2021-2022

XHARIEP DISTRICT MUNICIPAITY

ANNUAL REPORT

Volume I

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Preface

PROPOSED REVISED ANNUAL REPORT TEMPLATE

The purpose of this revised Annual Report template is to address the need expressed by a number of municipalities for assistance in the preparation and development of improved content and quality of Municipal Annual Reports. It replaces a template dating back to August 2003.

This template gives effect to the legal framework requirement, concepts and principals espoused in the White Paper on Local Government and Improving Government Performance. It reflects the ethos of public accountability. The content gives effect to information required for better monitoring and evaluation of government programmes in support of policy decision making. The template provides an improved overview of municipal affairs by combining the performance report data required under Municipal Systems Act Section 46 with annual report data referred to in that Act and in the MFMA.

The revised template makes its contribution by forging linkages with the Integrated Development Plan, Service Delivery and Budget Implementation Plan, Budget Reforms, In-year Reports, Annual Financial Statements and Performance Management information in municipalities. This coverage and coherence is achieved by the use of interlocking processes and formats.

The revised template relates to the Medium Term Strategic Framework particularly through the IDP strategic objectives; cross cutting nature of services offered by different spheres of government, municipal service outcome indicators; and the contextual material as set out in Chapters 3, 4 & 5. It also provides information on good management practice in Chapter 4; risk management in Chapter 2; and Supply Chain Management in Chapter 5; and addresses the Auditor-General's Report, dealing with Financial and Performance Management arrangements in Chapter 6. This opens up greater possibilities for financial and non-financial comparisons between municipalities and improved value for money.

The revised template provides information on probity, including: anti-corruption strategies; disclosure of financial interests by officials and councillors; disclosure of grants by external parties, disclosure of loans and grants by municipalities. The appendices talk to greater detail including disaggregated information on municipal wards, among others.

Notes are included throughout the format to assist the compiler to understand the various information requirements. Once the draft has been finalised, training will be provided to facilitate the implementation of this initiative, and separate additional guidance may be issued if necessary.

We wish to express our gratitude to the members of the Annual Report Reference Group, consisting of national, provincial and municipal officials for their inputs and support throughout the development of this document.

MFMA Implementation Unit, National Treasury October 2009

Chapter 2

CHAPTER 1 – MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A: MAYOR'S FOREWORD

The COVID year 2019/2020 was definitely one of the worst in the history of our country as the CoVID-19 pandemic, which dominated the latter part of the financial year, made it extremely difficult for us to ensure that we achieve our goals for the year. Covid-19 affected all of us on a personal and professional level and we had to respond in a manner that maintained the best interests of our communities. It is a fact that our effectiveness in terms of completing projects was affected negatively, especially on aspects that had to do with community interactions and stakeholder interactions, however, despite that we still managed to perform most of our set targets through the SDBIP as the municipal administration and the Council moved towards the technological virtual platform to execute duties as was dictated by the health requirements and circumstances imposed by the lockdown.

And it is noted that the institution never shutdown due to covid-19 but continued to function within the confines of the legislative prescripts, implemented the working from home principle, and gradually phasing in working from head office as and when situations allowed. We are still cautious of this pandemic or any other that might hamper the normal functioning of the institution, while embracing technology for improvements in management.

The continued decline in the financial assistance and allocation from the Free State Province continues to be a worrying factor with regards to the functioning and sustainability of the District Municipality, this has negatively affected the institution and it has been indicated that the financial assistance from the Province will continue to decline going forward, this is going to render the district ineffective towards its mandate as per the powers and functions allocated to districts.

The Municipality during the year under review had a budget of only R63 285 000.00 towards its service delivery, these include Disaster Management relief, Local economic Development, Municipal Health Services (environmental health) and EPWP combined.

The Office of the Executive Mayor was allocated R400 000.00 towards programs such as special programs which would identify assistance towards struggling households and ensure that some social relief programmes are also implemented.

The district received an Unqualified Audit Opinion for the year under review, which did not change from the one received prior, which is comparatively good for the Xhariep District.

The Municipality is still committed to the Karoo Small Town Revitalisation programme spear headed by SALGA and will continue participating in this important initiative.

During the year under review, Council managed to establish Oversight Committees such as MPAC to ensure compliance throughout its functioning. The Audit and Risk Committee was not functional for the financial year under review as a result of the contracts of two members' contract lapsing, therefore that left the two members having active membership and could not form a quorum. The municipality will further incorporate the Risk Management Unit into the Audit and Performance Committee.

As political leaders in our district it is our duty and responsibility to ensure a better life for our constituencies and as a Council we remain focused on ensuring that we support our local municipalities in the delivery of quality services to the communities in the district, however this is grossly impacted by the continued declining of financial assistance to the Xhariep District, this situation throughout the country seems to be unique to this district only.

I want to convey my sincere gratitude to the administration and Council of Xhariep District Municipality, for without their invaluable inputs, we would have not achieved what we have achieved. To our partners in provincial and national government, thank you for the unfailing support. To our local councils and all stakeholders, we extend our warmest thanks, because of your support and contribution, our municipality has remained viable and still a main contributor to service delivery in the district and a lead in good governance.

…………………………………

Cllr NI Mehlomakulu

Executive Mayor

T1.0.1

Chapter 2

COMPONENT B: EXECUTIVE SUMMARY

1.1. MUNICIPAL MANAGER'S OVERVIEW

MUNICIPAL MANAGER'S OVERVIEW

It is that time of the year when we must account on the path we have travelled as institutions on government discharged with Constitutional responsibilities to provide services on a sustainable basis to the people of South Africa. As a Constitutional Responsibility this is instructive and Xhariep District Municipality is not immune to this instruction. The year under-review has come and gone with its challenges of economic recession. Xhariep has tried its best under the circumstances not to take eyes of the ball and by ensuring that service delivery is not compromised.

The District is grant depended and majority of its operational budget is consumed by the high salary bill. During the year under review various engagements have been held with the provincial government to fund the budget of the municipality.

Reflecting on the past financial year, there is much to be proud of and this has in turn strengthened our sense of purpose as we continue to work with our stakeholders towards the fulfillment of our strategic objectives and path:

- Consistency in terms of payment employee salaries and third parties
- Maintaining the unqualified audit opinion
- Reduction of Unauthorised, Irregular and Fruitless Expenditure
- The introduction of the District Development Model that serves as a central organising concept to enhance integrated development planning

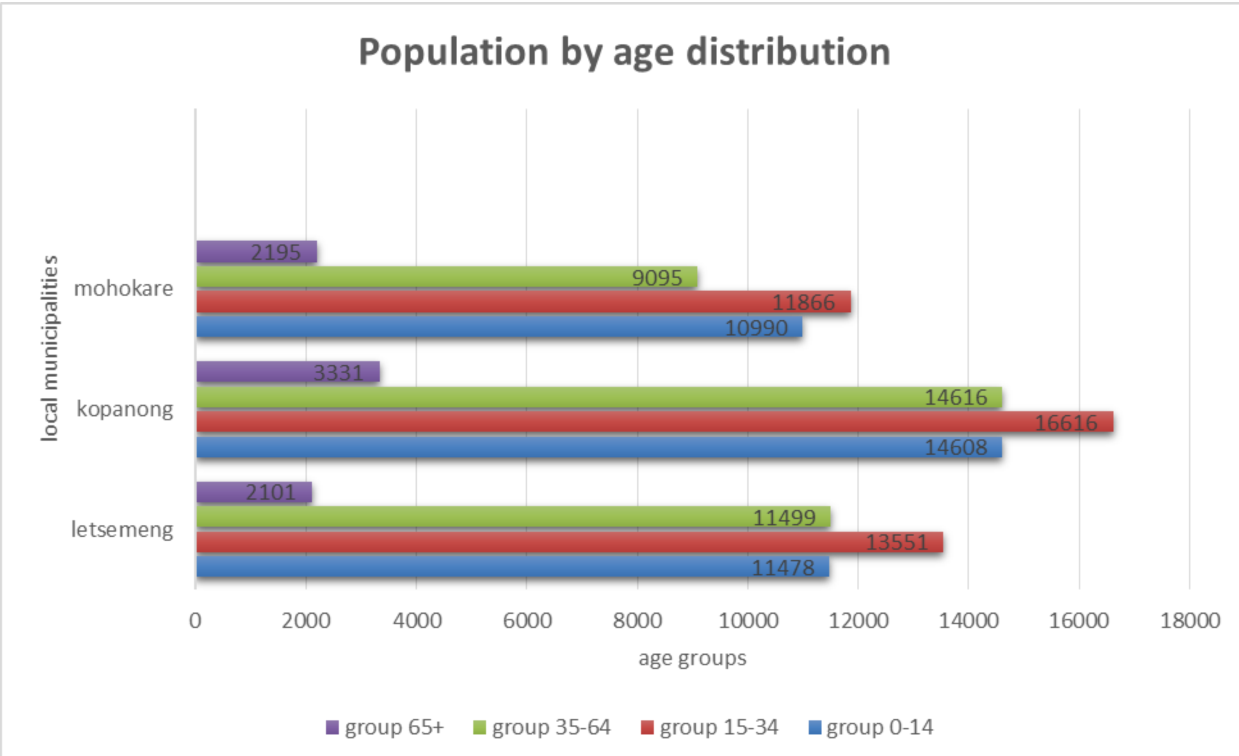
It is therefore noteworthy to mention that Management worked exceptionally hard to entrench the principles of dedication, accountability and good governance within the Municipality. I also applaud the manner in which staff members executed their responsibilities during the period under review. Our deepest gratitude is extended to the political leadership for their tenacity and oversight role on the work we do.

…………………………………
Mr PV Litabe
Municipal Manager(Acting)

T1.1.1

1.2. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

Population Details



Source: Statistics SA Community Survey 2016

T1.2.2

INTRODUCTION TO BACKGROUND DATA

Out of 16 district functions, Xhariep district municipality is performing 3(18.75%) of these functions. Xhariep District is the smallest compared to the others within Free State Province with about 5.2% share of the total provincial population. The population of the District stands at 125 884 with a negative growth rate of 1.07. Sixty (60%) of the population is in the working age cohort of 15-64 years.

T 1.2.1

Socio Economic Status		
Local Municipality	**Number**	**Percentage (%)**
Kopanong	19472	40.38
Letsemeng	16639	34.50
Mohokare	12110	25.11
		T1.2.4

Overview of Neighborhoods within Xhariep District Municipality'	
Settlement Type	Households
Formal	
2019-2020	39 571
2020-2021	39 893
2021-2022	39 893
Traditional	
2019-2020	1906
2020-2021	66
2021-2022	66
Informal settlements	
2019-2020	5 446
2020-2021	4 512
2021-2022	4 512
Source: STATSSA COMMUNITY SURVEY 2016	T1.2.6

Chapter 2

Natural Resources	
Major Natural Resource	**Relevance to Community**
Water (Gariep Dam)	Supply of water to households and generation of electricity.
Diamonds(Jagersfontein and Koffiefontein)	Job creation, Revenue enhancement, Economic development, human settlement.
Uranium (Edenburg)	Job creation, Revenue enhance, Economic development, human settlement
Land	Job creation through farming and settlement of communities
Sun (Radiation energy)	Job creation through erection of solar hubs
	T1.2.7

BACKGROUND DATA

Xhariep District forms the southern part of the Free State Province and is one of four district municipalities in the Free State. The municipality measures 34289 km sq. It is bordered by Tokologo Municipality in Lejweleputswa District to the north, Mangaung Metro and Mantsopa Municipality in Thabo Mofutsanyana District to the north-east. Other borders are with the Kingdom of Lesotho to the east, Ukhahlamba Municipality in Eastern Cape Province to the south, Pixley ka Seme Municipality in Northern Cape Province to the west and Frances Baard Municipality in Northern Cape Province to the north-west. Topographically the district is bordered for most of its eastern border by the Maluti and Drakensberg mountains. Hydrological the district is located between the Vaal River to the north, and Orange River to the south, with rivers within the district draining towards these rivers. Xhariep consists of three local municipal areas, with Letsemeng forming the north western section, Kopanong the middle section, Mohokare the south eastern section of the district

T1.2.8

1.3. FINANCIAL HEALTH OVERVIEW

FINANCIAL OVERVIEW

The municipality is heavily dependent on grants with no revenue base, the government grants are from National and other spheres of government. This dependency puts a lot of pressure and strain on the municipality's ability to finance both operating and capital expenditures. The capital projects are mainly funded from own or internal funding.

The municipality's structure does not respond to the core functions of the municipality due to cash flow challenges. Revenue strategies and performance of powers and functions of the municipality as stipulated in the municipal Structures Act will assist in the long term sustainability of the municipality.

T1.4.1

Financial Overview - 2021/2022			R' 000
Details	Original budget	Adjustment Budget	Actual
Revenue	63,471	63,285	53 947
Grants	61,832	61,536	52 392
Rental of facilities	939	649	932
Interest Earned	620	1 012	531
Other Income	60	88	91
Public contributions donations and other transfers			
Expenditure	62,985	62,315	63 678
Surplus / Deficit	486	970	(9 731)
			T1.4.2

Operating Ratios	
Detail	%
Employee Cost	71.36%
Repairs & Maintenance	0.54%
Finance Charges & Impairment	1.64%
	T1.4.3

COMMENT ON OPERATING RATIOS

Employee related costs (inclusive of councilor's remuneration) constitutes 71.36% of the total expenditure and excessively high, repairs and maintenance (0.54%) significantly lower than the 8% NT guide while finance charges and impairments are curbed at lower of 1.64%.

T1.4.3

ORGANISATIONAL DEVELOPMENT PERFORMANCE

Organization Development (OD) is about improving performance at the individual, group, and Municipal organizational levels. It is about improving the organization's ability to effectively respond to changes in its external environment, and it's about increasing internal capabilities by ensuring the Xhariep District Municipal structures, human resources systems, job designs, communication systems, and leadership/managerial processes fully harness human motivation and help people function to their full potential.

Done well, such improvement can be transformational—producing fundamental changes in the way individuals, groups, and organizations functions.

T1.5.1

1.4. AUDITOR GENERAL REPORT

AUDITOR GENERAL REPORT 2020-2021

The Municipality received an unqualified opinion with matters of emphasis. The following are the issues that lead to the audit outcome mentioned above:

- Material adjustments in the Annual Financial Statements;

- Non-compliance with laws and regulations;

- Irregular, Fruitless and Wasteful Expenditure; and

- Non investigation by MPAC.

- No follow up on Audit Action Plan and reporting.

T 1.6.1

1.5. STATUTORY ANNUAL REPORT PROCESS

No.	Activity	Timeframe
1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period	July
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
3	Finalised the 4th quarter Report for previous financial year	
4	Submit draft 2021-2022 Annual Report to Internal Audit	
5	Audit/Performance committee considers draft Annual Report of municipality and entities (where relevant)	August
6	Mayor tables the unaudited Annual Report	
7	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General	
8	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	
9	Auditor General audits Annual Report including consolidated Annual Financial Statements and Performance data	September – October
10	Municipalities receive and start to address the Auditor General's comments	January
11	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report	
12	Audited Annual Report is made public and representation is invited	
13	Oversight Committee assesses Annual Report	February
14	Council adopts Oversight report	March
15	Oversight report is made public	
16	Oversight report is submitted to relevant provincial councils	
17	Commencement of draft Budget/ IDP finalisation for next financial year. Annual Report and Oversight Reports to be used as input	March
		T1.7.1

Chapter 2

CHAPTER 2 – GOVERNANCE

INTRODUCTION TO GOVERNANCE

A municipal council is made up of the Municipal councilors who are democratically elected by registered votes within the municipal control. The Speaker is the chairperson of the Municipal Council which he presides over both Ordinary and Special Council meeting and she is also responsible for the discipline of the Municipal Councilors.

The Mayoral Committee consists of Municipal Councilors appointed by the Executive Mayor to serve in the Mayoral Committee. The number of Municipal Councilors on the Mayoral Committee is the minimum number that is needed for efficient and effective government.

The Executive Committee chaired by the Executive Mayor is responsible for the executive functions of the municipality.

T2.0.1

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO POLITICAL AND ADMINISTRATIVE GOVERNANCE

The current term of the Municipal Council was inaugurated on the 26 November 2021 and consists of sixteen (16) Councilors.

The Municipal Council consists of ten (10) Councilors who are representing the African National Congress, four (4) Councilors representing Democratic Alliance and two (2) Councilor representing the Economic Freedom Fighters. The Council was appointed or elected as follows: Executive Mayor (1), Speaker (1), 10 Councilors are appointed in three (3) Portfolio Committees which are headed by Members of the Mayoral Committee.

The Council has appointed 3 Councilors as MPAC Committee

The Municipal Manager as the Accounting Officer and the three Section 56 Managers were appointed by the Municipal Council of Xhariep District Municipality. The Municipal Manager and the managers directly accountable to the Municipal Manager organize Administration in a manner that enables the Municipality to be responsive to the needs of the Community within its jurisdiction. The Municipal Manager is accountable for the overall performance of the Municipality and she is accountable to the Executive Mayor and Council.

T2.1.0

Chapter 2

2.1 POLITICAL GOVERNANCE

INTRODUCTION TO POLITICAL GOVERNANCE
In line with the provisions of the Local Government: Municipal Structures Act 117 of 1998, Xhariep District Municipality has an established political component. The main role of the political component is provided for in the Structures Act. Section 80 of the Municipal Structures Act specifies procedures for establishing committees in Municipal council with an executive committee. One of the functions of the portfolio committee is to process the report tabled before by the Departments before they could be forwarded to the Mayoral Committee and eventually to Council. In terms of section 79 of the Structures Act, a Municipal Council has established Committees such, as MPAC, which is composed of three (3) Councilors necessary for the effective and efficient performance of its functions. The Annual Report is prepared by the Performance Management Unit in collaboration with other departments after the Management has satisfied itself with the contents of the report it is then submitted to Council for noting. Subsequent to this process, the Annual report is submitted to Oversight Committee before the 31 March each year thereafter to Provincial Authorities. The Internal Audit conducts audit throughout the year in terms of their audit plan and prepare Audit packs that are then submitted to Internal Audit Committees. After consideration of these reports the Audit Committee forwards its recommendations to Council for consideration. T2.1.1

POLITICAL STRUCTURE

MAYOR
Cllr NI Mehlomakulu
Exercises powers delegated to the Mayor by Council or the Executive Committee

SPEAKER
Cllr MA Shasha
Presides at Council meetings and exercises powers delegated to the Speaker in terms of section 59 of the Local Government: Municipal Systems Act, Act 32 of 2000.

CHIEF WHIP
N/A
To ensure political mandates are executed

MAYORAL COMMITTEE/ EXECUTIVE COMMITTEE
Cllr AM Lebaka: Chairperson of the Budget and Treasury Committee

Cllr NJ Garekoe: Chairperson of the Corporate Services Committee

Cllr TD Mochechepa: Chairperson of Planning & Social Development

COMPOSITION OF COUNCIL AS AT 30 JUNE 2020

Political Party	Total	Directly elected	Seconded
African National Congress	10	6	4
Democratic party	4	1	3

Economic Freedom Fighters	2	1	1

T2.1.1

COUNCILLORS

The current Council structure consist of 16 Councillors, six (6) Councilors are directly elected and ten (10) are Seconded from the three local Municipalities which are, Kopanong, Letsemeng and Mohokare local Municipality. The six full time Councilors includes the Speaker, the Executive Mayor, the three (3) Mayoral Committee members and the Chairperson of the MPAC.

Directly Elected Councilors or PR Councillor:

Cllr AM Shasha

Cllr NI Mehlomakulu

Cllr NJ Garekoe

Cllr AM Molai

Cllr AJJ Van Rensburg

Cllr TI Phatsoane

Seconded Councilors from Local Municipalities:

Kopanong Local Municipality	**Letsemeng Local Municipality**	**Mohokare Local Municipality**
Cllr MG Mokheseng	Cllr AN November	Cllr TD Mochechepa
Cllr RW Van Wyk	Cllr MM Potgieter	Cllr IS Riddle
Cllr MV Malgas	Cllr AM Lebaka	Cllr NA Adoons
Cllr ME Lekoenea		

T2.1.2

POLITICAL DECISION-TAKING

The Constitution gives both the legislative and executive powers of a Municipality to the Municipal Council. All Municipal Councilors are involved in taking decisions about how the Municipal Council is run, what services it should provide and how it should spend its money.

The Municipal Council is responsible for all the decisions of a Municipality but it may give specific functions to Committees as provided for in part 5; section 79 of the Structures Act. The Section 80 Committee sit as per schedule of Council meeting which is approved by Council to process the reports placed before them and make recommendations to the Mayoral Committee .The recommendation of the Section 80 may be changed by the Mayoral Committee or may be forwarded to the Council as they are. Then Council pronounces itself on the recommendations/ issues tabled before it. Where members share a different view on any matter under consideration, they vote on the matter, either by show of hands or through a secret ballot as stipulated in the standing rules and Orders. All decisions taken by Council are called resolutions which are implemented by the administration. In Xhariep District Municipality, these resolutions are taken to Departments through Execution list. Thereafter a Resolution register on resolutions implemented is developed to be presented in Council sitting.

T2.1.3

2.2 ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO ADMINISTRATIVE GOVERNANCE

The Municipal Manager is the accounting officer who accounts to the political head, Executive Mayor as well as Council. He further provides guidance and advice to the political structures; also manage the administration of the institution.

The Director: Corporate Services administer the Department of Corporate Services and advice the Municipal Manager with issues relating to administration, human resources and information technology. The Chief Financial Officer administers Budget and treasury Office and advice the Municipal Manager on matters that relate to the finances of the Municipality. The Director: Planning and Social Development is responsible for the affairs of the Department of Planning and Social Development, advices and assists the Municipal Manager on all matters that relates to this department, i.e. planning, local economic development and municipal health services

T2.2.1

TOP ADMINISTRATIVE STRUCTURE

MUNICIPAL MANAGER
Mrs Lebohang Yvonne Moletsane

DIRECTOR: Corporate Services(Acting)
NY Augustus

Chief Financial Officer
Mr Pihi Vincent Litabe

Director: Planning & Social Development
Mr Mopedi Sam Mohale

T2.2.2

COMPONENT B: INTERGOVERNMENTAL RELATIONS

INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

Intergovernmental relations are mainly informal, making the system flexible to respond to changing circumstances. The approach of the Act is therefore that it does not seek to govern intergovernmental relations in its totality but provides only the broad framework in terms of which spheres of government interact with one another.

T 2.3.0

2.3 INTERGOVERNMENTAL RELATIONS

PROVINCIAL INTERGOVERNMENTAL STRUCTURE

The District is part of the Premiers' Coordinating Forum which is used to facilitate intergovernmental relations between the province and local government in the province. The District also participates in Provincial Forums which include Provincial IDP Forum, Provincial Energy Forum, Provincial AIDS Forum as well as South African Local Government Association (SALGA).

T2.3.2

DISTRICT INTERGOVERNMENTAL STRUCTURES

Meetings are been held once in a quarter, whereby the District Municipality is responsible for ensuring the co-ordination of intergovernmental relations within the district municipality with local municipalities in the district. **District Coordinating Forum**: Forum consists of the Executive Mayor and 3 primary members of which is the Local Mayors.

Technical Support Committee

Forum consists of the District Municipal Manager and 3 primary members (Local Municipal Manager). The forum must meet at least once per year with service providers and other role players concerned with the development in the district to co-ordinate effective provision of services and planning in the district.

T2.3.4

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

The Municipality is committed to governing its area of its jurisdiction and its citizens in accordance with the spirit of the Constitution of the Republic of South Africa. This requires the Municipality to undertake community consultation, participation and empowerment as central features. The review of the institution's current Integrated Development Plan included community participation through Stakeholder Engagements and public participation meetings. Through such measures, the communities are able to provide input on their priorities for the period under review. Some benefits include building and strengthening partnerships with various organisations from communities and broader civil society to establish a people's contract in ensuring that citizen participation and representative democracy are combined to promote people-centered and people-driven development and governance.

T 2.4.0

2.4 PUBLIC MEETINGS

COMMUNICATION, PARTICIPATION AND FORUMS

The Xhariep District Municipality has a functional Communication Unit. The Communication Unit is a strategic component within the municipality that cut across all departments and units including the public. The Communication Unit also ensures that communication is well coordinated, effectively managed and responsive to the diverse information needs of the people. To fulfill this mammoth task, the communication unit has established the following mechanism, namely;

a) District Communicators Forum

b) Periodic update of the municipal website

c) Quarterly newsletter

d) Council notices

The council meetings are opened to the public; this is to ensure that the public is informed and council businesses are at the public domain.

T2.4.1

Public Meetings				
Nature and purpose of meeting	**Date of events**	**Number of Participating Municipal Councilors**	**Number of Participating Municipal Administrators**	**Number of Community members attending**
Stakeholders and community meeting, to present the draft IDP and budget to the community and stakeholders	15 June 2021 Luckhoff	2	7	4
Stakeholders and community meeting, to present the draft IDP and budget to the community and stakeholders	22 June 2021 Trompsburg	-	-	Records of this meeting were lost.
Stakeholders and community meeting, to present the draft IDP and budget to the community and stakeholders	23 June 2021 Rouxville	4	8	6
				T2.4.3

COMMENT ON THE EFFECTIVENESS OF THE PUBLIC MEETINGS HELD

Some of the benefits of public meetings include community being part of the decision-making process and, as result, minimizing community protests and civil unrests. The other benefit is that community will take ownership of development within their environment and have a sense of belonging.

T2.4.3.1

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?	Yes
Does the budget align directly to the KPIs in the strategic plan?	Yes
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?	No
** Section 26 Municipal Systems Act 2000*	T2.5.1

Chapter 3

COMPONENT D: CORPORATE GOVERNANCE

OVERVIEW OF CORPORATE GOVERNANCE
As the Head of Administration the Municipal Manager is responsible for the following tasks: -The formation and development of an economical, effective, efficient and accountable administration. - The management of the municipality's administration in accordance with legislation applicable to the municipality. -The implementation of the municipality's integrated development plan. -The management and provision of services to the local communities in a sustainable and equitable manner. -The appointment of staff subject to the Employment Equity Act, 1998. -The management and effective utilisation and training of staff. -The maintenance of discipline of staff. -The promotion of sound labour relations and compliance with labour legislation. - Advising the political structures and political office bearers of the municipality. -Managing communications between the municipality's administration and its political structures and political office bearers. -Carrying out the decisions of the political structures and political office bearers of the municipality. -The administration and implementation of the municipality's by-laws and other legislation. -The exercise of any powers and the performance of any duties delegated by the municipal council. -Facilitating participation by the local community in the affairs of the municipality. -The implementation of national and provincial legislation. T2.6.0

2.6 RISK MANAGEMENT

RISK MANAGEMENT

Risk Management is management process, through which municipality identifies, evaluate and control significant risks that can result in failure to attain strategic objectives. Accounting Officer terminated the Risk Management Committee in October 2020 which was performing due to financial constraints.

MFMA, section 62 (1) (c) (i) states that the Accounting Officer of a municipality is responsible for the municipality, and must for this purpose take all reasonable steps to ensure that the municipality has and maintains effective, efficient and transparent systems off financial and risk management and internal control. The risk management policies were not approved by council for 2021-2022 financial year because two members of Audit, Performance and Risk Committee's contracts came to an end. The following are the responsibilities of Risk Management:

1. Conducting annual risk assessment within the municipality

2. Advising and guiding the municipality in terms of Institutional risk matters.

3. Developing the Risk Management Strategic documents and Implementation Plan.

4. Coordinating risk management activities.

5. Facilitating identification and assessment of risks

6. Compilation of Risk Register

During the annual risk assessment process, strategic and operational risks were assessed for all areas within the municipality. Moreover, for all key risks identified, existing controls were assessed as well as the ability, benefit and cost to improve them.

T2.6.1

2.7 ANTI-CORRUPTION AND FRAUD

FRAUD AND ANTI-CORRUPTION STRATEGY

During the period under review, the municipality continued to enforce strategies to combat fraud and corruption. Anti-Fraud and Corruption awareness campaign was performed by issuing of the Fraud and Awareness Pamphlets as part of efforts to strengthen mechanisms to prevent and combat fraud and corruption.

Municipality's Internal Audit also plays a fundamental role in the review of the processes and adherence to process relating to segregation of duties, procurement process, efficiency of internal controls, and other measures to prevent fraud and corruption from occurring.Municipality's Internal Audit also plays a fundamental role in the review of the processes and adherence to process relating to segregation of duties, procurement process, efficiency of internal controls, and other measures to prevent fraud and corruption from occurring.

T2.7.1

2.8 SUPPLY CHAIN MANAGEMENT

OVERVIEW SUPPLY CHAIN MANAGEMENT

Both the Supply Chain Management Policy of municipality and Standard for Infrastructure Procurement Delivery and Delivery Management policies are reviewed annually to ensure that they are in line with the Municipal Supply Chain Management Regulations, other applicable legislations and guidelines. The reviewed SCM policy of the municipality for 2021/22 financial year was approved by the Council in July 2021 after incorporation of the Free State Provincial Treasury inputs.

The municipality (as far as the National Treasury SCM implementation check list is concerned, both quarterly and annually) does not have IT related projects above R10m, hence it has not yet utilized the services of SITA to procure such goods or service; and Lastly, an institutional delegation of powers has to be established in collaboration with Free State Provincial Treasury.

No Councillor is a member of any committee handling Supply Chain processes. All three (3) Officials in Supply Chain have the MFMA minimum competency requirements in 2016.

Non – compliance with Supply Chain Management Policy and other applicable legislations which resulted in irregular expenditure – As a remedial action to this problem, such expenditure to be investigated by MPAC, consequence management to be implemented and the SCM checklist to be reviewed and implemented effectively to ensure for an example, that all transactions, prior to awarding, are given to suppliers/service providers that are CSD compliant and/or comply with all the necessary bidding requirements..

T2.8.1

2.10 WEBSITES

Municipal Website : Content and Currency of Material		
Documents published on the Municipality's / Entity's Website	**Yes / No**	
Current annual and adjustments budgets and all budget-related documents	Yes	
All current budget-related policies	Yes	
The previous annual report (2020-2021)	Yes	
The annual report (2020-2021) published/to be published	Yes	
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (2021-2022) and resulting scorecards	Yes	
All service delivery agreements (2021-2022)	No	
All long term borrowing contracts (2021-2022)	No	
All supply chain management contracts above a prescribed value (give value) for 2021-2022	No	
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during 2021-2022	No	
Contracts agreed in 2021-2022 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	No	
Public-private partnership agreements referred to in section 120 made in 2021-2022	No	
All quarterly reports tabled in the council in terms of section 52 (d) during 2021-2022	No	
		T2.10.1

COMMENT MUNICIPAL WEBSITE CONTENT AND ACCESS

The Communications Unit is the custodian of the municipality in terms of the content that needs to be uploaded onto the website. All documents and content is sent to the communications unit for verification and the verified information is the sent to the IT Unit to be uploaded onto the municipal website.

The role of the IT Unit is to ensure that website is up and running and to upload information that needs to be uploaded. The municipality is still using the Provincial website that was created for all Free State Municipalities.

The website is not user friendly anymore as the IT Unit cannot update the main page. So the IT Unit has resorted to the development of a new municipal website. A website that will be controlled internaly.

T2.10.1.1

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

COMPONENT A: BASIC SERVICES

INTRODUCTION TO BASIC SERVICES

The district municipality started to perform the functions of Environmental Health with effect from December 2009. Critically, the Municipal Structures Amendment Act (Act 33 of 2000) provides for an extensive annual review of the division of powers and functions between Category B and Category C to ensure effective implementation of these assigned powers following an advice provided by the Municipal Demarcation Boarding emanating from the Boards' annual capacity assessment report.

Basic services being offered by the District Municipality is as per Health profession Act, 1974 (Act no. 56 of 1974) Regulations defining the scope of the profession of Environmental Health: Amendment: Water , Food control, Waste management, Health Surveillance of premises, Vector control, Surveillance and prevention of communicable diseases, Environmental pollution, Disposal of the dead and noise control.

T3.1.0

Employees: Planning Services

Job Level	2020-2021	2021-2022			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0 – 3	4	2	2	0	0%
4 – 6	7	6	5	1	20%
7 – 9	0	1	1	0	0%
10 - 12	0	0	0	0	0%
13 - 15	0	0	0	0	0%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
Total	**11**	**9**	**8**	**1**	**9%**

T3.10.4

Financial Performance 2021-2022: Planning Services					
					R'000
Details	2020-2021	2021-2022			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	14 389	14,913	14,617	12 776	1 841
Expenditure:					
Employees	10 913	10 895	11 602	11 395	207
Repairs and Maintenance	0	0			
Other	2 732	4 223	2 657	2 692	(35)
Total Operational Expenditure	13 645	15,118	14,259	14 627	(368)
Net Operational Expenditure	744	(205)	358	(1 851)	1 645
					T3.10.5

3.11 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

INTRODUCTION TO ECONOMIC DEVELOPMENT

The review of the LED strategy is ongoing with the desktop work having been complete, this includes provision of current statistics that are acquired with the assistance of the DESTEA research unit and the COGTA, with this phase complete the proper consultation with all stakeholders will commence.

The District Development platform will be utilised to ensure maximum presence of sector departments which are the one that play a critical role in contributing and providing resources towards the Xhariep District.

COGTA continues to assist local municipalities in the Free State with the development and review of LED Strategies, DESTEA has also been brought on board as the lead department in economic development and the proper footing is yet to be reached so that they can play a meaningful role in the entire process.

T3.11.1

COMMENT ON LOCAL JOB OPPORTUNITIES

The District Municipality does not have sufficient resources to create direct job opportunities through Local economic Development. For this reporting period the municipality will highlight the progress made with regards to the SANRAL activities within the Xhariep District.

In January 2022 the SANRAL announced that it will be investing over R90 million on roads infrastructure projects in the Xhariep District.

It was announced during the quarterly SANRAL a stakeholder meeting that was held in Trompsburg, that this investment which will include the upgrading of existing unsurfaced roads to surfaced roads from Springfontein to Trompsburg, will provide much-needed job opportunities for local communities. The project is in the Mohokare and Kopanong local municipalities, which fall under the Xhariep District.

The project is divided into two packages. Package One, which is valued at R 45 011 527, starts at section 13 from Springfontein South to Section 14 Springfontein North, while Package Two, which is valued at R 45 100 000, will begin at section 14 from Springfontein North to Trompsburg. This is an ongoing programme that still continues through to the 2022/2023 municipal financial year.

Each package has a community development budget of R3 million that will go towards community development projects to be identified by the community.

T3.11.4

Jobs Created during 2019-2020 by LED Initiatives (Excluding EPWP projects)				
Total Jobs created / Top 3 initiatives	Jobs created No.	Jobs lost/displaced by other initiatives No.	Net total jobs created in year No.	Method of validating jobs created/lost
Total (all initiatives)				
2019-2020	36	0	36	Xhariep District Agri Park, portion of the 1st phase in Springfontein – Construction of the warehouse and bulk services
	19	0	19	Xhariep District Agri Park, portion of the 1st phase in Zastron (Farmers Production Support Unit)
2020-2021	55	0	55	Xhariep District Agri Park, portion of the 1st phase in Zastron (Farmers Production Support Unit)
	157	0	157	Xhariep District Agri Park, portion of the 1st phase in Springfontein – Construction of the warehouse and bulk services
2021-2022	32	0	32	Periodic maintenance of the National Route N1 section 14 between Springfontein north and Trompsburg, km 2.20 to km 18.60
	30	0	30	Periodic maintenance of the National Route N1 Section 13 Between Springfontein South and Springfontein North, km 41.60 to km 2.20
	53	0	53	Periodic maintenance of the National Route N1 section 13, from Driekuil (km 20.0) to Mount road (km 41.6)
				T3.11.5

Job creation through EPWP* projects		
Details	EPWP Projects No.	Jobs created through EPWP projects No.
2019-2020	3	128
2020-2021	3	187
2021-2022	3	188
** - Extended Public Works Programme*		T3.11.6

Employees: Local Economic Development Services					
Job Level	2020-2021	2021-2022			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0 – 3	**1**	**1**	**1**	**0**	**0%**
4 – 6	**2**	**2**	**2**	**0**	**0%**
7 – 9	**0**	**0**	**0**	**0**	**0%**
10 – 12	**0**	**0**	**0**	**0**	**0%**
13 – 15	**0**	**0**	**0**	**0**	**0%**
16 – 18	**0**	**0**	**0**	**0**	**0%**
19 – 20	**0**	**0**	**0**	**0**	**0%**
Total	**3**	**3**	**3**	**0**	**0%**
					T3.11.8

3.64 HEALTH INSPECTION; FOOD AND ABBATOIR LICENSING AND INSPECTION; ETC

INTRODUCTION TO HEALTH INSPECTIONS; FOOD AND ABATTOIR LICENCING AND INSPECTIONS, ETC

A key role responsibility in rendering an effective Municipal Health Services is the monitoring of food and government premises in order to ensure compliance with R638, Foodstuffs, Cosmetics and Disinfectants act 1972 (Act no. 54 of 1972) and the National health act, 2003 (Act no 63 of 2003).

District Environmental Health Practitioners conduct health inspections of premises and issue out compliance notices to food premises which are found to be non-compliant with the set legislation. A certificate of acceptability (COA) is issued in accordance with the legislation to compliant premises. For other premises Certificate of health is issued to compliant ECD's and old age homes inclusive of the COA. Operational licenses are the competency of the local municipality and other stakeholders.

Surveillance of premises is also conducted to insure vector control and to monitor health and hygiene standards of premises. Spot raids are conducted with the assistance of SAPS to curb non -compliance by shop owners and seize expired foods. Quarterly monitoring of all premises is conducted by the Environmental Health Practitioners. Current status of compliance for premises inspected for each quarter inspected is as follows: Kopanong LM: Q1 (54%), Q2 (29%), Q3 (45%), Q4 (45%)

Letsemeng LM: Q1 (73%), Q2 (13%), Q3 (70%), Q4 (0%)

Mohokare LM: Q1 (53%), Q2 (80%), Q3 (42%), Q4 (20%)

Health Awareness

The following activities were conducted in order to raise awareness on food safety in the National School Nutrition Program, the plight of the foodborne cases reported and other communicable including COVID-19 and Hep A; and Climate change.

Q1 and Q3 gave focus on community based campaigns were conducted in Kopanong LM, Mohokare LM and Letsemeng LM. The key focus groups were the community, the immune compromised, food handlers and food establishments. The total numbers of campaigns conducted for the two quarters were 11.

Q2 and Q4 targeted early childhood development centres, School learners and school food handlers in all three local municipalities in which a total of 08 campaigns were carried out.

Health Surveillance of Premises

The Environmental Health Practitioners in Xhariep District Municipality conducted Health Care Risk Waste compliance inspections at health care facilities throughout the district. The inspections were conducted in line with the functions of Municipal Health Services, which includes **health surveillance of premises** and **Waste Management** under the **Health Professions Act, 1974 (Act no. 56 of 1974) Regulations defining the scope of profession of Environmental Health: Amendment** and the **Regulations relating to health care waste**

management in health establishments no. R 375 of 23 May 2014 under the **National Health Act 61 of 2003** which regulates the management of Health care risk waste in the country as well as the **Free State Health Care Risk Waste Policy**, which is a guideline for the management of Health Care Risk Waste in the province. All facilities in Xhariep DM were monitored for all four Quarters which prompted improvement in compliance. Current state of compliance Mohokare LM (100%), Kopanong LM (71%), Letsmeng LM (60 %).

Another key role is the implementation of Regulations Relating to the Management of Human Remains – Government Notice Number – R 363 of 22 May 2013. District Environmental Health Practitioners conduct health inspections of premises and issue out compliance notices to funeral parlors both government and private which are found to be compliant and non-compliant with the set legislation. Only monitoring was conducted in the said financial year, to maintain compliance

T3.64.1

3.67 DISASTER MANAGEMENT

INTRODUCTION TO DISASTER MANAGEMENT

Disaster Management is a continuous and integrated multi-sectorial and multi-disciplinary process of planning and implementation of measures aimed at disaster prevention, -mitigation, -preparedness, -response, -recovery and –rehabilitation

Top Four Service Delivery Priorities:

1. Community Safety
2. Preparedness
3. Recovery and Rehabilitation
4. Educational Program

The DM Unit main role is to ensure a safe and unwavering environment to the Xhariep district community. Through proper planning the Unit will be able to build resilient communities through the Disaster Management Activities within the district Municipality. A budget for the Disaster Management Contribution has been set aside for affected families. The DM Unit played a vital role by conducting educational programme both at Secondary and Primary Schools in the district municipality. We are also in partnership with Working on Fire (WoF) to conduct Fire Awareness at local level with the assistance of local Councillors

T3.67.1

Employees: Disaster Management					
Job Level	2020/2021	2021/2022			
	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	1	2	1	1	50%
7 – 9	0	0	0	0	0%
10 – 12	0	0	0	0	0%
13 – 15	0	0	0	0	0%
16 – 18	0	0	0	0	0%
19 – 20	0	0	0	0	0%
Total	2	3	2	1	33.3%
					T3.67.4

Chapter 3

COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

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

3.69 EXECUTIVE AND COUNCIL

This component includes: Executive office (mayor; councilors; and municipal manager).

INTRODUCTION TO EXECUTIVE AND COUNCIL

Municipality is currently executing three service delivery related matters, i.e. local economic development, Disaster Management and Municipal Health Services. The Local Economic Development Division that is located within the Department of Planning and Social Development has made strides in providing financial assistance and providing training to Small Micro and Medium Enterprises. The Municipality has assisted interested individuals or group of people to establish their own businesses, in particular cooperatives.

The Environmental Health Services Division that is also located within the Department of Planning and Social Development is monitoring the quality of drinking water and final waste water effluent from different local municipalities that fall within its jurisdiction on frequent intervals as required by applicable legislations and policies. Furthermore this division insures compliance of food premises and local municipalities' landfill sites.

The Disaster Management Division is located in the Department of Planning and Social Development. The division is responsible to ensure a safe and unwavering environment to the Xhariep district community.

T3.69.1

Employees: The Executive and Council					
Job Level	2020-2021	2021-2022			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	6	6	5	0	0%
4 - 6	4	4	5	0	0%
7 - 9	4	4	5	0	0%
10 - 12	0	0	0	0	0%
13 - 15	0	0	0	0	0%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
Total	14	14	15	0	0%

T3.69.4

Financial Performance 2020-2021: The Executive and Council R'000					
Details	2020-2021	2021-2022			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	14 783	13,083	13 083	12 361	722
Expenditure:					
Employees	11 567	12 208	11 723	11 099	624
Repairs and Maintenance	0	0	0	0	0
Other	3 865	1 569	2 611	3 314	(703)
Total Operational Expenditure	15 432	13,777	14,334	14 412	(78)
Net Operational Expenditure	(649)	(688)	(1 251)	(2 051)	643

Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual. T3.69.5

Employees: Financial Services					
Job Level	**2020-2021**	**2021-2022**			
	Employees No.	**Posts No.**	**Employees No.**	**Vacancies (fulltime equivalents) No.**	**Vacancies (as a % of total posts) %**
0 - 3	3	3	3	0	0%
4 - 6	5	6	5	1	20%
7 - 9	5	6	5	1	20%
10 - 12	0	0	0	0	0%
13 - 15	0	0	0	0	0%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
Total	**13**	**15**	**13**	**2**	**13%**

T3.70.4

Financial Performance 2021-2022: Financial Services					
					R'000
Details	2020-2021	2021-2022			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	13 467	16 337	16 341	12 316	4 025
Expenditure:					
Employees	9 083	9 649	9 881	9 690	191
Repairs and Maintenance	0	0	0	0	0
Other	7 317	3 288	3 926	4 245	(319)
Total Operational Expenditure	16 400	12 937	13 817	13 935	(128
Net Operational Expenditure	2 753	3 400	2 524	-1 619	4 143
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					T3.70.5

3.71 HUMAN RESOURCE SERVICES

INTRODUCTION TO HUMAN RESOURCE SERVICES

The management set itself priorities to overhaul the services the institution provides to its internal clients, the key three amongst them were;

Purify leave management

Provide accurate inputs- information to payroll

Recruit people with required competencies

So far this division has made major strides in ensuring that leave of employees is managed in accordance with Municipal Human Resources Policy Manual. Every week there is reconciliation of attendance registers, VIP register with completed leave forms; and follow-ups on employees who did not sign registers or completed leave forms. The principle of no work no pay is applied on employees who are found not to have followed proper procedure in absenting themselves from work.

The official providing information to employees in payroll on remuneration and benefits of employees work s closely with the payroll division in order to ensure that accurate information is forwarded to division before processing the salaries of councillors and employees. The inputs are compiled, checked, approved by different individuals in order to ensure that correct information is provided to payroll. Such information is forwarded to payroll on or before the 15th of each month in order to give officials in payroll an ample time to process the remuneration and benefits of both councillors and officials

The Human Resources Division advertises all vacant positions as required by the Human Resources Policy Manual and set competencies that are needed from the interested individuals. It is important to highlight that the Municipality appoints only incumbents who meets minimum competency requirements as placed on the advertisement.

T3.71.1

Employees: Human Resource Services					
Job Level	2020-2021	2021-2022			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0 - 3	1	1	1	0	0%
4 - 6	3	5	4	1	25%
7 - 9	1	1	1	0	0%
10 - 12	0	0	0	0	0%
13 - 15	0	0	0	0	0%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
Total	5	7	6	1	25%

T3.71.4

Financial Performance 2021-2022: Human Resource Services					
					R'000
Details	2020-2021	2021-2022			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	19 890	19 245	19 244	16 142	3 102
Expenditure:					
Employees	19 416	18 360	16 947	17 639	(692)
Repairs and Maintenance	379	215	343	323	20
Other	3 968	2 643	2 510	2 599	(89)
Total Operational Expenditure	23 763	21 218	19 800	20 561	(761)
Net Operational Expenditure	(3 873)	(1 758)	(561)	(4 419)	3 191
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					T3.71.5

3.72 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

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

INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

The main objective of the IT Unit is to

1. Ensure connectivity at all times: This was achieved through enhancement of the bandwidth from 10mbps to 30mbps and the connectivity is much stronger.

2. Ensure stable Network infrastructure: This issue is currently been addressed with a project to revamp the entire network infrastructure.

3. Ensure Servers and server room is fully functional: The servers are fully functional. The network infrastructure project will address other issues such as cumbersome cabling, fire extinguishing, lifting of the floor etc.

4. Ensure information systems are fully operational: The municipality has moved to the cloud in terms of housing of the Financial Information System. All Information Systems are functioning properly.

5. Ensure smooth Telecommunications: The telephone system is not working properly at the moment. There is a service provider on site installing a new telephone system.

6. Ensure printing facility is available: The municipality has recently bought a printer for the archives office for volume printing. There are also small printers bought for various offices to address printing at a smaller scale.

. 7. Ensure Municipal Website is fully functional: The website is not working perfectly. The main page of the website cannot be updated due to restrictions. The other challenge is that of the Departments and Units are not submitting necessary documents to the Communications Unit, some documents are not submitted on time, in some instances not submitted at all.

T3.72.1

Employees: ICT Services					
Job Level	2020-2021	2021-2022			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0 - 3	1	1	1	0	0%
4 - 6	1	1	1	0	0%
7 - 9	0	0	0	0	0%
10 - 12	0	0	0	0	0%
13 - 15	0	0	0	0	0%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
Total	**2**	**2**	**2**	**0**	**0%**

T3.72.4

Chapter 3

COMPONENT K: ORGANISATIONAL PERFORMANCE SCORECARD

This component includes: Annual Performance Scorecard Report for the current year

TOP LAYER PERFORMANCE INFORMATION

REF	IDP OBJECTIVE	KPA	KPI	UNIT OF MEASUREMENT	ANNUAL TARGET	ACTUAL	VARIANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PRIOR TARGET	PRIOR ACTUAL	PRIOR VARIANCE
	MUNICIPAL MANAGER											
TL 1	To maintain a skilled, capable and diverse workforce in a good working environment	MT&ID	Employments contracts	Entering into performance agreements with the employer within 30 days of date of appointment/60 days for new appointees	4	3	(1)	This is due to the vacancy of the Director: Corporate Services	The position of the Director: Corporate Services is filled in the new financial year	4	4	0
TL2	To maintain a skilled, capable and diverse	MT&ID	Performance Management	Assessment of the Performance of Senior Management on a	4	0	(4)	There is no formal committee in place to conduct	Council to appoint a committee that will evaluate the	4	0	(4)

	workforce in a good working environment			quarterly basis				the evaluation of the performance of Senior Management.	performance of Senior Management in the new financial year			
TL3	To maintain a skilled, capable and diverse workforce in a good working environment	MT&ID	Performance Management	No. of performance analysis reports to Management on a quarterly basis	4	4	0	-	-	4	4	0
TL4	Embed good governance through sound administrative practices and improved stakeholder relation	MAGC	Overseeing the functionality of Audit Committee	Quarterly Audit Committee meetings	4	2	(2)	The Audit Committee was not functional in the second half of the financial year under review	The municipality to appoint additional Audit Committee members in the new financial year	4	4	0
TL5	Embed good governance through sound administrative practices and improved stakeholder relation	MAGC	Providing support to Local Municipalities through Technical IGR engagements	No. of Technical IGR meetings held	4	1	(3)	The Technical IGR was not fully functional in the year under review	Management to resuscitate the Technical IGR in the new financial year	2	1	(1)

TL6	Embed good governance through sound administrative practices and improved stakeholder relation	MAGC	Overseeing the functionality of the Risk Management Committee	No. of Risk Management reports submitted to the Audit committee by Senior Management	4	0	(4)	Risk Management reports were compiled but could not be submitted to the Audit Committee due to its non-functionality	The municipality to appoint additional Audit Committee members in the new financial year	4	1	(3)
TL7	Embed good governance through sound administrative practices and improved stakeholder relation	MAGC	Improved audit outcomes	Monitoring the implementation of AGSA audit action plan and report quarterly	2	2	0	-	-	2	2	0
TL8	Embed good governance through sound administrative practices and improved stakeholder relation	MAGC	Improved audit outcomes	Obtaining a clean audit outcome for the 2020-2021 audit	1	0	(1)	The municipality received an unqualified audit opinion(with matters of emphasis)	Development of an audit action plan, monitoring and reporting progress made in terms of implementing matters raised by the Auditor General (AGSA)	1	0	(1)

REF	IDP OBJECTIVE	KPA	KPI	UNIT OF MEASUREMENT	ANNUAL TARGET	ACTUAL	VARIANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PRIOR TARGET	PRIOR ACTUAL	PRIOR VARIANCE
TL9	Embed financial viability and sustainability through good financial management principles and practices	MFV&M	Ensure compliance with Section 32 of the MFMA	Monthly reports on irregular, unauthorised, fruitless and wasteful expenditure	12	12	0	-	-	12	12	0
TL10	To maintain a skilled, capable and diverse workforce in a good working environment	MT&ID	Ensure compliance with the Regulations of the DMA,2002	Conducting Risk Assessment to give effect to a COVID-19 ready workplace on a quarterly basis	4	2	(2)	Only two risk assessments on COVID-19 were done due to the Disaster Management regulations being relaxed and eventually the State of Disaster Management coming to an end	-	4	4	0

	CHIEF FINANCIAL OFFICER											
TL 11	Embed financial viability and sustainability through good financial management principles and practices	MFV&M	Annual Financial Statements	Compilation AFS on or before 31 Aug 2021 and submission to AGSA	1	1	0	-	-	1	1	0
TL12	Embed financial viability and sustainability through good financial management principles and practices	MFV&M	Oversee the review and implementation of the Audit Action Plan	Updated Action Plan	2	2	0	-	-	2	2	0
TL13	Embed financial viability and sustainability through good financial management principles and	MFV&M	Review of journals prior capturing on the financial system(SAGE)	Quarterly review of journal entries	4	4	0	-	-	4	4	0

	practices											
TL14	Embed financial viability and sustainability through good financial management principles and practices	MFV&M	Ensure that the FMG conditional operational grant is fully utilised by 30 June 2022	% of FMG conditional operational grant spent on a quarterly basis	100%	100%	0	-	-	100%	100%	0
TL15	Embed financial viability and sustainability through good financial management principles and practices	MFV&M	Oversee the implementation of the SCM Policy	Quarterly reports on the deviations of the SCM Policy	4	4	0	-	-	4	4	0
TL16	Embed financial viability and sustainability through good financial management principles and practices	MFV&M	Compilation of MFMA Sec 71 reports to Provincial and National Treasury	Monthly MFMA Sec 71 reports	12	12	0	-	-	12	12	0

TL17	Embed financial viability and sustainability through good financial management principles and practices	MFV&M	Compilation of MFMA Sec 52(d) reports to Provincial and National Treasury	Quarterly Sec 52(d) (MFMA) reports	4	4	0	-	-	4	4	0
TL18	Embed financial viability and sustainability through good financial management principles and practices	MFV&M	Compilation of SCM reports to Provincial and National Treasury	SCM quarterly reports	4	4	0	-	-	4	4	0
TL19	Embed financial viability and sustainability through good financial management principles and practices	MFV&M	Monitor the implementation of the Demand Management Plan	Quarterly reports on the implementation of the Demand Management Plan	4	4	0	-	-	4	4	0

TL20	Embed good governance through sound administrative practices and improved stakeholder relation	MAGC	Overseeing the functionality of the Risk Management Committee	No. of Risk Management reports submitted to the Audit committee by Senior Management	4	0	(4)	Risk Management reports were compiled but could not be submitted to the Audit Committee due to its non-functionality	The municipality to appoint additional Audit Committee members in the new financial year	4	1	(3)
REF	**IDP OBJECTIVE**	**KPA**	**KPI**	**UNIT OF MEASUREMENT**	**ANNUAL TARGET**	**ACTUAL**	**VARIANCE**	**REASON FOR DEVIATION**	**CORRECTIVE MEASURE**	**PRIOR TARGET**	**PRIOR ACTUAL**	**PRIOR VARIANCE**
	DIRECTOR: CORPORATE SERVICES											
TL21	To maintain a skilled, capable and diverse workforce in a good working environment	MT&ID	Oversee the compilation and the submission of the WSP	WSP approved by the LLF and submitted to LGSETA in April 2022	1	1	0	-	-	1	1	0
TL22	To maintain a skilled, capable and diverse workforce in a	MT&ID	Employment Equity	Monitor and report on the implementation of the Employment	1	1	0	-	-	1	1	0

	good working environment			Equity Plan								
TL23	To maintain a skilled, capable and diverse workforce in a good working environment	MT&ID	Work Skills Plan	No. of employees to be trained for the 2021-2022 financial year	8	0	(8)	The municipality could not train the intended number of employees as planned due to the Accounting Officer putting the matter on halt	A new requisition has been made and training will commence in the new financial year	5	0	(5)
TL24	Embed good governance through sound administrative practices and improved stakeholder relation	MAGC	Planning of the sitting of Council and Council Committees	Develop schedule for the sitting of Council and Council Committees and table before Council	1	1	0	-	-	1	1	0
TL25	Embed good governance through sound administrative practices and	MAGC	Ensure that Council sits as regulated by the MSA(Act 32 of	No. of Council (ordinary) meetings	4	6	2	Council had two more meetings due to transitional	Council will sit as prescribed by the Municipal Structures Act in the new	4	3	(1)

	improved stakeholder relation		2000)					arrangements for the new Council	financial year			
TL26	Embed good governance through sound administrative practices and improved stakeholder relation	MAGC	Stakeholder relations	No. of Political IGR meetings held	2	1	(1)	Preparation of the local government elections led to the non-sitting of the political IGR as planned	The political IGR will sit as planned going forth	New KPI	New KPI	New KPI
TL27	Embed good governance through sound administrative practices and improved stakeholder relation	MAGC	Stakeholder relations	No. of District Command Council meetings held	4	2	(2)	The district Command Council was not functional for the last half of the financial year due to the state of disaster Management coming to an end	-	2	2	0
TL28	To maintain a skilled, capable	MT&ID	Ensure Functionality of	No. of Local Labour Forum	4	2	(2)	The LLF was not fully	Management and the Labour	4	1	(3)

	and diverse workforce in a good working environment		the Local Labour Forum	meetings				functional in the first half of the financial year as a result meetings could not sit as planned	unions resuscitated the LLF, meetings will take place as planned in the new financial year			
TL29	To maintain a skilled, capable and diverse workforce in a good working environment	MT&ID	Ensure safety of municipal employees	Purchasing and replacement of fire extinguishers on or before 30 June 2021	1	0	(1)	The municipality could not purchase or replace fire extinguishers due to cash flow problems	The municipality will purchase and replace fire extinguishers when the financial position of the municipality improves	1	0	(1)
TL30	To maintain a skilled, capable and diverse workforce in a good working environment	MT&ID	Ensure safety of municipal employees in terms of the DMA,2002	Monitor and report compliance to the COVID-19 Workplace Plan	4	2	(2)	Only two reports on COVID-19 Workplace Plan could be compiled due to the Disaster Management regulations being relaxed and	-	4	4	0

REF	IDP OBJECTIVE	KPA	KPI	UNIT OF MEASUREMENT	ANNUAL TARGET	ACTUAL	VARIANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PRIOR TARGET	PRIOR ACTUAL	PRIOR VARIANCE
								eventually the State of Disaster Management coming to an end				
TL31	Embed good governance through sound administrative practices and improved stakeholder relation	MAGC	Overseeing the functionality of the Risk Management Committee	No. of Risk Management reports submitted to the Audit committee by Senior Management	4	0	(4)	Risk Management reports were compiled but could not be submitted to the Audit Committee due to its non-functionality	The municipality to appoint additional Audit Committee members in the new financial year	4	1	(3)
REF	**IDP OBJECTIVE**	**KPA**	**KPI**	**UNIT OF MEASUREMENT**	**ANNUAL TARGET**	**ACTUAL**	**VARIANCE**	**REASON FOR DEVIATION**	**CORRECTIVE MEASURE**	**PRIOR TARGET**	**PRIOR ACTUAL**	**PRIOR VARIANCE**
	DIRECTOR: PLANNING AND SOCIAL DEVELOPMENT											
TL32	Create an	BSD&ID	Maintaining and	Ensure that water	4	4	0	-	-	4	4	0

	inclusive, responsive, and healthy environment conducive for living and sustainable growth		improving the standard of water quality(complian ce to SANS 24)	quality tests are done on a quarterly basis								
TL33	Create an inclusive, responsive, and healthy environment conducive for living and sustainable growth	BSD&ID	Ensure that the RRAMS grant is fully utilised by 30 June 2022	% of RRAMS grant spent on a quarterly basis	100%	100%	0	-	-	100%	100%	0
TL34	Create an inclusive, responsive, and healthy environment conducive for living and sustainable growth	BSD&ID	Play an oversight role in terms of the implementation of the RRAMS project	No. of reports to Management/ Council on the implementation of the RRAMS project	4	2	(2)	The implementatio n of the RRAMS project could not be reported as planned in the year under	The municipality will report about the implementat ion of the RRAMS project as planned in the new	4	4	0

								review	financial year communitie s			
TL35	To render efficient environmental health and disaster management services	SD&E	Job Creation	No. of jobs opportunities created through the EPWP	188	188	0	-	-	170	187	17
TL36	To facilitate economic and tourism development to the benefit of the town and all residents	LED	Ensure participation of all local municipalities towards the implementation of LED	No. of LED Forums	4	4	0	-	-	4	4	0
TL37	To facilitate economic and tourism development to the benefit of the town and all residents	LED	Lobbying of external stakeholders to invest in Xhariep	No. of stakeholder engagement meetings	2	2	0	-	-	2	2	0

TL38	To render efficient environmental health and disaster management services	BSD&ID	Ensuring HCRW management compliance in health care facilities	No. of reports on Health Care Risk Waste assessment conducted.	4	4	0	-	-	New KPI	New KPI	New KPI
TL39	To render efficient environmental health and disaster	BSD&ID	Support the implementation of the Disaster Management Plan	No of Disaster Advisory forums planned	4	4	0	-	-	4	4	0
TL40	To render efficient environmental health and disaster management services	BSD&ID	Support the implementation of the Disaster Management Plan	No of disaster educational and awareness campaigns planned	2	2	0	-	-	2	1	(1)
TL41	Embed good governance through sound administrative practices and improved	MAGC	Overseeing the functionality of the Risk Management Committee	No. of Risk Management reports submitted to the Audit committee by Senior	4	2	(2)	Risk Management reports were compiled but could not be submitted to	The municipality to appoint additional Audit Committee			

	stakeholder relation			Management				the Audit Committee due to its non-functionality	members in the new financial year			

DEPARTMENTAL PERFORMANCE

REF	IDP OBJECTIVE	KPA	KPI	UNIT OF MEASUREMENT	ANNUAL TARGET	ACTUAL	VARIANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PRIOR TARGET	PRIOR ACTUAL	PRIOR VARIANCE
	MUNICIPAL MANAGER											
D1	Embed good governance through sound administrative practices and improved stakeholder relations	MAGC	Implementation of the Risk Management, anti-fraud and anti-corruption initiatives	No. of Risk Management, anti-fraud and anti-corruption awareness sessions held	1	1	0	-	-	1	1	0
D2	Embed good governance through	MAGC	Risk Management	Development of the Risk Management	1	1	0	-	-	1	1	0

	sound administrative practices and improved stakeholder relations			Register before 31-Sep- 2021								
D3	Embed good governance through sound administrative practices and improved stakeholder relations	MAGC	Risk Management Reports	No. of quarterly risk assessment reports prepared	4	4	0	-	-	4	4	0
D4	Embed good governance through sound administrative practices and improved stakeholder relations	MAGC	Improved audit outcomes	Reduction of audit findings by 80% in the 2021/2022 financial year	80%	19.67	(60.33)	Audit queries: 2019-2020= 61 Audit queries: 2020-2021= 72.(There is an increase of 12 queries)	An action plan has been developed by management to address all queries raised by the AGSA. The Action Plan is monitored on a quarterly basis	80%	45.05	(34.95)
D5	Embed good governance through	MAGC	Functional Internal Audit Unit (MFMA	No of quarterly reports prepared for Audit	4	2	(2)	The Audit Committee was not	The municipality to appoint			

	sound administrative practices and improved stakeholder relations		62(1))	Committee				functional in the second half of the financial year under review	additional Audit Committee members in the new financial year			
D6	Embed good governance through sound administrative practices and improved stakeholder relations	MAGC	Development of the Risk based audit plan	Risk based audit plan approved by Audit Committee by 31 August 2021	1	0	(1)	Risk based audit plan was referred back to management by the audit Committee for inputs. After being tabled to management, the audit Committee was no longer functional	The municipality to appoint additional Audit Committee members in the new financial year	1	1	0
D7	Embed good governance through sound administrative practices and improved stakeholder	MAGC	Compilation of the draft Annual Report	Draft Annual Report approved by Council on or before 31 January 2022	1	1	0	-	-	1	1	0

	relations											
D8	Embed good governance through sound administrative practices and improved stakeholder relations	MAGC	Compilation of the Oversight Report on Annual Report (MFMA 129(1) and MSA 46(2)	Oversight Report adopted by Council on or before 31 March 2022	1	1	0	-	-	1	1	0
D9	Embed good governance through sound administrative practices and improved stakeholder relations	MAGC	Mid- Year review of the performance of the municipality (MFMA S72)	Mid-year report submissions (Mayor, Provincial and National Treasury) by 25 January 2022	1	1	0	-	-	1	1	0
D10	Embed good governance through sound administrative practices and improved stakeholder relations	MAGC	Develop IDP / Budget (Time schedule of key deadlines (Process Plan) (MSA 28 / MFMA 21)	Approved IDP Framework and Process Plan on or before 31 Aug 2021	1	1	0	-	-	1	1	0

REF	IDP OBJECTIVE	KPA	KPI	UNIT OF MEASUREMENT	ANNUAL TARGET	ACTUAL	VARIANCE	REASON FOR	CORRECTIVE MEASURE	PRIOR TARGET	PRIOR ACTUAL	PRIOR VARIANCE
D11	Embed good governance through sound administrative practices and improved stakeholder relations	MAGC	IDP and Budget Public Participation meetings	No. of meetings held before the approval of the IDP and Budget	3	3	0	-	-	3	0	(3)
D12	Embed good governance through sound administrative practices and improved stakeholder relations	MAGC	Compile final IDP (MSA 34)	Final IDP approved by Council on or before 30 June 2022	1	1	0	-	-	1	1	0
D13	Embed financial viability and sustainability through good financial management	MFV&M	Sound Financial Management	No of monthly MFMA Sec 71 Reports presented to the Executive Mayor	12	12	0	-	-	12	12	0

								DEVIATION				
	FINANCIAL SERVICES											
D14	Embed financial viability and sustainability through good financial management	MFV&M	Production of annual Audit file	No of Audit files produced by mid-August 2021	1	1	0	-	-	1	1	0
D15	Embed financial viability and sustainability through good financial management	MFV&M	Closing of all municipal financial accounts at the end of each month in terms of sec 65 of the MFMA	No of monthly reports on the closing of all municipal financial accounts	12	12	0	-	-	12	12	0
D16	Embed financial viability and sustainability through good financial	MFV&M	No of creditors reconciliations done monthly (30 days)	No of creditors reconciliation reports submitted	12	12	0	-	-	12	12	0

	management											
D17	Embed financial viability and sustainability through good financial management	MFV&M	Financial Viability: Cost coverage (Reg 796)	Cost coverage ((Available cash+ investments)/ Monthly fixed operating expenditure (SA8)	>1	0.01	(0.99%)	The municipality does not have sufficient cash to fund its operational budget	The municipality does not generate its own revenue, it depends on grants	>1	0,53%	0.47%
D18	Embed financial viability and sustainability through good financial management	MFV&M	Financial Viability: Debt coverage (Reg 796)	Debt coverage (Total operating revenue- operating grants received)/debt service payments due within the year) (SA8)	>1	0.07%	(0.93%)	Insufficient funds to recover debts.	The municipality does not generate its own revenue, it depends on grants	>1	0.10%	(0.9%)
D19	Embed financial viability and sustainability through good financial management	MFV&M	Monthly notification of awards over R 100 000	List of awards	12	12	0	-	-	12	12	0
D20	Embed financial	MFV&M	Effective management	Monthly reports to management	12	12	0	-	-	12	12	0

	viability and sustainability through good financial management		of payroll by providing the section 66 payroll report on a monthly basis	in terms of section 66 of the MFMA								
D21	Embed financial viability and sustainability through good financial management	MFV&M	Ensure the submission of IRP5's	IRP5's submitted not later than 30 May 2022 to SARS	1	1	0	-	-	1	1	0
D22	Embed financial viability and sustainability through good financial management	MFV&M	Monthly salary reconciliations	No of reconciliations done	12	12	0	-	-	12	12	0

REF	IDP OBJECTIVE	KPA	KPI	UNIT OF MEASUREMENT	ANNUAL TARGET	ACTUAL	VARIANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PRIOR TARGET	PRIOR ACTUAL	PRIOR VARIANCE
	DIRECTORATE: CORPORATE SERVICES											
D23	Embed good	MAGC	Draw quarterly	No of execution	4	6	2	Council had	Council will sit	4	4	0

	governance through sound administrative practices and improved stakeholder relations		resolution execution report for all directorates	reports where Council resolutions are captured on every sitting of Council				two more meetings due to transitional arrangements for the new Council	as prescribed by the Municipal Structures Act in the new financial year			
D24	Embed good governance through sound administrative practices and improved stakeholder relations	MAGC	Ensuring implementation of outstanding Council resolutions	Annual Resolution register submitted to Council on or before 30 June 2022	1	0	(1)	At year end Council held a special meeting to consider compliance matters. The resolution register is only submitted in an ordinary Council meeting	Annual Resolution register will be submitted in the next sitting of an Ordinary Council	New KPI	New KPI	New KPI
D25	To maintain a skilled, capable and diverse workforce in a good working environment	MT&ID	Development of the Works Skills Plan	WSP approved by the LLF and submitted to the LGSETA on or before 30 April 2022	1	1	0	-	-	1	1	0
D26	To maintain a skilled, capable and diverse	MT&ID	Provide secured Internet	Quarterly reports on the supplier's performance on	4	4	0	-	-	4	4	0

	workforce in a good working environment		Services	the effectiveness of Internet Service Provider(ISP)								
D27	To provide recreational facilities and opportunities and programmes aimed to facilitate and promote community development and social cohesion	CD&E	Special programmes	Conduct 1 outreach NSFAS programme on before 31 December 2021	1	0	(1)	The NSFAS outreach programme could not be conducted as planned due to the contract of the Youth Development Officer that was linked to term of office of Council came to an end	A Youth Development Officer has been appointed in the new financial year			
D28	To provide recreational facilities and opportunities and programmes aimed to facilitate and promote community development and social	CD&E	Social Responsibility	Completion of the ablution facility in Luckhoff on or before 31 December 2021	1	0	(1)	The progress in terms of the completion of the ablution facility in Luckhoff could not be reported on due to the contract of the Manager in the office of the Executive	A new Manager has been appointed and will report the operations of the Office of the Executive Mayor accordingly	New KPI	New KPI	KPI to be reviewed

REF	IDP OBJECTIVE	KPA	KPI	UNIT OF MEASUREMENT	ANNUAL TARGET	ACTUAL	VARIANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PRIOR TARGET	PRIOR ACTUAL	PRIOR VARIANCE
	cohesion							Mayor that was linked to term of office of Council came to an end				
PLANNING AND SOCIAL DEVELOPMENT												
D29	To render efficient environmental health and disaster management services	SD&E	Implementation of the Expanded Public Works Programme (EPWP)	No. of quarterly reports on the EPWP progress, grant, staff and wages paid submitted to the MM/ Council	4	2	(2)	Management could not consider reports as planned due to non-adherence to management schedule and late provision of water results due to non-timeous payment of invoices	Management will sit as planned in the new financial year and ensure timeous payment of the service provider	4	4	0
D30	To render efficient environmental	SD&E	Report on the implementation	No. of EPWP steering committee meetings held	4	3	(1)	Only 3 EPWP Steering Committee	The responsible manager to	4	4	0

	health and disaster management services		of the EPWP	quarterly				meetings could be verified, one virtual meeting that was held in the first quarter could not be verified	keep records of all meetings that took place			
D31	To render efficient environmental health and disaster management services	SD&E	Expenditure of the EPWP Grant	100% Expenditure by end of June 2022	100%	100%	0	-	-	100%	100%	0
D32	To facilitate economic and tourism development to the benefit of the town and all residents	LED	Making tourism awareness to schools and communities	No. of tourism awareness campaigns conducted quarterly	4	2	(2)	Only 2 tourism awareness campaigns could be verified	The responsible manager to keep records of all awareness campaigns that took place	4	4	0
D33	To render efficient environmental health and disaster	BSD&ID	Environmental Health services	No. of Health Education programmes/projects planned	14	19	5	More Educational programmes were conducted	-	3	18	15

	management services							due to COVID-19				
D34	To render efficient environmental health and disaster management services	BSD&ID	Water quality monitoring	No of quarterly water quality reports submitted to Management	4	2	(2)	Management could not consider reports as planned due to non-adherence to management schedule and late provision of water results due to non-timeous payment of invoices	Management will sit as planned in the new financial year and ensure timeous payment of the service provider	4	4	0
D35	To render efficient environmental health and disaster management services	BSD&ID	Waste Management (NEMWA & HCRW Policy)	No. of quarterly reports to management on Health Care Risk Waste assessment conducted.	4	3	(1)	Management could not consider reports as planned due to non-adherence to management schedule	Management will sit as planned in the new financial year	New KPI	New KPI	New KPI

D36	To render efficient environmental health and disaster management services	BSD&ID	Food monitoring as per R638	No. of food premises inspected per local municipality on a quarterly basis	Kopanong 60	90	30	There was no sufficient budget for Letsemeng inspections. Kopanong and Mohokare was due to enforcement of Compliance	The municipality to budget accordingly for inspections in the new financial year	New KPI	New KPI	New KPI
					Letsemeng 50	47	(3)					
					Mohokare 50	69	19					
D37	To render efficient environmental health and disaster management services	BSD&ID	Water quality monitoring	No. of water quality samples collected per local municipality	Mohokare 72	64	(8)	The contract of the service provider for water quality monitoring lapsed and that resulted in the municipality not taking water samples as planned	A service provider for water quality monitoring has been appointed therefore water samples in the new financial year will be taken as planned	66	75	9
					Letsemeng 108	104	(4)			90	108	18
					Kopanong 216	194	(22)			198	226	28
D38	To render efficient environmental health and disaster management services	BSD&ID	Improve service delivery to communities	No. of quarterly sanitation(waste water) reports submitted to Management	4	1	(3)	Management could not consider reports as planned due to non-adherence to	Management will sit as planned in the new financial year and ensure timeous	4	1	(3)

								management schedule and late provision of waste water results due to non-timeous payment of invoices	payment of the service provider			
D39	To render efficient environmental health and disaster management services	BSD&ID	Improve service delivery to communities	No of quarterly waste water samples taken per local municipality	Mohokare 12	13	1	There were open water sources in Zastron and Gariepdam that resulted from final effluent from the waste water treatment plants. More samples had to be taken to test for compliance due to the accessibility to the community	-	12	12	0
					Kopanong 4	5	1			8	6	2
					Letsemeng 4	4	0			4	4	0
D40	To render efficient	BSD&ID	Environmental	No. of people reached for Health	200	637	437	More people showed	-	125	729	604

	environmental health and disaster management services		Health services	Education programmes				interest in attending the Health Education programmes				
D41	To render efficient environmental health and disaster management services	BSD&ID	Disaster Management	No. of municipal disaster management advisory forum meetings held (section 51 of the Disaster Management Act 2002)	4	4	0	-	-	4	4	0
D42	To render efficient environmental health and disaster management services	BSD&ID	Disaster Management	No. of Disaster Management awareness sessions held in the District	2	2	0	The Disaster Management awareness sessions could not take place as planned due to the responsible Manager being on sick leave	The Disaster Management awareness sessions for the new financial year will take place as planned because the responsible Manager is back to work	2	1	(1)

Chapter 3

The following abbreviations are used in the service delivery targets and performance indicators:

KPA	-	Key Performance Area
KPI	-	Key Performance Indicator
GGPP	-	Good Governance and Public Participation
MFVM	-	Municipal Financial Viability and Management
MTID	-	Municipal Transformation and Institutional Development
LED	-	Local Economic Development
BSD	-	Basic Service Delivery
SER	-	Spatial and Environmental Rationale
MFMA	-	Municipal Finance Management Act 56 of 2003
MSA	-	Municipal Systems Act 32 of 2000
EEA	-	Employment Equity Act 55 of 1998
SDA	-	Skills Development Act 97 of 1998
MPPR	-	Local Government: Municipal Planning and Performance Management Regulations, 2001
MPR	-	Local Government: Municipal Performance Regulations for Municipal Managers and Managers Directly

Chapter 4

CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE

(PERFORMANCE REPORT PART II)

INTRODUCTION
Organization Development (OD) is about improving performance at the individual, group, and Municipal organizational levels. It is about improving the organization's ability to effectively respond to changes in its external environment, and it's about increasing internal capabilities by ensuring the Xhariep District Municipal structures, human resources systems, job designs, communication systems, and leadership/managerial processes fully harness human motivation and help people function to their full potential. Done well, such improvement can be transformational—producing fundamental changes in the way individuals, groups, and organizations functions. T4.0.1

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Vacancy Rate: 2021-2022			
Designations	*Total Approved Posts No.	*Vacancies (Total time that vacancies exist using fulltime equivalents) No.	*Vacancies (as a proportion of total posts in each category) %
Municipal Manager	1	0	0%
CFO	1	0	0%
Other S57 Managers (excluding Finance Posts)	2	1	50%
Other S57 Managers (Finance posts)	0	0	0%
Managers: Levels 0-3 (excluding Finance Posts)	13	0	0%
Senior management: Levels 0-3 (Finance posts)	3	0	0%
Highly skilled supervision: levels 9-12 (excluding Finance posts)	10	2	20%
Highly skilled supervision: levels 9-12 (Finance posts)	4	1	25%
Total	34	9	26.5%
			T4.1.2

Turn-over Rate			
Details	Total Appointments as of beginning of Financial Year No.	Terminations during the Financial Year No.	Turn-over Rate*
2019/2020	1	3	0.03%
2020/2021	8	5	6.0%
2021/2022	11	10	11%
			T4.1.3

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

4.3 INJURIES, SICKNESS AND SUSPENSIONS

Number and Cost of Injuries on Duty					
Type of injury	Injury Leave Taken Days	Employees using injury leave No.	Proportion employees using sick leave %	Average Injury Leave per employee Days	Total Estimated Cost R'000
Required basic medical attention only	0	0	0	0	0
Temporary total disablement	0	0	0	0	0
Permanent disablement	0	0	0	0	0
Fatal	0	0	0	0	0
Total	0	0	0	0	0
					T4.3.1

Number of days and Cost of Sick Leave (excluding injuries on duty)						
Salary band	Total sick leave Days	Proportion of sick leave without medical certification %	Employees using sick leave No.	Total employees in post* No.	*Average sick leave per Employees Days	Estimated cost R' 000
General Assistants/Maintenance (9-12)	107	0	7	5	15.28	58 015.47
Admin/Clerks(5-8)	162	0	10	13	16.2	182 886.66
Accountants/Officers/Practitioners(4-6)	216	0	17	25	12.7	360 268.36
Middle Management (0-3)	247	0	17	25	9.88	587 606.50
MM and S57	11	0	2	3	5.5	59123.08
Total	**743**	**0**	**53**	**71**	**14.01**	**1 247 900.07**
						T4.3.2

Number and Period of Suspensions				
Position	**Nature of Alleged Misconduct**	**Date of Suspension**	**Details of Disciplinary Action taken or Status of Case and Reasons why not Finalised**	**Date Finalised**
No cases of suspensions were reported in the 2021-2022 financial year due to good employer and employee relations				
				T4.3.5

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 Finalised**
No financial misconduct cases were reported in the 2021-2022 financial year.			
			T4.3.6

4.5 SKILLS DEVELOPMENT AND TRAINING

Skills Matrix														
Management level	Gender	Employees in post as at 30 June 2021-2022	Number of skilled employees required and actual as at 30 June 2021-2022											
			Learnerships			Skills programmes & other short courses			Other forms of training			Total		
		No.	Actual: End of 2020-2021	Actual: End of 2021-2022	Target	Actual: End of 2020-2021	Actual: End of 2021-2022	Target	Actual: End of 2020-2021	Actual: End of 2021-2022	Target	Actual: End of 2020-2021	Actual: End of 2021-2022	Target
MM and s57	Female	1	0	0	0	0	0	0	0	1	1	1	1	1
	Male	2	0	0	0	0	0	0	0	1	1	1	1	1
Councillors	Female	6	0	0	0	0	0	0	0	0	0	0	0	0
	Male	10	0	0	0	0	0	0	0	1	1	1	1	1
Technicians and associate professionals*	Female	0	0	0	0	0	0	0	0	0	0	0	0	0
	Male	2	0	0	0	0	0	0	0	0	0	0	0	0
Professionals	Female	8	0	0	0	0	0	0	0	0	0	0	0	0
	Male	4	0	0	0	0	0	0	0	1	1	1	1	1
Sub total	Female	29	0	0	0	0	0	0	0	0	0	0	0	0
	Male	25	0	0	0	0	0	0	0	0	0	0	0	0
Total		**87**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**3**	**3**	**3**	**3**	**3**

*Registered with professional Associate Body e.g. CA (SA)

T4.5.1

Financial Competency Development: Progress Report						
Description	A. Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	B. Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c)	Consolidated: Total of A and B	Consolidated: Competency assessments completed for A and B (Regulation 14(4)(b) and (d))	Consolidated: Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Consolidated: Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
Financial Officials	0	0	0	0	0	0
Chief financial officer	1	1	1	1	1	1
Senior managers	0	0	0	0	0	0
Any other financial officials	2	2	2	0	0	0
Supply Chain Management Officials	0	0	0	0	0	0
Heads of supply chain management units	1	1	1	0	0	0
Supply chain management senior managers	0	0	0	0	0	0
TOTAL	**4**	**4**	**4**	**1**	**1**	**1**
						T4.5.2

R'000											
Management level	Gender	Employees as at the beginning of the financial year	Original Budget and Actual Expenditure on skills development 2021-2022								
			Learnerships		Skills programmes & other short courses		Other forms of training		Total	
		No.	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual
MM and S57	Female	1	-	-	-	-	100 000	100 000	100 000	100 000
	Male	1	-	-	-	-	-	-	-	-
Councillors	Female	0	-	-	-	-	-	-	-	-
	Male	1	-	-	-	-	-	-	-	-
Managers	Female	0	-	-	-	-	-	-	-	-
	Male	1	-	-	-	-	-	-	-	-
Professionals	Female	0	-	-	-	-	-	-	-	-
	Male	0	-	-	-	-	-	-	-	-
Clerks	Female	1	-	-	-	-	-	-	-	-
	Male	1	-	-	-	-	-	-	-	-
Elementary occupations	Female	0	-	-	-	-	-	-	-	-
	Male	0	-	-	-	-	-	-	-	-
Sub total	Female	3	-	-	-	-	-	-	-	-
	Male	4	-	-	-	-	-	-	-	-

Total		**13**	**0**	**0**	**0**	**0**	**100000**	**100000**	**100 000**	**100 000**
% and *R value of municipal salaries (original budget) allocated for workplace skills plan.									**%***	*R0
										T4.5.3

Repair and Maintenance Expenditure: 2021-2022				
				R' 000
	Original Budget	Adjustment Budget	Actual	Budget variance
Repairs and Maintenance Expenditure	215	343	323	20
				T5.3.4

COMPONENT D: OTHER FINANCIAL MATTERS

5.12 SUPPLY CHAIN MANAGEMENT

SUPPLY CHAIN MANAGEMENT

Both the Supply Chain Management Policy of municipality and Standard for Infrastructure Procurement Delivery and Delivery Management policies are reviewed annually to ensure that they are in line with the Municipal Supply Chain Management Regulations, other applicable legislations and guidelines. The reviewed SCM policy of the municipality for 2021/22 financial year was approved by the Council in July 2021 after incorporation of the Free State Provincial Treasury inputs.

The municipality (as far as the National Treasury SCM implementation check list is concerned, both quarterly and annually) does not have IT related projects above R10m, hence it has not yet utilized the services of SITA to procure such goods or service; and Lastly, an institutional delegation of powers has to be established in collaboration with Free State Provincial Treasury.

No Councillor is a member of any committee handling Supply Chain processes. All three (3) Officials in Supply Chain have the MFMA minimum competency requirements in 2016.

Non – compliance with Supply Chain Management Policy and other applicable legislations which resulted in irregular expenditure – As a remedial action to this problem, such expenditure to be investigated by MPAC, consequence management to be implemented and the SCM checklist to be reviewed and implemented effectively to ensure for an example, that all transactions, prior to awarding, are given to suppliers/service providers that are CSD compliant and/or comply with all the necessary bidding requirements..

T5.12.1

CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS

COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS 2020-2021

Auditor-General Report on Financial Performance 2020-2021	
Audit Report Status*:	**Unqualified Opinion (2020 – 2021)**
Non-Compliance Issues	**Remedial Action Taken**
Compliance - AFS, APR, AR: Revised SDBIP, Annual Report and Oversight adoptions (COA.8)(M)(A)	Management will ensure that oversight committee tabled an oversight report within a prescribed legislation by MPAC. Management will ensure that the revised SDBIP is tabled to the council after adjustments.
Compliance - Planning: Consequence Management: No investigations of irregular expenditure (COA.10)(M)(A)	Due to the backlogs of the entire Unauthorized, Irregular, Fruitless and Wasteful Expenditure, Management would ensure a speedily investigations on other the entire populations by MPAC.
Compliance - Expenditure: Payments not made within 30 days (COA.34)(M)(A)	Management would ensure that all payments must be made within 30 days of invoice date.
Compliance - Expenditure management: Steps not taken to prevent UIF expenditure (CoA.44)(M)(A)	Management would ensure that MPAC is sitting as per schedule to ensure that there is consistent reporting for Unauthorized, Irregular, Fruitless and Wasteful Expenditure.
Compliance - SUM (irreg) SCM Business Process: (local content) Non-compliance with the regulations (COA.5)(M)(A)	Management would ensure that SCM Process is followed to ensure that the local content is covered and applied accordingly as recommended.
Compliance / adjusted (irreg))- SCM: Reason for deviation not inline with SCM regulation	Management would ensure that the irregular expenditure is in line with the SCM Policy and other circulars as issued by NT. Management would ensure the consistency in relation to SCM as approved by the Council.
SCM focus area - compliance SCM: Contract Management - No provision for dispute resolution in the contract (CoA.42)(M)(A)	Management would ensure that SCM Process is followed at all times and such SLA is covered in terms of circulars issued as well.
SCM focus area -compliance SCM: Contract Management: Contract details differ to specifications (COA.40)(M)(A)	Management would ensure that SCM Process is followed at all times and such SLA is covered in terms of circulars issued as well.
SCM focus area - compliance SCM: Contract Management: Contract extension/modification approvals	Management would ensure that the all extensions are approved by Council.

(COA.39)(M)(A)	
I/C - compliance (resolved/ adjusted (irreg)) - SCM: Quotations: No three quotations were obtained and no deviation (COA.51) (M)(A)	Management would ensure that SCM Process is followed at all times and such SLA is covered in terms of circulars issued as well.
SCM focus area: compliance MR only - SCM: PPR: Unable to determine how points were awarded for functionality (COA.59)(M)(A)	Management would ensure that SCM Process is followed at all times and such SLA is covered in terms of circulars issued as well.
COMPLIANCE - SCM: PPR: Bid not evaluated in accordance with preference point system (COA.61)	Management would ensure that SCM Process is followed at all times and such SLA is covered in terms of circulars issued as well.
I/C - compliance - SCM: PPR: B-BBEE points not awarded correctly (COA.60)(M)(A)	Management would ensure that SCM Process is followed at all times and such SLA is covered in terms of circulars issued as well.
I/C - compliance - SCM: Quotations: Reasons for not obtaining three quotations not approved (COA.58)(M)(A)	Management would ensure that SCM Process is followed at all times and such SLA is covered in terms of circulars issued as well. Management would perform Monthly VAT reconciliations. Management would ensure that VAT is reviewed on a monthly basis.
Compliance - AFS, APR, AR: Revised SDBIP, Annual Report and Oversight adoptions (COA.8)(M)(A)	Management will ensure that oversight committee tabled an oversight report within a prescribed legislation by MPAC. Management will ensure that the revised SDBIP is tabled to the council after adjustments.
Compliance - Planning: Consequence Management: No investigations of irregular expenditure (COA.10)(M)(A)	Due to the backlogs of the entire Unauthorized, Irregular, Fruitless and Wasteful Expenditure, Management would ensure a speedily investigations on other the entire populations by MPAC.
Compliance - Expenditure: Payments not made within 30 days (COA.34)(M)(A)	Management would ensure that all payments must be made within 30 days of invoice date.
Compliance - Expenditure management: Steps not taken to prevent UIF expenditure (CoA.44)(M)(A)	Management would ensure that MPAC is sitting as per schedule to ensure that there is consistent reporting for Unauthorized, Irregular, Fruitless and Wasteful Expenditure.
Compliance - SUM (irreg) SCM Business Process: (local content) Non-compliance with the regulations (COA.5)(M)(A)	Management would ensure that SCM Process is followed to ensure that the local content is covered and applied accordingly as recommended.
Compliance / adjusted (irreg))- SCM: Reason for deviation not in line with SCM regulation	Management would ensure that the irregular expenditure is in line with the SCM Policy and other circulars as issued by NT. Management would ensure the consistency in relation to SCM as approved by the Council.
SCM focus area - compliance SCM: Contract Management - No provision for dispute resolution in the contract (CoA.42)(M)(A)	Management would ensure that SCM Process is followed at all times and such SLA is covered in terms of circulars issued as well.

*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)*
T6.1.1

Auditor-General Report on Financial Performance 2021/2022	
Status of audit report:	
Annual financial statements: **Predetermined objectives:**	
Please refer to the report of the Auditor General below for more details	T6.2.1

COMPONENT B: AUDITOR-GENERAL OPINION 2021-2022 (CURRENT YEAR)

Report of the auditor-general to the Free State Legislature and the council on the Xhariep District Municipality

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Chapter 5

Annexure – Auditor-general's responsibility for the audit

Chapter 5

GLOSSARY	
Accessibility indicators	Explore whether the intended beneficiaries are able to access services or outputs.
Accountability documents	Documents used by executive authorities to give *"full and regular"* reports on the matters under their control to Parliament and provincial legislatures as prescribed by the Constitution. This includes plans, budgets, in-year and Annual Reports.
Activities	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe *"what we do"*.
Adequacy indicators	The quantity of input or output relative to the need or demand.
Annual Report	A report to be prepared and submitted annually based on the regulations set out in Section 121 of the Municipal Finance Management Act. Such a report must include annual financial statements as submitted to and approved by the Auditor-General.
Approved Budget	The annual financial statements of a municipality as audited by the Auditor General and approved by council or a provincial or national executive.
Baseline	Current level of performance that a municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period.
Basic municipal service	A municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided it may endanger the public health and safety or the environment.
Budget year	The financial year for which an annual budget is to be approved – means a year ending on 30 June.
Cost indicators	The overall cost or expenditure of producing a specified quantity of outputs.
Distribution indicators	The distribution of capacity to deliver services.

Financial Statements	Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed.
General Key performance indicators	After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally.
Impact	The results of achieving specific outcomes, such as reducing poverty and creating jobs.
Inputs	All the resources that contribute to the production and delivery of outputs. Inputs are "what we use to do the work". They include finances, personnel, equipment and buildings.
Integrated Development Plan (IDP)	Set out municipal goals and development plans.
National Key performance areas	• Service delivery & infrastructure • Economic development • Municipal transformation and institutional development • Financial viability and management • Good governance and community participation
Outcomes	The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve".
Outputs	The final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver". An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area.
Performance Indicator	Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to

	which an output has been achieved (policy developed, presentation delivered, service rendered)
Performance Information	Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure.
Performance Standards:	The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor.
Performance Targets:	The level of performance that municipalities and its employees strive to achieve. Performance Targets relate to current baselines and express a specific level of performance that a municipality aims to achieve within a given time period.
Service Delivery Budget Implementation Plan	Detailed plan approved by the mayor for implementing the municipality's delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.
Vote:	One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area. Section 1 of the MFMA defines a "vote" as: *a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and* *b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned*

APPENDICES

APPENDICES

APPENDIX A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

Councillors, Committees Allocated and Council Attendance				
Council Members	**Full Time / Part Time FT/PT**	**Committees Allocated**	***Ward and/ or Party Represented**	**Percentage Council Meetings Attendance %**
Cllr AM Shasha	FT	Speaker	ANC	100%
Cllr.NI Mehlomakulu	FT	Executive Mayor	ANC	100%
Cllr NJ Garekoe	FT	Chairperson of Corporate Services Committee	ANC	100%
Cllr AM Molai	FT	Budget and Treasury Office	EFF	90%
Cllr TI Phatsoane	FT	Chairperson of MPAC	ANC	90%
Cllr AJJ Van Rensburg	FT	Planning and Social Development Member	DA	80%
Cllr AM Lebaka	PT	Chairperson of Budget and Treasury Committee	ANC	100%
Cllr MG Mokheseng	PT	Corporate Services Committee member	ANC	90%
Cllr RW Van Wyk	PT	Planning and Social Development Committee member	DA	100%
Cllr MV Malgas	PT	Budget and Treasury Committee member	ANC	80%

Cllr ME Lekoenea	PT	Corporate Services Committee member	EFF	100%	
Cllr AN November	PT	MPAC Member	ANC	100%	
Cllr TD Mochechepa	FT	Chairperson of Planning and Social Development Committee	ANC	80%	
Cllr Van Wyk	PT	Corporate Services Committee	DA	72	
Cllr S Riddle	PT	MPAC Member	DA	81	
Cllr NA Adoons	PT	Planning and Social Development Committee member	ANC	50%	
*Note: * Councillors appointed on a proportional basis do not have wards allocated to them*					T A

APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	**Purpose of Committee**
Oversight Committee	Playing an oversight Role over the finances and the administration of the Municipality
Audit Committee	Performing duties as stipulated in Section 166 of the MFMA
MPAC	Playing an oversight Role over the finances and the administration of the Municipality
	T B

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	Yes	
Building regulations	No	
Child care facilities	Yes	
Electricity and gas reticulation	No	
Firefighting services	No	
Local tourism	Yes	
Municipal airports	No	
Municipal planning	Yes	
Municipal health services	Yes	
Municipal public transport	No	
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law	No	
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto	No	
Storm water management systems in built-up areas	No	
Trading regulations	No	
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems	No	
Continued next page		
Continued from previous page		
Municipal / Entity Functions		
MUNICIPAL FUNCTIONS	**Function Applicable to Municipality (Yes / No)***	**Function Applicable to Entity (Yes / No)**
Constitution Schedule 5, Part B functions:		
Beaches and amusement facilities	No	

Billboards and the display of advertisements in public places	No	
Cemeteries, funeral parlours and crematoria	Yes	
Cleansing	No	
Control of public nuisances	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	No	
Municipal roads	No	
Noise pollution	Yes	
Pounds	No	
Public places	No	
Refuse removal, refuse dumps and solid waste disposal	No	
Street trading	No	
Street lighting	No	
Traffic and parking	No	

**** If municipality: indicate (yes or No); * If entity: Provide name of entity*** T D

APPENDIX G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2021-2022

Municipal Audit Committee Recommendations		
Date of Committee	**Committee recommendations during 2020-2021**	**Recommendations adopted (enter Yes) If not adopted (provide explanation)**
27 August 2021	- The Audit Committee Members acknowledges receipts of the declarations of interest forms and will be signed. - The Audit Committee took note of the Draft Annual Financial Statements with inputs made and recommended that the inputs should be included on the AFS prior to submission of the AFS to AGSA on the 30th August 2021. - The Audit Committee took note of the Draft Annual Performance Report with inputs made by the internal audit unit and recommended that the inputs should be included on the APR prior to submission of the AFS to AGSA on the 30th August 2021.	**Yes**
Audit Committee was not fully functional in the 2021-2022 financial year		T G

APPENDIX H – LONG TERM CONTRACTS

Long Term Contracts (Largest Contracts Entered into 2021-2022					R' 000
Name of Service Provider (Entity or Municipal Department)	**Description of Services Rendered by the Service Provider**	**Start Date of Contract**	**Expiry date of Contract**	**Project manager**	**Contract Value**
Dipabala Consulting Engineers	Implementation of the Rural roads asset management system	September 2020	August 2023	Mr Sandile Majenge	6,680,614.50
LQTechnologies	Internet Service Provision	September 2020	August 2023	Mr Andile Tyhokolo	1,315,887.35
					T H.1

APPENDIX I – MUNICIPAL ENTITY/ SERVICE PROVIDER PERFORMANCE SCHEDULE

Service Provider	Project Name	Contract Amount	Project Status	End User Remarks
CCG Systems	Integrated Financial Management Systems and Internal Controls (mSCOA)	R5,244, 082.00	Current (contract will be coming to an end on 30 November 2022)	Excellent
Test IT Lab	Waste and Drinking Water Analysis	R579,060.00	Contract ended in November 2021	Good
University of the Free State Ground Water Testing	Waste and Drinking Water Analysis	R361,970.00	Current / New	Good
Lobamaba Enterprise (PTY)LTD	Network Infrastructure Revamp	R790,420.00	Current / New	In progress
Lobamaba Enterprise (PTY)LTD	Supply and Maintenance of Telephone Systems	R974,581.00	Current / New	In progress
Mega Works	Supply and Maintenance of Printers	R409,450.00	Contract ended in November 2021	Acceptable
Khumo t/a Pan Solutions	Supply and Maintenance of Telephone Systems	R483,796.96	Contract ended in November 2021	Poor
Fezi Auditors and Consultants JV Opulentia	Insurance Service for the Municipality	R1,571,436.93	Contract ended in February 2022	Excellent

Financial Service				
Kunene Makopo Risk Solutions (PTY) LTD	Insurance Service for the Municipality	R546,357.61	Current / New	Good

APPENDIX J – DISCLOSURES OF FINANCIAL INTERESTS

Disclosures of Financial Interests		
Period 1 July to 30 June of 2021-2022 (Current Year)		
Position	**Name**	**Description of Financial interests* (Nil / Or details)**
(Executive) Mayor	Cllr NI Mehlomakulu	Nil
Member of MayCo / Exco		
	MA Lebaka	Nil
	NJ Garekoe	Nil
	TD Mochechepa	Shares and Securities in a company Member of a close corporation Other financial interest in business undertaking
	AM Shasha	Sentsoeti Development Centre CC R100 000 Mashasha Construction 50% Sentsoeti Development Centre CC(50% shareholder)
Councillor	NA Adoons	Employed at Department of Education Shareholder: SADTU SACCO(Cooperative Bank)
	M Mokheseng	Nil
	AN November	Nil
	MV Malgas	Nil
	MK Matlakala	Nil
	MA Molai	Nil
	ME Lekoenea	Nil
	AJJ van Rensburg	Shares and securities: BKB R200 000.00 AND CMW, R150 000 Other financial Interest: Rustfontein Farming, R25000000.00, Interest in property: Rustfontein ha ,R 3 600000.00 Old Mutual pension R2 000000.00
	RW Van Wyk	Nil
	TI Phatsoane	Nil
	J. Riddle	Partnership Nicks place(50% shareholder) Dummer Trust (Trustee) Old Mutual Pension (R1000 000) Property(R1.5 Million)

Municipal Manager	LY Moletsane	GEPF(pension fund) R4001
Chief Financial Officer	PV Litabe	Share Holder: Calaria(PTY)Ltd (50%) Diabo Accountants & Consulting (80%)
Director: Corporate Services(Acting)	NY Augustus	Nil
Director: Planning and Social Development	MS Mohale	Property(R1000000) 6x erfs R420 000)
** Financial intersests to be disclosed even if they incurred for only part of the year. See MBRR SA34A* *T J*		

APPENDIX K (ii): REVENUE COLLECTION PERFORMANCE BY SOURCE

Revenue Collection Performance by Source R '000						
Description	2020-2021	2021-2022			2021-2022 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Agency services						
Transfers recognised - operational	61 352	61,832	61,536	53 947	7 885	7 589
Other revenue	61 352	61,832	61,536	53 947	(31)	(3)
Total Revenue (excluding capital transfers and contributions)						

Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A4.

T K.2

APPENDIX T – NATIONAL AND PROVINCIAL OUTCOMES FOR LOCAL GOVERNMENT

National and Provincial Outcomes for Local Government		
Outcome/Output	**Progress to date**	**Number or Percentage Achieved**
Output: Improving access to basic services	N/A	
Output: Implementation of the Community Work Programme		
Output: Deepen democracy through a refined Ward Committee model	N/A	
Output: Administrative and financial capability	N/A	
** Note: Some of the outputs detailed on this table might have been reported for in other chapters, the information thereof should correspond with previously reported information.*		T T

VOLUME II

VOLUME II: ANNUAL FINANCIAL STATEMENTS