				Responsive, Accountable, Effective and Efficient Local Government System							
Outputs :				Actions supportive of the human settlement outcome.							
Strategic objectives				To promote orderly development through integrated spatial planning and Land Use Management.							
Project No.	Priority area (IDP)	Project Name	Key performance indicator	Baseline	2015/16 annual target	Actual achievement	Reason for deviation	Progress (% to target)	Revised target (Means for improvement)	2015/16 annual budget	Means of verification
<b>ENVIRONMENTAL MANAGEMENT</b>											
36.	Environmental Management	Beautification Plan	Percentage implementation of beautification plan	Phase 1 of beautification plan completed at Mogwadi town	Implementation of beautification plans at Morebeng	Beautification Plan design approved and project fully implemented and handed over.	None	100%	None	Budget R250 000.00  Expenditure R196 650.00	Approved Spec, advertisement, appointment letter, project plan and designs, pictures.
37.	Environmental Management	Refurbishment of Mogwadi Landfill site	Number of Landfill Sites refurbished	Non compliant Landfill Site	Construction of 400m of palisade fence at Mogwadi	None	Re-advertisements of bid due to non-responsiveness of bidders.	0%	2016/2017FY	Budget R500 000.00  Expenditure R0.	Approved Spec, advertisement, appointment letter Project plan and designs, pictures

<b>Key Performance Area (KPA) 2:</b>				<b>Spatial Rationale</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs :</b>				<b>Actions supportive of the human settlement outcome.</b>							
<b>Strategic objectives</b>				<b>To promote orderly development through integrated spatial planning and Land Use Management.</b>							
<b>Pro jec t No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performance indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievemen t</b>	<b>Reason for deviation</b>	<b>Progre ss (% to target)</b>	<b>Revised target (Means for improvement)</b>	<b>2015/16 annual budget</b>	<b>Means of verification</b>
<b>ENVIRONMENTAL MANAGEMENT</b>											
38.	Environmental Management	EPWP Environment & Culture Sector	Number of jobs created	54 job opportunities created	Create 50 job opportunities	50 job opportunities created	None	100%	None	Budget R500 000.00  Expenditure R496 840.00	Order, Project Implementation Plan, employment contracts.  Attendance registers of beneficiaries
39.	Basic Services Provision	Erection of Street Litter Bins	Number of bins procured and installed	No street litter bins at Morebeng town	30 street litter bins procured and installed at Morebeng	30 street litter bins were procured and installed in Morebeng	None	100%	None	Budget R100 000.00	Approved Spec, advert, pictures & physical verification

<b>Key Performance Area (KPA) 2:</b>				<b>Spatial Rationale</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs :</b>				<b>Actions supportive of the human settlement outcome.</b>							
<b>Strategic objectives</b>				<b>To promote orderly development through integrated spatial planning and Land Use Management.</b>							
<b>Pro jec t No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performance indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievemen t</b>	<b>Reason for deviation</b>	<b>Progre ss (% to target)</b>	<b>Revised target (Means for improvement)</b>	<b>2015/16 annual budget</b>	<b>Means of verification</b>
<b>ENVIRONMENTAL MANAGEMENT</b>											
					town	town				Expenditure R96 864.00	
40.	Basic Services Provision	Mohodi/Maponto Cross Taxi Rank	Number of taxi ranks constructed at Mohodi Maponto	No formal taxi rank structures at Mohodi Maponto	1x constructed taxi rank at Mohodi Maponto cross	Mohodi Maponto Cross Taxi Rank project completed and handed over	None	100%	None	Budget R600 000  Expenditure R538 650.00	Approved Spec, advert,pictures,p hysical verification, PSC minutes

<b>Key Performance Area (KPA) 2:</b>				<b>Basic Services Delivery</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs :</b>				<ul style="list-style-type: none"> <li>▪ Improving access to basic services.</li> <li>▪ Implementation of the community works programme.</li> </ul>							
<b>Strategic objectives</b>				<b>Provision of sustainable infrastructure and basic services.</b>							
<b>Pro jec t No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performance indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievemen t</b>	<b>Reason for deviation</b>	<b>Progre ss (% to target)</b>	<b>Revised target (Means for improvement)</b>	<b>2015/16 annual budget</b>	<b>Means of verification</b>
<b>ENVIRONMENTAL MANAGEMENT</b>											
41.	Risk Management		% of identified risks resolved within timeframe as specified in the risk register	100% of risks resolved	100% of risks resolved within the timeframe as specified in the register	0% of risks resolved within the timeframe as specified in the register	Inefficient capacitation of the municipality environmental Inspectorate	0%	Enforcement of the waste By-law.	Opex	Updated risk register

DEPARTMENT: LOCAL ECONOMIC DEVELOPMENT AND PLANNING

<b>Key Performance Area (KPA) 1:</b>				<b>Spatial Rationale</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs :</b>				<ul style="list-style-type: none"> <li>• <b>Actions supportive of the human settlement outcome</b></li> <li>• <b>Implement a differentiated approach to municipal financing, planning, and support</b></li> </ul>							
<b>Strategic objectives</b>				<ul style="list-style-type: none"> <li>• <b>To Promote Orderly Development Through Integrated Spatial Planning And Land Use Management</b></li> </ul>							
<b>Proj ect No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performanc e indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievem ent</b>	<b>Reason for deviation</b>	<b>Progre ss (%to target)</b>	<b>Revised target (Measures for improvement)</b>	<b>2015/16 annual budget</b>	<b>Means of verification</b>
<b>SPATIAL PLANNING</b>											
42.	<b>SPATIAL PLANNING</b>	Building control	Percentage of building plans considered for approval	40 building plans received, considered for approval	100% received building plans. Processed	42 building plans received and 42 were processed.	None	100%	None	Opex	Register of building plans received and plan approval form
43.		Assessment of land use applications	Percentage of applications tabled to the Land Use Committee for consideration	4 land development applications received	100% of lodged land use applications processed	No land use applications were processed.	SPLUMA implementation is on hold as a result of ongoing consultations with traditional	0%	Revised target June 2017. Awareness campaign to Traditional leaders.	Opex	Register of applications lodged, reports from the land use committee

<b>Key Performance Area (KPA) 1:</b>				<b>Spatial Rationale</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs :</b>				<ul style="list-style-type: none"> <li>• <b>Actions supportive of the human settlement outcome</b></li> <li>• <b>Implement a differentiated approach to municipal financing, planning, and support</b></li> </ul>							
<b>Strategic objectives</b>				<ul style="list-style-type: none"> <li>• <b>To Promote Orderly Development Through Integrated Spatial Planning And Land Use Management</b></li> </ul>							
<b>Proj ect No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performanc e indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievem ent</b>	<b>Reason for deviation</b>	<b>Progre ss (%to target)</b>	<b>Revised target (Measures for improvement)</b>	<b>2015/16 annual budget</b>	<b>Means of verification</b>
<b>SPATIAL PLANNING</b>											
							leaders.				
44.		Repegging of sites	Number of sites pegged at Morebeng.	13 demarcated sites not pegged at Morebeng.	13 demarcated sites pegged in Morebeng	13 demarcated sites in Morebeng were pegged.	None	100%	None	Budget R120 000.0 0  Expenditure R83 757.00	Advert, appointment letter and final pegging plan.
45.		Audit of community facilities	Number of reports compiled	New indicator	1x Audit report of community facilities compiled	Service provider appointed and submitted preliminary report	Late appointment of service provider as responsive bids could not be sourced.	75%	30 September 2016	Budget R400 000.0 0  Expenditure R251 712.0 0	Advert, appointment letter, draft and final reports.

<b>Key Performance Area (KPA) 1:</b>				<b>Spatial Rationale</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs :</b>				<ul style="list-style-type: none"> <li>• <b>Actions supportive of the human settlement outcome</b></li> <li>• <b>Implement a differentiated approach to municipal financing, planning, and support</b></li> </ul>							
<b>Strategic objectives</b>				<ul style="list-style-type: none"> <li>• <b>To Promote Orderly Development Through Integrated Spatial Planning And Land Use Management</b></li> </ul>							
<b>Proj ect No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performanc e indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievem ent</b>	<b>Reason for deviation</b>	<b>Progre ss (%to target)</b>	<b>Revised target (Measures for improvement)</b>	<b>2015/16 annual budget</b>	<b>Means of verification</b>
<b>SPATIAL PLANNING</b>											
46.	<b>SPATIAL PLANNING</b>	Integrated transport plan	Number of Integrated Transport Plans developed	New indicator	1x Molemole Integrated Transport Plan developed	Plan not in place	Late appointment of service provider as responsive bids could not be sourced.	0%	30 December 2016.	Budget R500 000.00  Expenditure R0	Advert, appointment letter, draft and final reports.
47.		Township establishment	Number of layout plans compiled for township establishment	Mogwadi park not demarcated	1x layout plan compiled for township establishment	Demarcation of Mogwadi Park completed and adopted by council on 30 June 2016.	None	100%	None	Budget R500 000.00  Expenditure R339 549.00	Advert, appointment letter, draft layout plan, Council resolution and acknowledgment

<b>Key Performance Area (KPA) 1:</b>				<b>Spatial Rationale</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs :</b>				<ul style="list-style-type: none"> <li>• <b>Actions supportive of the human settlement outcome</b></li> <li>• <b>Implement a differentiated approach to municipal financing, planning, and support</b></li> </ul>							
<b>Strategic objectives</b>				<ul style="list-style-type: none"> <li>• <b>To Promote Orderly Development Through Integrated Spatial Planning And Land Use Management</b></li> </ul>							
<b>Proj ect No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performanc e indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievem ent</b>	<b>Reason for deviation</b>	<b>Progre ss (%to target)</b>	<b>Revised target (Measures for improvement)</b>	<b>2015/16 annual budget</b>	<b>Means of verification</b>
<b>SPATIAL PLANNING</b>											
											letter.
48.	LED	Youth in agriculture programme	Number of graduates capacitated in agricultural programmes	8 Graduates appointed and currently being capacitated  Concept Document and ToR in place	5 graduates to be recruited, but placement and capacity building will take place in July	Recruitment of 5 unemployed Agriculture graduates completed.  8 graduates capacitated.	None	100%	None	Budget R436 550.00  Expenditure R436 550.00	Signed SLA with farmers 13x graduates contracts, 1x reviewed concept document
49.	LED	Investment coordination and	Number of partnership agreements	No partnership agreement	2x partnership agreements	No partnership agreement	Investors were mainly recruited	50%	Adherence to the procurement plan.Revised	Budget R350 000.00	3x Partnership agreements, 1x SLA, 1 x investor

<b>Key Performance Area (KPA) 1:</b>				<b>Spatial Rationale</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs :</b>				<ul style="list-style-type: none"> <li>• <b>Actions supportive of the human settlement outcome</b></li> <li>• <b>Implement a differentiated approach to municipal financing, planning, and support</b></li> </ul>							
<b>Strategic objectives</b>				<ul style="list-style-type: none"> <li>• <b>To Promote Orderly Development Through Integrated Spatial Planning And Land Use Management</b></li> </ul>							
<b>Project No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performance indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievement</b>	<b>Reason for deviation</b>	<b>Progress (%to target)</b>	<b>Revised target (Measures for improvement)</b>	<b>2015/16 annual budget</b>	<b>Means of verification</b>
<b>SPATIAL PLANNING</b>											
		facilitation	signed Number of investor conference held	No investor conference	and 1x investor conference	signed. Investor Conference held on 23 June 2016.	and engaged during the conference.  Schilde Municipality in Belgium has offered to partner with Molemole Municipality on empowerment of		31 Mar 2017.	Expenditure R347 150.00	conference report

Key Performance Area (KPA) 1:				Spatial Rationale							
Outcome 9:				Responsive, Accountable, Effective and Efficient Local Government System							
Outputs :				<ul style="list-style-type: none"> <li>• Actions supportive of the human settlement outcome</li> <li>• Implement a differentiated approach to municipal financing, planning, and support</li> </ul>							
Strategic objectives				<ul style="list-style-type: none"> <li>• To Promote Orderly Development Through Integrated Spatial Planning And Land Use Management</li> </ul>							
Proj ect No.	Priority area (IDP)	Project Name	Key performanc e indicator	Baseline	2015/16 annual target	Actual achievem ent	Reason for deviation	Progre ss (%to target)	Revised target (Measures for improvement)	2015/16 annual budget	Means of verification
<b>SPATIAL PLANNING</b>											
							SMME's.				
50.	LED	Molemole LED Forum	Molemole LED Forum	Number of LED forum meetings held	3x LED forum meetings held	4x LED forum meetings held	4 x LED Forum meeting held.	None	100%	Opex	LED forum meetings reports, reviewed ToR, Action Plan for LED
51.		Molemole CWP LRC Forum	Number of CWP LRC Forum held	11x CWP LRC Forum held	12x CWP LRC Forums held	11 x CWP meetings held.	June meeting was not held due to lack of quorum	90%	Political intervention.	Opex	CWP LRC reports, reviewed ToR and action plan
52.		Career Expo	Number of Career Expo held	1x Career Expo held	1x Career expo held	1 x Career Expo held on 21 June	None	None	100%	None	Budget R150 000.00

<b>Key Performance Area (KPA) 1:</b>				<b>Spatial Rationale</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs :</b>				<ul style="list-style-type: none"> <li>• <b>Actions supportive of the human settlement outcome</b></li> <li>• <b>Implement a differentiated approach to municipal financing, planning, and support</b></li> </ul>							
<b>Strategic objectives</b>				<ul style="list-style-type: none"> <li>• <b>To Promote Orderly Development Through Integrated Spatial Planning And Land Use Management</b></li> </ul>							
<b>Proj ect No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performanc e indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievem ent</b>	<b>Reason for deviation</b>	<b>Progre ss (%to target)</b>	<b>Revised target (Measures for improvement)</b>	<b>2015/16 annual budget</b>	<b>Means of verification</b>
<b>SPATIAL PLANNING</b>											
						2016.				Expenditure R147 000.0 0	action plan
53.		SMME Training	Number of SMME's trained	No SMME's trained	20 SMME's trained	20 SMME's trained.	None	100%	None	Budget R200 000.0 0  Expenditure R179 000.0 0	ToR, Consultation report, partnership agreement and capacity building report
54.	<b>INTEGRATE</b>	Review of 2015/201 6 IDP	Reviewed 2015/2016 IDP	Reviewed 2014/2015 IDP	Adopted and printed a credible IDP	2015/16 IDP reviewed.	None	100%	None	Budget R420 000.0 0	Invites and Attendance registers, IDP document, Process plan

<b>Key Performance Area (KPA) 1:</b>				<b>Spatial Rationale</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs :</b>				<ul style="list-style-type: none"> <li>• <b>Actions supportive of the human settlement outcome</b></li> <li>• <b>Implement a differentiated approach to municipal financing, planning, and support</b></li> </ul>							
<b>Strategic objectives</b>				<ul style="list-style-type: none"> <li>• <b>To Promote Orderly Development Through Integrated Spatial Planning And Land Use Management</b></li> </ul>							
<b>Proj ect No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performanc e indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievem ent</b>	<b>Reason for deviation</b>	<b>Progre ss (%to target)</b>	<b>Revised target (Measures for improvement)</b>	<b>2015/16 annual budget</b>	<b>Means of verification</b>
<b>SPATIAL PLANNING</b>											
										Expenditure R335 784.7 3	
55.		Strategic working sessions on the IDP and SDBIP review	Number of strategic working sessions held	4 strategic working sessions held	4 strategic sessions held	4 Strategic working sessions conducted.	None	100%	None	Budget R250 000.0 0  Expenditure R250 000.0 0	Invites and Attendance registers

<b>Key Performance Area (KPA) 1:</b>				<b>Spatial Rationale</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs :</b>				<ul style="list-style-type: none"> <li>• <b>Actions supportive of the human settlement outcome</b></li> <li>• <b>Implement a differentiated approach to municipal financing, planning, and support</b></li> </ul>							
<b>Strategic objectives</b>				<ul style="list-style-type: none"> <li>• <b>To Promote Orderly Development Through Integrated Spatial Planning And Land Use Management</b></li> </ul>							
<b>Proj ect No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performanc e indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievem ent</b>	<b>Reason for deviation</b>	<b>Progre ss (%to target)</b>	<b>Revised target (Measures for improvement)</b>	<b>2015/16 annual budget</b>	<b>Means of verification</b>
<b>SPATIAL PLANNING</b>											
56.		Compilati on of Annual Report	Approved 2014/2015 Annual Performance report and Annual Report	Approved 2013/2014 Annual Performanc e report and Annual report	2014/2015 Annual Report approved	2014/15 Annual Report compiled, approved by Council and submitted to COGHST A and Treasury.	None	100%	None	Budget R200 000.0 0  Expenditure R100 000.0 0	Invites and Attendance registers, Annual Performance Report, Annual Report, Council Resolution
57.		Consolidat ion of SDBIP	2016/17 SDBIP	2014/2015 SDBIP in place	2016/17 SDBIP developed	2016/17 SDBIP consolidat ed.	None	100%	None	Opex	Invites and Attendance registers

Key Performance Area (KPA) 1:				Spatial Rationale							
Outcome 9:				Responsive, Accountable, Effective and Efficient Local Government System							
Outputs :				<ul style="list-style-type: none"> <li>• Actions supportive of the human settlement outcome</li> <li>• Implement a differentiated approach to municipal financing, planning, and support</li> </ul>							
Strategic objectives				<ul style="list-style-type: none"> <li>• To Promote Orderly Development Through Integrated Spatial Planning And Land Use Management</li> </ul>							
Project No.	Priority area (IDP)	Project Name	Key performance indicator	Baseline	2015/16 annual target	Actual achievement	Reason for deviation	Progress (%to target)	Revised target (Measures for improvement)	2015/16 annual budget	Means of verification
<b>SPATIAL PLANNING</b>											
58.	IDP Unit	Coordination of IDP Representative Forum meetings	Number of IDP Representative Forum coordinated	2014/15 IDP Representative Forum in place	4 X 2015/16 IDP Representative Forum coordinated	4 IDP Representative Forums coordinated.	None	100%	None	Budget R30 000.00  Expenditure R30 000.00	Updated risk register
59.	Risk Management		% of identified risks resolved within timeframe as specified in the risk register	50% of risks resolved	100% of risks resolved within the timeframe as specified in the register	33% of strategic risks resolved within the timeframe as specified in the register.	Lack of implementation of SPLUMA.	33%	Awareness campaign on SPLUMA to Traditional leaders.	Opex	Updated risk register

<b>Key Performance Area (KPA) 4:</b>				<b>Municipal Financial Viability and Management</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs :</b>				<ul style="list-style-type: none"> <li>• Implement a differentiated approach to municipal financing, planning and support.</li> <li>• Administrative and financial capability.</li> </ul>							
<b>Strategic objectives</b>				<ul style="list-style-type: none"> <li>• To ensure sound and stable financial management.</li> </ul>							
<b>Proj ect No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performanc e indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievem ent</b>	<b>Reason for deviation</b>	<b>Progre ss (%to target)</b>	<b>Revised target (Means for verification)</b>	<b>2015/16 annual budget</b>	<b>Means of verification</b>
<b>BUDGET AND REPORTING</b>											
60.	Financial viability	Submission of Section 71 reports	Number of Section 71 reports submitted	12x Section 71 reports submitted	12x Section 71 reports submitted	12x Section 71 reports submitted	None	100%	None	Opex	Quality certificate by MM and copy of acknowledgement letters from relevant departments.
61.	Financial Management	Financial Management	Number of Financial Statement submitted	4x financial statement submitted	4x financial statement submitted	0	Late confirmation of opening balances	0%	None	Opex	Quarterly financial statement
62.	Financial viability	Annual Financial statements(AFS)	Fair presentation of Annual Financial Statements	AFS with a Qualified opinion by AG	AFS with an unqualified AG opinion	1 Unqualified Audit Opinion	None	100%	None	Opex	Fairly presented Annual Financial Statements

<b>Key Performance Area (KPA) 4:</b>				<b>Municipal Financial Viability and Management</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs :</b>				<ul style="list-style-type: none"> <li>• Implement a differentiated approach to municipal financing, planning and support.</li> <li>• Administrative and financial capability.</li> </ul>							
<b>Strategic objectives</b>				<ul style="list-style-type: none"> <li>• To ensure sound and stable financial management.</li> </ul>							
<b>Proj ect No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performanc e indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievem ent</b>	<b>Reason for deviation</b>	<b>Progre ss (%to target)</b>	<b>Revised target (Means for verification)</b>	<b>2015/16 annual budget</b>	<b>Means of verification</b>
63.	Financial viability	<b>Submiss ion of in year reports</b>	MFMA compliance reports submitted	4 quarterly reports	4 quarterly reports	4x quarterly reports compiled and submitted	None	100%	None	Opex	Quality certificate by MM and copy of acknowledgement letters from relevant departments.
64.	Financial viability	<b>Submiss ion of Section 72 report</b>	Number of Section 72 report submitted	1 mid-year report(s72)	1 mid-year report(s72)	1 mid-year report submitted	None	100%	None	Opex	Quality certificate
65.	Financial viability	<b>Submiss ion of in year reports</b>	Number of 2015/16 Adjustment budget compiled	1x 2014/15 Adjustment budget approved	1x 2015/16 Adjustment budget compiled & approved	1x 2015/16 Adjustmen t budget compiled & approved	None	100%	None	Opex	Council resolution
66.	Financial	<b>Compilat ion of</b>	2016/17 Budget	Approved 2015/2016	2016/2017 budget	2016/2017 budget	None	100%	None	Opex	Council resolution

<b>Key Performance Area (KPA) 4:</b>				<b>Municipal Financial Viability and Management</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs :</b>				<ul style="list-style-type: none"> <li>• Implement a differentiated approach to municipal financing, planning and support.</li> <li>• Administrative and financial capability.</li> </ul>							
<b>Strategic objectives</b>				<ul style="list-style-type: none"> <li>• To ensure sound and stable financial management.</li> </ul>							
<b>Proj ect No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performanc e indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievem ent</b>	<b>Reason for deviation</b>	<b>Progre ss (%to target)</b>	<b>Revised target (Means for verification)</b>	<b>2015/16 annual budget</b>	<b>Means of verification</b>
	viability	<b>2015/16 budget</b>	compiled	budget in place	compiled and approved	compiled and approved					
67.	Financial viability	Reconcilia tion of bank statement	Number of Bank reconciliatio n compiled	12 Bank reconciliati ons in place	12 Bank reconciliati on compiled	12 Bank reconciliati on compiled	None	100%	None	Opex	Signed bank reconciliation
68.	Financial viability	<b>Reconcili ation of Investme nt register</b>	Number of investment registers report compiled	12 Investment registers in place	12 Investment registers	12 Investmen t registers	None	100%	None	Opex	Signed investment registers
69.	Financial viability	Reconcilia tions	Number of grant registers submitted	12 grant registers submitted	12 grant registers	12 grant registers	None	100%	None	Opex	Signed grant registers

INCOME AND REVENUE MANAGEMENT											
70.	Revenue management	Revenue collection	Percentage of revenue collected	R11, 211 199	R13, 250 000	Revenue collection amounting to R11 716 919.00 as at 30th June 2016.	Non-implementation Of Credit control and debt collection procedures	88%	Implementation of Credit Control and Debt Collection procedures.	Opex	BS 902 Report and Venus financial reports
71.	Debtors Management	Balancing of debtors Control against age analysis	Number of Reports Submitted	12 Completed Reports	12 Complete Debtors Control Reports and Ageing Analysis	12 X Debtors reconciliations has been submitted.	None	100%	None	Opex	Debtors Reconciliation reports
72.	Revenue management	Reminding customers to settle their outstanding municipal accounts	Number of Reports Submitted	New indicator	4x Notices of reminding customers to honour their payment.	None	Credit Control and Debt Collection procedures by-laws to be approved.	0%	Implementation of Credit Control and Debt Collection procedures.	Opex	Reminder notices
73.	Revenue management	Monitoring and allocation	Number of Reports	12 Completed	12 Completed	12 X Unallocated reports	None	100%	None	Opex	Unallocated deposits

	nt	of Unallocate d Deposit	Submitted	Reports	Reports	reviewed and submitted					reports
74.	Debtors Managem ent	Revenue Collection	Cost recovery and debtors analysis	None	Debtor's analysis and Cost recovery report.	By-laws and procedure s are in place and account informatio n has been uploaded to the system(on line vending system)	None	100%	None	Budget R1 100 000.00  Expenditure R1 092 318. 20	Debtor's analysis and Cost recovery  Report, update from the online vending solution and the updated Credit Control and Debt Collection by-laws.





EXPENDITURE MANAGEMENT											
75.	Expenditure Management	Salary reconciliations	Number of Salary reports reconciled to General Ledger	12 Salary reconciled to General Ledger	12 Salary reconciliations/reports completed	12 Salary reports reconciled to General Ledger	None	100%	None	Opex	System Salary Reports, Payment schedules, HR Memos, S&T claims, GL Reconciliations, EMP501 Forms
76.	EXPENDITURE MANAGEMENT	Petty Cash reconciliations	Number of Petty Cash reconciliation	12 Petty Cash reconciliation completed	12 Petty Cash reconciliation reports	12 Petty Cash reconciliation reports	None	100%	None	Opex	Petty cash vouchers, Cash slips, Replenishments reports
77.		VAT 201 Reconciliation	Number of VAT 201 Reconciliations submitted to SARS	6x VAT 201 Reconciliations submitted to SARS	6x VAT 201 Reconciliations submitted to SARS	6x VAT 201 Reconciliations submitted to SARS	None	100%	None	Opex	Output VAT reports, Input VAT invoices, VAT 201 Forms, Reconciliation
78.		Project and Retention register	Updated Project and Retention register	1x updated Project and Retention register compiled	1x updated Project and Retention register compiled	Updated Project and Retention register compiled	None	100%	None	Opex	Project certificates, Supplier Invoices, Reconciliations
79.		Creditors Reconciliation Reports	Number of Creditors Reconciliation Approved by	12 Creditors Reconciliations	12 Creditors Reconciliation and 1 Annual creditors	12 Creditors Reconciliation and 1 Annual creditors	None	100%	None	Opex	Final approved Creditors recon Bal to GL and Lead schedule

			CFO		lead schedule balanced to GL	lead schedule balanced to GL					
<b>SUPPLY CHAIN MANAGEMENT</b>											
80.	Supply Chain Management	<b>Asset Reconciliation</b>	Number of FAR & GL reconciliation	12x FAR & GL reconciliation	12x FAR & GL reconciliation	12 x FAR & GL reconciliation	None	100%	None	Opex	Reconciliation Reports
81.	Supply Chain Management	Asset Verification	Number of Asset Verification Reports	2 Asset Verification Reports	2 Asset Verification Reports	2x Asset Verification Reports	None	100%	None	Opex	Asset verification reports
82	Supply Chain Management	Development of loose asset register and Loose asset verification	Number of loose asset register developed and Loose asset verification	New indicator	1x loose asset register developed and 2x Loose asset verification compiled	1x loose assets register developed and 2 X loose asset verification compiled	None	100%	None	Opex	Loose assets register. Loose Asset register, Loose assets verification reports
83	Supply Chain Management	Revaluation of Assets	Approved Revaluation Report	2014/2015 Revaluation Report in place	1 x Revaluation report compiled	1 Revaluation report compiled	None	100%	None	Budget R800 000.00  Expenditure R850 025.05	Revaluation reports

84.	Supply Chain Management	Inventory Count	Number of Inventory Count Reports	1 Inventory Count Report	4 Inventory Count Reports compiled	1 x Inventory count reports compiled	Inventory count is done once at the end of the year with AG & internal Audit observing	100%	None	Opex	Inventory reports
85.	Supply Chain Management	Procurement Plan	Approved Procurement Plan	Approved spending plan	Approved Procurement Plan	Approved Procurement Plan	None	100%	None	Opex	Procurement Plan
86.	Supply Chain Management	Supplier Database management	Number of supplier database advertisements	1x supplier database advertisement	1x supplier database advertisements	1x supplier database advertisement	None	100%	None	Opex	Advertisement & updated database
	Supply Chain Management	Supplier Database management	Revised existing supplier database	Noncompliant supplier database	Compliant supplier database	Compliant supplier database	None	100%	None	Opex	Compliant supplier database
87.	Supply Chain Management	SCM performance Report	Number of performance reports	New indicator	4 x SCM performance reports compiled and table to the Council	4 x SCM performance reports compiled	None	100%	None	Opex	SCM performance reports
88.	Supply Chain	Declaration of	Percentage of	New	100% of Declaration	100% of Declaration	Not all employee	50%	Employee	Opex	Signed

	Managem nt	business interest- new council	declaration forms signed	indicator	forms of councillors and employees signed	n forms of councillors and less than 100% employee s signed	s signed and submitted the declaratio n forms		awareness.		declaration forms
	Risk Managem nt		% of identified risks resolved within timeframe as specified in the risk register	0% of risk resolved	100% of risks resolved within the timeframe as specified in the register	75% of Strategic risks resolved within the timeframe as specified in the register.	None	75%	None	Opex	Updated register risk

**DEPARTMENT: MAYOR AND MUNICIPAL MANAGER**

<b>Key Performance Area (KPA) 5:</b>				<b>Good governance and Public Participation</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs :</b>				<ul style="list-style-type: none"> <li>• Deepen democracy through a refined ward committee model.</li> </ul>							
<b>Strategic objectives</b>				<ul style="list-style-type: none"> <li>• Provide an accountable and transparent municipality through sustained public participation, coordination of administration and Council committees.</li> </ul>							
<b>Project No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performance indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievement</b>	<b>Reason for deviation</b>	<b>Progress (%to target)</b>	<b>Revised target (Means for improvement)</b>	<b>2015/16 annual budget</b>	<b>Means of verification</b>
<b>MAYOR'S OFFICE</b>											
90.	Mayoral Support Services	Mayoral outreach programmes	Number of Mayoral Outreach Programmes Held	4 Mayoral Outreach Programmes Held	4 Mayoral Outreach Programmes Held	4 mayoral imbizo's held	None	100%	None	Opex	Invitations and Attendance registers, Public Notices.
91.	Mayoral Support Services	Mayor Stakeholder Participation (State of the Municipal address)	Number of State of the Municipal Address Held	1 State of the Municipal Address held	1 State of the Municipal Address Held	1 state of the Municipality Address held on 30 May 2016 at Nthabiseng sports ground	None	100%	None	Opex	Invitations and Attendance registers, Public Notices, SOMA Report

<b>Key Performance Area (KPA) 5:</b>				<b>Good governance and Public Participation</b>							
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92.	Mayoral Support Services	Back to school outreach programme	Number of schools visited	2 schools visited	4 schools visited	4 schools visited	None	100%	None	Opex	Attendance register
<b>OFFICE OF THE SPEAKER</b>											
93.	Council and Administrative Support	Council and Council Committee Meetings	Number of Council and Council Committee meetings held	4 Council meetings & 60 committee meetings held	4 Council and 60 Committee meetings held	4 council and 60 committee meetings held	None	100%	None	Opex	Notice, Attendance registers and minutes Resolutions
94.	Public Participation programmes	Oversight Programmes	Number of MPAC meetings	5 MPAC meetings held	4 MPAC meetings held	4 MPAC meetings held	None	100%	None	Opex	Minutes and attendance registers

<b>Key Performance Area (KPA) 5:</b>				<b>Good governance and Public Participation</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
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<b>Project No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performance indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievement</b>	<b>Reason for deviation</b>	<b>Progress (%to target)</b>	<b>Revised target (Means for improvement)</b>	<b>2015/16 annual budget</b>	<b>Means of verification</b>
			held  Number of  Public hearings held	2 MPAC Public Hearings held	2 MPAC Public Hearings held	1 MPAC public hearing held	Unavailability of MPAC members for preparatory meeting	50%	Political intervention		Attendance Register, Notices, Oversight Report and Invitations.
95.	Public Participation programmes	Ward Committee Capacity Building	Number of training interventions conducted	4 training interventions conducted	4 training interventions conducted	3 training interventions conducted	Budgetary constraints	75%	2016/17 financial year	Opex	Invitations, Training Reports and attendance registers
<b>LEGAL SERVICES</b>											
96.	Legal services	Litigation management	Number of litigations defended and instituted	12 of cases instituted and defended	100% of cases instituted and defended	22 of cases instituted and defended	None	100%	None	Budget R730 000.00 Expenditure R530 576.55	Litigation Reports,  Contingency liability

<b>Key Performance Area (KPA) 5:</b>				<b>Good governance and Public Participation</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs :</b>				<ul style="list-style-type: none"> <li>• Deepen democracy through a refined ward committee model.</li> </ul>							
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<b>Project No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performance indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievement</b>	<b>Reason for deviation</b>	<b>Progress (%to target)</b>	<b>Revised target (Means for improvement)</b>	<b>2015/16 annual budget</b>	<b>Means of verification</b>
97.	Legal services	Legal advisory services	Number of documented Legal advisory services	Limited documentation on legal advisory services	100% of legal advises provided & documented	25 of legal advises provided & documented	None	100%	None	Opex	Legal advisory Reports and/or written opinions
98.	Legal Services	Contracts Development and/or Review	Percentage of contracts developed and reviewed	46 of contracts developed and drafted as per instruction	100% of contracts developed and reviewed	41 of contracts developed and reviewed	None	100%	None	Opex	Contract Register Contract documents

<b>Key Performance Area (KPA) 5:</b>				<b>Good governance and Public Participation</b>							
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99.	Communication management  Corporate Identity	Advertising and Publications of municipal activities	percentage of advertisement of municipal activities placed	6x advertisement of municipal activities placed	100% of requested municipal publications placed	100% of Municipal activities publicised in electronic and print media	None	100%	None	Budget  R481 769.00  Expenditure R372 585.1	Notices, adverts, publications,  Copies of media statements, annual reports, attendance registers, agenda and video produced

<b>Key Performance Area (KPA) 5:</b>				<b>Good governance and Public Participation</b>							
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<b>Project No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performance indicator</b>	<b>Baseline</b>	<b>2015/16 annual target</b>	<b>Actual achievement</b>	<b>Reason for deviation</b>	<b>Progress (%to target)</b>	<b>Revised target (Means for improvement)</b>	<b>2015/16 annual budget</b>	<b>Means of verification</b>
			Number of newsletters published.	No newsletter published in 2014/15.	2 newsletters published.	Done	None	100%	None		Official order, Publicised news letter
			Number of diaries and calendars printed	300 diaries and 800 calendars printed	300 diaries and 1000 calendars printed	Done	None	100%	None		Appointment letter and delivery note
100.		Purchase of Communication material and event equipment	No of equipment and materials purchased	One audio camera, one video camera and limited branding material	Procurement of 1x Branded trailer 27x Branded watches, 4x loud hailers and 8x work suites	Done	Procurement of watches was cancelled in line with MFMA Circular 82s that speaks	50%	Adherence to the procurement plan and Circular 82.	Budget R110 000.00  Expenditure R44 822.54	Purchased equipment and delivery note  Purchase Orders

<b>Key Performance Area (KPA) 5:</b>				<b>Good governance and Public Participation</b>							
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							to cost containment				
<b>INTERNAL AUDIT AND RISK MANAGEMENT</b>											
101.	Internal Audit	Action plan	% of audit queries addressed	60% of audit queries addressed	100% of Auditor General queries addressed	83% of Auditor General Queries addressed.	Slow progress in resolving issues raised by management	83%	First quarter 2016/17.	Opex	Updated action plan on issues raised by the Auditor General

<b>Key Performance Area (KPA) 5:</b>				<b>Good governance and Public Participation</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
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102.	Risk Management		% of identified risks resolved within timeframe as specified in the risk register	36%	100% of risks resolved within the timeframe as specified in the register	52% of risks resolved.	Slow progress in mitigation of risks by management	52%	First quarter 2016/17.	Opex	Updated risk register
103.	Risk Management		Number of Risk Management Committees coordinated	2 Risk Management Committee meeting coordinated.	4 Risk Management Committee coordinated	4 RISK MANAGEMENT COMMITTEE MEETINGS COORDINATED	None	100%	None	Opex	Minutes, attendance register

<b>Key Performance Area (KPA) 5:</b>				<b>Good governance and Public Participation</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
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104.	Internal Audit	Audit Committee meeting	Number of Audit Committee meetings held successfully	4 Audit Committee meeting held	4 Audit Committee meeting held	4 ordinary Audit Committee meetings held	None	100%	None	Opex	Audit Committee reports, Minutes, attendance register,
105.	Internal Audit	Performance audits	Number of Performance audit reports submitted to Council	4 Performance audit report submitted to council	4 Performance audit report submitted to council	4 Performance audit report submitted to Council	None	100%	None	Opex	Performance Audit reports

**PERFORMANCE MANAGEMENT SYSTEM**

Project no	Priority area(IDP)	Project name	Key performance indicator	Baseline	Annual target	Actual achievement	Reason for deviation	Progress(% to target)	Revised target (Means for improvement)	2015/16 annual budget	Means of verification
106.	<b>PERFORMANCE MANAGEMENT</b>	Review of Performance Management Framework	Review of performance management framework	Performance Management Framework	1 Performance Management Framework reviewed	Performance Management framework reviewed and adopted by council on 30 June 2016	None	100%	None	Opex	Approved Performance Management Framework.
107.		Assessment of Senior Managers.	Quarterly Performance assessment	None	4 performance assessments coordinated and conducted	1 performance assessment coordinated and conducted	Non availability of assessment team members( councilors and external state holders)	25%	Development of schedule of assessment and communication with the relevant stakeholders.	Opex	Performance assessment report.
108.		Annual performance	Coordination of Annual	1 Annual Performance	1 Annual Performance	2014/15 annual		None	100%	None	Opex

		ce report	Performanc e Report	e report compiled	e report compiled and submitted	performan ce report compiled and submitted to COGHST A					Report
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## CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS

### COMPONENT A: AUDITOR GENERAL AUDIT FINDINGS

#### INTRODUCTION

The Constitution of the Republic of South Africa section 188 (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.

Municipal Systems Act section 45 states that the results of performance measurements must be audited annually by the Auditor-General.

The Annual Financial Statements have been audited by the Office of the Auditor General and are set in Volume II of the report. An unqualified audit opinion was achieved. The Auditor General report is included as an annexure.

#### COMPONENT A: AUDITOR GENERAL OPINION OF FINANCIAL STATEMENTS

##### 6.1 AUDITOR GENERAL REPORTS 2014/15

#### Auditor-General Report on Financial Performance 2014/2015

Audit Report status*:	Unqualified
Non-Compliance Issues	Remedial Action Taken
Budgets Expenditure incurred in excess of the limits of the amounts provided for in the votes of the approved budgets.	<ul style="list-style-type: none"><li>▪ Preparation of AFS in line with the requirements of section 122 of the Municipal Finance Management Act.</li><li>▪ Submission of draft unaudited Annual Financial Statements to Audit Committee for review prior submission to Auditor General.</li><li>▪ Regular reconciliation of assets register.</li><li>▪ Adherence to Supply Chain Management policies, procedures and applicable regulations.</li></ul>
Annual financial statements, Performance and Annual report AFS not prepared in all material respects in accordance with the requirements of the Acts.	<ul style="list-style-type: none"><li>▪ The municipality to draft compliance checklist to ensure that all matters concerning compliance with applicable laws and legislations are adhered to.</li><li>▪ Reporting of section 32 expenditure to council.</li><li>▪ Weekly review of expenditure documentation prior payments.</li></ul>

Note:\* The report status is supplied by the Auditor General and ranges from unqualified (at best); to unqualified with other matters specified; qualified; adverse; and disclaimed (at worse)

**Auditor-General Report on Service Delivery Performance 2014/2015**

Audit Report status*:	Unqualified
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Non-Compliance Issues	Remedial Action Taken
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<p>Usefulness and reliability of the performance information</p> <p>The municipality did not include material output key performance indicators and targets in relation to all development priorities:</p> <ul style="list-style-type: none"> <li>▪ Electrical Services</li> <li>▪ Roads and stormwater</li> <li>▪ Public and social amenities</li> <li>▪ Waste and environmental services</li> <li>▪ Traffic and licensing services</li> </ul>	<p>The municipality to draft the Service Delivery Budget Implementation Plan in accordance with the requirements of the Framework for Managing Programme Performance Information.</p>
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Note:\* The report status is supplied by the Auditor General and ranges from unqualified (at best); to unqualified with other matters specified; qualified; adverse; and disclaimed (at worse)

**COMPONENT B: AUDITOR-GENERAL OPINION 2015/16**

6.2 AUDITOR

## 6.3 GENERAL REPORT 2015/2016

Auditor-General Report on Financial Performance 2015/16	
Audit Report status*:	Unqualified
Non-Compliance Issues	Remedial Action Taken
The financial statements were not prepared in all material respects in accordance with the requirements of section 122 of the MFMA.	The draft annual financial statements to be independently reviewed by the Audit Committee and including an independent reviewer from outside the municipality.
The annual performance report for the year under review did not include the performance of the municipality's external services provider and a comparison of the performance with set targets and/or comparison with the previous financial year as required by section 46 (1)(a) and (b) of the MSA	The report for external service providers to be prepared in line with the recommendation. The comparison of targets with that previous year to be completed as recommended.

Non-Compliance Issues	Remedial Action Taken
Awards were made to providers who are in the service of other state institutions, in contravention of section 112(j) of the MFMA and Supply Chain Management regulation 44 (SCM regulation).	The central database system to assist with the background checks of suppliers.
Thresholds for local content on designated sectors procurement were not properly applied in accordance with the requirements of the Preferential Procurement Regulation 9.	Implementation of SCM policy and other relevant SCM circulars.
Quotations were awarded to bidders based on preference points that were not calculated in accordance with the requirements of the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000) and its regulations.	Independent review of bid documents to ensure that correct preference points are used.
Contracts were modified without tabling the reasons for the proposed amendment in the council of the municipality, as required by section 116(3) of the MFMA.	All amendments to the contracts will be submitted to Council for noting.
Reasonable steps were not taken to prevent irregular expenditure, as required by section 62(1)(d) of the MFMA	Implementation of SCM policy and compliance with the Acts to prevent Unauthorised, Irregular and fruitless and wasteful expenditure.
An effective system of internal control for assets (including an asset register) was not in place, as required by section 63(2) (c) of the MFMA.	
Note:* The report status is supplied by the Auditor General and ranges from unqualified (at best); to unqualified with other matters specified; qualified; adverse;	

and disclaimed (at worse)

Auditor-General Report on service delivery Performance 2015/16	
Audit Report status*:	Unqualified
Non-Compliance Issues	Remedial Action Taken
The performance management system did not provide for policies and procedures to take steps of improvement where performance targets were not met, as required by section 41(1)(d) of the MSA.	The approved PMS policy for 2016/17 was reviewed in line with the applicable legislations.
Key performance indicators in respect of each of the development priorities and objectives were not set out in the IDP, as required by section 41(1)(a) of the MSA and the Municipal planning and performance management regulation 1 and 9(1)(a)	The strategic SDBIP will be incorporated in the IDP during the review process.
Performance targets were not set for each of the key performance indicators for the financial year as required by section 41(1)(b) of the MSA and the Municipal planning and performance management regulations 12(1) and 12(2)(e)	SDBIP will be reviewed to ensure adherence to the applicable laws and legislations. Performance targets for each indicators.
The service delivery and budget implementation plan (SDBIP) for implementing the municipality's delivery of municipal services and annual budget did not indicate projections for each month of the revenue to be collected, by source and/or the operational and capital expenditure, by vote, as required by section 1 and 53(1)(c) of the MFMA.	The monthly projections for revenue and expenditure were included in the final approved SDBIP 2016/17 financial year.

## **AUDITOR GENERAL REPORT ON THE FINANCIAL STATEMENTS 2015/16**

The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122 of the MFMA. Material misstatements of non current assets, current assets, liabilities and disclosure items identified by the auditors in the submitted financial statements were subsequently correctly resulted in the financial statements receiving unqualified audit opinion.

### **COMMENTS ON AUDITOR-GENERAL'S OPINION 2015/16**

Matters affecting the audit report are the most serious as these will lead to findings on the audit report and the non-achievement of a clean audit. The matters affecting the auditors opinion have significantly reduced and there was an improvement by the municipality. Overall the total number of audit findings has drastically reduced from that reported in 2014/15 financial year.

The municipality has through development and implementation of action plan on issues raised by Auditor-General improved its audit outcome. The Internal Audit is the custodian of the action plan report on issues raised by the Auditor- General. The report is being served in the Audit Committee and Finace Portfolio on a quarterly basis.

### **COMMENTS ON MFMA SECTION 71 RESPONSIBILITIES:**

All section 71 reports from July 2014 to June 2015 were submitted to both National and Provincial Treasury , COGHSTA and the Mayor in the format prescribed by National Treasury.

## APPENDICES

### APPENDIX A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

Councillors, Co+A1:F13mmittees Allocated and Council Attendance						
Council Members	Full Time / Part Time	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance	
	FT/PT			%	%	
1. Moyagabo Paulina Makgato	FT	Mayor	ANC	100%	N/A	
2. Moloko Letta Moabelo	FT	Speaker	ANC	100%	N/A	
3. Prince Rakubu	FT	Chief Whip	ANC	82%	18%	
4. Masilo Edward Paya	PT	PR Councillor MAYORAL	ANC	45%	55%	
5. Dikeledi Matlou	PT	PR Councillor MAYORAL	ANC	36%	64%	
6. Andries Pihlela	PT	PR Councillor MAYORAL	ANC	64%	36%	
7. Makoma Tawana	PT	PR Councillor	ANC	45%	55%	
8. Elizabeth Rahlana	PT	PR Councillor	ANC	82%	18%	
9. Adelaide Makgoka	PT	PR Councillor	ANC	91%	09%	
10. Selaelo Senoamadi	PT	PR Councillor	ACDP	18%	82%	
11. Moses Maila	PT	PR Councillor	COPE	91%	09%	
12. Moloko Calvin Matjee	PT	PR Councillor	DA	45%	55%	
13. Mahuhudi Masekela	PT	PR Councillor	ANC	55%	45%	
14. Morongwa Mphelo	PT	Ward Councillor(01)	ANC	100%	N/A	
15. Morongwa Priscilia Nkoana	PT	Ward Councillor(02)	ANC	100%	N/A	
16. Nakedi Winnie Seakamela	PT	Ward Councillor(03)	ANC	18%	82%	
17. Molatelo Mapara	PT	Ward Councillor(04)	ANC	36%	64%	
18. Nakedi Elton Ramalepe	PT	Ward Councillor(05)	ANC	27%	73%	
19. Rahab Moseamo	PT	Ward Councillor(06) MAYORAL	ANC	100%	N/A	
20. Godfrey Makgalo	PT	Ward Councillor(07)	ANC	45%	55%	
21. Jeffrey Hlapa	PT	Ward Councillor(09)	ANC	09%	91%	
22. Malema Moni Quintilian	PT	Ward Councillor(08)	ANC	82%	18%	
23. Thema Moyo	PT	Ward Councillor(10)	ANC	09%	91%	
24. Paul Mehala	PT	Ward Councillor(11)	ANC	45%	55%	
25. Agnes Mahlophe	PT	Ward Councillor(12) ETHICS Chairpeson	ANC	82%	18%	
26. Moyahabo Daniel Lehong	PT	Ward Councillor(13) MPAC Chairpeson	ANC	91%	09%	

27. Marias Duba	PT	Ward Councillor(14)	ANC	64%	36%
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## APPENDIX B – COMMITTEE AND COMMITTEE PURPOSE

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
MUNICIPAL PUBLIC ACCOUNTS COMMITTEE	OVERSIGHT
ETHICS & INTERGRITY COMMITTEE	COUNCILLOR CODE OF CONDUCT

## APPENDIX C – THIRD TIER ADMINISTRATIVE STRUCTURE

Third Tier Structure	
Directorate	Director/Manager
Municipal Manager's Office	Municipal Manager - Mr NI Makhura
Budget and Treasury	Chief Financial Officer - Mr EK Moloko
Corporate Services	Senior Manager Corporate Services - Mr MH Madibana
Community Services	Senior Manager Community Services - Ms MP Moabelo
Technical Services	Senior Manager Technical Services Mr MD Masipa
LED and Planning	Senior Manager LED & Planning - Mr NN Keetse

## APPENDIX D – FUNCTIONS OF MUNICIPALITY / ENTITY

Municipal/Entity Functions		
Municipal Functions	Function applicable to Municipality (Yes/No)*	Function applicable to Entity (yes/no)
Constitution schedule 4, Part B functions		
Air Pollution	NO	
Building Regulations	YES	
Child Care facilities	NO	
Electricity and gas reticulation	YES	
Fire fighting services	NO	
Local tourism	NO	
Municipal airports	NO	
Municipal planning	YES	
Municipal Health Services	NO	
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	YES	
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related	NO	
Storm water management systems in built up areas	NO	
Trading regulations	YES	
Water and sanitation services limited to potable water supply systems and domestic waste water and sewage disposal systems	YES	
<i>Continued next page</i>		
Beaches and amusement facilities	NO	
Billboards and the display of advertisements in public places	YES	
Cemeteries, funeral parlours and crematoria	YES	
Cleansing	NO	
Control of public nuisance	NO	
Control of undertakings that sell liquor to the public	NO	
Facilities for the accommodation, care and burial of animals	NO	
Fencing and fences	NO	
Licensing of dogs	NO	
Licensing and control of undertakings that sell food to the public	NO	
Local amenities	NO	
Local sport facilities	NO	
Markets	NO	
Municipal abattoirs	NO	
Municipal parks and recreation	YES	
Municipal roads	NO	
Noise pollution	YES	
Pounds	NO	
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

<b>WARD COMMITTEE FUNCTIONALITY 2015-2016</b>					
<b>Ward No.</b>	<b>Name of ward Councillor &amp; elected ward committee members</b>	<b>Committee established (/No/Yes)</b>	<b>Number of ward committee meetings held during the year</b>	<b>Number of monthly reports submitted to Speakers office on time</b>	<b>Quarterly public ward meetings held during the year</b>
1.	Cllr Mphelo M Maila M	YES	12 meetings	12 reports	04 ward public meetings held

**WARD COMMITTEE FUNCTIONALITY 2015-2016**

	Satekge M				
	Letlalo R				
	Selamolela T				
	Motshetsheke M				
	Mamatlepa R				
	Mathebula S				
	Mohale J				
	Moloi C				
2.	Cllr Nkoana	Yes	12 meetings	12 reports	04 ward public meetings held
	Rakgakala D				
	Molele C				
	Rapholo R				
	Rapetsoa R				
	Matjipa L				
	Ramaotswa D				
	Hutama D				
	Ratiba W				
	Lekgate M				
	Ramotlou M				
3.	Cllr Seakamela	Yes	12 meetings	12 reports	04 ward public meetings held
	Sefako S				
	Sebetseba M				
	Ramotlou C				
	Chepape N				
	Letswalo R				
	Moholoa M				
	Kobe S				
	Makwala S				
	Mashapa D				
	Sokana D				
4.	Cllr Mapara	Yes	12 meetings	12 reports	04 ward public meetings held
	Ramathopa D				
	Matima J				
	Mahuma D				
	Nkoana P				
	Makhura P				
	Manabile M				
	Mogale S				
	Phosa S				
	Mohatli S				
	Nkoana M				
5.	Cllr Ramalepe	Yes	12 meetings	12 reports	04 ward public meetings held
	Makalapetlo G				
	Mafemo M				
	Makalapetlo F				
	Mogale M				
	Mohale M				
	Makgobatlou J				
	Machabaphala				

WARD COMMITTEE FUNCTIONALITY 2015-2016					
	S Ramarutha M Machabaphala C Mpati L				
6.	Cllr Moseamo Ramahlare G  Machaka S Sehowa N Fatshe D Pheena P Kwenaite M Mabitsi H Maapola M Phefadu M	Yes	12 meetings	12 reports	04 ward public meetings held
7.	Cllr Makgalo Mongalo S Mohale W Sehlwana F Rammabi D Ramahoyo J Masiela A Kgaabi E Kwatapa A Tshewe R Mankwane G	Yes	12 meetings	12 reports	04 ward public meetings held
8..	Cllr Malema Q Seshibe M Mashaba G Matsapola B Mpholo C Molobisi A Machaka D Mokgawa M Chohledi M Ramuse J Phihlela B	Yes	12 meetings	12 reports	04 ward public meetings held
9.	Cllr Hlapa J Leshaba J Manthata J Ramosweu J Machabaphala M Molokomme P Mabitsela S Fache M Molamodi R Monyela MW Meela MW	Yes	12 meetings	12 reports	04 ward public meetings held

WARD COMMITTEE FUNCTIONALITY 2015-2016					
10.	Cllr Moyo T	Yes	12 meetings	12 reports	04 ward public meetings held
	Sefolo M				
	Seanego M				
	Mabeba A				
	Mamabolo J				
	Mohlabeng L				
	Mmangweta N				
	Makgoatha S				
	Letswalo P				
	Masehela J				
	Mohale W				
11.	Cllr Mehala P	Yes	12 meetings	12 reports	04 ward public meetings held
	Masekela T				
	Manthata M				
	Seleka J				
	Manthata K				
	Makhura V				
	Mohokare J				
	Ramokgobedi S				
	Mapiti E				
	Maloba A				
Meso F					
12.	Cllr Mahlophe A	Yes	12 meetings	12 reports	04 ward public meetings held
	Mailula J				
	Moningi G				
	Maitja L				
	Motjopi S				
	Manaka M				
	Manthata F				
	Tsedu E				
	Dikotla F				
	Mohale D				
Thoka B					
13..	Cllr Lehong D	Yes	12 meetings	12 reports	04 ward public meetings held
	Matjee M				
	Ramaloko M				
	Maphakela D				
	Mahladisa J				
	Manaka N				
	Morokolo J				
	Kgopane T				
	Masipa E				
	Ramaloko R				
Mokondelela A					

WARD COMMITTEE FUNCTIONALITY 2015-2016					
14.	Cllr Duba M	Yes	12 meetings	12 reports	04 ward public meetings held
	Lamola S				
	Matsiya S				
	Mokgehle C				
	Kgare L				
	Semenya J				
	Moloko N				
	Hlapa W				
	Makgato J				
	Mankga ST				
	Ngoepe B				

## APPENDIX F – WARD INFORMATION

Ward Title: Ward Name (Number)				
Capital Projects: Seven Largest in Year 0 (Full List at Appendix O)				
				R' 000
No.	Project Name and detail	Start Date	End Date	Total Value

## APPENDIX G – RECOMMENDATION OF THE MUNICIPAL AUDIT COMMITTEE

### INTRODUCTION

On behalf of the Audit and Performance Audit Committee (APAC) I have a pleasure in submitting herewith the annual report of the Audit and Performance Audit Committee for the financial year ended 30 June 2016.

### 1. GOVERNANCE OF THE COMMITTEE

2.1.1 All members of the Audit and Performance Audit Committee are independent external non-executive members.

- 2.1.2 The Manager Internal Audit reports operationally to the Municipal Manager and functionally to the Audit Committee.
- 2.1.3 Risk Management Committee, is a management committee chaired by an independent Audit Committee member to guide and advise the Accounting Officer while providing Audit and Performance Audit Committee oversight.
- 2.1.4 The members of the Audit and Performance Audit Committee and Sub-committee during the period under review were:

Name	Audit and Performance Audit Committee	Sub-Committee
		Risk Management Committee
Mr. MP. Mongalo	Chairperson	-
Mr. MW. Mokwele	Member	Chairperson
Mr. CC. Semanya	Member	-

### 3. AUDIT COMMITTEE RESPONSIBILITIES

The Audit Committee consists of three (3) members and this is in line with Circular 65 of the MFMA. The committee is expected to meet at least four times in a year. The committee held seven (7) meetings during 2015/16 financial year.

In carrying out its mandate which is conferred by its terms of reference and section 166 of the MFMA, the committee confirms that taking into consideration the reports by both internal and external auditors, it has reviewed and assessed the following:

- a) The effectiveness of internal control systems;
- b) The effectiveness of internal audit;
  - The effectiveness of the risk management processes.
  - The risk areas of the entity's operations to be covered in the scope of internal and external audits;
  - The adequacy, reliability and accuracy of financial information provided to management and other users of such information;
  - Any accounting and auditing concerns identified as a result of internal and external audits;
  - The municipality's compliance with legal and regulatory provisions;
  - The activities of the internal audit function, including its annual work programme, coordination with external auditors,
  - The reports of significant investigations and the responses of management to specific recommendations;
  - Where relevant, the independence and objectivity of the external auditors.

Based on the information and explanations given by management, Internal audit function and discussions with independent External Auditors on the result of the audits, the audit committee is of the opinion that the internal accounting controls were adequately designed but not fully implemented to ensure completeness, accuracy and reliability of financial records for preparing the annual financial statements, and to ensure that the accountability for assets and liabilities is maintained.

While there is notable improvement in the overall internal control systems within the municipality compared to previous years, the audit committee believes there are areas that still need improvement.

#### 3.1 Annual Financial Statements

The audit committee reviewed the Annual Financial Statements of the municipality for 2015/16 financial year. The audit committee concurs and accepts the Auditors General's conclusion on the

Annual Financial Statements, and recommends that the audited financial statements be accepted by Council and be read together with the final signed report by the Auditor-General(AGSA).

#### **4. INTERNAL CONTROL**

- 4.1. Internal Audit evaluated effectiveness of municipal system of internal controls following AG (SA) Methodology and using the tool provided by AG (SA).
- 4.2. Internal Audit reported system weaknesses and recommended corrective actions for management to address the deficiencies. Management implemented part of the internal audit recommendations to enhance the system of internal controls to the acceptable level.

The audit committee reviewed the following as part of their mandate;

- Effectiveness of internal control.
- Quality of management reports.
- Risk management reports.
- Performance management Information reports.
- Financial management reports.
- Mid-year reports.

#### **5. INTERNAL AUDIT**

- 5.1. The committee is satisfied that the internal audit has during the period under review effectively focused its available resources towards identified critical risk areas in accordance with the approved Risk Based Annual Audit plan for 2015/2016. The committee also approved the Risk Based Annual Audit plan for the 2015/2016 reporting period and was given the assurance that every effort will be made by the Accounting Officer to have all the resources available to properly execute the plan.
- 5.2. All Internal Audit activities were completed in accordance with the approved Internal Audit Charter and no compromise of the independence or objectivity of the function was observed throughout for the year under review.

#### **6. PERFORMANCE MANAGEMENT**

- 6.1. The Audit and Performance Audit Committee noted that Management has developed a performance management policy, which was approved by Council.
- 6.2. Internal Audit unit has in line with the MFMA/MSA regulations audited on a quarterly basis performance information. All system weaknesses reported were brought to the attention of the Accounting Officer.

#### **7. INTERACTION WITH THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC)**

The Chairperson of the Audit Committee and MPAC Chairperson had meetings to discuss the Annual Report with a view of finalization of the Oversight report. Meetings are schedule as per requests due to aligned activities from both committees with a view of providing and strengthening of oversight mandate.

.....  
**MP Mongalo**  
**Chairperson Audit and Performance Committee**



### Municipal Audit Committee Recommendations

Date of Committee	Committee recommendations during 2015/16	Recommendations adopted (enter Yes); not adopted (provide explanation)
24 August 2015	<ul style="list-style-type: none"> <li>a) Management to consider inputs made by the committee on the draft annual financial statements and convene a special meeting by the 25<sup>th</sup> August 2016.</li> <li>b) Fourth quarter performance information report be corrected before 27<sup>th</sup> August 2015 and submit to internal audit for review.</li> <li>c) The annual performance report 2014/15 was referred back to management to align the report with the Service Delivery Budget Implementation Plan. It was recommended that the correct template for the annual performance report should be used for reporting purpose.</li> </ul>	<p>Yes</p> <p>Yes</p> <p>Yes</p>
26 October 2015	<ul style="list-style-type: none"> <li>a) Final schedule of policies copy to be submitted in the next audit committee meeting.</li> <li>b) Challenges raised by Internal Audit with regard to audit of performance information should be captured under validity and accuracy paragraph.</li> <li>b) MSCOA implementation plan to be distributed to committee members by email.</li> <li>c) Audit committee to advise Council in writing with regards to appropriate internal audit unit structure to consider unfreeze of internal audit position.</li> <li>d) Section 71 report to be submitted together with section 52 report in ordinary audit committee meeting.</li> <li>e) Compliance register to be submitted to ordinary audit committee meetings.</li> </ul>	<p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p>

Municipal Audit Committee Recommendations		
27 November 2015	a) Management should draft audit action plan 2014/15 to address all issues raised and avoid further recurrence of the issues.	Yes
23 January 2016	a) It was agreed that the turnaround for submission of documents to Internal Audit should be seven (7) working days prior the meeting date. b) Protective clothing audit –management to provide response on all issues raised by Internal Audit. c) Municipality was requested to investigate whether there is a clause on the back up facility in the IT Business Continuity Plan to cover emerging risks on the temporary closure of Traffic Station due to system failure. d) MSCOA training to be schedule fo all project participants including members of the Audit Committee(external). e) The Risk Officer and the Trainee Auditor should be registered with the approved professional bodies. f) Performance Management assessment schedule of meetings should be drafted and communicated with relevant stakeholders. g) The Chief Financial Officer should review section 52 report and ensure that quarterly and mid-year reporting are reported independently under the correct reporting timeframes. h) The municipality should identify risks regarding demarcation process and document for action purposes.	No  Yes  Yes  Partial  Partial (The Risk Officer was registered with IRMSA)  Yes  Yes  Yes

Date of Committee	Committee recommendations during 2014/15	Recommendations adopted (enter Yes); not adopted (provide explanation)
25 April 2016	<ul style="list-style-type: none"> <li>a) Internal Audit unit, SCM Manager and member from Provincial Treasury should meet to discuss the report and ensure that management responses are aligned to the findings raised.</li> <li>b) State Security Agency report was tabled to the committee. An action plan on issues raised to be developed and submitted to the next Audit Committee meeting.</li> <li>c) Deviation register should form part of the SCM performance report and submitted in all ordinary audit committee meetings.</li> <li>d) A suitable date to be established finalise first and second quarter performance assessment for Municipal Manager.</li> <li>e) A special meeting to be convened between management, Audit Committee members, Provincial Treasury and Coghsta to discuss the following items; A plan on how the municipality will deal with change management process. Annual Financial Statements process plan 2015/16. MSCOA process plan 2015/16.</li> <li>f) The municipality should identify risks regarding demarcation process and document for action purposes.</li> </ul>	<p>Yes</p> <p>Yes</p> <p>Yes</p>
24 May 2016	<ul style="list-style-type: none"> <li>a) Register for Unauthorized, Irregular and Fruitless and Wasteful expenditure to be submitted to ordinary Audit Committee meetings quarterly.</li> <li>b) Contingent liability register should be submitted in ordinary Audit Committee meetings.</li> <li>c) Report on all appointed consultants to be forwarded to Treasury and Coghsta.</li> <li>d) The MSCOA self-assessment tool should be developed and reported to the committee.</li> <li>e) MSCOA progress on the ICT self-assessment should be reported to the committee.</li> </ul>	<p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p>
27 July 2016	<ul style="list-style-type: none"> <li>a) A workshop to be scheduled to assist management with responding to audit findings.</li> <li>b) Performance Management schedule of meetings should be drafted and communicated with relevant stakeholders.</li> <li>c) It was recommended that the Municipal Manager take steps to ensure the evaluation of both the Audit Committee and the Internal Audit function.</li> </ul>	<p>No (A suitable date to be selected for workshop)</p> <p>Yes</p> <p>No (Work in progress, Provincial Treasury was consulted with regard to the assessment of Internal Audit unit. Evaluation of Audit Committee to be conducted internally by management, Internal audit and Council.</p>

## **EVALUATION OF THE PERFORMANCE OF THE AUDIT COMMITTEE**

The Council of the municipality has the responsibility to assess performance of the Audit Committee to ensure its effectiveness in carrying out their responsibilities in-line with the applicable law and regulations. Council evaluated performance of the Audit Committee to ensure that the committee adds value and provide improvements in the operations of the municipal affairs. The evaluation was concluded by the Speaker on behalf of the newly elected Council based on the performance of the Audit Committee as reported in the quarterly Council meetings.



Disclosures of Financial Interests		
Period 1 July 2014 to 30 June 2016		
Position	Name	Description of financial interest* (Nil/or details)
Mayor	Makgato P	Nil
Member of Mayco/Exco	Matlou D	Nil
	Phihlela M.A	Nil
	Paya M.E	Nil
	Moseamo R.M	Nil
Councillor	Moabelo L	Nil
	Rakubu P	Nil
Municipal Manager	Makhura NI	Nil
Chief Financial Officer	Moloko EK	Supply Matrix CC KMTM Financial Services Moloko Mokoko Construction
Other S57 Officials		
	Madibana MH	Sasol Limited share
	Keetse NN	Nil
	Masipa D.M	Nil
	Moabelo MP	Sasol Izalo Shares

## APPENDIX K – REVENUE COLLECTION

### APPENDIX K (i)– REVENUE COLLECTION PERFORMANCE BY VOTE



REVENUE COLLECTION PERFORMANCE BY VOTE		Current Year 2015/2016			2015/2017 Variances	
Votenumbr	Description	Budget	Adjustment budget	Actual	Original budget	Adjusted budget
0000/00/2/03/0100	PROPERTY RATES (ASSESSMENT RATES?)	(10 866 049)	(10 866 049)	(10 850 493)	0%	0%
0000/00/2/05/1020	BASIC LEVIES	(550 451)	(243 156)	192 418	135%	179%
0000/00/2/05/1030	ELECTRICITY SALES	(9 006 531)	(10 506 531)	(5 939 993)	34%	43%
0000/00/2/05/2410	REFUSE REMOVAL	(1 534 222)	(1 534 222)	(1 551 721)	-1%	-1%
0000/00/2/12/0050	CDM FUNDING	(2 400 000)	(2 400 000)	(157 492)	93%	93%
0000/00/2/12/0100	EQUITABLE SHARE	(106 287 000)	(106 287 000)	(106 286 857)	0%	0%
0000/00/2/12/1300	GRANT - LOCAL GOVERNMENT FINANCE MANAGEM	(1 600 000)	(1 600 000)	(966 280)	40%	40%
0000/00/2/12/2120	GRANT - MUNICIPAL SYSTEMS IMPROVEMENT	(930 000)	(930 000)	(796 776)	14%	14%
0000/00/2/14/0410	GRANTS - MIG FUNDS	(30 337 857)	(30 017 000)	(26 172 516)	14%	13%
0000/00/2/14/0911	CDM:	(401 576)	(401 576)	-	100%	100%
0000/00/2/14/1035	GRANTS - PWPG	(1 000 000)	(1 000 000,00)	(811 133)	19%	19%
0000/00/2/20/1000	INTEREST FROM EXTERNAL INVESTMENTS	(2 200 000)	(1 200 000,00)	(2 100 559)	5%	-75%
0000/00/2/22/1910	LATE PAYMENT (ARREARS)	(4 569 726)	(4 569 726,00)	(2 554 030)	44%	44%
0000/00/2/25/0030	RENTAL - BUILDINGS	(225 978)	(225 978)	(232 558)	-3%	-3%
0000/00/2/25/0110	RENTAL - GRAZING	(60 873)	(30 392)	(56 995)	6%	-88%
0000/00/2/36/0005	ADVERTISING SIGNS	(3 692)	(2 492)	(2 502)	32%	0%
0000/00/2/36/0050	BOOKS LOST	(200)	(1 003)	(132)	34%	87%
0000/00/2/36/0100	BUILDING PLAN FEES	(15 359)	(59 616)	(16 640)	-8%	72%
0000/00/2/36/0110	CLEARANCE CERTIFICATES	8 326	(36 781)	(7 946)	195%	78%
0000/00/2/36/0165	ELECTRICITY FINES	(24 279)	(50 134)	(19 290)	21%	62%
0000/00/2/36/0200	GRAVE FEES	(10 000)	(5 253)	(13 608)	-36%	-159%
0000/00/2/36/0320	INSURANCE INCOME RECEIVED	-	-	(4 193)	0%	0%
0000/00/2/36/1150	MEMBERSHIP FEES	(1 750)	(416)	(18 532)	-959%	-4355%
0000/00/2/36/1210	NEW CONNECTIONS	(308 720)	(64 940)	(230 096)	25%	-254%
0000/00/2/36/1405	PENALTIES	(191)	(791)	(406)	-112%	49%
0000/00/2/36/1500	PROVISION FOR SALES OF ASSETS	(220 000)	(220 000)	-	100%	100%
0000/00/2/36/1600	RECONNECTIONS	(21 432)	(21 432)	(12 798)	40%	40%
0000/00/2/36/1647	REPLACEMENT OF REFUSE BIN	(2 209)	(2 209)	-	100%	100%
0000/00/2/36/1690	SALE OF PREPAID METERS	(24 592)	(24 592)	(16 700)	32%	32%
0000/00/2/36/1740	SKILLS DEVELOPMENT LEVY - REFUND	(170 783)	(170 783)	(151 066)	12%	12%
0000/00/2/36/1760	SUNDRY INCOME	-	-	(2 428 167)	0%	0%
0000/00/2/36/1850	TENDER DOCUMENTS	(403 659)	(246 997)	(251 567)	38%	-2%
0000/00/2/36/1900	TOWN PLANNING FEES	(22 260)	(22 260)	(16 334)	27%	27%
0000/00/2/36/1950	TRAFFIC FINES	(954 154)	(954 154)	(385 850)	60%	60%
0000/00/2/36/2000	TRAFFIC LICENSING	(5 602 114)	(7 602 114)	(4 908 146)	12%	35%
0000/00/2/36/2501	COMMISSION/WATER	(1 804 400)	(1 138 332)	(1 921 682)	-6%	-69%
0000/00/2/36/2510	COMMISSION SANITATION	(278 452)	(231 076)	(266 343)	4%	-15%

APPENDIX K (ii)– REVENUE COLLECTION PERFORMANCE BY SOURCE

Revenue collection Performance by Vote/Description						
Vote Description	2014/15	Current Year 2015 & 2016			2015/16 Variance	
	Actual	Original budget	Adjusted budget	Actual	Original budget	Adjusted budget
Property Rates	10 319 307,00	10 866 049,00	10 866 049,00	10 850 493,00	0%	0%
Service Charges	7 868 111,00	12 283 909,00	11 091 204,00	7 642 189,00	-38%	-31%
Rental of Facilities and Equipment	310 226,00	256 370,00	286 851,00	295 195,00	15%	3%
Interest on Debtors	4 144 675,00	4 569 726,00	4 569 726,00	2 554 030,00	-44%	-44%
Licences and Permit	3 987 769,00	7 602 114,00	5 602 114,00	3 749 004,00	-51%	-33%
Commission received	1 277 971,00	1 369 408,00	2 082 852,00	2 188 588,00	60%	5%
Acturial Gain	-	-	-	115 307,00	0%	0%
Other Income	438 368,00	929 699,00	1 220 800,00	895 962,00	-4%	-27%
Interest received from External Investment	1 255 077,00	1 200 000,00	2 200 000,00	2 100 559,00	75%	-5%

APPENDIX L– CONDITIONAL GRANTS RECEIVED:EXCLUDING MIG

Conditional Grants: Excluding MIG R`000						
Details	Budget	Adjustment Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustment Budget	
FMG	1,600,000	1,600,000	1,489,075	7%	7%	
MSIG	930,000	930,000	930,000	0%	0%	
EPWP	1,000,000	1,000,000	993,744	0%	0%	

<b>Total</b>	<b>3,530,000</b>	<b>3,530,000</b>	<b>3,412,819</b>	<b>3%</b>	<b>3%</b>	
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**COMMENT ON CONDITIONAL GRANTS EXCLUDING MIG:**

Molemole Municipality was allocated R3,530,000 for conditional grants excluding MIG. The expenditure as at 30 June 2016 is 3,412,819 which translate to 97%

**APPENDIX M- CAPITAL EXPENDITURE- NEW & UPDATE/RENEWAL PROGRAMME**

**APPENDIX M (i)- CAPITAL EXPENDITURE- NEW ASSETS PROGRAMME**

<b>Capital Expenditure - New Assets Programme</b>							
<b>Description</b>	<b>2014/2015</b>	<b>2015/2016</b>			<b>Planned Capital expenditure</b>		
	<b>Actual</b>	<b>Original Budget</b>	<b>Adjustment Budget</b>	<b>Actual Expenditure</b>	<b>Budget 2016/2017</b>	<b>Budget 2017/2018</b>	<b>Budget 2018/2019</b>
<b>Capital expenditure by Asset Class</b>							
<b>Infrastructure-Total</b>	<b>1 351 030</b>	<b>38 913 600</b>	<b>39 015 643</b>	<b>4 049 229</b>	<b>35 113 600</b>	<b>29 728 900</b>	<b>34 128 310</b>
<b>Infrastructure - Road transport-Total</b>	<b>246 667</b>	<b>35 513 600</b>	<b>35 674 457</b>	<b>2 094 594</b>	<b>34 613 600</b>	<b>26 228 900</b>	<b>27 628 310</b>
<i>Roads, Pavements &amp; Bridges</i>	246 667	35 513 600	35 674 457	2 094 594	34 613 600	26 228 900	27 628 310
<i>Storm water</i>	-	-	-	-	-	-	-
<b>Infrastructure - Electricity-Total</b>	<b>1 104 363</b>	<b>3 400 000</b>	<b>3 341 186</b>	<b>1 954 635</b>	<b>500 000</b>	<b>3 500 000</b>	<b>6 500 000</b>
<i>Generation</i>	-	-	-	-	-	-	-
<i>Transmission &amp; Reticulation</i>	1 104 363	2 700 000	2 142 332	945 760	500 000	3 500 000	6 500 000
<i>Street Lighting</i>	-	700 000	1 198 854	1 008 875	-	-	-
<b>Infrastructure - Water-Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

<i>Dams &amp; Reservoirs</i>	-				-	-	-
<i>Water purification</i>	-				-	-	-
<i>Reticulation</i>	-				-	-	-
<b>Infrastructure - Sanitation- Total</b>	-	-	-	-	-	-	-
<i>Reticulation</i>	-				-	-	-
<i>Sewerage purification</i>	-				-	-	-
<b>Infrastructure - Other-Total</b>	-	-	-	-	-	-	-
<i>Waste Management</i>	-				-	-	-
<i>Transportation</i>	-				-	-	-
<i>Gas</i>	-				-	-	-
<i>Other</i>	-				-	-	-
<b>Community-Total</b>	<b>5 906 687</b>	<b>5 702 550</b>	<b>5 702 550</b>	<b>4 577 753</b>	<b>7 533 600</b>	<b>9 374 600</b>	<b>11 726 340</b>
Parks & gardens	434 311	-	-	-	-	-	700 000
Sportsfields & stadia	3 790 603	4 502 550	4 502 550	3 965 153	6 396 300	5 389 500	5 677 050
Swimming pools	-	-	-	-	-	-	-
Community halls	48 405	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-
Recreational facilities	-	-	-	-	-	-	-
Fire, safety & emergency	-	-	-	-	-	-	-
Security and policing	-	-	-	-	-	-	-
Buses	-	-	-	-	-	-	-
Clinics	-	-	-	-	-	-	-
Museums & Art Galleries	-	-	-	-	-	-	-
Cemeteries	-	-	-	-	-	-	-
Social rental housing	-	-	-	-	-	-	-
Other	1 633 368	1 200 000	1 200 000	612 600	1 137 300	3 985 100	5 349 290
<b>Heritage assets</b>	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-

<b><u>Investment properties</u></b>	-	-	-	-	-	-	-
Housing development	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
<b><u>Other assets</u></b>	<b>6 837 803</b>	<b>4 660 000</b>	<b>6 573 254</b>	<b>5 474 392</b>	<b>10 906 000</b>	<b>2 789 000</b>	<b>6 120 000</b>
General vehicles	2 054 661	-	-	-	7 600 000	-	2 400 000
Specialised vehicles	-	-	-	-	-	-	-
Plant & equipment	85 119	-	-	-	-	-	-
Computers - hardware/equipment	446 827	510 000	510 000	509 200	750 000	500 000	450 000
Furniture and other office equipment	-	150 000	120 000	-	1 276 000	494 000	300 000
Abattoirs	-	-	-	-	-	-	-
Markets	-	-	-	-	-	1 000 000	-
Civic Land and Buildings	-	-	-	-	-	-	-
Other Buildings	-	-	-	-	-	-	-
Other Land	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)	-	-	-	-	-	-	-
Other	4 251 196	4 000 000	5 943 254	4 965 192	1 280 000	795 000	2 970 000
<b><u>Intangibles</u></b>	-	-	-	-	-	-	-
Computers - software & programming	-	-	-	-	-	-	-
Software	-	-	-	-	-	-	-
<b>Total Capital Expenditure on new assets</b>	<b>14 095 520</b>	<b>49 276 150</b>	<b>51 291 447</b>	<b>14 101 374</b>	<b>53 553 200</b>	<b>41 892 500</b>	<b>51 974 650</b>
<b><u>Specialised vehicles</u></b>							
Refuse							
Fire							
Conservancy							
Ambulances							

**N.B:** Figures shown on actual are exclusive of VAT. The provision on budget schedules of MBRR only provided for new assets for the 2014/2015 financial year. The division of new and existing assets only started to be provided separately on the budget of 2015/2016 financial year, therefore no information of existing assets.

## APPENDIX M (ii)– CAPITAL EXPENDITURE- UPGRADE/ RENEWAL PROGRAMME

Capital Expenditure - Upgrade/Renewal Programme*							
Description	Year -1	Year 0			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
	R '000						
<b>Capital expenditure by Asset Class</b>							
<b>Infrastructure - Total</b>	-	-		-	-	-	-
Infrastructure: Road transport -Total	-	-		-	-	-	-
<i>Roads, Pavements &amp; Bridges</i>	21 743 657	40 016 150	35 674 457	2 094 594			
<i>Storm water</i>							
<b>Infrastructure: Electricity - Total</b>	-	-		-	-	-	-
<i>Generation</i>							
<i>Transmission &amp; Reticulation</i>	1 670 474	3 400 000	3 341 186	1 954 635			
<i>Street Lighting</i>							
<b>Infrastructure: Water - Total</b>	-	-		-	-	-	-
<i>Dams &amp; Reservoirs</i>							

<i>Water purification</i>							
<i>Reticulation</i>							
<b>Infrastructure: Sanitation - Total</b>	-	-		-	-	-	-
<i>Reticulation</i>							
<i>Sewerage purification</i>							
<b>Infrastructure: Other - Total</b>	-	-		-	-	-	-
<i>Waste Management</i>							
<i>Transportation</i>							
<i>Gas</i>							
<i>Other</i>							
<b>Community</b>	-	-		-	-	-	-
Parks & gardens	4 224 915	4 502 550	4 502 550	3 965 153			
Sportsfields & stadia							
Swimming pools							
Community halls							
Libraries							
Recreational facilities							
Fire, safety & emergency							
Security and policing	698 348	1 000 000	970 315	470 315			
Buses							
Clinics							
Museums & Art Galleries							
Cemeteries							
Social rental housing							
Other (Taxi Rank)	429 000	600 000	600 000	525 000			
<b>Heritage assets</b>	-	-		-	-	-	-
Buildings							
Other							

## APPENDIX N– CAPITAL PROGRAMME BY PROJECT CURRENT YEAR

<b>Capital Programme by Project: Year 2014/2015</b>					
<b>Capital Projects</b>	<b>Original Budget</b>	<b>Adjustment Budget</b>	<b>Actual Expenditure</b>	<b>Variance (Act-Adj) %</b>	<b>Variance (Act-OB) %</b>
ICT EQUIPMENTS	510000	510000	509200	100%	100%
EVENT MANAGEMENT EQUIPMENTS	100000	70000	4900	7%	5%
MOHODI/MAPONTO CROSS TAXI RANK	198424	198424	172740,35	87%	87%
GIS SYSTEM	0	100000	74500	75%	0%
CONSTRUCTION OF CHANGE ROOMS & STOREROOM	0	1413090	524205,88	37%	0%
MADIEHE LOW LEVEL BRIDGE	500000	420000	268832,16	64%	54%
MADIKANA LOW LEVEL BRIDGE	500000	420000	288265	69%	58%
ELECTRICAL NETWORK	1200000	1642332	1008875	61%	84%
HIGHMAST	700000	1198854	945760	79%	135%
MOGWADI INTERNAL STREETS	10000000	10000000	1165587	12%	12%
COMPACTOR ROLLER	0	1234538	1082928	88%	0%
ERECTION OF STREET LITTER BINS	100000	100000	87600	88%	88%
MOGWADI LANDFILL SITE	500000	500000	0	0%	0%
PALISADE FENCE	500000	470315	470315	100%	94%
RAMATJOWE LOW LEVEL BRIDGE	500000	500000	371910	74%	74%
RELOCATION OF PREPAID METERS	1000000	0	0	0%	0%
REPLACEMENT OF OLD ELECTRICITY METERS IN	500000	500000	0	0%	0%
TOWNSHIP ESTABLISHMENT	500000	0	0	0%	0%
COMPUTER HARDWARE AND SOFTWARE: PMU	0	73847	61731,45	84%	0%
OFFICE FURNITURE AND EQUIPMENTS - FMG	50000	50000	49565,82	99%	99%

MACHAKA TO SEKAKENE GRAVEL TO TAR ROAD	14221600	14542457	12756541,18	88%	90%
MOHODI/MAPONTO CROSS TAXI RANK	401576	401576	352259,65	88%	88%
MOHODI TO THUPANA GRAVEL TO TAR ROAD PHA	9792000	9792000	8589473,66	88%	88%
MOHODI SPOTS COMPLEX: MIG	4502550	4502550	3965152,57	88%	88%
PABX SYSTEM: MSIG	0	258376	226645,66	88%	0%
ELECTRICAL NETWORK	1200000	1642332	1008875	61%	84%

## APPENDIX O – CAPITAL PROGRAMME BY PROJECT BY WARD CURRENT YEAR

<b>Capital Programme by Project: Year 2015/2016</b>		
<b>Capital Project</b>	<b>Ward(s) affected</b>	<b>Works completed (Yes/No)</b>
ICT EQUIPMENTS	Municipal Offices	Yes
EVENT MANAGEMENT EQUIPMENTS	Municipal Offices	No
MOHODI/MAPONTO CROSS TAXI RANK	Ward 12	Yes
GIS SYSTEM	Municipal Offices	Yes
CONSTRUCTION OF CHANGE ROOMS & STOREROOM	Municipal Offices	No
MADIEHE LOW LEVEL BRIDGE	Ward 4	Yes
MADIKANA LOW LEVEL BRIDGE	Ward 13	Yes
ELECTRICAL NETWORK	Ward 10	No
HIGHMAST	Ward 1/10/8/9	No
MOGWADI INTERNAL STREETS	Ward 10	No
COMPACTOR ROLLER	Municipal Offices	Yes
ERECTION OF STREET LITTER BINS	Municipal Offices	Yes
MOGWADI LANDFILL SITE	Ward 10	No
PALISADE FENCE	Ward 10	No
RAMATJOWE LOW LEVEL BRIDGE	Ward 7	Yes

RELOCATION OF PREPAID METERS	Ward 10	No
REPLACEMENT OF OLD ELECTRICITY METERS IN	Ward 10	No
TOWNSHIP ESTABLISHMENT	Ward 10	No
COMPUTER HARDWARE AND SOFTWARE: PMU	Municipal Offices	Yes
OFFICE FURNITURE AND EQUIPMENTS - FMG	Municipal Offices	Yes
MACHAKA TO SEKAKENE GRAVEL TO TAR ROAD	Ward 6/8 and 9	Yes
MOHODI/MAPONTO CROSS TAXI RANK	Ward 12	Yes
MOHODI TO THUPANA GRAVEL TO TAR ROAD PHA	Ward 14	Yes
MOHODI SPOTS COMPLEX: MIG	Ward 11	No
PABX SYSTEM: MSIG	Municipal Offices	Yes

APPENDIX P –

### SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS

Service Backlogs: Schools and Clinics				
Establishments lacking basic services	Water	Sanitation	Electricity	Solid Waste Collection
<b>Schools (NAMES, LOCATIONS)</b>				
<b>Clinics (NAMES, LOCATIONS)</b>				


**APPENDIX Q- SERVICE BACKLOGS EXPERIENCED BY COMMUNITY WHERE AN OTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION**

<b>Service Backlogs Experienced by the Community where another Sphere of Government is the Service Provider (where the municipality whether or not act on agency basis)</b>		
<b>Services and Locations</b>	<b>Scale of backlogs</b>	<b>Impact of backlogs</b>
<b>Clinics:</b>		
<b>Housing:</b>		
<b>Licencing and Testing Centre:</b>		
<b>Reseviors</b>		
<b>Schools (Primary and High):</b>		



APPENDIX T– NATIONAL AND PROVINCIAL OUTCOME FOR LOCAL GOVERNMENT

## AUDIT ACTION PLAN

<b>Financial year</b>	<b>2015/16</b>
<b>Municipality name</b>	<b>Molemole</b>
<b>Audit opinion</b>	<b>Unqualified</b>
<b>Reporting period</b>	<b>Jun-16</b>

## 1. MATTERS AFFECTING THE AUDITORS REPORT

<b>Financial year</b>	<b>2015/16</b>
<b>Municipality name</b>	<b>Molemole</b>
<b>Audit opinion</b>	<b>Unqualified</b>
<b>Reporting period</b>	<b>Jun-17</b>

### ANNEXURE A: MATTERS AFFECTING THE AUDITORS REPORT

<b>Audit Findings</b>	<b>Category of Finding</b>	<b>Description of Finding</b>	<b>Finding status</b>	<b>Root Cause</b>	<b>Action Plan Description</b>	<b>Start Date</b>	<b>Completion Date</b>	<b>Person Responsible</b>	<b>Position</b>	<b>Progress</b>	<b>Narrative to Progress/Challenges</b>	
1	SCM	Matters affecting the auditor's report	Unauthorised and Irregular expenditure incurred. The amount of unauthorised expenditure total R5 931 685 irregular expenditure R2 200 593.	Recurring	Non compliance with SCM policy and applicable regulations.	The Management will have to call a special council to report the unauthorised, Irregular and fruitless expenditure identified by the AG	30-Nov-16	28-Feb-17	NJ Mabote NL Ramaboea BM Lethuba	Manager SCM	In progress	Council appointed committee (MPAC) to look at the matter and report back.

2	SCM	Matters affecting the auditor's report	The awards were made to suppliers in service of the state.	Recurring	Non compliance with SCM policy and applicable regulations.	Management will adhere to the mechanism of CSD introduced by National Treasury	1-Jul-16	30-Jun-17	NJ Mabote	Manager SCM	In progress	
3	SCM	Matters affecting the auditor's report	Bid advertised on incorrect preference point system. Appointed bidder was below R1 million rand value and evaluated on 80/20 bud advertised on 90/10.	New	Non compliance with SCM policy and applicable regulations.	The Specification committee are now forming part of advert & Bids document verification prior newspaper advert	1-Jul-16	30-Jun-17	NJ Mabote/ D Mashatola	Manager SCM	In progress	All bids are verified by members of spec committee together with SCM Manager
4	SCM	Matters affecting the auditor's report	Local content not considered on goods and services classified as designated sectors. The suppliers did not furnish the declaration of local production and content.	New	Lack of compliance with Preferential Procurement Regulations.	The Management is considering the local production content to fully give effect to sec 4.3.28 of MLM SCM policy.	1-Jul-16	30-Jun-17	NJ Mabote	Manager SCM	In progress	All local produced products are given priority
5	SCM	Matters affecting the auditor's report	The modification of contracts not tabled to Council. The extension of time and money for five(5) contracts were not tabled to	New	Non compliance with the MFMA.	Extension of time and money to be tabled to Council as and when they happen.	1-Jul-16	30-Jun-17	DM Masipa	Senior Manager Technical Services	In progress	

			Council.									
6	AOP O	Matters affecting the auditor's report	The adopted IDP 2015/16 does not reflect and identify the key performance indicators and targets.	New	Non compliance with the MSA.	include key performance indicators and targets in the 2017-18 IDP Review	31-Dec-16	30-Mar-17	M Morokolo	Manager IDP	In progress	Key performance indicators and targets are included in draft IDP to be tabled by 31 March 2017
7	AOP O	Matters affecting the auditor's report	The monthly projections of revenue collected by source and operational and capital expenditure by vote were not indicated service delivery and budget implementation plan(SDBIP).	New	Non compliance with the MFMA.	The matter was addressed in the SDBIP for 2016/17 financial year.	31-Dec-16	30-Mar-17	KM Mogakane	Manager Council Support	Completed	The monthly projections are included in the SDBIP 2016/17.
8	AOP O	Matters affecting the auditor's report	The annual performance report did not include performance of the municipality external service provider and comparison of the performance with the set targets and/or comparison with the previous financial year.	New	Non compliance with the MSA.	Performance of the municipality external service providers included in 2015/16 Draft Annual Report	1-Jul-16	6-Jan-17	G Hlungwani	Manager PMU	Completed	Performance of the municipality external service providers included in 2015/16 Draft Annual Report

9	AOP O	Matters affecting the auditor's report	There were inconsistencies identified between the planned and reported actual performance in the service delivery budget implementation plan (SDBIP)	New	Lack of understanding of policy and procedures	The SDBIP will be independently reviewed to ensure consistency of planned reported information	30-Nov-16	30-Jun-17	KM Mogakane	Manager Council Support	In progress	The SDBIP will be independently reviewed to ensure consistency of planned reported information
10	AOP O	Matters affecting the auditor's report	The PMS policy did not establish a provide for the following aspects (a) No policies and procedures to take steps to improve performance with regards to those development priorities and objectives where performance targets are not met. (b) The PMS did not establish a process of regular reporting Council, political structures ,political office bearers and staff of the municipality.	Recurring	Lack of understanding of policy and procedures	The policy was reviewed in line with the recommendation and has been approved by Council.		30-Jun-16	KM Mogakane	Manager Council Support	Completed	
<b>Department</b>			<b>Number of findings</b>	<b>Number of findings resolved</b>	<b>Percentage % resolved</b>							
1	Municipal Manager		6	2	33%							

2	Budget & Treasury	49	25	51%
3	Technical Services	2	1	50%
4	LED&P	1	0	0%
5	Community Services	4	0	0%
6	Corporate Services	4	1	25%
		<b>66</b>	<b>29</b>	<b>44%</b>

## 2. OTHER IMPORTANT MATTERS

<b>Financial year</b>	<b>2015/16</b>
<b>Municipality name</b>	<b>Molemole</b>
<b>Audit opinion</b>	<b>Unqualified</b>
<b>Reporting period</b>	<b>Jun-17</b>

**ANNEXURE B: OTHER IMPORTANT MATTERS**

Audit Findings		Category of Finding	Description of Finding	Finding status	Root Cause	Action Plan Description	Start Date	Completion Date	Person Responsible	Position	Progress	Na Pr Ch
1	Disclosure	Other important matters	The split between the different lines in the disclosure of the finance lease obligation note was not accurate.	New	Lack of compliance to GRAP 17 paragraph 27.	The split disclosure will be done and submitted with the current year 2016/17 financial statements.	30-Nov-16	31-Aug-17	EK Moloko	CFO	In progress	
2	Cash and cash equivalents	Other important matters	There were difference identified in the recalculation of cash flow figures. The amount per AFS was not in line with the auditors recalculated amount.	New	Inadequate review of the annual financial statements.	Addressed during AFS adjustment.	1-Aug-16	30-Nov-16	EK Moloko	CFO	Completed	
3	Commitments	Other important matters	Prior year capital commitments amount was misstated. The final figures for 2015 and 2016 comparative figures were different.	New	Inadequate review of financial information.	Addressed during AFS adjustment.	1-Aug-16	30-Nov-16	EK Moloko	CFO	Completed	
4	Commitments	Other important matters	There were differences identified between the capital commitment amount excluding per the register and the	New	Inadequate review of financial information.	Addressed during AFS adjustment.	1-Aug-16	30-Nov-16	EK Moloko	CFO	Completed	

			recalculated amounts. The difference between the contract register and the amount disclosed in the AFS was as a result of mathematical error.								
5	Commitments	Other important matters	There were misstatements identified in the operating commitments register. The following differences were noted during the review (a) The amount paid per GL were different from the amount paid per register. (b) Amount per contract calculated incorrectly from the register.	New	Inadequate review of financial information.	Addressed during AFS adjustments.	1-Aug-16	30-Nov-16	EK Moloko	CFO	Completed
6	Disclosure	Other important matters	Incomplete projects were not disclosed as commitments in the financial statements.	New	Inadequate review of the commitments register.	Addressed during audit process.	1-Aug-16	30-Nov-16	EK Moloko	CFO	Completed
7	Disclosure	Other important matters	The amounts disclosed for operating leases under commitments are	New	Inadequate review of the AFS.	Addressed during audit process.	1-Aug-16	30-Nov-16	EK Moloko	CFO	Completed

			incorrect.									
8	Disclosure	Other important matters	Cases were mistakenly disclosed as contingent liabilities instead of contingent assets. The municipality instituted claims and are therefore cited as applicant and there is a possible asset that arises from the past event whose existence will be confirmed only by the occurrence or non occurrence of one or more certain future events beyond the control of the municipality.	New	Lack of adherence to GRAP requirements.	Addressed during audit process.	1-Aug-16	30-Nov-16	EK Moloko	CFO	Completed	
9	Disclosure	Other important matters	The municipality did not disclose for each class of contingent liability/asset at the reporting date a brief description of the nature of the contingent liability/asset.	New	Lack of adherence to GRAP requirements.	Addressed during audit process.	1-Aug-16	30-Nov-16	EK Moloko	CFO	Completed	
10	Employee costs	Other important matters	Allowances of Section 57 managers as per the annual financial statements did not	New	Inadequate review of the AFS.	Addressed during audit process.	1-Aug-16	30-Nov-16	EK Moloko	CFO	Completed	

			agree with the payroll report. A total of R27 749.98 difference was calculated.									
11	SCM	Other important matters	Fruitless and wasteful expenditure disclosure note was understated as a result of additional interest that was not identified and disclosed in the UIF register.	New	Lack of oversight by management.	Addressed during audit process.	1-Aug-16	30-Nov-16	EK Moloko	CFO	Completed	
12	SCM	Other important matters	The Unauthorised, Irregular and Fruitless and wasteful expenditure (UIF) amount and disclosure of the information in the annual financial statements is not appropriate and in line with the requirements of s125 of the MFMA.	New	Lack of independent review of financial and performance information.	Addressed during audit process.	1-Aug-16	30-Nov-16	EK Moloko	CFO	Completed	
13	AOPO	Other important matters	Audit committee membership not published in the annual report.	New	Lack of management oversight on performance information.	The Audit Committee names were included in the draft Annual Report for the financial year 2015/16.	1-Dec-16	15-Dec-16	FK Moruane	Manager Internal Audit	In progress	The Com nam inclu draft Repo finan 2015

14	SCM	Other important matters	Collusive quoting by suppliers the following were noted. (i) Directorship with same Surname. (ii) Bidders share same postal address, fax and email address. (iii) Layout and fond of quotations identical.	New	Lack of adequate review of SCM information prior awards.	All bids received are thoroughly checked against any collusive quoting by suppliers	30-Nov-16	30-Jun-17	NJ Mabote	Manager SCM	In progress	The is common will r futur susp SCM vigila collu contr occur SCM vigila futur recur
15	SCM	Other important matters	Bidders with uncertified BBBEE certificates awarded points for BBBEE status.	Recurring	Lack of adequate review of SCM information prior awards.	BBBEE certificates are thoroughly checked for its originality and certification	30-Nov-16	30-Jun-17	NJ Mabote	Manager SCM	In progress	
16	SCM	Other important matters	Inadequate publishing of tender opening registers on the municipal website.	New	Lack of adherence to SCM regulations.	Invitation will be in line with the bid document	30-Nov-16	30-Jun-17	NJ Mabote	Manager SCM	In progress	
17	SCM	Other important matters	Construction contracts not advertised on the CIDB website.	Recurring	Non compliance to CIDB regulations.	Construction contract that are qualifying to be advertised on CIDB website	30-Nov-16	30-Jun-17	NJ Mabote	Manager SCM	In progress	Adve subn CIDB for adve
18	SCM	Other important matters	The municipality made awards to bidders whose municipal accounts were in arrears at the time of awarding the bids.	Recurring	Lack of adequate review of SCM information prior awards.	Bidders account are verified prior the appointment and if found in arrears the Bidder is	30-Nov-16	30-Jun-17	NJ Mabote	Manager SCM	In progress	Acco thro verifi awar

						disqualified						
19	SCM	Other important matters	Specifications approved by the accounting officer after the publication of the bid.	Recurring	Lack of management oversight on financial information.	The specification is approved first by the accounting officer prior the bid invitation	30-Nov-16	30-Jun-17	NJ Mabote	Manager SCM	In progress	
20	SCM	Other important matters	Incorrect BBBEE points allocated to service providers.	New	Lack of effective SCM procedure in place.	BBBEE points allocated are verified prior awarding of Bids	30-Nov-16	30-Jun-17	NJ Mabote	Manager SCM	In progress	
21	Compliance	Other important matters	There are no procedure in place to assess that the financial consultants has transferred skills to the officials. There were no formal process to assess the work of consultants for assessment of useful lives. There was no formal needs assessment performed to assess the need for each consultant that is hired to do work for the municipality.	Recurring	Lack of adequate financial and performance measures.	A Service Level Agreement signed at inception	1-Aug-16	30-Sep-16	EK Moloko	CFO	In progress	All cons will in docu need asse before appr requ proce

22	Assets	Other important matters	The municipality revalued investment property land while it chose to use the cost model as indicated by GRAP 16. The practice is not in line with GRAP 17.	New	Lack of adherence to GRAP requirements.	Addressed during audit process.	1-Aug-16	30-Nov-16	NJ Mabote	Manager SCM	Completed
23	Assets	Other important matters	High mast treated as new purchase with different useful life from the initial high mast. The new treated purchase had a useful life of 45 years compared to the initial useful life which had 20 years. This will result in the inconsistency with the application of useful life which will have an impact on the depreciation calculation.	New	Lack of review of financial information.	Addressed during audit process.	1-Aug-16	30-Nov-16	NJ Mabote	Manager SCM	Completed
24	Assets	Other important matters	The insurance cover for fixed assets is not sufficient.	New					NJ Mabote	Manager SCM	

25	Assets	Other important matters	<p>(i) Inconsistencies were noted between the annual financial statements and the asset management policy in how revaluation of assets dealt with.</p> <p>(ii) Revaluation was not calculated correctly as it was based on the cost of asset instead of the carrying value of the assets as at the date of revaluation.</p> <p>(iii) There were stalls that were revalued at Soekmeaar and this was not included in the asset register.</p> <p>(iv) The AFS accounting policy did not indicate how often the revaluation is performed and whether depreciation is performed before or after revaluation date.</p> <p>(v) There were differences identified between the revaluation cost per the report</p>	New	Inadequate review of the annual financial statements.	Addressed during audit process.	1-Aug-16	30-Nov-16	NJ Mabote	Manager SCM	Completed
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			and the fixed asset register.									
26	Assets	Other important matters	There were differences identified between the assets register and the annual financial statements. There were differences identified when recalculating the reconciliation of PPE note 3 on the AFS with the carrying value as disclosed on the of the AFS.	New	Inadequate review of the annual financial statements.	Addressed during audit process.	1-Aug-16	30-Nov-16	NJ Mabote	Manager Assets	Completed	
27	Assets	Other important matters	Incorrect calculation of amortisation for intangible assets, the useful life of some other asset were reviewed	New	Lack of management oversight on financial information.	Addressed during audit process.	1-Aug-16	30-Nov-16	NJ Mabote	Manager Assets	Completed	

			which resulted in deceleration of the armotisation recognised for the year.									
28	Revenue	Other important matters	The municipality received a donation from the Department of Roads & Transport and CDM of assets which the municipality correctly recorded on assets register, the credit leg was recognised directly in statement of change in equity.	New	Lack of adherence to GRAP requirements.	Addressed during audit process.	1-Aug-16	30-Nov-16	EK Moloko	CFO	Completed	
29	Assets	Other important matters	Donated assets not recognised correctly in the asset register. The municipality recognised the UD 90 truck donated at incorrect value as the invoice amount from CDM divide by 2. Based on the invoice amount from CDM more than two assets were acquired which only one related to donation to Molemole.	New	Lack of review of financial information.	Addressed during audit process.	1-Aug-16	30-Nov-16	NJ Mabote	Manager Assets	Completed	

30	Assets	Other important matters	The useful life of some of the assets on the fixed asset register was reviewed however paragraph 41 and 42 of GRAP 3 was not disclosed on the financial statements.	New	Lack of adherence to GRAP requirements.				EK Moloko	CFO	Not yet started
31	Disclosure	Other important matters	There were differences identified between the expenditure amount in the annual financial statements and note 30,31 and 34.	New	Inadequate review of the annual financial statements.	Addressed during audit process.	1-Aug-16	30-Nov-16	EK Moloko	CFO	Completed
32	Disclosure	Other important matters	There were differences identified between the amount disclosed in the trial balance and the financial statements for vote number 0000/00/1/09/0381.	New	Inadequate review of the annual financial statements.	Addressed during audit process.	1-Aug-16	30-Nov-16	EK Moloko	CFO	Completed
33	Payable	Other important matters	There were differences identified between the amount recorded in the trial balance and annual financial statements in respect of bulk purchases.	New	Inadequate review of the annual financial statements.	Addressed during audit process.	1-Aug-16	30-Nov-16	EK Moloko	CFO	Completed

34	Payable	Other important matters	Retention creditors were accounted for excluding VAT which resulted in difference between the certificate and the listing.	New	Inadequate review of financial information.	Addressed during audit process.	1-Aug-16	30-Nov-16	NL Ramaboea	Manager Expenditure	Completed
35	AOPO	Other important matters	Indicators were not well defined. (i) Provide night time security for the community.	New	Lack of review of performance information.				M Mogakane	Manager Council Support	Not yet started
36	Provisions	Other important matters	There were differences noted in the leave provision when recalculations was done.	New	Inadequate review of leave register.	Addressed during audit process.	1-Aug-16	30-Nov-16	KG Letsoalo	Manager HR	Completed
37	Provisions	Other important matters	The amount for Landfill site rehabilitation disclosed in the annual financial statements and trial balance did not agree to the report from the expert. The amount for Landfill site rehabilitation cost provision in the trial balance did not agree to the annual financial statements.	New	Inadequate review of financial information.	Addressed during audit process.	1-Aug-16	30-Nov-16	EK Moloko	CFO	Completed

38	Receivables	Other important matters	Debts outstanding for longer than 3 months was not handed over. Final notices were not distributed. There were no disconnections for long outstanding debt. No committee was appointed by the Council to review and recommend bad debts to be written off.	Recurring	Lack of adherence to credit and debt collection policy	Community engagement will be conducted to address all issues in respect to community disputes on long outstanding debtors for the implementation of Credit Control and Debt Collections measures.	1-Dec-16	31-Mar-17	AS Nkalanga	Manager Revenue	In progress
39	Receivables	Other important matters	There was a calculation error on the impairment of Traffic fine debtor.	New	Inadequate review of financial information.	Addressed during audit process.	1-Aug-16	30-Nov-16	AS Nkalanga	Manager Revenue	Completed
40	Disclosure	Other important matters	There were differences identified between the amounts disclosed for related parties as per note 39 of the annual financial statements and the payroll report.	New	Inadequate review of the annual financial statements.	Addressed during audit process.	1-Aug-16	30-Nov-16	EK Moloko	CFO	Completed
41	Reserves	Other important matters	There were misstatements identified on the statement of changes in equity on the previously reported opening balance of	New	Inadequate review of the annual financial statements.	Addressed during audit process.	1-Aug-16	30-Nov-16	EK Moloko	CFO	Completed

			Accumulated surplus and the amount recorded in the current AFS.									
42	Revenue	Other important matters	The amount for student loan not correctly accounted for. The danger allowance that was paid to an employee transaction was not correctly accounted for.	New	Inadequate review of financial information.	Addressed during audit process.	1-Aug-16	30-Nov-16	EK Moloko	CFO	Completed	
43	Revenue	Other important matters	There were differences identified between the general ledger and Enatis report on Permits and Licenses.	New	Inadequate review of financial information.	Addressed during audit process.	1-Aug-16	30-Nov-16	AS Nkalanga	Manager Revenue	Completed	
44	Revenue	Other important matters	The amounts as per the traffic fine spreadsheet does not agree to the amount as per tickets.	New	Lack of independent review of the amounts recorded.	Information captured by the Cashier will be reviewed by the Supervisor and the Manager.			MC Mokumo	Manager Traffic & Licensing	In progress	Quarterly independent review spreadsheet and ticket book. Supervisor Manager
45	Revenue	Other important matters	The amount charged on the tickets does not agree to the amount as per the charge book.	New	Lack of independent review of the amounts recorded.	The matter was resolved with Officers that amount charged must be in line with the charge book.	7-Jan-16	30-Jun-17	MC Mokumo	Manager Traffic & Licensing	In progress	The Supervisor Traffic performed independent review of tickets files charged ensure consistency

46	Revenue	Other important matters	Tickets that are cancelled by the prosecutor were not indicated as cancelled on the traffic fine listing. No record is kept on the tickets that are paid, reduced or cancelled to ensure that the ticket listing is complete.	New	Lack of proper records management	Filling system will be monitored to ensure that all paid, reduced or cancelled tickets are filled separately.	7-Jan-16	30-Jun-17	MC Mokumo	Manager Traffic & Licensing	In progress	A list reduced was and on a basis
47	Revenue	Other important matters	There was no estimation done for traffic fines in the financial year 2015/16.	New	Inadequate financial management	Fines enquiry filed with traffic	30-Nov-16	31-Mar-17	EK Moloko	CFO	In progress	
48	Revenue	Other important matters	No meter readings for certain months. Meter readings for the month of June 2016 not done, the revenue will be accounted for in the new financial year. The readings are taken every second or third month meaning usage that is more than in one month there will be more usage charged at higher rate resulting in inflation of revenue.	New	Lack of adequate financial and performance measures.	Meter readers will be monitored on monthly basis for the municipality to be certain that all households which were recorded as gate-locked are being followed up before the billing date.	1-Jul-16	30-Jun-17	AS Nkalanga	Manager Revenue	In progress	Prac meter decla of ac been
49	Revenue	Other important matters	There were differences identified between	New	Lack of review by management	The number of days worked to be reconciled	1-Jul-16	30-Jun-17	CH Seanego	Manager Social Services	In progress	Mont indep review



2	Receivables	Administrative matters	There were differences identified in the calculation of bad debts based on the percentages as per the Council resolutions and the bad debts listing.	New	Lack of review of financial information	Council resolution for residential owners was used for the calculations of business.	1-Aug-16	30-Nov-16	AS Nkalanga	Manager Revenue	Completed
3	Disclosure	Administrative matters	Disclosure of interest rate was 15% but the rate applicable for the current financial year is 10% per credit control and debt collection policy.	New	Lack of review of financial information	Addressed during audit process.	1-Aug-16	30-Nov-16	EK Moloko	CFO	Completed

4	VAT	Administrative matters	Bad debts recovered not accounted for. A portion of the outstanding debt of the debtor was written off, after the write off the debtor paid back an amount more than the outstanding amount. The amount that was paid back that is equal to or less than the amount written off is bad debt recovered. This was not accounted for as bad debt recovery but as a normal payment.	New	Lack of review of financial information	Due to the active of the account the rendition of VAT will be recognised on monthly billing which will reduce the payment made in-advance. The municipal VAT on debtors and revenue is recognised on accrual basis.	1-Aug-16	30-Jun-17	AS Nkalanga	Manager Revenue	In progress	
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5	Information Technology	Administrative matters	User ID's on the Payday system could not be linked to any individual in the municipality, this could result in unauthorised access and /or changes to information on the system.	New	Lack of implementation of User ID and Password policy.	All users on PayDay System must fill the User Access forms as per User ID and Password policy.	9-Jan-17	31-Jan-17	M Manyelo	Manager IT	In progress
6	Information Technology	Administrative matters	The municipality User ID and Password policy had been formally documented but did not address (i) Review of users access rights (ii) Review of system administrators activities	New	Lack of independent review of the policy.	User ID and Password policy will be reviewed and the review of access rights and system administrator activities clause will be incorporated.	9-Jan-17	31-Mar-17	M Manyelo	Manager IT	Not yet started

			The absence of the above may lead to fraudulent activities being performed on the system.									
6	Information Technology	Administrative matters	The municipality approved back up policy was not updated to reflect the current data back up strategy. The municipality is currently using the replication backup strategy whilst the policy still refers to tapes as back up media.	New	Lack of periodic review of the policy.	Backup policy will be reviewed so that it reflects the current backup strategy that the municipality is using	9-Jan-17	31-Mar-17	M Manyelo	Manager IT	Not yet started	



