

2020/2021

**1st DRAFT
ANNUAL
REPORT**



**DIPALESENG
LOCAL
MUNICIPALITY.**

Contents

CONTENTS

CONTENTS	2
CHAPTER 1 – MAYOR’S FOREWORD AND EXECUTIVE SUMMARY	10
COMPONENT A: MAYOR’S FOREWORD	10
COMPONENT B: EXECUTIVE SUMMARY	14
1.1. MUNICIPAL MANAGER’S OVERVIEW	14
1.2. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW.....	16
1.3. SERVICE DELIVERY OVERVIEW	20
1.4. FINANCIAL HEALTH OVERVIEW	21
1.5. ORGANISATIONAL DEVELOPMENT OVERVIEW	23
1.6. AUDITOR GENERAL REPORT	24
1.7. STATUTORY ANNUAL REPORT PROCESS.....	24
CHAPTER 2 – GOVERNANCE	26
COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE.....	26
2.1 POLITICAL GOVERNANCE	26
2.2 ADMINISTRATIVE GOVERNANCE	28
COMPONENT B: INTERGOVERNMENTAL RELATIONS.....	29
2.3 INTERGOVERNMENTAL RELATIONS	29
COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION	30
2.4 PUBLIC MEETINGS.....	31
2.5 IDP PARTICIPATION AND ALIGNMENT	33
COMPONENT D: CORPORATE GOVERNANCE	34
2.6 RISK MANAGEMENT.....	34
2.7 ANTI-CORRUPTION AND FRAUD	35
2.8 SUPPLY CHAIN MANAGEMENT	35
2.9 BY-LAWS.....	35
2.10 WEBSITES.....	36
2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES.....	37
CHAPTER 3 – SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)	38
COMPONENT A: BASIC SERVICES.....	38
3.1. WATER PROVISION	39
3.2 WASTE WATER (SANITATION) PROVISION.....	47
3.3 ELECTRICITY.....	52
3.4 WASTE MANAGEMENT	57

Contents

3.5 HOUSING.....	63
3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT	67
COMPONENT B: ROAD TRANSPORT	70
3.7 ROADS.....	70
3.8 TRANSPORT (INCLUDING VEHICLE LICENSING & PUBLIC BUS OPERATION)	76
3.9 WASTE WATER (STORMWATER DRAINAGE).....	76
COMPONENT C: PLANNING AND ECONOMIC DEVELOPMENT.....	78
3.10 PLANNING.....	78
3.11 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES).....	83
COMPONENT D: COMMUNITY & SOCIAL SERVICES	92
3.12 LIBRARIES; COMMUNITY FACILITIES; OTHER.....	90
3.13 CEMETERIES AND CREMATORIUMS	93
3.14 CHILD CARE; AGED CARE; SOCIAL PROGRAMMES.....	95
COMPONENT E: ENVIRONMENTAL PROTECTION	99
3.15 POLLUTION CONTROL.....	99
3.16 BIO-DIVERSITY; LANDSCAPE (INCL. OPEN SPACES); AND OTHER (EG. COASTAL PROTECTION) ...	100
COMPONENT F: HEALTH.....	100
3.17 CLINICS.....	100
3.18 AMBULANCE SERVICES	100
3.19 HEALTH INSPECTION; FOOD AND ABBATOIR LICENSING AND INSPECTION; ETC.....	100
COMPONENT G: SECURITY AND SAFETY	101
3.20 TRAFFIC.....	101
3.21 FIRE	102
3.22 DISASTER MANAGEMENT	105
COMPONENT H: SPORT AND RECREATION	113
3.23 SPORT AND RECREATION.....	113
COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES.....	115
3.24 EXECUTIVE AND COUNCIL.....	117
3.25 FINANCIAL SERVICES.....	121
3.26 HUMAN RESOURCE SERVICES.....	121
3.27 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES	126
3.28 PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES	132
COMPONENT K: ORGANISATIONAL PERFORMANCE SCORECARD	134

Contents

CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE	135
(PERFORMANCE REPORT PART II)	135
COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL.....	135
4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES	135
COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE	138
4.2 POLICIES	Error! Bookmark not defined.
4.3 INJURIES, SICKNESS AND SUSPENSIONS	140
4.4 PERFORMANCE REWARDS	142
COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE	143
4.5 SKILLS DEVELOPMENT AND TRAINING	144
4.6 EMPLOYEE EXPENDITURE	147
CHAPTER 5 – FINANCIAL PERFORMANCE	149
COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE.....	Error! Bookmark not defined.
5.1 STATEMENTS OF FINANCIAL PERFORMANCE	149
5.2 GRANTS	152
5.3 ASSET MANAGEMENT.....	154
5.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS	155
COMPONENT B: SPENDING AGAINST CAPITAL BUDGET	164
5.7 CAPITAL SPENDING ON 5 LARGEST PROJECTS	165
5.8 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW	166
COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS.....	169
5.10 BORROWING AND INVESTMENT	169
5.11 PUBLIC PRIVATE PARTNERSHIPS.....	173
COMPONENT D: OTHER FINANCIAL MATTERS	174
5.12 SUPPLY CHAIN MANAGEMENT.....	163
5.13 GRAP COMPLIANCE	163
CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS	175
COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS 2020/21.....	175
6.1 AUDITOR GENERAL REPORTS 2020/2021.....	Error! Bookmark not defined.
GLOSSARY	175
APPENDICES.....	178
APPENDIX A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE	178
APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES	179
APPENDIX C –THIRD TIER ADMINISTRATIVE STRUCTURE.....	180

Contents

APPENDIX D – FUNCTIONS OF MUNICIPALITY/ENTITY	181
APPENDIX E – WARD REPORTING.....	181
APPENDIX F – WARD INFORMATION.....	186
APPENDIX G – RECOMMENDATION OF THE MUNICIPAL AUDIT COMMITTEE 2020/21	187
APPENDIX H – LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS	201
APPENDIX I – MUNICIPAL ENTITY	201
APPENDIX J – DISCLOSURES OF FINANCIAL INTERESTS	201
APPENDIX K (i): REVENUE COLLECTION PERFORMANCE BY VOTE	202
APPENDIX K (ii): REVENUE COLLECTION PERFORMANCE BY SOURCE	202
APPENDIX L : CONDITIONAL GRANTS RECEIVED : EXCLUDING MIG	202
APPENDIX M: CAPITAL EXPENDITURE – NEW & UPGRADE/RENEWAL PROGRAMMES	202
APPENDIX M (i): CAPITAL EXPENDITURE - NEW ASSETS PROGRAMME	202
APPENDIX M (ii): CAPITAL EXPENDITURE – UPGRADE/RENEWAL PROGRAMME	207
APPENDIX N – CAPITAL PROGRAMME BY PROJECT 2020/21	207
APPENDIX O – CAPITAL PROGRAMME BY PROJECT BY WARD 2020/21.....	209
APPENDIX P – SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS	210
APPENDIX Q – SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION	211
APPENDIX R – DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY	212
APPENDIX S – DECLARATION OF RETURNS NOT MADE IN DUE TIME UNDER MFMA S71	212
APPENDIX T – PRESEDENTIAL OUTCOME FOR LOCAL GOVERNMENT	212
APPENDIX U: ANNUAL PERFORMANCE REPORT	213
VOLUME II: ANNUAL FINANCIAL STATEMENTS	242

Contents

Table of Figures	
Table 1: Population.....	18
Table 2: Socio-economic status.....	18
Table 3: Neighborhoods.....	19
Table 4: Natural resources.....	19
Table 5: Financial Overview.....	21
Table 6: Operating ratios 2019/20.....	21
Table 7: Total capital expenditure.....	22
Table 8: Administrative posts top leadership[Confirmation for inclusion].....	28
Table 9: public meetings.....	32
Table 10: IDP participation and alignment criteria.....	33
Table 11: New by-laws.....	35
Table 12: Municipality website.....	36
Table 13: Total Water Use by Sector.....	39
Table 14: Water Service Delivery Levels.....	41
Table 15: Water Min Service Delivery Levels.....	42
Table 16: Access to Water.....	43
Table 17: Water Service Delivery Objectives.....	44
Table 18: Employees Water Services.....	44
Table 19: Financial Performance Water service.....	45
Table 20: Capital Expenditure Water Services.....	46
Table 21: Sanitation Service Delivery Levels.....	47
Table 22: Sanitation Min Service Delivery Levels.....	48
Table 23: Access to Sanitation.....	48
Table 24: Sanitation Service Delivery Objectives.....	49
Table 25: Employees Sanitation Levels.....	50
Table 26: Financial Performance Sanitation.....	50
Table 27: Capital Expenditure Sanitation Services.....	51
Table 28: Electricity Service Delivery Levels.....	53
Table 29: Electricity Min Service Delivery Levels.....	53
Table 30: Electricity Service Delivery Objectives.....	54
Table 31: Electricity Employee Levels.....	55
Table 32: Electricity Financial Performance.....	55
Table 33: Electricity Capital Expenditure.....	Error! Bookmark not defined.
Table 34: Waste Removal Service Delivery Levels.....	57
Table 35: Solid Waste Removal Min Services Levels.....	58
Table 36: Waste Management Service Policy Objectives.....	59
Table 37: Solid Waste Management Employees.....	60
Table 38: Waste Disposal Financial Performance.....	61
Table 39: Waste Management Services Capital Expenditure.....	62
Table 40: % of H/H with Access to Basic Housing.....	63
Table 41: Housing Services Employees.....	63
Table 42: Housing Services Financial Performance.....	64
Table 43: Housing Services Capital Expenditure.....	65
Table 44: Free Basic Services.....	67

Contents

Table 45: Financial Cost for Free Basic Services	68
Table 46: Gravel Road Infrastructure	70
Table 47: Tarred Roads Infrastructure	71
Table 48: Cost of Maintenance.....	71
Table 49: Roads Service Policy Objectives.....	73
Table 50: Road Services Employees	74
Table 51: Roads Service Financial Performance	74
Table 52: Road Services Capital Expenditure	75
Table 53: Storm Water Infrastructure	76
Table 54: Storm Water Construction/Maintenance Costs	76
Table 55: Storm Water Service Policy Objectives.....	77
Table 56: Applications for Land Use Development	77
Table 57: Planning Policy Objectives	78
Table 58: Planning Services Employees.....	80
Table 59: Planning Services Financial Performance	81
Table 60: Planning Services Capital Expenditure.....	82
Table 61: Economic Activity by Sector.....	83
Table 62: Economic Employment by Sector	83
Table 63: Jobs Created by LED Indicatives	85
Table 64: Jobs Created by EPWP Indicatives	85
Table 65: LED Policy Objectives	85
Table 66: LED Employees.....	88
Table 67: LED Financial Performance	88
Table 68: LED Capital Expenditure.....	89
Table 69: Libraries Policy Objectives	91
Table 70: Libraries Employees	92
Table 71: Libraries Employees	92
Table 72: Libraries Capital Expenditure	92
Table 73: Cemeteries Financial Performance.....	94
Table 74: Cemeteries Capital Expenditure	94
Table 75: Biodiversity, Landscape And Other Policy Objectives.....	100
Table 76: Parks and Recreation Employees.....	101
Table 77: Parks and Recreation Financial Performance	101
Table 78: Parks and Recreation Capital Expenditure.....	101
Table 79: Traffic Statistics.....	101
Table 80: Fire Service Statistics	102
Table 81: Fire Services Policy Objectives	103
Table 82: Fire Services Employees.....	104
Table 83: Fire Services Financial Performance	104
Table 84: Fire Services Capital Expenditure	105
Table 85: Disaster Management Policy Objectives	105
Table 86: Disaster Management Employees	106
Table 87: Disaster Management Financial Performance	112
Table 88: Disaster Management Capital Expenditure	112
Table 89: S&R Policy Objectives	108

Contents

Table 90: S&R Employees	115
Table 91: S&R Financial Performance CS &PS	115
Table 92: S&R Capital Expenditure	116
Table 93: Mayoral, Council And Special Meetings	118
Table 94: Exec and Council Policy Objectives	118
Table 95: Exec and Council Employees.....	120
Table 96: Exec and Council Financial Performance	120
Table 97: Financial Services Employees	121
Table 98: Financial Services Financial Performance	122
Table 99: HR Policy Objectives	125
Table 100: HR Employees	126
Table 101: HR Financial Performance.....	126
Table 102: HR Capital Expenditure	126
Table 103: ICT Policy Objectives	128
Table 104: ICT Employees.....	130
Table 105: ICT Financial Performance	130
Table 106: ICT Capital Expenditure.....	130
Table 107: Legal/Risk Service Objectives	125
Table 108: Legal Employees	133
Table 109: Legal Financial Performance.....	133
Table 110: Vacancy Rate.....	135
Table 111: Vacancies in 2020/21.....	136
Table 112: Turn-over Rate.....	137
Table 113: HR Policies and Plans	139
Table 114: Cost of Injuries in Duty	140
Table 115: Cost Sick Leave	140
Table 116: Periods of Suspension.....	141
Table 117: Disciplinary Action	141
Table 118: Performance Rewards	142
Table 119: Skills Matrix.....	144
Table 120: Financial Competencies Development	145
Table 121: Skills Development Expenditure	146
Table 122: Increases Salaries.....	147
Table 123: Post Appointed not Approved	147
Table 124: Grant Performance	152
Table 125: Grants from Other Sources.....	153
Table 126: Treatment of three largest Assets Acquired.....	154
Table 127: Repair and Maintenance Expenditure	155
Table 128: Capital Expenditure on the 5 Largest Projects.....	165
Table 129: Service Backlog CS & PED	166
Table 130: Grant Expenditure on Service Backlog.....	168
Table 131: Cash Flow Outcomes	169

Chapter 1



CHAPTER 1 – MAYOR’S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A: MAYOR’S FOREWORD [EM-PA]

CHAPTER 1 – MAYOR’S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A: MAYOR’S FOREWORD [EM-PA]

Dipaleseng Local Municipality is a local government entity at the coalface of direct service delivery with deliberate aims of community improvement.

The municipality also faces the formidable task of planning; implementing, assessing and providing feedback on the performance echelons achieved as per plans in our budgets, Service Delivery Budget Implementation Plans which are derived from our overall Integrated Development Plan.

CLLR. KHETHIWE MOEKETSI EXECUTIVE MAYOR

Given the pre-existing institutional and environmental challenges we are remain steadfast and are still geared towards serving the needs of the community of Dipaleseng.

Dipaleseng Local Municipality continues to deliver services being guided by five Local government key priorities that are:

- Financial Viability
- Good Governance & Public Participation
- Basic Infrastructure
- Local Economic Development and
- Organisational Transformation and Institutional Development

Financial Viability

Financial viability is one of the major components of a sound government entity that aims to successfully carry out its legal obligatory mandate such as Dipaleseng.

The municipality regressed to a Disclaimer Opinion from the Auditor General for the 2019/20 financial year with findings on internal control deficiencies, non-compliance and supply chain management.

Chapter 1

Implementation of revenue enhancement strategy alongside other budget related plans is paramount in the improvement to our financial situation.

Organisational Transformation and Institutional Development

The institution had challenges with the full time appointment in the capacity of Accounting Officer, an anomaly that often threatens the overall institutional stability if left unattended timeously. The presence of a full capacity of capable senior managers however assisted in ensuring the attainment of business continuity and its overall objectives.

The institution continues to strive to attract competent, committed, skilled and knowledgeable professionals to advance it to greater heights.

The National Development Plan 2030 highlights the need for a long-term approach to skills development in order to develop technical and professional skills needed to fulfil core functions in the public service arena. It also highlight that most learning takes place on the job, and that staff members at all levels need to be stretched, supported and mentored to develop their skills and expertise.

Dipaleseng Local Municipality understands the need to pay attention to the role of recruitment, human resources and management practices in promoting ongoing learning alongside the provision of training.

Good Governance & Public Participation

At the local government level, there is an increased need to ensure that participation in the integrated development planning process is deliberative, with citizens being involved in identifying and resolving trade-offs rather than simply developing shopping lists of needs.

While structures such as ward committees have been established to enable councilors and officials to engage with communities through public participation, this system or linkage was not realized as a result of the outbreak of Coronavirus in the past year which made it difficult. The challenge should be addressed through the translation of IDP's into ward-level service delivery improvement plans that respond to specific needs of each specific and unique ward.

More weight needs to be placed on endorsing the existence of two-way communication and interaction that enables citizens to express their needs and concerns as well as for citizens to be kept informed by councilors of key issues and developments that are underway in the ward.

Basic Infrastructure

Dipaleseng is faced with aged and dilapidated infrastructure which was constructed to service long surpassed numbers of people. This is further compounded by a rapidly

Chapter 1

growing population, economy and prosperity which have led to growing utilization of infrastructure by more and more people.

We sit with a bigger prerequisite for economic infrastructure investment while still continuing to address backlogs in housing and social infrastructure.

Local Economic Development

An inclusive and local economic development strategy which encompasses uplifting local SMME's and bridging gaps between them and surrounding business and industries is what Dipaleseng aims for.

While government cannot realistically adequately meet the all needs of all role players in the local economy mix, the responsibility to create a fertile and mutually beneficial environment that fosters growth and development of the local economy rests with us. With the ever increasing unemployment rate, we need to push efforts in start-up businesses as it has been proven to thrust economies in developed countries. We need to place ourselves in better quartile in terms of opportunity entrepreneurship and new firm activity.

Past, present and future projects that employ the utilization of local skills and resources through SMME's individually or by partnership reflect our commitment to the realization of such goal.

I cannot omit to echo our assurance to continued service delivery upholding Batho Pele principles at all times to ensure the realization of our vision of a developmental local government.

Presenting Dipaleseng Local Municipality's Annual Report which reflects on the 2020/21 financial year's performance is only a pleasure.

It is both a pleasure and honor for me to present Dipaleseng Local Municipality's Annual report for the 2019/20 financial year. As a local government entity with strategic objectives of making the lives of our Communities better, we are also obligated to assess and provide feedback on the performance level achieved against targets as laid out in the approved IDP, MTRF and SDBIP.

The five key priority focus area that underpin our mandate are:

- Financial Viability
- Good governance & Public Participation
- Provision off basic Infrastructure
- Local Economic Development
- Organisational Transformation & Institutional Development

Organisational Transformation and Institutional Development

Council appointed an Accounting Officer who together with other senior Managers already in the employment of the Municipality, constituted a full top management staff complement. This of course will ensure the institutional stability as well as skills development and capacity building for internal staff members remains a critical aspect that the community continuously engages on.

Chapter 1

It is based on the understanding that a skilled and well equipped and capacitated workforce is one of our most valuable assets. It positively contributes to realizing a well-oiled service delivery machinery of the highest accolade. Skills development programs that are constantly rolled out to upskill unemployed youth in our community is one our strong points in this regard. This is achieved through the strong and sustained relationships built with various stakeholders that assist us in the processes.

Financial Viability

Financial viability is one of the major components of a sound government entity that aims to successfully carry out its legal obligatory mandate such as Dipaleseng. The Auditor general issued disclaimer audit opinion to the municipality for the 2018/19 financial year with emphasis on financial statements and amongst others internal deficiencies. Total commitment is required from all within the institution in order to ensure that we achieved an improved results and eventually arrived at desired destination of a clean audit.

Good Governance & Public Participation

As our vision states that we provide quality affordable services and good governance to our communities, strict corrective measures will be espoused to ensure that the boat is steered in the right direction to safety.

Alignment of our internal processes in terms of budget, planning, implementation and evaluation as well as seamless integration of internal daily operations are to be our goals.

Adherence to set standards and procedures in line with applicable legislative frameworks also needs to be reinforced. The ever increasing need to strengthen and public participation across all spheres and sectors continues to edge us to embrace all our stakeholders, big or small both public and private sector alike and combine our efforts into a consortium of unified energies in achieving similar goals through the various stakeholders he municipality fosters with both internal and external role players.

Community engagement continued throughout the course of the year amidst sporadic bottlenecks along the way. Assurance is however given that the municipality will continue to strive to abruptly deal with disconcerting issues that pose a hindrance and create gaps between the institution and constituent community.

Basic Infrastructure

Through hard work and persistence, we were able to turn around some threats a d weaknesses to a few positives that give us a hope of a better tomorrow in terms of the overall development of Dipaleseng.

To serve our community to the best of our ability fills us with enormous pride and joy, particularly when we can reflect on completed project such as:

- The provision of 155 sewer connection, top structures and sewer network in Siyathemba.
- Provision of 280 sew connection top structures and network at Balfour North.
- Construction and rehabilitation of roads –Lefokotsane Street
- Construction and rehabilitation of roads- Inkonkoni street

Chapter 1

- Renovation of Siyathemba Community Hall

The lack of an appropriate health care facility in our area will be addressed by the upcoming construction of the Balfour Community Health Care Centre. The construction of GS College Balfour Campus will also assist in dealing with the dire need for such a facility in our area for young and old people to further their studies. Construction of Dlamini and Masiteng streets in Siyathemba is among projects that we look forward to complete successfully.

All these are if anything indicative that we are capable of attaining bundles results only if we continue to work diligently and collectively. The year has not been without its fair share of challenges including those that lead to service delivery disruptions for which we continue to be remorseful for

In closing, I must reiterate our commitment to rendering services that meet the acceptable standards to our people, we will remain faithful to our core business.

Cir KB MOEKETSI
EXECUTIVE MAYOR

COMPONENT B: EXECUTIVE SUMMARY

1.1. MUNICIPAL MANAGER'S OVERVIEW [MMM]

The administration of Dipaleseng presents herewith the annual report for the financial year 2020/21. This is done partially in the discharge of our constitutional mandate to provide democratic and accountable government to the communities of Dipaleseng as required by section 152(1) of the Constitution. On the other part, the report is presented to enable the municipality to account on a whole range of matters including all the activities of the municipality during the financial year, our performance against pre-determined targets as well as to ensure accountability to the community that we serve as required by chapter 12 of the Local Government: Municipal Finance Management Act 56 of 2003 ("the MFMA"). It is against this background that the presentation of the annual report is to be understood and the significance thereof to be appreciated.

In the financial year 2020/21 governance structures within the municipality such as the Municipal Public Accounts Committee and Audit and Performance committee were functional, in order to ensure, a clean, accountable, and responsive administration. Furthermore, an internal audit unit was also functional in the financial year under review to assist the Municipality accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

Supported by the Municipal Council as lead by the Executive Mayor, the municipality has been able to turn the tide of ailing service delivery around and our service delivery has impacted on the lives of many of our people. We would also hasten to add that we still have much work to do in the financial years that lie ahead. Large sections of our community are caught in the nationwide grip of unemployment and poverty. This in turn, has

Chapter 1

hampered the ability of the municipality to generate much needed revenue in order to enhance our service delivery initiatives.

It is for these reasons that we are determined to revive our efforts to create an environment that would stimulate our local economy through vigorous Local Economic Development programs (“LED”) as well as greater engagement and involvement of other stakeholders such as our local business communities as well as other departments within the provincial and national spheres of government. As a result, The Local Economic Development Forum (LEDF) was resuscitated; for which its main aim is to jointly agree on a direction and guidance with all stakeholders and experts in the field of economic development within the Municipality.

The municipality obtained a Disclaimer audit opinion from the Auditor General (“the AG”) for the financial year under review 2020/21. We readily concede though, that the report of the AG was an accurate reflection of the state of the municipality and gave us crucial pointers on the areas where more effort was required in order to improve our municipality for the benefit of our communities. Indeed, the report of the AG did set the tone as we surged ahead with our efforts to meet the call for operation clean audit by 2021/22.

The Auditor-General highlighted amongst other matters, deficiencies in certain areas, as highlighted in the Audit Report. It is regrettable that some of these deficiencies have been happening in previous years. A proper **Remedial Action Plan** has been developed to address all deficiencies pointed out by Auditor-General.

As the municipality, we have observed a steady decline in debt collection. Thus, it is the municipality’s duty to educate consumers as the importance of paying for services that we provide, in an effort to achieve sustainability with regards to service support. For the financial year ended 30 June 2021, the Municipality budgeted revenue amounting to R 210 687 000 and expenditure of R 212 032 000. By the close of books at the end of the year, the Actual performance for the year the Municipality had an income of R 263 274 893 and incurred expenditure of R 279 697 299, thus incurring a deficit of R 16 422 406.

Statements of revenue collection performance by vote and by source are included at Appendix K.

The municipality undertook a Risk Assessment workshop with the ultimate goal to develop a Risk Register. Eight (8) strategic risks were identified and measures to mitigate those risks were identified and noted. Unfortunately, through lack of a Risk Officer, the municipality faces a challenge of not addressing risks being identified.

We are truly indebted to the entire political leadership under the guidance of the Executive Mayor for the unrelenting guidance and support that they have given to the municipality. We also appreciate the unwavering support from the provincial government led by the Honorable Premier, as well as our sister departments at both the provincial and district level. We also appreciate the support from our community and all stakeholders both in the business sector as well as other sectors and interest groups in our communities.

We remain committed to good governance and leadership to ensure accelerated service delivery and better life for all.

Ms. NB KHANYE
ACTING MUNICIPAL MANAGER

Chapter 1

Chapter 1

1.2. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

BACKGROUND DATA [IDP-M]

1.2.1 MUNICIPAL OVERVIEW

Dipaleseng Municipality is composed of the following hubs: Greylingstad/Nthorwane, Grootvlei and Balfour/Siyathemba where the main Office is situated. The Municipality's main economic focus for turning around the local economy is through Agriculture, mining and tourism (Nature reserve) and agro processing industries.

Community consultation as championed by the Speaker's Office, Clr Moeketsi and Mayor's Office, Cllr. Makhubu is at the heart of good governance in the Municipality to enhance community participation and informed decision making. As a result, the 2020/21 financial year has seen Dipaleseng Municipality expanding its service delivery in terms of infrastructure development through graveling of roads, construction of some of the roads and upgrading of sports field, refurbishment of community halls, and upgrading of high mast lights and spent 100% on MIG.

The Dipaleseng Municipality continued with its mandate to create jobs to its local community through EPWP/CWP projects as outlined in the report. During the IDP/Budget process our community has again given the municipality a mandate to continue to implement projects in line with Government priorities, hence the infrastructure development has again come out as the main priority of the municipality. With all these achievements, the municipality acknowledge joint concerted efforts of its directorates.

The Municipality's sewerage system in Greylingstad is still managed through a suction tanker. The municipality has since the completion of the sewer project allocated budget on annual basis for revamping of the streets damaged during construction.

1.2.2 A short description of the municipality

Dipaleseng Local Municipality is situated in the south-eastern part of Mpumalanga Province, abutting Gauteng Province in the south-west; approximately 90km east of Johannesburg and 350km south-west of Nelspruit (capital city of Mpumalanga).

It is one of the (7) local municipalities under the jurisdiction of Gert Sibande District (the other districts being Ehlanzeni and Nkangala) and one of the 18 local municipalities within Mpumalanga. The municipality consists of 03 nodal towns and is structured into 06 wards.

The breakdown of wards details are as follows:

WARD INFORMATION	
WARD	EXTENSION/SECTION
01	The ward consists of various extensions of Siyathemba including central portion of Ext 1, Ext 4 and Ext 5 and more than 300 km ² of rural farm land which is used for commercial farming purposes.
02	The ward consists of the central of Siyathemba, 50% of Ext 2, Ext 3 as well as a small rural areas used for commercial farming purposes. Including a newly established settlement known as Ridge view.
03	The ward consists of the following areas the whole of Balfour Ext 1&2, Greylingstad and surrounding commercial farming settlements on the East, South and West.

Chapter 1

04	The ward consists of portion of Siyathemba central Ext1, 50% of Ext 2, Ext 6, Ext 7 and Lindukuhle settlements
05	The ward consists of Grootvlei Ext 1 & 2 and surrounding commercial farming land.
06	The ward consists of Nthorwane, Zenzele and surrounding commercial farming land.

Figure 1.1: Dipaleseng Local Municipality map [IDPM]



Dipaleseng Municipal area is one of the smaller municipal areas in terms of land area, and characterized by contrasts such as varied topography, population densities (low in the south, relatively dense in the north-east), prolific vegetates in the south (timber) and sparse in the north (bushveld). Although resources within the boundaries of the Municipality are scarce, the proximity of natural resources (dams, tourist's attractions, intensive economic activity, and nature reserves) to the borders of the municipality creates the opportunity for Capitalization.

The "gates" to the municipal area are considered to be Balfour West, Greylingstad in the East and Grootvlei in the south. The land area of Dipaleseng Municipality extends over approximately 2618km². The Dipaleseng Municipality incorporates the proclaimed towns of Balfour/Siyathemba, Greylingstad/Nthorwane and Grootvlei, situated in the extreme East and south of the municipal area, there are also surrounding commercial farming communities within the municipal area.

1.2.3 Social Analysis

The socio-economic analysis will focus on the population size, age and gender profiles as well as the educational levels of the population. Information on the Socio-economic status of Dipaleseng Municipality was mainly gathered from census conducted by STATSSA in 2011 as progressively update on interval through community surveys.

Chapter 1

1.2.4 Population and Household Size [IDP-M]

Table 1.1: Population distribution in terms of Gender and Age Group

Population		Households	
Census 2011	Community Survey 2016	Census 2011	Community Survey 2016
42 390	45 232	12 637	13 190
Source: Statistic SA /CS 2016			
T 1.2.2			

1.2.5 Age and Gender Profile [IDP-M]

Figure 1.2: Population distribution in terms of gender and age group

Table 1: Population

Age	Population								
	2018/19			2019/20			2020/21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Age:0-4	2400	2790	5190	2400	2790	5190	2400	2790	5190
Age:5-9	2480	2810	5290	2480	2810	5290	2480	2810	5290
Age:10-19	3000	2754	5754	3000	2754	5754	3000	2754	5754
Age:20-29	5240	5916	11156	5240	5916	11156	5240	5916	11156
Age:30-39	3710	4650	8360	3710	4650	8360	3710	4650	8360
Age:40-49	3240	3680	6920	3240	3680	6920	3240	3680	6920
Age:50-59	911	980	1891	911	980	1891	911	980	1891
Age:60-69	700	865	1565	700	865	1565	700	865	1565
Age:70-85	380	456	836	380	456	836	380	456	836
Source: Statistic SA /CS 2016									
T 1.2.2.									

Table 2: Socio-economic status [IDPM]

Socio Economic Status						
Year	Housing Backlog as proportion of current demand	Unemployment Rate	Proportion of Households with no Income	Proportion of Population in Low-skilled Employment	HIV/AIDS Prevalence	Illiterate people older than 14 years
2020/21	35%	27,5	45%	35%	30%	23%
2019/20	35%	27,5	45%	35%	30%	23%
2018/19	35%	27,5	45%	35%	30%	23%
Source: Statistic SA						
T 1.2.4						

Chapter 1

Table 3: Neighborhoods [IDP-M]

Overview of Neighbourhoods within “Dipaleseng Local Municipality 2020/21		
Settlement Type	Households	Population
Towns:		
: Balfour	2500	3806
: Grootvlei	1800	6694
: Greylingstad	950	1631
Sub-Total	5250	12 131
Townships		
Siyathemba	6500	20 100
Nthorwane	2300	7876
Sub-Total	8800	27 976
Rural Settlements		
Sthandiwe	50	2450
Sub-Total	50	2450
Informal Settlements		3995
Siyathemba	3000	1200
Nthorwane	1500	
Phomolong	1000	2876
Sub-Total	5500	6871
Total	13 190	45 232
Sero report: 2016		T.1.2.6

Table 4: Natural resources [IDP-M]

Natural Resources 2020/21	
Major Natural Resource	Relevance to Community
Gold and Coal	Socio- economic benefits as per mineral and Resources
Sero report: 2016	
T.1.2.6	

Chapter 1

1.3. SERVICE DELIVERY OVERVIEW [IS]

INTRODUCTION TO SERVICE DELIVERY OVERVIEW

The success of local economic development is tied to the provision of basic and other types of infrastructure services to the people. All services under analysis in this section are located in a specific locality (as per SDF) and have potential to boost socio-economic development (as per LED). Infrastructure analysis focuses on the status quo regarding water supply, sanitation facilities, energy, housing provision, roads and public transport, waste management and telecommunications – all of which underpin socio-economic development and determine the people's quality of life. The provision of adequate municipal infrastructure remains a challenge throughout the district.

Figure 1: Proportion of Households with Access to Basic Services

Proportion of Households with minimum level of Basic services			
	2018/19	2019/20	2020/21
	79%	86%	
	95%	95%	
	78%	94%	
	90%	88%	
	90,75%		

Comments on access to basic services:

The above still remain a challenge but it is being driven under the Gert Sibande District Municipality (GSDM), DLM, MIG and INEP capital programme to address the current backlogs within the municipality.

Chapter 1

1.4. FINANCIAL HEALTH OVERVIEW [BTO]

INTRODUCTION ON FINANCIAL HEALTH OVERVIEW

The municipality is one of the small growing municipalities in the country within the average of 3.3 % Population growth; this is also placing additional pressure on our resources. During the year our budget expectations were fully realized. We budgeted for income amounting R 357 009 568 and expenditure of R 270 941 249. By the close of books at the end of the year we have obtained an income of R 382 076 452 and we spent R 297 437 240 giving us a surplus R 84 639 212

In the 2019/20 the municipality obtained a Disclaimer Opinion from the Auditor General. For the 2020/21 financial year, the Auditor General has not yet concluded with the audit. It should be mentioned that the Auditor General this year not only concentrated on financial matters but mainly focused on performance management, thereby ensuring that all service delivery objectives are fully implemented.

Table 5: Financial Overview [BTO]

Financial Overview: 2020/21			
			R' 000
Details	Original budget	Adjustment Budget	Actual
Income:			
Grants	163 373 020	176 303 020	187 657 500
Taxes, Levies and tariffs	146 112 720	147 669 876	145 235 404
Other	32 364 969	33 036 672	49 183 548
Sub Total	341 850 709	357 009 568	382 076 452
Less: Expenditure	(288 336 288)	(270 941 249)	(297 437 240)
Net Total*	53 514 421	86 068 319	84 639 212
* Note: surplus/(defecit)			T 1.4.2

Table 6: Operating ratios 2020/21

Operating Ratios 2020/21	
Detail	%
Employee Cost	23%
Repairs & Maintenance	33%
Finance Charges & Impairment	23%
T 1.4.3	

Comment on operating ratios:

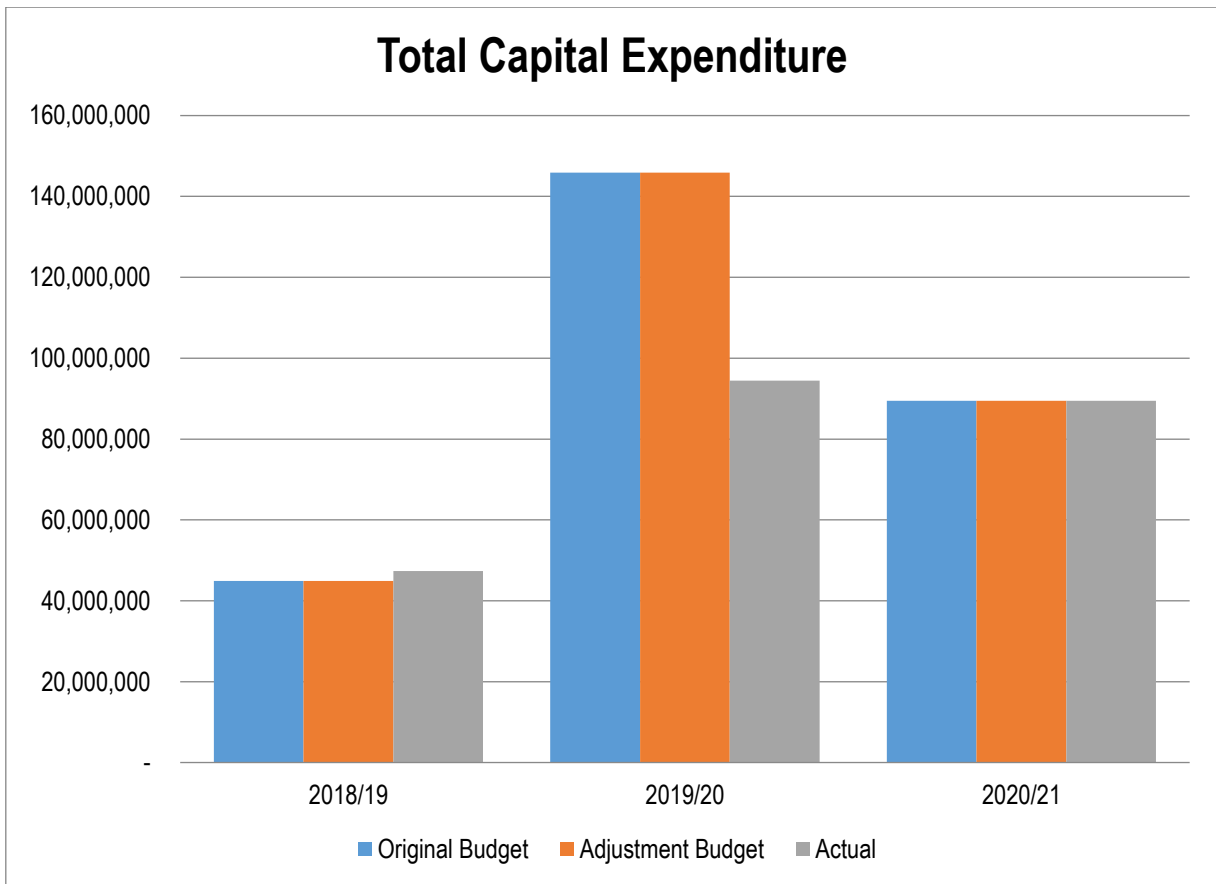
Employee costs constituted 23% of the total operating budget. Repairs and maintenance amounted to 3% but the figure only includes materials. Although the percentage is below the norm, there are major repair and maintenance backlogs. Overall, the municipal assets are not in good state. Finance charges and redemption contributes 23% to total operating costs. The national norm in this regard is 1% of the operational budget.

Chapter 1

Table 7: Total capital expenditure [BTO]

Total Capital Expenditure: 2020/21			
	R'000		
Detail	2018/19	2019/20	2020/21
Original Budget	40 122 200	44 884 000	89 487 000
Adjustment Budget	40 122 200	44 884 000	89 487 000
Actual	40 069 338	47 386 613	89 487 000
			T 1.4.4

Figure 2: Total Capital Expenditure



Chapter 1

1.5. ORGANISATIONAL DEVELOPMENT OVERVIEW [CS]

The Dipaleseng Local Council had reviewed the Organisational Structure and approved by Council in August 2019 with the further view of initiating a process of benchmarking with the Emakhazeni Local Municipality for the purposes of implementing the SALGBC Collective Agreement on the Wage Curve.

The municipality also submitted the 2019 Employment Equity Report to the Department of Labour and further reviewed the 5-Year Employment Equity Plan for implementation. The municipality also implemented the National Treasury Requirements on Minimum Competency Requirements in terms of National Treasury Regulation No. 493 – gazetted on 15 April 2018.

The Councillors and other officials completed the unit standards leading to the Certificate in Municipal Finance Management qualification (SAQA ID No. 48965) on NQF 6. Councillor training included enrolment in the FET Certificate in Leadership as well as the Advanced Municipal Governance Certificate for members of Council.

1.6. AUDITOR GENERAL REPORT [IA-M]

The municipality received a disclaimer audit opinion for the 2020/21 Financial Year with findings on financial statements, performance management, internal control deficiencies and supply chain management.

Chapter six (6) of this document contain more detail on the audit opinion and attachment clearly indicating steps to be taken in addressing and improving the disclaimer audit opinion.

AUDIT ACTION PLAN TO BE ATTACHED

Chapter 1

1.7. STATUTORY ANNUAL REPORT PROCESS

STATUTORY ANNUAL REPORT PROCESS		
NO	Activity	Time Frame
1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget / IDP implementation period	July
2	Implementation and monitoring of approved Budget and IDP commences (In-year Financial reporting).	
3	Finalise the 4 th quarter Performance Report for previous financial year	
4	Submits draft Annual Report including Annual Financial Statements and Performance Report to Auditor General	August
5	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	
6	Auditor General audits Annual Report including Annual Financial Statements and Performance data	September – October
7	Municipalities receive and start to address the Auditor General's findings	
8	Commencement of draft Budget/ IDP finalisation for next financial year. Annual Report and Oversight Reports to be used as input	
9	Receive management letter and provide final comments on findings	November
10	Auditor-General submit audit opinion.	
11	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report	January
12	Audited Annual Report is made public and representation is invited	February
13	Oversight Committee assesses Annual Report	
14	Council adopts Oversight Report	
15	Council table next financial year Budget / IDP and invite public representation	March
16	Oversight Report is made public	
17	Oversight Report is submitted to relevant national & provincial stakeholders and Legislature	April
18	Council approve next financial year Budget / IDP	May

Chapter 1

19	Make public approved Budget and IDP	
20	Finalize SDBIP and Performance Agreements for next financial year.	June
21	Make public SDBIP and Performance Agreements.	July

Comment on the Annual Report Process:

One of the main features about the planning process undertaken by the Dipaleseng Local Municipality is the involvement of community and stakeholder organisations in the process. Participation of affected and interested parties ensures that the IDP addresses the real issues that are experienced by the community members of the municipality. The municipality has established six (6) functional ward committees to further strengthen community engagement with the Municipality.

Chapter 2

CHAPTER 2 – GOVERNANCE [CS]

INTRODUCTION TO GOVERNANCE

The Constitution Section 151 (3) states that the municipal Council has the right to govern on its own initiative the local government affairs of the community.

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO POLITICAL AND ADMINISTRATIVE GOVERNANCE

The Constitution Section 151(3)(a) stipulates the developmental duties of the municipality and states that the municipality must structure and manage its administration as well as planning and budgeting processes to give priority to the basic needs of the community and to promote socio-economic development.

2.1 POLITICAL GOVERNANCE [CS]

INTRODUCTION TO POLITICAL GOVERNANCE

The Dipaleseng Local Municipality (DLM) is a Category B municipality and has an executive mayoral system. The municipality is governed by two distinct but complementary structures namely the Executive Council headed by the Executive Mayor and Administration led by the Municipal Manager, comprise of five Directorates in terms of section 56 of the municipal systems act.

Following the **2016** municipal elections, Council comprised of 12 elected councillors chaired by the Speaker comprising of six (6) ward councillors and six (6) proportional representation councillors. Each of the six (6) ward councillors chairs a ward committee as part of the Ward Participatory System that brings participation down to community level.

Ward councillors play a central role in the communication process between the communities they represent. The Council reports back regularly through ward meetings and assists the community to identify needs and priority areas of development which feeds into the municipality's planning processes. The municipality further established the Budget & IDP Representative as well as Steering Committees for purposes of consultation during the strategic planning process, and also has a Local Labour Forum (LLF) for consultation with labour.

Council further has the Rules and Ethics Committee; Geographical and Place Names Committee; Municipal Public Accounts Committee (MPAC) as well as the Policy and By-Laws Committee established in terms of Section 79 of the Municipal Structures Act of 1998. The following Section 80 Committees exist to assist the Mayoral Committee: Budget & Treasury Committee; Corporate Services Committee; Community Services and Public Safety Committee; Planning and Economic Development Committee as well as the Infrastructure Committee. Each of the Section 80 Committees is chaired by a Member of the Mayoral Committee whilst Section 79 Committees are chaired by a member of Council.

Chapter 2

The system of governance is underpinned by existing Council Standing Rules of Order as well as a Council Delegation Register to ensure that the relevant stakeholders are enabled to deliver on their respective mandates.

POLITICAL STRUCTURE	
SPEAKER Cllr: KB Moeketsi	Chairperson of Council
EXECUTIVE MAYOR Cllr: LM Makhubu	Responsible for performing Council's executive functions
MEMBERS OF THE MAYORAL EXECUTIVE COMMITTEE:	
Cllr MD Khanye	MMC: Infrastructure Services and PED
Cllr ZS Ngwenya	MMC: Corporate Services and Community Services
WARD COUNCILLORS:	
Ward 1	Cllr S Nhlapo
Ward 2	Cllr KB Moeketsi
Ward 3	Cllr PM Mokoena
Ward 4	Cllr LM Makhubu
Ward 5	Cllr AK Nyamade
Ward 6	Cllr TJ Mahlangu
PROPORTIONAL COUNCILLORS	
Cllr MD Khanye	
Cllr ZS Ngwenya	
Cllr P Maruping	
Cllr S Nhlapo	
Cllr DW Davel	
Cllr BG Shongwe	

POLITICAL DECISION-TAKING

Council is chaired by the Speaker. Policy decisions and resolution are taken by the Council per recommendation from the Executive Mayor. The Executive Mayor and two mayoral committee members are required to execute council resolutions and to resolve on matters delegated to the Executive Mayor by Council. Reports regarding policy matters and non-delegated administrative matters are prepared by the administration and submitted to the Mayoral Committee together with recommendations from the Municipal Manager. At the Mayoral Committee such reports are considered and recommendations or resolutions formulated by the Executive Mayor from subsequent submission to the Council.

Chapter 2

2.2 ADMINISTRATIVE GOVERNANCE [CS]

INTRODUCTION TO ADMINISTRATIVE GOVERNANCE

Dipaleseng top leadership under the Municipal Manager (Accounting Officer in terms of the MFMA and Head of Administration in terms of the Municipal Systems Act) directs the municipal administration, making input into the IDP/Budget as well as develop and implement strategies and plans needed to give effect to the IDP. The functions executed by the Municipal Manager are in terms of the Council approved Delegation Registrar as well as legislation, i.e. the MFMA, Municipal Systems Act, etc. During 2020/21 financial year the municipality was administered by Acting encumbers.

Table 8: Administrative posts top leadership

TOP ADMINISTRATIVE STRUCTURE	
Position	Function
Municipal Manager: Ms. NB Khanye (Acting) Mr. J M Mokgatsi (Acting)	Administrative Head & Accounting Officer
Chief Financial Officer: Mr C Letsoalo Ms P Phakoa (Acting)	Provide and manage financial services to ensure financial Viability, compliance and reporting.
Director Planning and Economic Development: Mr. BS Ntuli (Acting) Mr L Cindi	Provide and manage statutory town planning and integrated human settlement
Director Community Services & Public Safety Ms NB Khanye	Render integrated community services to all its communities
Director Corporate Services: Mr TP Mokoena Mr BS Ntuli(Acting)	Provides corporate services to ensure efficient support of Organisational processes
Director Infrastructure Services: Mr LM Msibi	Provisioning of infrastructure development, maintenance and service delivery to ensure sustainable services to all communities

Chapter 2

COMPONENT B: INTERGOVERNMENTAL RELATIONS

INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

2.3 INTERGOVERNMENTAL RELATIONS

INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

The purpose of intergovernmental relations is to achieve the constitutional mandate for local government by mobilizing resources and strategic partnerships which will ensure co-operation and coordination by all stakeholders (National, Provincial and Local) to ensure service delivery to the residents of the municipality to ensure a better quality life for all.

NATIONAL INTERGOVERNMENTAL STRUCTURES

- ❖ National Treasury – Co-ordinates the development of the Local Government fiscal framework applicable to municipalities within the context of the Division of Revenue Act. It manages the development of the Local Government Equitable Share formula and ensures compliance with the MFMA to modernise local government budgeting and financial management processes and practices. Provides assistances to improve financial governance and to maximize municipal capacity to deliver services through efficiency, effectiveness and sustainability, and by dealing with corruption. They set-up the accountability cycle by ensuring proper linkages between IDPs, Budgets, SDBIPs, In-Year reports, Annual Financial Statements, Annual reports, Oversight reports and Audit reports
- ❖ The Department of Cooperative Governance and Traditional Affairs (COGTA) – Develop various policies, guidelines to enable sustainable development to eradicate poverty and developed a service-orientated culture that requires the active participation of the wider community. Community inputs are essential to improve on integrated development planning and service delivery. Linked to this is the establishment of performance management which is a crucial mechanism to improve living conditions for all citizens.
- ❖ South Africa Local Government Association (SALGA) – Is the national representative body of local government and has a constitutionally defined mandate. It responds to challenges facing organized local government and addresses past weaknesses

PROVINCIAL INTERGOVERNMENTAL STRUCTURE

- ❖ **OFFICE OF THE PREMIER** – Focuses on co-operative and good governance through the provision of advice and information, co-ordination, monitoring and support to local government.
- ❖ **PROVINCIAL TREASURY** - The functions of provincial treasuries are to • promote co-operative government among role-players and assist National Treasury in implementing the MFMA, monitor municipal budgets and outcomes, analysis in-year reports and take intervention measures to assist municipalities which breach the MFMA. Provincial Treasury has established various units to assist and monitor the municipality. These units specialized in revenue enhancement, assets, accounting standards, and in-year reporting. Through the Munimec meeting and Technical Munimec meetings various municipal issues in the province are discussed to formulate solutions and plans to improve governance and service delivery. These meetings were conducted quarterly during the financial year.
- ❖ **COGTA MPUMALANGA** – To assist and provide guidance to build clean, effective, efficient, responsive and accountability local government. Strengthen partnerships between local government and communities and ensure municipalities meet its mandate to provide basic services.

Chapter 2

- ❖ SALGA- is the official representative of local government; an employer's organization for all municipalities, and sits as the employer in the South African Local Government Bargaining Council.

DISTRICT INTERGOVERNMENTAL STRUCTURES

- ❖ The Gert Sibande District Municipality has a supporting role to play in the planning and coordinating of activities within their boundaries to ensure the provision of services in the district. It is therefore imperative that the capital allocations from the district is based on community needs. These projects are implemented by the district municipality and transferred to the municipality on completion. For the financial year under review projects to the value of R12.997 million were transferred to the municipality.

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

The following is done by the municipality to ensure widespread and conducive stakeholder participation and accountability:

- ❖ Media such as the local newspapers, ward community meetings, national radio stations (Lesedi FM, Ukhozi FM) municipal bills, local communicator's forum etc, are utilised to inform communities and stakeholders on Council's activities.
- ❖ All messages/information is conveyed in a language/s understood by the general community.
- ❖ The venues and times for public meetings are well communicated. Furthermore, the municipality ensures that meetings are held at such times that all stakeholders can attend.
- ❖ Adequate time is allowed to community, representatives of organizations and business to report to their relevant forums and make inputs.
- ❖ Council meetings are open to the public and residents are invited to attend. Important documents such as IDP, Budget, Valuation roll etc. are available at all public libraries within the municipal area.
- ❖ Ward committee and ward community monthly and quarterly meetings are convened and serve as a platform for interaction, engagement and sharing of information.
- ❖ Various forums' exists on local, district and provincial level.
- ❖ CDWs act as the link between government and the community

Chapter 2

2.4 PUBLIC MEETINGS

COMMUNICATION, PARTICIPATION AND FORUMS [MMM]

On a regular basis, the municipality engages the community at consultation meetings in an endeavor to provide feedback on progress in relation to the level of development and to gather inputs from communities in relation to service delivery needs and to disseminate information on the roles and responsibilities of the municipality. During the year under review, the Country experienced National disaster of COVID- 19 which made public participation to be impossible as there were restrictions in terms of gatherings

The ward committee structures are used to narrow the gap between the municipality and communities, since ward committees have the knowledge and understanding of the residents and communities they represent. Community Development Workers (CDWs) act as a link between accessing communities in relation to community development initiatives/ programmes. (FLAG THE IMPACT OF COVID -19)

The IDP forum is constituted by Councillors representatives from business organisations, mining companies, NGOs/ CBOs, government departments, agricultural organizations, parastatal organizations, and stakeholder representatives of unorganized groups. The representatives are given an opportunity to represent community interests and contribute knowledge and ideas, building consensus and support for the planning process itself, and ensuring a broader ownership of the outcomes. (FLAG THE IMPACT OF COVID -19)

Both the IDP and Multi-year Budget process for the period 2020/21 was open for comment by the public. The documents were available for inspection at all municipal libraries, and the municipal website, www.dipaleseng.gov.za

WARD COMMITTEES

The purpose of the ward committee system is to provide a channel for public participation and general interaction between community and council.

The municipality has an intensive community consultation process that is done at a ward level in line with the community based planning approach. This process stimulates participatory governance by affording community members a fair opportunity to deliberate on issues affecting them in their respective wards. Furthermore, this approach was implemented to inevitably include the local community in decision-making, planning and generally allowing them to play an active part in their own development.

Chapter 2

2.5 IDP PARTICIPATION AND ALIGNMENT [IDP-M]

Table 10: IDP participation and alignment criteria

IDP Participation and Alignment Criteria*2020/21	Yes/No
Does the municipality have impact, outcome, and input indicators?	Yes
Does the IDP have priorities, objective, KPI, development Strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPI's in the strategic plan?	Yes
Do the IDP KPI's align to section 56/57 Managers?	Yes
Do the IDP KPI's lead to functional area KPI as per the SDBIP?	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes
*Section 26 of Municipal Systems Act 2000	T 2.5.1

Chapter 2

COMPONENT D: CORPORATE GOVERNANCE

OVERVIEW OF CORPORATE GOVERNANCE [MMM]

The municipality has made great strides in ensuring open, democratic and accountable governance. Working together with all our constituencies, significant advances have been achieved in the realisation of our objective to ensure good governance and sound administration. The establishment of a Municipal Committee on Public Accounts (MPAC), amongst others, bears testimony to this.

2.6 RISK MANAGEMENT [MMM]

Risk management is a key management tool to assist the municipality to identify any negative outcome that impedes the achievement of strategic and operational goals and objective. To comply with the requirements of MFMA section 62 (i)(c) which requires local municipalities to maintain an effective , efficient and transparent system of risk management the municipality has **Risk Management Policy , Strategy and Implementation**. The governance documents were adopted by the municipal Council during the 2019/20 financial year. Risk management unit is led by the seconded Risk Officer from GSDM coordinates and supports the overall risk management processes within the district.

The Risk Management, Anti –Fraud & Anti –Corruption Committee (RMAFACC) is in place and chaired by an external chairperson. The committee is required to sit quarterly (4 times in a financial year) and as when need arises to monitor the implementation of mitigation risks. The committee convened six (6) meetings (four quarterly, plus two special meetings) during the financial year 2019/20.

The committee was established in June 2018 and it was

During the risk assessment process management has taken into account the following eight (8) Key Performance Areas (KPA's):

DLM top 8 eight significant High Risk identified during the financial year were as follows:

1. Poor revenue collection
2. Inadequate provision of sustainable and affordable basic services
3. Ineffective good governance and poor participation by the Stakeholders
4. Poor Implementation Plan
5. Insufficient economic growth and development
6. Inability to create conducive conditions for employees to perform
7. Inability to create a conducive and habitable environment
8. Inability to create integrated social development

Chapter 2

2.7 ANTI-CORRUPTION AND FRAUD

An anti – Corruption and fraud Strategy was developed and adopted by Council and progress reported to during January 2018. Implementation of mitigation strategies and prevention plans were continuously monitored by the risk management RMAFACC.

2.8. SUPPLY CHAIN MANAGEMENT [BTO]

OVERVIEW SUPPLY CHAIN MANAGEMENT

The MFMA recognises supply chain management as a crucial component of municipal financial management. The efficiency and effectiveness of the procurement function has a large impact across a municipality. All related policies and legislative requirements were reviewed and updated accordingly. It is still the intention of the Budget and Treasury office in 2020/21 to further entrench these principles to support the effectiveness of this department.

The implementation of Supply Chain Management brings about fundamental changes in the procurement process in the Municipality. The Accounting Officer has appointed bid committees as indicated: Bid Specification, Evaluation and Adjudication Committees legislated in terms of the MFMA to assist in the execution of the supply chain management function. Challenges experienced in SCM will be addressed in the Remedial Action Plan, it should however be noted that the non-existence of industries in the Balfour has an impact on the turn-around time for delivery of goods and services as when required.

2.9 BY-LAWS [PED]

Table 11: New by-laws

By-laws Introduced during 2020/21				
Newly Developed	Date Revised	Public Participation Conducted Prior to Adoption of By-Laws (Yes/No)	Dates of Public Participation	Date of Publication
Spatial Planning and Land use management by-law	n/a	Yes	21 June 2015	22 April 2016

Comment on by-laws:

One by-laws was developed in the year under review

Chapter 2

2.10 WEBSITES [CS]

Table 12: Municipality website

Municipal Website: Content and Currency of Material 2020/21		
Documents published on the Municipality's / Entity's Website	Yes / No	Publishing Date
Current annual and adjustments budgets and all budget-related documents	Y	
All current budget-related policies	Y	
The previous annual report (Year -1)	Y	
The annual report (Year 0) published/to be published	Y	
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (Year 0) and resulting scorecards	Y	
All service delivery agreements (Year 0)	Y	
All long-term borrowing contracts (Year 0)	N/A	
All supply chain management contracts above a prescribed value (give value) for Year 0	Y	
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 Year 1	Y	
Contracts agreed in Year 0 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	N/A	
Public-private partnership agreements referred to in section 120 made in Year 0	N/A	
All quarterly reports tabled in the council in terms of section 52 (d) during Year 0	Y	
<p><i>Note: MFMA s75 sets out the information that a municipality must include in its website as detailed above. Municipalities are, of course encouraged to use their websites more extensively than this to keep their community and stakeholders abreast of service delivery arrangements and municipal developments.</i></p>		
		T 2.10.1

Comment on municipal website content and access:

- During the year under review the website was not fully operational and this challenge is being addressed by the Corporate Services department.
- According to the MFMA S75, the following information must be placed on the website of municipalities:
 - (a) The annual and adjustments budgets and all budget-related documents;
 - (b) all budget-related policies;
 - (c) the annual report;
 - (d) all performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act;
 - (e) all service delivery agreements;
 - (f) all long-term borrowing contracts;
 - (g) all supply chain management contracts above a prescribed value;
 - (h) 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 the previous quarter;
 - (i) contracts to which subsection (1) of section 33 apply, subject to subsection (3) of that section;
 - (j) public-private partnership agreements referred to in section 120;
 - (k) all quarterly reports tabled in the council in terms of section 52(d); and
 - (l) any other documents that must be placed on the website in terms of this Act or any other applicable legislation, or as may be prescribed.
- A document referred to in subsection (1) must be placed on the website not later than five days after its tabling in the council or on the date on which it must be made public, whichever occurs first.

Chapter 2

2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES [CS]

PUBLIC SATISFACTION LEVELS

No formal satisfaction survey was conducted during the current **2020/21** financial year

Satisfaction Surveys Undertaken during 2020/21				
Subject matter of survey	Survey method	Survey date	No of people included in survey	Survey results indicating satisfaction or better (%)*
Overall satisfaction with:	n/a	n/a	n/a	n/a
(a) Municipality				
(b) Municipal Service Delivery				
(c) Mayor				
Satisfaction with:				
(a) Refuse Collection				
(b) Road Maintenance				
(c) Electricity Supply				
(d) Water Supply				
(e) Sanitation				
(f) Information supplied by municipality to the public				
(g) Opportunities for consultation on municipal affairs				

T2.11.2

Comment on satisfaction levels:

No survey was conducted during the period under review

INTRODUCTION [IS]

COMPONENT A: BASIC SERVICES

INTRODUCTION TO BASIC SERVICES

The provision of basic services to the community determines a person's quality of life, and has a potential to boost socio-economic development. The supply of free basic services to all households remains a challenge for the municipality operating under severe financial constraints. Backlogs have remained high in the delivery of waste management and sanitation as well as water which has been impacted by the current state of existing infrastructure as well as the high number of rural communities and the increasing number of informal settlements. Levels of service delivery provided by the Dipaleseng Local municipality are as follows:

1. Water

Access to water at the minimum basic level of service is defined as the installation of piped water at the minimum radius of 200m (stand pipe) with the highest level of service relating to full internal house connection.

2. Sanitation

Access to sanitation at basic level entails the dry sanitation in the form of VIP with ventilated pipe, septic tank system and up to the highest level of service which is the full water borne system

3. Electricity

Access to basic service of electricity (lighting) and taking consideration free 50Kw basic service for registered indigents.

4. Roads

Provision of roads includes gravel roads with proper storm water drainage up to high level of service which is a paved/tarred road with storm water system.

Chapter 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE PART 1) COMPONENT A: BASIC SERVICES

3.1. WATER PROVISION [IS]

INTRODUCTION TO WATER PROVISION

Dipaleseng LM is a Water Service Authority (WSA) as per the Water Act and any planning is being implemented following the Water Service Development Plan (including the Water Demand Management, Water Quality Management, Water Infrastructure Management etc.).

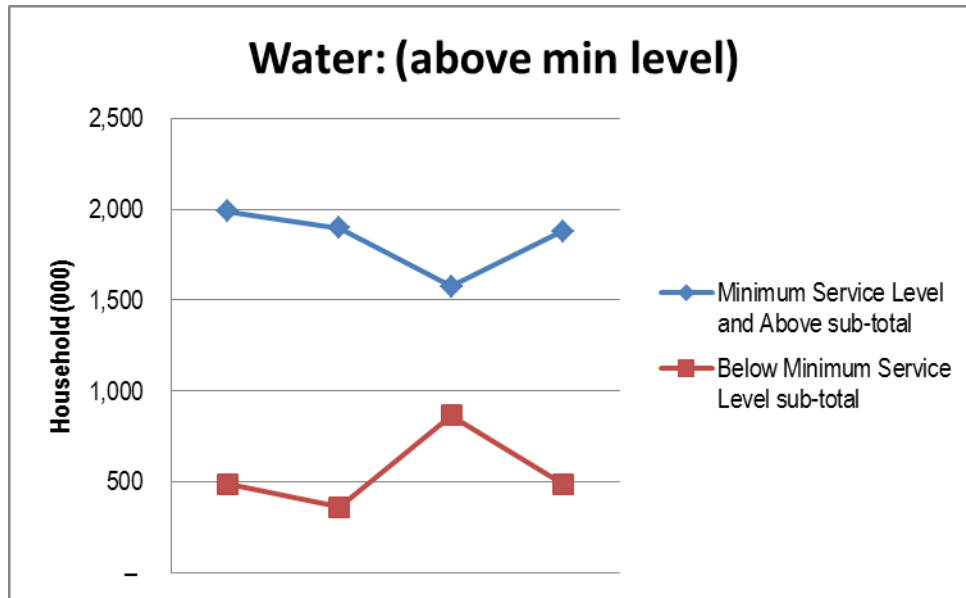
Water Quality is being addressed through Blue Drop System as per DWA Requirements.

Table 13: Total Water Use by Sector [IS]

Total Use of Water by Sector (MI/d)					
	Agriculture	Forestry	Industrial	Domestic	Unaccountable water losses
2020/2021	0	0	2.5	5.5	0.5
2019/2020	0	0	2.5	3.5	0.5
2018/2019	0	0		116	400
					T3.1.2

Chapter 3

Figure 3: Water Use by Sector [IS]



Comment on water use:

The supply is above demand as per the latest SDF in the next 5 years and depending on the review.

- 95% (14120) HH with access and 5% (757) HH without access.
- The current supply of Fortuna WTW and Grootvlei Eskom is 8.5ML/day is less than the current demand of 16.8 ML/day
- The future demands (2034) is 19.5 ML/day

Chapter 3

Table 14: Water Service Delivery Levels [IS]

Description	2020/21	2019/20	2018/19
	Actual	Actual	Actual
	No.	No.	No.
<u>Water: (above min level)</u>			
Piped water inside dwelling	4950	4857	4857.00
Piped water inside yard (but not in dwelling)	6650	6350	6350.00
Using public tap (within 200m from dwelling)	1700	900	900.00
Other water supply (within 200m)			
<i>Minimum Service Level and Above sub-total</i>	13 300	12 107	12 107
<i>Minimum Service Level and Above Percentage</i>	90%	90%	90%
<u>Water: (below min level)</u>			
Using public tap (more than 200m from dwelling)		1200	1200
Other water supply (more than 200m from dwelling)	33		
No water supply		33	33
<i>Below Minimum Service Level sub-total</i>	33	1233	1233
<i>Below Minimum Service Level Percentage</i>	0.02%	10%	10%
Total number of households*	13 333	13190	13190
* - To include informal settlements			

Chapter 3

Table 15: Water Min Service Delivery Levels [IS]

Description	2020/21	2019/20	2018/19		
	Actual No.	Actual No.	Original Budget No.	Adjusted Budget No.	Actual No.
Formal Settlements					
Total households	12,765	12,765	11,580	11,580	11,580
Households below minimum service level	1,443	1,443	1,580	1,580	1,580
Proportion of households below minimum service level	11%	11%	14%	14%	14%
Informal Settlements					
Total households	2,573	2,573	1,000	1,000	1,000
Households is below minimum service level	1,287	1,287	500	500	500
Proportion of households is below minimum service level	50%	50%	50%	50%	50%

T 3.1.4

Chapter 3

Table 16: Access to Water **[IS]**

Access to Water			
	Proportion of Households with access to water points*	Proportion of Households with access to piped water	Proportion of households receiving 6kl free#
2020/2021	1700	11970	11970
2019/2020	38	11970	11970
2018/2019	38	11970	11970
			T 3.1.5
* Means access to 25 litres of portable water per day supplied within 200m of a household and minimum flow of 10litres , #6000 litres of portable water supplied per formal connection per month			

Chapter 3

Table 17: Water Service Delivery Objectives [IS]

Water Service Policy Objectives Taken From IDP							
Service Objectives	Category	KPIs	2019/18		2020/21		
			Target	Actual	Target	Actual	Target *Following Year
Service Indicators (i)	(ii)	(ii)					
Service Objective: Develop and maintain infrastructure							
<i>Water Infrastructure and Services</i>	Formal Households	Percentage household with access minimum basic water supply	100%	95%	95%	95%	100%
	Informal Households	Percentage household with access minimum basic water supply	90%	65%	70%	70%	100%
<i>Clean and safe water provision</i>		Blue drop rating	70%	45%	50%	11%	50%
T3.1.6							

Table 18: Employees Water Services [IS]

Employees: Water Services						
Job Level	2018/19		2019/20		2020/21	
	Employees	Posts	Employees	Posts	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts)
	No.	No.	No.	No.		%
0 - 3	1	1	1	0	0	0%
4 - 6	3	4	3	1	1	25%
7 - 9	0	0	0	0	0	0%
10 - 12	0	0	0	0	0	0%
13 - 15	15	15	15	0	0	0%
16 - 18	0	0	0	0	0	0%
19 - 20	0	0	0	0	0	0%
Total	19	20	19	0	0	25%

Chapter 3

T 3.2.7

Table 19: Financial Performance Water service [IS]

Financial Performance: Water Services						
						R'000
Details	2018/19	2019/20	2020/21			
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	16 146	14 791	22 279	23 613	22 833	-3%
Expenditure:						
Employees	795	710			1 258	100%
Repairs and Maintenance	1 536	662			3 072	100%
Other	4 035	9 083	16 204	20 487	9 865	-108%
Total Operational Expenditure	6 366	10 455			14 195	100%
Net Operational Expenditure	9 779	4 336	22 279	23 613	8 638	-158%
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Adjustment Budget by the Actual.</i>						

T 3.1.8

Chapter 3

Table 20: Capital Expenditure Water Services **[IS]**

Capital Expenditure Year Water Services					
R' 000					
Capital Projects	Year 2020/21				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All				#DIV/0!	
Project A	-	-	-	#DIV/0!	
Project B	-	-	-	#DIV/0!	
Project C	-	-	-	#DIV/0!	
Project D	-	-	-	#DIV/0!	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T 3.1.9

Comment on water services performance overall:

Projects being implemented on RBIG to address future water and sanitation demand are in Planning phase and some at implementation phase

Chapter 3

3.2 WASTE WATER (SANITATION) PROVISION [IS]

INTRODUCTION TO SANITATION PROVISION

BALFOUR/SIYATHEMBA

The Balfour sewer system is dependent on septic tank collection where the suction service is a challenge due to the age of the equipment. These impacts on sustainable operational effectiveness. Greylingstad also employs the septic tank system. Siyathemba has full borne water system with the challenges being experienced with respect to blockage which are addressed as they occur.

Table 21: Sanitation Service Delivery Levels

Sanitation Service Delivery Levels			
Description	2020/2021	2019/2020	*Households 2018/2019
	Outcome	Outcome	Outcome
	No.	No.	No.
<u>Sanitation/sewerage: (above minimum level)</u>			
Flush toilet (connected to sewerage)	13,301	9,649	9,649
Flush toilet (with septic tank)	55	276	276
Chemical toilet	0	44	44
Pit toilet (ventilated)	201	201	201
Other toilet provisions (above min.service level)	0	0	0
<i>Minimum Service Level and Above sub-total</i>	13,557	10,170	10,170
<i>Minimum Service Level and Above Percentage</i>	91%	80.1%	80.1%
<u>Sanitation/sewerage: (below minimum level)</u>			
Bucket toilet	0	0	0
Other toilet provisions (below in-service level)	1700	1750	1750
No toilet provisions	0	766	766
<i>Below Minimum Service Level sub-total</i>	1700	3020	3020
<i>Below Minimum Service Level Percentage</i>	8%	19.9%	19.9%
Total households	13976	13976	13190
*Total number of households including informal settlements			

Table 22: Sanitation Min Service Delivery Levels **[IS]**

Households - Sanitation Service Delivery Levels below the minimum			
Description	2020/2021	2019/2020	Households 2018/2019
	Actual	Actual	Actual
	No.	No.	No.
Formal Settlements			
Total households	13,976	14,426	10,170
Households below minimum service level	0	2,524	2,524
Proportion of households below minimum service level	0%	5%	25%
Informal Settlements			
Total households	1700	2,451	2,451
Households below minimum service level	1,700	1,225	1,225
Proportion of households below minimum service level	0.02%	50%	50%
			T 3.2.4

N.B: The project for construction of sewer reticulation and construction of toilet top structures could not be completed in time due to late appointment of Contractor.

Table 23: Access to Sanitation

Access To Sanitation	
Access To Sanitation	
2020/2021	13976
2019/2021	13426
2018/2019	10865

Chapter 3

Table 24: Sanitation Service Delivery Objectives **[IS]**

Waste Water (Sanitation) Service Policy Objectives Taken From IDP							
Service Objectives	Category	KPIs	2019/20		2020/21		
Service Indicators (i)	(ii)	(ii)	Target	Actual	Target	Actual	Target *Following Year
Service Objective: Develop and maintain infrastructure							
Sanitation Infrastructure and Services	Formal Households	Percentage household with access minimum basic sanitation services	90%	94%	96%	94%	97%
	Informal Households	Percentage household with access minimum basic sanitation services	50%	5%	50%	11%	50%
		Green drop rating	60%	10%	50%	26%	50%
							T3.2.6

Chapter 3

Table 25: Employees Sanitation Levels [IS]

Employees: Sanitation Services					
Job Level	2019/20	2020/21			
	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	4	15	4	11	73%
7 - 9	0	15	0	15	100%
10 - 12	0	0	0	0	0%
13 - 15	15	0	15	0	0%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
Total	20	31	20	26	64%

T 3.2.7

Table 26: Financial Performance Sanitation [IS]

Financial Performance: Sanitation Services						
						R'000
Details	2018/119	2019/20	2020/21			
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	15 234	12 814	36 492	37 093	18 197	-104%
Expenditure:						
Employees	2 492	2 133			1 200	100%
Repairs and Maintenance	2 904				24	100%
Other	886	2 890	6 655	6 655	426	-1463%
Total Operational Expenditure	6 282	5 024				#DIV/0!
Net Operational Expenditure	8 952	7 791	36 492	37 093	18 197	-104%

T 3.2.8

Chapter 3

Table 27: Capital Expenditure Sanitation Services **[IS]**

Capital Expenditure: Sanitation Services					
					R' 000
Capital Projects	Year 2020/21				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All projects				#DIV/0!	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T 3.2.9

Comment on sanitation services performance overall [IS]

Access to basic sanitation is at 94% with the main challenge to address the backlogs (sewer provision) being the Balfour Waste Water Treatment Works having reached the design capacity. The works is currently under construction for the upgrading of the plant.

- Balfour North and Siyathemba Ext 5 and 6 - a total of 240 households have been reticulated.

Greylingstad WWTW: Under construction

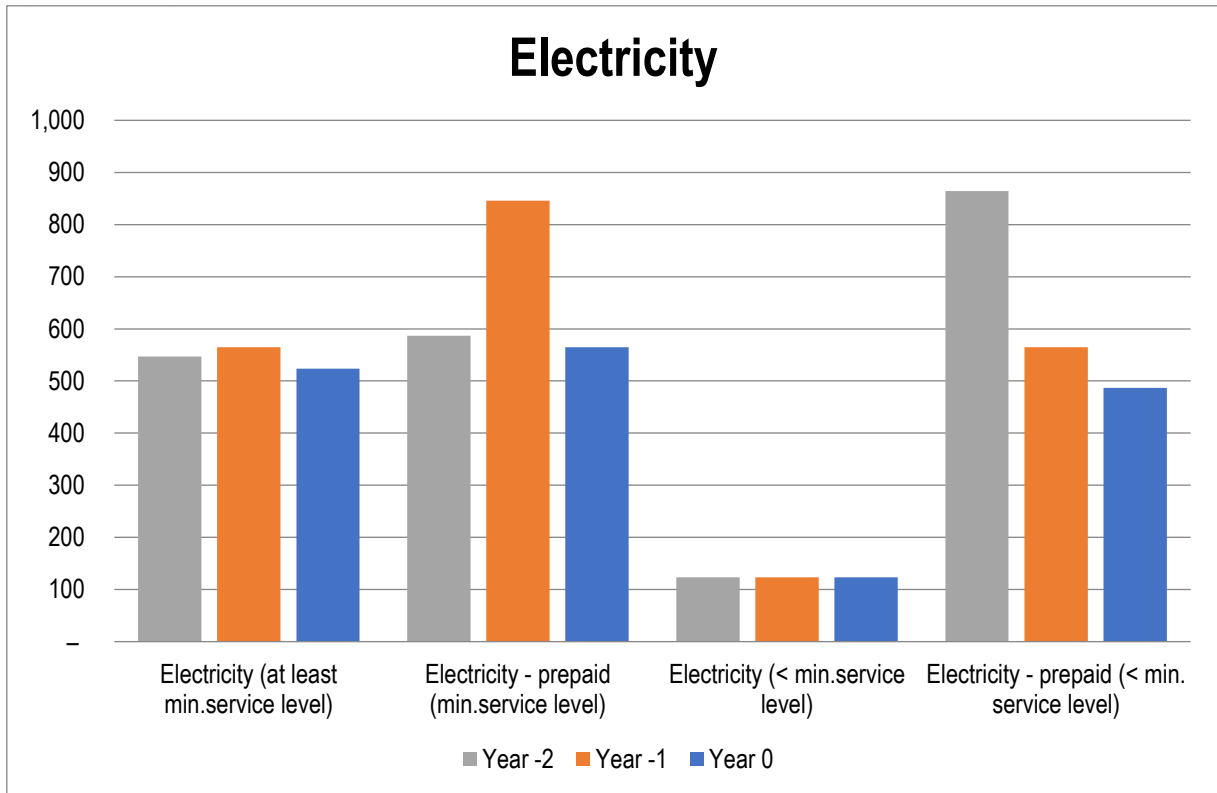
Chapter 3

3.3 ELECTRICITY [IS]

INTRODUCTION TO ELECTRICITY

Dipaleseng Local municipality has not reached the universal access as per the target set out by the National government. This is due to the existence of informal areas within the DLM.

Figure 4: Electricity Provision



Chapter 3

Table 28: Electricity Service Delivery Levels [IS]

Description	2019/20	2020/21
	Actual No.	Actual No.
<u>Energy: (above minimum level)</u>		
Electricity - prepaid (in-service level)	2,322	2,322
<i>Minimum Service Level and Above sub-total</i>	10,501	10,501
<i>Minimum Service Level and Above Percentage</i>	92.4%	79.6%
<u>Energy: (below minimum level)</u>		
Electricity (< in-service level)	2,146	2,146
Electricity - prepaid (< min. service level)	0	0
Other energy sources	0	0
<i>Below Minimum Service Level sub-total</i>	2	2
<i>Below Minimum Service Level Percentage</i>	16.26%	16.26%
Total number of households	10960	13190
		T 3.3.3

Table 29: Electricity Min Service Delivery Levels [IS]

Description	2019/20	2020/21
	Actual No.	Actual No.
Formal Settlements		
Total households	10,693	10,693
Households below minimum service level	1443	1443
Proportion of households below minimum service level	14%	14%
Informal Settlements		
Total households	1443	
Households below minimum service level	1443	14%
Proportion of households below minimum service level	100%	
		T 3.3.4

Chapter 3

Table 30: Electricity Service Delivery Objectives **[IS]**

Electricity Service Policy Objectives Taken From IDP							
Service Objectives	Category	KPIs	2019/20		2020/21		
Service Indicators (i)	(ii)	(ii)	Target	Actual	Target	Actual	Target *Following Year
Service Objective: Develop and maintain infrastructure							
Electricity Infrastructure and Services	Formal Households	Percentage household with access minimum basic electricity services	100%	92.4%	90%	92.4	95%
	Informal Households	Percentage household with access minimum basic electricity services	100%	0%	0%	0%	0%

T3.2.6

Chapter 3

Table 31: Electricity Employee Levels [IS]

Employees: Electricity Services					
Job Level	2019/20	2020/21			
	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	6	6	6	2.92	49%
7 - 9	9	9	9	2.92	32%
10 - 12	0	0	0	0	0
13 - 15	0	0	0	0	0
16 - 18	0	1	0	0	0
19 - 20	0	0	0	0	0
Total	16	17	16	5.84	34%

T 3.3.6

Table 32: Electricity Financial Performance [IS]

R'000						
Details	2018/19	2019/20	2020/21			
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	15 234	12 814	83 145	87 253	68 811	-21%
Expenditure:						
Employees	2 492	2 133			3 159	100%
Repairs and Maintenance	2 904				14 287	100%
Other	886	2 890	76 370	76 370	63 616	-20%
Total Operational Expenditure	6 282	5 024	76 370	76 370	81 062	6%
Net Operational Expenditure	8 952	7 791	6 775	10 883	(12 251)	155%

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Adjustment Budget by the Actual.

T 3.3.7

Chapter 3

Table 33: Electricity Capital Expenditure [IS]

R' 000					
Capital Projects	Year 2020/21				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All project				#DIV/0!	
	0				
					T 3.3.8

Comment on electricity services performance overall:

Project: Construction of New Balfour Substation is at a planning stage

3.4 WASTE MANAGEMENT

INTRODUCTION TO WASTE MANAGEMENT [CSPS]

Waste Management comprises of Waste collection, transportation, processing, recycling, disposal and monitoring of waste materials. The Municipality is collecting in six wards. The Municipality has had an increase in the number of households that receive a refuse removal service. There has been a decrease in communal/own refuse dumps and a small increase in the number of households that receive no refuse removal. The municipality does not have capacity to render services on the farms. The Municipality is performing well as it's currently at 85% refuse removal service because of inaccessibility of some residential areas due to bad road conditions.

The main functions performed by the Waste Management division comprise of:

- Increase awareness with respect to Waste Management to ensure compliance to the National Waste Act and National Environmental Management Act
- Ensure that community receive an affordable and sustainable refuse removal service
- Management of the Landfill sites in compliance to all relevant legislation
- Litter picking and cleaning all public areas
- Cleaning of dumping sites in all nodal point of Dipaleseng Local Municipality
- Management of EPWP projects to ensure cleanliness in all nodal points of Dipaleseng local municipality

Chapter 3

Table 34: Waste Removal Service Delivery Levels [CSPS]

Solid Waste Service Delivery Level Description	Households		
	2018/19	2019/20	2020/21
	Actual No.	Actual No.	Actual No.
Solid Waste Removal: (Minimum level)			
Removed at least once a week	11,100	10,100	13624
<i>Minimum Service Level and Above sub-total</i>	11,100	10,100	13624
<i>Minimum Service Level and Above percentage</i>	90%	89.2%	85%
Solid Waste Removal: (Below minimum level)			
Removed less frequently than once a week	654	547	247
Using communal refuse dump	250	230	119
Using own refuse dump	110	95	45
Other rubbish disposal	124	100	55
No rubbish disposal	399	250	155
<i>Below Minimum Service Level sub-total</i>	1,537	1,222	621
<i>Below Minimum Service Level percentage</i>	12.2%	10.8%	85%
Total number of households	12637	13190	13 624
Source: Statistic SA /CS 2016			T 3.4.2

Chapter 3

Table 35: Solid Waste Removal Min Services Levels [CSPS]

Description	2018/19	2019/20	2020/21
	Actual No.	Actual No	Actual No.
Formal Settlements			
Total households	12637	13190	13 624
Households below minimum service level	1246	1246	434
Proportion of households below minimum service level	20%	20%	96.8%
Informal Settlements			
Total households	2,451	2 451	3000
Households below minimum service level	2,451	2 451	3000
Proportion of households ts below minimum service level	100%	100%	100%

Chapter 3

Table 36: Waste Management Service Policy Objectives [CSPS]

Service Objectives	Category	KPIs	2017/18		2018/19		2019/20		2021
Service Indicators (i)	(ii)	(ii)	Target	Actual	Target	Actual	Target	Actual	Target the following year
Service Objective: Develop and maintain infrastructure									
Waste Management Infrastructure and Services	Formal Households	Percentage household with access minimum basic electricity services	80%	85%	100%	88%	100%	85%	100%
	Informal Households	Percentage household with access minimum basic electricity services	100%	100%	100%	100%	100%	85%	100%

Chapter 3

Table 37: Solid Waste Management Employees [CSPS]

Employees: Human Resource Services					
Job Level	2019/20	2020/21			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	1	100%
4 - 6	3	6	3	3	50%
7 - 9	6	3	0	3	100%
10 - 12	7	0	0	0	0%
13 - 15	9	0	0	0	0%
16 - 18	11	0	0	0	0%
19 - 20	18	0	0	0	0%
Total	55	14	6	8	63,3%

Table 38: Waste Disposal Financial Performance [CSPS]

R'000						
Details	2018/19	2019/20	2020/21			
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	7 332	6 027	8 180	8 252	8 363	2%
Expenditure:						
Employees	2 802	5 620			8 145	100%
Repairs and Maintenance						0%
Other	1 603	91	4 791	4 791	2 489	-92%
Total Operational Expenditure	4 405	5 712	4 791	4 791	10 634	55%

Chapter 3

Net Operational Expenditure	2 926	315	3 389	3 461	(2 271)	249%
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>						T 3.4.7

Chapter 3

Table 39: Waste Capital Expenditure Management Services [CSPS]

Capital Expenditure: Waste Management Services					
					R' 000
Capital Projects	2020/21				Total Project Value
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	
Total All projects	0	0	-	#DIV/0!	
					T 3.4.9

Comment on Waste Management Service Performance overall:

The Municipality has had an increase in the number of households that receive refuse removal service. The following information was obtained from the Census 2011. The Municipality has shown a steady increase in the number of households that receive a refuse removal service from the local authority or from contracted waste management companies. The number of households that do not receive refuse removal service can in this case also be attributed to farms and in rural areas that are remotely located and which are not easily accessible to the Municipality to render a waste removal service due to a lack of resources and inaccessible roads. Overall the Municipality is performing in average towards achieving 100% refuse removal services, there is seldom interruptions that occurs when there is mechanical breakdown of refuse removal trucks and during rainy seasons.

Chapter 3

3.5 HOUSING

INTRODUCTION TO HOUSING [PED]

Dipaleseng Local Municipality subscribes to the notion of integrated and sustainable human settlements. Therefore, the identification and acquisition of well-located land, adequate access to municipal services, social and economic annuities including transport services continued to be the key determinant to achieve high levels of integration and sustainable human settlements. One of the Department of Human Settlements' areas of responsibility relates to provision of housing subsidies to the needy. A housing subsidy is a grant by government to qualifying beneficiaries for housing purposes.

Table 40: % of H/H with Access to Basic Housing

Percentage of households with access to basic housing			
Year end	Total households (including formal and informal settlements)	Households in formal settlements	Percentage of HHs in formal settlements
2020/21	1721	63	36%
2019/20	1467	470	32,03%
2018/19	12700	11100	87.4%

T 3.5.2

Table 41: Housing Services Employees

Employees: Housing Services					
Job Level	2020/21				
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0		100%
4 - 6	5	5	5		60%
7 - 9	0	0	0		0%
10 - 12	0	0	0		0%
13 - 15	0	0	0		0%
16 - 18	0	0	0		0%
19 - 20	0	0	0		0%
Total	5	5	5		80%

T 3.5.4

Chapter 3

Table 42: Housing Services Financial Performance

R' 000					
Capital Projects	2020/21				Total Project Value
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	
Total All	-	-	-	0%	/
Land for RDP houses	-	-	-	0%	/
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					T 3.5.6

Overall Comment

The budget for housing services resides at provincial human settlement.

The financial performance and/or budget is being reported for the whole Planning and Economic Development department.

Chapter 3

Table 43: Housing Services Capital Expenditure **[PED]**

Capital Expenditure: Housing Services					
					R' 000
Capital Projects	2020/21				Total Project Value
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	
Total All	-	-	-	0%	
Land for RDP houses	-	-	-	0%	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					T 3.5.6

Comment on the overall performance of the housing service:

The Municipality plays a facilitation role through sitting of steering committees which serve as a platform for reporting progress and raising challenges that may occur in the implementation of the project; and to provide interventions for the project to be successful and ensure good quality of houses.

Chapter 3

Housing Subsidy Allocation and Implementation

In the Financial year under review, a total of 200 subsidised housing units (RDP) were implemented in Siyathemba and Grootvlei Respectively. Beneficiaries have since taken occupancy of the completed units.

It must be noted that a Contractor (Prince of Tides Property Developers) was appointed for construction of 1500 subsidised housing Units for three consecutive years starting from 2017/18-2018/2019 AND 2019/2020 financial years. The project is being implemented in the newly established township known as Ridgeview.

Title deed registration/restoration programme

This is a programme supported by DHS whereby Conveyancers are appointed on behalf of the Municipality for registration of title deeds to beneficiaries of subsidised housing units.

DHS has delivered a total of 443 title deeds are being distributed and/or handed over and collected on a daily basis by rightful owners (208 title deeds for Nthorwane and 235 for Siyathemba).

TMN Kgomo & Associates have been appointed as the legal firm which assists the Municipality in title deeds registration and transfers of subsidised housing units (RDP housing Units) to prospective beneficiaries. It must however be noted that no land transfers have been done under the current conveyancers.

Acquisition of land for development of integrated sustainable human settlements

Land is an upfront component of integrated sustainable human settlements and/or provision of housing as such there is a need to acquire land. A considerable amount of well-located land however belongs to private individuals and tends to be expensive. Notwithstanding these, it is still a Constitutional right for citizens to be provided with shelter within the available resources of the state and/or Municipality.

It is therefore based on the above that through intervention of The Mpumalanga Department of Human Settlements (DHS) 1500 Serviced sites were purchased on behalf of the Municipality by Vipcon Pty on the land that was already under negotiations for establishment of a new township (Portion 28 (a Portion of Portion 20) of the Farm Vlakfontein 5561R) currently known as Ridgeview.

A request for donation of state owned land was further made to the National Department of Public Works in facilitation of a swap deal with the local Community Property Association whereby their land has been invaded by landless community members. The process is still underway and needs to be expedited.

3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT [PED]

One of the strategic objectives of the Dipaleseng addresses the upliftment of the socio-economic status of the communities within the municipal area. To ensure that all residents within the community area enjoy quality of life it is essential to monitor poverty levels and initiate programmes to decrease the number of households that are indigent. The review of the indigent register as well as continuous research in depth analysis on the root causes of such poverty is necessary to accurately determine the poverty levels in the community in order to develop strategies to alleviate the poverty levels.

The provision of adequate basic services and municipal infrastructure remains a challenge throughout the municipality.

Table 44: Free Basic Services

Free Basic Services To Low Income Households										
	Number of households									
	Total	Households earning less than R3010 per month								
		Free Basic Water		Free Basic Sanitation		Free Basic Electricity		Free Basic Refuse		
		Total	Access	%	Access	%	Access	%	Access	%
2020/21		1 071	1 071	100%	1 071	100%	1 071	100%	1 071	100%
2019/20		17 470	11 998	69%	-	0%	5 064	29%	408	2%
2018/19		18 919	11 998	63%	-	0%	5 064	27%	735	4%
										T 3.6.3

Free basic services are in respect on registered indigent only:

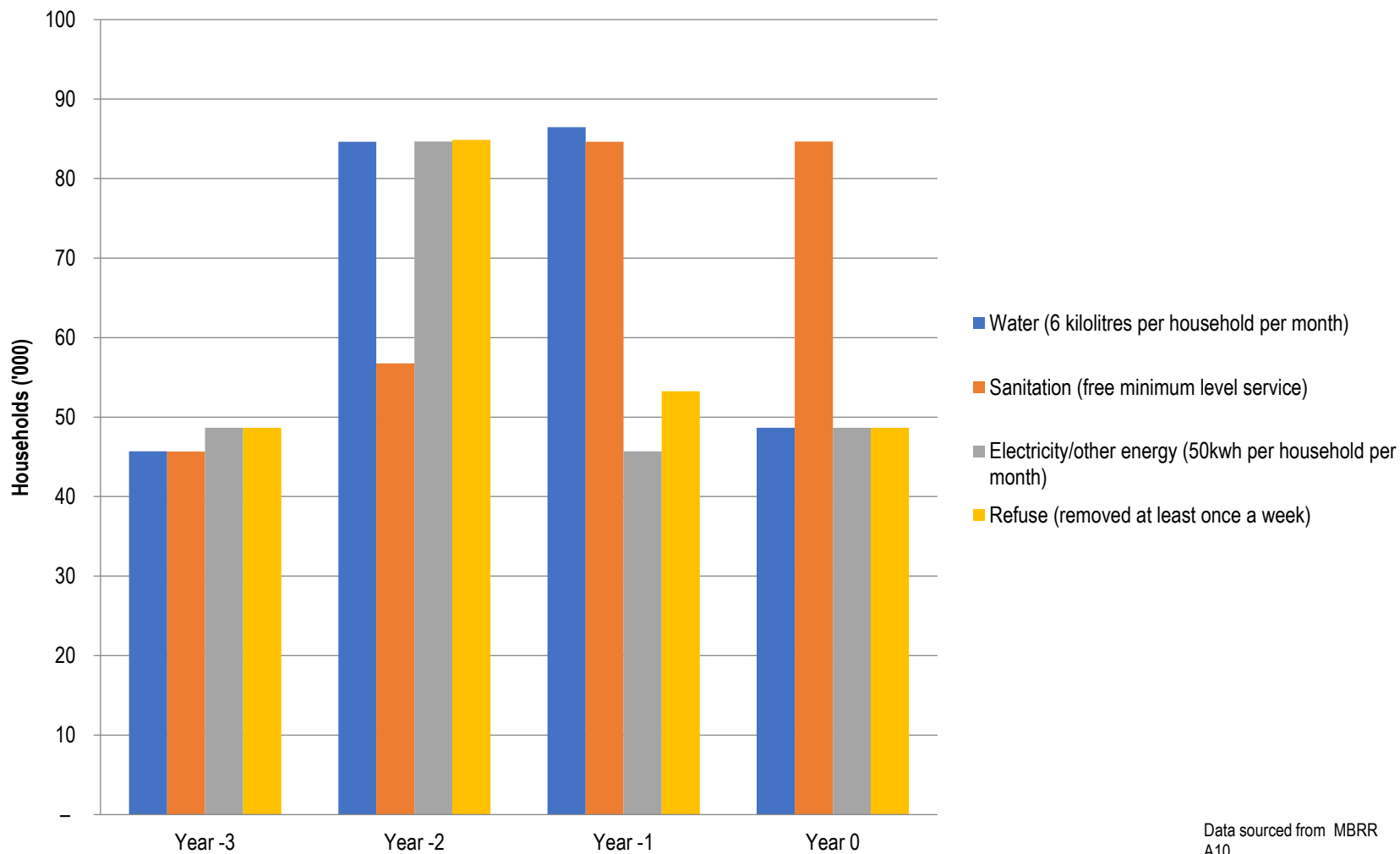
- Water (6 kilolitres per household per month)
- Sanitation (free minimum service level)
- Refuse Removal (removed at least once per week)

Chapter 3

Table 45: Financial Cost for Free Basic Services [IS]

Financial Performance: Cost to Municipality of Free Basic Services Delivered						
Services Delivered	2018/19	2019/20	2020/21			
	Actual	Actual	Budget	Adjustment Budget	Actual	Variance to Budget
Water	626 146	464	805		310	-159%
Waste Water (Sanitation)			805		310	0%
Electricity	162 823	300	805		310	-159%
Waste Management (Solid Waste)			805		310	0%
Total	730	789	3 221	-	1 241	-159%
<i>T 3.6.4</i>						

Free Basic Household Services



Chapter 3

COMPONENT B: ROAD TRANSPORT [IS]

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

INTRODUCTION TO ROAD TRANSPORT

3.7 ROADS

INTRODUCTION TO ROADS

The roads within DLM range from tarred roads (which are mostly Class D access roads) and gravel to dusty roads which are at the fair to bad state due to budgetary challenges and capacity constraints.

Table 46: Gravel Road Infrastructure [IS]

Gravel Road Infrastructure				
	Total gravel roads Gravel roads constructed Gravel roads upgraded to tar	New gravel roads constructed	Gravel roads upgraded to tar	Gravel roads graded/maintained (KM)
2020/21				
2019/20	221.1	0.3	0.8	30
2018/19	221.1	0.3	0.8	30
				T 3.7.2

Chapter 3

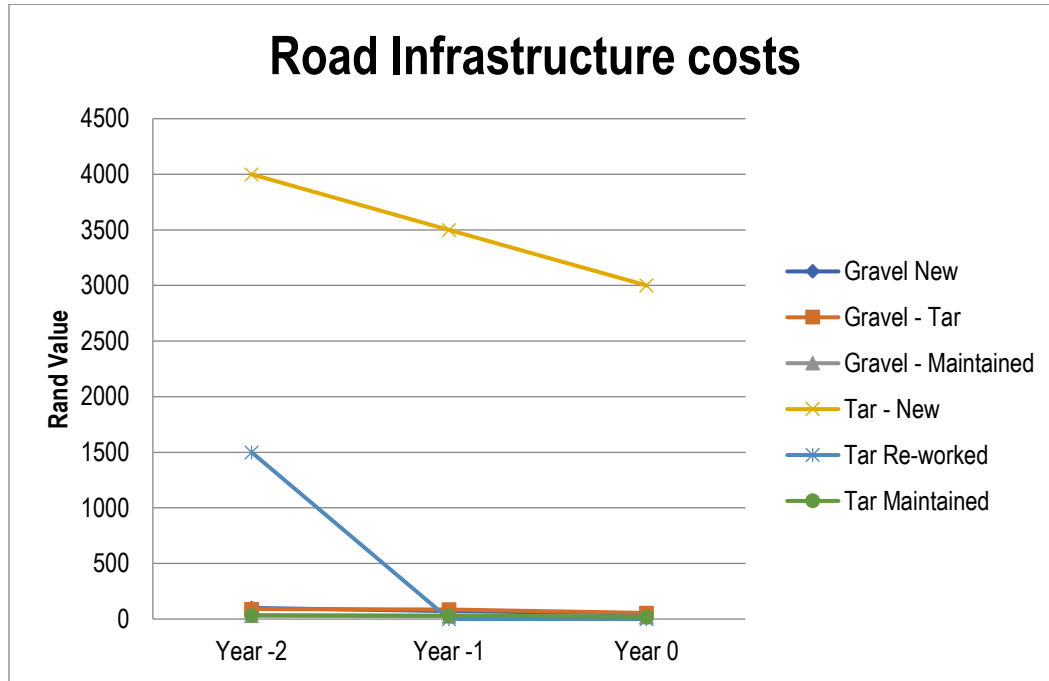
Table 47: Tarred Roads Infrastructure **[IS]**

Tarred Road Infrastructure(YEAR)					Kilometres
	Total tarred roads	New tar roads	Existing tar roads re-tarred	Existing tar roads re-sheeted	Tar roads maintained
2020/21					
2019/20	96.752	1.652	0	0	7
2018/19	95.1	1.1	0	0	6
					T 3.7.3

Table 48: Cost of Maintenance

Cost of Construction/Maintenance (YEAR)						R' 000
	Gravel			Tar		
	New	Gravel - Tar	Maintained	New	Re-worked	Maintained
2020/21						
2019/20	0	4200	235	2200	0	200
2018/19	0	4200	235	2200	0	200
						T 3.7.4

Figure 5: Road Infrastructure Cost



Chapter 3

Table 49: Roads Service Policy Objectives [IS]

Road Service Policy Objective Taken From IDP							
Service Objectives	Outline Service Targets	Year 2018/2019		Year 2019/2020		Year 2020/2021	
Service Indicators		Target	Actual	Target	Actual	Target	Actual
Target	Actual	(iii)	(iv)	(vi)	(vi)	(vii)	(viii)
Service Objective: Road Services							
Elimination of gravel roads in townships	Kilometres of gravel road tarred (kilometres of gravel roads remaining)	1,1kms of gravel roads tarred	1,1kms of gravel roads tarred (91,1kms)	1,652kms of gravel roads tarred	1,652 kms of gravel roads tarred (92,752kms)		
Development of municipal roads as required	6,1kms of roads tarred	1,1kms	1,1kms	1,1kms	1,652kms		
<p><i>Note: This statement should include no more than the top four priority objectives. The indicators and targets specified above (columns (i) and (ii)) must be incorporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. * 'Previous Year' refers to the targets that were set in the Year - 1 Budget/IDP round; 'Current Year' refers to the targets set in the Year 0 Budget/IDP round. 'Following Year' refers to the targets set in the Year 1 Budget/ IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 Chapter 5 sets out the purpose and character of the Integrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by municipalities in which IDPs play a key.</i></p>							

Chapter 3

Table 50: Road Services Employees **[IS]**

Employees: Road Services					
Job Level	2019/20	2020/21			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0%
4 - 6	0	1	1	0	0%
7 - 9	0	0	0	0	0%
10 - 12	7	12	12	0	0%
13 - 15	5	10	10	0	0%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
Total	12	22	22	0	0%
NB: Information derived from the current orgonogram					T3.7.7

Table 51: Roads Service Financial Performance

Financial Performance: Road Services						
						R'000
Details	2018/19	2019/20	2020/21			Variance to Budget
	Actual	Actual	Original Budget	Adjustment Budget	Actual	
Total Operational Revenue	-	-	-	-	-	0%
Expenditure:						
Employees	3 271	3 147			6 858	100%
Repairs and Maintenance		175				#DIV/0!
Other	801	84	4 601	4 601	826	-457%
Total Operational Expenditure	4 072	3 406	4 601	4 601	7 684	40%
Net Operational Expenditure	(4 072)	(3 406)	(4 601)	(4 601)	(7 684)	-0
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.						T 3.7.8

Chapter 3

Table 52: Road Services Capital Expenditure

Capital Expenditure: Road Services					
					R' 000
Capital Projects	2020/21				Total Project Value
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	
Total All projects				#DIV/0!	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					T 3.7.9

Comment on the performance of roads overall:

None.

Chapter 3

3.8 TRANSPORT (INCLUDING VEHICLE LICENSING & PUBLIC BUS OPERATION) [IS]

INTRODUCTION TO TRANSPORT

In terms of powers and functions the municipality does not provide public bus operation and other transport services; however the municipality acts as an agent of the province by providing vehicles registrations and licensing.

3.9 WASTE WATER (STORMWATER DRAINAGE)

INTRODUCTION TO STORMWATER DRAINAGE

The storm water system within DLM is mostly natural open storm water system which does not have the capacity to handle or channel the run off during rainy seasons.

Table 53: Storm Water Infrastructure

Storm water Infrastructure				Kilometres
	Total Storm water measures	New storm water measures	Storm water measures upgraded	Storm water measures maintained
2020/21				
2019/20	110	1.652	0	33
2018/19	110	0	0	10
				T 3.9.2

Table 54: Storm Water Construction/Maintenance Costs

Comment:

No allocation for cost of stormwater construction/maintenance is allocated.

Chapter 3

Table 55: Storm Water Service Policy Objectives

Stormwater Policy Objective Taken From IDP									
Service Objectives	Outline Service Targets	Year 1		Year 0		Year 1		Year 3	
		Year 2018/2019		Year 2019/2020		Year 2020/2021 (Current Year)		Year 2021/2022 (Follow Year)	
Service Indicators		Target	Actual	Target	Actual	Target	Actual	Target	Actual
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Service Objective: Stormwater Management System									
Development of fully integrated stormwater management systems including wetlands and natural water courses	Phasing in system	Strategic Approval	No	Strategic Approval	No	Strategic Approval	No	Development	

Comment on the storm water tables

Storm Water tables relating to Employees, Financial Performance and Capital Expenditure included with Roads

Chapter 3

COMPONENT C: PLANNING AND ECONOMIC DEVELOPMENT [PED]

INTRODUCTION TO PLANNING AND ECONOMIC DEVELOPMENT

The vision of the Department is to ensure integrated spatial planning, sustainable land use management and stimulation of economic development through:

- Exploiting existing economic potential of the Dipaleseng.
- Providing a framework for spatial planning and land use management.
- Establishment of safe and sustainable human settlements

3.10 PLANNING

INTRODUCTION TO PLANNING

The purpose of the unit is to Regulate, manage and promote well-coordinated spatial planning with focus on integration, redress and reversing undesirable settlement growth patterns. The municipality needs qualified town and regional planners to carry out the duties as set out by the Spatial Planning and Land use Management Act, Act 16 of 2013

The aim is to further manage Building Control within the entire jurisdiction of the Dipaleseng Municipal boundaries with the emphasis on the application of the Act on National Building Regulations and enforcement of the Act respectively.

Table 56: Applications for Land Use Development [PED]

Applications for Land Use Development						
Detail	Formalisation of Townships		Rezoning (all planning application)			
	2018/19	2019/20	2020/21			
Planning application received	8	2	8			
Determination made in year of receipt	8	2	8			
Determination made in following year	0	0	3			
Applications withdrawn	0	0	0			
Applications outstanding at year end	0	0	2			
						T 3.10.2

Chapter 3

Chapter 3

Table 57: Planning Policy Objectives

Service Objectives Service Indicators	Outline Service Targets	2018/19		2019/20		2020/21	
		Target	Actual	Target	Actual	Target	Actual
Determine planning applications within an agreed timeframe	Approval / rejection of all built environment applications	100%	100% (40)	100% (28)	100% (28)	100%(11)	100%(11)
	Reduce decisions overturned	0	0	0	0	0	0
							T3.10.3

Chapter 3

Table 58: Planning Services Employees [PED]

Employees: Planning Services						
Job Level	Year - 2018/19	Year 2019/20				2020/21
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	Employees
	No.	No.	No.	No.	%	No.
0 - 3	1	2	1	1	50%	2
4 - 6	1	2	1	1	50%	4
7 - 9	0	0	0	0	0%	0
10 - 12	0	0	0	0	0%	0
13 - 15	0	0	0	0	0%	0
16 - 18	0	0	0	0	0%	0
19 - 20	0	0	0	0	0%	0
Total	2	4	2	2	50%	6

Table 59: Planning Services Financial Performance [PED]

Financial Performance: Planning Services						
Details	2018/19	2019/20	2020/21			R'000
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	1	-				
Expenditure:						
Employees	2 721	3 535				
Repairs and Maintenance						
Other	712	1 311				
Total Operational Expenditure	3 434	4 846				
Net Operational Expenditure	(3 432)	(4 846)	-	-		

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.

T 3.10.5

Chapter 3

Table 60: Planning Services Capital Expenditure [PED]

Capital Expenditure: Planning Services					
					R' 000
Capital Projects	2020/21				Total Project Value
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	
Total All	0	0	0	0	0
Deep Space	0	0	0	0	0
TMN Kgomo	0	0	0	0	0
Project C	0	0	0	0	0
Project D	0	0	0	0	0
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					<i>T 3.10.6</i>

Comment on the performance of physical planning overall:

The section provides the statutory town planning applications received in the 2020/2021 financial year. These applications are assessed and/or reviewed then tabled before Mayoral Committee and Council for approval. It should further be noted that any number of planning applications received are assessed and approved accordingly. In the financial year under review a total of 8 town planning applications and 11 building plans/permit were assessed respectively.

Cognisance must also be taken of the fact the municipality also initiated a process of releasing 323 stands to middle-income group in Balfour North. As at the end of the financial year, approximately 110 deed of sales had been concluded with prospective buyers whilst the remaining deed of sales are expected to be concluded by the 17th December 2021 as per the provisions of Council resolution C 131/06/21 dated 09th June 2021.

It must also be noted that the Dipaliseng Local Municipality continues to be a participant of the Gert Sibande District Joint Municipal Planning Tribunal as per Council resolution C 98/04/21 dated the 28th April 2021 with the three incumbents nominated to serve in the said GSDJMPT, namely Mr L. Cindi (Director Planning and Economic Development), Mr L. Msibi (Director Infrastructure Services) and Ms I. Mlonyeni (Town Planning Coordinator) for a period of five years.

The municipality also approved a Land Invasion Policy as per Council resolution C 121/05/21 dated 31st May 2021 with a view of curbing the already existing number of land invasions and informal settlements that have occurred on municipal and privately owned land. As it stands, the Dipaliseng Local Municipality is ranked number one in

Chapter 3

the entire province for the largest number of informal settlements which is a situation that requires urgent arrest. There are also four key township establishments that are currently underway that will address the above shortages of formalised land for development, these include Portion 29 of Farm Doornhoek 577 IR, Portion 24 of Farm Grootvlei 604 IR, Portion 16 and 5 of Farm Vlakfontein 556 IR. Council further sought funding from DBSA as per Council resolution C 99/04/21 dated 28th April 2021 for the township establishment of Portion 5 of Farm Vlakfontein 556 IR.

As a means of forward planning, the municipality continues to register potential housing beneficiaries on the National Housing Needs Register. There are 6 216 potential beneficiaries that have been registered with 1 398 approved beneficiaries as at the end of July 2021. This approval is on the backdrop of the 33 completed housing units of the 81 allocated units in Ridgeview as at the end of July 2021. In order to systematically address the housing needs, the municipality also developed a Human Settlement Sector Plan which was approved and adopted on the 28th April 2021 as per item **C 95/04/21**.

It is however noted that the municipality still needs to develop an accurate land audit in order to ascertain its landmass which it owns and further develop a land disposal policy that will guide the disposal process of land and immovable assets.

Acknowledgement must also be taken that the municipality as approved its Spatial Development Framework as per item XXX dated XXX and further aligned its Comprehensive Land Use Management Scheme of 2020 which was also approved on XXX as per item XXX. In this regard, the municipality is compliant to the Spatial Planning and Land Use Management Act (SPLUMA) despite the need to drastically undertake the following initiatives:

- Need to facilitate integration and densification through well-located sustainable development and in-fills to promote integration
- Locate new developments closer to activity spine and corridors;
- Increase the development of housing in gap markets through Public Private Partnerships;
- Formalization of informal settlements in Siyathemba, Dansville, Nthoroane, Grootvlei through in-situ, incremental development and relocations.

Chapter 3

3.11 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

INTRODUCTION TO ECONOMIC DEVELOPMENT [PED]

Local Economic Development (LED) within the Municipality aims at meeting the basic needs of people through establishment a conducive environment that will create jobs and alleviate poverty in a sustainable manner. This is achieved through a collaborated effort for which the Local Economic Development Forum (LEDF) is a driver to the success. LEDF therefore offers local government, the private sector, Non-Profit Organisations and local community the opportunity to work together to improve the local economy through investment attraction and retention initiatives; and Local Economic Development (LED) catalytic project implementation.

Table 61: Economic Activity by Sector

Economic Activity by Sector				
		R '000		
Sector		2018/19	2019/20	2020/21
Agric, forestry and fishing		n/a	n/a	n/a
Mining and quarrying		n/a	n/a	n/a
Manufacturing		n/a	n/a	n/a
Wholesale and retail trade		n/a	n/a	n/a
Finance, property, etc.		n/a	n/a	n/a
Govt, community and social services		n/a	n/a	n/a
Infrastructure services		15 000 000	R55 500 000	256
	Total	15 000 000	R55 500 000	
T 3.11.2				

Chapter 3

Table 62: Economic Employment by Sector

Jobs	2018/19	2019/20	2020/21
Agric, forestry and fishing	n/a	n/a	8
Mining and quarrying	n/a	n/a	150
Manufacturing	n/a	n/a	n/a
Wholesale and retail trade	n/a	n/a	n/a
Finance/insurance/real estate and business services	n/a	n/a	n/a
Community/social and personal services	n/a	n/a	n/a
Electricity, gas and water supply	n/a	n/a	n/a
Construction	n/a	n/a	256
Transport Storage and communication	n/a	n/a	n/a
Private households	n/a	n/a	n/a
Undetermined	n/a	n/a	n/a
Total	0	0	n/a
			T 3.11.3

Comment on local job opportunities:

The Municipality facilitates Creation of job opportunities and promotion of poverty alleviation strategies to ensure sustainable livelihoods, and Compilation of a quarterly report on job opportunities created. There are Temporary labour intensive job opportunities created through various projects and government initiatives (EPWP programmes) running within the municipal jurisdiction.

A significant increase in job opportunities was recorded during 2017/18 due to a higher allocation of subsidised housing units and other infrastructural projects being implemented around Dipaleseng; whereby majority of emerging companies (SMMEs) managed to sub-contract.

There were various construction projects running within the municipal jurisdiction ranging from roads, buildings, upgrade and/or development of sewer plants and installation of pipelines. These projects have a made an impact within the community as there has been employment opportunities created.

Chapter 3

Table 63: Jobs Created by LED Indicatives [PED]

Jobs Created during by LED Initiatives (Excluding EPWP projects)				
Total Jobs created / Top 3 initiatives	Jobs created	Jobs lost/displaced by other initiatives	Net total jobs created in year	Method of validating jobs created/lost
	No.	No.	No.	
Total (all initiatives)				
2018/19	144	0	144	Timesheet
2019/20	288	0	288	timesheet
2020/21	256			Contract
Initiative A: 2018/19	144	0.00	144	Timesheets
Initiative B: 2019/20	288	0.00	288	Timesheets
Initiative C 2020/21				
				T 3.11.5

Reports submitted on quarterly basis

Table 64: Jobs Created by EPWP Indicatives [PED]

Job creation through EPWP* projects		
	EPWP Projects	Jobs created through EPWP projects
Details	No.	No.
2020/21	4	144
2019/20	3	133
2018/19	4	135
*Source - Extended Public Works Programme		T 3.11.6

Chapter 3

Table 65: LED Policy Objectives [PED]

Local Economic Development Policy Objectives Taken From IDP								
Service Objectives	Outline Service Targets	2018/19		2019/20		2020/21		
		Target	Actual	Target	Actual	*Following Year		
Service Indicators								
Service Objective: Local Economic Development								
Job Creation	No of workshops conducted			3	3	4	1	1
							13.11.7	
Source: Annual Performance report 2020/21								

Chapter 3

Table 66: LED Employees [PED]

Employees: Local Economic Development Services						
Job Level	2018/19	2019/20				2020/21
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	Employees
	No.	No.	No.	No.	%	No.
0 - 3	0	0	0	0	0%	1
4 - 6	1	5	1	1	80%	1
7 - 9	0	0	0	0	0%	0
10 - 12	0	0	0	0	0%	0
13 - 15	0	0	0	0	0%	0
16 - 18	0	0	0	0	0%	0
19 - 20	0	0	0	0	0%	0
Total	1	5	1	4	80%	0

Table 67: LED Financial Performance [PED]

Financial Performance Year: Local Economic Development Services						
Details	2018/19	2019/20	2020/21			
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000					
Total Operational Revenue	-	-	-	-	-	
Expenditure:						
Employees	-	-	-	-	-	
Repairs and Maintenance	-	-	-	-	-	
Other	-	-	-	-	-	
Total Operational Expenditure	-	-	-	-	-	
Net Operational Expenditure	-	-	-	-	-	
<p><i>All PEDS capital projects had to be cancelled during the year in question due to financial constraints that were resultant to the stopping of the Equitable Share Allocation.</i></p> <p><i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i></p>						T 3.11.9

Comment:

All PEDS capital projects had to be cancelled during the year in question due to financial constraints that were resultant to the stopping of the Equitable Share Allocation.

LED is unfunded mandate of the municipality; however, the financial performance and/or budget is being reported for the whole Planning and Economic Development department.

Chapter 3

Table 68: LED Capital Expenditure [PED]

Capital Expenditure: Economic Development Services					
R' 000					
Capital Projects	2020/21				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total all projects (LED Strategy)	R 600 000,00	-	R0 000,00		
<i>All PEDS capital projects had to be cancelled during the year in question due to financial constraints that were resultant to the stopping of the Equitable Share Allocation. Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T 3.11.10

Comment on local economic development performance overall:

The Dipaleseng Local Economic Development (LED) Strategy of the municipality was noted to be outdated. I was initially developed in 2011 with a lifespan ending in 2016. There were no annual reviews of the said LED strategy to date. Notwithstanding the above shortcoming, institutional measures were put in place to develop an interim LED programme that was designed to guide the activities of economic development within financial year in question and was dually approved on 16th February 2021 under item **EM 78/02/21** of the Mayoral Committee. The aforementioned Interim LED Programme comprised of the following programmes and projects:

- Revival of the LED Forum;
- Signing of the Sibanye Stillwater Mine Social Corporate Investment;
- Acceleration of the Sasol Social Labour Plan;
- Mobilization of private investment (such as the development of a new Shopping Node on Erf 1835);
- Increasing the number of job opportunities through municipal interventions;
- Registration of SMMEs and Cooperatives on municipal database; and
- Robust implementation of the 30% Preferential Procurement Regulation of 2017;

In light of the above interim commitments, the municipality managed to successfully re-launch its LED Forum on the 31st May 2021 as guided by Council resolution **C 97/04/21** of 28th April 2021.

The newly launched LED Forum comprised of 13 working groups from the various economic sectors as outlined below:

No.	Name and Surname	Sectors / Sub Committees	Contact Details
1.	Mining and Energy	Mr Victor Malape	e-mail: victor@simvic.co.za / cimvicc@gmail.com Cell: 060 891 1284
2.	Security	Mr Themba Mashinini	e-mail: guliweps@gmail.com Cell: 073 639 1200
3.	Tourism	Ms Thandeka Moshele	e-mail: lungenkala84@gmail.com

Chapter 3

No.	Name and Surname	Sectors / Sub Committees	Contact Details
			Cell: 063 029 1106
4.	Construction and Infrastructure Development	Mr Mduduzi Mbokazi	e-mail: Solomon.m@phakamaindustrialgroup.co.za Cell: 076 757 7441
5.	Manufacturing	Ms Thelma Makhubo	e-mail: jsibukiseni@gmail.com Cell: 063 153 4328
6.	Agriculture and Land Reforms	Mr Zakhele Tshabalala	e-mail: Zakheletshabalala39@gmail.com Cell: 061 599 5850
7.	Sports and Recreation	Mr Kgotso Mokoena	e-mail: mokoena92@gmail.com Cell: 076 2202917
8.	Transport and Logistics	Mr Mkhulu Motloung	e-mail: Mkhulu6@gmail.com Cell: 076 030 3846
9.	Women in Business and People Living with Disabilities	Ms Duduzile Mbele	e-mail: dutzela@gmail.com Cell: 063 378 9087
10.	Youth in Business	Mr Siyabonga Buthelezi	e-mail: SiyabongaSifiso1@gmail.com Cell: 060 618 6611
11.	Unemployment	Mr Sbusiso Motaung	e-mail: smotaung@gmail.com Cell: 073 597 0337
12.	Pastors Forum	Pastor Mabuti Mahlinza	e-mail: mabutimahlinza@gmail.com Cell: 071 154 2408
13.	Information, Communication and Media Technology	Mr Diphapang Mokhomatha	e-mail: diphapangproducer@gamil.com Cell: 079 753 5990

In order to establish a functional forum, it was further agreed that the said forum convene on monthly basis up until such a time it was an effective and capacitated forum. The schedule of its seating was endorsed during the 2021/22 financial year as per Council resolution **C 178/07/21**.

During the year in question, Council also managed to re-affirm the development of erf 1835 for a Shopping Node as per item EM 113/04/21 dated 29th July 2021 through the provision of its land on a 99 year lease agreement to a private investor. This initiative is designed to be a catalytic project for other economic development within the area of Balfour town.

Chapter 3

Further to the above, Council also mobilised additional capital funds to fund the establishment of an Old Age Home Project from the Burnstone Development Trust to an amount of R2,318 million as per resolution **C 100/04/21** dated 28th April 2021. Additional to the above, Council also managed to also re-affirm the financial commitments of R3,5 million from Sibanye Stillwater Mine Community Development Plans to fund four LED projects situated at Burnstone Farm as per item **EM 77/02/21** of the Mayoral Committee dated the 16th February 2021. The latter would ensure the implementation of projects such as aquaculture, hydroponics, mushroom growing and retailing.

During the year in question, the municipality also managed to create 133 job opportunities through its Expanded Public Works Grant which amounted to R1, 077m. This number of job opportunities excludes those that were created through the implementation of infrastructure projects. It is estimated that 525 short-term job opportunities were created from capital infrastructure projects with approximately 220 local SMME contractors benefiting from an estimated Capex budget of R786, 46m.

It is through the above, that the municipality is seen to be implementing its interim LED programme with its strategic partners such as the Department of Public Works, Sasol, Sibanye Stillwater Mine and other SMMEs.

The above economic development opportunities took place at the height of the Covid-19 pandemic which resulted into the entire country being declared into a national state of disaster that was accompanied by the introduction of national lockdowns which restricted the movement of peoples, goods and services coupled with the already shrinking and distressed economy. It is therefore expected that a number of businesses within the jurisdiction area of the municipality continue to suffer economic distress and deterioration and can hardly keep afloat. The additional announcement of the closure of the Grootvlei Coal-Fired Power Plant is further anticipated to compound to the economic challenges faced by Dipaliseng Local Municipality. A significant socio economic impact on the closure of the Grootvlei Power Station is envisaged to be linked to the financial and economic capital in Mpumalanga and Gauteng Province.

Notwithstanding the above, new opportunities exist within the repurposing and repowering of this coal fired power station including but not limited to improved air quality, increase in the supply of serviced industrial land and good solar power potential, diversification of local activities.

Chapter 3

COMPONENT D: COMMUNITY & SOCIAL SERVICES [CSPS]

INTRODUCTION TO COMMUNITY AND SOCIAL SERVICES

The Community Services and Public Safety Directorate is responsible for the coordination and implementation of Traffic and Licensing, Waste Management, Libraries and Information Services, Disaster Management, Fire and Rescue, Parks and Recreational facilities, Open Spaces, Hall, Sporting Facilities and Cemeteries.

Environmental Health Practitioners (EHP) employees:

The service is provided by the Gert Sibande District Municipality. Two (2) officials are deployed to assist in Dipaleseng Local Municipality with various activities including monitoring and ensuring compliance in all business around Dipaleseng.

Chapter 3

3.12 LIBRARIES; COMMUNITY FACILITIES; OTHER [CSPS]

INTRODUCTION TO LIBRARIES; COMMUNITY FACILITIES

The main function of the library services division is as follows:

- Ensures that the community receives free access to information
- Conducts awareness to crèches, schools and the community at large. The outreach programmes are informed by the Regional library in partnership with DLM

The Municipality has three libraries, one in Balfour, Grootvlei and the other facility in Nthorwane. They all operate on a full-time basis.

The Municipality operates and maintains four (4) Community Halls in each of the following areas:

- Nthorwane
- Balfour
- Siyathemba
- Grootvlei

In the financial year of 2020/21 an additional facility was handed over to the Municipality by the GSDM; presently DLM responsibility.

With respect to Municipal buildings the division ensures that

- The Municipal buildings are well maintained
- Bookings of halls
- Cleaning of halls

Chapter 3

Table 69: Libraries Policy Objectives [CSPS]

Libraries; Community Facilities; Other Policy Objectives Taken From IDP							
Service Objectives	Outline Service Targets	2018/19		2019/20		2020/21	
		Target	Actual	Target	Actual	Target	Actual
Service Objective: Improve community well-being							
Community Upliftment	Provision of Libraries	0	0	0	0	1	0
							T3. 12.3

Chapter 3

Table 70: Libraries Employees [CSPS]

Employees: Libraries and Community Facilities					
Job Level	2019/20	2020/21			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
	0				
1	1				
1	4				
0	0				
2	1				
0	0				
0	0				
4	6				

*Three permanent employees, one contract (DCSR) and two interns (DCSR).

Table 71: Libraries Financial Performance [CSPS] BTO

Financial Performance: Libraries and Community Facilities						
						R'000
Details	2018/19	2019/20	2020/21			
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	13	189				
Expenditure:						
Employees	240	5 144				
Repairs and Maintenance		390				
Other		7 235				
Total Operational Expenditure	240	12 769				
Net Operational Expenditure	(227)	(13302)	(12580)			

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.

T 3.12.5

Table 72: Libraries Capital Expenditure [CSPS] BTO

R' 000					
Capital Projects	Year 2020/21				Total Project Value
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	
Total All	-	-	-	0%	/
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					T 3.12.6

Comment on the performance of libraries;

No capital expenditure was incurred in the year under review.

3.13 CEMETERIES AND CREMATORIUMS

INTRODUCTION TO CEMETERIES AND CREMATORIUMS

It is noted that the division of powers and functions between the District Municipality and Local Municipalities were adjusted by the MEC for Local Government and Housing in terms of sections 16 and 85 of the Municipal Structures Act, 1998, and published in the Provincial Gazette No. 878, dated 07 March 2003. Some District Municipalities powers and functions were thus transferred to Local Municipalities, including that of the establishment, conduct and control of Cemeteries and crematoria serving the Municipal area.

The policy objective with respect to cemeteries is to maintain existing facilities and acquire suitable land in the 2020/21FY to construct an additional one. A General worker was appointed and is assigned to perform the duties of ensuring the bookings and monitoring of booked graves. From an operational viewpoint the division is responsible for the management of the cemeteries under its control.

Chapter 3

Table 73: Cemeteries Financial Performance [CSPS]

R'000						
Details	2018/19	2019/20	2020/21			
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	140	266				
Expenditure:						
Employees	-					
Repairs and Maintenance						
Other	20	18				
Total Operational Expenditure	20	18				
Net Operational surplus/deficit	121	248				
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>						
						T 3.13.5

Table 74: Cemeteries Capital Expenditure [CSPS]

Capital Expenditure: Cemeteries					
R' 000					
Capital Projects	2020/21				Total Project Value
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	
Total All	-	-	-	0%	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					
					T 3.13.6

Chapter 3

Comment on the performance of cemeteries and crematoriums overall:

The Municipality is in the process of appointing a suitable qualified and competent service provider to undertake the necessary environmental management services for the establishment of a new cemetery. A service provider, Messr Laumeth Trading has since appointed on the 2nd December 2021 as a result of a competitive bidding process for the establishment of new cemetery. A project execution plan and inception report was subsequently prepared and prepared and agreed up to guide the completion of the scope of work. The actual execution of the project has commenced and due for completion is about 6 month times.

The Inco-loco inspection was conducted by the Department Planning and Economic Development and Community Services and Public Safety wherein it was established that additional 360 graves can be accommodated on the remaining cemetery situated in Nthorwane extension 1 more especially on the South side towards the railway line and on the West towards the existing old dilapidated structure.

3.14 CHILDCARE; AGED CARE; SOCIAL PROGRAMMES [CSPS]

INTRODUCTION TO CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

There are no programmes planned in the Municipality for the year under review due to financial constraints.

Chapter 3

COMPONENT E: ENVIRONMENTAL PROTECTION [CSPS]

This component includes: Pollution Control; Biodiversity and Landscape; and Costal protection.

INTRODUCTION TO ENVIRONMENTAL PROTECTION

This component includes: Pollution Control; Biodiversity and Landscape; and Costal protection.

INTRODUCTION TO ENVIRONMENTAL PROTECTION

Environmental protection comprises of human health, including the quality of life, determined by physical biological social and psych-social factors in the environment. It also refers to the theory and practice of ascertaining correcting; controlling and preventing those factors in the environment can have adverse effects to the health of people.

Services provided by the GSDM include the monitoring of all business sites as well as the following:

- Ensure compliance with the Act
- Conduct awareness campaigns
- Monitor Municipal infrastructure e.g. water, spillages, etc.

3.15 POLLUTION CONTROL [CSPS]

INTRODUCTION TO POLLUTION CONTROL

Environmental protection is the practice of protecting the natural environment. Dipaleseng Local Municipality has an air monitoring station and water sampling is done on a monthly basis to ensure that the community receives water that meets the standards of the National Water Act. These roles and responsibility for pollution control is provided by the two (2) District Municipality of GSDM Environmental Health Practioners (EHP) whose duties include the following:

- Increase awareness to ensure compliance to the National Health Act
- Ensure compliance to Air Quality Standard by taking reading and monitoring the air quality station on a monthly basis
- Ensure compliance to water quality standard for the community to receive good and healthy water

Chapter 3

3.16 BIO-DIVERSITY; LANDSCAPE (INCL. OPEN SPACES); AND OTHER (EG. COASTAL PROTECTION)

INTRODUCTION BIO-DIVERSITY AND LANDSCAPE [CSPS]

The municipality has currently no capacity to implement a Bio-Diversity programme.

Table 75: Biodiversity, Landscape and Other Policy Objectives

Bio-Diversity; Landscape and Other Policy Objectives Taken From IDP							
Service Objectives	Outline Service Targets	2018/19		2019/20		2020/21	
Service Indicators		Target	Actual	Target	Actual	Target	Actual
Service Objective: Improve community well-being							
SDBIP Indicators:							
	Provide safe, healthy and sustainable environment	NA	NA	NA	NA	NA	NA
	It is not the competency of the Municipality						T 3.16.3

Chapter 3

Table 76: Parks and Recreation Employees [CSPS]

Parks and recreation					
Job Level	2019/20	2020/21			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0%
4 - 6	0	0	0	0	0%
7 - 9	0	0	0	0	0%
10 - 12	0	0	0	0	0%
13 - 15	2	7	2	5	71%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
Total	2	7	2	5	71%

Table 77: Parks and Recreation Financial Performance [CSPS] BTO

Financial Performance: Parks and Recreation						
R'000						
Details	2018/19	2019/20	2020/21			
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-					
Expenditure:						
Employees	316	559				
Repairs and Maintenance						
Other						
Total Operational Expenditure	316	559				
Net Operational Expenditure	(316)	(559)				
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>						
T 3.16.5						

Table 78: Parks and Recreation Capital Expenditure [CSPS]BTO

Capital Expenditure: Parks and recreation					
R' 000					
Capital Projects	2020/21				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	13 864 000,00	-	-	0%	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					
T 3.16.6					

Chapter 3

Comment on the performance of Parks and Recreation overall:

No parks have been developed for a period under review.

The Department is currently experiencing challenges with the Municipal Sport Facilities that need renovation and upgrading. Contractor was appointed in the last financial year for upgrading of Siyathemba stadium phase 3. The contractor is currently terminated awaiting project close – up report.

Comment on the performance of Parks and Recreation overall:

The division provides services with respect to the following components:

- Ensure that all Parks, Sport Facilities, Taxi ranks, Streets are clean and well maintained
- Monitoring and maintaining of the Parks and Recreational facilities
- Development of both children play Parks and adults Parks

Chapter 3

COMPONENT F: HEALTH [CSPS]

This component includes: clinics; ambulance services; and health inspections.

INTRODUCTION TO HEALTH [CSPS]

Municipal Health service is the competence of the District Municipality. Gert Sibande District Municipality has deployed two (2) Environmental Health Practitioner (EHP) to assist with Environmental Health Services within Dipaleseng Local Municipality

3.17 CLINICS [CSPS]

INTRODUCTION TO CLINICS

The Province has assumed all responsibility in the Municipal District for the provision of health-care related services such as clinics, ambulance services etc.

3.18 AMBULANCE SERVICES

INTRODUCTION TO AMBULANCE SERVICES

Not applicable to this Municipality responsibility with Province

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

Not a core functions of the Municipality. This function is performed by the District Municipality.

Chapter 3

COMPONENT G: SECURITY AND SAFETY [CSPS]

This component includes: Police; Fire; Disaster Management, Licensing and Control of animals, and control of public nuisances, etc.

INTRODUCTION TO SECURITY AND SAFETY

3.20 TRAFFIC [CSPS]

INTRODUCTION TO TRAFFIC

The main function performed by this division is as follows:

- Increase awareness and enforcement of Traffic and Transport rules and regulations
- Manage the delivery of effective and efficient Traffic control and Motor Vehicle licensing services

Table 79: Traffic Statistics

Municipal Traffic Service Data		
	Details	2020/21
		Actual No.
1	Number of road traffic accidents during the year	1725
2	Number of law infringements attended	120
3	Number of traffic officers in the field on an average day	5
4	Number of traffic officers on duty on an average day	10

Comments on Traffic Enforcement:

The rendering of services, particularly Traffic and Licensing is effective without any interruption. There is more visibility of Traffic Officers as result Law Enforcement is not affected. Shortage of cars is still a challenge under the year under review

Chapter 3

3.21 FIRE

INTRODUCTION TO FIRE SERVICES [CSPS]

The division promotes and increases awareness to ensure compliance with Fire Brigade Act.

The Fire and Rescue Services have personnel strength of five (5) staff members, all Fire fighters. The post of Chief Fire is vacant and the process to appoint is still underway. The service is not operational on a 24-hour basis due to shortage of Personnel and Equipments. The Division respond partially to Emergency incidents, which include fires, vehicle collisions, entrapments/rescues and various other related special services. The service strives to respond to all emergency calls during operational hours within a ten (10) minute timeframe from receipt of call to dispatch of the vehicles; currently the goal is to have 80% compliance as a benchmark. The focus of the service will change from a response outlook to that of a preventative nature. During 19/20, 20/21 financial year various communicate were sent to various stakeholders requesting assistance to no avail.

Table 80: Fire Service Statistics

No.	Details	2018/19	2019/20	2020/21
		Actual No.	Actual No.	Actual No.
#	Total Fires attended in the year	20	0	0
#	Total of other incidents attended in the year	60	0	0
#	Average turnout time- urban areas	15min	1hr	1hr
#	Average turnout time-rural areas	30min	1hr 15min	1hr 15min
#	Fire fighters in post at year end	6	5	5
#	Total fire appliances year end	2	0	0
#	Average number of appliance of the road during the year	2	0	0

Chapter 3

Table 81: Fire Services Policy Objectives [CSPS]

Fire Service Policy Objectives Taken From IDP								
Service Objectives	Outline Service Targets	2018/19		2019/20		2020/21		
		Target	Actual	Target	Actual	Target	Actual	
Service Indicators								
Service Objective: Improve community well-being (Safety and Security)								
Response time	Prevent loss of lives through response time to fires	100%	60%	100%	0%	100%	0%	
						T3. 21.3		

Chapter 3

Chapter 3

Table 82: Fire Services Employees [CSPS]

Employees: Fire Services					
Job Level	Year 2017/18	Year 2018/19			
Fire Fighters	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
Administrators	No.	No.	No.	No.	%
Chief Fire Officer					
Other Fire Officers					
0 - 3	0	1	1	0	0
4 - 6	0	0	0	0	0
7 - 9	6	7	5	2	35%
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

Table 83: Fire Services Financial Performance [CSPS]

Financial Performance: Fire Services						R'000
Details	Year 2018/19	Year 2019/20	Year 2020/21			Variance to Budget
	Actual	Actual	Original Budget	Adjustment Budget	Actual	
Total Operational Revenue	-	-	-	-	-	0%
Expenditure:						
Fire fighters	-	-	-	-	-	
Other employees						0%
Repairs and Maintenance	-	-	-	-	-	0%
Other	-	-	-	-	-	0%
Total Operational Expenditure	-	-	-	-	-	0%
Net Operational Expenditure	-	-	-	-	-	0%

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.

T 3.21.5

Chapter 3

Table 84: Fire Services Capital Expenditure [CSPS]

Capital Expenditure: Fire Services					R' 000
Capital Projects	2020/21				Total Project Value
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	
Total All	-	-	-	-	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					T 3.21.6

Comment on the performance of fire services overall:

The facility will only become fully functional in 2021/22 financial years.

3.22 DISASTER MANAGEMENT

INTRODUCTION TO DISASTER MANAGEMENT [CSPS]

This is not a core function of the Municipality as the District is responsible for the operation and funding of the Disaster centre within the Municipality

Chapter 3

Table 85: Disaster Management Policy Objective [CSPS]

Fire Service Policy Objectives Taken From IDP							
Service Objectives	Outline Service Targets	2018/19		2019/20		2020/21	
		Target	Actual	Target	Actual	Target	Actual
Service Indicators							
SDBIP indicators							
Service Objective: Improve community well-being (Disaster Management)							
To develop and implement a comprehensive Disaster Management programme	Functional Disaster Management Centre						
	 	100%	100%	100%	100%	100%	100%
						T3.22.3	

Chapter 3

Chapter 3

Table 86: Disaster Management Employees [CSPS]

Employees: Disaster Management Etc.					
Job Level	2019/20	2020/21			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0
4 - 6	1	1	1	0	100%
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	0	0	0	0	0

-N.B.: This function is performed at the District level

Table 87: Disaster Management Financial Performance [CSPS]

Financial Performance Year: Disaster Management Etc.						
R'000						
Details	2018/19	2019/20	2020/21			
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-	-	-	-	-	0%
Expenditure:						
Employees	-	-	-	-	-	0%
Repairs and Maintenance	-	-	-	-	-	0%
Other	-	-	-	-	-	0%
Total Operational Expenditure	-	-	-	-	-	0%
Net Operational Expenditure	-	-	-	-	-	0%
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.						
T 3.22.5						

Table 88: Disaster Management Capital Expenditure [CSPS]

Capital Expenditure: Disaster Management					
R' 000					
Capital Projects	2020/21				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	-	-	-	0%	-
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					
T 3.22.6					

Comment on the performance of disaster management:

THIS FUNCTION IT'S A RESPONSIBILITY OF GERT SIBANDE DISTRICT MUNICIPALITY

Chapter 3

COMPONENT H: SPORT AND RECREATION [CSPS]

This component includes: Community Parks; Sports fields; Sports Halls; Stadiums; Swimming pools; and Camp sites.

3.23 SPORT AND RECREATION

INTRODUCTION TO SPORT AND RECREATION

The Municipality has no post budgeted to provide services in this regard and currently the appointed Transversal Coordinator assumes responsibility for any ad hoc initiatives that are implemented.

Chapter 3

Table 89: S&R Policy Objectives [CSPS]

Service Objectives Service Indicators	Outline Service Targets	2018/19		2019/20		2020/21	
		Target	Target	Actual	Target	Actual	Actual
		I	I	I	I	I	I
Community Development and cohesion		N/a	n/a	n/a	n/a	n/a	n/a
						T3.23.2	

Chapter 3

Table 90: S&R Employees

Employees: Sport and Recreation					
Job Level	2019/20	2020/21			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0
4 - 6	0	0	0	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	0	0	0	0	0

Table 91: S&R Financial Performance

Details	R'000					
	2018/19	2019/20	2020/21			Variance to Budget
	Actual	Actual	Original Budget	Adjustment Budget	Actual	
Total Operational Revenue	█		█	█	█	0%
Expenditure:						
Employees	█		█	█	█	0%
Repairs and Maintenance	█		█	█	█	0%
Other	█		█	█	█	0%
Total Operational Expenditure	█		█	█	█	0%
Net Operational Expenditure	█		█	█	█	0%
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>						T 3.23.4

Chapter 3

Table 92: S&R Capital Expenditure [CSPS]

Capital Expenditure: Sport and Recreation					R' 000
Capital Projects	2020/21				Total Project Value
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	
Total All	0	0	0	0	0
Project A	0	0	0	0	0
Project B	0	0	0	0	0
Project C	0	0	0	0	0
Project D	0	0	0	0	0
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					T 3.23.5

Comment on the performance of sport and recreation overall:

Chapter 3

COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES [CS]

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

INTRODUCTION TO CORPORATE POLICY OFFICES

The Office of the Municipal Manager is responsible for Good Corporate Governance and Public Participation; the Finance Department is responsible for financial management and administration; the Corporate Services Department is responsible for general administration, human resources management, ICT as well as committee secretarial support, whilst the Planning and Development Department administers land-use management and stimulation of economic development; and Community Services and Public Safety administers waste management, emergency services and council properties.

3.24 EXECUTIVE AND COUNCIL [CS]

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

INTRODUCTION TO EXECUTIVE AND COUNCIL

The Mayoral Committee held twelve (12) meetings and made decisions on matters delegated to it, and it reported to Council which held twenty one (21) meetings which included approval of the Budget, IDP Review, Auditor General’s Report and Annual Report. Several Special Council and Mayoral Committee meetings were held as detailed in the following table. However, cognizance should be given to the fact that there are certain urgent issues that necessitated council and Mayoral committee respectively to convene and deliberate on those issues.

Chapter 3

Table 93: Mayoral, Council and Special Meetings [CS]

Service Objectives	Outline Service Targets	2018/19		2019/20		2020/21		
		Target	Actual	Target	Actual	Target	Actual	
		Meetings Convened by Mayoral Committee						
Democratic and accountable organisation								
Good Governance and Community Participation	Cooperative and Democratic Governance, number of meetings	12	12	12	12	11	09	
		Meetings Convened by Council						
		2018/19		2019/20		2020/21		
		Target	Actual	Target	Actual	Target	Actual	
		4	4	4	21	4	09	
							T3. 24.3	

Table 94: Exec and Council Policy Objectives

Service Objectives	Outline Service Targets	2018/19		2019/20		2020/21		
		Target	Actual	Target	Actual	Target	Actual	
		Meetings Convened by Mayoral Committee						
Democratic and accountable organisation								
Good Governance and Community Participation	Cooperative and Democratic Governance, number of meetings	12	12	12	12	11	09	
		Meetings Convened by Council						
		2018/19		2019/20		2020/21		
		Target	Actual	Target	Actual	Target	Actual	
		4	4	4	21	4	09	
							T3. 24.3	

Chapter 3

Chapter 3

Table 95: Exec and Council Employees [CS]

Employees: The Executive and Council					
Job Level	2019/20	2020/21			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	3	7	3	4	57%
4 - 6	2	4	2	2	50%
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	12	6	6	50%

Table 96: Exec and Council Financial Performance [CS] [BTO to update the info]

Financial Performance: The Executive and Council						
R'000						
Details	2017/18	2018/19	2019/20			
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	54 516	57 645	43 257	37 257		#DIV/0!
Expenditure:						0%
Employees	5 104	5 063			5 927	100%
Repairs and Maintenance						0%
Community Participation	32 205	14 712	7 118	7 118	1 069	0%
Total Operational Expenditure	37 309	19 775	7 118	7 118	6 996	-2%
Net Operational Expenditure	17 206	37 870	36 139	30 139	(6 996)	617%

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.

T 3.24.5

Capital Expenditure					
Capital Projects	2020/21				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	-	-	-	0%	
Project A	-	-	-	0%	

Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).

T 3.24.6

Chapter 3

Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.

T 3.24.6

Comment on the performance of the executive and Council [CS]

The Mayoral Committee held nine (09) meetings and made decisions on matters delegated to it and report to Council which held nine (9) meetings which included approval of the Budget, IDP Review, Auditor General's Report and Annual Report.

3.25 FINANCIAL SERVICES

INTRODUCTION FINANCIAL SERVICES [BTO]

The Department Financial Services is responsible for the delivery of all financial-related services to the Municipality.

This includes the following:

- Financial guidance.
- Budget, financial statements and related aspects.
- Expenditure management, which includes salaries and wages.
- Income and account services.
- Supply chain management services

The aim of this Department is to keep the financial position of the Municipality stable and to ensure that it will continue to being able to not only meeting its financial commitments but to ensure that economically viable services are rendered to the community on an effective and efficient manner. To maintain the present high standard of financial services the Municipality must adhere to many acts and other legal prescripts, policies, regulations.

Table 97: Financial Services Employees Needs to be cleaned up

Employees: Financial Services						
Job Level	2018/19	2019/20	2020/21			
	Employees	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	No.	%
0 - 3	2	2	6	6	0	0%
4 - 6	5	0	7	3	4	57%
7 - 9	3	2	3	3	0	0%
10 - 12	7	7	0	0	0	#DIV/0!
13 - 15	0	0	14	8	6	43%
16 - 18						#DIV/0!
19 - 20						#DIV/0!
Total	17	11	30	20	10	33%

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June.
 *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

T 3.25.4

Chapter 3

Table 98: Financial Services Financial Performance [BTO]

Financial Performance: Financial Services							R'000
Details	2018/19	2019/20	2020/21				
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget	
Total Operational Revenue	45,219	69,305	64,233	-	69,390	7%	
Expenditure:							
Employees	7,850	7,774	9,309	9,309	10,429	11%	
Repairs and Maintenance						0%	
Other	50,697	68,249	95,209	-	56,057	-70%	
Total Operational Expenditure	58,547	76,023	104,518	9,309	66,486	-57%	
Net Operational Expenditure	(13,328)	(6,718)	(40,285)	(9,309)	2,904	1487%	
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Adjustment Budget by the Actual.</i>						T 3.25.5	

Table 99: Capital expenditure Financial Performance [BTO]

Capital Expenditure: Financial Services						R' 000
Capital Projects	2020/21					
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value	
Total All	-	-	-	0%		
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>						
T 3.25.6						

Chapter 3

3.26 HUMAN RESOURCE SERVICES

INTRODUCTION TO HUMAN RESOURCE SERVICES [CS]

Human Resources Management is responsible for labour relations, recruitment and selection, personnel administration, Employee wellness, Occupational Health and safety as well as skills development.

The Labour Relations function managed to facilitate ten (10) meetings of the Local Labour Forum during financial year 2020/21, administered collective agreements on grievance procedure and disciplinary code.

The Recruitment and Selection function managed to facilitate the filling of critical vacant posts of Directors/HoDs. During financial year 2020/2021, nine (09) employees were appointed.

The Personnel Administration function also managed to update leave records, administer collective agreement on conditions of services as well as the staff establishment.

The main purpose of Training and Development is to ensure that the organisation's staffs have the competences necessary to meet performance and quality standards in their current jobs.

Training and development interventions shall also focus on the development of individual employees' career and personal potential in order to meet their growth needs as well as the future human resource needs of the Organization

The Skills Development Facilitation function managed to develop and submit an annual 2020/21 Employment Equity Report to the Department of Labour, facilitate the development of a 5-Year EE Plan, develop an Annual Workplace Skills Plan for 2020/21 and implement it, as well as submit the Annual Training Report to the LGSETA. This was made possible by merging the function of Employment Equity Officer and that of the Skills Development Officer to be performed by the Skills Development Facilitator.

The Occupational Health and Safety function is primary focused on the following:-

- Creating and maintaining a safe working environment
- Preventing workplace accidents

A major obstacle in achieving these primary objectives was among other things, insufficient budget, uncondusive working environment, lack of resources and COVID-19 Pandemic.

Employee Wellness is based on the premise that "People who are well work well". In this context, Employee Wellness entails all the strategies, action plans and methods used to promote physical, emotional and mental health of employees. Substance abuse and especially Alcohol Abuse must be continuously addressed within the municipality by means of raising awareness, identifying peer counselors and external referrals. Employees experiencing difficulties must be referred for substance abuse rehabilitation mainly within Gert Sibande District.

Chapter 3

In support of these initiatives, managers and supervisors should be workshopped by the Rehabilitation Centre on the management of substance abuse in the workplace. A Drug and Alcohol Support Group must be initiated to provide further assistance to staff members that are undergoing rehabilitation. In

certain instances employees experiencing distress as result of emotional, psychological or relationship difficulties which can result to direct impact on work performance or result from work-related incidents, employees should receive internal counselling and in severe cases they must be referred to external counselling or psychological intervention.

Post-Traumatic Stress and Incident Debriefing sessions must be arranged where there is a need

Chapter 3

Table 99: HR Policy Objectives [CS]

Human Resource Services Objectives Taken From IDP							
Service Objectives	Outline Service Targets	2018/19		2019/20		2020/21	
Service Indicators		Target	Actual	Target	Actual	Target	Actual
Objective: Develop entrepreneurial & intellectual capability							
Transformation and Institutional development	Institutional capacity and development	100%	50%	100%	58%	100%	70%
	Submit posts for job evaluation	100%	20%	100%	20%	100%	20%
	Fill vacant posts	100%	60%	100%	57%	100%	58%
							T3.71.3

Chapter 3

Table 100: HR Employees [CS]

Employees: Human Resource Services					
Job Level	2019/20		2020/21		
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	3	3	3	0	0%
4 - 6	3	3	2	1	1%
7 - 9	0	1	0	1	100%
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	6	7	5	2	28,5%

Table 101: HR Financial Performance [CS] [BTO]

Details	R'000					
	2018/19	2019/20	2020/21			Variance to Budget
	Actual	Actual	Original Budget	Adjustment Budget	Actual	
Total Operational Revenue	-		-			
Expenditure:						
Employees	8 766	8 675				
Repairs and Maintenance						
Other	4 175	6 986				
Total Operational Expenditure	12 941	15 661				
Net Operational Expenditure	(12 941)	(15 661)				

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Adjustment Budget by the Actual.

T 3.26.5

Table 102: HR Capital Expenditure [CS] BTO

Capital Projects	R' 000				
	2019/20				Total Project Value
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	
Total All	-	-	-	0%	

Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.

T 3.26.6

Chapter 3

Comment on the performance of Human Resource Services overall:

The Human Resources Management is managing human resources and administer LLF meetings, employee wellbeing as well as facilitate the process for the filling of vacant critical posts, as well as ensure compliance with the Employment Equity Act and the Skills Development Act through implementation of the Annual Workplace Skills Plan. As well as to ensure that the Organisation complies with Occupational Health and Safety Act.

3.27 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES [CS]

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

INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

The Information and Communication Technology services is responsible for the provision of integrated ICT Support which includes acquisition of telephone system, mobile phones, internet connectivity, end-user support, systems administration and ICT infrastructure.

Chapter 3

Table 103: ICT Policy Objectives [CS]

ICT Services Objectives Taken From IDP							
Service Objectives	Outline Service Targets	2018/19		2019/20		2020/21	
Service Indicators		Target	Actual	Target	Actual	Target	Actual
Objective: Manage through information							
ICT Infrastructure	Upgrade ICT Infrastructure Network	100%	40%	100%	50%		
						T3. 27.3	

Chapter 3

Chapter 4

Table 4: Employees

Employees: ICT Services					
Job Level	2019/20	2020/21			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	1	1	1	50%
4 - 6	0	1	0	0	0%
7 - 9	2	2	2	0	100%
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	4	3	1	33%

Table 104: ICT Financial Performance [CS]BTO

Details	2018/19	2019/20	2020/21			
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-	-	-	-	-	#DIV/0!
Expenditure:						#DIV/0!
Employees	-	-	-	-	-	#DIV/0!
Repairs and Maintenance	-	-	-	-	-	#DIV/0!
Other	-	-	-	-	-	#DIV/0!
Total Operational Expenditure	-	-	-	-	-	#DIV/0!
Net Operational Expenditure	-	-	-	-	-	#DIV/0!

Chapter 4

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.

T 3.27.5

Table 105: ICT Capital Expenditure

R' 000					
Capital Projects	202021				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	-	-	-	0%	/
<p><i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i></p>					

T 3.27.6

Comment on the performance of ICT services overall:

ICT managed to provide continued end-user support, but due to lack of IT Strategy and Plan as well as limited human resource capacity and budget and therefore managed to deliver on part of its mandate through municipal systems Infrastructure grants [MSIG].

Chapter 4

3.28 PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

This component includes: property; legal; risk management and procurement services.

INTRODUCTION TO PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

RISK MANAGEMENT MMM

The Municipality have Risk Management Committee which, its functions is to ensure Risk Governance. The risk management committee meet on ad hoc basis. The municipality does not have a designated Chief Risk Officer, however the MPAC was functional and the Internal Audit Unit was functional as a manager: Internal Auditor was appointed to oversee that unit. Council has an approved risk documents that guides risk objective setting, risk identification, risk assessment and risk response. The municipality conducted the strategic risks assessments session ,where in 8 risks were identified for the institution.

LEGAL SERVICES [CS]

The objective of Legal Services is to provide an efficient and effective legal service to DLM. The top three services delivered includes litigation, labour relations and contract management.

The Municipality experienced an increase in litigation as well as labour relations disputes against the municipality, where possible the Municipality attempted to settle matters thus avoiding long and costly litigation. Problem areas have also been identified (e.g.; poor contract management by project managers; lack of legal services framework and labour relations strategy) and remedial action will be taken.

PROPERTY MANAGEMENT (CSPS)

Property management is going through some transformation aimed at reorganising the processes, systems and structures to maximise efficiency. The transformation process involves the transfer of office cleaning and maintenance from Corporate Services and certain aspects of property management from Planning and Development to Community Services and Public Safety. The process will be concluded in the next financial year.

Chapter 4

Table 106: Legal Employees [CS]

Employees: Legal, Risk Management and Procurement Services					
Job Level	19/20	20/21			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	2	2	50%
4-6	0	2	0	2	100%
7-9	0	0	0	0	0%
10-12	0	0	0	0	0%
13 - 15	0	0	0	1	100%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
Total	1	3	2	5	40%
Source:					T3. 28.4

Table 107: Legal Financial Performance BTO

Details	2019/20	2020/21			R'000
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	0	0	0	0	#DIV/0!
Expenditure:					#DIV/0!
Employees	0	0	0	0	#DIV/0!
Repairs and Maintenance	0	0	0	0	#DIV/0!
Other	0	0	-	-	#DIV/0!
Total Operational Expenditure	0	0	-	-	#DIV/0!
Net Operational Expenditure	0	0	-	-	#DIV/0!
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					
					T 3.28.5

Comment on the performance of Legal, Risk Management and Procurement Services overall:

The Legal, Risk and Procurement Services is undergoing transformation with the filling of vacant critical posts in the Supply Chain Unit and problems in legal services being identified for urgent attention. The Risk management function will be strengthened with the establishment of Risk Committee and the designation of a Risk Officer in the next financial year.

Chapter 4

COMPONENT K: ORGANISATIONAL PERFORMANCE SCORECARD [MMM]

INTRODUCTION MMM

The purpose of this report is to give feedback regarding the performance of the Dipaleseng Local Municipality as required through The Municipal Systems Act No 32 of 2000 and Municipal Finance Management Act No 52 of 2003. The information included in this report is based on the IDP¹ and SDBIP² as developed for the financial year **2020/21**. The scorecards were developed to reflect *cumulative performance*, therefore the status of indicators are a reflection of the overall performance level achieved in the financial year under review.

This report is based on information received from each department for annual assessment of performance ending June 2020. Overall performance for the Dipaleseng Local Municipality is based on the Departmental Performance scorecard which is inclusive of all the IDP, SDBIP indicators and Projects. Sub-sections are included that discuss the progress made in achieving the targets as detailed in each scorecard in terms of the contribution made by each Department.

This report serves as a summary of results developed to reflect *cumulative performance*, therefore the status of indicators are a reflection of the overall performance level achieved in the year under review

This report serves as the Final Annual Performance Report for the **financial year 2020/21 ending June 2020**. It provides feedback on the performance level achieved to date against the targets as set out in the IDP and SDBIP. Where under performance has been experienced the respective concerns or mitigating reasons are highlighted and detail pertaining to the relevant measures being implemented or those that need to be implemented are included thereto.

The overall performance for the Dipaleseng Local Municipality is based on the Departmental Performance Scorecard as this contains all of the indicators as included in the IDP, SDBIP Scorecards.

A total of 225 KPIs and 109 projects encompassing the different scorecards were measured for the financial year under review. The overall achievement of the municipality is depicted in the table below, with **52%** achievement.

The main challenge related to finances with the Municipality operating on a deficit budget due to the low levels of revenue collection experienced in the current year. This state of affairs seriously curtailed the implementation of key programmes and projects as well as restricting the appointment of key personnel.

The detail pertaining to the Key Performance Indicators (KPIs) and Projects of the Directorate's departmental individual performance are reflected in Appendix U attached.

¹Integrated Development Plan

² Service Delivery and Budget Implementation Plan

Chapter 4

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

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES [CS]

Table 108: Vacancy Rate

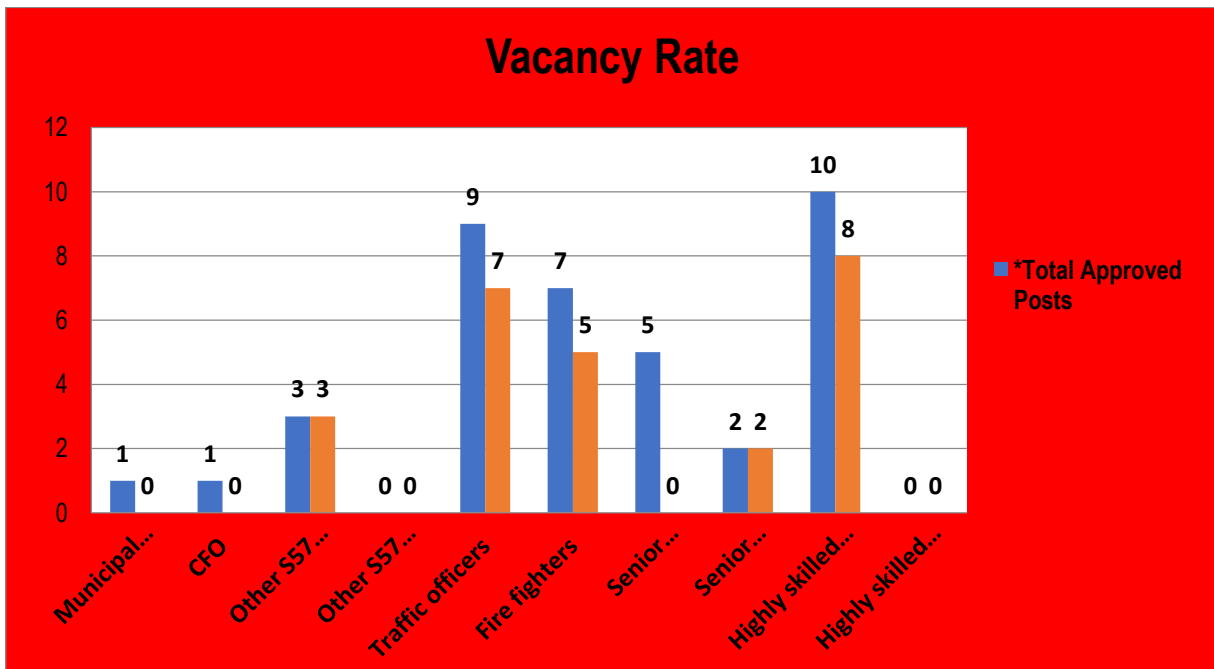
Occupational Levels	Male				Female				Foreign Nationals		
	A	C	I	W	A	C	I	W	Male	Female	
Top management	3	0	0	0	1	0	0	0	0	0	4
Senior Management	5	0	0	0	4	0	0	0	0	0	9
Professionally qualified and experienced specialists and mid-management	3	0	0	0	5	0	0	0	0	0	8
Skilled technical and academically qualified workers, junior management supervisors, foreman and superintendents	22	0	0	0	16	0	0	1	0	0	39
Semi-skilled and discretionary decision	37	0	1	0	25	0	0	0	0	0	63
Unskilled and defined decision making	52	0	0	1	11	0	0	0	0	0	64
TOTAL PERMANENT	122	0	1	1	62	0	0	1	0	0	187
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
GRAND TOTAL	0	0	0	0	5	0	0	0	0	0	5
	122	0	1	1	67	0	0	1	0	0	192

Chapter 4

Table 109: Vacancies in 2020/21 [CS]

Vacancy Rate: 2020/21			
Designations	*Total Approved Posts	*Vacancies (Total time that vacancies exist using fulltime equivalents)	*Vacancies (as a proportion of total posts in each category)
	No.	No.	%
Municipal Manager	1	1	100%
CFO	1	1	100%
Other S57 Managers (excluding Finance Posts)	4	0	0%
Other S57 Managers (Finance posts)	5	1	20%
Traffic officers	12	5	42%
Fire fighters	7	2	28%
Senior management: Levels 1 (excluding Finance Posts)	12	4	33%
Senior management: Levels 1(Finance posts)	13	4	31%
Highly skilled supervision: levels 3(excluding Finance posts)	32	10	31%
Highly skilled supervision: levels 3(Finance posts)	37	10	27%
Total	124	38	31%

Figure 6: Vacancy rate



Chapter 4

Table 110: Turn-over Rate [CS]

Turn-over Rate 2020/21			
Details	Total Appointments as of beginning of Financial Year	Terminations during the Financial Year	Turn-over Rate*
2020/21	10	11	
2019/20	12	8	66%
2018/19	32	6	18%

** Divide the number of employees who have left the organisation within a year, by total number of employees who occupied posts at the beginning of the year*

T 4.1.3

Comment on vacancies and turnover:

- The Municipality is having high rate of unfunded vacant post.
- Vacant funded critical posts are filled in on an on-going basis.
- The Municipality is unable to retain the scarce and critical skilled people.

Proposed solution on the above challenges is to review the Organizational Structure make provision of budget to fill the critical post and Development of Retention Strategy.

Chapter 4

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE [CS]

INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

The Municipality intends to create a healthy, safe and productive work environment underpinned by an organisational culture that supports the realisation of the IDP/ Budget, Batho Pele code and other strategic objectives of the organisation.

The Municipality complied with the SALGBC Collective Agreements and reviewed HR policies on workforce management that were submitted to Council for approval during financial year 2020/21 under item C116/08/20.

Chapter 4

4.2 POLICIES [CS]

Table 111: HR Policies and Plans

HR Policies and Plans				
	Name of Policy	Completed %	Reviewed %	Date adopted by council or comment on failure to adopt
1	Affirmative Action	0%	N/A	30 May 2019 Item C143/05/19
2	Attraction and Retention	0%	N/A	30 May 2019 Item C143/05/19
3	Code of Conduct for employees	100%	N/A	SALGBC Collective Agreement
4	Delegations, Authorisation & Responsibility	100%	N/A	Approved by Council –C/88/05/17
5	Disciplinary Code and Procedures	100%	N/A	SALGBC Collective Agreement
6	Essential Services	0%	N/A	
7	Employee Assistance / Wellness	50%	N/A	Policy to be developed
8	Employment Equity	0%	N/A	30 May 2019 Item C143/05/19
9	Exit Management	0%	N/A	N/A
10	Grievance Procedures	100%	N/A	SALGBC Collective Agreement
11	HIV/Aids	100%	N/A	30 May 2019 Item C143/05/19
12	Human Resource and Development plan	0%	N/A	30 May 2019
13	Information Technology	100%	N/A	30 May 2019 Item C147/05/19
14	Job Evaluation	0%	N/A	Process of JE its done by GSDM and still in process
15	Leave	100%	N/A	30 May 2019 Item C143/05/19
16	Occupational Health and Safety	0%	N/A	30 May 2019 Item C143/05/19
17	Official Housing	100%	N/A	SALGBC Collective Agreement
18	Official Journeys	0%	N/A	N/A
19	Official transport to attend Funerals	0%	N/A	N/A
20	Official Working Hours and Overtime	100%	N/A	SALGBC Collective Agreement
21	Organisational Rights	100%	N/A	SALGBC Collective Agreement
22	Payroll Deductions	100%	N/A	SALGBC Collective Agreement
23	Performance Management and Development	0%	N/A	Policy needs to be reviewed
24	Recruitment, Selection and Appointments	100%	N/A	30 May 2019 Item C143/05/19
25	Remuneration Scales and Allowances	0%	N/A	Dispute on Wage Curve Collective Agreement
26	Resettlement	0%	N/A	N/A
27	Sexual Harassment	0%	N/A	N/A
28	Skills Development	0%	N/A	N/A
29	Smoking	0%	N/A	N/A
30	Special Skills	0%	N/A	N/A
31	Work Organisation	0%	N/A	N/A
32	Uniforms and Protective Clothing	0%	N/A	30 May 2019 Item C143/05/19
33	Other:			

Comment on workforce policy development:

The Council in its sitting held on the 30th May 2019 under item C143/05/19 has approved 13 HR Policies during for implementation in the financial year 2019/2020.

Chapter 4

4.3 INJURIES, SICKNESS AND SUSPENSIONS [CS]

Table 112: Cost of Injuries in Duty

Number and Cost of Injuries on Duty					
Type of injury	Injury Leave Taken	Employees using injury leave	Proportion employees using sick leave	Average Injury Leave per employee	Total Estimated Cost
	Days	No.	%	Days	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

T 4.3.1

Comment on injuries, sickness and suspensions:

No lost time injuries were reported during the period under review.

Table 113: Cost Sick Leave [CS]

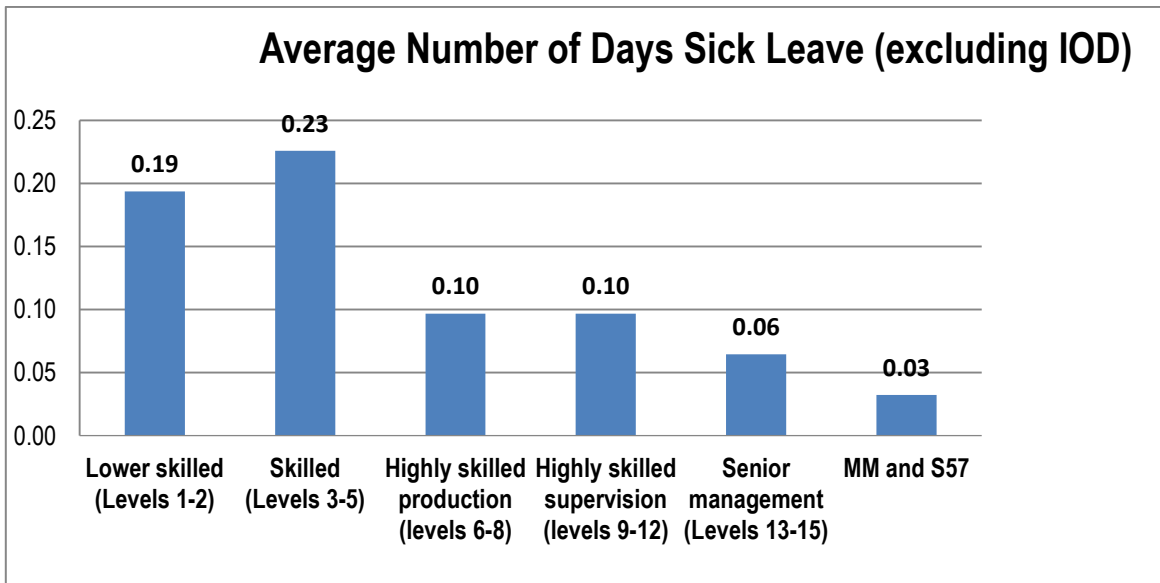
Number of days and Cost of Sick Leave (excluding injuries on duty)						
Salary band	Total sick leave	Proportion of sick leave without medical certification	Employees using sick leave	Total employees in post*	*Average sick leave per Employees	Estimated cost
	Days	%	No.	No.	Days	R' 000
Lower skilled (Levels 1-2)	25	0%	100%	30	6	10
Skilled (Levels 3-5)	30	0%	100%	22	6	10
Highly skilled production (levels 6-8)	25	0%	100%	58	12	20
Highly skilled supervision (levels 9-12)	20	0%	100%	26	4	6
Senior management (Levels 13-15)	10	0%	100%	11	1	2
MM and S57	10	0%	100%	8	1	2
Total	120	0%	100%	155	30	50

* - Number of employees in post at the beginning of the year
 *Average is calculated by taking sick leave in column 2 divided by total employees in column 5

T 4.3.2

Chapter 4

Figure 7: Average Number of Days Sick Leave [CS]



Comment on injury and sick leave: [CS]

During financial year 2019/20 twelve (12) injuries were reported including 4 EPWP employees.

Table 114: Periods of Suspension

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
Cemetery Clerk	Bribery Corruption	Feb2018	Dismissal	October 2018
MM	Misconduct	June 2019	Employee was dismissed	March 2020, but the matter was referred to CCMA and still in process.
				T 4.3.5

Table 115: Disciplinary Action

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
	Not Applicable	Not Applicable	
			T 4.3.6

Chapter 4

Comment on suspensions and cases of financial misconduct:

The Municipal Manager was suspended in June 2019 and dismissed in March 2020, the matter was referred to CCMA and still in process

4.4 PERFORMANCE REWARDS [CS]

Table 116: Performance Rewards

Performance Rewards By Gender					
Designations	Beneficiary profile				
	Gender	Total number of employees in group	Number of beneficiaries	Expenditure on rewards Year 1 R' 000	Proportion of beneficiaries within group %
Lower skilled (Levels 1-2)	Female	0	0	0	0
	Male	0	0	0	0
Skilled (Levels 3-5)	Female	0	0	0	0
	Male	0	0	0	0
Highly skilled production (levels 6-8)	Female	0	0	0	0
	Male	0	0	0	0
Highly skilled supervision (levels 9-12)	Female	0	0	0	0
	Male	0	0	0	0
Senior management (Levels 13-15)	Female	0	0	0	0
	Male	0	0	0	0
MM and S57	Female	0	0	0	0
	Male	0	0	0	0

Comment on performance rewards:

No policy relating to performance rewards.

Chapter 4

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE [CS]

INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

In terms of Government Gazette No 27801 of 18 July 2005 as amended by Government Notice No. R88 published in Government Gazette No. 29584 of 2 February 2007, the Dipaleseng Local Municipality is obliged to submit a workplace skills plan and ATR to the Local Government SETA in order to access the conditional grants not later than 30 April each year.

The Workplace Skills Plan **for 2019/20** and Annual Training Report for 2018/2019 financial year was submitted to LGSETA on the 26 April 2020. All consultative processes have been undertaken with the relevant stakeholders and the Workplace Skills Plan for 2019/2020 and Annual Training Report are in compliance with the Skills Development Act 97 of 1998

Chapter 4

4.5 SKILLS DEVELOPMENT AND TRAINING [CS]

Table 117: Skills Matrix

Skills Matrix						
Management Level	Gender	Employees in post as 30 June 2017	Number of Skills Required and actual as at 30 June 2018			
			Learnership	Skills Programme & other short courses	Other form of Training/Bursary	Total
			No.	2016/17	2016/17	2017/18
MM and S56	Female	1	1	0	0	1
	Male	3	0	0	0	0
Managers	Female	3	0	2	0	2
	Male	5	1	2	0	3
Councillors	Female	3	1	2	0	3
	Male	9	3	1	0	4
Professionals	Female	6	0	2	0	2
	Male	4	0	1	0	1
Technicians and associate professionals	Female	17	0	0	0	0
	Male	23	1	3	0	4
Cleric and Administrative Workers	Female	25	0	2	0	2
	Male	37	0	2	0	2
Sales and Service Workers	Female	9	1	0	0	1
	Male	58	2	1	0	3
Supervisors, Machine operators and Drivers	Female	4	4	4	0	8
	Male	0	0	0	0	0
General Workers	Female	68	7	12	0	19
	Male	137	6	10	0	16
Intern	Female	205	13	22	0	35
	Male	1	1	0	0	1
Sub-Total	Female	3	0	0	0	0
	Male	3	0	2	0	2
Total		5	1	2	0	3

Chapter 4

Comment on Skills Development:

The budget allocation for training still remains a challenge for the SDF. Sufficient funds have not been budgeted for this function and this creates challenges in terms of implementing the departmental training and requirements.

Table 118: Financial Competencies Development

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						
<i>Accounting officer</i>	0	0	0	0	0	0
<i>Chief financial officer</i>	1	0	1	1	1	1
<i>Senior managers</i>	3	0	3	2	3	2
<i>Any other financial officials</i>	15	0	15	10	0	10
Supply Chain Management Officials	1	0	1	1	0	1
<i>Heads of supply chain management units</i>	0	0	0	0	0	0
<i>Supply chain management senior managers</i>	0	0	0	0	0	0
TOTAL	20		20	14	4	14

Chapter 4

Table 119: Skills Development Expenditure [CS]

Skills Development Expenditure										
										R'000
Management level	Gender	Employees as at the beginning of the financial year	Original Budget and Actual Expenditure on skills development Year 1							
			Learnerships		Skills programmes & other short courses		Other forms of training/Bursary		Total	
			No.	planned	Actual	Planned	Actual	Planned	Actual	Original Budget
MM and S57	Female	1	0	0	1	1	0	0	20 000	20 000
	Male	3	0	0	2	1	0	0	40 000	20 000
Legislators, senior officials and managers	Female	6	6	4	4	4	2	2	100 000	50 000
	Male	14	14	10	8	8	4	2	250 000	150 000
Professionals	Female	6	0	0	3	2	1	1	80 000	40 000
	Male	4	0	0	2	3	1	1	80 000	40 000
Technicians and associate professionals	Female	17	14	8	6	4	2	2	250 000	150 000
	Male	23	12	6	5	5	0	0	300 000	300 000
Clerks	Female	25	15	10	6	4	2	2	400 000	200 000
	Male	37	12	8	7	5	3	3	200 000	100 000
Service and sales workers	Female	9	5	5	5	4			150 000	100 000
	Male	58	16	8	6	6	2	2	300 000	200 000
Plant and machine operators and assemblers	Female	1	1	1	1	1	0	0	50 000	50 000
	Male	5	5	5	5	5	0	0	250 000	250 000
Elementary occupations	Female	69	41	28	26	20	7	7	1 050 000	680 000
	Male	137	59	37	35	22	10	8	1 420 200	990 000
Sub total	Female	206	100	65	61	42	17	15	2 447 000	1 670 001
	Male	1	0	0	1	1	0	0	20 000	20 000
Total		3	0	0	2	1	0	0	40 000	20 000

Comments

Most of the courses are paid for by the different stakeholders' i.e. SALGA, COGTA and LGSETA. Municipal is responsible for accommodation and traveling cost of the employees.

Chapter 4

4.6 EMPLOYEE EXPENDITURE [CS]

Table 120: Increases Salaries

Number Of Employees Whose Salaries Were Increased Due To Their Positions Being Upgraded				
Beneficiaries		Gender	Total	
Lower skilled (Levels 1-2)		Female	n/a	
		Male	n/a	
Skilled (Levels 3-5)		Female	n/a	
		Male	n/a	
Highly skilled production (Levels 6-8)		Female	n/a	
		Male	n/a	
Highly skilled supervision (Levels9-12)		Female	n/a	
		Male	n/a	
Senior management (Levels13-16)		Female	n/a	
		Male	n/a	
MM and S 57		Female	n/a	
		Male	n/a	
Total				
Employees Whose Salary Levels Exceed The Grade Determined By Job Evaluation				
Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
None				

Table 121: Post Appointed not Approved

Employees appointed to posts not approved				
Department	Level	Date of appointment	No. appointed	Reason for appointment when no established post exist
None	n/a	n/a	n/a	n/a
				T 4.6.4

Comment on upgraded posts and those that are at variance with normal practice:

The municipality advertises every new position and interested employees may apply as per policy.

Chapter 4

DISCLOSURES OF FINANCIAL INTERESTS

The Municipal Systems Act 32, of 2000, as amended regulates that municipal staff and elected councillors in South Africa, should disclose their Financial Interest to manage and detect conflicts of interests in public life. The purpose of this legislation is to support the effective implementation of financial disclosure regulations by reflecting on institutional good practice. Dipaleseng Local Municipality, fully complies with this regulation.

Chapter 5

CHAPTER 5 – FINANCIAL PERFORMANCE [BTO]

INTRODUCTION

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

- Component A: Statement of Financial Performance
- Component B: Spending Against Capital Budget
- Component C: Other Financial Matters

1. STATEMENTS OF FINANCIAL PERFORMANCE

Chapter 5

Reconciliation of Table A1 Budget Summary															
Description	Year 2018/19											Year -1			
	Original Budget	Budget Adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (i.t.o. s31 of the MFMA)	Virement (i.t.o. Council approved policy)	Final Budget	Actual Outcome	Unauthorised expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MEMA	Balance to be recovered	Restated Audited Outcome
R thousands															
Financial Performance															
Property rates	18 321		18 321			18 321	16 593		(1 727)	91%	91%				
Service charges	94 840	3 670	98 510			98 510	103 429		4 919	105%	109%				
Investment revenue	19 700	6 173	25 873			25 873	25 947		74	100%	132%				
Transfers recognised - operational	69 695	(6 000)	63 695			63 695	56 678		(7 017)	89%	81%				
Other own revenue	8 132	2 444	10 576			10 576	6 657		(3 919)	63%	82%				
Total Revenue (excluding capital transfers and contributions)	210 687	6 287	216 974	-	-	216 974	209 304	-	12	0	0	-	-	-	-
Employee costs	55 773		55 773			55 773	56 259	-	486	101%	101%				
Remuneration of councillors	5 356		5 356			5 356	5 826	-	471	109%	109%				
Debt impairment	36 089		36 089			36 089	60 212	-	24 123	167%	167%				
Depreciation & asset impairment	18 581		18 581			18 581	18 289	-	(292)	98%	98%				
Finance charges		2 354	2 354			2 354	7 368	-	5 014	313%	#DIV/0!				
Materials and bulk purchases	59 591	4 283	63 874			63 874	70 106	-	6 232	110%	118%				
Transfers and grants	3 221		3 221			3 221	1 241	-	(1 980)	39%	39%				
Other expenditure	33 421		33 421			33 421	52 421	-	19 000	157%	157%				
Total Expenditure	212 032		218 669	-	-	218 669	271 723	-	(0)	0	0	-			
Surplus/(Deficit)	(1 344)	6 638	(1 695)	-	-	(1 695)	(62 419)		(60 724)	3683%	4643%				
Transfers recognised - capital	44 884		44 884	-		44 884	47 387		-	0%	0%				
Contributions recognised - capital & contributed assets			-			-	1 193								
Surplus/(Deficit) after capital transfers & contributions	43 540	6 638	43 189	-	-	43 189	(13 839)								
Share of surplus/ (deficit) of associate			-			-	-								
Surplus/(Deficit) for the year	43 540	6 638	43 189	-	-	43 189	(13 839)		(57 028)	37%	54%				
Capital expenditure & funds sources															
Capital expenditure	-	-	-	-	-	-	-		-	#DIV/0!	#DIV/0!				
Transfers recognised - capital	44 884	-	44 884	-		44 884	4 958		(39 926)	11%	11%				
Public contributions & donations	-	-	-	-		-	-		-	#DIV/0!					
Borrowing	-	-	-	-		-	-		-						
Internally generated funds	-	-	-	-		-	-		-						
Total sources of capital funds	44 884	-	44 884	-		44 884	4 958		(39 926)	11%	11%				
Cash flows															
Net cash from (used) operating	44 974	3 410	48 383			48 383	50 891		2 507	105%	113%				
Net cash from (used) investing	(44 191)		(44 191)			(44 191)	(51 337)		(7 146)	116%	116%				
Net cash from (used) financing	-	-	-			-	-		-						
Cash/cash equivalents at the year end	1 015	3 410	4 424			4 424	2 662		(1 762)	60%	262%				

T 5.1.1

Chapter 5

Financial Performance of Operational Services						
R '000						
Description	Year 2017/18	Year 2018/19			Year 0 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Operating Cost						
Water	10 455	16 204	20 487	14 205	-14,07%	-44,22%
Waste Water (Sanitation)	5 024	6 655	6 655	1 661	-300,78%	-300,78%
Electricity	62 733	76 370	76 370	81 088	5,82%	5,82%
Waste Management	7 722	4 791	4 791	10 687	55,17%	55,17%
Housing					0,00%	0,00%
Component A: sub-total	85 933	104 020	108 303	107 641	3,36%	-0,62%
Waste Water (Stormwater Drainage)					0,00%	0,00%
Roads	4 080	4 601	4 601	7 740	40,56%	40,56%
Transport	-				0,00%	0,00%
Component B: sub-total	4 080	4 601	4 601	7 740	40,56%	40,56%
Planning	-	-	-	-	#DIV/0!	#DIV/0!
Local Economic Development	3 434	2 986	2 986	4 875	0,00%	0,00%
Component B: sub-total	3 434	2 986	2 986	4 875	38,75%	38,75%
Planning (Strategic & Regulatory)	2 552				0,00%	0,00%
Local Economic Development	-	-	-	-	0,00%	0,00%
Component C: sub-total	2 552	-	-	-	0,00%	0,00%
Community & Social Services	19 166	13 341	13 341	17 499	23,76%	23,76%
Environmental Protection	-				0,00%	0,00%
Health	-				0,00%	0,00%
Security and Safety	-				0,00%	0,00%
Sport and Recreation	-				#DIV/0!	#DIV/0!
Corporate Policy Offices and Other	104 620	87 084	89 438	78 968	-10,28%	-13,26%
Component D: sub-total	123 786	100 425	102 779	96 467	-4,10%	-6,54%
Total Expenditure	219 785	212 032	218 669	216 723	2,16%	-0,90%
In this table operational income is offset against operational expenditure leaving a net operational expenditure total for each service as shown in the individual net service expenditure tables in chapter 3. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.						T 5.1.2

Comment:

During the 2018/19 the municipality had a deficit of R 16 422 406,. The performance can be categorised as follows

- Operating revenue for the year is R263 274 893 million (2018: 335 503 419 million) which reflects an decrease of -21.52%.
- The operating expenditure for the year is R 279 697 299 million (2018: R233 381 378 million) which reflects an increase of 19.84%.
- The total capital expenditure capitalized for the year in respect of property, plant and equipment mounted to R 51,3 million.
- Cash and short term investments decreased to R 2.6 million (2018: R3,1 million)

Chapter 5

5.2 GRANTS [BTO]

Table 122: Grant Performance

Grant Performance				
R' 000				
Description	Year 2017/18	Year 2018/19		
	Actual	Budget	Adjustments Budget	Actual
Operating Transfers and Grants				
National Government:	59 311	68 076	62 076	3 507
Equitable share	54 340	64 569	58 569	–
Municipal Systems Improvement	–	–	–	–
Department of Water Affairs	–	–	–	–
Levy replacement	–	–	–	–
Other transfers/grants	4 971	3 507	3 507	3 507
Provincial Government:	–	–	–	–
Health subsidy	–	–	–	–
Housing	–	–	–	–
Ambulance subsidy	–	–	–	–
Sports and Recreation	–	–	–	–
Other transfers/grants	–	–	–	–
District Municipality:	–	–	–	–
	–	–	–	–
	–	–	–	–
Other grant providers:	–	–	–	–
	–	–	–	–
	–	–	–	–
Total Operating Transfers and Grants	59 311	68 076	62 076	3 507

Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. Full list of provincial and national grants available from published gazettes.

Comment on operating transfers and grants:

All the grants allocated to the Municipality have been received and spent 95% on the planned projects.

Chapter 5

Table 123: Grants from Other Sources

Grants Received From Sources Other Than Division of Revenue Act (DoRA)						
Details of Donor	Actual Grant Year -1	Actual Grant Year 0	Year 0 Municipal Contribution	Date Grant terminates	Date Municipal contribution terminates	Nature and benefit from the grant received, include description of any contributions in kind
Parastatals						
A - "Project 1"						
A - "Project 2"						
B - "Project 1"						
B - "Project 2"						
Foreign Governments/Development Aid Agencies						
A - "Project 1"						
A - "Project 2"						
B - "Project 1"						
B - "Project 2"						
Private Sector / Organisations						
A - "Project 1"						
A - "Project 2"						
B - "Project 1"						
B - "Project 2"						
<i>Provide a comprehensive response to this schedule</i>						<i>T 5.2.3</i>

Comment on conditional grants and grant received from other sources:

No other grant funds sourced.

Chapter 5

5.3. ASSET MANAGEMENT

INTRODUCTION TO ASSET MANAGEMENT [BTO]

The Asset Management policy is developed to comply with all relevant legislative requirements and complies with the standards specified by the Accounting Standards Board. Asset management within the municipality is overseen by the Executive Director Financial Services.

Table 124: Treatment of three largest Assets

TREATMENT OF THE THREE LARGEST ASSETS ACQUIRED YEAR 2018/19				
Asset 1				
Name	Design and Construction Supervision for the Rehabilitation of Minaar Street in Balfour.			
Description	Design and Construction Supervision for the Rehabilitation of Minaar Street in Balfour.			
Asset Type	ROADS			
Key Staff Involved	YES			
Staff Responsibilities	PROJECT MANAGEMENT UNT RESPONSIBILITIES			
	Year -3	Year -2	Year -1	Year 0
Asset Value	6 439 964,86	7 155 516,51	7 950 573,90	8 833 971,00
Capital Implications	CONDITIONAL CAPITAL FUNDING			
Future Purpose of Asset	ACCESS ROADS IN BALFOUR			
Describe Key Issues	ACCESS ROADS IN BALFOUR			
Policies in Place to Manage Asset	ASSET MANAGEMENT POLICY			
Asset 2				
Name	Design and Construction Supervision for Provision of Sewer Reticulation and Toilet Top Stru			
Description	Design and Construction Supervision for Provision of Sewer Reticulation and Toilet Top Stru			
Asset Type	SEWER RETICULATION			
Key Staff Involved	YES			
Staff Responsibilities	PROJECT MANAGEMENT UNT RESPONSIBILITIES			
	Year -3	Year -2	Year -1	Year 0
Asset Value	3 557 775,70	3 953 084,11	4 392 315,68	4 880 350,75
Capital Implications	CONDITIONAL CAPITAL FUNDING			
Future Purpose of Asset	SEWER RETICULATION NETWORK			
Describe Key Issues	SEWER RETICULATION			
Policies in Place to Manage Asset	ASSET MANAGEMENT POLICY			
Asset 3				
Name	Design and Construction Supervision for Provision of Sewer Reticulation in Balfour North.			
Description	Design and Construction Supervision for Provision of Sewer Reticulation in Balfour North.			
Asset Type	SEWER RETICULATION NETWORK			
Key Staff Involved	YES			
Staff Responsibilities	PROJECT MANAGEMENT UNT RESPONSIBILITIES			
	Year -3	Year -2	Year -1	Year 0
Asset Value	6 163 102,69	6 847 891,88	7 608 768,75	8 454 187,50
Capital Implications	CONDITIONAL CAPITAL FUNDING			
Future Purpose of Asset	SEWER RETICULATION			
Describe Key Issues	SEWER RETICULATION			
Policies in Place to Manage Asset	ASSET MANAGEMENT POLICY			
				T 5.3.2

Chapter 5

Comment on asset management:

The needs aroused through assessment and backlog in access roads and sewer reticulations

Table T 5.3.4 Repair and Maintenance Expenditure

Repair and Maintenance Expenditure: 2020/21				
				R' 000
	Original Budget	Adjustment Budget	Actual	Budget variance
Repairs and Maintenance Expenditure	4,070,000	4,070,000	2,831,609	30%
				T 5.3.4

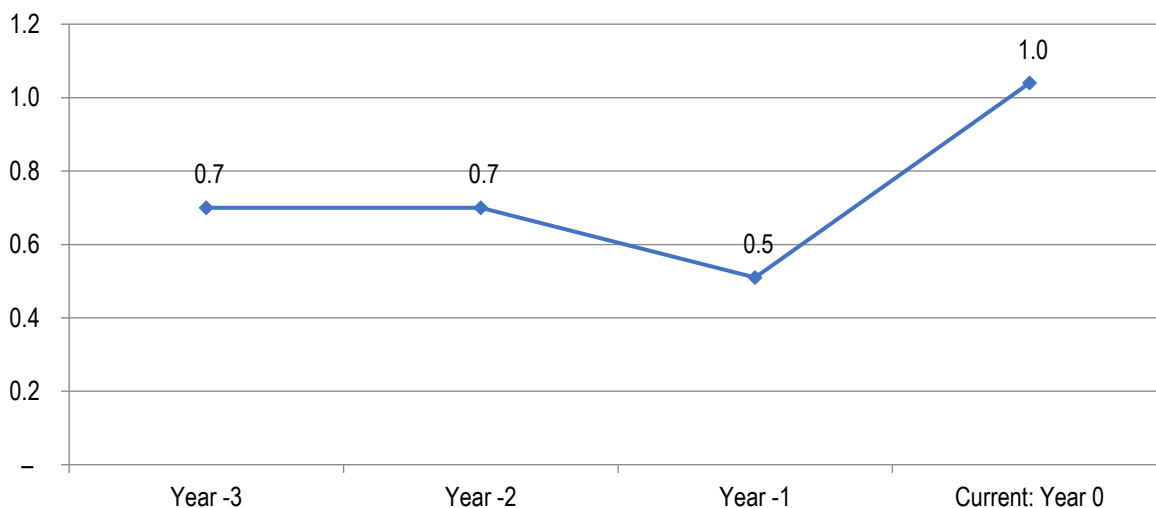
Comment on repair and maintenance expenditure:

Average on the repairs and maintenance was due to cash flow challenges that the Municipality experienced in the 2020/21 financial year

5.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

Figure 8: Liquidity Ratio

Liquidity Ratio



Liquidity Ratio – Measures the municipality’s ability to pay its bills and is calculated by dividing the monetary assets (due within one year) by the municipality’s current liabilities. A higher ratio is better.

Data used from MBRR SA8

Liquidity Ratio – The liquidity ratio computed indicates that the Municipality is unable to cover its immediate obligation with the available resources due to long overdue debtors 2021, The Municipality is below the norm of 1 to 3 months as ratio in 2021 is 0 months.

The Current ratio computed indicates that the current Municipal assets are insufficient to cover its short terms liabilities as the indicate 2021 0.26 : 1

Although this appears to be an indication that the Municipality may not operate as going concern, The unaudited annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business and operational grants that are on annual basis are appropriated by National Treasury .

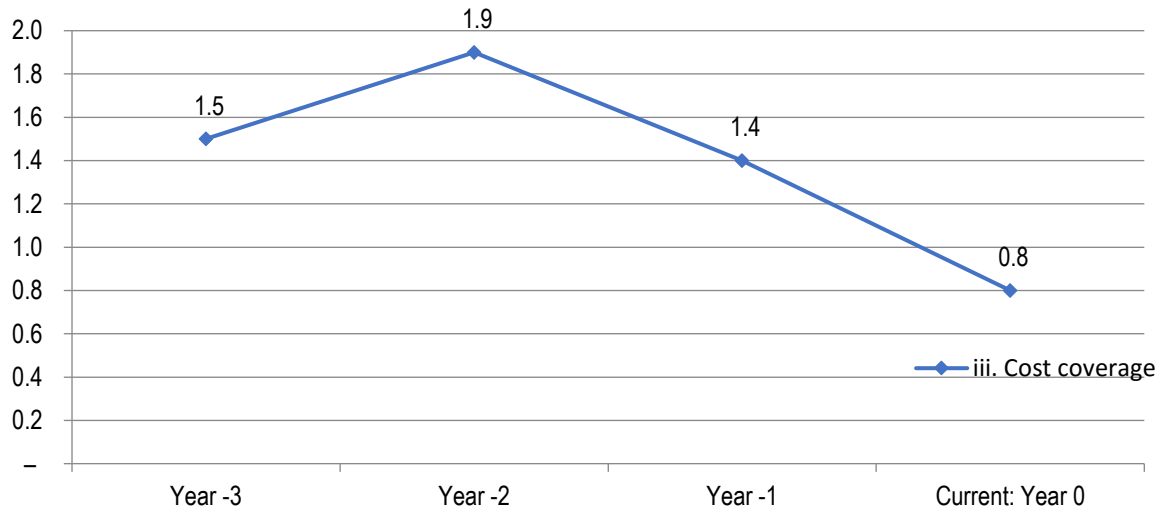
The ability of the municipality to continue as a going concern is dependent on a number of factors. The most significant of these is that the accounting officer continue to procure funding for the ongoing operations for the municipality and that these unaudited annual financial statements will

Chapter 5

remain in force for so long as it takes to restore the solvency of the municipality. The Municipality has developed a Financial Recovery plan, and monitored cost containment measures. and this is constantly monitored on a monthly basis

Figure 9: Cost Coverage Ratio

Cost Coverage

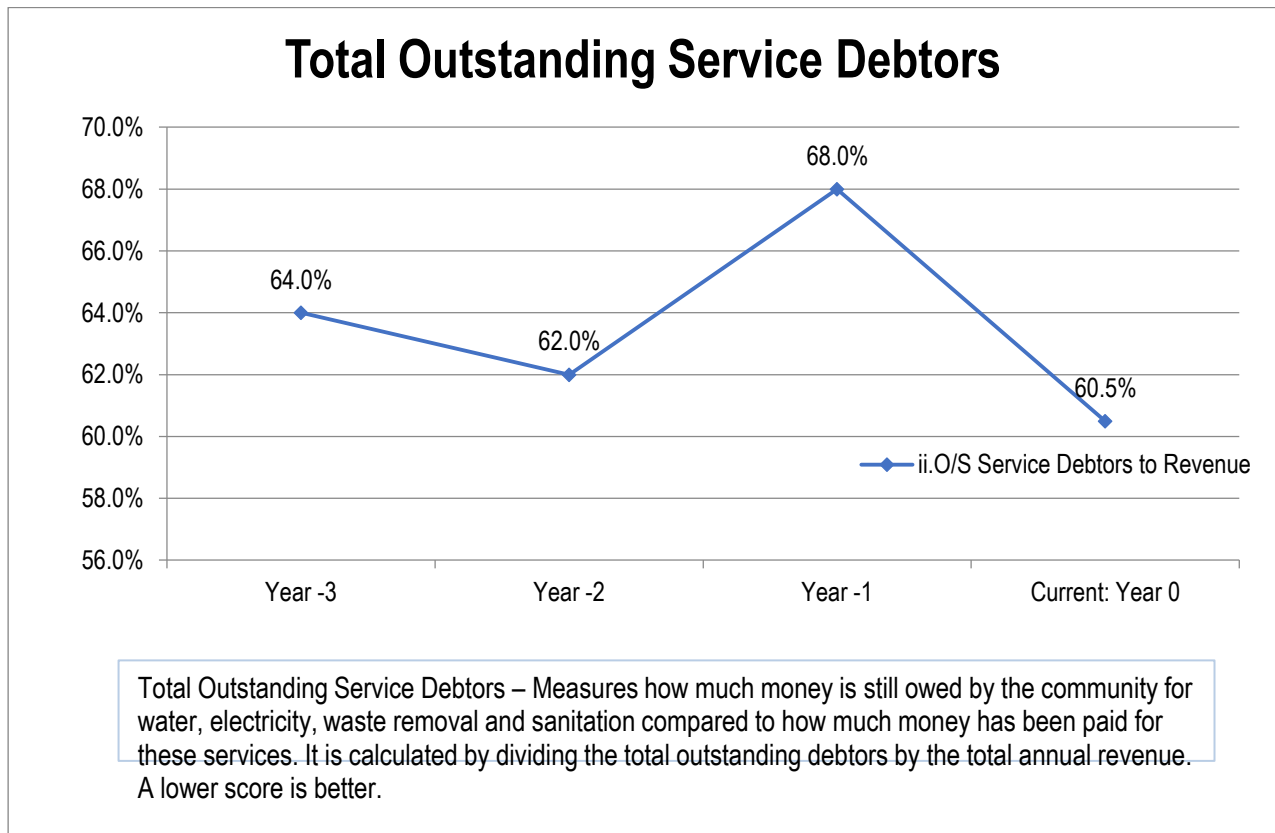


Cost Coverage– It explains how many months expenditure can be covered by the cash and other liquid assets available to the Municipality excluding utilisation of grants and is calculated

Data used from MBRR SA8

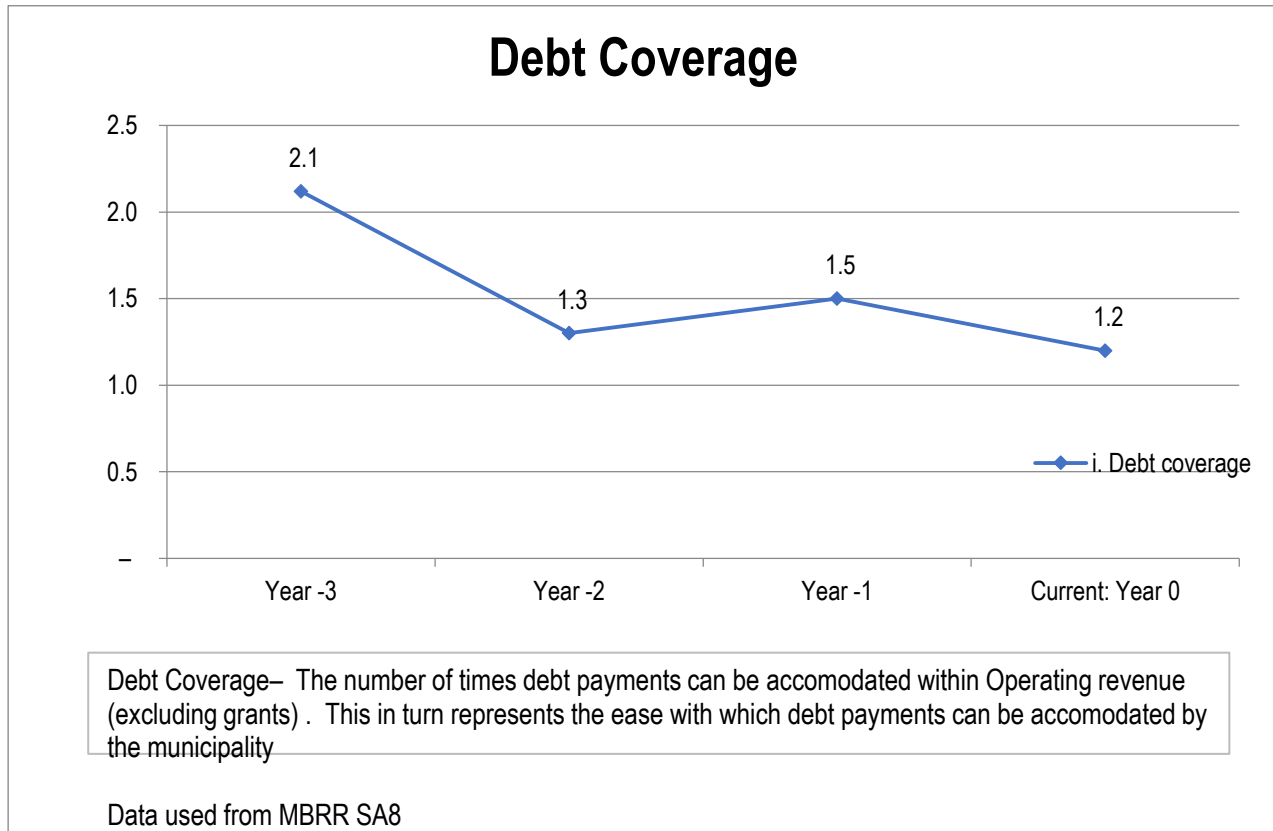
Cost Coverage– It explains how many months expenditure can be covered by the cash and other liquid assets available to the Municipality excluding utilization of grants. The norm is between 1 to 3 months, which is no the case with the Municipality.

Figure 10: Outstanding Service Debtor to Revenue Ratio



Total Outstanding Service Debtors To Revenue – It is calculated by dividing the total outstanding debtors by the total annual revenue. A lower score is better. The ratio focuses on the proportion of amounts that are deemed to be recoverable as a percentage of Annual Billed Revenue. It therefore only takes into account the major revenue sources that give rise to Consumer Debtors, excluding Bad Debts Provisions and also indicates the effectiveness of Credit Control procedures and enables assessment of the sufficiency of the Provision for Bad Debts. The norm is 8,3% which is equates to the same as 30 days’ worth of Outstanding Debtors.

Figure 11: Debt Coverage Ratio



Debt Coverage– The number of times debt payments can be accommodated within Operating revenue (excluding grants). This in turn represents the ease with which debt payments can be accommodated by the municipality Capital Charges to Operating Expenditure ratio is calculated by dividing the sum of capital interest and principle paid by the total operating expenditure.

The Ratio indicates the cost required to service external Interest on borrowings and Redemption. It assesses the affordability of Debt expressed as a percentage of Operating Expenditure. The lower the Ratio the more the capacity of the Municipality to take up additional funding to Invest in Infrastructure Projects. The norm is 6% Employee cost – Measures what portion of the revenue was spent on paying employee costs. It is calculated by dividing the total employee cost by the difference between total revenue and capital revenue.

Figure 12: Creditors System Efficiency

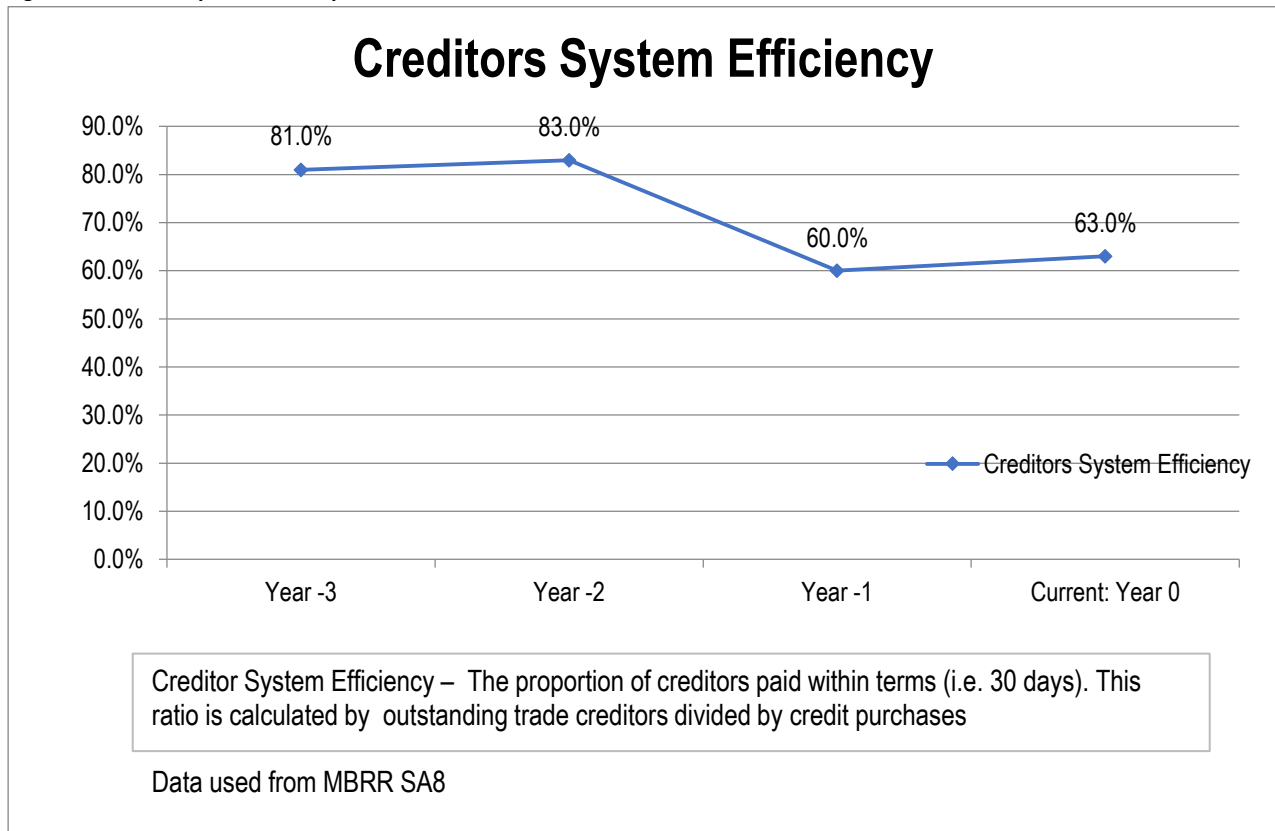


Figure 13: Capital Charges to Operating Expenditure

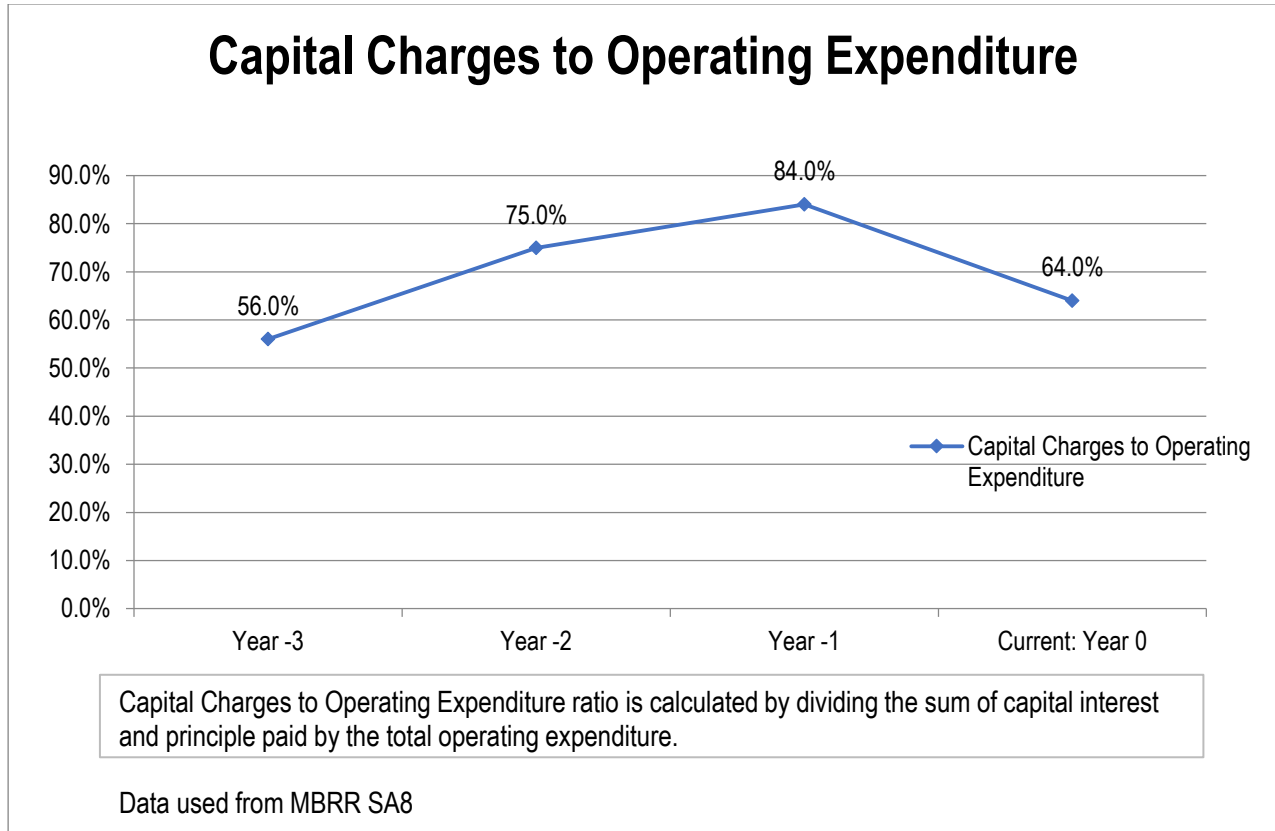


Figure 14: Employee Costs

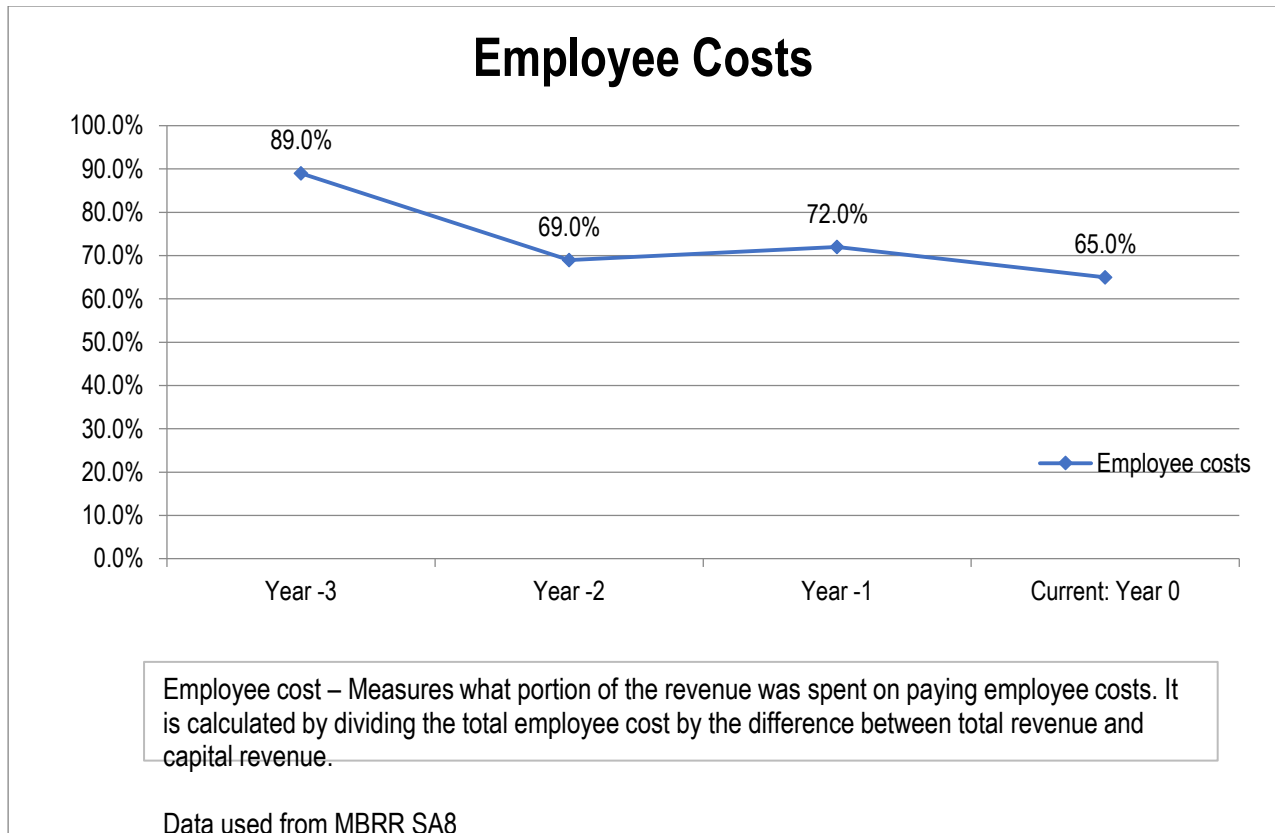
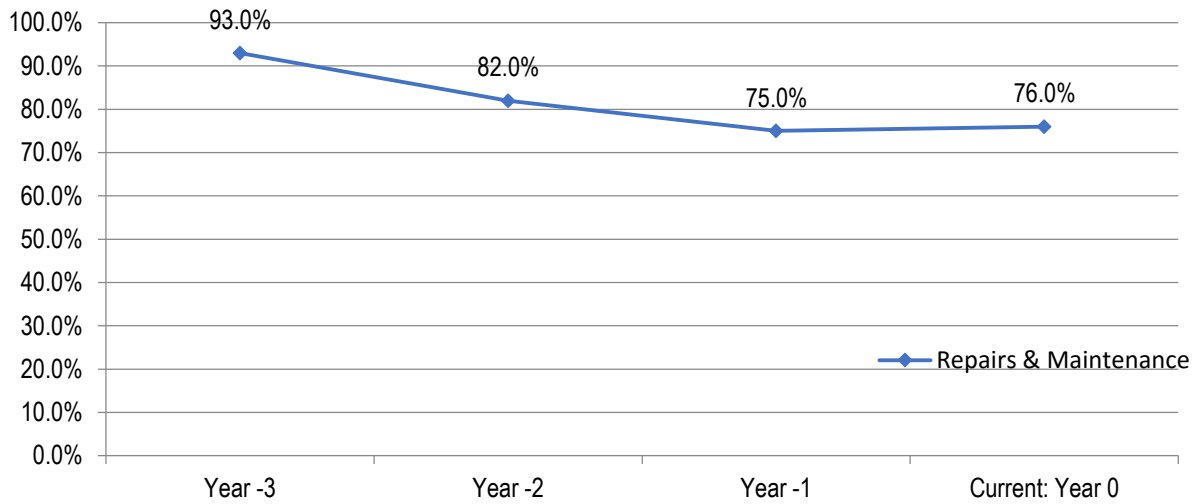


Figure 15: Repairs and Maintenance

Repairs & Maintenance



Repairs and Maintenance – This represents the proportion of operating expenditure spent and is calculated by dividing the total repairs and maintenance.

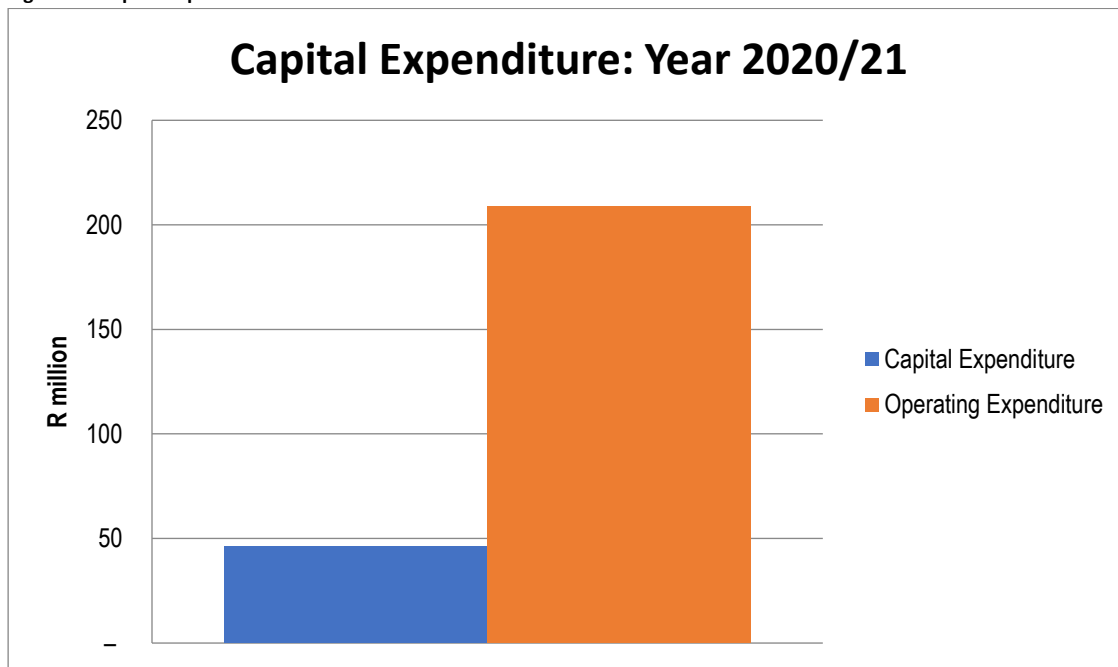
Data used from MBRR SA8

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET [BTO]

INTRODUCTION TO SPENDING AGAINST CAPITAL BUDGET

Total spending for our capital expenditure improved in the **2018/19** financial year and this was due to delays in the submission of specification and sitting of bid Committees processes, however the unspent grant was committed.

Figure 16: Capital Expenditure



5.7 CAPITAL SPENDING ON 5 LARGEST PROJECTS [BTO]

Table 125: Capital Expenditure on the 5 Largest Projects

Capital Expenditure of 5 largest Projects*					
R'000					
Name of Project	Current Year: 2020/21			Variance: Current Year	
	Original Budget	Adjusted Budget	Actual Budget	Original Variance %	Adjusted Variance %
A - Establishment of Landfill site Balfour/ Siyathemba Phase 02					
	7.5	0	0	0%	0%
Delays	None				
Objective of Project	Waste Management				
Future Challenges	Budget				
Anticipated citizen benefits	Healthy Environment				
B - Provision of Sewer Reticulation Network in Grootvlei Ext 1					
	13.8	0	0	0%	0%
Delays	None				
Objective of Project	Sanitation Services				

Chapter 5

Future Challenges	Maintenance Budget				
Anticipated citizen benefits	Access to decent sanitation services				
C - Upgrading of MV Systems in Balfour	0.555	0	0	0%	0%
Delays	None				
Objective of Project	Electricity Services				
Future Challenges	Maintenance Budget				
Anticipated citizen benefits	Improved electricity services to the community				
D - Construction and rehabilitation of roads - Siyathemba: Mofokeng Street	4.288	0	0	0%	0%
Delays	None				
Objective of Project	Road and stormwater infrastructure				
Future Challenges	Maintenance Budget				
Anticipated citizen benefits	Improved road networks and safety				
E - Construction and rehabilitation of roads - Siyathemba: Monareng Street	2.272	0	0	0%	0%
Delays	None				
Objective of Project	Road and stormwater infrastructure				
Future Challenges	Maintenance Budget				
Anticipated citizen benefits	Improved road networks and safety				
	T 5.7.1				

5.8 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS– OVERVIEW [IS]

INTRODUCTION TO BASIC SERVICE AND INFRASTRUCTURE BACKLOGS

The Municipality is expected to provide basic essential services on water, sanitation and electricity. The Municipality experience backlogs in terms of households without access to water, sanitation and electricity. The Municipality has plans in place to address the infrastructure backlogs.

Table 126: Service Backlog

Service Backlog as at 30 June 2020				
Households (HHs)				
	*Service Level above minimum standard		**Service Delivery below minimum standard	
	No. HHs	%HHs	No. HHs	%HHs
Water	14 120	95%	757	5%
Sanitation	13 976	94%	901	6%
Electricity	13 815	86%	1062	14%
Waste Management				
Housing				

Chapter 5

*% HHs are the service above/ below minimum standard as a proposition of total HHs. Housing refers to * Formal and **Informal settlements*

T 5.8.2

Chapter 5

Table 127: Grant Expenditure on Service Backlog [IS]

Municipal Infrastructure Grant (MIG)* Expenditure Year 2020/21 on Service backlogs					
R' 000					
Details	Budget	Adjustments Budget	Actual	Variance	
				Budget	Adjustments Budget
Infrastructure - Road transport				%	%
<i>Roads, Pavements & Bridges</i>	3000	5000	250	10%	%
<i>Storm water</i>				%	%
Infrastructure - Electricity				%	%
<i>Generation</i>				%	%
<i>Transmission & Reticulation</i>				%	%
<i>Street Lighting</i>	1500	1800	1800	20%	%
Infrastructure - Water				%	%
<i>Dams & Reservoirs</i>				%	%
<i>Water purification</i>				%	%
<i>Reticulation</i>	1500	1500	1500	100%	%
Infrastructure - Sanitation				%	%
<i>Reticulation</i>	11,000	11,000	11000	100%	%
<i>Sewerage purification</i>				%	%
Infrastructure - Other				%	%
<i>Waste Management</i>	6000	6000	5800	%	%
<i>Transportation</i>				%	%
<i>Gas</i>				%	%
Other Specify:				%	%
Sport and recreation	3000	3000	-	%	%
	-			%	%
				%	%
Total	-			%	%

COMMENTS:

The Municipality experience backlogs in terms of households without access to water, sanitation and electricity. The Municipality has plans in place to address the infrastructure backlogs.

COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS [BTO]

INTRODUCTION TO CASH FLOW MANAGEMENT AND INVESTMENTS

The table below is a statement of cash flow which represents cash inflow and outflow relating to the municipal operations. The content of its covers the following

1. Cash flows from operating activities which represents the cash inflow and outflows from operation of the municipality
2. Cashflows from investing activities: which represents cash inflow and outflows from selling or acquisition of capital assets
3. Cash flow from financing activities which represents cash inflow or outflow from borrowings and repayment thereof.

Chapter 5

Table 128: Cash Flow Outcomes [BTO]

Cash Flow Outcomes				
R'000				
Description	Year 2019/20	Current: 2020/21		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Ratepayers and other	56 688	83 949	87 718	70 402
Government - operating	67 487	69 002	63 002	58 779
Government - capital	40 122	44 884	44 884	47 387
Interest	20 934	4 500	5 858	25 947
Dividends	-			
Payments				
Suppliers and employees	(59 751)	(154 141)	(149 857)	(146 650)
Finance charges	(76 885)			
Transfers and Grants	(5 564)	(3 221)	(3 221)	(4 973)
NET CASH FROM/(USED) OPERATING ACTIVITIES	43 032	44 974	48 384	50 891
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE	-			
Decrease (Increase) in non-current debtors	-			
Decrease (increase) other non-current receivables	-			
Decrease (increase) in non-current investments	-			
Payments				
Capital assets	(40 069)	(44 191)	(44 191)	(51 337)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(40 069)	(44 191)	(44 191)	(51 337)
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Short term loans	-	-	-	-
Borrowing long term/refinancing	-			
Increase (decrease) in consumer deposits	-	-	-	-
Payments				
Repayment of borrowing	-	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD	2 963	783	4 193	(446)
Cash/cash equivalents at the year begin:	24 852	232	232	3 108
Cash/cash equivalents at the year end:	27 815	1 015	4 425	2 663
<i>Source: MBRR A7</i>				<i>T 5.9.1</i>

COMMENT ON CASHFLOW

Chapter 5

1. At the end of the financial the cash and cash equivalent for the Municipality showed a favorable balance of R 2, 6 million.

5.10 BORROWING AND INVESTMENT [BTO]

INTRODUCTION TO BORROWING AND INVESTMENTS

The municipality has no borrowings or investments.

Table 129: Actual Borrowings

Actual Borrowings:			
Instrument	2018/19	2019/20	R' 000
Municipality			
Long-Term Loans (annuity/reducing balance)	-	-	-
Long-Term Loans (non-annuity)	-	-	-
Local registered stock	-	-	-
Instalment Credit	-	-	-
Financial Leases	-	-	-
PPP liabilities	-	-	-
Finance Granted By Cap Equipment Supplier	-	-	-
Marketable Bonds	-	-	-
Non-Marketable Bonds	-	-	-
Bankers Acceptances	-	-	-
Financial derivatives	-	-	-
Other Securities	-	-	-
Municipality Total	0	0	0
Municipal Entities			
Long-Term Loans (annuity/reducing balance)	-	-	-
Long-Term Loans (non-annuity)	-	-	-
Local registered stock	-	-	-
Instalment Credit	-	-	-
Financial Leases	-	-	-
PPP liabilities	-	-	-
Finance Granted By Cap Equipment Supplier	-	-	-
Marketable Bonds	-	-	-
Non-Marketable Bonds	-	-	-
Bankers Acceptances	-	-	-
Financial derivatives	-	-	-
Other Securities	-	-	-
Entities Total	0	0	0
<i>T 5.10.2</i>			

Chapter 5

Comment on borrowing and investments:

The municipality has no borrowings or investments in the current year under review.

Chapter 5

5.11 PUBLIC PRIVATE PARTNERSHIPS

INTRODUCTION TO PUBLIC PRIVATE PARTNERSHIPS

No agreements are currently in place.

COMPONENT D: OTHER FINANCIAL MATTERS [BTO]

5.12 SUPPLY CHAIN MANAGEMENT

INTRODUCTION TO SUPPLY CHAIN MANAGEMENT

Although the SCM policy was reviewed the municipality experienced certain issues of non-compliance with laws and regulations relating to supply chain management (SCM) and the MFMA and in the opinion of the office of the Auditor General these could have been prevented had SCM Regulations been properly adhered to.

5.13 GRAP COMPLIANCE

GRAP is the acronym for Generally Recognised Accounting Practice and it provides guidance on the accounting treatment of financial transactions to which municipalities must comply in order to report on the financial affairs of the municipality. Compliance with GRAP ensures that municipal accounts are accurate, reliable, comparable and informative for the municipality and investors. It also ensures that the municipality is accountable to its citizens and other stakeholders. Compliance with GRAP is required in order for National Treasury to measure the performance and assess the viability of the municipality.

The municipality complied with all GRAP standards as legislated

GLOSSARY

CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS [BTO & ALL DEPARTMENTS]

COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS 2020/21

GLOSSARY

Accessibility indicators	Explore whether the intended beneficiaries are able to access services or outputs.
Accountability documents	Documents used by executive authorities to give “ <i>full and regular</i> ” 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 “ <i>what we do</i> ”.
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.

GLOSSARY

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 performance indicators	Key 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	<ul style="list-style-type: none"> • 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.

GLOSSARY

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 EPMS 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:	<p>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.</p> <p>Section 1 of the MFMA defines a "vote" as:</p> <p><i>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</i></p> <p><i>b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned.</i></p>

APPENDICES

APPENDICES

APPENDIX A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

Functionality of Ward Committees						
Ward	Name of Ward Councillor and Elected Ward Committee Member	Political party	Committee established (Yes/No)	Number of monthly meetings held during the year	Number of monthly reports submitted to Speaker's office on time	Number of quarterly public ward meetings held during the year
Ward 1	Clr SME Nhlapo	ANC	Yes	12	0	4
Ward 2	Clr BK Moeketsi	ANC	Yes	12	0	4
Ward 3	Clr PM Mokoena	ANC	Yes	12	0	4
Ward 4	Clr ML Makhubu	ANC	Yes	12	0	4
Ward 5	Clr AK Nyamade	ANC	Yes	12	0	4
Ward 6	Clr TJ Mahlangu	ANC	Yes	12	0	4
						TE

APPENDICES

APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

Committees(other than Mayoral/Executive Committee) and Purposes of Committees		
Municipal Committee	Purpose of Committee	
Clr. ML Makhubu	Finance Portfolio /Executive Mayor	
Clr. LM Maruping	Policy &By-laws, rules & ethics Committee	
Clr AK Nyamade	MPAC-Chairperson	
Clr WS Davel	Finance Portfolio	
Clr L Maruping	MPAC Member	
Clr MD Khanye	Section 80 Committee	
Clr ZS Ngwenya	Section 80 Committee	
Clr TJ Mahlangu	MPAC Member	
Clr MD Khanye	Section 80 Committee/MMC	
Clr FS Dlamini	MPAC Member	
Clr BG Shongwe		

APPENDICES

APPENDIX C –THIRD TIER ADMINISTRATIVE STRUCTURE [CS]

THIRD TIER STRUCTURE	
Directorate	Director/Manager (State title and name)
Office of the Municipal Manager	J Mkgatsi (Acting MM from xxx to September 2019) BN Khanye (Acting MM) from December 2019)
Corporate Services	TP Mokoena (Director)
Infrastructure Services	LM Msibi Director
Budget and Treasury	GC Letsoalo (CFO)
Community Services	BN Khanye (Director)
Planning & Economic Development	L Cindi (Director)
<i>Use as a spill-over schedule if top 3 tiers cannot be accommodated in chapter 2 (T2.2.2)</i>	
	TC

APPENDICES

APPENDIX D – FUNCTIONS OF MUNICIPALITY/ENTITY [CS]

Municipal / Entity Functions		
MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes / No)*	Function Applicable to Entity (Yes / No)
Constitution Schedule 4, Part B functions:		
Air pollution	No	
Building regulations	Yes	
Child care facilities	No	
Electricity and gas reticulation	Yes	
Firefighting services	Yes	
Local tourism	Yes	
Municipal airports	No	
Municipal planning	Yes	
Municipal health services	No	
Municipal public transport	No	
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law	No	
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto	No	
Stormwater management systems in built-up areas	Yes	
Trading regulations	Yes	
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems	Yes	
Beaches and amusement facilities	No	
Billboards and the display of advertisements in public places	Yes	
Cemeteries, funeral parlors and crematoria	Yes	
Cleansing	Yes	
Control of public nuisances	Yes	
Control of undertakings that sell liquor to the public	Yes	
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	Yes	
Local amenities	Yes	
Local sport facilities	Yes	
Markets	Yes	
Municipal abattoirs	No	

APPENDICES

Municipal parks and recreation	Yes	
Municipal roads	Yes	
Noise pollution	Yes	
Pounds	Yes	
Public places	Yes	
Refuse removal, refuse dumps and solid waste disposal	Yes	
Street trading	Yes	
Street lighting	Yes	
Traffic and parking	Yes	
* If municipality: indicate (yes or No); * If entity: Provide name of entity		<i>T D</i>

APPENDICES

APPENDIX E –WARD REPORTING

APPENDIX E – WARD REPORTING [CS]

Councillors, Committees Allocated and Council Attendance					
Council Member	Full time/ Part - Time	Committees Allocated	Ward and/or Party Represented	Percentage Council Meeting Attendance	Percentage Apologies for non- attendance
Clr ML Makhubu	FT	Finance Portfolio /Executive Mayor	Ward 4 (ANC)	100%	0%
Clr LM Maruping	FT	Policy &By-laws, rules & ethics Committee	Ward 4 (ANC)	100%	0%
Clr AK Nyamade	PT	MPAC-Chairperson	Ward 5 (ANC)	100%	0%
Clr SW Davel	PT	Finance Portfolio	Ward 3 (DA)	100%	0%
Clr FS Dlamini	PT	MPAC Member	Ward 3 PR (DA)	100%	0%
Clr ZS Ngwenya	FT	Section 80 Committee	Ward 1 (ANC)	100%	0%
Clr LM Maruping	P	MPAC member	Ward 4 (ANC)	100%	0%
Clr TJ Mahlangu	PT	MPAC Member	Ward 6 (ANC)	100%	0%
Clr MD Khanye	FT	Section 80 Committee/MMC	Ward 6 (ANC)	100%	0%
Clr BG Shongwe	PT	MPAC Member	Ward 4 (EFF)	100%	0%
Note: Councillors appointed on proportional basis do not have wards allocated to them					TE

APPENDICES

APPENDIX F – WARD INFORMATION [MMM]

Functionality of Ward Committees					
Ward	Name of Ward Councillor and Elected Ward Committee Member	Committee established (Yes/No)	Number of monthly meetings held during the year	Number of monthly reports submitted to Speaker's office on time	Number of quarterly public ward meetings held during the year
Ward 2	Clr BK Moeketsi	Yes	12	0	4
Ward 4	Clr FS Dlamini	Yes	12	0	4
Ward 1	Clr SME Nhlapo	Yes	12	0	4
Ward 3	Clr PM Mokoena	Yes	12	0	4
Ward 3	Clr W Davel	Yes	12	0	4
Ward 4	Clr ML Makhubu	Yes	12	0	4
Ward 5	Clr AK Nyamade	Yes	12	0	0
Ward 6	Clr TJ Mahlangu	Yes	12	0	4
Ward 6	Clr MD Khanye	Yes	12	0	4
Ward 1	Clr ZS Ngwenya	Yes	12	0	4
Ward 4	Clr LM Maruping	Yes	12	0	4
Ward 4	Clr B Shongwe	Yes	12	0	4
					TE

DIPALESENG LOCAL MUNICIPALITY



AUDIT AND PERFORMANCE COMMITTEE RESOLUTION REGISTER FOR 2020/2021 FINANCIAL YEAR

Date of the meeting	Item	Resolution	Responsible person	Due date	Progress made
19 August 2020					
Office of the Municipal Manager	Dipaleseng Local Municipality's Integrated Development Plan for 2020/21 financial year	Resolved that: <ol style="list-style-type: none"> An item needs to be prepared to which provide the purpose of submitting a report. The Audit and Performance Committee be indicated under section 79 & 80 Council Committees. The municipal process plan be submitted to the committee. 	Manager: Integrated Development Plan.		Resolved as an item was prepared for the meeting held on the 10 June 2021

APPENDICES

		4. The Audit and Performance committee will forward their inputs to the municipality (if any)	Audit and Performance Committee		
	Annual Performance Report 2019/20 financial year	<ol style="list-style-type: none"> 1. The Annual Performance Information reports for Community Services, Corporate Services and Office of the Municipal Manager were considered by the committee 2. Narrative overview of performance including summary of each department's performance must be reported. 	Manager in the Office of the Municipal Manager	Quarterly	<p>Considered by the committee and no action was expected.</p> <p>In progress</p>
	Internal Audit Charter	<ol style="list-style-type: none"> 1. The charter to include review indicator 2. Under the Organizational Independence to include the discipline of the Manager: Internal Audit 3. To include Business Continuity plan for the Internal Audit Unit 4. The 2020/21 financial year internal audit charter was considered and approved by the committee 	Manager Internal Audit	21 August 2020	Resolved Review indicator - page 2 of the charter Discipline of Manager Internal Audit page 7 of the charter
	Internal Audit Methodology	<p>Resolved that:</p> <ol style="list-style-type: none"> 1. The charter be considered by the committee 	Manager Internal Audit	19 August 2021	Considered by the committee and no action was expected
	Internal Audit Plan	<p>Resolved that:</p> <ol style="list-style-type: none"> 1. The internal Audit plan be approved by the Committee 	Manager: Internal Audit	19 August 2021	Approved by the Committee and no action was expected

APPENDICES

		2. Management to capacitate the internal Audit Unit	Acting Accounting Officer		
	Audit Committee Charter	<ol style="list-style-type: none"> 1. The charter to include the sittings of meeting through virtual platforms 2. The statement of meetings be in line with the section 166(4)(b) of the Municipal Finance Management Act no 56 of 2003 3. Quorum be reflected in numbers only not percentage 	Manager Internal Audit	21 August 2020	<p>Resolved</p> <p>The sitting of meetings through virtually platform- page 14</p> <p>The statement of meeting – page 14 of the charter</p> <p>The quorum has been corrected – page 15 of the charter</p>
26 OCTOBER 2020					
	Draft Annual Financial Statement for 2019/20 financial year.	Reference be made to the minutes of the meeting held on that day.	Chief financial Officer	31 October 2020	
	Draft Annual Performance Report for 2019/20 financial year	<p>Resolved that:</p> <ol style="list-style-type: none"> 1. The Audited Annual Performance Information be referred to the next meeting, and the source of information, which organizational annual performance information be presented in the next meeting 	Manager in the office of the Municipal Manager	31 st October 2020	
29 October 2021					
	Draft Annual performance report for 2019/20 financial year	<p>Resolved that:</p> <ol style="list-style-type: none"> 1. Comparison of performance information be included in the document. 	Manager in the office of the Municipal Manager	31 October 2020	

APPENDICES

		<ol style="list-style-type: none"> 2. Schedule of all external service providers be included in the document 3. To complete the information which is incomplete in the document 4. To include narrations on the document 5. The municipality to ensure that the POE to be submitted to AG is ready. 6. Service Delivery department be prioritized 7. Individual KPI 's be included in the document 8. Well presentation of the report be observed by the management 9. A template in a form of a sample of performance information report will be provided to management 			
	Draft Annual Financial Statement for 2019/20 financial year	<p>Resolved that:</p> <ol style="list-style-type: none"> 1. The Annual Financial Statement be submitted to AG on the due date. 	Chief financial Officer	31 October 2020	Resolved as the Annual financial statements were submitted.
14 December 2020					
	Audit Strategy and Engagement letter for 2019/20 financial year.	<p>Resolved that:</p> <ol style="list-style-type: none"> 1. The items be referred back as there was no representation from AG 	Auditor General		The strategy and engagement plan were presented in the meeting held on

APPENDICES

					the 25 th February 2021.
	First quarter 2020/21 financial year's Organisational performance	<p>Resolved that:</p> <ol style="list-style-type: none"> 1. The report be completed by including and assessing all the departments. 2. The non-performance is a concerned to the APC. 3. That management improve in reporting performance information. 	Manager in the municipal Manager's office	31 December 2020	Resolved The report is now including assessment of each department
	Draft Annual report for 2019/20 financial year.	<p>Resolved that:</p> <ol style="list-style-type: none"> 1. The draft annual report be submitted in a form of circulation to the APC as soon as possible. 	Manager in the municipal Manager's office	31 December 2020	Resolved The draft annual report for 2019/20 was discussed in the meeting held in the 10 th June 2021
	First quarter financial performance including capital expenditure.	<p>Resolved that:</p> <ol style="list-style-type: none"> 1. The first quarter financial performance be submitted in the next meeting as only the capital expenditure was submitted. 2. Management to look at the figures between the allocated grants and the committed amount. 		30 April 2021	

APPENDICES

		<ol style="list-style-type: none"> 3. To check the Local Government Calendar for expected items in order to align with the submission to committee. 4. The acceleration plan on projects be submitted in the next meeting 			
	First quarter debt management and revenue management	Resolved that: <ol style="list-style-type: none"> 1. The report be submitted on the next meeting as it was not part of the agenda. 	CFO	30 April 2021	Resolved As the item was dealt with in the meeting held on the 10 June 2021
	First quarter supply chain management / deviation report	Resolved that: <ol style="list-style-type: none"> 1. The report be submitted on the next meeting as it was not part of the agenda. 	CFO	30 April 2021	
	Progress report on the AG action plan for 2018/19 Audit	Resolved that: <ol style="list-style-type: none"> 1. The report be submitted in the next meeting as it was not part of the agenda. 	CFO	30 April 2021	Outstanding
	Human Resource Report	Resolved that: <ol style="list-style-type: none"> 1. The report be referred to the next meeting as there was no representative from Corporate Services. 	Director: Corporate Services	30 April 2021	Resolved as the items was discussed in the meeting held on the 25 th February 2021
	Litigation report	Resolved that: <ol style="list-style-type: none"> 1. The report be referred to the next meeting as there was no 	Director: Corporate Services	30 April 2021	Resolved as the items was discussed in the meeting held

APPENDICES

		representative from Corporate Services.			on the 25 th February 2021
	Implementation of council resolution	Resolved that: 1. The report be referred to the next meeting as there was no representative from Corporate Services.	Director: Corporate Services	30 April 2021	
25 FEBRUARY 2021					
MATTERS REFERRED TO THE NEXT MEETING	Matters arising from the previous minutes	1. It was resolved that the Audit Committee resolution be developed	Manager Internal Audit	25 February 2021	Resolved.
	Audit engagement letter and Audit Strategy for 2019/20 financial year Audit	Resolved that: 1. The strategy be signed off. 2. The actuals be presented during steering committee meetings. 3. Management to inform the Audit and Performance Committee of the Communication of findings 4. A meeting be scheduled with the Business Executive of Auditor General.	Audit and Performance Committee. Auditor General Manager: Internal Audit Manager: Internal Audit	25 February 2021 30 April 2021 30 April 2021 30 April 2021	Noted by the Committee No progress was made as no Audit Steering Committee meetings were held as expected. Only communication of findings that relates to Audit and Performance Committee were communicated.

APPENDICES

					Resolved as the meeting was held on the 24 th March 2021
	Budget and Treasury Office	1st quarter Supply Chain Management / Deviation report Resolved that: <ol style="list-style-type: none"> 1. More details be provided for reason for deviation as the insufficient reasons may results classifying those expenditure as irregular expenditures. 2. The work of fixing gear box be look at, by the municipality. 3. To indicate which information must be condoned. 	Acting Chief Financial Officer	10 June 2021	
	Corporate Services	1st quarter human resource report Resolved that: <ol style="list-style-type: none"> 1. The report be aligned with the strategic plan of the municipality. 	Director Corporate Services	10 June 2021	
	1st quarter litigation report	Resolved that: <ol style="list-style-type: none"> 1. The cost to benefit of each case be looked at. 2. External and Internal cases be aligned. 	Director Corporate Services	10 June 2021	

APPENDICES

	1st quarter implementation of Council Resolution report. Resolved that:	Resolved that: 1. The cost to benefit of each case be looked at. 2. External and Internal cases be aligned. 3. The report be referred back and be submitted in the next meeting with progress.	Director Corporate Services	10 June 2021	
ITEMS FOR DISCUSSION					
Office of the MM	2nd Quarter Organizational Performance report Resolved that:	Resolved that: 1. The report be referred back as there was no representative from the Office of the MM.	Acting Municipal Managers	10 June 2021	
	10.1.2 Mid - year assessment report (Sec 72 report)	Resolved that: 1. The report be referred back as there was no representative from the Office of the MM.	Acting Municipal Managers	10 June 2021	
	10.1.3 Progress report on External Audit (AG)	Resolved that: 1. The report be referred back as there was no representative from the Office of the MM.	Auditor General	30 April 2021	
BUDGET AND TREASURY OFFICE					
	10.2.1 UIFW reduction strategy	Resolved that: 1. Clear separation of Unauthorized, Irregular, fruitless and Wasteful expenditure be indicated on the document.	Chief Financial Officer.	10 June 2021	

APPENDICES

		<ol style="list-style-type: none"> 2. The strategy was considered by the committee. 3. Submission by the Audit and Performance Committee will be done in writing (if any). 	<p>Audit and Performance Committee.</p> <p>Audit and Performance Committee</p>	10 June 2021	
	10.2.2 Budget adjustment and funding plan	<p>Resolved that:</p> <ol style="list-style-type: none"> 1. The funding plan be referred to the next meeting. 2. The adjustment budget to include explanations on variances 3. The adjustment budget be supported by the Service Delivery and Budget Implementation plan. 4. Since the adjustment budget was compiled without following the principles of budgeting and accounting principles, the committee is not recommending /supporting the adjustment budget. 	Chief Financial Officer	10 June 2021	
CORPORATE SERVICES					
	10.3.1 2 nd quarter Human resources report	<p>Resolved that:</p> <ol style="list-style-type: none"> 1. To cover issues of section 56 and 57 employees 	Director Corporate Services	10 June 2021	

APPENDICES

		<ol style="list-style-type: none"> 2. To consider the employment equity plan and employment equity act. 3. OHS report covering COVID- 19 be submitted in the next meeting. 			
	10.3.2 2 nd quarter litigation report	Resolved that: <ol style="list-style-type: none"> 1. The cost to benefit of each case be looked at. 2. External and Internal cases be aligned. 	Director Corporate Services	10 June 2021	
	10.3.3 2 nd quarter Council Resolution implementation report	Resolved that: <ol style="list-style-type: none"> 1. The report be submitted in the next meeting with progress. 	Corporate Service Director	10 June 2021	
INTERNAL AUDIT UNT					
	10.4.1 Progress report on IA plan	Resolved that: <ol style="list-style-type: none"> 1. To include the date on when the actual work was achieved. 2. The progress report was considered and approved by the Audit and Performance Committee. 	Manager: Internal Audit	10 June 2021	In progress
	10.4.2 Internal Audit Reports	Resolved that: <ol style="list-style-type: none"> 1. Outstanding reports and POE be submitted within 14 days, after the meeting, if non submission happed, the Acting Municipal 	Acting Municipal Manager.	10 June 2021	Partially resolved as only the office of the Municipal Manager has submitted the outstanding

APPENDICES

		<p>Manager must implement consequence management.</p> <p>2. The report was considered by the Audit and Performance Committee.</p>	Audit and Performance Committee	25 February 2021	<p>information. BTO and PED were still outstanding.</p> <p>Considered by the committee, no action was expected.</p>
Corporate Services					
	10.5.1 ICT report on new building	<p>Resolved that:</p> <ol style="list-style-type: none"> 1. To ensure that the insurance policy includes the ICT equipment. 2. The budget be aligned to include capital expenditure. 3. Business Continuity Plan be aligned to Business Recovery Plan of the municipality. 4. The report was noted and considered by the committee. 	Director Corporate Services	10 June 2021	

APPENDICES

	MPAC Matters	<p>10.7.1 MPAC Matters</p> <p>Resolved that:</p> <ol style="list-style-type: none"> 1. A meeting be arranged between the Audit and Performance Committee and the Chairperson of MPAC. 2. MPAC and AC diaries to be synchronized to be able to attend each other's meetings. 3. A corporate Calendar to be finalized and sent to all stakeholders. 4. Management to give clear indication on what total UIFW is and which portion relates to current and previous year. 	Acting Accounting Officer	10 June 2021	
10 JUNE 2021					
Office of the Municipal Manager	Audit and Management report for the 2019/20 financial year audit	<p>Resolved that:</p> <ol style="list-style-type: none"> 1. The audit report and management letter were noted by the Audit and Performance Committee 	Audit and Performance Committee	10 June 2021	Considered by the committee and no action was required.

APPENDICES

	3 rd Quarter Performance Information report 2020/21 financial year	<p>Resolved that:</p> <ol style="list-style-type: none"> 1. The 3rd quarter performance information was considered by the Audit and Performance Committee 2. A plan be developed to improve performance 3. The 258 indicators be looked at, as they are too many for the institution. 4. Top layer must be looked at. 	<p>Audit and Performance Committee</p> <p>Acting Municipal Manager.</p> <p>Acting Municipal Manager</p> <p>Acting Municipal Manager</p>	<p>10 June 2021</p> <p>30 June 2021</p> <p>30 June 2021</p> <p>30 June 2021</p>	<p>Considered</p>
	Draft Annual report for 2019/20 financial year	<p>Resolved that:</p> <ol style="list-style-type: none"> 1. The Audit and Performance Committee annual report be included in the annual report. 2. The annual report for 2019/20 was considered by the Audit and Performance Committee. 	<p>Audit and Performance Committee.</p> <p>Audit and Performance Committee</p>	<p>10 June 2021</p> <p>10 June 2021</p>	
	Draft Integrated Development plan for 2021/22 financial year	<p>Resolved that:</p> <ol style="list-style-type: none"> 1. The draft Integrated Development plan for 2021/22 financial year was noted by the 	<p>Manager: Integrated Development Plan</p>	<p>30 June 2021</p>	

APPENDICES

		<p>Audit and Performance Committee.</p> <p>2. Turnaround plan be submitted in the next meeting.</p> <p>3. Service Delivery and Budget Implementation plan be submitted in the next meeting.</p>	<p>Acting Accounting Officer.</p> <p>Acting Accounting Officer</p>	<p>30 June 2021</p> <p>30 June 2021</p>	
	Performance Assessment report	<p>Resolved that:</p> <p>1. The performance assessment report be submitted in the next meeting.</p>	Acting Municipal Manager	30 June 2021	
	Risk assessment report	<p>Resolved that:</p> <p>1. Risk assessment report be submitted in the next meeting.</p>	Acting Municipal Manager	30 June 2021	
	Financial recovery plan	<p>Resolved that:</p> <p>1. The financial recovery plan be submitted in the next meeting.</p>	Acting Chief Financial Officer	30 June 2021	
Budget and Treasury Office	3 rd Quarter Debt management and Revenue Management	<p>Resolved that:</p> <p>1. The report be considered by the Committee</p>	Acting Financial Officer	10 June 2021	The report was considered by the committee, no action was required.
	3 rd quarter Supply Chain Management and deviation report	<p>Resolved that:</p> <p>1. The report be considered by the Committee</p>	Acting Chief Financial Officer	10 June 2021	The report was considered by the committee, no action was required
	Unauthorized, irregular, fruitless and wasteful expenditure	<p>Resolved that:</p> <p>1. The report be considered by the Committee.</p> <p>2. The submission of the Unauthorized, irregular, fruitless</p>	Acting Chief Financial Officer.	10 June 2021	

APPENDICES

		and wasteful expenditure be made by management to MPAC	Acting Chief Financial Officer		
	Draft budget for the 2021/22 financial year	Resolved that: 1. A workshop be arranged for finance and Performance Management Systems and other matters.	Acting Municipal Manager	10 June 2021	
Corporate Services	3 rd quarter HR report	Resolved that: 1. The report be considered by the committee.	Acting Director Corporate Services	30 June 2021	
	3 rd quarter litigation report	Resolved that: 1. The report be presented in the next meeting.	Acting Director Corporate Services	30 June 2021	
	3 rd quarter Council resolution implementation report	Resolved that: 1. The report be presented in the next meeting.	Acting Director Corporate Services	30 June 2021	
Internal Audit Unit	Progress report on the implementation of the Risk based internal Audit plan	Resolved that: 1. The report be considered by the Committee. 2. The internal Audit unit be capacitated with human resources	Manager: Internal Audit	10 June 2021	
			Acting Municipal Manager	30 June 2021	
	Internal Audit report	Resolved that: 1. The reports were considered by the Committee 2. Management to ensure timeously submission of requested information	Manager: Internal Audit	10 June 2021	
			Acting Municipal Manager	30 June 2021	

APPENDICES

APPENDIX H – LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

none

APPENDIX I – MUNICIPAL ENTITY

None

APPENDIX J – DISCLOSURES OF FINANCIAL INTERESTS

None

APPENDIX I: REVENUE COLLECTION PERFORMANCE BY VOTE

Revenue Performance by Vote							R' 000
Vote Description	2019/20	Current: 2020/21			Variance		
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget	
Vote 1 - EXECUTIVE AND COUNCIL	69,873,551	77,714,916	91,763,064	37,762,998	106%	143%	
Vote 2 - FINANCIAL AND ADMINISTRATION	86,318,744	63,789,276	63,789,276	68,696,987	-7%	-7%	
Vote 3 - COMMUNITY SERVICES	184,711	226,896	238,796	245,396	-8%	-3%	
Vote 4 - DEVELOPMENT AND PLANNING	-	-	-	-	0%	#DIV/0!	
Vote 5 - SPORTS AND RECREATION	-	-	-	-	0%	#DIV/0!	
Vote 6 - ROADS	11,707,238	27,353,857	27,762,354	8,762,055	212%	217%	
Vote 7 - PUBLIC SAFETY	-	-	-	-	#DIV/0!	#DIV/0!	
Vote 8 - WASTE MANAGEMENT	-	9,602,628	8,270,960	8,996,250	7%	-8%	
Vote 9 - WATER WASTE MANAGEMENT	148,679,099	65,411,928	66,602,604	21,266,394	208%	213%	
Vote 10 - WATER	2,220,001	21,965,856	23,530,340	23,290,064	-6%	1%	
Vote 11 - ELECTRICITY	75,597,087	84,638,092	84,773,418	75,975,753	11%	12%	
Example 12 - Vote 12	-	-	-	-	0%	-	
Example 13 - Vote 13	-	-	-	-	0%	-	
Example 14 - Vote 14	-	-	-	-	0%	-	
Example 15 - Vote 15	-	-	-	-	0%	-	
Total Revenue by Vote	394,580,431	350,703,449	366,730,812	244,995,897	#DIV/0!	#DIV/0!	
<i>Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is</i>						<i>T K.1</i>	

APPENDICES

APPENDIX K (ii): REVENUE COLLECTION PERFORMANCE BY SOURCE

Revenue Collection Performance by Source							R '000
Description	2019/20	Current: 2020/21			Variance		
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget	
Property rates	24,563	33,115	33,115	31,731	4%	4%	
Property rates - penalties & collection charges	69,187	62,809	62,944	61,739	0%	0%	
Service Charges - electricity revenue	7	21,949	23,512	23,272	-6%	0%	
Service Charges - water revenue	35,004	20,409	21,600	21,266	-4%	0%	
Service Charges - sanitation revenue	-	7,832	6,500	7,226	8%	0%	
Service Charges - refuse revenue					#DIV/0!	0%	
Service Charges - other	143	179	309	272	0%	0%	
Rentals of facilities and equipment	395	1,227	1,227	413	66%	197%	
Interest earned - external investments	53,855	27,811	27,811	36,583	-32%	0%	
Interest earned - outstanding debtors	-	-	-	-	#DIV/0!	#DIV/0!	
Dividends received	170	859	228	159			
Fines	9,642	0	0	-	100%	#DIV/0!	
Licences and permits	-	6,231	7,100	5,540	0%	0%	
Agency services	72,960	86,727	99,657	52,138	40%	91%	
Transfers recognised - operational	1,258	2,308	3,481	4,656	-102%	-25%	
Other revenue					#DIV/0!	#DIV/0!	
Gains on disposal of PPE	-				0%	0%	
Environmental Protection	-						
Total Revenue (excluding capital transfers and contributions)	267,186	271,457	287,485	244,996	-10.80%	-17.34%	
<i>Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.</i>						T K.2	

APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

None

APPENDIX M: CAPITAL EXPENDITURE – NEW & UPGRADE/RENEWAL PROGRAMMES

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

Capital Expenditure - New Assets Programme*

R '000

APPENDICES

Description	Year -1	Year 0			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
Capital expenditure by Asset Class							
Infrastructure - Total	-	-		-	-	-	-
Infrastructure: Road transport - Total	-	-		-	-	-	-
<i>Roads, Pavements & Bridges</i>							
<i>Storm water</i>							
Infrastructure: Electricity - Total	-	-		-	-	-	-
<i>Generation</i>							
<i>Transmission & Reticulation</i>							
<i>Street Lighting</i>							
Infrastructure: Water - Total	-	-		-	-	-	-
<i>Dams & Reservoirs</i>							
<i>Water purification</i>							
<i>Reticulation</i>							
Infrastructure: Sanitation - Total	-	-		-	-	-	-
<i>Reticulation</i>							
<i>Sewerage purification</i>							
Infrastructure: Other - Total	-	-		-	-	-	-
<i>Waste Management</i>							
<i>Transportation</i>							
<i>Gas</i>							
<i>Other</i>							
Community - Total	-	-		-	-	-	-
Parks & gardens							
Sportsfields & stadia							
Swimming pools							
Community halls							
Libraries							
Recreational facilities							
Fire, safety & emergency							
Security and policing							
Buses							
Clinics							
Museums & Art Galleries							
Cemeteries							
Social rental housing							
Other							

APPENDICES

Table continued next page

Table continued from previous page

Capital Expenditure - New Assets Programme*								R '000
Description	Year -1	Year 0			Planned Capital expenditure			
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3	
Capital expenditure by Asset Class								
Heritage assets - Total	-	-		-	-	-	-	
Buildings								
Other								
Investment properties - Total	-	-		-	-	-	-	
Housing development								
Other								
-								
Other assets	-	-		-	-	-	-	
General vehicles								
Specialised vehicles								
Plant & equipment								
Computers - hardware/equipment								
Furniture and other office equipment								
Abattoirs								
Markets								
Civic Land and Buildings								
Other Buildings								
Other Land								
Surplus Assets - (Investment or Inventory)								
Other								
Agricultural assets	-	-		-	-	-	-	
List sub-class								
Biological assets	-	-		-	-	-	-	
List sub-class								

APPENDICES

Intangibles	-	-		-	-	-	-
Computers - software & programming							
Other (<i>list sub-class</i>)							
Total Capital Expenditure on new assets	-	-		-	-	-	-
Specialised vehicles	-	-		-	-	-	-
Refuse							
Fire							
Conservancy							
Ambulances							

* Note: Information for this table may be sourced from MBRR (2009: Table SA34a)

T M.1

Capital Expenditure - Upgrade/Renewal Programme*							
R '000							
Description	Year -1	Year 0			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
Capital expenditure by Asset Class							
Infrastructure - Total	-	-		-	-	-	-
Infrastructure: Road transport - Total	-	-		-	-	-	-
Roads, Pavements & Bridges							
Storm water							
Infrastructure: Electricity - Total	-	-		-	-	-	-
Generation							
Transmission & Reticulation							
Street Lighting							
Infrastructure: Water - Total	-	-		-	-	-	-
Dams & Reservoirs							
Water purification							
Reticulation							
Infrastructure: Sanitation - Total	-	-		-	-	-	-
Reticulation							
Sewerage purification							
Infrastructure: Other - Total	-	-		-	-	-	-
Waste Management							

APPENDICES

Transportation							
Gas							
Other							
Community	-	-		-	-	-	-
Parks & gardens							
Sportsfields & stadia							
Swimming pools							
Community halls							
Libraries							
Recreational facilities							
Fire, safety & emergency							
Security and policing							
Buses							
Clinics							
Museums & Art Galleries							
Cemeteries							
Social rental housing							
Other							
Heritage assets	-	-		-	-	-	-
Buildings							
Other							

Table continued next page

Table continued from previous page

Capital Expenditure - Upgrade/Renewal Programme*							
							R '000
Description	Year -1	Year 0			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
Capital expenditure by Asset Class							
Investment properties	-	-		-	-	-	-
Housing development							
Other							
Other assets	-	-		-	-	-	-
General vehicles							
Specialised vehicles							
Plant & equipment							
Computers - hardware/equipment							
Furniture and other office equipment							
Abattoirs							

APPENDICES

Markets							
Civic Land and Buildings							
Other Buildings							
Other Land							
Surplus Assets - (Investment or Inventory)							
Other							
Agricultural assets	-	-		-	-	-	-
<i>List sub-class</i>							
Biological assets	-	-		-	-	-	-
<i>List sub-class</i>							
Intangibles	-	-		-	-	-	-
Computers - software & programming							
Other (<i>list sub-class</i>)							
Total Capital Expenditure on renewal of existing assets	-	-		-	-	-	-
Specialised vehicles	-	-		-	-	-	-
Refuse							
Fire							
Conservancy							
Ambulances							

* Note: Information for this table may be sourced from MBRR (2009: Table SA34b)

T M.2

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

None

APPENDIX N – CAPITAL PROGRAMME BY PROJECT

Capital Programme by Project: 2020/21					
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %

R' 000

APPENDICES

Water					
"Project A"				#DIV/0!	#DIV/0!
"Project B"				#DIV/0!	#DIV/0!
"Project C"				#DIV/0!	#DIV/0!
Sanitation/Sewerage					
"Project A"				#DIV/0!	#DIV/0!
"Project B"				#DIV/0!	#DIV/0!
Electricity					
"Project A"				#DIV/0!	#DIV/0!
"Project B"				#DIV/0!	#DIV/0!
Housing					
"Project A"				#DIV/0!	#DIV/0!
"Project B"				#DIV/0!	#DIV/0!
Refuse removal					
"Project A"				#DIV/0!	#DIV/0!
"Project B"				#DIV/0!	#DIV/0!
Stormwater					
"Project A"				#DIV/0!	#DIV/0!
"Project B"				#DIV/0!	#DIV/0!
Economic development					
"Project A"				#DIV/0!	#DIV/0!
"Project B"				#DIV/0!	#DIV/0!
Sports, Arts & Culture					
"Project A"				#DIV/0!	#DIV/0!
"Project B"				#DIV/0!	#DIV/0!
ROADS					
"Project A"				#DIV/0!	#DIV/0!
"Project B"				#DIV/0!	#DIV/0!
Health					
"Project A"				#DIV/0!	#DIV/0!
"Project B"				#DIV/0!	#DIV/0!
Safety and Security					
"Project A"				#DIV/0!	#DIV/0!
"Project B"				#DIV/0!	#DIV/0!
ICT and Other					
"Project A"				#DIV/0!	#DIV/0!
"Project B"				#DIV/0!	#DIV/0!
					T N

APPENDICES

APPENDIX O – CAPITAL PROGRAMME BY PROJECT BY WARD

Capital Programme by Project by Ward: 2020/21		
Capital Project	Ward(s) affected	R' 000 Works completed (Yes/No)
Water		
"Project A"		
"Project B"		
Sanitation/Sewerage		
Electricity		
Housing		
Refuse removal		
Stormwater		
Economic development		
Sports, Arts & Culture		
Environment		
Health		
Safety and Security		
ICT and Other		

APPENDICES

		TO

APPENDIX P – SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS

None

APPENDICES

APPENDIX Q – SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION

Service Backlogs Experienced by the Community where another Sphere of Government is the Service Provider (where the municipality whether or not act on agency basis)		
Services and Locations	Scale of backlogs	Impact of backlogs
Clinics:		
	n/a	n/a
Housing:		
	35%	increase in informal dwellings
Licensing and Testing Centre:		
	n/a	n/a
Reservoirs		
	n/a	n/a
Schools (Primary and High):		
	n/a	n/a
Sports Fields:		
	n/a	n/a
		T Q

APPENDICES

APPENDIX R – DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY

None

APPENDIX S – DECLARATION OF RETURNS NOT MADE IN DUE TIME UNDER MFMA S71

None

APPENDIX T – PRESEDENTIAL OUTCOME FOR LOCAL GOVERNMENT

None

APPENDIX U: ANNUAL PERFORMANCE REPORT 2020/21 FINANCIAL YEAR

SEE ATTACHED.

