



The **GTM**
GREATER TUBATSE
MUNICIPALITY

South Africa's first democratic platinum city

2014/15 Annual Report

GENERAL INFORMATION

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- (ii) Cllr. P.A. Mohlala (Portfolio Head: Finance)
- (iii) Cllr. P.C. Sekgobela (Portfolio Head: Technical Services)
- (iv) Cllr. M.L. Mabilu (Portfolio Head: Economic and Land Development)
- (v) Cllr. M. E. Mogofe (Portfolio Head: Corporate Services)
- (vi) Cllr. N.M. Moropane (Portfolio Head: Community Services)
- (vii) Cllr. R.F. Lourens (Deputy Head: Community Services)
- (viii) Cllr. N.D. Mphethi (Deputy Head :Technical Services)
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This document is prepared as required by section 121 of the Municipal Finance Management Act, 56 of 2003.

Acronyms

No	Abbreviations	Abbreviations in full
1	AFS	Annual Financial Statement
2	A.G.	Auditor General
3	AGSA	Auditor General of South Africa
4	AIDS	Acquired immune Deficiency Syndrome
5	ANC	African National Congress
6	APC	African People convention
7	APR	Annual Performance Report
8	AR	Annual Report
9	CAC	Child Advisory Council
10	CDW	Community Development Worker
11	CFO	Chief Finance Officer
12	Cllr	Councillor
13	COGHSTA	Co – operative Governance, Human Settlement & Traditional Affairs
14	COPE	Congress of the people
15	CPMD	Certificate Programme in Management Development
16	DA	Democratic Alliance
17	DD	Due Diligences
18	Dev	Development
19	Dir	Director
20	DOE	Department of Energy
21	DSAC	Department of Sport, Art and Culture
22	ELD	Economic and Land Development
23	ELP	Executive Leadership Programme
24	EPWP	Extended Public work programme
25	ESKOM	Electricity Supply Commission
26	EXCO	Executive Committee
27	FBE	Free Basic Electricity
28	GRAP	General Recognised Accounting Practice
29	GTM	Greater Tubatse Municipality
30	HAST	HIV/AIDS STI and Tuberculosis
31	HIV	Human Immune Virus
32	ICT	Information Communication Technology
33	IDP	Integrated Development Plan
34	IGR	Intergovernmental Relations
35	INEP	Integrated National Electricity Programme
36	Km	Kilometre
37	KPA	Key Performance Area
38	KPI	Key Performance Indicator
39	LED	Local Economic Development
40	LEDET	Limpopo Economic Development

		Environment Tourism
41	LGSETA	Local Government Sector Education and Training Authority
42	LUMS	Land Use Management Scheme
43	MEC	Member of Executive Committee
44	MFMA	Municipal Finance Management Act
45	MIG BP	Municipal Infrastructure Grants Business Plan
46	MM	Municipal Manager
47	MPAC	Municipal Public Account Committee
48	MPCC	Multi Purpose community Centre
49	MSA	Municipal System Act
50	MTREF	Medium Term Revenue and Expenditure Framework
51	NDPG	Neighbourhood Development programme Grant
52	N/A	Not Applicable
53	No	Number
54	PAC	Pan African congress
55	PMS	Performance Management System
56	PMU	Project Management Unit
57	PPP	Public Private Partnership
58	PR	Proportional Representation
59	OHS	Occupational Health and Safety
60	R	Rand
61	RDP	Reconstruction and Development plan
62	RSA	Republic of South Africa
63	SCM	Supply Chain Management
64	SDBIP	Service Delivery and Budget Implementation Plan
65	SDM	Sekhukhune District Municipality
66	SETA	Sector Education and Training Authority
67	SLIMP	Senior Management Induction Programme
68	SOLMA	State of Local Municipal Address
69	STATSA	Statistic South Africa
70	STI	Sexually transmitted Infection
71	TAS	Technical Assistant Specialist
72	TB	Tuberculosis
73	TOR	Terms of Reference
74	TSC	Thusong Service Centre
75	TVR	Treasury Views and Recommendation
76	WSP	Work skill plan
77	UDM	United Democratic Movement
78	VIP	Ventilated improved pit

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Chapter: 01

1.1. Mayor's foreword

a. Vision

The vision of Greater Tubatse Municipality is ***a developed Platinum city for the benefit of all***. It is one of the fast growing municipalities in the Limpopo province. It has 335 676 population staying in 83 199 households. 75.6% of the 83 199 households in the municipality has access to basic services like water (79.3%); Sanitation (80.7%); Electricity (63.3%) and 79% of the households are built by bricks/concrete blocks.

b. Key policy developments

Four key development policies in line with the vision of the municipality were crafted in the 2014/15 financial year namely Vision 2013 blue print, Local Economic Development (LED) strategy; Investment Promotion and Mining beneficiation studies. When the financial year ended the LED strategy was with council processes towards adoption and the remaining three were at tender stages.

c. Key Service Delivery Improvements made

In the financial year under review, the municipality has connected villages which were initially apart from each other by Access Bridges and improved the conditions of its roads by upgrading some roads from gravel to tar/pavement and resealed others. Two access bridges namely Habeng and Ga – Maphopha were constructed in the 2014/15 financial year. 1.8km of Dirk Winterbach and 0.3km of Kastania streets in Burgersfort were resealed and upgraded to pavement respectively; and 0.7km of Mimosa Street in Ohrigstad was upgraded to tar. Lastly 575.4km of rural roads were graded.

Number of households that receive weekly waste removal has increased from 4472 in 2013/14 to 4847 in 2014/5 financial years; and 1347 households has been receiving free basic electricity through the financial year.

Operation Mabone Project has commenced in almost all 21 identified villages. The project is at different stages at different villages. At five villages the material (poles) has been delivered poles no actual work is done. Construction has commenced in sixteen (16) villages.

d. Public Participation

It is a legislative mandate for municipalities to regularly consult their communities on matters of their interest and give them an opportunity to participate in the affairs of the municipalities. The municipality has four main fora through which it consult and allow it constituency to participate, namely IDP/PMS/Budget forum, Exco – Outreach; SOLMA and MPAC consultation on Annual report.

e. Future Actions

The municipality is committed to the improvement of the quality of life of its citizen. Various projects like access bridges, access roads, internal streets, sport complex, Flea market and electricity are planned in different communities for 2015/16 financial year.

R20 015 000 is set aside for planning and construction of fifteen (15) access bridges. The following villages will benefit when the access bridges are finished: Bothashoek, Mabocha, Diphala/Makhwaya, Leboeng, Mafarafara, Mpuru, Legoleng, Madithongwana, Tjate, Morokadieta, Ga- Mawela, Sehlabeng, Dithamaga and Lefahla.

The municipality has budgeted R3 000 000 for the upgrading of 2.5km of Bothashoek access road from gravel to tar; R7 000 000 for the construction of 12km of storm water drainages at Burgersfort and Praktiseer and R1 500 000 for the construction of Animal and Vehicle pounds.

The municipality will conclude the electrification of 21 villages as identified in 2013/14 financial year. When the project is concluded 13 235 new households will be connected to electricity. The municipality has also budgeted R130 000 000 for the purchase of the Civic centre and R16 516 853 for installation of High mast lights in the strategy areas in the municipality to combat crime.

R7 400 000 is set aside for the completion of phase 02 of Mapodile sport complex and planning of Ga- Motodi sport complex. R7 600 000 is allocated for the construction of Flea market at Burgersfort and R3 500 000 for the rehabilitation of Tubatse waste facility.

g. Conclusion

We hope that when the 2015/16 financial year ended the life of our people will be better than it is now. We also want to thank both the administration and the politicians for good work done in 2014/15 financial year and also appeal for more effort, cooperation and unity in 2015/16 financial year to achieve more.

Lastly we like to thank rate payers for the support they have shown to the municipality in 2014/14 financial year; we hope you will still support us in the 2015/16 financial year.

“Re tseeng kgopu Batubatse”, together we can do more.

Thanks

Cllr R.S.Mamekoa
Mayor

1.2. Municipal Manager's overview

1.2.1. Introduction

Municipalities are required by section 121 of the Municipal Finance management Act, no. 56 of 2003 to prepare each financial year an annual report which provides a record of the activities of the municipality during the financial year which the report relates; report on performance against the budget of the municipality for that financial year and promote accountability to the local community for the decisions made throughout the year by the municipality. In compliance to the above mentioned legislation the municipality has generated an annual report comprising six chapters as required by National Treasury guidelines.

1.2.2. Recruitments

The municipality has 237 employees including section 54/56 managers. 97% (231) of the municipal staff members are black people and 3% (6) are white people. 129 of the municipal staff members are male and 108 are female. In the financial year under review the municipality has recruited and appointed 22 new employees. Recruitment of senior managers (section 54/56 managers) has been a challenge. The municipality has spent the entire financial year with four acting senior managers. In order to address the situation COGHSTA has seconded two officials to assist the municipality, which are the acting municipal manager and acting chief finance officer. The municipality appreciates the work they have done to keep the municipality running in those challenging moments.

1.2.3. Labour turn over

In the financial year under review ten (10) employees have been recruited internally. This was in line with the recruitment policy which encourages internal recruitment before external recruitment. Employment contracts of two (2) section 54/56 managers (Director Community and Corporate services) expired in the financial year under review and it took the municipality a year to fill them.

As mentioned above, COGHSTA has seconded two officials to the municipality to assist in the running of the municipality after the suspension of the municipal manager and the acting chief finance officer. Two (2) employees resigned from the municipality to join other institutions.

Six other municipal employees left the municipality under the following conditions namely, retirement (2); deceased (3) and one (1) was dismissed corruption related conduct.

1.2.4. Training

Fifty five (55) municipal staff including councillors received training in different courses including Municipal finance management programme; councillors' development courses and first aids and fire fighting. More details are provided in chapter 04 of this report.

1.2.5. Performance management

The municipality is conducting Performance management at senior management and institutional levels. In the year under review the municipality has conducted four management review and four Exco – Makgotla sessions. Management reviews and Exco – makgotla are used to assess the performance of the municipality and of its departments. Four quarterly performance reports were produced; served in council and were subjected to public scrutiny through MPAC.

Due to high level of vacancy the municipality had at senior management positions it could not conduct individual performance assessment, instead the assessments are scheduled for the 2015/16 financial year.

1.2.6. Capital projects

1.2.6.1. Operation Mabone

The project aimed at electrifying 13 235 households in 21 villages in the municipality. When concluded the project would have reduced the electricity backlog of 20 215 households in the municipality by 65%. When financial year ended electricity poles were delivered in all affected villages; in 14 villages the electric poles were planted and two (2) villages (Leboeng and Makotaseng) electricity cables were connected to 50% of the households.

1.2.6.2. Road construction

The municipal constructed two access bridges (Habeng and Ga - Maphopha access bridges) and nine access bridges were at design stage when the financial year ended. 2.8km of municipal roads were resealed/upgraded are 1.8km of Dirk Winterbach; 0.3 km at Kastania streets at Burgersfort and 0.7km of Mimosa Street at Ohrigstad.

1.2.6.3. Sport complex

The construction of Ohrigstad sport complex was at 95% completion when the financial year closed out.

1.2.6.4. Hawkers facilities

The municipality has constructed 242 hawkers stall units at Burgersfort and 35 hawkers stall units at Praktiseer. The contractors were concluding paving on the projects when the financial year ended.

1.2.8. Implementation of A.G. Action plan

The municipality had a disclaimer audit opinion in 2013/2014 financial year from AG South Africa. 94 findings were raised against the municipality by the Auditor General of South Africa. An action plan was developed to address them. When the 2014/2015 financial year ended 72% of the findings were addressed; 16% were in progress and 12% were AFS related and were to be addressed when compiling the annual Financial Statement (AFS)

1.2.9. Conclusion

I like to thank those who led the municipality before me two acting Municipal managers who were sent by COGHSTA to stir the municipality when there was no Municipal manager; the municipal staff and political leadership of this municipality for the good work they have done. We have started reaping the fruits Platinum city we are envisaging. Together we can make Greater Tubatse Municipality a better place to live in and a destiny for all.

Thanks

Mr. Mohlala JNT

Municipal Manager

Municipal functions, population and Environmental Overview

1.3.1. Location and Environmental Overview of the municipality

Greater Tubatse Municipality is one of the five local Municipalities constituting Sekhukhune District Municipality. It is part of the Bushveld Igneous complex from Mokopane to Mashishing. The Municipality is dominantly rural and a large portion of its land is under control of Traditional leaders. The municipality has two townships namely: Praktiseer and Ga-Mapodile and three towns which are Burgersfort, Ohrigstad and Steelpoort. Its Jurisdiction area is approximately 4 550km². It has three Municipal growth points namely: Driekop, Ohrigstad and Mecklenburg. District and provincial growth points are Steelpoort and Burgersfort respectively. Its main economic activities are Mining, Trade, Manufacturing, Tourism and Agriculture.

1.3.2. Population

According to 2011 statistics results, the Municipality has a population of 335 767 people and 83 199 households. 47.8% of the population is male and 52.2% is female. Youth below 35 years comprises 76.8% of the municipal population. Middle age between 35 and 59 years comprises 20% and ages between 60 years and above comprise 3.2% of the population respectively. The table below depicts the municipal population by ethnic groupings.

Figure/Table 01: Population group by gender

Ethnic group	Female	Male	Total
Black	172 654	157 156	329 810
White	2029	2380	4409
Coloured	284	358	643
Indian or Asian	307	230	538
Others	81	196	277
Total	175 355	160 320	335 675

Source: **STATSA 2011**

1.3.2.1. Comparison of Municipal Population with neighbouring Municipalities

Greater Tubatse local Municipality is the biggest municipality in the Sekhukhune District municipality in terms of population (335 676) and followed by Makhuduthamaga Local Municipality by 274 357 population. Fetakgomo Local Municipality is the smallest municipality in terms of population by 93 794 population. The table below depicts the picture.

Figure/Table 05: Population of local municipalities in Sekhukhune District Municipality

Municipality	Male	Female	Total
Elias Motsoaledi Local Municipality	115 503	133 860	249 363
Ephraim Mogale Local Municipality	58 207	65 442	123 649
Fetakgomo Local Municipality	42 258	51 536	93 794
Greater Tubatse Local Municipality	160 398	175 278	335 676

Source: STATSA 2011

1.3.3. Powers and functions

The Municipality does not have authority to provide key basic services like water, electricity and housing; municipality only facilitate in the provisioning. Water provision is the competency of Sekhukhune District Municipality; electricity is provided by ESKOM and housing is provided by provincial government of Co-operative Governance Human Settlement and Traditional Affairs (COGHSTA). The table below depicts services which are provided by the municipality.

Table/Figure 06: Powers and functions

- ❖ Municipal Road
- ❖ Building Regulations;
- ❖ Local Tourism;
- ❖ Street lighting;
- ❖ Traffic and parking;
- ❖ Trading regulations;
- ❖ Local sports facilities;
- ❖ Municipal Planning;
- ❖ Municipal Public Transport;
- ❖ Municipal Airport;
- ❖ Billboard and advertisement;
- ❖ Control of Liquor , food outlets and street trading;
- ❖ Local amenities; and
- ❖ Waste and cleansing

1.3.4. Socio – Economic status

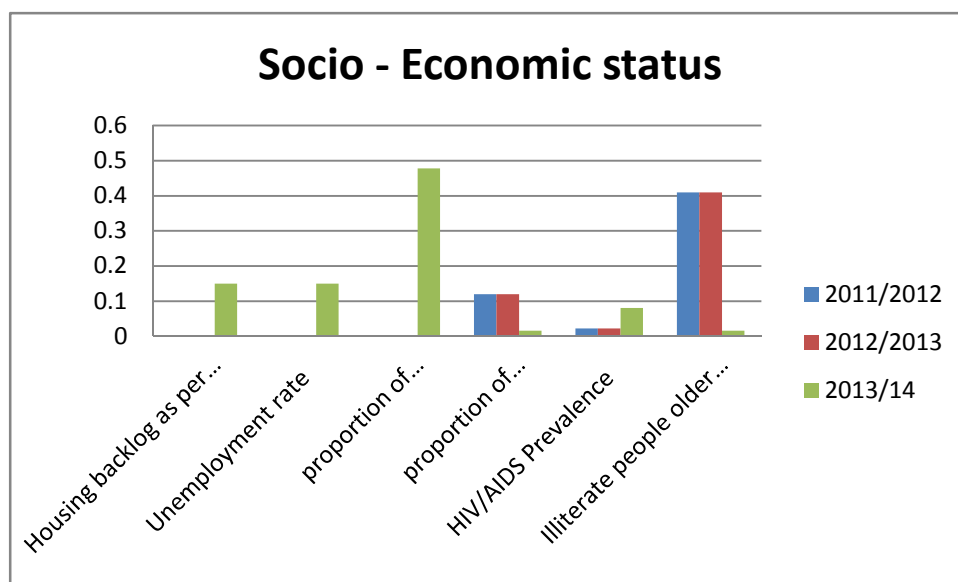
Since 2012 financial year the Socio – Economic status of the municipality has improved in certain categories and declined in others; an example is of proportion of households without income. The ratio has increased from 40% to 47%. The table below depicts the Socio- Economic status of the municipality.

Table/Figure 07: Socio – Economic status

Year	Housing backlog as per proportion of current demand	Unemployment rate	proportion of households with no income	proportion of population in low - skilled Employment with no income	HIV/AIDS Prevalence	Illiterate people older than 14 years
2011/2012	24%	15%	40%	12%	2.3%	41%
2012/2013	24%	15%	40%	12%	2.3%	41%
2013/14	15%	15%	47.8%	1.6%	8.1%	1.6%

Source: STATSA 2011

Chart 01: Socio – Economic status



1.3.5. Major Natural resources

The municipality has four major Natural resources namely: mineral resources, arable land, Rivers and Caves and waterfalls. The table below reflects the major Natural resources in Greater Tubatse Local Municipality and their relevance to the community.

Table/Figure 08: Natural Resources

Major Natural Resources	Relevance to Community
1. Mineral resources	Economic empowerment
2. Arable land	For agriculture
3. River	Water for irrigation and domestic
4. Caves and waterfalls	Tourism

1.4. Service delivery Overview

The table below depicts service delivery overview for 2014/15 financial year.

Table/figure 09: Service delivery overview

Item no	Service	Achievements
1.	Refuse Removal	4987 households in Burgersfort, Mapodile, Praktiseer, Ohrigstad and Steelpoort received weekly refuse removal service.
2.	Electrification of households	21 villages were identified to be electrified, which when the project is concluded 13 235 households will be electrified. Delivery of poles were done in all affected villages; at 14 villages the electric poles were planted and two (2) villages (Leboeng and Makotaseng) electric cables were connected to 50% of their households when the financial year ended.
3.	Housing provision	1099 RDP houses allocated and 915 were completed when the financial year ended
4.	Free Basic Electricity	1347 households benefited from FBE
5.	Roads constructions	<ul style="list-style-type: none"> ❖ Two access bridges are completed; ❖ Nine access bridges are at design stage; ❖ Resealing and upgrading of 1.8km of Winterbach and 0.3 km Kastania streets at Burgersfort and 0.7km of Mimosa street at Ohrigstad is completed
6	Sport complex	Construction of Ohrigstad sport complex was at 95% completion when the financial year ended. Only close up activities were outstanding.
7	Hawkers stalls	Construction of 242 units of hawkers' stalls at Burgersfort and 35 units at Praktiseer were concluded and the projects were at paving stage when the financial year ended.

8	Flea market	The construction of Burgersfort Flea market could not start as planned due delays by ESKOM and Telkom to relocate their underground cables at the site identified for the project. When the financial year ended the project was at foundation level.		
7.	Building Plans	Item	Applications received	Application approved
		Township Establishment	8	3
		Rezoning	13	13
		Subdivision and Consolidation	5	5
		Consent Uses	31	31
		Building Plans	94	45

1.5. Financial Health Overview

Table/Figure 10: Financial Health Overview

Details	Original budget (R)	Adjustment budget (R)	Actual (R)
Grants	-404 293 000	- 404 293 000	-308 445 578
Taxes, Levies and Tariffs	-69 072 500	- 87 792 500	-75 360 585
Others	- 23 761 000	-21 572 000	-12 757 322
Sub- Total	-496 826 500	-513 357 500	-418 629 607
Less Expenditure	261 101 287	277 480 672	414 361 787
Net Total	- 235 725 213	- 235 876 828	-4 267 820

1.5.1. Financial ratios

Table/figure 11: Financial ratios

Details	2012/13	2013/14	2014/15
Employee cost	40%	39%	27%
Repairs and Maintenance	2.2%	2.5%	2%
Finance charges and Depreciation	13.8%	35.7%	26.7%

1.5.2. Capital Expenditure

Table/Figure 12: Capital Expenditure

Details	2012/13	2013/14	2014/15
Original budget	R50 540 000	262 977 140	125 575 200
Adjusted budget	R50 540 000	252 277 140	125 726 797
Actual	R19 764 826	211 942 000	59 653 231

1.6. ORGANISATIONAL DEVELOPMENT OVERVIEW

1.6.1. ORGANISATIONAL DEVELOPMENT PERFORMANCE

1.6.1.1. Staff establishment

The municipality have 237 employees. 231 of the municipal employees are black people and 6 are white people. Two employees were living with disability; 108 of the employees are females and 129 are males.

1.6.1.2. Labour turnover

The table below depicts labour turn over in 2014/15 financial year

Table/figure: 13 Labour turns over

Internal Transfers	Contracts expired	Secondment from COGHSTA	Resignations	Retirement	Deceased	Dismissal	New appointments
10	4	2	2	2	3	0	22

1.6.1.3. Local Labour forum

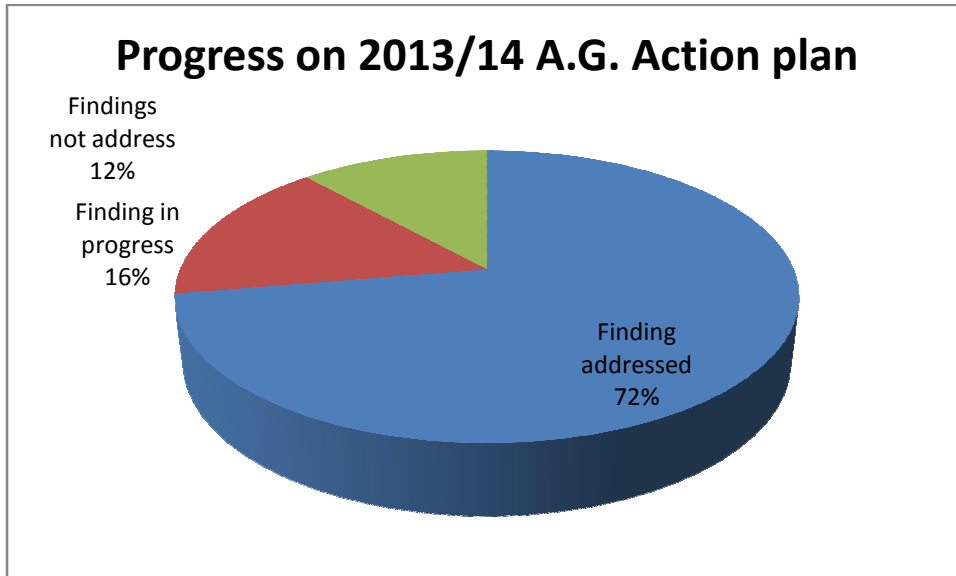
The Local labour forum had seven (7) meetings, four (4) ordinary and three (3) special meetings.

1.7. 2013/2014 Auditor General Report

The municipality got a disclaimer audit opinion in 2013/14 financial year. The AGSA raised 94 findings against the municipality. An audit action was developed to address the findings. When the financial year ended 68 (72%) of

the AG findings were addressed; 15 findings in progress and 11 findings were waiting to resolved during the compilation of Annual Financial Statement. The chart below depicts the picture.

Chart 02: 2013/14 A.G. Action plan



1.8. Statutory Annual Report Processes

The table below depicts the municipal statutory processes towards the adoption of the Annual Report.

Table/Figure 14: Statutory Annual Report Processes

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.	August
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	July - June
3	Finalise 4 th quarter Report for previous financial year	July
4	Submit draft Annual Performance Report to Audit Committee and Auditor-General	August

5	Audit/Performance committee considers draft Annual Performance Report of municipality	August
6	Auditor General releases audit opinions to Municipalities	November - December
7	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor-General's Report and A.G. action plan	31 January
8	Council subject the Annual Report to public scrutiny through MPAC	February – 31 March
9	Accounting Officer make the Annual report public	February
10	Council adopts Oversight report	31 March
11	Oversight report is made public	April
12	Oversight report is submitted to relevant provincial councils	April
13	Commencement of draft Budget/ IDP finalization for next financial year. Annual Report and Oversight Reports to be used as input.	April
14	Adoption of final Budget and IDP	May
15	Approval of SDBIP by Mayor	June

CHAPTER 2: GOVERNANCE

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

2.1. POLITICAL GOVERNANCE

2.1.1. Introduction

The municipal council has 62 seats. The seats are allocated as follows: ANC (54), DA (3), COPE (2), PAC (2), APC (1) and UDM (1). 31 seats are occupied by ward councillors and the other 31 seats by Proportional Representative (PR) councillors. PAC councillors were withdrawn from council pending its despite in terms of its representative in council. Council resolved to suspend its representative until its resolve its representative in council. Therefore only 60 seats were occupied in the 2014/2015 financial year. 36 councillors (60%) are male and 24 councillors (40%) are female. 3 councillors (5%) are male councillors living with disabilities.

2.1.2. Council committees

2.1.2.1. Executive committee

Executive Committee comprises ten (10) councillors including the Mayor. Four (4) Executive committee members namely, Head of Corporate services, Technical services, financial services and Economic and Land Development are fulltime councillors. The Executive Committee had Twenty (20) meetings in the financial year under review; five (5) were ordinary Executive committee meetings and fifteen (15) were special Executive committee meetings.

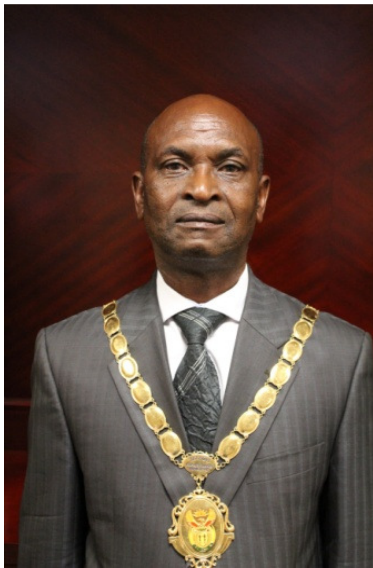
The table below depicts number of Executive committees meeting held and attendance of members

Table/Figure 15: Executive committee meetings

Ordinary Executive committee meetings		Special Executive committee meetings	
Date	Number of members attended	Date	Number of members attended
08 September 2014	8	22 July 2014	8
28 October 2014	8	27 August 2014	8
11 December 2014	8	04 September 2014	8
26 February 2015	8	28 November 2014	8

05 May 2015	7	03 December 2014	8
		05 December 2014	7
		26 January 2015	8
		09 February 2015	8
		06 March 2015	8
		30 March 2015	7
		7 April 2015	7
		23 April 2015	6
		30 April 2015	7
		19 May 2015	7
		22 June 2015	8

2.1.2.3. The Mayor



Cllr. Mamekoa R.S

The Mayor

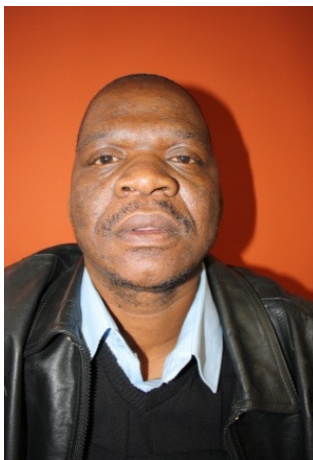
Functions of the Mayor

- Presides at meetings of the Executive committee;
- Decide when and where the executive committee will meet;
- Ensure that meetings of Executive committee are conducted in accordance with its rules and procedure;
- Coordinates the annual review of IDP;
- Provides general political guidance over the fiscal and financial affairs of the municipality;
- Provides general political guidance over the budget process and priorities that must guide the preparation of a budget;
- Enters on behalf of the municipality, into a performance agreement with the municipal manager;
- Represent the municipality at IGR for a; and
- Performs the duties, including any ceremonial functions, and exercises the powers delegated to the mayor by the council or executive committee as reflected in the delegation policy of the GTM

2.1.2.4. Executive Committee Members

2.1.2.4.1. Heads of Departments

(a) Full – Time Executive committee members



Cllr. Mohlala P.A

Head – Finance



Cllr. Sekgobela P.C

Head – Technical services



Cllr. Mabilu M.L

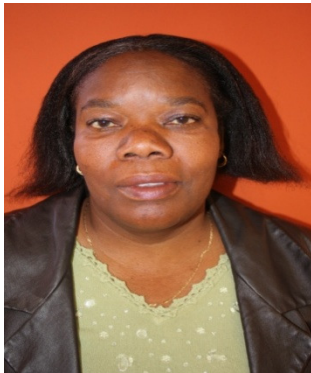
Head – ELD



Cllr. Mogofe M.E

Head – Corporate Services

(b) Part – Time Executive committee Members (Portfolio Head)



Cllr. Moropane M.N

Head – Community Services

2.1.2.4.2. Deputy Departmental Heads



Cllr. Makgoga M.E

D/Head – ELD



Cllr. Moraba L.D

D/Head – Finance



Cllr. Mphethi N.D

D/Head – Technical Services



Cllr. Kgwedi J.L

D/Head – Community Services

2.1.2.5. Portfolio committees

Municipality has five (5) portfolio committees, namely corporate, Finance, Community, technical services and Economic and land development. Each portfolio committee has a political head and a chairperson.

Table/figure 16: Portfolio committee meetings

Corporate services		Finance		Community services		Technical services		Economic and land development	
Date	Number of attendances	Date	Number of attendances	Date	Number of attendances	Date	Number of attendances	Date	Number of attendances
28 July 2014	7	28 July 2014	11	08 August 2014	13	28 July 2014	9	12 August 2014	9
05 September 2014	8	11 August 2014	15	23 September 2014	12	21 August 2014	8	16 September 2014	10
17 September 2014	9	25 September 2014	17	27 October 2014	12	26 August 2014	9	09 October	11
21 October 2014	8	31 October 2014	12	21 January 2015	10	29 September 2014	8	15 December 2014	10

27 November 2014	11	2 December 2014	12			28 October 2014	11	05 February 2015	10
27 January 2015	11	22 January 2015	14			15 December 2014	10	17 March 2015	13
		5 March 2015	15			26 January 2015	10		
		6 March 2015	11			12 February 2015	8		

2.1.2.6. Special Joint portfolio committee meetings

Municipality introduced joint portfolio sittings in April 2015 to fast track submissions to council. These are sittings of all portfolio committees in one meeting. Since April 2015 to June 2015 four (4) joint portfolio committee meetings were held. The table below depicts dates and number of members attended those joint portfolio committee meetings.

Table/Figure 17: Special Portfolio committee meetings

Date	Number of attendees
01 April 2015	20
07 April 2015	24
08 April 2015	34
25 May 2015	28

2.1.2.7. Speaker



Cllr. Moeng Q.M

The Speaker

Functions of the Speaker

- Presides at meetings of Council;
- Decide when and where the Council meets;
- Grants leave of absence to councillors for Council meeting;
- Signs the minutes of Council meetings;
- Performs the duties and exercise the powers delegated to the speaker in terms of section 59 of the MSA;
- Ensures that council meets at least quarterly;
- Maintain order during meetings;
- Ensures compliance in the council and council committees with code of conducts set out in schedule 1 of MSA;
- Ensures that council meetings are conducted in accordance with rules and orders of the council; and
- Any function as per delegation policy of GTM

2.1.2.8. Council meetings

In the financial year under review council had twenty (20) sittings; 16 were special and 4 ordinary sittings. On average 48 councillors attended the ordinary councils and 43 attended the special councils. On average 45 councillors attended all the 20 council sittings.

Table/Figure 18: Council meetings

Ordinary council		Special Council	
Date	Number of attendees	Date	Number of attendees
23 September 2014	49	08 July 2014	61
11 November 2014	49	25 July 2014	47
29 January 2015	48	04 August 2014	55
08 May 2015	46	31 October	35
		4 December 2014	44
		6 December 2014	39
		18 December 2014	40
		16 January 2015	42
		13 February 2015	33
		10 March 2015	48
		31 March 2015	44
		15 April 2015	42
		24 April 2015	42
		22 May 2015	35
		27 May 2015	44
		26 June 2015	44

2.1.2.9. Councillors workshops

Council had two capacitate building workshops for councillors. The first workshop was about familiarising councillors to Economic and Land development (ELD) concepts. The second workshop was on separation of power. On average 71% (44) councillors attended the two workshops. The table below depicts the picture

Table/Figure 19: Councillor Workshops

Date	Workshop topic	Attendees	Venue
19 November 2014	Workshop ELD concepts e.g. rezoning, written consent	58	Khumula Lodge
20 November 2014	Workshop ELD concepts e.g. rezoning, written consent	46	Khumula Lodge
8 December 2014	Separation of power	40	Blydepoort
09 December 2014	Separation of power	33	Blydepoort

2.1.2.10. Municipal Public Account Committee (MPAC)

MPAC had thirteen (13) meetings. Three (3) of its meetings were special MPAC meetings and ten (10) were ordinary MPAC meetings. Two MPAC special meetings were arranged with AGSA to deal with 2013/14 Annual report (AR) and Annual Financial Statement (AFS).

Table/Figure 20: MPAC meetings

Ordinary MPAC meeting		Special MPAC meetings	
Date	Number of attendees	Date	Number of attendees
15 July 2014	7	09 January 2015	7
05 August 2014	7	05 February 2015	13
20 August 2014	7	23 February 2015	11
10 September 2014	6		

19 December 2014	5		
22 January 2015	7		
27 January 2015	5		
16 March 2015	6		
24 March 2015	8		
03 June 2015	5		

2.1.2.11. The chip whip



Cllr. Nkosi S.M
Chip whip

Functions of Chief whip

- Informs councillors of Council and Executive committees of meetings called by the Speaker and Mayor respectively;
- Ensure that the meetings of the council and committees of the council quorate;
- Informs councillors of the Council and Executive committee of the important items on the relevant agenda;
- Advise the speaker on the amount of time allocated to speakers and the order of such the Speakers in addressing Council;
- Ensures that councillors' motions are prepared and timeously tabled in council in terms of Rules of order;
- Advises the Speaker and the Mayor on how to deal with important items not disposed of at a Council meeting pending its resolution;
- Advises the Speaker and Mayor on the agenda of Council meetings;
- Advises the Speaker and Mayor of urgent motions in writing prior to the commencement of the meeting;
- Assists the speaker with accounting of votes; and
- Prepare for special debates on the state of the municipality address or budget address

2.2. ADMINISTRATIVE GOVERNANCE

2.2.1. TOP ADMINISTRATIVE STRUCTURE

2.2.1.1. MUNICIPAL MANAGER



Mr. Mohlala JNT
Municipal Manager

The municipality had two acting municipal managers in 2014/2015 financial year. They were both seconded by COGHSTA to assist to the municipality in the absence of the municipal manager. Mr. MM Moja and Ms. Ramaipadi M.E. were seconded to the municipality respectively. Mr. Moja M.M joined the municipality in September 2014 and left in April 2015; and Ms Ramaipadi M.E joined the municipality in May 2015 left in July 2015. In July 2015 the municipality appointed Mr. Mohlala JNT to be the municipal manager.

Functions of Municipal Manager

- Advises the structures and functionaries of the Municipality;
- Carries out decisions of the structures and functionaries of the Municipality;
- Administers and implements the Municipality's by – laws, resolutions and policies;
- Ensures that the municipality complies with applicable municipal finance management legislation;
- Implements national and provincial legislation applicable to the Municipality

2.2.1.2. CHIEF FINANCE OFFICER



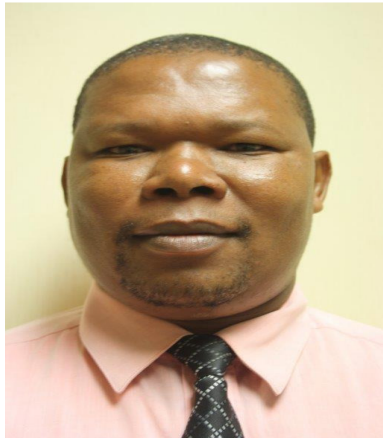
Mr. Mhangwana D
Acting CFO

Mr. Mhangwana was seconded as acting CFO to Municipality by COGHSTA in the financial year under review. He Joint the Municipality in September 2014. His mandate was to stand in for CFO post until the municipality appoint its CFO.

Functions of CFO

- Manage Revenue collections;
- Manage Expenditure controls;
- Manage Budget services;
- Manage Supply chain;
- Asset management; and
- ICT management

2.2.1.3. Director Corporate Service



Mr. Motha J.M
Acting Director Corporate services
Services

Mr.Motha J.M was appointed to act on the post of director Corporate Services in January 2015 after the employment contract of then director corporate service Mr. Mkhabela expired in December 2014. He was appointed to act for three months or until the municipality appointed a Corporate Service director. The municipality could not appoint the corporate service director within the set three months and as such the acting contract of Mr. Motha was extended with another three months.

Functions of Corporate Services
Director

- Render HR management;
- Render secretariat services to council and council committees;
- Provide administrative support to departments and Areas offices; and
- Provide legal advisory services

2.2.1.4. Director Community Services



Mrs. Lingwati MMY
Acting Director Community
Services

Mrs. Lingwati MMY was appointed acting director Community services in January 2015. It was after the employment contract of director Boshego D.K has expired in December 2014. She was appointed to act for three months or until the municipality has appointed the director Community services. The municipality could not appoint the director within the stipulated time and the acting contract of Mrs. Lingwati MMY was extended until June 2015. In June 2015 The Municipality appointed Ms. Busane N.P the director Community services.

Functions Community services
Director

- Renders environmental health services to the community;
- Renders social services including Library, sport, art & recreation , Disaster management, parks sand cemeteries services;
- Render Traffic/protection services

2.2.1.5. Director ELD



Mrs. Monyepao M.A
Director ELD

Mrs Monyepao M.A was the only director in 2014/15 financial year who was not acting.

Functions of Director ELD

- Develop and maintain land use management scheme;
- Render land use administration;
- Render land surveying and demarcation services;
- Planned and orderly development; and
- Random inspection of land use.

2.2.1.6. Director Technical Services



Mr. Malungana M.E
Acting Director Technical Services

Mr. Malungana M.E was appointed in December 2014 to act as a director for Technical services for three months or until the municipal has appointed a director for technical service. The post was vacant in November 2014 when Mr. Mathunyane M.S resigned as the director Technical services. Mr. Malungana acted as director for Technical services until the financial year ended.

Functions of Technical Services Director

- Ensure adherence to Civil engineering standard
- Render waste management services;
- Provide project management for implementation of infrastructure development

COMPONENT B: INTERGOVERNMENTAL RELATIONS

2.3. Intergovernmental Relations

The municipality has established intergovernmental relations unit to deal with intergovernmental issues. Key programmes for the unit are customer care, Batho Pele, presidential and Premier hotline matters, addressing walk in and Suggestion box queries. When the financial year ended the following achievement were recorded: two Batho pele campaigns conducted; attended to all Presidential and Premiere hotline queries addressed to the municipality; reported on matters raised in suggestion boxes; developed a draft municipal services standards and established of Help desk in the municipality.

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

2.4. OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

2.4.1. Introduction

Section 152(1) (b) of the constitution of the republic of South Africa (RSA), 1996 mandates municipalities to involve communities and community organizations in its matters. In the financial year under review the municipality has consulted its communities and community organizations through the following forums: IDP/PMS/Budget forum; Exco- Outreaches; quarterly ward management meetings; quarterly/Half – yearly and Annual performance reporting sessions through MPAC and State of local Municipality address by the Mayor. The table below depicts a detailed record of public consultation forums held the financial year under review.

Table/Figure 21: Public participation forum

Nature of the Meeting	Purpose of the meeting	Date of the meeting	No. of councillors attended	No. Administrators	No. of community members	No. Issues raised by community	No. Issues addressed	manner of feedback given to community
IDP/PMS/Budget forum	IDP status quo analysis	25/09/2014	30	2	None	N/A	N/A	N/A
	IDP forum for IDP presentation	26 November 2015	41	5	33	Inputs on IDP	N/A	N/A
	Public consultation on IDP	02 - 03/05/2015	41	37	5304	6	2	Council and quarterly mass meetings in the wards
Exco-Outreaches	To attend to concerns and inputs from community	26 March 2015	5	6	179	3	1	Council and quarterly mass meetings in the wards
Quarterly ward management	To report and collect inputs from communities	Quarterly by each ward management	31	N/A	18 154	10	4	Quarterly mass meetings

meetings	s							
Annual Report	Review of the Annual Report by MPAC	31 March 2015	44	6	30	N/A	N/A	NA
State of local Municipality address	To report last year performance and announce new projects to the public	13 June 2015	22	16	219	N/A	N/A	N/A

2.5. IDP PARTICIPATION AND ALIGNMENT

Compilation of IDP and SDBIP documents is regulated by chapters five (5) and six (6) of the municipal system act, act 32 of 2000 respectively. The table below respond to the alignment of the IDP and SDBIP documents to their required criteria.

Figure/Table 22: IDP participation and Alignment

IDP Participation and Alignment Criteria	Yes/No
Does the municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPIs in the strategic plan?	Yes
Do the IDP KPIs align to the Section 57 Managers	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes

2.6. CORPORATE GOVERNANCE

2.6.1. OVERVIEW OF CORPORATE GOVERNANCE

Municipalities are required by sections 165 and 166 of Municipal Finance Management Act, no 56 of 2003 to establish internal audit unit and Audit committee. The internal audit unit advises the accounting officer; report to audit committee; prepare a risk based audit plan and audit program for each financial year.

In the financial year under review the municipality could not appoint its audit committee but utilized a shared audit committee with Sekhukhune District Municipality. In January 2015 the term office of the shared audit committee expired. The municipality then resolved through council resolution to appoint its own Audit committee. The recruitment processes of the new Audit committee were concluded in May 2015 and a new Audit committee was appointed. The municipality has a new audit committee.

Apart from the Audit committee the municipality has also established Municipal Public Account committee (MPAC). The MPAC has performance quarterly, half yearly and annual reviews on the municipal reports as and when submitted to them by Council. Politically there are oversight structures which oversee the work of the administration. A risk management committee was also established but was not effective.

2.6.2. Risk management

2.6.2.1. Risk management committee

As mentioned above the municipality had a risk management committee; the committee consists of one member from the each municipal department and chaired by internal municipal personnel. The committee was not effective and the audit committee (Shared services one) delegated one of its members to chair it. Never the less the municipality was able to develop both strategic and operational risk registers. Below is a list of top ten Municipal risks, mitigation made to address them, outputs and impacts of the mitigations.

2.6.2.2. Top ten risks for 2014/15 financial year

The table below depicts the top ten risks of the municipality for 2014/15 financial year, root cause and action plan.

Table/Figure 23: Top ten risks for 2014/15 financial year

Item No.	Risk name	Root cause	Action plan	Output/achievements	Impact of the action plan
1.	Lack of public confidence in the Municipality's performance resulting in poor participation in the affairs of the Municipality	Lack of Transparency. *Lack of Information to the Public. *Insufficient and poor quality of Service.	Establish proper monitoring systems in the Contract-Project Management. *Development of Communications and Marketing Strategy	Communication and Marketing strategies still at draft stage	None
2.	Fraud and Corruption	Conflict of interest. (Employees/ Service Providers –suppliers collusion. * Fear of reporting. *Inadequate Financial Management systems. Inadequate Supply Chain Management practices. *Weak internal controls. *Inadequate	Ensure that all officials who are involved in fraud and corruption are reported and punished. * Ensure compliance with internal controls.	Two officials were charged on the fraud and corruption related case	Fraud and corruption related cases reduced

		<p>information control</p> <p>(Easy access to information).</p> <p>*Manipulation of the systems. *Leaking of confidential Information.</p> <p>*Greed</p>			
3.	None completion of Annual Audit Plan	Delay in compilation and approval of Risk Register. Lack of accountability and commitment by management	Risk register to be compiled during IDP process/ Strategic planning.	Strategic risk register compiled during strategic planning and Chairperson of risk management committee appointed	Municipality was able to develop annual audit plan on time
4.	Misstatement of financial statements	<p>Misallocation of expenditure. Inadequate management of documents. Lack of capacity. Incompleteness of accruals. Inadequate disclosure of contingent accruals,</p>	<p>Train official at finance department on how to deal with this matter. * Pre Audit readiness program in place. * Capacitate finance department. * Develop registry for financial records.</p>	Staff members were trained on compilation of financials. Pre audit never materialized. Registry has been developed	A.G is still busy with audit

		<p>e.g commitments and guarantees. Fraud and corruption. Non timely response by officials to AG. No proper record keeping of financial documents.</p>			
5.	<p>Misappropriation and misallocation of assets.</p>	<p>Inadequate monitoring of assets by end users. Lack of appropriately skilled personnel. Inadequate reporting of lost assets. Inadequate human resource capacity (within asset mgt sections).</p>	<p>Urgent evaluation of current structure to determine post Provisioning norms. Update Asset Register on quarterly basis. Solicit and provide Appropriate training on assets management. Delineate functions Appropriately. Regular asset</p>	<p>A fully flashed asset management unit established</p>	<p>Asset management improved</p>

			counts monthly		
6.	Ineffective implementation of SCM processes	Poor planning	*Develop and introduce controls for standard contracts. *Develop and Implement procurement planning and procurement purchasing guidelines.	SCM practitioners trained and review of bid committees. Introduction of Purchase plan	None. The SCM processes are still a challenge to the municipality
7.	Non achievement of planned performance targets	Poor planning	Setting of achievable targets	Targets set by head of department and alignment of SDBIP and IDP	None. Only 42% of the 2014/15 targets were achieved
8.	Ineffective implementation of the LED strategy	High rate of unemployment. * Shortage of Staff	Review the current LED strategy. *Ensure proper implementation of the LED strategy	The review of the LED strategy not concluded; The unit has no manager	None
9.	Under spending of the MIG funding.	Poor planning. Delays in appointment of service providers due to SCM processes. Fraud and corruption	Develop projects implementation plan. * Early advertisement of upcoming project. Quarterly reporting on MIG spendings.* Develop maintenance plan for	100% expenditure on MIG	The municipality was given extra fund in May 2014/15 for new projects

			roads.		
10.	Non filling of vacant positions and appointment of unsuitable candidates	Inadequate Recruitment process. Lack of vetting processes. Favoritism. Lack of appropriate skills. Fraudulent Qualifications. Budgetary constrains	Develop and review recruitment policy. *Verification of qualifications of candidates before appointment. Vetting of all newly appointed staff.	Municipal Manager and ., director community services appointed	The management and accountability of the municipality have improved

2.6.3. FRAUD AND ANTI-CORRUPTION STRATEGY

The municipality has introduced the following strategies to prevent corruption, fraud and theft:

- a. Whistle blower hotline services, where all suspected alleged fraud activities are reported and investigated;
- b. Provided training and awareness campaigns to the municipal staff and community at large on fraud and corruption prevention;
- c. Development and implementation of Anti-fraud and corruption plan/policy.

2.6.4. SUPPLY CHAIN MANAGEMENT

The municipality has a functional supply chain management unit. To improve its performance the municipality has filled the position of the Supply Chain Manager which was vacant for a year and also facilitated training for both supply chain practitioners and bid committees. The municipality also reviewed the bid committees and developed procurement plan to fast track procurement processes and to improve management of municipal funds.

CHAPTER 3 - SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT)

3.1. INTRODUCTION

The municipality planned forty two (42) capital projects for 2014/15 financial year. Twenty one (21) projects were for electrification of 21 villages through Operation Mabone; twelve (12) were access bridges; five (5) were about upgrading of internal streets; one sport complex; two(2) hawker facilities and Flea market. Ten (10) access bridges were for planning in preparation for implementation in 2015/16 financial year. The other access bridges namely Habeng and Maphopha access bridges were completed when the financial year ended.

3.2. COMPONENT A: Basic services

3.2.1. Introduction

Greater Tubatse municipality does not have authority to provide most of the basic services like water, housing, sanitation and electricity as indicated above. Water and sanitations are provided by Sekhukhune District municipality. Housing is the competency of department of cooperative Government, Human settlement and traditional affairs (COGHSTA) and electricity is provided by ESKOM. The municipality provides refuse removal services.

3.2.2. Electricity

According to 2011 STATSA records, Greater Tubatse Municipality has electricity backlog of 20 215 households and it has the highest electricity backlog than any other municipalities in Sekhukhune District municipality. In 2013/14 financial year ESKOM has electrified 1953 households in the municipality. In the same financial year the municipality introduced an Operation Mabone electricity project to 21 villages. But the municipality could not finish it when the financial year ended and hence rolled over to 2014/25 financial year. When concluded the project will leave 13 325 households connected to electricity. When the financial year ended electric poles were delivered at five (5) villages; less 50% progress was recorded in ten (10) villages and at the remaining six (6) villages work done was above 50%.

The table below give a detailed progress of Operation Mabone when the financial year ended.

Figure/Table 23: Operation Mabone

Projects Name	2013/14 Annual Performance	KPI	Annual Target	Annual Performance	Budget	Expenditure	Challenges	Mitigation
Kutullo	35%	% progress in the electrification of Kutullo	65% progress in the electrification of Kutullo: *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays; *10% Stringing mv/lv lines; 10% house connections	35% progress in the electrification of Kutullo: *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles	R 6 518 533	R 6 518 533	Late commencement of works and payment of labourers by service providers. None submission of EPWP beneficiary reports	Matter to be elevated to the Municipal Manager
Koppie	35%	% progress in the electrification of	65% progress in the electrification of Koppie: *10% ToR Contractor; *5% Site hand	0% progress in the electrification of Koppie: *0% progress	R 2 155 966	R 2 155 966	Delay on commencement of works	Letter of concern issued to the Service Provider

		Koppie	over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays; *10% Stringing mv/lv lines; 10% house connections	achieved				
Mapareng	35%	% progress in the electrification of Mapareng	65% progress in the electrification of Mapareng: *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays; *10% Stringing mv/lv lines; 10% house connections	55% progress in the electrification of Mapareng: *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays; *10% Stringing mv/lv lines	R 1 835 804	R 1 835 804	Delay on commencement of works	Matter to be elevated to the Municipal Manager
Maresele ng	35%	% progress in the	65% progress in the electrification of	0% progress in the electrification of	R 3 370 848	R 3 370 848	Delay on commencement	Letter of concern issued to the Service

		electrification Mareseleng	Mareseleng: *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays; *10% Stringing mv/lv lines; 10% house connections	Mareseleng: *0% progress			ent of works	Provider
Buffelshoek	35%	% progress in the electrification of Buffelshoek	65% progress in the electrification of Buffelshoek: *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays; *10% Stringing mv/lv	0% progress in the electrification of Buffelshoek: *0% progress achieved	R 1 381 112	R 1 381 112	Delay on commencement of works	Letter of concern issued to the Service Provider

			lines; 10% house connections					
Praktiseer	35%	% progress in the electrification of Praktiseer	65% progress in the electrification of Praktiseer: *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays; *10% Stringing mv/lv lines; 10% house connections	35% progress in the electrification of Praktiseer: *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles	R 13 491 549	R 13 491 549	Late commencement of works and payment of labourers by service providers. None submission of EPWP beneficiary reports	Matter to be elevated to the Municipal Manager
Barcelona	35%	% progress in the electrification of Barcelona (Driekop)	65% progress in the electrification of Barcelona: *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10%	35% progress in the electrification of Barcelona: *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10%	R 523 800	R 523 800	Late commencement of works. None submission of EPWP beneficiary reports	Matter to be elevated to the Municipal Manager

			Plant poles; *10% Stays; *10% Stringing mv/lv lines; 10% house connections	Plant poles				
Dibakwane	35%	% progress in the electrification of Dibakwane(Driekop)	65% progress in the electrification of Dibakwane (Driekop): *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays; *10% Stringing mv/lv lines; 10% house connections	45% progress in the electrification of Dibakwane (Driekop): *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays	R 688 802	R 688 802	Late commencement of works. None submission of EPWP beneficiary reports	Matter to be elevated to the Municipal Manager
Maputle	35%	% progress in the electrification of Maputle(D	65% progress in the electrification of Maputle (Driekop): *10% ToR Contractor;	55% progress in the electrification of Maputle (Driekop): *10% ToR Contractor;	R 1 003 683	R 1 003 683	Late commencement of works. None submission of EPWP	

		riekop)	*5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays; *10% Stringing mv/lv lines; 10% house connections	*5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays; *10% Stringing mv/lv lines			beneficiary reports	
Kampeng	35%	% progress in the electrification of Kampeng(Driekop)	65% progress in the electrification of Kampeng (Driekop): *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays; *10% Stringing mv/lv lines; 10% house connections	0% progress in the electrification of Kampeng (Driekop): *0% progress achieved	R 1 179 802	R 1 179 802	Delay on commencement of works	Letter of concern issued to the Service Provider

Mandela Park	35%	% progress in the electrification of Mandela park	65% progress in the electrification of Mandela Park: *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays; *10% Stringing mv/lv lines; 10% house connections	35% progress in the electrification of Mandela Park: *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles	R 1 824 900	R 1 824 900	Late commencement of works and payment of labourers by service providers. None submission of EPWP beneficiary reports	Matter to be elevated to the Municipal Manager
France	35%	% progress in the electrification of France(Driekop)	65% progress in the electrification of France (Driekop): *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10%	35% progress in the electrification of France (Driekop): *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10%	R 523 800	R 523 800	Late commencement of works and payment of labourers by service providers. None submission of EPWP beneficiary	

			Plant poles; *10% Stays; *10% Stringing mv/lv lines; 10% house connections	Plant poles			reports	
Leboeng	35%	% progress in the electrificat ion of Leboeng	65% progress in the electrification of Leboeng: *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays; *10% Stringing mv/lv lines; 10% house connections	60% progress in the electrification of Leboeng: *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays; *10% Stringing mv/lv lines; 5% house connections	R 7 498 523	R 7 498 523	Late commencement of works and payment of labourers by service providers. None submission of EPWP beneficiary reports	Matter to be elevated to the Municipal Manager
Dithamaga	35%	% progress in the electrificat ion of Dithamag	65% progress in the electrification of Dithamaga: *10% ToR Contractor; *5% Site hand over; *5% Site	0% progress in the electrification of Dithamaga: *0% progress achieved	R 917 401	R 917 401	Delay on commencement of works	Letter of concern issued to the Service Provider

		a	establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays; *10% Stringing mv/lv lines; 10% house connections					
Taung	35%	% progress in the electrification of Taung	65% progress in the electrification of Taung: *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays; *10% Stringing mv/lv lines; 10% house connections	55% progress in the electrification of Taung: *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays; *10% Stringing mv/lv lines	R 4 481 402	R 4 481 402	Late commencement of works and payment of labourers by service providers. None submission of EPWP beneficiary reports	Matter to be elevated to the Municipal Manager
Malaeneng	35%	% progress in the electrification of	65% progress in the electrification of Malaeneng: *10%	55% progress in the electrification of Malaeneng:	R 523 800	R 523 800	Late commencement of works and payment	Matter to be elevated to the Municipal

		ion of Malaenen g	ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays; *10% Stringing mv/lv lines; 10% house connections	*10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays; *10% Stringing mv/lv lines			of labourers by service providers. None submission of EPWP beneficiary reports	Manager
Sekopung	35%	% progress in the electrification of Sekopung	65% progress in the electrification of Sekopung: *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays; *10% Stringing mv/lv lines; 10% house connections	45% progress in the electrification of Sekopung: *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays (Pole box planted)	R 2 868 395	R 2 868 395	Late commencement of works and payment of labourers by service providers. None submission of EPWP beneficiary reports	Matter to be elevated to the Municipal Manager

Makofane	35%	% progress in the electrification of Makofane	65% progress in the electrification of Makofane: *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays; *10% Stringing mv/lv lines; 10% house connections	45% progress in the electrification of Makofane: *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays (Pole box planted)	R 5 835 272	R 5 835 272	Late commencement of works and payment of labourers by service providers. None submission of EPWP beneficiary reports	Matter to be elevated to the Municipal Manager
Pidima	35%	% progress in the electrification of Pidima	65% progress in the electrification of Pidima: *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays; *10%	45% progress in the electrification of Pidima: *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays (Pole box	R 1 038 762	R 1 038 762	Late commencement of works and payment of labourers by service providers. None submission of EPWP beneficiary reports	Matter to be elevated to the Municipal Manager

			Stringing mv/lv lines; 10% house connections	planted)				
Matokomane	35%	% progress in the electrification of Matokomane	65% progress in the electrification of Matokomane: *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays; *10% Stringing mv/lv lines; 10% house connections	45% progress in the electrification of Matokomane: *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays (Pole box planted)	R 2 250 394	R 2 250 394	Late commencement of works and payment of labourers by service providers. None submission of EPWP beneficiary reports	Matter to be elevated to the Municipal Manager
Makotaseng	35%	% progress in the electrification of Makotaseng	65% progress in the electrification of Makotaseng: *10% ToR Contractor; *5% Site hand over; *5% Site	60% progress in the electrification of Makotaseng: *10% ToR Contractor; *5% Site hand over; *5% Site	R 697 641	R 697 641	Late commencement of works and payment of labourers by service providers. None	Matter to be elevated to the Municipal Manager

			establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays; *10% Stringing mv/lv lines; 10% house connections	establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays; *10% Stringing mv/lv lines; 5% house connections			submission of EPWP beneficiary reports	
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3.2.2.1. Electricity provision for the past three financial years

Since 2011/2012 financial year 8123 households were connected to electricity by both DOE and Eskom. The table below depicts the picture.

Figure/Table 24: Records on Electricity connections

Financial year	2012/13	2013/14	2014/15
Number of households electrified through DOE	1900	None	None
Households electrified by ESKOM	1108	1953	None
Total	3008	1953	None

3.2.2.2. Free basic Electricity

1347 household in the municipality received free basic electricity in 2014/15 financial year.

3.2.3. WASTE MANAGEMENT (REFUSE COLLECTIONS)

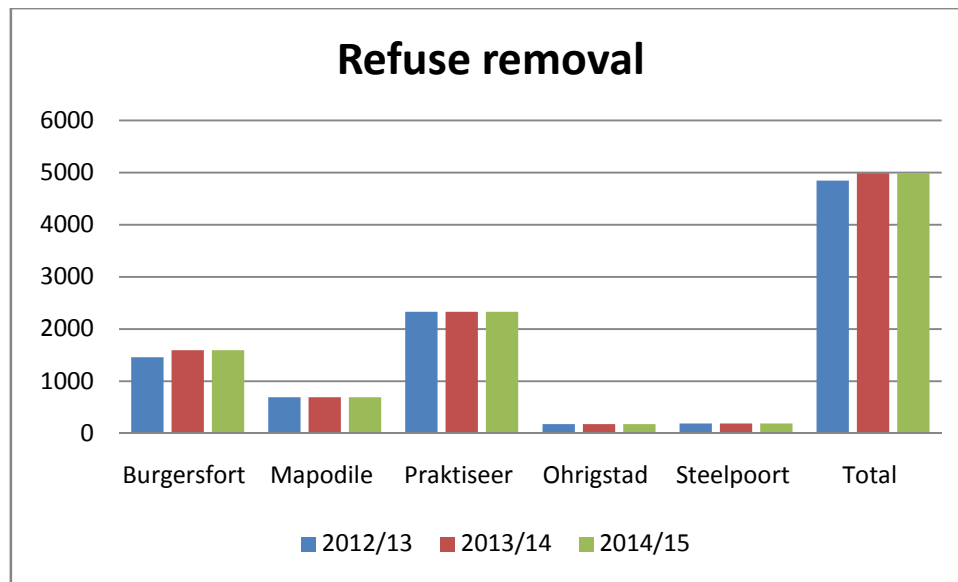
The municipality renders refuse removal services weekly to 4987 households in the proclaimed areas of Burgersfort, Steelpoort, Ga- Mapodile, Praktiseer and Ohrigstad. The private partnership project on waste management as alluded last financial year got stalled at procurement stage. Bauba Marumo waste management was appointed to continue with waste management while the municipality sort out the PPP issue.

The table below shows a clear picture of households receiving refuse removal weekly.

Table/Figure 25: Waste removal records

Town/Township	2012/13	2013/14	2014/15
Burgersfort	1458	1595	1595
Mapodile	691	691	691
Praktiseer	2331	2331	2331
Ohrigstad	176	179	179
Steelpoort	191	191	191
Total	4847	4987	4987

Chart 03: Refuse Removal



3.2.3.1. Private Public partnership project on waste management

22.5% progress is made in the implementation of PPP waste project. Evaluation of Bids draft TVR IIB reports is done; preferred bidder withdrawn from the offer. Negotiation with reserve bidder has commenced and a due diligence (DD) Report is submitted to National treasury with project funding commitment letter.

Table/Figure 26: Waste management

Projects Name	2013/14 Annual Performance	KPI	Annual Target	Annual Performance	Budget	Expenditure	Challenges	Mitigation
Rehabilitation of waste facilities	0%	% progress in the rehabilitation of Tubatse Waste Facilities	30% progress in the rehabilitation of Tubatse Waste facilities: MIG BP 5%, ToR Consultant 10 %; Designs 15%	15% progress in the rehabilitation of Tubatse Waste facilities: MIG BP 5%, ToR Consultant 10 %	R 500 000	R -	Delay on procurement process.	Matter to be elevated to the Municipal Manager
	4 923	# of households benefiting from weekly Refuse removal	4 472	R 4 847	R 5 000 000	R2,761,189	None	None
Professional services contracted for refuse programs	10%	% progress in the implementation of PPP waste project	55% progress in the implementation of PPP waste project: 10% Evaluation of	22.5% progress in the implementation of PPP waste project: 10% Evaluation of	R 4 902 000	R270,000 on TAs overhead cost	Negotiation could not be entered into with Preferred Bidders due	The next process will be to engage with the Reserve

			<p>Bids draft TVR IIB reports; *5% announcement of preferred bidder; *10% Due Diligence and Value for Money Report * 10% Negotiation and final closure with Preferred Bidder, Public Participation to solicit comments TVR III; * 10% Views from Provincial Treasury and COGHSTA & Issuance of Treasury Views and Recommendation III; *10%PPP Agreement with Private Party</p>	<p>Bids draft TVR IIB reports; *5% announcement of preferred bidder; 7.5% Negotiation phase, Kick start meetings held with Preferred who withdrew and Reserve bidder in progress currently). Due diligence (DD) Report submitted with project funding commitment letter.</p>			<p>the withdrawal of the consortium member companies due to liquidation and dormant of the other after negotiation start meetings held. The Municipality received a formal withdrawal letter in this regard.</p>	<p>Bidder and conduct due diligence. Prior to negotiating the municipality will conduct due diligence (DD) on the reserved bidder, its funding structure and funders. Plan conventional to implement Feasibility Study models upon PPP</p>
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								collapse
	New Indicator	# of performance Report generated on the performance of the contracted Refuse removal service provider	4 quarterly performance Report generated on the performance of the contracted Refuse removal service provider	4	R 11 500 000	R 9 604 942	None	None

3.2.4. HOUSING

Housing provision is the competency of Department cooperative Government Human Settlement and Traditional Affairs (COGHSTA), the municipality only identifies needy people who qualify for the RDP houses and submit the list to COGHSTA for approval and appointment of contractors to build the houses. In 2014/15 financial year COGHSTA allocated 1099 RDP houses to Municipality. When the financial year ended 915 RDP houses were completed and 184 were on wall plate. The table below depicts number of houses allocated to Greater Tubatse since 2012/13 to 2014/15.

Figure/Table 27: Housing records

Financial year	2012/13	2013/14	2014/15
Number of houses	1 586	None	1099

3.2.5. Water and Sanitation

According to 2011 STATSA records, 79.3% (63 026) households in the municipality have access to water and 80.7% (79 542) households have access to sanitation. The following are identified as challenges in the provisioning of water and sanitation in the municipality:

- ❖ Aged infrastructure;
- ❖ Topography of the area;
- ❖ Ever increasing informal settlements;
- ❖ GTM not water nor Sanitation authority

In the financial year under review, Sekhukhune District municipality constructed 14 227 VIP toilets in the municipality. The following villages benefited as follows:

- ❖ Leboeng 4320 VIP toilets;
- ❖ Phiring 1281 VIP toilets;
- ❖ Bothashoek 3448 VIP toilets;
- ❖ Alberton 1281 VIP toilets; and
- ❖ Kgautswana 2982 VIP toilets.

3.3. COMPONENT B: Roads and Transport

3.3.1. Introduction

575.40 km of rural roads were graded in the financial year under review. 942 (63%) out 1488 emergency requests made to the municipality by communities were addressed in 2014/15 financial year.

3.3.2. Internal streets and Access bridges

The municipality upgraded 0.3km of Kastania Street in Burgersfort from gravel to paving and upgraded 0.7km of Mimosa Street in Ohrigstad from gravel to tar. It also resealed 1.8km of Dirk Winterbach Street at Burgersfort and Twelve (12) access bridges were planned for 2014/15, and when the financial year ended two (2) were concluded and the remaining ten were at planning stage. These are multi – year projects and the plan was to conclude the planning phase in 2014/15 financial year and commence with the construction in 2015/16 financial year.

3.3.3. Traffic law enforcement

In the financial year under review the municipality conducted four road safety campaigns at different roads in the municipality. Three campaigns were road safety and one was arrive alive. In addition to the road safety campaigns the municipality conducted 13 Joint operations with Provincial traffic officers and police to enforce law and order in the both provincial and municipal roads.

Table/Figure 28: Roads constructions

Projects Name	2013/14 Annual Performance	KPI	Annual Target	Annual Performance	Budget	Expenditure	Challenges	Mitigation
Resealing of Burgersfort roads	30%	% Progress in resealing of Burgersfort roads	100% Progress in resealing of Burgersfort roads: ; Designs 15%, ToR Contractor 10%; Site handover 5%, Site Establishment 5%, Base repair 30%; Surfacing 30%, Closeout 5%	100% Progress in resealing of Burgersfort roads: ; Designs 15%, ToR Contractor 10%; Site handover 5%, Site Establishment 5%, Base repair 30%; Surfacing 30%, Closeout 5%	R 10 814 000	R 9 948 473	None	None
Upgrading Burgersfort Internal road	10%	% progress in the upgrading of Burgersfort internal street	85% Progress in upgrading of Burgersfort roads: Site handover 5%, Site Establishment 5%, Base construction 30%, Surfacing 30%, Road kerbs 10%; Closeout 5%	85% Progress in upgrading of Burgersfort roads: Site handover 5%, Site Establishment 5%, Base construction 30%, Surfacing 30%, Road kerbs 10%; Closeout 5%	R 3 395 200	R 3 105 786	None	None
Resealing	30%	%	85% Progress in	85% Progress in	R 2 295 900	R 2 275 377	None	None

of Ohrigstad internal roads		Progress in the upgrading of Ohrigstad Internal Street (completion of works)	upgrading Ohrigstad Internal Street: Site handover 5%, Site Establishment 5%, Base reconstruction 30%; Surfacing 30%, Road kerbs 10%; Closeout 5%	upgrading Ohrigstad Internal Street: Site handover 5%, Site Establishment 5%, Base reconstruction 30%; Surfacing 30%, Road kerbs 10%; Closeout 5%				
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4.1. COMPONENT C: Planning and Development

4.1.3. Introduction

Municipalities are mandated as part of its developmental duties by the constitution of Republic of South Africa to:

- (a) Structure and manage its administration and budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community; and
- (b) Participate in national and provincial development programmes.

4.1.4. Integrated Development Plan (IDP)

GTM IDP is graded high by the premier's assessment team in the year under review. In 2nd March 2015 and 25 May 2015 the municipality conducted IDP consultation session throughout the entire municipality. The 2nd March 2015 consultation was conducted in clusters. The municipality was divided into fifteen clusters. In each cluster there were an Executive committee member, a team of senior managers and admin assistant deployed. A total of 648 people attended the IDP consultation session. The 2015/16 IDP was approved by council on the 27 May 2015. In its compilation both National and provincial department were consulted to provide information in their area of specialization.

4.1.5. Spatial Rational

The municipality has limited land for development. Most of the land in the municipality is in the private hands, state and tribal authorities. Various engagements were made with department of rural development and land reform to allocate land for municipal development and due processes are unfolding.

4.1.5.1. Burgersfort by-pass/ western ring road

The municipality is concern about traffic congestion in its towns especially during month end. The municipality is negotiating for land to construct a by – pass at Burgersfort which will join R555 road from Steelpoort to R37 Lydenburg. The road will pass behind Burgersfort town and join R37 after the town. The municipality need 24.5hectare to see this project through. To date the subdivision of affected land parcels, land valuations (Market analysis) and negotiations for the land with the owner are done.

4.1.5.2. Development of Ohrigstad development plan

78% progress is made in the development of Ohrigstad development plan: Project Inception done; status Quo Analysis done; draft Land Use System with Scheme clauses and maps done, Draft Development Plan, Implementation Plan and public consultation.

Table/Figure 29: Spatial planning

Projects Name	2013/14 Annual Performance	KPI	Annual Target	Annual Performance	Budget	Expenditure	Challenges	Mitigation
Development of 15/16 IDP	100%	% progress in compilation of IDP document	100% progress in compilation of IDP document : 10% IDP process plan adopted by council; 25% status quo analysis report adopted by council;* 20% strategy planning report produced; 10% project integration completed;*10% Draft 2015/16 IDP adopted by council; 10% Public consultation conducted; * 5% incorporation of public participation report in the IDP;	100% progress made in compilation of IDP document : *10% - IDP process plan adopted by council; *25% - status quo analysis report adopted by council;* 20% - strategy planning report produced; *10% - project integration completed;*10% - Draft 2015/16 IDP	R 492 000	R 475 611	None	None

			10% Approval of the final IDP 2015/16	adopted by council; *10% - Public consultation conducted; * 5% - incorporation of public participation report in the IDP; 10% - Approval of the final IDP 2015/16				
Acquisition for roads servitudes	10% (Legal Facilitator appointed)	% progress in the acquisition of 24.5 hectare of land for Burgersfort by-pass/ western ring road	100% progress in the acquisition of 24.5 hectare of land for Burgersfort by-pass/ western ring road : * 20% Subdivision of affected land parcels; 20% Land valuation;20% Negotiation and signing of agreements with	50% progress made in the acquisition of 24.5 hectare of land for Burgersfort by-pass/ western ring road :*20% subdivision of affected land parcels done; *20% land	R 3 300 000	R 233 322.39	Negotiations with affected land owners were severely delayed by administrative issues.	Expedite negotiations and finalise the project in the next financial year.

			affected land owners; 40% Registration and transfer of land to municipality	valuations(Market analysis completed; *10% land negotiations started)				
Ohrigstad development plan	10% (Service Provider appointed)	% progress in the development of Ohrigstad development plan	100% progress in the development of Ohrigstad development plan (10%- Procurement of PSP; 10%- Project Inception; 30%- Status Quo Analysis; 15% Development Strategies & Framework; 25%- Draft Plan, Public Consultation & Implementation Plan; 10%- Council Adoption/ Approval)	78% progress made in the development of Ohrigstad development plan :10%- Project Inception done; *30%- Status Quo Analysis done; *15%- Draft Land Use System with Scheme clauses and maps), 23%- Draft Development Plan, Implementation	R 660 000	R 529 129	Conclusion of stakeholder consultations/ public participation delayed due to poor meeting attendance and postponements.	Targeted stakeholder mobilisation to be undertaken in the first quarter of the next financial year.

				Plan and public consultation				
Integrated human settlement feasibility study	10% (Service Provider appointed)	% progress in development of municipal wide LUMS	100% progress in development of municipal wide LUMS: * 60% (10%- Inception; 40%- Status Quo Analysis and Updating of Cadastral, Land Use and Zoning information/ data); * 75% (15%- Draft Land Use System with Scheme clauses and maps); * 90% (15%- Public Participation- presentation to various stakeholders and acquiring their inputs;* 100% (10%- Promulgation)	90% progress made in development of municipal wide LUMS: 60%(*10%- Project Inception; *40%- Status Quo Analysis and Updating of Cadastral, Land Use and Zoning information/ data); 75%(*15%- Draft Land Use System with Scheme clauses and maps);*90%(15%- Public Participation- presentation to	R 800 000	R 533 390	Conclusion of stakeholder consultations/ public participation delayed due to poor meeting attendance and postponements.	Targeted stakeholder mobilisation to be undertaken in the first quarter of the 2015/16 financial year.

				various stakeholders and acquiring their inputs)					
Demarcation of site (Township Establishment)	120 days	% of section 96,99 & 100 of Ordinance 15 of 1986 applications processed (approved/disapproved/referred back)within 120 days.	100% of section 96,99 & 100 of Ordinance 15 of 1986 applications processed (approved/disapproved/referred back)within 120 days.	100% of section 96,99 & 100 of Ordinance 15 of 1986 applications processed within 120 days. (8 applications received: 3 approved, 5 in process)	R	-	R -39 802	Objections received on 2 applications	Adhoc Tribunal Committee to be established to adjudicate the objections
Demarcation of site(Rezoning)	120 days	% of section 56 of Ordinance 15 of 1986 applications processed (approved/disapproved/referred back) within	100% of section 56 of Ordinance 15 of 1986 applications processed (approved/disapproved/referred back) within 120days.	100% of section 56 of Ordinance 15 of 1986 applications processed within 120days. (13 applications received)	R	-	R -21 560	none	none

		120 days.		processed within 120 days)					
Demarcation of site (Subdivision and Consolidation)	120 days	% of section 92 (1) (a) & (b) of Ordinance 15 of 1986 and section 6 of Ordinance 20 of 1986 applications processed (approved/disapproved/referred back) within 120 days.	100% of section 92 (1) (a) & (b) of Ordinance 15 of 1986 and section 6 of Ordinance 20 of 1986 applications processed (approved/disapproved/referred back) within 120 days.	100% of section 92 (1) (a) & (b) of Ordinance 15 of 1986 and section 6 of Ordinance 20 of 1986 applications processed within 120 days. (5 applications received and processed within 120 days)	R	-	R -4 977	none	None
Demarcation of site (Consent Uses)	120 days	% of clause 21 & 22 of GTM LUMS 2006, Peri Urban Areas Town Planning	100% of clause 21 & 22 of GTM LUMS 2006, Peri Urban Areas Town Planning Scheme 1975 and other land use regulations	100% of clause 21 & 22 of GTM LUMS 2006, Peri Urban Areas Town Planning Scheme 1975	R	-	R -30 280	none	None

		Scheme 1975 and other land use regulations (R293/ 1962; R188/ 1969 and/or Act 125 of 1967 as amended) applications processed (approved/ disapproved/ referred back) within 120days.	(R293/ 1962; R188/ 1969 and/or Act 125 of 1967 as amended) applications processed (approved/ disapproved/ referred back) within 120days.	and other land use regulations (R293/ 1962; R188/ 1969 and/or Act 125 of 1967 as amended) applications processed within 120days. (31 applications received and processed within 120 days)					
Demarcation of site (Site Development Plans & Temporary Consents)	120 days	% of 17 and 23 of GTM LUMS 2006 applications processed (approved/ disapproved/ referred back) within 30 days.	100% of 17 and 23 of GTM LUMS 2006 applications processed (approved/ disapproved/ referred back) within 30 days.	100% of 17 and 23 of GTM LUMS 2006 applications processed approved within 30 days. (7 Site Development Plan received and approved	R	-	R -9 167	none	none

				within 30 days)				
Demarcation of site(Building Plans)	30 days	% of Building plan received approved/dis approved within 30/60 days	100% of Building plan received approved/disapproved within 30/60 days	100% of Building plan received approved within 30/60 days: *94 building plans received and approved within 30/60 days. 78 were <500 square meters and 16 were >500 square meters. 45 building plans all<500 square meters were approved.	R-392 645. 80	R -	49 building plans did not meet the requirements hence not approved.	Provide check list to the applicants /clients

4.1.6. Applications for Land use development

The municipality received eight (8) applications for township establishment and approved three (3) and five were outstanding when the financial year ended. The number of applications received in 2014/15 financial year has increased by five compared to 2013/14 financial year; but like the 2013/14 financial year only three township applications were approved. Thirteen (13) applications for rezoning were received and all approved. The performance in 2014/15 increased by five (5) compared to 2013/14 financial year. Fewer building plans were received in 2014/15 financial year compared to 2013/14 financial year that is 94 and 201 respectively. 45 were approved in 2014/15 financial year compared to 55 building plans of 2013/14 financial year. The table below depicts the picture.

Table/figure 30: Applications for land use development

Details	Formalization of townships		Rezoning		Building environment	
	2013/14	2014/15	2013/14	2014/15	2013/14	2014/15
Planning applications received	3	8	8	13	201	94
Determination made in year of receipt	0	3	1	13	55	45
Determinations made in the year following	3	0	7	0	N/A	0
Application withdrawn	0	0	0	0	69	0
Application outstanding at year end	0	5	1	0	77	49

3.4.5. LED strategy

The review of LED strategy was 75% progress when the financial year ended. Activities performed were development of review process plan, stakeholder engagement and the draft LED strategy was available ready to serve in council.

3.4.6. Job creation

About 324 job opportunities were created by the municipality through its LED initiatives in the financial year under review. This includes 115 works created through EPWP grant and jobs created by municipal projects. The above statistics excluded work created by Operation Mabone project. Such statistic will be reported in the 2015/16 financial year.

3.4.7 Investment promotion study and Mining beneficiation study

Only 10% of the planned 20% of both investment promotion and mining beneficiation studies were done when the financial year ended. The projects were then carried over to 2015/16 financial year. When concluded the studies will contribute positively in the development of the economy of the Greater Tubatse municipality. They will even reduce the number of community protests against the mines.

3.4.8. Employees of the Department of Economic and Land Development

The department had 17 posts in the financial year under review. 16 posts were filled and one level post was vacant, namely manager LED. The table below show a clear picture.

Table/Figure 31: Employees of ELD department

Job levels	2013/14	2014/15			
	No. Of employees	No. Of posts	No. Of employees	Vacancy	Vacancy rate
0 – 3	9	9	8	1	11%
4 – 6	6	8	8	0	0
7 – 9	2	0	0	0	0
10 – 12	0	0	0	0	0
Total	17	17	16	1	11%

3.4.9. Financial performance of Economic and Land Development Department

Details	2013/14	2014/15			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to budget
Expenditure:					
Employee cost	9 577 229	7 751 642	8 365 237	8 540 231	-2%
Repair and Maintenance	N/A	N/A	N/A	N/A	N/A
Other	992 476	21 402 259	15 629 604	5 998 692	61.6%
Total operational expenditure	10 569 705	29 153 901	23 994 841	14 538 923	39.4%

Table/Figure 30: Local Economic Development projects

Projects Name	2013/14 Annual Performance	KPI	Annual Target	Annual Performance	Budget	Expenditure	Challenges	Mitigations
Review LED strategy	LED Strategy in place(2007)	% progress in the review of the LED strategy	100% progress in review of LED strategy: 25% Dev.of review process plan; 50% Stakeholder engagement; 75% Draft strategy generated; 100% Submission of the LED strategy to Council	75% progress made in review of LED strategy: * 25% Development of review process plan done; *50% Stakeholder engagement done; *75% Draft strategy generated;	R 1 400 000	R 1 400 000	Document not yet served in council	Submission for Council approval
	4	# of job created through LED initiatives reports submitted to council	4 - job created through LED initiatives reports submitted to council	2 reports submitted	R -	R -	consistent calling of special councils where only three urgent matters are presented	Council to stick to its meeting schedule, despite calling special council meetings

Economic sector institutionalization	0%	% of Economic sector fora resolutions implemented: LED, , Agriculture, Tourism	100% of Economic sector fora resolutions implemented: LED, Mining, Agriculture, Tourism	100% achieved on the implementation of Economic sector fora resolutions: all the resolutions taken were implemented.	R 50 000	R 5 427.24	None	None
Investment promotion study	0%	% progress in conducting Investment promotion study	20% progress in conducting Investment promotion study: 10%- Development of TOR`s; 10%- Project Inception report	10% achieved in conducting Investment promotion study: *10% TOR's has been developed.	R 175 000	R -	Submission was delayed pending the appointment the accounting officer for approval	The project will be advertised in the 2015/16 financial year
Mining beneficiation study	0%	% progress in conducting Mining beneficiation study	20% progress in conducting Mining beneficiation study: 10%- Development of TOR`s; 10%- Project Inception report	10% achieved in conducting Mining beneficiation study:*10% TOR's has been developed.	R 250 000	R -	Submission was delayed pending the appointment the accounting	The project will be advertised in the 2015/16 financial

							g officer for approval	year
Outdoor Advertising Regulation	R 8 000	R-Value collected through outdoor advertisement	R90 000 collected through outdoor advertisement	R -229 492	R -	R -229 492	None	None

3.5. COMPONENT D: Community and Social Services

3.5.1. Community facilities

Municipality has five (5) community halls built in the following villages: Mokgotho at ward 16; Driekop at ward 07; Moeng at ward 11; Tjate at ward 08 and Leboeng at ward 26. Leboeng and Tjate community halls are vandalised by the community. The municipality has plans to renovate the two vandalized community halls and to fully equip the other community halls in 2015/16 financial year. The only functional community hall at this stage is Mokgotho community hall.

Other community facilities are Leboeng Thusong Service centre at Leboeng (ward 26); Kgopaneng TSC at Kgopaneng (ward 15); Kgautswana TSC at Kgautswana (ward 24) and Mapodile MPCC at Ga- Mapodile in ward 02.

3.5.2. Library programmes

The municipality has three (3) libraries, namely; Burgersfort, Mapodile and Ohrigstad libraries. In the financial year under review the municipality conducted eight (08) Library programmes, six (6) Library outreaches, and Library week and world book day. It further acquired 899 library books in the financial year under review. 414 books were purchased by DSAC; 85 donated by Samancor and 400 purchased by GTM.

3.6. COMPONENT E: Environmental Protection

3.6.1. Environmental awareness campaigns

The municipality hosted environment awareness campaign on 05 September 2014 during Arbor day at Rasupi primary and Lehlaba secondary schools. 14 trees were planted during the Arbor day, five (5) trees planted at Rasupi primary school and remaining nine (9) trees were planted at Lehlaba secondary school. The municipality procured 100 trees for the Arbor day but the service provider could not deliver them on time, hence the planting of the 14 trees.

With an aim of beautifying its towns, the municipality has conducted cleaning campaigns in its three towns namely Burgersfort, Steelpoort and Ohrigstad. Three (3) open spaces were debused in Burgersfort, Ohrigstad and Steelpoort.

3.6.2. Establishment of Municipal park

Municipality has planned to establish three parks at Mapodile, Ohrigstad and Burgersfort in the financial year under review, but due to financial constraints focus was given to the establishment of Burgersfort Park. The project is funded by the National Department of Environment Affairs (DEA).

When the financial year ended the municipality had the park designs approved by LEDET; Project advisory committee established and affected stakeholders been consulted.

3.6.3. Disaster Management

Disaster management is the competency of Sekhukhune District Municipality. Greater Tubatse Municipality plays facilitation role. In the financial year under review, 148 disaster incidents were reported in the municipality and were attended to within 12 hours after been reported. Due insufficient relief materials in store only 70% of the identified disaster victims were provided with relief materials. As a pro - active measure to combat increasing disaster incidents in the municipality, the municipality conducted disaster awareness campaign at Rasupi School on the 30/09/2014.

3.6.4. Combating HIV/AIDS in the municipal area.

Combating HIV/AIDS is sole the responsibility of the department of Health, municipalities are playing advocacy role. In the financial year under review, at advocacy role level the municipality has co – ordinated five (5) HIV/AIDS activities /events, namely; World AIDS day at Burgersfort on 07/12/14; STI/Condom day at Bothashoek on 25/02/2015; Launched Child Advisory Council (CAC) and distributed school uniforms at Alverton on 28/03/15 and conducted Candlelight ceremony at Ga – Selala sport ground on 22/05/15. Lastly, the municipality has developed HIV/AIDS, STI and TB (HAST) directory and reviewed local HIV response strategy, but when the financial year ended only 50% progress was achieved.

3.7. COMPONENT F: SPORT AND RECREATION

3.7.1. Arts and Cultural Activities

The municipality hosted four (04) Arts and Culture events in 2014/15 financial year; namely two (2) Art indabas on 20/09/14 and 30/06/15; Cultural festival on 21/09/14 and participation in Miss Limpopo on 06/12/14.

3.7.2. Sports activities

The following sport events were hosted by the municipality in the financial year under review: Chess and cricket tournament on 30/08/14; Volley ball on 08/11/14; Tennis 15/11/14 and Farm sports festival on 14/03/15.

3.7.3. Staff component of Community Service Department

Community service department has 76 budgeted posts in the 2014/15 financial year and when the financial year ended 71 posts were filled. The unfilled posts were between level 7 – 9 levels. The table below depicts detailed staff components of Community services department.

Figure/Table 31: Employees of Community Services Department

Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
0 - 3	4	4	4	0	0
4 - 6	11	14	14	0	0
7 - 9	32	41	36	5	12%
10 - 12	25	17	17	0	0
Total	72	76	71	5	12%

3.7.4. Financial Performance of Community service department

The table depicts the financial performance of community service department. The figures presented below include units in the community service department, namely community services admin, Library, protection services and cemeteries.

Figure/Table 32: Financial Performance of Community Services

Details	2013/14	2014/15			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Expenditure:					
Employees	4 045 425	24 617 765	24 119 420	21 891 959	9%
Repairs and Maintenance	12 000	352 000	352 000	230 409	35%

Other	5 377 000	19 026 000	17 697 000	4 728 696	73%
Total Operational Expenditure	9 434 425	43 995 765	42 168 420	26 851 064	36%

Table/Figure 33: Sport and cultural activities

Projects Name	2013/14 Annual Performance	KPI	Annual Target	Annual Performance	Budget	Expenditure	Challenges	Mitigation
Books replacement	314	# Number of new books purchased and acquired.	300 new books	899 Books purchased for Burgersfort, Ohrigstad and Mapodile libraries. 414 purchased by DSAC, 85 donated by Samancor, 400 purchased by GTM	R 300 000	R 236 672	None	None
	3	# of Library programs conducted	2 Library programmes conducted: * Library week *World book day	08 Library programmes conducted : * 6 x Library outreaches; *1x Library week ; * 1x world book day	R 30 000	R 16 268	None	None
Coordination of Community Facilities	4	# Community facilities maintained	06 - Community facilities maintained by	06 - Community facilities debushed: *Driekop community hall;	R 150 000	R -	None	

		by the municipality	the municipality: * Leboeng Telecentre * Kgopaneng MPCC; * Mapodile MPCC; * Mokgotho community hall; * Driekop community hall; * Moeng community hall;	*Moeng community hall *Mapodile community hall; *Kgopaneng community halls; *Leboeng Telecentre *Mokgotho community hall					
Sport and recreation programs	3	# of cultural activities conducted	3x Arts and Culture programmes. *1x Pageantry. *1x Cultural Show/Festival *1x Indaba	04 Arts and Culture programmes: * Art and culture indaba on 20/09/14; * Cultural festival on 21/09/14; *Miss Limpopo on 06/12/14;	R 150 000	R 80 118	None	None	

				* Arts and Culture indaba on 30/06/15				
	7	# of sporting events held	6x sports events held: *1x Farm festival *1x Mayoral cup; *1x Indigenous games *1x Chess tournament; *1x Cricket Festival; *1x Rugby tournaments	04 x sports events held: * Chess and cricket tournament on 30/08/14; *Volley ball on 08/11/14; *Tennis 15/11/14 ; * Farm sports festival on 14/03/15	R 100 000	R 102 857	Depletion of the budget to execute the remaining programmes.	More funding to be allocated to this activity in future.

3.8. COMPONENT G: CORPORATE POLICY AND OTHER SERVICES

3.8.1. Human Resources

3.8.1.1. Organizational Design

The municipality has in 2013/14 financial year appointed Lekoko consulting to review its Organizational structure. The project was concluded in the 2014/15 financial year. The Organizational structure was approved by Council with the IDP on 30 May 2015.

3.8.1.2. Human Resource policies

3.8.1.2.1. Employment Equity plan

The municipality has reviewed and adopted its Employment Equity plan. In terms of staff equity the municipality has more black people than whites and more male employees than female employees. The purpose of developing the Employment equity plan is to normalise the situation; the number employees in the municipality must relate to the population in the municipality.

3.8.1.2.2. Performance management

Performance Management system in the municipality is implemented only at institutional and senior management levels. The municipality is in the process of cascading it to other employees.

In the financial year under review the municipality has conducted four (4) quarterly performance reviews. The reviews were conducted through management review sessions and Exco – Makgotla meetings. The four (4) reports were then submitted to council for further reviews and recommendation to MPAC for public scrutiny.

Council adopted the 2014/15 mid –year report and 2013/14 Annual report on the 30th January 2015. The reports were then referred to MPAC by Council for public scrutiny.

The municipality could not conduct 2013/14 financial year individual performance review due to high vacancy rate at senior management level. The reviews are scheduled for January 2016.

3.8.1.2.3. Occupational Health and Safety

The municipality conducted one Occupational Health and Safety audit in the financial year under review. It also revived the Occupational Health and Safety committee. The Occupational Health and Safety committee had two meetings in the financial year under review; two medical surveillance; screening and conducted HIV/Aids campaign.

Table/Figure 34: Human Resource performance

Projects Name	2013/14 Annual Performance	KPI	Annual Target	Annual Performance	Budget	Expenditure	Challenges	Mitigation
Skills development program	9	# of WSP activities performed	11 - WSP activities performed * 3 x submission of training reports to LGSETA; *submission of Annual training report to LGSETA; * review and development of 2015/16 WSP; *Conducting Skill audit; *4X quarterly training committee meetings;	Target not achieved: 3 - WSP activities performed : *2x training reports submitted to LGSETA. *1x Annual Report Submitted to LGSETA,	R 950 000	R 450 000	* Municipality spent three months without Skill development facilitator and * Late establishment of training committee	Training committee established in LLF

	2	# of skill development report served in council	4 - skill development report served in council	Target not achieved: 1x skills report served in council	R -	R -	Department was without director to sign off the reports	Appointment director corporate service
Organizational re-engineering	20%	% progress in review of organization structure	100% progress in the review of Organization structure: *40% Presentation of preliminary report to Management; *30% Presentation of final report; *30% Submission of the final report to council	Target achieved: 100% development and implementation of the Organizational structure* 40 % presentation of the preliminary report to management; * 30% presentation of final report * 30% submission of the final report to council.	R 1 500 000	R 802 588.50	None	None
Development of HR plan	4	# of leave reconciliation conducted	4 - leave reconciliation conducted	Target not achieved: 2x leave recons conducted	R -	R -	Venus system and Payday system are not linked	Alignment of Venus and Payday system

Councillors training program	New Indicator	# of councillors registered for skill development program	10 of councillors registered for skill development program	Target exceeded: 25 x councillors registered for capacity development programme which are ELP, CPMD, MFMA, S MIP etc.	R 600 000	316 205	None	None
Capacity building work shop for councillors	New Indicator	# of Capacity building work shop for councillors conducted	2 Capacity building work shop for councillors conducted	Target achieved: 2 - Capacity building work shop for councillors conducted	R 250 000	102 000	None	None
Occupational and Health services program	1	# of OHS audit conducted	1 - OHS audit conduct	Target achieved: 1 OHS Audit conducted by service provider	R 300 000	R 100 000	None	None
	4	# of OHS committee meetings held	4 - OHS committee meetings held	Target not achieved: 2 - OHS committee meetings held: 1 X Kgetlane 1X Municipal building		R40 000.00	Committee was dysfunctional	The committee was resuscitated
Protective equipments	14	# of site inspection and	4 - site inspection and monitoring of	Target not achieved: 1 - site inspection		R -	the unit is understaffed	Capacity the unit

		monitoring of Capital projects reports produced	Capital projects reports produced	and monitoring of Capital projects reports produced				
Corporate Cleaning amenities	2	# of medical surveillance and screening conducted	2- medical surveillance and screening conducted	Target achieved: 2- medical surveillance and screening conducted : * 1x medical surveillance ;1x HIV/Aids conducted		R -	None	None
Recruitment of Employees program	4	# of fumigations and pest control conducted in the municipal offices	2 - fumigations and pest control conducted in the municipal offices	Target achieved: 2 - fumigations and pest control conducted in the municipal offices:1 x fumigations 1xpest control		R 79 418	None	None
Development of employment equity plan	1	# of medical supply Provision made	2 - medical supply Provision made	Target not achieved: 0		R -	Municipality has extra medication	Supply as per need
Develop SDBIP	100%	% progress in	100% progress in	Target achieved: 100% progress	R -	R -	None	None

		development of 2015/16 SDBIP	development of 2015/16 SDBIP: adoption of draft 2015/16 SDBIP with draft 2015/16 IDP(70%); * Final 2015/2016 SDBIP signed off by the Mayor(10%) * Final 2015/2016 SDBIP submitted MEC for COGHSTA(10%); * Final 2015/16 SDBIP pasted on website(10%)	made in the development of 2015/16 SDBIP: *70% - Draft 2015/16 SDBIP adopted with draft 2015/16 IDP; *10% - Final 2015/2016 SDBIP signed off by the Mayor on 18 June 2015; *10% - submission of 2015/2016 SDBIP to MEC for COGHSTA done on 1 July 2015; *10% - Final 2015/16 SDBIP on website done 06 July 2015				
Signing of performance contracts	6	# of section 54/56 managers	6 - section 54/56 managers	Target achieved: 6 - section 54/56 managers signed	R -	R -	None	None

		who signed performance Agreements	signed performance Agreements (MM; directors: community service, Technical, ELD, CFO & Corporate)	performance Agreements (MM; directors: community service, Technical, ELD, CFO & Corporate)				
Management reviews	4	# of management review conducted	4 quarterly management review conducted	Target achieved: 4 quarterly management review conducted	R 50 000	R 4 194	None	None
EXCO Makgotla programs	4	# of EXCO makgotla conducted	4 quarterly EXCO makgotla conducted	Target achieved: 4 quarterly EXCO makgotla conducted	R 200 000	28744	None	None
	100%	% implementation of EXCO makgotla resolutions for MM office implemented	100% implementation of EXCO makgotla resolutions for MM office implemented	Target achieved: 100% implementation of EXCO makgotla resolutions for MM office implemented	R -	R -	None	None

	100%	% implementation of Council resolution for Municipal Manager 's office	100% implementation of Council resolution for Municipal Manager 's office	Target not achieved: 92% (13/14) of Council resolutions for Municipal Manager 's office are implemented	R -	R -	Litigation report deferred back by council for more information	The report to be updated and returned to council
Generate performance reports	5	# of performance reports submitted to council	6- performance reports submitted to council: *4 quarterly performance report; *Mid-year report(section 72 report); Annual report;	Target achieved: 6 - performance reports submitted to council: *4 quarterly performance report; *2014/15 Mid-year report(section 72 report); 2013/14 Annual performance report; 2013/14 Annual report;	R 100 000	R -	None	None

3.8.1.2.4. Staff component of Corporate Service Department

The department has 59 budgeted posts and 54 of them were filled at the end of the financial year. The vacant posts were the one for director Corporate services and four (4) posts at level 7 – 9 band. The table below present a detailed staff component of Corporate service department.

Figure/Table 35: **Corporate services Department Employees**

Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
0 - 3	6	10	9	1	10%
4 - 6	14	19	19	0	0
7 - 9	18	15	11	4	26%
10 - 12	13	15	15	0	0
Total	51	59	54	5	8%

3.8.1.2.4. Financial Performance of Corporate Service Department

The budget for Corporate services department in 2014/15 financial year was R71 694 043. The expenditure at the end of the financial year was R63 746 702 (89%) of the budget.

Figure/Table 36: Financial performance of Corporate Services Department

Details	2013/14	2014/15			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Expenditure:					
Employees	38 604 911	41 565 240	41 636 115	40 864 362	1.8%
Repairs and Maintenance	350 000	None	None	None	

					None
Other	23 446 600	24 218 728	30 057 928	22 882 340	24%
Total Operational Expenditure	62 401 511	65 783 968	71 694 043	63 746 702	11%

3.8.2. INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

The table below depicts ICT projects implemented in 2014/15 and progress made at the end of the financial year.

Table/figure 37: Information and communication technology services performance

No.	Project name	Progress made
1.	Development of IT master plan	Terms of reference developed (TOR)
2.	Purchase of Information Security tools (Managed Information Security Services)	Terms of reference of Information Security Services developed; the TOR submitted to the Bid Specifications Committee
3.	Website update	The following documents were uploaded on the municipal website when the financial year ended: IDP and related matters, Budget and related matters, Quarterly and Annual Service Delivery Reports, performance contracts, Advertisements, Annual Report, policies, public notices, Supply Chain and related matters
4.	Purchase of Electronic Billing System	TOR developed and submitted to the Bid Specifications Committee;

COMPONENT H: ORGANISATIONAL PERFORMANCE SCORECARD

The performance of the municipality in past consecutive three financial years starting from 2012/13 to 2014/15 declined from 62% to 42%. Two departments Corporate services and Technical services performed decimally. The two departments spent the large portion of the 2014/15 without head of departments (directors). The late commencement of Operation Mabone has also contributed to the poor performance of Technical service department. The table below depicts the performance of the municipality for the past three consecutive financial years.

Figure/Table 38: Annual Performance Scorecard

Key Performance Indicators	2012/13	2013/14	2014/15			
			Total KPIs	No. KPI achieved	No. KPI not achieved	Percentage
Institutional Transformation and Organisational Development	66%	52%	38	16	22	42%
Basic service Delivery and Infrastructure Development	69%	54%	61	10	51	16%
Financial Viability and Management	48%	58%	45	17	28	38%
Good Governance and Public participation	79%	69%	83	47	36	57%
Local Economic Development	48%	54%	10	3	7	30%
Spatial rational	58%	51%	12	8	4	67%
Total	62%	55%	249	101	148	40.5%

CHAPTER 4: ORGANIZATIONAL DEVELOPMENT PERFORMANCE

(PERFORMANCE REPORT PART II)

4.1. COMPONENT A: INTRODUCTONAL TO THE MUNICIPAL PERSONNEL

4.1.1. Introduction

The municipality had 258 budgeted posts in 2014/15 financial year, by the end of the financial year 237 posts were filled and 21 remained vacant. Recruitment processes were prolonged and in some instances stalled due to lack of Corporate service director and the municipal manager. The table below shows a detailed picture of the municipal staff.

Table/Figure 39: Municipal personnel

Departments	2012/2013	2013/2014	2014/2015			
	No. of employees	No. of employees	Approved Posts	Employees	Variance	Variance (%)
Municipal Manager	12	13	19	14	5	26%
Finance	37	35	40	38	2	5%
Economics and Land Development	16	17	16	16	1	6%
Community Services	76	69	77	71	5	6%
Corporate Services	55	51	60	54	6	10%
Technical Services	49	44	46	44	2	4%
Total	245	229	258	237	21	8%

4.1.2. Labour turnover

The table below depicts labour turn over in the municipality in 2014/15 financial year

Table/figure: 40 Labour turns over

Internal Transfers	Contracts expired	Secondment from COGHST A	Resignations	Retirement	Deceased	Dismissal	New appointments
10	4	2	2	2	3	1	22

4.2. COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

4.2.1. Human Resource Policies

The table below shows Human resource policies in the municipality and dates on which they were adopted.

Figure/Table 41: Human Resource policies

HR Policies and Plans				
	Name of Policy	Completed	Reviewed	Date adopted by council or comment on failure to adopt
		%	%	
1	Employment Equity plan	100%	100%	29/04/2011
2	Employment Practice policy	100%	100%	29/04/2011
3	Promotion, Transfer, Secondment and Acting in higher position policy	100%	100%	29/04/2011
4	Subsistence and travel allowance policy	100%	100%	29/04/2011
5	Leave policy	100%	100%	29/04/2011
6	Sundry conditions of Employment policy	100%	100%	29/04/2011

7	Relocation/Resettlement Expenditure policy	100%	100%	29/04/2011
8	Private work and Declaration of interest policy	100%	100%	29/04/2011
9	Intoxicating substance abuse policy	100%	100%	29/04/2011
10	Occupational Health and safety policy	100%	100%	29/04/2011
11	Employee Assistance program policy	100%	100%	29/04/2011
12	Incapacity due to ill Health policy	100%	100%	29/04/2011
13	HR planning policy	100%	100%	07/11/2012
14	Attendance and punctuality policy	100%	100%	07/11/2012
15	Overtime and work allowance policy	100%	100%	07/11/2012
16	Transport allowance policy	100%	100%	07/11/2012
17	Housing allowance policy	100%	100%	07/11/2012
18	Legal aid policy	100%	100%	07/11/2012
19	Succession planning policy	100%	100%	07/11/2012
20	Internship policy	100%	100%	07/11/2012
21	Internal bursary policy	100%	100%	07/11/2012
22	Sexual harassment policy	100%	100%	07/11/2012
23	Performance Management and Development	100%	100%	Policy to be workshop to council and other stakeholders
24	Intoxicating substance abuse policy	100%	100%	07/11/2012
25	HIV/AIDS policy	100%	100%	07/11/2012

26	Resettlement	100%	100%	07/11/2012
29	Smoking policy	100%	100%	07/11/2012
30	Grievance procedure	100%	100%	07/11/2012
31	Incapacity due to poor performance policy	100%	100%	07/11/2012

4.3. INJURIES, SICKNESS AND SUSPENSIONS

4.3.1. Injuries

No injury on duty was recorded in the 2014/15 financial year.

4.3.2. Sick Leaves

Figure/Table 42: Sick leaves

Number and Cost of 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
Lower skilled (Levels 10-12)	175	0%	19	46	0.41	60 834.92
Skilled (Levels 7-9)	310	5.8%	37	84	0.44	178 991.54
Highly skilled production (levels 4 - 6)	254	1.96%	33	62	0.53	187 298.58

Highly skilled supervision (levels 1 - 3)	327	1.8%	25	38	0.65	783 887
MM and S57	55	2%	3	6	9.2	252 143.51
Total	1121	11.56%	117	236	11.23	1 463 155.55

4.3.3. Suspensions

The municipality had one (1) suspension in the financial year under review for theft and the suspension was later uplifted. The table below depicts the picture.

Figure/Table 43: Suspensions

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
OHS	Theft	02 April 2015	Suspension uplifted in 15 July 2015	Pending

Figure/Table 44: Disciplinary actions taken on case of financial misconduct

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
Manager SCM	Financial misconduct	Case still on	N/A

4.4. COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

4.4.1. SKILL DEVELOPMENT AND TRAINING

Fifty five (55) municipal staff including councillors were trained in following courses in 2014/15 financial year:

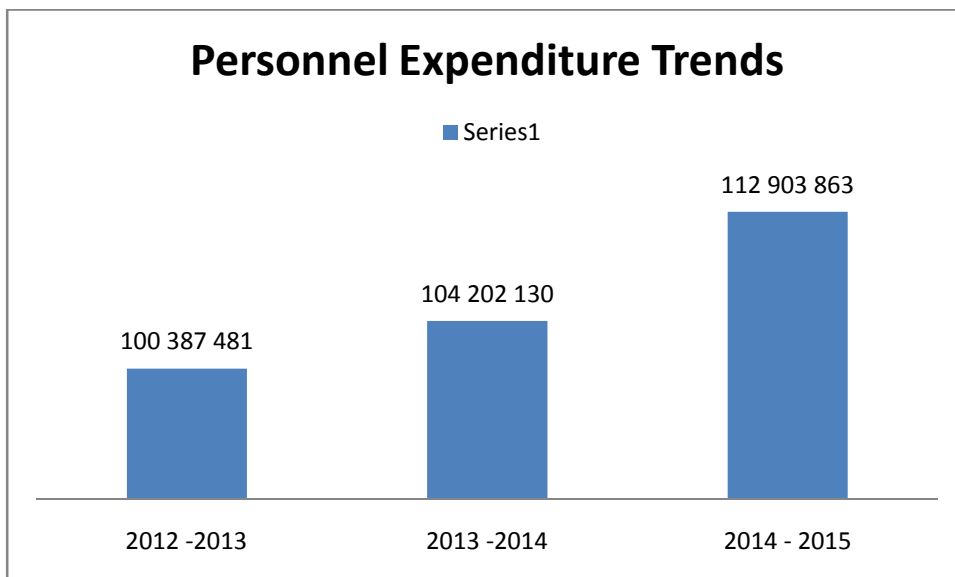
- (a) First aids and fire fighting : 17
- (b) Traffic officer diploma : 3
- (c) Municipal Finance Management programme :7
- (d) Human Resource programme : 01
- (e) Reporting writing and budget : 1
- (f) Councillor Development course : 13
- (g) CPMD : 6
- (h) Interconnection – Cisco : 2
- (i) Internship : 5

COMPONENT D: MANAGING WORKFORCE EXPENDITURE

4.5. EMPLOYEE EXPENDITURE

The municipality spent R112 903 863 on personnel and councillor remuneration in the year under review. This constitutes 27% of the R414 361 787 municipal expenditure. It constitutes a decrease of 10% from the 37% the municipality incurred in 2013/14 financial year. The chart below depicts the picture.

Chart 05: Personnel Expenditure Trends



CHAPTER 05: FINANCIAL PERFORMANCE

COMPONENT A: STATEMENT OF FINANCIAL PERFORMANCE

5.1. Statement of Financial Performance

Table/figure 45: statement of financial performance

Description	2013/14	2014/15			2013/14 Variance to actual	
	Actual(R)	Original Budget(R)	Adjusted Budget(R)	Actual(R)	Original Budget	Adjusted budget
<u>Financial Performance</u>						
Property rates	70 009 714	55 120 000	68 000 000	75 360 585	-36.7	-10.8%
Service charges	7 984 926	5 160 000	9 000 000	8 730 813	-69%	3%
Rental of facilities and equipments	557 171	650 000	650 000	420 071	35.4%	35.4%
Investment revenue	9 959 209	3 392 000	3 392 000	7 209 049	-112.5%	-112.5%
Transfers recognized - operational	211 942 000	185 017 800	185 017 800	308 445 578	-66.7%	-66.7%
Other own revenue	12 757 322	24 061 500	21 872 500	3 450 841	85.6%	84%
Total Revenue (excluding Capital transfers & contributions)	313 210 343	273 401 300	287 932 300	418 629 607	-53%	-45%

Employee Cost	86 412 950	86 124 138	82 051 180	92 715 072	-12%	-13%
Remuneration of councillors	17 789 181	19 522 261	18 779 987	20 188 791	-3%	-7.5%
Depreciation and Amortisation	59 775 155	4 800 000	4 800 000	106 191 223	-21%	-21%
Finance charge	20 065 535	3 000 000	3 000 000	4 345 003	-44.5%	-44.5%
Debt impairment	1 800 000	2 700 000	2 700 000	17 908 037	5.6%	5.6%
Charges	14 908 433	1 500 000	1 500 000	3 028 030	1%	1%
Repairs and Maintenance	6 796 939	6 192 000	10 242 000	7 764 924	-25%	24%
Contracted services	13 404 989	23 740 000	31 240 000	17 795 003	25%	43%
Grants and Subsidies	3 698 699			3 734 692		
Other/General expenditure	40 933 905	96 488 528	105 985 681	142 266 150	47%	-34%
Total Expenditure	265 585 786	261 101 287	277 480 672	414 361 787	-58%	-49%
Surplus/(Deficit)	47 624 556			4 267 820		
Transfer recognized – Capital						
Contributions recognized – Capital &						

contribution assets						
<u>Financial Position</u>						
Total current Asset	191 368 288			333 969 602		
Total non – current Asset	1 567 636 341			1 476 498 545		
Total current liability	78 505 683			124 809 221		
Total non - current liability	71 009 472			74 853 401		
<u>Cash flow</u>						
Net cash from (used) operating	85 118 246			109 675 996		
Net cash from (used) investing	(28 601 316)			(12 016 686)		
Net cash from (used) financing	(21 142 604)			445 689		
Cash and cash equivalent at end of the year	121 659 957			206 563 304		

<u>Asset Management</u>						
Repair and Maintenance	6 726 494			7 764 024		
<u>Free services</u>						
Cost of free Basic services provided	3 581 027			3 734 692		

5.2. Financial Performance of Operational Services

Table /Figure 46: Financial performance of Operational Services

Description	2013/14	2014/15			2014/15 Variance	
	Actual	Original budget	Adjusted budget	Actual	Original Budget	Adjusted budget
<u>Operational Costs</u>						
Corporate service Administration	66 154 637	65 783 968	71 694 043	63 746 702	3%	11%
Municipal Manager administration	23 161 786	16 593 307	20 039 239	17 798 506	-7%	14%
Finance administration	(196 095 966)	51 153 802	59 207 842	42 587 535	16.7%	28%
Technical Services administration	(12 540 276)	14 164 132	15 505 264	13 127 167	7%	15%
Roads and storm water	15 206 393	31 061 856	33 865 876	25 595 221	17.6%	24%
Refuse removal services	17 375 594	15 544 556	18 555 147	14 210 280	8.6%	23%
Municipal building	14 821 869	104 100 000	102 900 000	16 517 931	84%	84%
Community services administration	7 927 160	9 027 292	9 697 840	8 107 419	10%	16%
Protection services						

Cemeteries	11 706 135	16 149 287	892 000	228 592	98%	74%
Libraries	3 025 877	14 596 446	12 966 018	2 089 090	85%	83%
Economic and Land development service admin	2 718 286	4 222 740	3 734 906	3 187 386	24%	14%
	10 569 705	29 153 901	23 994 841	14 538 923	50%	39%
Total	-35 968 800	371 551 287	373 053 016	209 924 752	43.5%	43.7%

5.3. Grants

Table/figure 47: Grants

Descriptions	2013/14	2014/15			2014/15 variance	
	Actual	Original budget	Adjustment budget	Actual	Original Budget	Adjustment Budget
<u>Operational transfers and grants</u>						
Equitable Share	148 108 000	189 017 800	189 017 800	181 634 000	4%	4%
Municipal system improvement	890 000	934 000	934 000	98 000	89%	89%
MIG	40 651 000	61 745 000	61 745 000	62 562 808	-1%	-1%
INEP	14 215 000	60 000 000	60 000 000	60 610 189	-1%	-1%
Finance management grant	1 550 000	1 600 000	1 600 000	930 552	41%	41%
NDPG	5 528 000	6 500 000	6 500 000	1 340 963	79%	79%
Council Remuneration Grants	8464 000	17 034 360	17 034 360	20 188 578	-18%	-18%

EPWP	1 000 000	1 364 000	1 364 000	1 269 066	7%	7%
Total	217 815 640	338 195 160	338 195 160	146 902 156	56.6%	56.6%

5.4. Asset Management

Table/Figure 48: Asset management

Asset 1			
Name	Resealing of Burgersfort Road		
Description	Resealing of Burgersfort Road		
Asset Type	Roads Infrastructure		
Key Staff Involved	PMU manager		
Staff Responsibilities	Monitoring of implementation and compliance		
Asset value	2014/15	2015/16	2016/17
	4 000 000	5 000 000	5 000 000
Capital Implications	MIG		
Future Purpose of Asset	Upgrading road infrastructure at Burgersfort		
Describe Key Issues	Improve road condition		
Policies in Place to Manage Asset	Repair and Maintenance		

Asset 2			
Name	Ohrigstad Sport Complex		
Description	Establishment of Ohrigstad Sport Complex		
Asset Type	Recreational centre		
Key Staff Involved	PMU manager		
Staff Responsibilities	Monitoring of implementation and compliance		
Asset value	2014/15	2015/16	2016/17
	8 000 000	4 000 000	7 000 000

Capital Implications	MIG
Future Purpose of Asset	Crime prevention strategy & talent search
Describe Key Issues	Crime prevention and exposure of talents
Policies in Place to Manage Asset	Repair and Maintenance

Asset 3			
Name	Steelpoort road		
Description	Rehabilitation of Steelpoort road		
Asset Type	Upgrading road Infrastructure		
Key Staff Involved	PMU manager		
Staff Responsibilities	Monitoring of implementation and compliance		
Asset value	2014/15	2015/16	2016/17
	5 000 000	5 000 000	5 000 000
Capital Implications	MIG		
Future Purpose of Asset	Improve road condition and viable Economy		
Describe Key Issues	Improve road condition and viable Economy		
Policies in Place to Manage Asset	Repair and Maintenance		

Asset 4	
Name	Makofane electricity
Description	Electrification of Makofane village
Asset Type	Electrification project

Key Staff Involved	PMU manager		
Staff Responsibilities	Monitoring of implementation and compliance		
Asset value	2014/15	2015/16	2016/17
	9 782 400	3 000 000	4 911 872
Capital Implications	INEP		
Future Purpose of Asset	Improve quality of life and crime prevention		
Describe Key Issues	Improve quality of life and crime prevention		
Policies in Place to Manage Asset	None		

Asset 5			
Name	Sekopung Electricity		
Description	Electrification of Sekopung Village		
Asset Type	Electrification project		
Key Staff Involved	PMU manager		
Staff Responsibilities	Monitoring of implementation and compliance		
Asset value	2014/15	2015/16	2016/17
	2 151 852	2 000 000	2 939 366
Capital Implications	INEP		
Future Purpose of Asset	Improve quality of life and crime prevention		
Describe Key Issues	Improve quality of life and crime prevention		
Policies in Place to Manage Asset	None		

5.5. Repair and Maintenance

The repair and maintenance budget for 2014/15 financial year was R10 242 000 and by the end of the financial year 76% of it (R7 764 024) was spent. This was an increase by R1 037 530 to the 2013/14 repair and maintenance expenditure. The table below depicts the picture.

Table/figure 49: Repair and maintenance

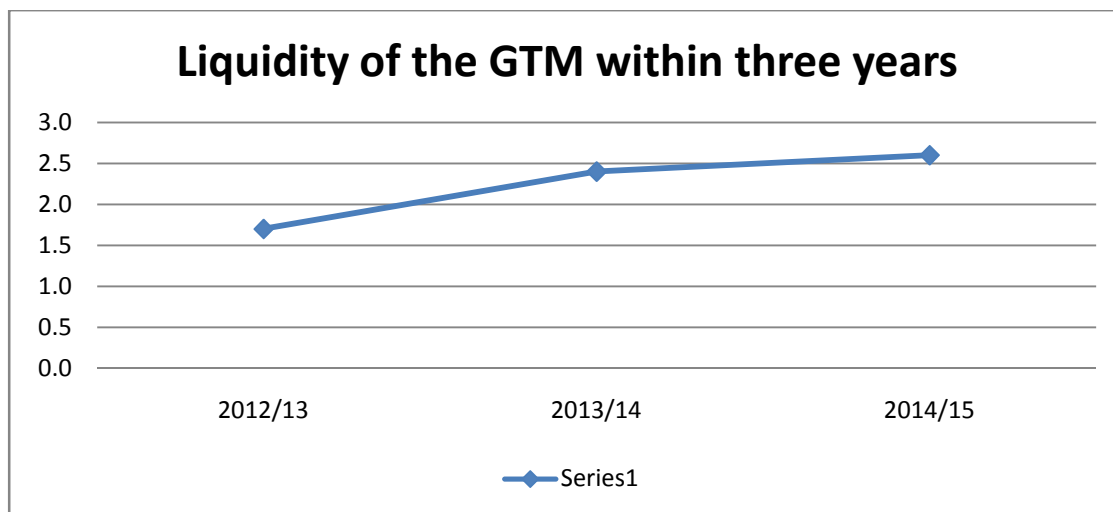
Descriptions	2013/14	2014/15		2014/15
	Actual	Original Budget	Adjusted Budget	Variance
Repair and Maintenance	6 796 939	6 192 000	10 242 000	7 764 024 24%

5.6. FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

5.6.1. Liquidation ratio

Liquidity ratio measures the ability of the municipality to convert its assets into cash to service its daily obligations. The higher the ratio higher is the ability of the municipality to convert its assets into cash for its daily obligations. In 2014/15 financial year the municipality had a liquidation ratio of 2.6. It was a better ratio the municipality has ever had since 2012/13 financial year. The chart below depicts the picture.

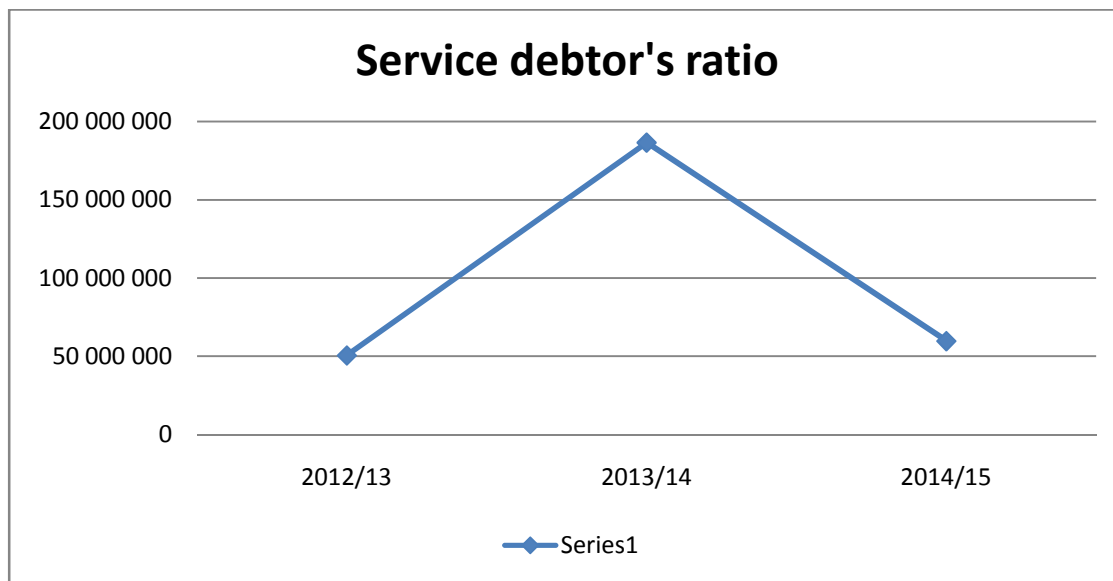
Chart 05: Liquidity of the Municipality within three years



5.6.2. Total Outstanding Service debtors' ratio

This ratio measures the ability of the municipality/institution to produce enough cash to cover its debts. The higher the ratio is, the easier is it for the institution to obtain loan. A ratio lower than 1.0 indicates that the institution does not have enough cash flow to cover loan payments. For the past three financial years the municipality's service debtors' ratio has been above 1 which is a positive indication that the municipality has ability to service its debts. The chart below depicts the picture.

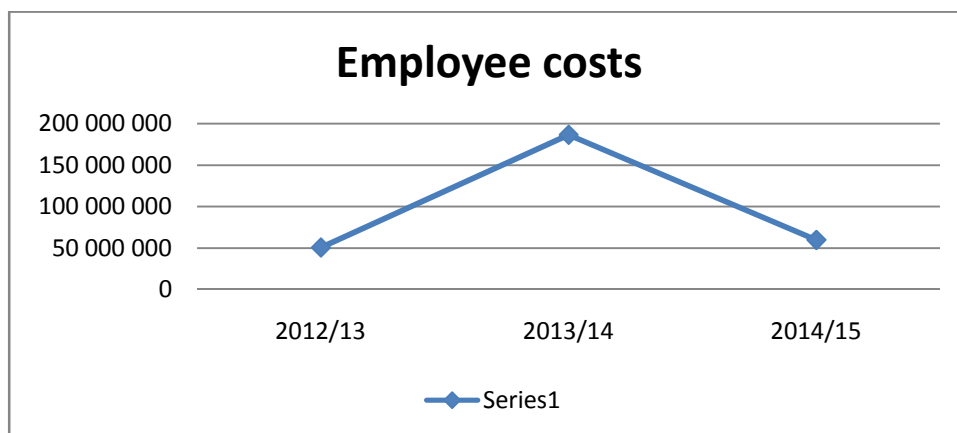
Chart 06: Service debtors' ratio



5.6.3. Employee cost

The municipality's employee costs has increased from R100 387 481 to R112 903 863 since 2012/13 to 2014/15 financial years. This is an increment of 12%. The chart below tells it all.

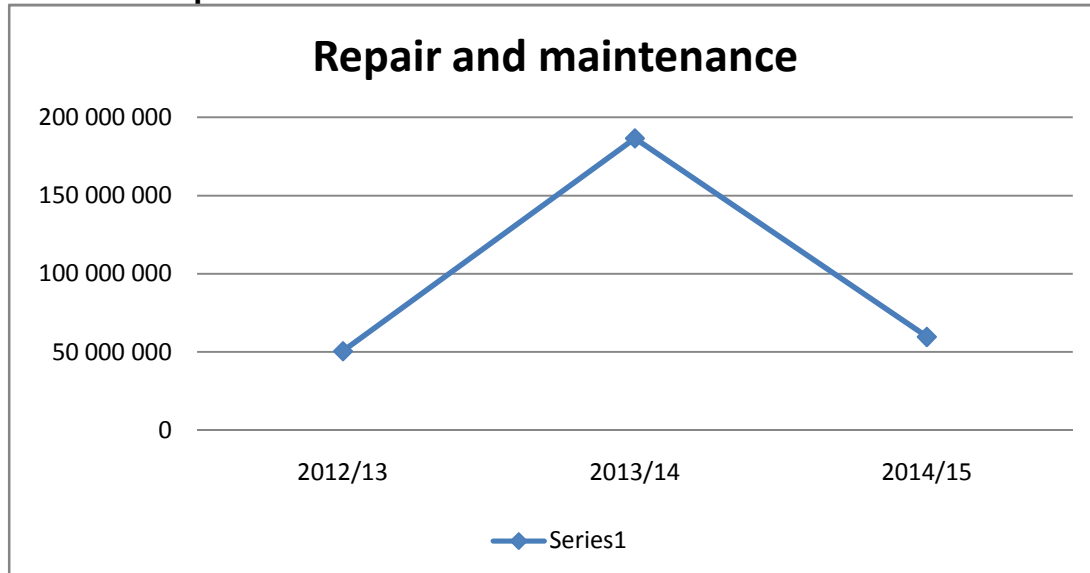
Chart 07: Employee costs



5.6.4. Repair and Maintenance

The chart below reflects the repair and maintenance expenditure of the municipality since 2012/13 to 2014/15 financial years.

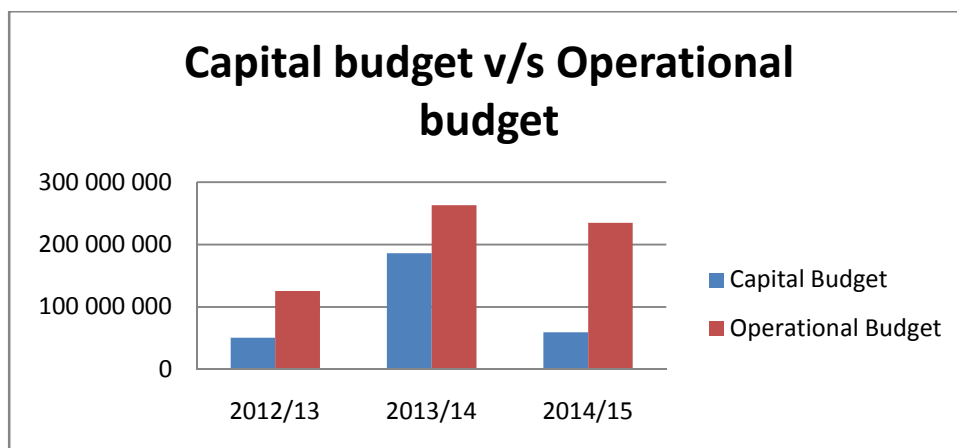
Chart 08: Repair and maintenance



Component B: Spending against Capital Budget

The chart below compares the capital and operational expenditures of the municipality since 2012/13 to 2014/15 financial years. As per the chart below the municipality had higher expenditure on operational and Capital budgets in 2013/14 financial years.

Chart 9: Capital expenditure against Operational expenditure



Figure/table 50: Capital expenditure v/s operational expenditure

Expenditure Type	% of Expenditure Budget	Original Budget	Adjustment Budget	Un-audited Full Year Total
Capital Expenditure	38%	244 723 631	244 723 631	59 653 231
Operating Expenditure	62%	371 551 287	387 930 672	234 973 330
Total expenditure	100%	616 274 918	632 654 303	294 626 561

5.7. Capital spending on five largest projects

Table/Figure 51: Capital spending on five largest projects

projects names	2014/15 financial year			Variance 2014/2015	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
A – Burgersfort Flea market	6 552 100	6 552 100	1 099 769	16.7%	16.7%
B – Ohrigstad Sport complex	12 412 800	12 412 800	8 276 661	66.7%	66.7%
C – Establishment of Parks and Nursery	10 000 000	10 000 000	R -	0%	0%
D – Purchase of Civic Centre	80 000 000	80 000 000	R -	0%	0%

E – Electrification of Makofane village	9 782 400	9 782 400	5 835 272	59.2%	59.2%
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Name of Project - A	Burgersfort Flea market
Objective of Project	Development of SMME
Delays	Underground ESKOM cable
Future Challenges	None
Anticipated citizen benefits	120 000

Name of Project - B	Ohrigstad Sport complex
Objective of Project	Recreation centre
Delays	None
Future Challenges	None anticipated
Anticipated citizen benefits	600

Name of Project - C	Establishment of Parks and Nursery
Objective of Project	Beautification of the municipality
Delays	Insufficient land for development
Future Challenges	None
Anticipated citizen benefits	600

Name of Project - D	Purchase of Civic Centre
Objective of Project	Provide office space
Delays	none

Future Challenges	none
Anticipated citizen benefits	370

Name of Project - E	Electrification of Makofane village
Objective of Project	To provide electricity to Makofane village
Delays	None
Future Challenges	None
Anticipated citizen benefits	130

5.8. Basic Service and Infrastructure Backlog – Overview

5.8.1. Introduction

As indicated in the overview in chapter 01 of this report, the municipality does not have authority to provide most of basic services. The table below highlights the status of basic service delivery in the Greater Tubatse municipality.

Table/figure 52: Service delivery Backlog

Service Backlogs as at 30 June 2015				
Service level above minimum standard			Service level below minimum standard	
	No. HHs	% HHs	No. HHs	% HHs
Water	63 026	75.8%	20 173	24.2%
Sanitation	79 542	95.60%	3657	4.39%
Electricity	62984	75.70%	20 215	24.29%
Waste management	4847	5.82%	78 352	94.17%
Housing	71 077	85.43%	12 122	14.56%

Source: GTM IDP 2013/17

5.8.2. 2013/14 MIG spending

The table below depicts the municipal spending on MIG.

Table/Figure 53: MIG spending

Details	Budget	Adjustment budget	Actual	Variance	
				Original Budget	Adjustment budget
Access bridges	18 900 000	18 900 000	21 375 168	-13%	-13%
Hawkers Facilities	17 700 000	17 700 000	7 905 503	55%	55%
Sport Complex	10 391 203	10 391 203	10 391 203	100%	100%
Internal roads	14 940 000	14 940 000	15 739 573	-5%	-5%
High mast light	4 000 000	4 000 000	R -	0	0
Storm water drainage	10 711 767	10 711 767	10 711 767	100%	100%
rehabilitation of waste facilities	500 000	500 000	R -	0	0
Total	77 142 970	77 142 970	66 123 214	14%	14%

COMPONENT C: CASHFLOW MANAGEMENT AND INVESTMENT

5.9. Cash flow

Table/Figure 54: cash flow management

Description	2013/14	2014/15		
	Audited outcome	Original budget	Adjusted budget	Actual
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Sale of goods and services	48 644 218	55 120 000	68 000 000	48 644 218
Grants	211 942 000	189 017 800	189 017 800	211 942 000
Interest received	4 575 966	3 392 000	3 392 000	7 209 049
Other Receipts	13 314 493	4 450 000	6 450 000	-
Other cash item	-			-
Employee cost	100 387 461	86 124 138	82 091 180	104 202 130
Suppliers	78 379 845			70 668 656
Financial cost	2 037 403	3 000 000	3 000 000	4 345 003
Net Cash flows from operating Activities				
CASH FLOW FROM				

INVESTING ACTIVITIES				
Purchase of property, plant and Equipments	28 601 316			49 863 057
Net cash flows from investing Activities	28 601 316			49 863 057
CASH FLOWS FROM FINANCING ACTIVITIES				
Net increase/(Decrease) in cash held	35 374 326			98 104 999
Cash and cash Equivalents at the beginning of the year	86 285 631			108 458 305
Cash and Cash Equivalents at the End of the year	121 659 957			206 563 304

5.10. Borrowing and investment

Table/Figure 55: Borrowing and investment

Actual Borrowings 2012/13 - 2014/15			
Instrument	2012/13	2013/14	2014/15
Long-Term Loans (annuity/reducing balance)	17 578 669	20 149 000	15 079 370
Long-Term Loans (non-annuity)	4 446 897	5 652 445	2 212 043
Local registered stock			
Instalment Credit			
Financial Leases	1 603 919	124 264 608	112 050 555
PPP liabilities			
Finance Granted By Cap Equipment Supplier			
Marketable Bonds			
Non-Marketable Bonds			
Bankers Acceptances			
Financial derivatives			
Other Securities			
Total	23 629 485	150 066 053	112 050 555

5.11. Public Private partnership

The municipality has initiated PPP process on the procurement of waste removal project in 2012/13 financial year. The project could not start in 2012/13 financial year as envisaged because the preferred bidder could not raise the required funds for the commencement of the project. The project encountered various challenges including the withdrawal of TAS and prolonged procurement process. As the results the project has not commenced. Measures are taken to ensure the implementation of this project in 2015/16 financial year.

COMPONENT D: OTHER FINANCIAL MATTERS

5.12. Supply Chain management

5.12.1. Introduction

The municipality has a functional Supply chain management unit in finance department. The municipality has adopted the supply chain management policy which is in used currently. The policy mandates any contractor outside Greater Tubatse Municipality who may be awarded a tender in the municipality to sub-contract 30% of its procurement to local contractors.

5.12.2. Bid committees

The municipality has established all bid committees namely specification, evaluation and adjudication committees and they are all functional. To reduce the backlog in procurement the municipality has developed a procurement plan and mandated the bid committees to meet at least once a week.

5.12.3. Oversight role of council

Council has established audit committee and MPAC to play oversight role and report to it. The committees report directly to council. MPAC was able to produce oversight report on 2013/14 Annual report and the report was adopted by Council on 30 March 2015.

5.12.4. Members of bid committees

Bidder committees are appointed by municipal manager. Each bid committee is chaired by senior official of the municipality. No municipal councillor is allowed to serve as a member of Bid committee. The supply chain management policy advice that the adjudication committee should be chaired the chief finance officer.

5.15. GRAP Compliance

The municipality has started with implementation all GRAP standards. Various finance staff members have attended different workshops and some have been registered to different courses on the implementation of various GRAP standards.

Chapter 06: AUDITOR GENERAL AUDIT FINDINGS

6.1. Introduction

Auditor General of South Africa is mandated by the section 188(1)(b) of the constitution of South Africa to audit and report on the accounts, financial statements and financial management of all municipalities. On the same breath section 45(b) of the Municipal System Act, Act 32 of 2000 mandates the Auditor General of South Africa to audit the results of performance measurement.

6.2. COMPONENT A: AUDITOR GENERAL OPINION OF 2013/2014 FINANCIAL STATEMENT

In 2013/14 financial year the municipality had 94 AG Findings. An action plan was developed to address the findings. By the end of June 2015 68 findings (72%) were addressed; 15 findings were in progress and the remaining 11 findings were not addressed. Most of the remaining 11 findings were concerning the compilation of the Annual Financial statement and there were going to be address when compiling the 2014/15 financial year financial statement. Detailed information is depicted in Annexure H.

COMPONENT B: 2014/15 AUDITOR GENERAL OPINION

6.3. 2014/15 AUDITOR GENERAL OPINION

The municipality obtained a disclaimer audit opinion from Auditor General of South Africa in the 2014/15 financial year, for detailed report see the AG report as attached to this Annual report.

Annexure A: Council Profile

No.	Surname	Full Names	Full time/Part time	Committee allocated	Ward and/or party representing	% council meetings attendance	% Apologies for non attendance
1.	Mabelane	Motsebeng Morussia	Part time	Corporate portfolio committee	Ward 01/ANC	90%	50%
2.	Makine	Molelekwa Patrick	Part time	ELD portfolio committee	Ward 2/ANC	55%	22%
3.	Mashabela	Mankgase Ronald	Part time	Rules committee	Ward 03/ANC	85%	0%
4.	Malatji	Modjadji Annah	Part time	Corporate portfolio committee	Ward 04/ANC	65%	85%
5.	Kgoete	David	Part time	Community service portfolio committee	Ward 05/ANC	70%	100%
6.	Hlatswayo	Buti Ephraim	Part time	MPAC	Ward 6/ANC	55%	33%

7.	Riba	Mashego Rebotile	Part time	Ethic committee & finance portfolio committee	Ward 7/ ANC	70%	100%
8.	Hlongwa	Mpho Samuel	Part time	Finance portfolio committee	Ward 8/ ANC	80%	100%
9.	Nkwana	Dianah Pheladi	Part time	Petition committee & Technical portfolio committee	Ward 9/ ANC	90%	0%
10.	Moropane	Ntai Christianah	Part time	Corporate services portfolio committee	Ward 10 /ANC	85%	100%
11.	Lesinya	Mphago Turks	Part time	MPAC	Ward 11/ ANC	80%	25%
12.	Magane	David Malekeng	Part time	Rules committee & technical portfolio committee	Ward 12/ ANC	100%	N/A
13.	Maroga	Lephaphane Rosemary	Part time	MPAC	Ward 13/ ANC	75%	20%
14.	Mphofelo	Kgaogelo Vincent	Part time	Petition committee	Ward 14/ ANC	55%	44%
15.	Maile	Kgolane Miccah	Part time	MPAC	Ward 15/ ANC	60%	100%

16.	Komane	Mogau Cynthia	Part time	Rules committee	Ward 16/ ANC	80%	25%
17.	Mphethi	Ngwakwana Dorah	Part time	Executive committee & Technical services portfolio committee	Ward 17/ ANC	90%	50%
18.	Masete	Annah	Part time	Corporate Portfolio committee	Ward 18/ ANC	50%	10%
19.	Riba	Mphahlele Ephaphrus	Part time	MPAC	Ward19/ ANC	85%	33%
20.	Hlatswayo	Putana Joel	Part time	Community services portfolio committee	Ward 20/ ANC	65%	42%
21.	Thobajane	Mabatane Norman	Part time	Ethic & Finance portfolio committee	Ward 21/ Independent	60%	62%
22.	Mogofe	Mathume Enicca	Full time	Executive committee & Corporate service portfolio committee	Ward 22/ ANC	75%	100%
23.	Mboyane	Alfred Welly	Part time	Petition committee & Corporate portfolio committee	Ward 23/ Independent	100%	N/A

24.	Kgoete	Serutla Steve	Part time	MPAC	Ward24/ ANC	75%	60%
25.	Maepa	Apollo Simon	Part time	Finance portfolio committee	Ward 25/ ANC	80%	0%
26.	Shai	Annah Motjekoane	Part time	ELD portfolio committee	Ward 26/ ANC	70%	16%
27.	Tshehla	Muas Andrew	Part time	Ethics & ELD portfolio committee	Ward 27/ ANC	90%	100%
28.	Rantho	Lekgema Jim	Part time	Rules committee	Ward 28/ANC	90%	100%
29.	Komane	Tjilenyane Daniel	Part time	MPAC	Ward 29/ANC	90%	50%
30.	Sekgobela	Jane Beefy	Part time	Rules committee	Ward 30/ ANC	70%	66%
31.	Mabilu	Moditsana Lazarus	full time	Executive committee & ELD portfolio committee	Ward 31/ ANC	60%	50%
32.	Moraba	Lekhele David	Part time	Executive committee & Finance portfolio committee	PR/COPE	30%	0%

33.	Mamekoa	Ralepane Samuel	Full time	Mayor	PR/ANC	85%	100%
34.	Selahle	Nnanesi Lucas	Part time	Petition committee & Technical service portfolio committee	PR/COPE	60%	12%
35.	Tau	Letau Christianah	Part time	Ethics & ELD portfolio committee	PR/COPE	50%	0%
36.	Mohlala	Kutullo	Part time	Community service portfolio committee	PR/DA	55%	22%
37.	Mogale	Kgakishi John	Part time	Ethics & Finance portfolio committee	PR/DA	45%	0%
38.	Kgwedi	Joseph Lethabile	Part time	Executive committee & Community service portfolio committee	PR/DA	60%	37%
39.	Maleka	Ernest Kahludi	Part time	Community service portfolio committee	PR/ANC	55%	55%
40.	Makofane	Isaac Thabo	Part time	MPAC	PR/UDM	60%	75%
41.	Manotwane	Rosina Ramaabele	Part time	MPAC	PR/ANC	90%	0%
42.	Makofane	Rejoice Lethabo	Part time	Ethics committee & ELD portfolio	PR/ANC	60%	0%

				committee			
43.	Moropane	Nthloile Marry	Part time	Executive committee & Community services portfolio committee	PR/ANC	90%	0%
44.	Malapane	Phomolo Elizaberth	Part time	Ethics & Technical service portfolio committee	PR/ANC	85%	33%
45.	Mohlala	Phulushi Archiebald	Full time	Executive committee & Finance portfolio committee	PR/ANC	65%	42%
46.	Malatjie	Sello Marcus	Part time	Petition committee	PR/APC	90%	50%
47.	Khoza	Maria Rinkie	Part time	Technical service portfolio committee	PR/ANC	90%	0%
48.	Selala	Sentsho Isaiah	Part time	Ethics & Technical services portfolio committee	PR/ANC	85%	33%
49	Sekgobela	Phaswabotse Cedric	Full time	Executive committee & Technical service portfolio committee	PR/ANC	75%	100%

50.	Thobejane	Monicah Dinao	Part time	Petition & finance portfolio committee	PR/ANC	75%	40%
51.	Mahlaba	Phillistus Mohlomphi	Part time	ELD portfolio committee	PR/ANC	85%	33%
52.	Makgoga	Mamogodi Emmanuel	Part time	Executive committee & ELD portfolio committee	PR/ANC	50%	40%
53.	Nkosi	Samson Magodireng	Full time	Chief whip	PR/ANC	90%	100%
54.	Makhubedu	Ngwanyene Rhinah	Part time	Rules committee & Community service portfolio committee	PR/ANC	85%	0%
55.	Mphogo	Sekopa Caiphus	Part time	Community services portfolio committee	PR/ANC	75%	60%
56.	Moeng	Queen Malekgale	Full time	Speaker	PR/ANC	70%	100%
57.	Serothwane	Serotho Onis	Part time	Petition and Technical portfolio committee	PR/ANC	85%	66%
58.			Part time	None	PR/PAC	N/A	N/A
59.			Part time	None	PR/PAC	N/A	N/A
60.	Mametja	Matshehla Maggie	Part time	Petition & ELD	PR/ANC	70%	66%

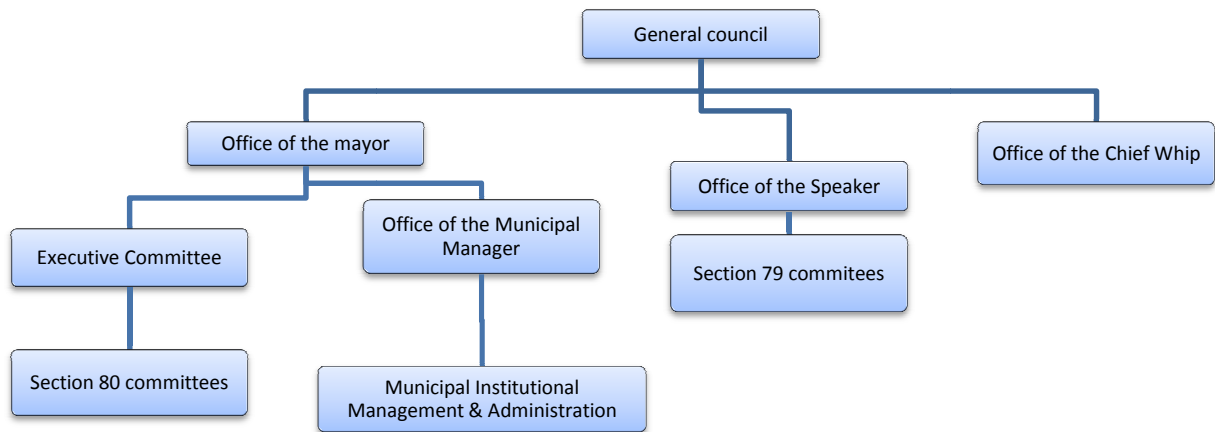
				portfolio committee			
61.	Mahlake	Nkosi Josias	Part time	Community service portfolio committee	PR/ANC	25%	20%
62.	Nkosi	Motuka Dorcus	Part time	Community service portfolio committee	PR/ANC	85%	0%

NB: Council had 20 meetings, 4 ordinary and 16 special councils

ANNEXURE B: LIST OF MUNICIPAL COMMITTEES

Rules committee	Petition committee	Ethics committee	Municipal Public Account committee	Audit committee
Purpose: Enforcement of rules in rules during council sittings	Purpose: To attend to petitions submitted to the municipality and report to council	Purpose: Look into the conduct of councillors	Purpose: To ensure accountability of administration to council	Purpose: To advise the municipal council, the political office bearers, the accounting officer and the management staff of the municipality on matters as per section 166(2) of MFMA
Members	Members	Members	Members	Members
Chairperson: Cllr. Moeng Q.M Cllr. Mashabela M.R Cllr. Rantho L.J Cllr. Sekgobela B.J Cllr. Magane M.D Cllr. Mahlaba P.D Cllr. Komane T.D Cllr. Makhubedu N.R Cllr. Komane M.C	Chairperson: Cllr. Komane M.C Cllr. Nkoana D.P Cllr. Malatjie S.M Cllr. Serothwane S.O Cllr. Mphofelo K.V Cllr. Mametja M.M Cllr. Selahle N.L Cllr. Mboyane A.W Cllr. Thobejane M.D	Chairperson: Cllr. Rantho L.J Cllr. Makofane L.R Cllr. Thobejane N.M Cllr. Riba M.R Cllr. Mogale K.J Cllr. Tshehla N.M Cllr. Malapane P.E Cllr. Selala S.I Cllr. Tau L.C	Chairperson: Cllr. Kgoete S.S Cllr. Riba M.E Cllr. Lesenya T Cllr. Maile M Cllr. Manotwane R.R Cllr. Hlatshwayo B.E Cllr. Maroga R.L Cllr. Makofane I.T Cllr. Komane T.D	Chairperson: Thubakgale L Mpjane J Simelane S Malatji T

ANNEXURE C: ORGANISATIONAL STRUCTURE OF THE MUNICIPALITY



ANNEXURE D: POWER AND FUNCTIONS OF GREATER TUBATSE LOCAL MUNICIPALITY

Function	Authorised	Provided by
Street lighting	Yes	GTM
Water and Sanitation	No	Sekhukhune District Municipality (SDM)
Electricity Reticulation	No	Eskom
Municipal Roads	Yes	Greater Tubatse Municipality(GTM)
Other roads (district and provincial)	No	SDM, Limpopo Dept of Road and Transport
Housing	No	Limpopo Department of Co operative Government Human Settlement and Traditional Affairs
Building Regulations	Yes	GTM
Local tourism	Yes	GTM
Fire fighting	No	SDM
Traffic & parking	Yes	GTM
Trading Regulations	Yes	GTM
Local Sport facilities	Yes	GTM
Municipal Planning	Yes	GTM
Municipal Public Transport	Yes	GTM
Storm water	No	SDM

Municipal Airport	Yes	GTM
Billboards & Advertising	Yes	GTM
Control of liquor & food outlets & street trading	Yes	GTM
Local amenities	Yes	GTM
Waste & Cleansing	Yes	GTM
Cemeteries	Yes	GTM

ANNEXURE E: WARD COMMITTEE MEETINGS

Functionality of Ward Committees						
Ward Name (Number)	Surname of Ward Councillor	Name of Ward Councillor	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
Ward 01	Mabelane	Motsebeng Morussia	Yes	12	12	12
Ward 02	Makine	Molelekwa Patrick	Yes	9	9	8
Ward 03	Mashabela	Mankgase Ronald	Yes	6	6	7
Ward 04	Malatji	Modjadji Annah	Yes	12	12	9
Ward 05	Kgoete	David	Yes	14	12	12
Ward 06	Hlatswayo	Buti Ephraim	Yes	11	11	9
Ward 07	Riba	Mashego Rebotile	Yes	11	11	12
Ward 08	Hlongwa	Mpho Samuel	Yes	10	10	7
Ward 09	Nkwana	Dianah Pheladi	Yes	12	12	12
Ward 10	Moropane	Ntai Christianah	Yes	12	12	1
Ward 11	Lesinya M.T	Mphago Turks	Yes	10	10	10
Ward 12	Magane	David Malekeng	Yes	11	11	0
Ward 13	Maroga	Lephaphane Rosemary	Yes	12	12	2
Ward 14	Mphofelo	Kgaogelo Vincent	Yes	12	12	11
Ward 15	Maile	Kgolane Miccah	Yes	12	12	5

Ward16	Komane	Mogau Cynthia	Yes	11	11	6
Ward 17	Mphethi	Ngwakwana Dorah	Yes	13	12	4
Ward 18	Ngwatle	Themba Jackson	Yes	10	10	5
Ward 19	Riba	Mphahlele Ephaphrus	Yes	11	11	12
Ward 20	Hlatswayo	Putana Joel	Yes	8	8	9
Ward 21	Thobajane	Mabatane Norman	Yes	11	11	8
Ward 22	Mogofe	Mathume Enicca	Yes	11	11	9
Ward 23	Mboyane	Alfred Welly	Yes	11	11	8
Ward24	Kgoete	Serutla Steve	Yes	10	10	5
Ward25	Maepa	Apollo Simon	Yes	9	9	4
Ward 26	Shai	Annah Motjekoane	Yes	11	11	7
Ward 27	Tshehla	Musa Andrew	Yes	13	12	9
Ward 28	Rantho	Lekgema Jim	Yes	11	11	5
Ward 29	Komane	Tjilenyane Daniel	Yes	11	11	1
Ward 30	Sekgobela	Jane Beefy	Yes	11	11	7
Ward 31	Mabilu	Moditsana Lazarus	Yes	11	11	3
Total				339	335	224
%				%	%	81%

ANNEXURE F: PERFORMANCE OF SERVICE PROVIDERS

PERFORMANCE OF 2014/15 FINANCIAL YEAR SERVICE PROVIDERS						
DEPARTMENT	Name of the service provider	Services description	Contracted Amount	Commencement date	Termination date	Performance
ELD	SS Ntike Consulting	Development of comprehensive LED plan	R 1 319 835	09 /04/ 2014	09 /09/2014	Excellent
	SJN Development Planning Consultants	Development of a municipal-wide Land Use Management System (LUMS)	R 684 000	11 /04/ 2014	11 /03/2015	Good
	SJN Development Planning Consultants	Development of Ohrigstad Development Plan	R 761 391	11 /04/ 2014	11 /12/ 2014	Good
	Afro-Architectural CC	Programme Management and support as well	R 2 640 067	17 /12/2009	30 /06/ 2015	Good

		as project supervision for the NDPG				
Community services	Trafman	Software for capturing of section 56 notices	R33 402.00 annual license fee	1 /07/ 2015	30 /06/2016	excellent
	Synapsis Smart Software	Cemetery management system	R63558.00 Annual licensing fee	1 /07/ 2015	30 /06/ 2016	excellent
Finance	Engnet Solutions/ Grant Thorton	Compilation of the Asset Register	R 2, 280 000.00	15/04 2015	31/03 2016	Good
	PwC	Compilation of the Annual Financial Statements for 2014/15	R1, 175 384	30/05/ 2015	15th /12/ 2015	Good
	Engnet Solutions/ Grant Thorton	Compilation of Investment property valuations for the	R455 176	31/07/2015	30/11 2015	Good

		financial year 2014/15				
	XLP Document Solutions	Rental of Xerox Multifunction Printers	R 215 048	01/11/2014	Month to month	Excellent
	PayDay Software Systems (Pty) Ltd	PayDay Software License Renewal Agreement and PayDay Support and Maintenance. PayDay is an HR and Payroll application	R 42 778.50	01/07/2014	01/06/2017	Excellent
	PayDay Software Systems (Pty) Ltd	PayDay Data Backup and Disaster Recovery Services	R 117 720.00	01/05/2015	31/04/2016	Excellent
	Mashcorp 2008 (Pty) Ltd	Civic Centre upgrade, support and maintenance of the surveillance camera system	R 9 011 091.24	01/08/2014	31/07/2017	Excellent

		(CCTV), Access Control System (Biometrics System), Audio-Visual System, IP-based Telephone System, IP-based Ethernet network infrastructure (Cisco Switches), Power and Fire Management systems as well as their related computer systems				
	BlueTek Computers cc	Microsoft Open Value Agreement	R 712 510.12	30/10/2013	31/10/2015	Excellent
	CQS Technology Holdings (Pty) Ltd	Software License Renewal of Case Ware application. GTM uses Case ware to ensure compliance with International	R 90 120.42	01/01/2014	01/01/2015	Excellent

		Standards on Auditing, Generally Recognized Accounting Practice (GRAP) and International Financial Reporting Standards (IFRS) and related matters.				
	SITA (Pty) Ltd	Website Hosting, Support and Maintenance		01/07/2013	31/06/2016	Excellent
	Hanna Trust	Rental for premises and use of the road for access into GTM Radio Link Infrastructure	R 24 153.00	01/05/2014	20/05/2017	Poor
	Esri South Africa Pty (Ltd)	ArcGIS Annual Software License Renewal and Maintenance.	R 91 000.00	01/11/2009	30/11/2015	Excellent

	<p>ArcGIS software is a Geographic Information System (GIS) that integrates hardware, software, and data for capturing, managing, analyzing, and displaying all forms of geographically referenced information. The ArcGIS allows GTM to view, understand, question, interpret, and visualize data in many ways that reveal relationships, patterns, and trends in the form</p>			
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		of maps, globes, reports, and charts				
	Fujitsu Services (Pty) Ltd	Support and Maintenance of Civic Centre Virtual Desktop Computing, Virtual Servers, Data Backup and Disaster Recovery Infrastructure	R 6 841 666.52	01/07/2012	31/06/2015	Good
	Synopsis Software (PTY) Ltd	Annual Software License Renewal and Maintenance of the Cemetery Manager	R 59 400.00	12/07/2014	30/06/2016	Excellent
	Keith W. Young	Supply of a single User License for SURPAC for Windows XP/Vista/7/8 Surveying	R 41 030.00	01/04/2013	01/04/2016	Excellent

		Software				
	Sensory Solutions	Annual Software License Renewal and Maintenance of JAWS. JAWS (Job Access With Speech) is a computer screen reader program for Microsoft Windows that allows blind and visually impaired users to read the screen either with a text-to-speech output or by a Refreshable Braille display	R 6 250.00	01/04/2013	Indefinite	Excellent
	Model Maker Systems	Supply of a single User License for Model Maker Systems	R 14 682.00	01/04/2013	01/04/2016	Excellent
	Business	Annual Software License Renewal,				Excellent

	Connexion	Support and Maintenance of Venus Application (Financial System)				
Corporate Services	Lekoko consulting	Organizational Re-engineering	R781 042 .50	30/06/2014	30/04/2015	Average
Technical Services	TMG Radebe JV Lesibasiba Projects	Construction of Burgersfort Internal Streets Phase 5 (Kastania Street Extension)	R 3,144,324.18	20 August 2014	20 March 2015	Good
	Baagishane Projects	Rehabilitation/ Repair and reseal of Internal Streets (Dirk Winterbach Street)	R 9,486,415.95	11 July 2014	08 April 2015	Good
	Loge Construction	Construction Burgersfort Storm water Drainage System	R 10,426,014.32	25 July 2014	In progress. Anticipated completion date: 30 September 2015	Good
	HBC Construction JV Kingki- Electrical	Construction of Burgersfort Hawker Facilities	R 8,887,788.84	15 June 2014	In progress. Anticipated completion date: 30 September	Average

					2015	
	Casnan Civils	Construction of Burgersfort Flea Market	R 10,426,014.32	15 April 2014	Project on-hold. Eskom on site and busy with relocation of underground existing services.	Not applicable
	Motlokwa Construction	Construction of Ohrigstad Internal Streets Phase 3 (Works completion)	R 2,013,988.41	01 September 2014	30 January 2015	Good
	Madipadi Construction	Ohrigstad Sport Complex	R 12,459,200.35	22 April 2014	In progress. Anticipated completion date: 30 September 2015	Good
	HBC Construction JV Kingki- Electrical	Construction of Praktiseer Hawker Facilities	R 4,243,800.48	21 July 2014	In progress. Anticipated completion date: 31 August 2015	Average
	Loge Construction	Construction of Praktiseer Walkway, Trading Facilities and Public Environment	R 12,459,200.35	21 July 2014	In progress. Anticipated completion date: 30 September 2015	Good
	Loge Construction	Construction of Ga-Maphoha Bridge	R 9,855,618.43	16 July 2014	10 July 2015	Good

	Loge Construction	Construction of Habeng Access Bridge	R 9,778,886.66	09 June 2014	18 December 2014	Good
	Loge Construction	Construction of Kgautswane/Mokotung Access Bridge	R 9,901,888.72	19 August 2013	02 December 2014	Good
	Mphaphuli Consulting	Electrification of Rural Households (Operation Mabone: 21 Villages)	R 231,000,000.00	11 March 2015	In progress. Anticipated completion date: 30 September 2015	Average
	Bauba Maruma Waste Management	Waste Management and Collection Services	R 1,012,436.00	20 January 2014	20 October 2015	Good
	MGL Engineering	Maintenance of Plant, machinery and Equipment	Variable (determined as per work done)	01 July 2010	31 December 2015	Good
	Royal Haskoning and Inhlakanipho Consultants JV	PMU Technical Support Services	R 2,210,480.00	01 January 2015	31 December 2017	Good

ANNEXURE G: CAPITAL PROGRAMME PER PROJECT PER WARD

Project Name	ward(s)	2014/15 Budget	2015/16	2016/17
Access Bridges				
1. Bothashoek Access Bridge	20	R 100 000	R 0	R 0
2. Ga- Maphopha Access Bridge	28	R 9 500 000	R 0	R 0
3. Mabochoa Access Bridge	30	R 100 000	R 0	R 0
4. Motshana Access Bridge	16	R 100 000	R 0	R 0
5. Mpuru Access Bridge	12	R 100 000	R 0	R 0
6. Habeng Access Bridge	14	R 8 500 000	R 0	R 0
7. Madithongwana Access Bridge	8	R 100 000	R 0	R 0
8. Diphala/ Makhwaya	8	R 100 000	R 0	R 0
9. Leboeng Access Bridge	26	R 100 000	R 0	R 0
10. Mafarafara Access Bridge	23	R 100 000	R 0	R 0
11. Legoleng Access Bridge	19	R 100 000	R 0	R 0
Internal Streets				
Burgersfort internal street	18	R 2 440 000	R9 000 000	10 000 000
Hawkers facilities				
1. Praktiseer Hawkers facilities	13	R 2 600 000	N/A	N/A
2. Burgersfort Hawkers facilities	18	R 6 800 000	R 2 000 000	N/A
3. Burgersfort Flea Market	18	R 8 300 000	N/A	N/A
		R 17 700 000	R 2 000 000	
1. Tubates Highmast light		R 4 000 000	R 4 000 000	R 0
Electricity				
1. Kutullo	27	R 2,151,852.58	R8,000,000.	R 12,358,642
2. Koppie	31	R 4,572,373.73	R 0	R 0
3. Mapareng	1	R 5,973,823.30	R 0	R 0
4. Mareseleng	15	R 2,151,852.58	R6,000,000.	R 7,977,619

5. Buffelshoek	27	R 1,828,528.33	R 0	R 0
	13		R	R
6. Praktiseer		R 2,151,852.58	20,000,000.00	20,034,460.74
7. Bacerlona(Driekop)	19	R 3,600,000.00	R 2,000,000.00	R 3,359,924.95
8. Dibakwane(Driekop)	11	R 3,135,973.73	R 0.00	R 0
9. Maputle(Driekop)	11	R 3,973,283.30	R 2,000,000.00	R 0
10. Kampeng(Driekop)	7	R 2,986,641.65	R 0	R 0
	5			R
11. Mandela park		R 2,151,852.58	R 7,000,000.00	11,287,318.15
12. France(Driekop)	7	R 2,151,852.58	R 9,000,000.00	R 8,540,657.74
13. Leboeng	26	R 2,151,852.58	R 5,000,000.00	R 4,122,193.20
14. Dithamaga	31	R 1,791,984.99	R 0	R 0
15. Taung	22	R 2,151,852.58	R 4,000,000.00	R 4,467,944.04
16. Malaeneng	3	R 3,226,622.89	R 6,000,000.	R 7,977,619.68
17. Sekopung	15	R 2,151,852.58	R 2,000,000.00	R 2,939,366.35
18. Makofane	21	R 9,782,400.00	R 3,000,000.00	R 4,911,872.42
19. Pidima	21	R 2,799,713.32	R 0	R 0
20. Matokomane	22	R 4,217,841.65	R 0	R 0
21. Makotaseng	22	895,992.50	R 0	R 0
Other Projects		R 66,000,000.03		
1. Resealing of Ohrigstad internal roads	26	R 3 500 000	R 0	R 0
2. Praktiseer storm water drainage	13	R 300 000	R 0	R 0
3. Resealing of Burgersfort roads	18	R 4 000 000	R 5 000 000	R 5 000 000
4. Establishment of Ohrigstad sport complex	26	R 8 000 000	R 4 000 000	7000000.00
5. Rehabilitation of steelpoort roads	31	R5 000 000	R 5 000 000	R 5 000 000
6. Tubatse rehabilitation of waste facilities	13	R3 535 200	R 0	R 0

Total		R 15 800 000	R 14 000 000	R 17 000 000
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Annexure J: Disclosure of Financial Interest for Councillors

No.	Surname	Full Names	Disclosure
1.	Mabelane	Motsebeng Morussia	None
2.	Makine	Molelekwa Patrick	None
3.	Mashabela	Mankgase Ronald	None
4.	Malatji	Modjadji Annah	None
5.	Kgoete	David	None
6.	Hlatswayo	Buti Ephraim	None
7.	Riba	Mashego Rebotile	None
8.	Hlongwa	Mpho Samuel	None
9.	Nkwana	Dianah Pheladi	None
10.	Moropane	Ntai Christianah	None
11.	Lesinya	Mphago Turks	None
12.	Magane	David Malekeng	None
13.	Maroga	Lephaphane Rosemary	None
14.	Mphofelo	Kgaogelo Vincent	None
15.	Maile	Kgolane Miccah	None
16.	Komane	Mogau Cynthia	None
17.	Mphethi	Ngwakwana Dorah	None
18.	Masete	Annah	None
19.	Riba	Mphahlele Ephaphrus	Have 200 Shares at Phuthumanathi Company; Get remuneration from Department of Education
20.	Hlatswayo	Putana Joel	None

21.	Thobajane	Mabatane Norman	None
22.	Mogofe	Mathume Enicca	None
23.	Mboyane	Alfred Welly	None
24.	Kgoete	Serutla Steve	None
25.	Maepa	Apollo Simon	None
26.	Shai	Annah Motjekoane	None
27.	Tshehla	Muas Andrew	None
28.	Rantho	Lekgema Jim	None
29.	Komane	Tjilenyane Daniel	None
30.	Sekgobela	Jane Beefy	None
31.	Mabilu	Moditsana Lazarus	None
32.	Moraba	Lekhele David	None
33.	Mamekoa	Ralepane Samuel	None
34.	Selahle	Nnanesi Lucas	None
35.	Tau	Letau Christianah	None
36.	Mohlala	Kutullo	None
37.	Mogale	Kgakishi John	None
38.	Kgwedi	Joseph Lethabile	None
39.	Maleka	Ernest Kahludi	None
40.	Makofane	Isaac Thabo	None
41.	Manotwane	Rosina Ramaabele	None
42.	Makofane	Rejoice Lethabo	None
43.	Moropane	Nthloile Marry	None
44.	Malapane	Phomolo Elizaberth	None
45.	Mohlala	Phulushi Archiebald	None
46.	Malatjie	Sello Marcus	None

47.	Khoza	Maria Rinkie	None
48.	Selala	Sentsho Isaiah	None
49.	Sekgobela	Phaswabotse Cedric	None
50.	Thobejane	Monicah Dinao	None
51.	Mahlaba	Phillistus Mohlomphi	None
52.	Makgoga	Mamogodi Emmanuel	None
53.	Nkosi	Samson Magodireng	None
54.	Makhubedu	Ngwanyene Rhinah	None
55.	Mphogo	Sekopa Caiphus	None
56.	Moeng	Queen Malekgale	None
57.	Serothwane	Serotho Onis	None
58.	Mametja	Matshehla Maggie	None
59.	Mahlake	Nkosi Josias	None
60.	Nkosi	Motuka Dorcus	Director f Ba Lobovu Construction

Annexure K2: Revenue collection performance by sources

Description	2013/14	2014/15		2014/15 Variance to actual		
	Actual(R)	Original Budget(R)	Adjusted Budget(R)	Actual(R)	Original Budget	Adjusted budget
<u>Financial Performance</u>						
Property rates	70 009 714	55 120 000	68 000 000	75 360 585	-36.7	-10.8%
Service charges	7 984 926	5 160 000	9 000 000	8 730 813	-69%	3%
Rental of facilities and equipments	557 171	650 000	650 000	420 071	35.4%	35.4%
Investment revenue	9 959 209	3 392 000	3 392 000	7 209 049	-112.5%	-112.5%
Transfers recognized - operational	211 942 000	185 017 800	185 017 800	308 445 578	-66.7%	-66.7%
Other own revenue	12 757 322	24 061 500	21 872 500	3 450 841	85.6%	84%
Total Revenue (excluding Capital transfers & contributions)	313 210 343	273 401 300	287 932 300	418 629 607	-53%	-45%

Annexure L: Conditional Grants (Excluding MIG)

Descriptions	2013/14	2014/15		2014/15 variance		
	Actual	Original budget	Adjustment budget	Actual	Original Budget	Adjustment Budget
<u>Operational transfers and grants</u>						
Equitable Share	148 108 000	189 017 800	189 017 800	181 634 000	4%	4%
Municipal system improvement	890 000	934 000	934 000	98 000	89%	89%
INEP	14 215 000	60 000 000	60 000 000	60 610 189	-1%	-1%
Finance management grant	1 550 000	1 600 000	1 600 000	930 552	41%	41%
NDPG	5 528 000	6 500 000	6 500 000	1 340 963	79%	79%
Council Remuneration Grants	8464 000	17 034 360	17 034 360	20 188 578	-18%	-18%
EPWP	1 000 000	1 364 000	1 364 000	1 269 066	7%	7%

Total	179 755 000	276 450 160	276 450 160	266 071 348	96%%	96%
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ANNEXURE : L
GREATER TUBATSE MUNICIPALITY

GRANTS 2014/2015

Vote number	Description	Budget	ACTUAL INCOME												TOTAL	
			2014/15	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	ACTUAL INCOME
1100052121255	Lgseta Grant for Training	-	-	-	-	-	-	-	-	-29 555.90	-	-	-52 042.77	-52 379.85	-133 978.52	#DIV/0!
1300052121210	Capacity building (MSIG Grants)	-934 000.00	-	-934 000.00	-	-	-	-	-	-	-	-	-	-	-934 000.00	100%
1300052121110	Equitable Share	-171 965 000.00	-72 298 000.00	-	-	-	-	-	-	-	-109 336 000.00	-	-	-	-181 634 000.00	106%
1300052121200	Fin Management	-1 600 000.00	-1 600 000.00	-	-	-	-	-	-	-	-	-	-	-	-1 600 000.00	100%
1400052121180	Grants-MIG Funds-PMU ADMIN	-2 469 800.00	-	-	-	-	-	-	-	-	-2 018 203.00	-	-	-	-2 018 203.00	82%
1400202121240	Grants from Province(EPWP Grant)	-1 364 000.00	-	-546 000.00	-	-	-409 000.00	-	-	-	-	-409 000.00	-	-	-1 364 000.00	100%
		-178 332 800.00	-73 898 000.00	-1 480 000.00	-	-	-409 000.00	-	-	-29 555.90	-111 354 203.00	-409 000.00	-52 042.77	#####	-187 684 181.52	105%
	CAPITAL GRANT															
1400052140150	MIG Grants	-93 225 200.00	-	-	-	-	-20 582 000.00	-	-	-39 144 797.00	-35 000 000.00	-	-	-	-94 726 797.00	102%
1400052141010	Neighbourhood Development Grant	-10 000 000.00	-	-	-1 412 000.00	-	-3 688 000.00	-99 000.00	-	-	-	-4 801 000.00	-	-	-10 000 000.00	100%
1400202140110	Electrification Grant	-60 000 000.00	-	-	-	-	-40 000 000.00	-	-20 000 000.00	-	-	-	-	-	-60 000 000.00	100%
		-163 225 200.00	-	-	-1 412 000.00	-	-3 688 000.00	-60 681 000.00	-	-20 000 000.00	-39 144 797.00	-39 801 000.00	-	-	-164 726 797.00	101%

The budget on the GL is R 6 500 000.00, R 3 500 000.00 was the Roll-Ove

ANNEXTURE : K2

PAYMENTS RECEIVED VERSUS LEVIES FOR THE YEAR 1 JUL 2014 TO 30 JUNE 2015

Levies												
14/15	In Advance	Assessm. rates	Refuse	Interest	Vat	Sundries	Total		INVA	INRF	INSU	TOTAL
Jul-14	-22 932 993.78	22 445 451.68	719 516.48	573 272.86	89 566.26	-32 872.96	861 940.54		468 116.49	83 196.75	21 959.62	573 272.86
Aug-14	14 795.10	4 749 145.22	716 109.48	594 931.50	108 990.98	107 255.46	6 291 227.74		484 230.81	87 758.96	22 941.73	594 931.50
Sep-14	-61 420.05	4 705 904.12	719 455.98	732 481.16	108 173.98	1 849 831.48	8 054 426.67		621 174.20	86 043.20	25 263.76	732 481.16
1ST QUARTER	-22 979 618.73	31 900 501.02	2 155 081.94	1 900 685.52	306 731.22	1 924 213.98	15 207 594.95	#	1 573 521.50	256 998.91	70 165.11	1 900 685.52
Oct-14	19 128.79	4 708 583.88	719 455.98	742 023.26	104 547.34	36 190.25	6 329 929.50		628 019.33	88 761.49	25 242.44	742 023.26
Nov-14	-210 220.40	4 704 378.88	720 060.98	741 108.28	108 347.34	-12 584.31	6 051 090.77		625 341.08	91 600.18	24 167.02	741 108.28
Dec-14	-30 041.97	4 704 378.88	720 060.98	752 580.69	106 477.25	2 153 673.76	8 407 129.59		634 523.15	93 876.45	24 181.09	752 580.69
2ND QUARTER	-221 133.58	14 117 341.64	2 159 577.94	2 235 712.23	319 371.93	2 177 279.70	20 788 149.86	#	1 887 883.56	274 238.12	73 590.55	2 235 712.23
Jan-15	-238 635.48	4 704 378.88	723 944.29	759 541.74	106 334.84	595 672.74	6 651 237.01		645 748.57	96 884.45	16 908.72	759 541.74
Feb-15	7 384.19	4 704 378.88	714 117.69	764 033.50	104 959.04	35 538.92	6 330 412.22		650 140.54	96 840.77	17 052.19	764 033.50
Mar-15	-30 372.07	5 051 479.74	722 926.48	756 246.36	108 906.60	82 812.25	6 691 999.36		644 982.31	95 050.31	16 213.74	756 246.36
3 RD QUARTER	-261 623.36	14 460 237.50	2 160 988.46	2 279 821.60	320 200.48	714 023.91	19 673 648.59	#	1 940 871.42	288 775.53	50 174.65	2 279 821.60
Apr-15	-213 856.12	5 042 544.52	727 722.48	759 745.66	104 674.77	36 116.77	6 456 948.08		647 432.32	96 375.22	15 938.12	759 745.66
May-15	-37 093.36	5 074 240.39	727 722.48	778 879.06	104 674.77	24 926.57	6 673 349.91		664 205.31	98 284.28	16 389.47	778 879.06
Jun-15	-2 107 707.49	4 941 146.87	727 722.48	779 034.45	106 976.86	560 597.26	5 007 770.43		662 789.82	99 981.00	16 263.63	779 034.45
4TH QUARTER	-2 358 656.97	15 057 931.78	2 183 167.44	2 317 659.17	316 326.40	621 640.60	18 138 068.42	#	1 974 427.45	294 640.50	48 591.22	2 317 659.17
Tot Accumulated	-25 821 032.64	75 536 011.94	8 658 815.78	8 733 878.52	1 262 630.03	5 437 158.19	73 807 461.82	#	7 376 703.93	1 114 653.06	242 521.53	8 733 878.52

Actual Payments

14/15	In Advance	Assessm. rates	Refuse	Interest	Vat	Sundries	Total received		INVA	INRF	INSU	TOTAL
							for month					
Jul-14	499 226.42	2 740 907.40	295 560.34	93 436.73	43 266.09	130 608.61	3 803 005.59		80 021.80	13 412.76	2.17	93 436.73
Aug-14	1 014 593.57	4 258 380.15	612 915.27	145 071.21	88 689.35	59 603.19	6 179 252.74		125 541.92	19 529.29	-	145 071.21
Sep-14	2 693 083.67	3 523 948.20	557 119.76	61 051.09	78 095.63	33 244.85	6 946 543.20		46 447.00	14 601.73	2.36	61 051.09
1ST QUARTER	4 206 903.66	10 523 235.75	1 465 595.37	299 559.03	210 051.07	223 456.65	16 928 801.53	#	252 010.72	47 543.78	4.53	299 559.03
Oct-14	428 279.69	3 398 491.98	277 290.14	114 932.66	42 224.11	56 738.79	4 317 957.37		102 132.99	11 250.76	1 548.91	114 932.66
Nov-14	474 718.21	4 643 677.91	248 397.78	139 452.71	36 520.06	24 442.63	5 567 209.30		133 729.93	5 384.51	338.27	139 452.71
Dec-14	248 311.01	1 712 811.50	217 957.12	15 798.98	32 150.53	19 407.69	2 246 436.83		13 003.67	2 682.94	112.37	15 798.98
2ND QUARTER	1 151 308.91	9 754 981.39	743 645.04	270 184.35	110 894.70	100 589.11	12 131 603.50	#	248 866.59	19 318.21	1 999.55	270 184.35
Jan-15	353 076.42	2 976 878.94	723 944.29	30 014.73	40 720.99	-428 947.57	3 695 687.80		24 637.85	4 849.73	527.15	30 014.73
Feb-15	324 052.53	3 973 136.98	789 395.33	96 658.42	112 189.54	20 452.55	5 315 885.35		81 027.14	14 420.63	1 210.65	96 658.42
Mar-15	1 026 580.42	5 627 535.30	958 767.94	159 266.80	159 576.58	191 926.75	8 123 653.79		102 939.78	51 707.74	4 619.28	159 266.80
3 RD QUARTER	1 703 709.37	12 577 551.22	2 472 107.56	285 939.95	312 487.11	-216 568.27	17 135 226.94	#	208 604.77	70 978.10	6 357.08	285 939.95
Apr-15	188 395.55	3 441 718.30	333 874.17	54 933.67	47 186.73	5 151 587.81	9 217 696.23		48 905.52	4 172.53	1 855.62	54 933.67
May-15	165 353.48	2 461 362.10	435 341.64	78 401.60	61 288.83	5 194.21	3 206 941.86		50 040.61	27 718.99	642.00	78 401.60
Jun-15	1 517 212.11	6 695 745.95	963 962.51	112 088.63	140 559.14	52 619.24	9 482 187.58		89 145.16	20 514.86	2 428.61	112 088.63
4TH QUARTER	1 870 961.14	12 598 826.35	1 733 178.32	245 423.90	249 034.70	5 209 401.26	21 906 825.67	#	188 091.29	52 406.38	4 926.23	245 423.90
Tot Accumulated	8 932 883.08	45 454 594.71	6 414 526.29	1 101 107.23	882 467.58	5 316 878.75	68 102 457.64	#	897 573.37	190 246.47	13 287.39	1 101 107.23

Total for Year												
Year to date % Collected		60%	74%	13%	70%	98%	92%	#	12%	17%		13%
						1st Quater	111%					
						2nd Quater	58%					
						3rd Quater	87%					
						4th Quater	121%					



The **GTM**
GREATER TUBATSE
MUNICIPALITY

South Africa's first democratic platinum city

2014/15 ANNUAL PERFORMANCE REPORT

GENERAL INFORMATION

I. Executive Committee

- (i) Cllr. R.S. Mamekoa (Mayor)
- (ii) Cllr. P.A. Mohlala (Portfolio Head: Finance)
- (iii) Cllr. P.C. Sekgobela (Portfolio Head: Technical Services)
- (iv) Cllr. M.L. Mabilu (Portfolio Head: Economic and Land Development)
- (v) Cllr. M. E. Mogofe (Portfolio Head: Corporate Services)
- (vi) Cllr. N.M. Moropane (Portfolio Head: Community Services)
- (vii) Cllr. R.F. Lourens (Deputy Head: Community Services)
- (viii) Cllr. N.D. Mphethi (Deputy Head :Technical Services)
- (ix) Cllr .M.E.Makgoga (Deputy Head: Economic and Land Development)
- (x) Cllr. L.D. Moraba (Deputy Head: Finance)

II. Addresses

The Greater Tubatse Municipality N0. 01 Kastania Street
Box 206 Burgersfort
Burgersfort
1150

Tel: (013) 231 1000
Fax: (013) 231 7467
Website: <http://www.tubatse.gov.za>

III. Contacts

J.N.T. Mohlala
Municipal Manager
Email: jntmohlala@tubatse.gov.za

This document is issued in terms of section 46(1) of Municipal System Act, Act No. 32 of 2000,

1. Introduction

Section 46(1) of Municipal system act, act 32 of 2000 mandates municipalities to prepare for each financial year a performance report reflecting:

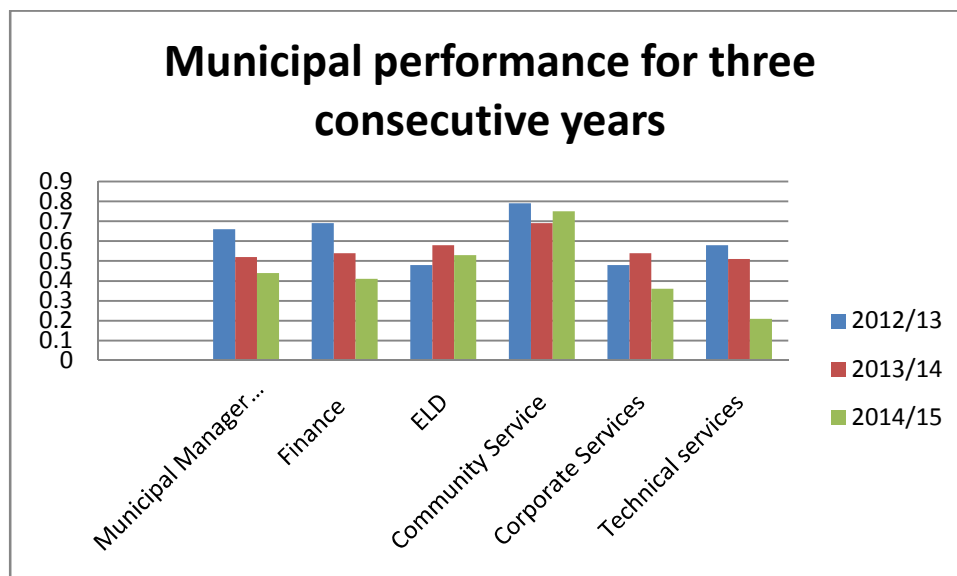
- The performance of the municipality and of each external service provider during that financial year;
- A comparison of the performance referred to in paragraph(a) with targets set for and performance in the previous financial year; and
- Measures taken to improve performance

2. Municipal performance from 2012/13 to 2014/15 financial year

In 2014/2015 financial year the municipality had 250 key performance indicators (KPI). 103 KPIs were 100% achieved and 147 KPIs were not achieved. The overall performance of the municipality stands at 42%. This is a decrease of 13% compared to 55% the municipality achieved in 2013/14 financial year. The table below depicts the picture.

Table/Figure 01: Overall municipal performance

Departments	2012/13	2013/14	2014/15			
			Total KPIs	No. KPI achieved	No. KPI not achieved	Percentage
Municipal Manager 's office	66%	52%	34	15	19	44%
Finance	69%	54%	41	17	24	41%
ELD	48%	58%	28	15	13	53%
Community Service	79%	69%	32	24	8	75%
Corporate Services	48%	54%	50	18	32	36%
Technical services	58%	51%	65	14	51	21%
Total	62%	55%	250	103	147	42%



2.1. Hindrance/challenges to performance and measures taken to improve them

Below is a list of challenges that lead to poor performance of the municipality and measures taken to improve municipal performance.

Table/Figure 02: Challenges and Measures to improve performance

Challenges	Measures taken to improve performance
1. None functionality of previous risk management committee due to lack of independent chairperson	New risk management committee chairperson appointed among Audit committee members on 8 May 2015
2. Inadequate performance of the previous Audit committee	New audit committee appointed on 08 May 2015
3. High vacancy rate at senior management level	COGHSTA seconded acting Municipal Manager and acting CFO. Municipal Manager and director community service positions were filled towards the end of the financial year
4. Prolonged recruitment processes	Appointment of Municipal Manager has unlocked the stalled recruitment process
5. Prolonged SCM processes	Bid committees reviewed; a purchase plan developed and appointment of SCM manager in May 2015
6. ESKOM delays to energize meter connection points of traffic lights.	Engagements were made with ESKOM Since October 2014 until the matter was resolved on 01 June 2015
7. None functionality of LLF, OHS committee, Audit committee, risk management committee and youth forum	LLF and OHS Committees were resuscitated ;new audit and risk management committees were appointed and Youth task team was elected

3. Performance of Service providers

The following scale was used to measure the performance of service providers:

Table/figure 03: Measurement scale

Level	Terminology	Descriptions
5	Excellent performance	Performance far exceeds the standard expected of the service provider
4	Significant performance	Performance is significantly higher than the standard expected of the service provider
3	Good	Performance fully meets the standards expected of the service provider
2	Average	Performance is below the standard required of the service provider (performance not fully effective)
1	Poor	Performance does not meet the required standard (Unacceptable performance)

Table/figure 04: performance of service providers

PERFORMANCE OF 2014/15 FINANCIAL YEAR SERVICE PROVIDERS						
DEPARTMENT	Name of the service provider	Services description	Contracted Amount	Commencement date	Termination date	Performance
ELD	SS Ntike Consulting	Development of comprehensive LED plan	R 1 319 835	09 /04/ 2014	09 /09/2014	Excellent
	SJN Development Planning Consultants	Development of a municipal-wide Land Use Management System (LUMS)	R 684 000	11 /04/ 2014	11 /03/2015	Good
	SJN Development Planning Consultants	Development of Ohrigstad Development Plan	R 761 391	11 /04/ 2014	11 /12/ 2014	Good
	Afro-Architectural CC	Programme Management and support as well as project supervision for the NDPG	R 2 640 067	17 /12/2009	30 /06/ 2015	Good
Community services	Trafman	Software for capturing of section 56 notices	R33 402.00 annual license fee	1 /07/ 2015	30 /06/2016	excellent
	Synapsis Smart Software	Cemetery management system	R63558.00 Annual licensing fee	1 /07/ 2015	30 /06/ 2016	excellent

Finance	Engnet Solutions/ Grant Thornton	Compilation of the Asset Register	R 2, 280 000.00	15/04 2015	31/03 2016	Good
	PwC	Compilation of the Annual Financial Statements for 2014/15	R1, 175 384	30/05/ 2015	15th /12/ 2015	Good
	Engnet Solutions/ Grant Thornton	Compilation of Investment property valuations for the financial year 2014/15	R455 176	31/07/2015	30/11 2015	Good
	XLP Document Solutions	Rental of Xerox Multifunction Printers	R 215 048	01/11/2014	Month to month	Excellent
	PayDay Software Systems (Pty) Ltd	PayDay Software License Renewal Agreement and PayDay Support and Maintenance. PayDay is an HR and Payroll application	R 42 778.50	01/07/2014	01/06/201 7	Excellent
	PayDay Software Systems (Pty) Ltd	PayDay Data Backup and Disaster Recovery Services	R 117 720.00	01/05/2015	31/04/201 6	Excellent
	Mashcorp 2008 (Pty) Ltd	Civic Centre upgrade, support and maintenance of the surveillance camera	R 9 011 091.24	01/08/2014	31/07/201 7	Excellent

		system (CCTV), Access Control System (Biometrics System), Audio-Visual System, IP-based Telephone System, IP-based Ethernet network infrastructure (Cisco Switches), Power and Fire Management systems as well as their related computer systems				
	BlueTek Computers cc	Microsoft Open Value Agreement	R 712 510.12	30/10/2013	31/10/2015	Excellent
	CQS Technology Holdings (Pty) Ltd	Software License Renewal of Case Ware application. GTM uses Case ware to ensure compliance with International Standards on Auditing, Generally Recognized Accounting Practice	R 90 120.42	01/01/2014	01/01/2015	Excellent

		(GRAP) and International Financial Reporting Standards (IFRS) and related matters.				
	SITA (Pty) Ltd	Website Hosting, Support and Maintenance	#REF!	01/07/2013	31/06/2016	Excellent
	Hanna Trust	Rental for premises and use of the road for access into GTM Radio Link Infrastructure	R 24 153.00	01/05/2014	20/05/2017	Poor
	Esri South Africa Pty (Ltd)	ArcGIS Annual Software License Renewal and Maintenance. ArcGIS software is a Geographic Information System (GIS) that integrates hardware, software, and data for capturing, managing, analyzing, and displaying all forms of geographically referenced information. The ArcGIS	R 91 000.00	01/11/2009	30/11/2015	Excellent

		allows GTM to view, understand, question, interpret, and visualize data in many ways that reveal relationships, patterns, and trends in the form of maps, globes, reports, and charts				
	Fujitsu Services (Pty) Ltd	Support and Maintenance of Civic Centre Virtual Desktop Computing, Virtual Servers, Data Backup and Disaster Recovery Infrastructure	R 6 841 666.52	01/07/2012	31/06/2015	Good
	Synopsis Software (PTY) Ltd	Annual Software License Renewal and Maintenance of the Cemetery Manager	R 59 400.00	12/07/2014	30/06/2016	Excellent
	Keith W. Young	Supply of a single User License for SURPAC for Windows XP/Vista/7/8 Surveying	R 41 030.00	01/04/2013	01/04/2016	Excellent

		Software				
	Sensory Solutions	Annual Software License Renewal and Maintenance of JAWS. JAWS (Job Access With Speech) is a computer screen reader program for Microsoft Windows that allows blind and visually impaired users to read the screen either with a text-to-speech output or by a Refreshable Braille display	R 6 250.00	01/04/2013	Indefinite	Excellent
	Model Maker Systems	Supply of a single User License for Model Maker Systems	R 14 682.00	01/04/2013	01/04/2016	Excellent
	Business Connexion	Annual Software License Renewal, Support and Maintenance of Venus Application (Financial System)				Excellent
Corporate Services	Lekoko consulting	Organizational Re-engineering	R781 042 .50	30/06/2014	30/04/2015	Average

Technical Services	TMG Radebe JV Lesibasiba Projects	Construction of Burgersfort Internal Streets Phase 5 (Kastania Street Extension)	R 3,144,324.18	20 August 2014	20 March 2015	Good
	Baagishane Projects	Rehabilitation/ Repair and reseal of Internal Streets (Dirk Winterbach Street)	R 9,486,415.95	11 July 2014	08 April 2015	Good
	Loge Construction	Construction Burgersfort Storm water Drainage System	R 10,426,014.32	25 July 2014	In progress. Anticipated completion date: 30 September 2015	Good
	HBC Construction JV Kingki-Electrical	Construction of Burgersfort Hawker Facilities	R 8,887,788.84	15 June 2014	In progress. Anticipated completion date: 30 September 2015	Average
	Casnan Civils	Construction of Burgersfort Flea Market	R 10,426,014.32	15 April 2014	Project on-hold. Eskom on site and busy with relocation of underground existing services.	Not applicable
	Motlokwa Construction	Construction of Ohrigstad Internal Streets Phase 3 (Works completion)	R 2,013,988.41	01 September 2014	30 January 2015	Good
	Madipadi Construction	Ohrigstad Sport Complex	R 12,459,200.35	22 April 2014	In progress. Anticipated completion date: 30 September 2015	Good
	HBC Construction JV Kingki-	Construction of Praktiseer	R 4,243,800.48	21 July 2014	In progress. Anticipated	Average

	Electrical	Hawker Facilities			completion date: 31 August 2015	
	Loge Construction	Construction of Praktiseer Walkway, Trading Facilities and Public Environment	R 12,459,200.35	21 July 2014	In progress. Anticipated completion date: 30 September 2015	Good
	Loge Construction	Construction of Ga-Maphopha Bridge	R 9,855,618.43	16 July 2014	10 July 2015	Good
	Loge Construction	Construction of Habeng Access Bridge	R 9,778,886.66	09 June 2014	18 December 2014	Good
	Loge Construction	Construction of Kgautswane/ Mokotung Access Bridge	R 9,901,888.72	19 August 2013	02 December 2014	Good
	Mphaphuli Consulting	Electrification of Rural Households (Operation Mabone: 21 Villages)	R 231,000,000.00	11 March 2015	In progress. Anticipated completion date: 30 September 2015	Average
	Bauba Maruma Waste Management	Waste Management and Collection Services	R 1,012,436.00	20 January 2014	20 October 2015	Good
	MGL Engineering	Maintenance of Plant, machinery and Equipment	Variable (determined as per work done)	01 July 2010	31 December 2015	Good
	Royal Haskoning and Inhlakanipho Consultants JV	PMU Technical Support Services	R 2,210,480.00	01 January 2015	31 December 2017	Good

4. Capital Projects Completed in 2014/15 financial year

The following Capital projects were completed when the financial year ended.

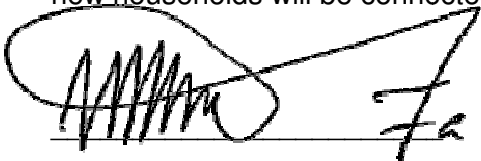
Table/figure 05: Completed Capital Projects

No.	Project Name	Amount
1	Upgrading of Burgersfort internal Street (Extension of Kastania Street)	R3,5m
2	Upgrading of Ohrigstad internal Street	R2.4m
3	Ga – Maphopha Access bridge	R13,3m
4	Habeng Access bridge	R10,5m
5	Resealing of Burgersfort internal street (Dirk Winterbach street)	R10,7m

5. Conclusion

Despite the challenges raised in item 2.1.above, especially high vacancy rate at senior management level the municipality performance improved by 7% compared to its performance in 2013/14 financial year. We therefore thank entire employees for their efforts and hard work in absent of senior management. Not forgetting those who were acting in those senior management positions, they have done a remarkable work. Adverts for the remaining senior management positions are issued and hopefully they will be filled by the ended of the first quarter of this financial year.

With Operation Mabone back on track we hope by the ended of October 2015 about 13 325 new households will be connected to electricity in the municipality.



Mohlala JNT

Municipal Manager

31/8/2015

Date



2014/15

ANNUAL PERFORMANCE REPORT

KPA: Institutional Transformation and Organisational Development

Item no.	Strategic Objectives	Measurable Objectives	Projects	Project Number	2013/14 annual performance	KPI	Annual Target	Annual Performance	Budget	Expenditure	challenge	Mitigation
1	Improve organizational cohesion and effectiveness	Improved, effective and efficient municipal administration	Individual performance reviews	ITOD/14/15/5	0	# of individual performance reviews for section 54/56 managers conducted	4 - individual performance reviews for section 54/56 managers conducted: * Two formal reviews; * Two Informal reviews	Target not achieved: 0	R -	R -	High vacancy rate on the senior management posts	Appointment of senior managers
2	Improve organizational cohesion and effectiveness	Improved, effective and efficient municipal administration	Legal programs	ITOD/14/15/17	1	# of Litigation report submitted to council	4 Litigation report submitted to council	Target not achieved: 1 Litigation report submitted to council	R 5 970 000	R 6 551 009	One litigation report was submitted to council but defered back for corrections.	The report is corrected and will be resubmitted to the next coming council
3	Improve organizational cohesion and effectiveness	Improved, effective and efficient municipal administration	Development of by-laws	ITOD/14/15/18	0	# of By - laws developed	1 - by-laws developed	Target not achieved: 0	R 100 000.00	R -	No need for by - law was identified by Departments	In future the KPI be identified by by - law is identified
4	Improve organizational cohesion and effectiveness	Improved, effective and efficient municipal administration	Audio equipment	ITOD/14/15/25	New Indicator	R - value spent on the purchase of Audio equipments	R50 000 spent on the purchase of Audio equipments	Target not achieved: R11 699 spent on the purchase of Audio equipments	R 50 000	R11,699.00	Misalignment of the audio technical specifications and the user requirements.	Technical specifications refined
5	Improve organizational cohesion and effectiveness	Improved, effective and efficient municipal administration	Capacitate SCM unit	ITOD/14/15/14	New Indicator	# of SCM training facilitated	1- SCM training facilitated	Target achieved: 1 SCM training conducted	R100,000	R52 747	None	None
6	Improve organizational cohesion and effectiveness	Improved, effective and efficient municipal administration	Renting of municipal building	ITOD/14/15/20	New Indicator	R- value paid for the renting of the municipal building	R 18 000 000	Target not achieved: R13 528 284	R18 000 000	R13 528 284	None	None
7	Improve organizational cohesion and effectiveness	Improved, effective and efficient municipal administration	Purchasing of civic centre	ITOD/14/15/25	0%	% progress in purchase of Civic Centre	50% progress in purchase of Civic Centre: *20% Appointment of a Service provider and compilation of valuation report; *20%Development of a funding document; *10% Development of funding model	Target not achieved: 20% progress in purchase of Civic Centre. *20% Service provider appointed to compile a valuation report by Finance department.	R 80 000 000	R -	Awaiting for the final valuation report from Finance.	Follow up with Finance to expedite the resolution of objections
8	Improve organizational cohesion and effectiveness	Improved, effective and efficient municipal administration	Skills development program	ITOD/14/15/1	9	# of WSP activities performed	11 - WSP activities performed * 3 x submission of training reports to LGSETA; *submission of Annual training report to LGSETA; * review and development of 2015/16 WSP; *Conducting Skill audit; *4X quarterly training committee meetings;	Target not achieved: 3 - WSP activities performed : *2x training reports submitted to LGSETA. *1x Annual Report Submitted to LGSETA,	R 950 000	R 450 000	* Municipality spent three months without Skill development facilitator and * Late establishment of training committee	Training committee established in LLF
9					2	# of skill development report served in council	4 - skill development report served in council	Target not achieved: 1x skills report served in council	R -	R -	Department was without director to sign off the reports	Appointment director corporate service
10	Improve organizational cohesion and effectiveness	Improved, effective and efficient municipal administration	Organizational re-engineering	ITOD/14/15/16	20%	% progress in review of organization structure	100% progress in the review of Organization structure: *40% Presentation of preliminary report to Management; *30% Presentation of final report; *30% Submission of the final report to council	Target achieved: 100% development and implementation of the Organizational structure* 40 % presentation of the preliminary report to management; * 30% presentation of final report * 30% submission of the final report to council.	R 1 500 000	R 802 588.50	None	None
11	Improve organizational cohesion and effectiveness	Improved, effective and efficient municipal administration	Development of HR plan	ITOD/14/15/14	4	# of leave reconciliation conducted	4 - leave reconciliation conducted	Target not achieved: 2x leave recons conducted	R -	R -	Venus system and Payday system are not linked	Alignment of Venus and Payday system
12	Improve organizational cohesion and effectiveness	Improved, effective and efficient municipal administration	Councillors training program	ITOD/14/15/3	New Indicator	# of councillors registered for skill development program	10 of councillors registered for skill development program	Target exceeded: 25 x councillors registered for capacity development programme which are ELP,CPMD,MFMA,SMIP etc.	R 600 000	316 205	None	None

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Item no.	Strategic Objectives	Measurable Objectives	Projects	Project Number	2013/14 annual performance	KPI	Annual Target	Annual Performance	Budget	Expenditure	challenge	Mitigation
13	Improve organizational cohesion and effectiveness	Improved, effective and efficient municipal administration	Capacity building work shop for councillors	ITOD/14/15/24	New Indicator	# of Capacity building work shop for councillors conducted	2 Capacity building work shop for councillors conducted	Target achieved: 2 - Capacity building work shop for councillors conducted	R 250 000	102 000	None	None
14	Improve organizational cohesion and effectiveness	Improved, effective and efficient municipal administration	Employees bursary scheme	ITOD/14/15/2	R 103 740	R- value spent on Employee bursary scheme	R220 000 spent on Employee bursary scheme	Target not achieved: R -	R 220 000	R -	deficiency of the bursary policy and none functionality of training committee	reviewal bursary policy
15	Improve organizational cohesion and effectiveness	Improved, effective and efficient municipal administration	Employee satisfaction survey	ITOD/14/15/4	R 0	# of Employee satisfaction survey conducted	1 - Employee satisfaction survey conducted	Target achieved: 1 - Employee satisfaction survey conducted	R300000	R191 406.00	None	None
16	Improve organizational cohesion and effectiveness	Improved, effective and efficient municipal administration	Work shopping or induction of legislation and policies	ITOD/14/15/6	New Indicator	# of workshop/induction conducted on legislation and policies	2- workshop/induction conducted on legislation and policies conducted	Target achieved: 2- workshop/induction conducted on legislation and policies conducted	R -	R -	None	None
17	Improve organizational cohesion and effectiveness	Improved, effective and efficient municipal administration	Employee wellness program	ITOD/14/15/9	3	# of Wellness calendar day events facilitated	4- Wellness calendar day events facilitated;	Target not achieved: 1 calendar wellness day event hosted was the HIV/Aids campaign	R 400 000	R 74 564	the unit is understaff	To capacity the unit
18					1	# of Municipal wellness day co-ordinated	1- Municipal wellness day co-ordinated	Target achieved: 1- Municipal wellness day co-ordinated		R 108 600	None	None
19	Improve organizational cohesion and effectiveness	Improved, effective and efficient municipal administration	Employee wellness program	ITOD/14/15/9	9	# sporting activities Facilitated	4x sporting activities Facilitated	Target achieved: 4x volleyball,soccer,tennis netball and Musina provincial games		20 000	None	None
20					100%	% of Employee wellness interventions identified conducted/facilitated(Medical referrals, bereavements & exist interviews)	100% of Employee wellness interventions identified conducted/facilitated(Medical referrals, bereavements & exist interviews)	Target achieved: 100% of Employee wellness interventions identified conducted/facilitated(Medical referrals, bereavements & exist interviews): 2x medical referrals and 6 bereavement notices were issued		R 10 000	None	None
21	Improve organizational cohesion and effectiveness	Improved, effective and efficient municipal administration	Labour relation program	ITOD/14/15/7	5	# of LLF meetings held	12 LLF meetings held	Target not achieved: 7 - LLF meetings held : 4 x special LLF 3x normal LLF	R 60 000	12 500	The LLF was dysfunctional	The LLF was resuscitated
22	Improve organizational cohesion and effectiveness	Improved, effective and efficient municipal administration	Labour relation program	ITOD/14/15/7	100%	% of LLF resolutions implemented	100% of LLF resolutions implemented	Target not achieved: 80% of LLF resolutions implemented		R -	Some resolutions need to researched before implementation hence prolonged implementation	Fast track implementation
23					100%	% of labour cases addressed/attended to within three months after been reported	100% of labour cases addressed/attended to within three months after been reported	Target not achieved: 80% of labour cases addressed/attended to within three months after been reported		R -	Prolonged greivence procedures	Capacity management on greivence procedures
24	Improve organizational cohesion and effectiveness	Improved, effective and efficient municipal administration	Occupational and Health services program	ITOD/14/15/8	1	# of OHS audit conducted	1 - OHS audit conduct	Target achieved: 1 OHS Audit conducted by service provider	R 300 000	R 100 000	None	None

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Item no.	Strategic Objectives	Measurable Objectives	Projects	Project Number	2013/14 annual performance	KPI	Annual Target	Annual Performance	Budget	Expenditure	challenge	Mitigation
25						4 # of OHS committee meetings held	4 - OHS committee meetings held	Target not achieved: 2 - OHS committee meetings held: one at Kgetlane lodge and the second one at Municipal building		R40 000.00	Committee was dysfunctional	The committee was resuscitated
26						14 # of site inspection and monitoring of Capital projects reports produced	4 - site inspection and monitoring of Capital projects reports produced	Target not achieved: 1 - site inspection and monitoring of Capital projects reports produced		R -	the unit is understaff	Capacity the unit
27	Improve organizational cohesion and effectiveness	Improved, effective and efficient municipal administration	Occupational and Health services program	ITOD/14/15/8		2 # of medical surveillance and screening conducted	2- medical surveillance and screening conducted	Target achieved: 2- medical surveillance and screening conducted : * 1x medical surveillance ;1x HIV/Aids conducted		R -	None	None
28						4 # of fumigation and pest control conducted in the municipal offices	2 - fumigation and pest control conducted in the municipal offices	Target achieved: 2 - fumigation and pest control conducted in the municipal offices:1 x fumigation 1xpest control		R 79 418	None	None
29	Improve organizational cohesion and effectiveness	Improved, effective and efficient municipal administration	Occupational and Health services program	ITOD/14/15/8		1 # of medical supply Provision made	2 - medical supply Provision made	Target not achieved: 0		R -	Municipality has extra medication	Supply as per need
30						2 # of COIDA interventions report submitted to council	4x COIDA interventions report submitted to council	Target not achieved: 0		R 410 656	No injury that need council attention	Report will be compile per need
31	Improve organizational cohesion and effectiveness	Improved, effective and efficient municipal administration	Protective equipments	ITOD/14/15/20	New Indicator	# of times protective equipment/clothing are supplied to employees	1 - times protective equipment/clothing are supplied to employees	Target achieved: 1 x protective clothes supplied councilos and employees	R 500 000	R 198 813.17	None	None
32	Improve organizational cohesion and effectiveness	Improved, effective and efficient municipal administration	Corporate Cleaning amenities	ITOD/14/15/15		7 # of hygiene standards for Office cleanliness report produced conducted	4 - hygiene standards for Office cleanliness report produced conducted	Target not achieved: 0	R -	R -	Unit understaffed	Capacitated the OHS unit
33	Improve organizational cohesion and effectiveness	Improved, effective and efficient municipal administration	Recruitment of Employees program	ITOD/14/15/10	New Indicator	Turnaround time in filling of budgeted vacant post	3 months Turnaround time in filling of budgeted vacant post	Target not achieved: 4 months turnaround	R 500 000	R 305 938	High vacancy rate at senior manager level	Development of Recruitment schedule and its strict implementation
34	Improve organizational cohesion and effectiveness	Improved, effective and efficient municipal administration	Development of employment equity plan	ITOD/14/15/11	60%	% progress in the development of Employment Equity plan	100% development of employment equity plan: Resuscitate the EE Committee; *20% Induction of the committee; *30% Development of the EE plan; *30% Stakerholder consultation 10% Approval by council; *10% Submit EE Plans and Reports	Target achieved: 100% development of employment equity plan: Resuscitate the EE Committee; *20% Induction of the committee; *30% Development of the EE plan; *30% Stakerholder consultation 10% Approval by council; *10% Submit EE Plans and Reports	R 200 000	R -	None	None
35	Improve organizational cohesion and effectiveness	Improved, effective and efficient municipal administration	MPAC and other section 79 programs	ITOD/14/15/22		2 # of MPAC/Oversight Quarterly reports submitted to council	4-MPAC /oversight quarterly reports submitted to Council	Target not achieved: 1x MPAC oversight report	R -	R -	MPAC was restructured and the new committee had to be workshop before they start working	Capacitation of MPAC to perform its functions

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Item no.	Strategic Objectives	Measurable Objectives	Projects	Project Number	2013/14 annual performance	KPI	Annual Target	Annual Performance	Budget	Expenditure	challenge	Mitigation
36						# of MPAC oversight visits to Municipal projects/programs	4 - MPAC oversight visits to Municipal projects/programs	Target not achieved: 1 MPAC oversight visit to project.	R 130 000	R 12 660	MPAC was restructured and the new committee had to be workshop before they start working	Capacitation of MPAC to perform its functions
37						# Annual report reviews conducted by MPAC	1 - Annual report reviews conducted by MPAC	Target achieved: 1- Annual report was reviewed by MPAC	R -	R -	None	None
38	Improve organizational cohesion and effectiveness	Improved, effective and efficient municipal administration	Capacitate PMU unit	ITOD/14/15/12	New Indicator	# of training/workshop organized for PMU unit	4 - training/workshop organized for PMU unit	Target achieved: 4 - training/workshop organized for PMU unit	R 100 000	R -	Training courses postponed at eleventh hour	To develop a schedule of training courses in collaboration with HR Unit

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Item no.	Strategic Objectives	Measurable Objectives	Projects	Project Number	2013/14 annual performance	KPI	Annual Target	Annual Performance	Budget	Expenditure	challenge	Mitigation
39	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved provision of basic service delivery	Construction of Burgersfort hawkers facilities(street trading management)	BSD/14/15/76	Street Trading management plan in place.	% progress in street trading' management plan implementation	100% implemetation of street trading management plan: 20% Stakeholder engagement;10% Distribution and retrieval of application forms for Praktiseer, Burgersfort and Dilokong;10% Development of Database; 20% Issuing of permits;10% Allocation of hawkers;10%Workshop on Street Trading By-Law;10%Workshop on business skills;10% monitoring and evaluation	Target not achieved: 40% of street trading management plan is implemented: *20% stakeholder engagement;*10% distribution and retrieval of application forms for Praktiseer, Burgersfort and Dilokong;* 10% Development of Database. the project was deferred to the next financial year due to slow pace on the development of hawkers stalls.	R -	R -	Slow pace on the construction of hawkers stalls.	the project will be done after the completion of the stalls.
40	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved social protection, education and health outcomes	Burgersfort EXT 10 social housing project	BSD/14/15/19		25% % progress in co-ordinating the burgersfort EXT 10 social housing project	100% progress in co-ordinating the burgersfort EXT 10 social housing project*25%- Declaration of the area as a restructuring zone; *25%- Application for funding commitment from CoGHSTA; *25%- Conduct Technical Assessment;*15% of TOR and advertisement;*10% Appointment of service provider	Target not achieved: 90% achieved in co-ordinating the burgersfort EXT 10 social housing project: *25% declaring the area as a restructuring zone done. *25% housing market survey/enumeration done. *25%Technical assessment done;*15% TOR developed and forwarded to Supply chain for advertisement.	R500,000	R -	Awaiting for the appointment of the service provider. Lack of sufficient funding to fast track the project	Follow up with SCM
41	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved social protection, education and health outcomes	Development of housing master plan	BSD/14/15/20		20% % progree in development of housing chapter	20% progress in the development of housing sector plan:* 10% Development of TOR and advertisement;*10% appointment of service provider	Target not achieved: 10% achieved in the development of housing sector plan: *10% ToR developed and submitted to supply chain for advertisement.	R400,000	R -	Delays in the appointment of the service provider	SCM to expedite the process of appointment
42	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved social protection, education and health outcomes	Operating License strategy	BSD/14/15/25		2 # of road safety campaigns held	Two (2) Road safety campaigns held: *One (1)Pedestrian road safety campaign *One (1)Arrive Alive Campaign	Target exceeded: 04 Road safety campaigns held:One (1)Pedestrian road safety campaign held on 30/09/14 at (Rasupi); * 3x arrive alive campaigns held as follows 13/12/14 ,24/12/14 ; and 31/12/14.	R 45 000	R -	None	None
43						10 # of joint operations conducted	Ten(10) Joint Operations conducted	Target exceeded: 13 joint Operations conducted on the following dates: 11/07/14,18/07/14,08/08/14,12/09/14,19/09/14,14/11/14,12/12/14,13/12/14,24/12/14,31/12/14,12/01/15,19/03/15,27/03/15.	R -	R -	None	None
44	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved social protection, education and health outcomes	Coordination of Community Facilities	BSD 14/15/23		4 # Community facilities maintained by the municipality	06 - Community facilities maintained by the municipality: * Leboeng Telecentre * Kgopaneng MPCC; * Mapodille MPCC; * Mokgotho community hall; * Driekop community hall; * Moeng community hall;	Target achieved: 06 - Community facilities debushed: *Driekop community hall; *Moeng community hall *Mapodille community hall; *Kgopaneng community halls; *Leboeng telecentre *Mokgotho community hall	R 150 000	R -	None	None
45			Tree planting	BSD/14/15/11		215 100 Trees Planted	100 Trees Planted	Target not achieved: Five trees planted during arbor week.	R 200 000	R 200	Supplier failed to deliver trees as ordered.	More trees will be planted in the 15/16 FY Arbor day
46	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved social protection, education and health outcomes	Maintenance and beautification	BSD/14/15/12		3 # of Identified open space debushed within the municipality	3 Open space debushed in Steelpoort,Burgersfort and Ohrigstad town	Target achieved: 3 Open spaces in Steelpoort, Burgersfort and ohrigstad were debushed.	R 500 000	R 149 210	None	None

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Item no.	Strategic Objectives	Measurable Objectives	Projects	Project Number	2013/14 annual performance	KPI	Annual Target	Annual Performance	Budget	Expenditure	challenge	Mitigation
47	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved social protection, education and health outcomes	Establishment of parks and nurseries	BSD/14/15/13		0%	% progress in the establishment of municipal parks and nurseries . *10% Establishment of 3 Advisory forums. *10% Submission of desings to council and LEDET for approval. * 20% Stakeholders engagement for Mapodile,Ohrigstad and Burgersfort. * 15% Park Establishment at Mapodile	Target not achieved: 40% progress in the establishment of municipal parks.* 10% Establishment of project advisory committee/forum;*10% Submission of designs to council and LEDET for approval;*20% Stakeholders engagement done at Burgersfort(ward 18);	R 10 000 000	R -	Due to budget constrain only Burgersfort park is catered for	Implementation of Burgersfort park
48	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved social protection, education and health outcomes	Maintenance of traffic lights	BSD/14/15/5		71%	% of faulty Traffic lights(robots) fixed within 36 days	100% of faulty Traffic lights(robots) & streetlights fixed within 36 days	R 1 000 000	Shared vote (R 995 652 .63)	Delays by Eskom to energize meter connection points (09x traffic lights out of order).	Eskom engaged and issued a commitment letter to commence with works by 01st June 2015.
49	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved social protection, education and health outcomes	Maintenance of street lights	BSD/14/15/6		71%	% of faulty Streetlights fixed within 36 days	100% of streetlights fixed within 36 days			Delays in procurement process in Quotation Committee	Procurement delays to be elevated to Municipal Manager.
50	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved social protection, education and health outcomes	Development of High mast lights for villages	BSD/14/15/82		10%	% progress in the construction of Highmast light	75% progress in the construction of Highmast light: 10% MIG BP; *15% Designs;*10% ToR Contractor;*5% Site hand over;*5% Site Establishment; *15% Excavation; *15% Cast footing/ foundation for highmast light	R 1 000 000	R -	Delays in confirmation of availability of capacity by Eskom on identified points for the Tubatse Highmast Lights	Matter to be elevated to the Municipal Manager
51	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved social protection, education and health outcomes	Repair of streets	BSD/14/15/17		4	% of identified potholes patched within 36 days	100% of identified potholes patched within 36 days	R 2 000 000	R 1 374 108 .43	Delays in procurement process	Interim potholes filling with gravel material due to delays by SCM to procure service provider. Procurement delays to be elevated to the Municipal Manager
52					1554.3km		Total km of roads graded against total km of gravel roads	1500km	R -	Shared vote (R 1 851 765 .96)	*Constant breakdown of Graders. * High volume of requests for grading of roads during special events (eg grading for funeral services, stakeholder events, soccer field, etc.)	*Disposal of three (03) grader machineries that exceeded its life span.; * Embark on awareness campaign to Councilors to strictly make request on critically damaged streets/roads
53						100%	% of emergenes requested and responded to	100% of emergency requests responded to as requested			* High volume of requests for grading of roads during special events (eg grading for funeral services, stakeholder events, soccer field, etc.)	* Embark on awareness campaign to Councilors to strictly make request on critically damaged streets/roads
54	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved provision of basic service delivery	Resealing of Burgersfort roads	BSD/14/15/1		30%	% Progress in resealing of Burgersfort roads	100% Progress in resealing of Burgersfort roads: ; Designs 15%, ToR Contractor 10%; Site handover 5%, Site Establishment 5%, Base repair 30%; Surfacing 30%, Closeout 5%	R 10 814 000	R 9 948 473	None	None

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Item no.	Strategic Objectives	Measurable Objectives	Projects	Project Number	2013/14 annual performance	KPI	Annual Target	Annual Performance	Budget	Expenditure	challenge	Mitigation
55	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved provision of basic service delivery	Praktiseer storm water drainage	BSD/14/15/63		30%	% progress in the construction of Burgersfort Stormwater Drainage 75% progress in the construction of Burgersfort Stormwater Drainage: Site handover 5%; Site establishment 5%; Excavation 15%; Laying pipes + culverts 30%; Road patchworks 15%; Closeout 5%	Target not achieved: 35% progress in the construction of Burgersfort Stormwater Drainage: Site handover 5%; Site establishment 5%; Laying pipes + culverts 25%	R 10 711 767	R 10 711 767	Delay on project due to existing underground services interruption and hard rock material	Emergency maintenance executed to damaged services during operation and specialized blasting to be solicited for rocky areas
56	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved provision of basic service delivery	Praktiseer storm water drainage	BSD/14/15/63		0%	% progress in the construction of Praktiseer Stormwater Drainage 25% progress in the construction of Praktiseer Stormwater Drainage: ToR Consultant 10%; Design 15%	Target not achieved: 10% progress in the construction of Praktiseer Stormwater Drainage: ToR Consultants 10%	R 300 000	R -	Delay on procurement process.	Matter to be elevated to the Municipal Manager
57	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved provision of basic service delivery	Upgrading Burgersfort Internal road	BSD/14/15/61		10%	% progress in the upgrading of Burgersfort internal street 85% Progress in upgrading of Burgersfort roads: Site handover 5%, Site Establishment 5%, Base construction 30%, Surfacing 30%, Road kerbs 10%; Closeout 5%	Target achieved: 85% Progress in upgrading of Burgersfort roads: Site handover 5%, Site Establishment 5%, Base construction 30%, Surfacing 30%, Road kerbs 10%; Closeout 5%	R 3 395 200	R 3 105 786	None	None
58	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved social protection, education and health outcomes	Resealing of Ohrigstad internal roads	BSD/14/15/72		30%	% Progress in the upgrading of Ohrigstad Internal Street (completion of works) 85% Progress in upgrading Ohrigstad Internal Street: Site handover 5%, Site Establishment 5%, Base reconstruction 30%; Surfacing 30%; Road kerbs 10%; Closeout 5%	Target achieved: 85% Progress in upgrading Ohrigstad Internal Street: Site handover 5%, Site Establishment 5%, Base reconstruction 30%; Surfacing 30%; Road kerbs 10%; Closeout 5%	R 2 295 900	R 2 275 377	None	None
59	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved social protection, education and health outcomes	Establishment of Ohrigstad sport complex	BSD/14/15/74		30%	% progress in establishment of Ohrigstad sport complex 50% progress in the establishment of Ohrigstad Sport Complex : *10% Excavation & layer works , 5% Perimeter wall building , *5% Multi/ Combo courts, 5% Pool, 10% sport field and *5% Pavilion/Grand stand; *5% Finishing;* 5% Close up	Target not achieved: 32.5% progress in the establishment of Ohrigstad Sport Complex : *10% Excavation & layer works, 5% Perimeter wall building , *5% Multi/ Combo courts, *7.5% sport field, *2.5% Pavilion/Grand Stand, *2.5 Finishing	R 10 391 203	R 10 391 203	Time delays due to late transfers of MIG funds	Extension of time to be considered for the delayed period
60	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved social protection, education and health outcomes	Construction of Burgersfort hawkers facilities	BSD/14/15/92		30%	% progress in the construction of new Hawker facilities at Burgersfort 50% progress in the construction of new Hawker facilities at Burgersfort: , Setting out 5%; Foundation 10%; Brick/Steelworks 10%; Roofing 5%; Paving 10%; Finishing 5%; Closeout 5%	Target not achieved: 25% progress in the construction of new Hawker facilities at Burgersfort: , Setting out 5%; Foundation 10%; Brick/Steelworks 5%; Roofing 2.5% (113 units); Paving 2.5%;	R 4 718 867	R 3 092 999	Time delays due to late transfers of MIG funds. Dispute between the Engineer and Contractor on claim measurements	Extension of time to be considered for the delayed period.
61	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved social protection, education and health outcomes	Construction of Praktiseer hawkers facility	BSD/14/15/79		30%	% progress in the construction of new Hawker facilities at Praktiseer 60% progress in the construction of new Hawker facilities at Praktiseer: Site handover 5%; Site Establishment 5%; Setting out 5%; Foundation 10%; Brick/Steelworks 10%; Roofing 5%; Paving 10%; Finishing 5%; Closeout 5%	Target not achieved: 45% progress in the construction of new Hawker facilities at Praktiseer: Site handover 5%; Site Establishment 5%; Setting out 5%; Foundation 10%; Brick/Steelworks 5%; Roofing 5%; Paving 10%	R 4 711 400	R 3 712 835	Time delays due to late transfers of MIG funds. Dispute between the Engineer and Contractor on claim measurements	Extension of time to be considered for the delayed period.
62	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved social protection, education and health outcomes	Construction of Burgersfort flea market	BSD/14/15/91		30%	% progress in the construction of Burgersfort Flea Market 50% progress in the construction of Burgersfort Flea Market: Setting out 5%; Foundation 10%; Brick/Steelworks 10%; Roofing 5%; Paving 10%; Finishing 5%; Close out 5%	Target not achieved: 10% progress in the construction of Burgersfort Flea Market: Setting out 5%; Foundation 5% (Excavation works done)	R 7 902 100	R 1 099 769	Delays on the relocation of underground Eskom and Telkom services	Payment of relocation services made and follow-up letters issued to Eskom and Telkom
63	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved social protection, education and health outcomes	Develop energy efficiency plan	BSD/14/15/2	9292 Beneficiaries	# of households benefiting from FBE programme	9 292	Target not achieved: 1347	R 3 600 000	R 3 734 692	Services for none-grid energy rendered despite expiry of contract	Meeting held with National DoE Office to ascertain the validity period of the Contract. SLA contract period extended

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Item no.	Strategic Objectives	Measurable Objectives	Projects	Project Number	2013/14 annual performance	KPI	Annual Target	Annual Performance	Budget	Expenditure	challenge	Mitigation
64	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved social protection, education and health outcomes	Construction of Maphopha access bridge	BSD/14/15/93		40%	% progress in the construction of Ga-Maphopha Bridge 50% progress in the construction of Ga-Maphopha Bridge: Digging/ Excavation 10%; Base slab 10%; Culverts/ Piers 10%; Top/ Deck slab 10%; Gabions 2.5%; Stone pitching 2.5%; Close out 5%	Target achieved: 50% progress in the construction of Ga-Maphopha Bridge: Digging/ Excavation 10%; Base slab 10%; Culverts/ Piers 10%; Top/ Deck slab 10%; Gabions 2.5%; Stone pitching 2.5%; Close out 5%	R 12 174 527	R 12 174 527	None	None
65	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved social protection, education and health outcomes	Construction of Habeng access bridge	BSD/14/15/94		65%	% progress in the construction of Habeng Access Bridge 50% progress in the construction of Habeng Access Bridge: Digging/ Excavation 10%; Base slab 10%; Culverts 10%; Top/Deck slab 10%; Gabions 2.5%; Stone pitching 2.5%; Close out 5%	Target achieved: 50% progress in the construction of Habeng Access Bridge: Digging/ Excavation 10%; Base slab 10%; Culverts 10%; Top/Deck slab 10%; Gabions 2.5%; Stone pitching 2.5%; Close out 5%	R 9 200 641	R 9 200 641	None	None
66	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved social protection, education and health outcomes	Bothashoek access bridge	BSD/14/15/62	New Indicator		% progress in the construction of Bothashoek Access Bridge 30% progress in the construction of Bothashoek Access Bridge: MIG BP 5%; ToR 10%; Consultant; Designs 15%.	Target not achieved: 15% progress in the construction of Bothashoek Access Bridge: MIG BP 5%; ToR 10%; Consultant	R 100 000	R -	Delay on procurement process.	Matter to be elevated to the Municipal Manager
67	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved social protection, education and health outcomes	Construction of Mabocha Access Bridge	BSD/14/15/69	New Indicator		% progress in the construction of Mabocha Access Bridge 30% progress in the construction of Mabocha Access Bridge: MIG BP 5%, ToR Consultant 10%; Designs 15%	Target not achieved: 15% progress in the construction of Mabocha Access Bridge: MIG BP 5%, ToR Consultant 10%	R 100 000	R -	Delay on procurement process.	Matter to be elevated to the Municipal Manager
68	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved social protection, education and health outcomes	Ga-Motshana Access Bridge	BSD/14/15/65	New Indicator		% progress in the construction of Ga-Motshana Access Bridge 30% progress in the construction of Ga-Motshana Access Bridge: MIG BP 5%, ToR Consultant 10%; Designs 15%	Target not achieved: 15% progress in the construction of Ga-Motshana Access Bridge: MIG BP 5%, ToR Consultant 10%; Designs 15%	R 100 000	R -	Delay on procurement process.	Matter to be elevated to the Municipal Manager
69	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved social protection, education and health outcomes	Mpuru Access Bridge	BSD/14/15/66	New Indicator		% progress in the construction of Mpuru Access Bridge 30% progress in the construction of Mpuru Access Bridge: MIG BP 5%, ToR Consultant 10%; Designs 15%.	Target not achieved: 15% progress in the construction of Mpuru Access Bridge: MIG BP 5%, ToR Consultant 10%	R 100 000	R -	Delay on procurement process.	Matter to be elevated to the Municipal Manager
70	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved social protection, education and health outcomes	Construction of Madithongwana Access Bridge	BSD/14/15/67	New Indicator		% progress in the construction of Madithongwana Access Bridge 30% progress in the construction of Madithongwana Access Bridge: MIG BP 5%, ToR Consultant 10%; Designs 15%.	Target not achieved: 15% progress in the construction of Madithongwana Access Bridge: MIG BP 5%, ToR Consultant 10%	R 100 000	R -	Delay on procurement process.	Matter to be elevated to the Municipal Manager
71	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved social protection, education and health outcomes	Construction of Diphala/ Makhwaya Access Bridge	BSD/14/15/68	New Indicator		% progress in the construction of Diphala/ Makhwaya Access Bridge 30% progress in the construction of Diphala/ Makhwaya Access Bridge: MIG BP 5%, ToR Consultant 10%; Designs 15%.	Target not achieved: 15% progress in the construction of Diphala/ Makhwaya Access Bridge: MIG BP 5%, ToR Consultant 10%	R 100 000	R -	Delay on procurement process.	Matter to be elevated to the Municipal Manager
72	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved social protection, education and health outcomes	Construction of Leboeng Access Bridge	BSD/14/15/70	New Indicator		% progress in the construction of Leboeng Access Bridge 30% progress in the construction of Leboeng Access Bridge: MIG BP 5%, ToR Consultant 10%; Designs 15%.	Target not achieved: 15% progress in the construction of Leboeng Access Bridge: MIG BP 5%, ToR Consultant 10%	R 100 000	R -	Delay on procurement process.	Matter to be elevated to the Municipal Manager
73	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved social protection, education and health outcomes	Mafarafara access bridge (planning)	BSD/14/15/96	New Indicator		% progress in the construction of Mafarafara Access Bridge 30% progress in the construction of Mafarafara Access Bridge: MIG BP 5%; ToR Consultant 10%; Designs 15%	Target not achieved: 15% progress in the construction of Mafarafara Access Bridge: MIG BP 5%; ToR Consultant 10%	R 100 000	R -	Delay on procurement process.	Matter to be elevated to the Municipal Manager
74	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved social protection, education and health outcomes	Construction of Barcelona access bridge	BSD/14/15/103	New Indicator		% progress in the construction of Legoleng Access Bridge 30% progress in the construction of Legoleng Access Bridge: MIG BP 5%, ToR Consultant 10 %; Designs 15%	Target not achieved: 15% progress in the construction of Legoleng Access Bridge: MIG BP 5%, ToR Consultant 10 %	R 100 000	R -	Delay on procurement process.	Matter to be elevated to the Municipal Manager

KPA: Basic Service Delivery and Infrastructure Development

Item no.	Strategic Objectives	Measurable Objectives	Projects	Project Number	2013/14 annual performance	KPI	Annual Target	Annual Performance	Budget	Expenditure	challenge	Mitigation
75	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved social protection, education and health outcomes	Rehabilitation of waste facilities	BSD/14/15/7		0%	% progress in the rehabilitation of Tubatse Waste Facilities	30% progress in the rehabilitation of Tubatse Waste facilities: MIG BP 5%, ToR Consultant 10 %; Designs 15%	R 500 000	R -	Delay on procurement process.	Matter to be elevated to the Municipal Manager
76					4 923	# of households benefiting from weekly Refuse removal	4 472	Target exceeded: 4847	R 5 000 000	R2,761,189	None	None
77	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved social protection, education and health outcomes	Professional services contracted for refuse programs	BSD/14/15/8		10%	% progress in the implementation of PPP waste project	55% progress in the implementation of PPP waste project: 10% Evaluation of Bids draft TVR IIB reports; *5% announcement of preferred bidder; *10% Due Dilligence and Value for Money Report * 10% Negotiation and final closure with Preferred Bidder, Public Participation to solicit comments TVR III; * 10% Views from Provincial Treasury and COGHSTA & Issuance of Treasury Views and Recommendation III; *10%PPP Agreement with Private Party	R 4 902 000	R270,000 on TAs overhead cost	Negotiation could not be entered into with Preferred Bidders due the withdrawal of the consortium member companies due to liquidation and dormant of the other after negotiation start meetings held. The Municipality received a formal withdrawal letter in this regard.	The next process will be to engage with the Reserve Bidder and conduct due diligence. Prior to negotiating the municipality will conduct due diligence (DD) on the reserved bidder, its funding structure and funders. Plan conventional to implement Feasibility Study models upon PPP collapse
78	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved social protection, education and health outcomes	Professional services contracted for refuse programs	BSD/14/15/8	New Indicator	# of performance Report generated on the performance of the contracted Refuse removal service provider	4 quarterly performance Report generated on the performance of the contracted Refuse removal service provider	Target achieved: 4 quarterly performance Report generated on the performance of the contracted Refuse removal service provider	R 11 500 000	R 9 604 942	None	None
79	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved social protection, education and health outcomes	Kutullo	BSD/14/15/93		35%	% progress in the electrification of Kutullo	65% progress in the electrification of Kutullo: *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays; *10% Stringing mv/lv lines; 10% house connections	R 6 518 533	R 6 518 533	Late commencement of works and payment of labourers by service providers. None submission of EPWP beneficiary reports	Matter to be elevated to the Municipal Manager
80	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved social protection, education and health outcomes	Koppie	BSD/14/15/77		35%	% progress in the electrification of Koppie	65% progress in the electrification of Koppie: *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays; *10% Stringing mv/lv lines; 10% house connections	R 2 155 966	R 2 155 966	Delay on commencement of works	Letter of concern issued to the Service Provider
81	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved social protection, education and health outcomes	Mapareng	BSD/14/15/85		35%	% progress in the electrification of Mapareng	65% progress in the electrification of Mapareng: *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays; *10% Stringing mv/lv lines; 10% house connections	R 1 835 804	R 1 835 804	Delay on commencement of works	Matter to be elevated to the Municipal Manager

KPA: Basic Service Delivery and Infrastructure Development

Item no.	Strategic Objectives	Measurable Objectives	Projects	Project Number	2013/14 annual performance	KPI	Annual Target	Annual Performance	Budget	Expenditure	challenge	Mitigation
82	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved social protection, education and health outcomes	Mareseleng	BSD/14/15/96		35% % progress in the electrification Mareseleng	65% progress in the electrification of Mareseleng: *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays; *10% Stringing mv/lv lines; 10% house connections	Target not achieved: 0% progress in the electrification of Mareseleng: *0% progress	R 3 370 848	R 3 370 848	Delay on commencement of works	Letter of concern issued to the Service Provider
83	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved social protection, education and health outcomes	Buffelshoek	BSD/14/15/92		35% % progress in the electrification of Buffelshoek	65% progress in the electrification of Buffelshoek: *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays; *10% Stringing mv/lv lines; 10% house connections	Target not achieved: 0% progress in the electrification of Buffelshoek: *0% progress achieved	R 1 381 112	R 1 381 112	Delay on commencement of works	Letter of concern issued to the Service Provider
84	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved social protection, education and health outcomes	Praktiseer	BSD/14/15/97		35% % progress in the electrification of Praktiseer	65% progress in the electrification of Praktiseer: *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays; *10% Stringing mv/lv lines; 10% house connections	Target not achieved: 35% progress in the electrification of Praktiseer: *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles	R 13 491 549	R 13 491 549	Late commencement of works and payment of labourers by service providers. None submission of EPWP beneficiary reports	Matter to be elevated to the Municipal Manager
85	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved social protection, education and health outcomes	Barcelona	BSD/14/15/88		35% % progress in the electrification of Barcelona(Driekop)	65% progress in the electrification of Barcelona: *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays; *10% Stringing mv/lv lines; 10% house connections	Target not achieved: 35% progress in the electrification of Barcelona: *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles	R 523 800	R 523 800	Late commencement of works. None submission of EPWP beneficiary reports	Matter to be elevated to the Municipal Manager
86	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved social protection, education and health outcomes	Dibakwane	BSD/14/15/89		35% % progress in the electrification of Dibakwane(Driekop)	65% progress in the electrification of Dibakwane (Driekop): *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays; *10% Stringing mv/lv lines; 10% house connections	Target not achieved: 45% progress in the electrification of Dibakwane (Driekop): *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays	R 688 802	R 688 802	Late commencement of works. None submission of EPWP beneficiary reports	Matter to be elevated to the Municipal Manager
87	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved social protection, education and health outcomes	Maputle	BSD/14/15/90		35% % progress in the electrification of Maputle(Driekop)	65% progress in the electrification of Maputle (Driekop): *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays; *10% Stringing mv/lv lines; 10% house connections	Target not achieved: 55% progress in the electrification of Maputle (Driekop): *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays; *10% Stringing mv/lv lines	R 1 003 683	R 1 003 683	Late commencement of works. None submission of EPWP beneficiary reports	Matter to be elevated to the Municipal Manager
88	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved social protection, education and health outcomes	Kampeng	BSD/14/15/91		35% % progress in the electrification of Kampeng(Driekop)	65% progress in the electrification of Kampeng (Driekop): *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays; *10% Stringing mv/lv lines; 10% house connections	Target not achieved: 0% progress in the electrification of Kampeng (Driekop): *0% progress achieved	R 1 179 802	R 1 179 802	Delay on commencement of works	Letter of concern issued to the Service Provider

KPA: Basic Service Delivery and Infrastructure Development

Item no.	Strategic Objectives	Measurable Objectives	Projects	Project Number	2013/14 annual performance	KPI	Annual Target	Annual Performance	Budget	Expenditure	challenge	Mitigation
89	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved social protection, education and health outcomes	Mandela Park	BSD/14/15/86		35% % progress in the electrification of Mandela park	65% progress in the electrification of Mandela Park: *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays; *10% Stringing mv/lv lines; 10% house connections	Target not achieved: 35% progress in the electrification of Mandela Park: *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles	R 1 824 900	R 1 824 900	Late commencement of works and payment of labourers by service providers. None submission of EPWP beneficiary reports	Matter to be elevated to the Municipal Manager
90	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved social protection, education and health outcomes	France	BSD/14/15/87		35% % progress in the electrification of France(Driekop)	65% progress in the electrification of France (Driekop): *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays; *10% Stringing mv/lv lines; 10% house connections	Target not achieved: 35% progress in the electrification of France (Driekop): *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles	R 523 800	R 523 800	Late commencement of works and payment of labourers by service providers. None submission of EPWP beneficiary reports	Matter to be elevated to the Municipal Manager
91	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved social protection, education and health outcomes	Leboeng	BSD/14/15/84		35% % progress in the electrification of Leboeng	65% progress in the electrification of Leboeng: *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays; *10% Stringing mv/lv lines; 10% house connections	Target not achieved: 60% progress in the electrification of Leboeng: *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays; *10% Stringing mv/lv lines; 5% house connections	R 7 498 523	R 7 498 523	Late commencement of works and payment of labourers by service providers. None submission of EPWP beneficiary reports	Matter to be elevated to the Municipal Manager
92	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved social protection, education and health outcomes	Dithamaga	BSD/14/15/78		35% % progress in the electrification of Dithamaga	65% progress in the electrification of Dithamaga: *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays; *10% Stringing mv/lv lines; 10% house connections	Target not achieved: 0% progress in the electrification of Dithamaga: *0% progress achieved	R 917 401	R 917 401	Delay on commencement of works	Letter of concern issued to the Service Provider
93	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved social protection, education and health outcomes	Taung	BSD/14/15/81		35% % progress in the electrification of Taung	65% progress in the electrification of Taung: *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays; *10% Stringing mv/lv lines; 10% house connections	Target not achieved: 55% progress in the electrification of Taung: *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays; *10% Stringing mv/lv lines	R 4 481 402	R 4 481 402	Late commencement of works and payment of labourers by service providers. None submission of EPWP beneficiary reports	Matter to be elevated to the Municipal Manager
94	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved social protection, education and health outcomes	Malaeneng	BSD/14/15/95		35% % progress in the electrification of Malaeneng	65% progress in the electrification of Malaeneng: *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays; *10% Stringing mv/lv lines; 10% house connections	Target not achieved: 55% progress in the electrification of Malaeneng: *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays; *10% Stringing mv/lv lines	R 523 800	R 523 800	Late commencement of works and payment of labourers by service providers. None submission of EPWP beneficiary reports	Matter to be elevated to the Municipal Manager
95	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved social protection, education and health outcomes	Sekopung	BSD/14/15/80		35% % progress in the electrification of Sekopung	65% progress in the electrification of Sekopung: *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays; *10% Stringing mv/lv lines; 10% house connections	Target not achieved: 45% progress in the electrification of Sekopung: *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays (Pole box planted)	R 2 868 395	R 2 868 395	Late commencement of works and payment of labourers by service providers. None submission of EPWP beneficiary reports	Matter to be elevated to the Municipal Manager

KPA: Basic Service Delivery and Infrastructure Development

Item no.	Strategic Objectives	Measurable Objectives	Projects	Project Number	2013/14 annual performance	KPI	Annual Target	Annual Performance	Budget	Expenditure	challenge	Mitigation
96	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved social protection, education and health outcomes	Makofane	BSD/14/15/79		35% % progress in the electrification of Makofane	65% progress in the electrification of Makofane: *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays; *10% Stringing mv/lv lines; 10% house connections	Target not achieved: 45% progress in the electrification of Makofane: *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays (Pole box planted)	R 5 835 272	R 5 835 272	Late commencement of works and payment of labourers by service providers. None submission of EPWP beneficiary reports	Matter to be elevated to the Municipal Manager
97	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved social protection, education and health outcomes	Pidima	BSD/14/15/94		35% % progress in the electrification of Pidima	65% progress in the electrification of Pidima: *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays; *10% Stringing mv/lv lines; 10% house connections	Target not achieved: 45% progress in the electrification of Pidima: *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays (Pole box planted)	R 1 038 762	R 1 038 762	Late commencement of works and payment of labourers by service providers. None submission of EPWP beneficiary reports	Matter to be elevated to the Municipal Manager
98	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved social protection, education and health outcomes	Matokomane	BSD/14/15/83		35% % progress in the electrification of Matokomane	65% progress in the electrification of Matokomane: *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays; *10% Stringing mv/lv lines; 10% house connections	Target not achieved: 45% progress in the electrification of Matokomane: *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays (Pole box planted)	R 2 250 394	R 2 250 394	Late commencement of works and payment of labourers by service providers. None submission of EPWP beneficiary reports	Matter to be elevated to the Municipal Manager
99	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved social protection, education and health outcomes	Makotaseng	BSD/14/15/82		35% % progress in the electrification of Makotaseng	65% progress in the electrification of Makotaseng: *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays; *10% Stringing mv/lv lines; 10% house connections	Target not achieved: 60% progress in the electrification of Makotaseng: *10% ToR Contractor; *5% Site hand over; *5% Site establishment; *5% Pegging + digging; *10% Plant poles; *10% Stays; *10% Stringing mv/lv lines; 5% house connections	R 697 641	R 697 641	Late commencement of works and payment of labourers by service providers. None submission of EPWP beneficiary reports	Matter to be elevated to the Municipal Manager

KPA: Local Economic Development

Item no.	Strategic Objectives	Measurable Objectives	Projects	Project Number	2013/14 annual performance	KPI	Annual Target	Annual Performance	Budget	Expenditure	challenge	Mitigation
228	Create an environment that promotes the development of the local economy and facilitate job creation.	Increased regulation on building, preserve the environment and ensure integrated planning	Development of 15/16 IDP	LED/14/15/2	100%	% progress in compilation of IDP document	100% progress in compilation of IDP document : 10% IDP process plan adopted by council; 25% status quo analysis report adopted by council;* 20% strategy planning report produced; 10% project integration completed;*10% Draft 2015/16 IDP adopted by council; 10% Public consultation conducted; * 5% incorporation of public participation report in the IDP; 10% Approval of the final IDP 2015/16	Target achieved: 100% progress made in compilation of IDP document : *10% - IDP process plan adopted by council; *25% - status quo analysis report adopted by council;* 20% - strategy planning report produced; *10% - project integration completed;*10% - Draft 2015/16 IDP adopted by council; *10% - Public consultation conducted; * 5% - incorporation of public participation report in the IDP; 10% - Approval of the final IDP 2015/16	R 492 000	R 475 611	None	None
229						2 # of IDP/PMS/Budget forum co-ordinated	2 IDP/PMS/Budget forum co-ordinated	Target achieved: 2 IDP/PMS/Budget forum co-ordinated	R -	R -	None	None
230	Create an environment that promotes the development of the local economy and facilitate job creation.	Increased regulation on building, preserve the environment and ensure integrated planning	Development of vision 2030	LED/14/15/3	20%	% progress in the development of vision 2030 blue print	40% progress in the - development of vision 2030 blue print : * Development of vision 2030 blue print plan(20%); * Approval of the plan by Council(20%)	Target not achieved: 20% progress in the - development of vision 2030 blue print : * Development of vision 2030 blue print plan(20%)	R 500 000	R220 998	Late completion of the document and none approval by council on time	The plan be approved by council
231	Create an environment that promotes the development of the local economy and facilitate job creation.	Increased economic growth through utilisation of natural resources	Review LED strategy	LED 14/15/1	LED Strategy in place(2007)	% progress in the review of the LED strategy	100% progress in review of LED strategy: 25% Dev. of review process plan; 50% Stakeholder engagement; 75% Draft strategy generated; 100% Submission of the LED strategy to Council	Target not achieved: 75% progress made in review of LED strategy;* 25% Development of review process plan done; *50% Stakeholder engagement done; *75% Draft strategy generated;	R 1 400 000	R 1 151 586	Document not yet served in council	Submission for Council approval
232						4 # of job created through LED initiatives reports submitted to council	4 - job created through LED initiatives reports submitted to council	Target not achieved: 2 reports submitted	R -	R -	consistent calling of special councils where only three urgent matters are presented	Council to stick to its meeting schedule, despite calling special council meetings
233	Create an environment that promotes the development of the local economy and facilitate job creation.	Increased economic growth through utilisation of natural resources	Economic sector institutionalization	LED/14/15/7		0% % of Economic sector fora resolutions implemented:LED, Mining, Agriculture, Tourism	100% of Economic sector fora resolutions implemented: LED, Mining, Agriculture, Tourism	Target achieved: 100% achieved on the implementation of Economic sector fora resolutions : all the resolutions taken were implemented.	R 50 000	R 5 427.24	None	None
234	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved provision of basic service delivery	Construction of Burgersfort hawkers facilities(street trading management)	BSD/14/15/76	Street Trading management plan in place.	% progress in street trading management plan implementation	100% implementation of street trading management plan: 20% Stakeholder engagement;10% Distribution and retrieval of application forms for Praktiseer, Burgersfort and Dilokong;10% Development of Database; 20% Issuing of permits;10% Allocation of hawkers;10%Workshop on Street Trading By-Law;10%Workshop on business skills;10% monitoring and evaluation	Target not achieved: 40% of street trading management plan is implemented: *20% stakeholder engagement;*10% distribution and retrieval of application forms for Praktiseer, Burgersfort and Dilokong;* 10% Development of Database. the project was deferred to the next financial year due to slow pace on the development of hawkers stalls.	R -	R -	Slow pace on the construction of hawkers stalls.	the project will be done after the completion of the stalls.
235	Create an environment that promotes the development of the local economy and facilitate job creation.	Increased economic growth through utilisation of natural resources	Investment promotion study	LED/14/15/4		0% % progress in conducting Investment promotion study	20% progress in conducting Investment promotion study: 10%- Development of ToR's; 10%- Project Inception report	Target not achieved: 10% achieved in conducting Investment promotion study: *10% TOR's has been developed.	R 175 000	R -	Submission was delayed pending the appointment of the accounting officer for approval	The project will be advertised in the 2015/16 financial year

KPA: Local Economic Development

Item no.	Strategic Objectives	Measurable Objectives	Projects	Project Number	2013/14 annual performance	KPI	Annual Target	Annual Performance	Budget	Expenditure	challenge	Mitigation
236	Create an environment that promotes the development of the local economy and facilitate job creation.	Increased economic growth through utilisation of natural resources	Mining beneficiation study	LED/14/15/5	0%	% progress in conducting Mining beneficiation study	20% progress in conducting Mining beneficiation study; 10%- Development of ToR's; 10%- Project Inception report	Target not achieved: 10% achieved in conducting Mining beneficiation study;*10% TOR's has been developed.	R 250 000	R -	Submission was delayed pending the appointment of the accounting officer for approval	The project will be advertised in the 2015/16 financial year
237	Create an environment that promotes the development of the local economy and facilitate job creation.	Increased regulation on building, preserve the environment and ensure integrated planning	Extended public works program	LED/14/15/12	62	# of job opportunities created through EPWP intergrated Grants	240 job opportunities created through EPWP intergrated Grants	Target not achieved: 220	R 1 364 000	R 1 336 601	Lack of reporting on work opportunities created under Operation Mabone	Matter to be elevated to the Municipal Manager

KPA: Financial Viability and Management

Item no.	Strategic Objectives	Measurable Objectives	Projects	Project Number	2013/14 annual performance	KPI	Annual Target	Annual Performance	Budget	Expenditure	challenge	Mitigation
100	To improve overall financial management in the municipality	Improved compliance to MFMA and GTM policy framework	Budget management	FV/14/15/6	R 23 161 786	R-value spent on Departmental Budget	R 20 039 239	Target not achieved: R16 126 805 spent	R 20 039 239	R 17 798 506	None	None
101					50%	% Municipal website compliance to section 75 of MFMA	100% Municipal website compliance to section 75 of MFMA	Target achieved: 100% Municipal website compliance to section 75 of MFMA	R -	R -	None	None
102	To improve overall financial management of the municipality	Improved compliance to MFMA and GTM policy framework	Compilation of annual financial statements	FV/14/15/10	2012/13 AFS submitted	Submission of 2014/15 Annual Financial statement	Submission of 2014/15 Annual Financial statement by 31 August 2014	Target achieved: AFS submitted on the 31 August 2014	R1,588,000.00	R 1 294 000	NONE	NONE
103	To improve overall financial management of the municipality	Improved compliance to MFMA and GTM policy framework	Accurate billing	FV/14/15/1	87%	% of billed revenue collected	75% of billed revenue collected	Target achieved: 92% of revenue collected	R -	R -	NONE	NONE
104	To improve overall financial management of the municipality	Improved compliance to MFMA and GTM policy framework	Revenue collection	FV/14/15/4	4%	% reduction of outstanding debts that are above 60 days	10% reduction of outstanding service debts that are above 60 days	Target not achieved: 8 % reduction	R -	R -	Only one debt collector performing	Appoint additional debt collectors, review TORs for debt collectors
105					14%	% reduction of Government debts	10% reduction of government debts	Target not achieved: 2% reduction	R -	R -	Issues on communal land and ownership of properties.	Matter elevated to Provincial Debt Forum
106					New Indicator	# of valuation roll compiled	1 - Valuation roll compiled	Target not achieved: Draft Valuation roll compiled	R 3,300,000.00	R1,184,000	Delays due to court challenges on the project	Request for valuation roll validity granted from MEC Coghsta to 2016
107	To improve overall financial management of the municipality	Improved compliance to MFMA and GTM policy framework	Supplementary valuation roll	FV/14/15/15	New Indicator	# of supplementary valuation roll compiled	1 - supplementary valuation roll compiled	Target not achieved: 0 - supplementary valuation roll compiled (timelines for the supplementary is August)	R3, 300,000	R1,184,000	Not done in the previous August 2014 and normally an exercise happening in the new financial year.	Ensure that supplementary happens in the new financial year.
108	To improve overall financial management of the municipality	Improved compliance to MFMA and GTM policy framework	Compilation of budget for 15/16 FY	FV/14/15/2	100%	% compliance with budget process timeline	100% compliance with budget process timelines per quarter	Target achieved: 100% compliance with budget process timelines per quarter (Final budget approved on time)	R -	R -	None	None
109	To improve overall financial management of the municipality	Improved compliance to MFMA and GTM policy framework	Budget management	FV/14/15/6	R 26 918 622	R-value spent on Departmental Budget	R 56,759,070	Target not achieved: R37,176,590	R 56,759,070	R37,176,590	Poor spending on general expenses.	Improve planning to enhance spending
110					R 212 126 339	R- value of cash available to monthly expenditure commitments	R 263,363,998	Target exceeded: R467, 366, 881	R 263,363,998	R -	NONE	NONE
111	To improve overall financial management of the municipality	Improved compliance to MFMA and GTM policy framework	Budget adjustment for 14/15 FY	FV/14/15/3	New Indicator	# of Budget adjustment conducted	1 budget adjustment conducted	Target exceeded: Two (2) budget adjustment conducted	R -	R -	NONE	NONE
112	To improve overall financial management of the municipality	Improved compliance to MFMA and GTM policy framework	Implementation of GRAP standards	FV/14/15/9	New Indicator	# of Quarterly MSIG report generated	4 Quarterly MSIG report generated	Target not achieved: Three MSIG reports generated	R 934,000	R222 000	Poor planning on SCM processes and delays in signing of SLA's	Improve on forward planning
113	To improve overall financial management of the municipality	Improved compliance to MFMA and GTM policy framework	Implementation of FMG grant	FV/14/15/26	New Indicator	# of Quarterly FMG report generated	4 Quarterly FMG report generated	Target not achieved: Three FMG reports generated	R 1,600,000	R931,416	Delay in appointments of other interns	Expedite appointments of interns
114	To improve overall financial management of the municipality	Improved compliance to MFMA and GTM policy framework	Billing – data cleaning	FV/14/15/27	New Indicator	# of Data cleansing conducted	1 Data cleansing conducted	Target not achieved: 0	R 500,000	R0 (Function done by Anglo Sponsors)	Delays on the project, project is at phase two, finalizing data collection.	Engage with service provider to enhance the performance on data cleansing.

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Item no.	Strategic Objectives	Measurable Objectives	Projects	Project Number	2013/14 annual performance	KPI	Annual Target	Annual Performance	Budget	Expenditure	challenge	Mitigation	
115	To improve overall financial management of the municipality	Improved compliance to MFMA and GTM policy framework	Compilation of section 71 report of the MFMA	FV/14/15/5	New Indicator	# of section 71 reports of the MFMA act 56 of 2003 submitted to the Mayor and Provincial Treasury within 10 days after the end of each Month	12 section 71 reports of the MFMA act 56 of 2003 submitted to the Mayor and Provincial Treasury within 10 days after the end of each Month	Target achieved: 12 Section 71 reports compiled and submitted	R	R	-	July, August and September 2014 were not submitted on time.	Section 71 reports to be submitted monthly and on time
116	To improve overall financial management of the municipality	Improved compliance to MFMA and GTM policy framework	Develop information management system	FV/14/15/8	New Indicator	% progress in Purchase of Electronic Billing System(SMS/MMS sent statement for municipal accounts)	100% progress in the Purchase of Electronic Billing System(SMS/MMS sent statement for municipal accounts): * 30% Development of TOR; * 10% Submit TOR for SMS/MMS Sent Statement for Municipal Accounts to the Bid Specifications Committee; *70% Commissioning of the SMS/MMS Sent Statement for Municipal Accounts	Target not achieved: 40% progress in the Purchase of Electronic Billing System(SMS/MMS sent statement for municipal accounts): * 30% Development of TOR; * 10% Submit TOR for SMS/MMS Sent Statement for Municipal Accounts to the Bid Specifications Committee;	R 1 200 000	R	-	* Procurement through Section 32 of the SCM Regulation was not recommended and hence the normal tender process were followed	Facilitate advertisement of the Bid during 2015/16 1st Quarter and bid finalised during 2015/16 2nd Quarter
117	To improve overall financial management of the municipality	Improved compliance to MFMA and GTM policy framework	ICT Infrastructure Support and Maintenance	FV/14/15/19	New Indicator	% progress on repairs, support and maintenance of the ICT Infrastructure	100% progress on repairs, support and maintenance of the ICT Infrastructure * 50% repairs of Access control system, Chamber Audio-Visual System and Virtual Office Solution * 50% Support and maintenance of Access Control System, Chamber Audio-Visual System and Virtual Office Solution	Target achieved: 100% progress achieved on repairs, support and maintenance of the ICT Infrastructure * 50% repairs of Access control system, Chamber Audio-Visual System and Virtual Office Solution * 50% Support and maintenance of Access Control System, Chamber Audio-Visual System and Virtual Office Solution	R 2 264 040	R 2 075 370		None	None
118					New Indicator	# of Website legislated items (section 75 of MFMA) loaded on GTM website	8 - Website legislated items (section 75 of MFMA) loaded on GTM website: Annual Budget; Adjusted Budget; All budget related policies; All services delivery agreements; All long term borrowing contracts; all supply chain management contract above a prescribed value; List of assets over a prescribed value that have been disposed; PPP contracts	Target not achieved: 7- Website legislated items (section 75 of MFMA) loaded on GTM website: IDP and related matters, Budget and related matters, Quarterly and Annual Service Delivery Reports, performance contracts, Advertisements, Annual Report, policies, public notices, Supply Chain and related matters	R 62,155.90	R	41 437	* Late submission of website information by Departments * SITA Web Hosting and Maintenance SLA partially signed affected payment of March 2015 to June 2015	* Departments to submit website information in time * Follow up with Legal Service Unit for signing of the SITA Website Hosting and Maintenance SLA
119	To improve overall financial management of the municipality	Improved compliance to MFMA and GTM policy framework	Information security system	FV/14/15/8	New Indicator	% progress in Purchase of Information Security tools (Managed Information Security Services)	40% progress in Purchase of Information Security tools (Managed Information Security Services): *30% Development of TOR for Managed Information Security Services;* 10% Submission of TOR for Managed Information Security Services to the Bid Specifications Committee	Target achieved: 40% progress in Purchase of Information Security tools (Managed Information Security Services): *30% Development of TOR for Managed Information Security Services; * 10% Submission of TOR for Managed Information Security Services to the Bid Specifications Committee	R 300 000	R	-	* McAfee Antivirus Software License Agreement expired.	Facilitate advertisement of the Bid during 2015/16 1st Quarter and bid finalised during 2015/16 2nd Quarter
120	To improve overall financial management of the municipality	Improved compliance to MFMA and GTM policy framework	Asset Audit and Risk Management Systems	FV/14/15/12	New Indicator	# of ICT enhancement tools purchased	Three ICT enhancement tools purchased * Audit and Risk management system, * PMS and * Call Centre System	Target not achieved: No ICT enhancement tool purchased	R 300 000	R	-	* TORs for Audit, Risk and Performance Management were consolidated into one based on benchmarking and research	Facilitate advertisement of the Bid during 2015/16 1st Quarter and bid finalised during 2015/16 2nd Quarter

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Item no.	Strategic Objectives	Measurable Objectives	Projects	Project Number	2013/14 annual performance	KPI	Annual Target	Annual Performance	Budget	Expenditure	challenge	Mitigation
121	To improve overall financial management of the municipality	Improved compliance to MFMA and GTM policy framework	Develop information management system	FV/14/15/8	New Indicator	R-Value spent on The purchase of Information management system	R500 000 spent on The purchase of Information management system	Target not achieved: R0 spent on The purchase of Information management system	R500 000	R -	* The tender for purchase of Electronic Document and Records Management System lapsed and had to serve in the Bid	Facilitate advertisement of the Bid during 2015/16 1st Quarter and bid finalised during 2015/16 2nd Quarter
122	To improve overall financial management of the municipality	Improved compliance to MFMA and GTM policy framework	Develop IT master plan	FV/14/15/7	New Indicator	% progress in the Development of IT master plan	20% progress in the Development of IT master plan: 20% Terms of Reference	Target achieved: 20% progress made in the Development of IT master plan: 20% Terms of Reference	R 200 000	R -	SITA effected moratorium on the signing of Business Agreement	Facilitate signing of the Business Agreement between SITA and GTM
123	To improve overall financial management of the municipality	Improved compliance to MFMA and GTM policy framework	Renting and leasing of equipment	FV/14/15/18	New Indicator	R - value spent on rental of Multifunction Copiers/Printers	R1 188 000 spent on rental of Multifunction Copiers/Printers	Target exceed: R2 908 803 spent on rental of Multifunction Copiers/Printers	R 1 188 000	R 2 908 803	None	None
124	To improve overall financial management of the municipality	Improved compliance to MFMA and GTM policy framework	Review Indigent register	FV/14/15/21	50%	% progress in the review of Indigent register	100% progress in the review of Indigent register: *40% Workshopping of ward councillors and other interest stakeholder on the filling the indigent registration form; *30% Issueing of the forms to ward councillors and other stakeholders ; * 30% capturing of the forms to update the indigent register	Target not achieved: Indigent register compiled by Sekhukhune but not yet approved by the Council.	R -	R -	Indigent Registration Form compiled and advert will be placed on the Local Newspaper to invite people to register..	The municipality will compile it's own Indigent register.
125	To improve overall financial management of the municipality	Improved compliance to MFMA and GTM policy framework	Printing and stationery	FV/14/15/24	New Indicator	R- value spent on printing and stationery	R 640 000	Target not achieved: R473 741	R640 000	R473 741	NONE	NONE
126	To improve overall financial management of the municipality	Improved compliance to MFMA and GTM policy framework	Telephone expenses	FV/14/15/25	New Indicator	R- Value spent on Telephone Expenses	R 930 750	Target achieved: R923 031	R923 031	R923 031	NONE	NONE
127	To improve overall financial management of the municipality	Improved compliance to MFMA and GTM policy framework	updating of asset register	FV/14/15/13	Internal Audit report implementation of A.G action plan; Asset register update report	% completeness and accuracy of the asset register	100% completeness and accuracy of the asset register: * 15% update of asset register when new asset is received;*15% correction of AG queries on assets; * 15% Barcoding * 15% Quarterly asset verification; * 30% Transfer of asset; * 10% Development of Inventory list	Target not achieved	R 100,000	R -	30% transfer of assets not yet done	Expedite engagements with RAL for the confirmation on PD roads to be transferred.
128	To improve overall financial management of the municipality	Improved compliance to MFMA and GTM policy framework	Asset capture	FV/14/15/28	New Indicator	# of Asset report submitted to council	4 - Asset report submitted to council	Target achieved: Four (4) reports submitted	R -	R -	NONE	NONE
129	To improve overall financial management of the municipality	Improved compliance to MFMA and GTM policy framework	Supply chain programs	FV/14/15/16	New Indicator	# of quarterly SCM reports submitted to council	4 Quarterly SCM reports submitted to council	Targete acheived: Four (4) reports submitted	R -	R -	NONE	NONE
130	To improve overall financial management of the municipality	Improved compliance to MFMA and GTM policy framework	SLA IT management systems	FV/14/15/20	New Indicator	# of SLA IT management system report produced	4 SLA IT management system report produced	Target achieved: 4 SLA IT management system report produced	R 1 700 000	R 1 700 000	None	None

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Item no.	Strategic Objectives	Measurable Objectives	Projects	Project Number	2013/14 annual performance	KPI	Annual Target	Annual Performance	Budget	Expenditure	challenge	Mitigation
131	To improve overall financial management of the municipality	Improved compliance to MFMA and GTM policy framework	Free basic electricity	FV/14/15/22	New Indicator	R- Value spent providing Free Basic electricity	R 4 719 000	Target not achieved: R3 495 685	R4 719 000	R3 495 685	NONE	To ensure correct capturing of budget on annual target
132	to improve overall financial management in the municipality	Improved compliance to MFMA and GTM policy framework	Outdoor Advertising Regulation	FV/14/15/4	R 8 000	R-Value collected through outdoor advertisement	R90 000 collected through outdoor advertisement	Target exceeded: R-229492	R -	R -229 492	None	None
133	to improve overall financial management in the municipality	Improved compliance to MFMA and GTM policy framework	Budget management	FV/14/15/6	R 13 343 569	R-value spent on Departmental Budget	R 23 994 841	Target not achieved: R14538923	R 23 994 841	R 14 538 923	Delay in supply chain processes led to some projects not implemented at all	SCM process plan should be developed
134	To improve overall financial management of the municipality	Improved compliance to MFMA and GTM policy framework	Budget management	FV/14/15/6	Com. Serv. Adm =R6 837 972	R-value spent on Departmental budget	Com. Serv. Adm =R9 972 474	Target not achieved: R8 107 419.00	Com. Serv. Adm =R9 972 474	R8 107 419.00	None	None
135					Protection serv = R2 699 367;		Protection serv = R9 105 594	Target exceeded: R13 467 169		R 13 467 169	None	None
136					Cemeteries = R4 792 374;		Cemeteries = R2 990 440	Target not achieved: R2 089 090		R 2 089 090	None	None
137					Library = R6 120 813		Library = R13 141 210	Target not achieved: R3187386		R 3 187 386	None	None
138	To improve overall financial management of the municipality	Improved compliance to MFMA and GTM policy framework	Budget management	FV/14/15/6	R 63 401 511	R-value spent on Departmental Budget	R 71 694 043	Target not achieved: R63746702	R 71 694 043	R 63 746 702	Department was without director for the entire part of the financial year	Expedition of the appointment of the Corporate service director
139	To improve overall financial management of the municipality	Improved compliance to MFMA and GTM policy framework	Budget management	FV/14/15/6	R 52 000 000	R- value of MIG spent	R59 275 200 of MIG spent	Target achieved: 59275200	R 59 275 200	R 59 275 200	Delay on works execution due to none payment of MIG invoices	National Treasury transferred MIG funds during March 2015
140					R 0	R- value of INEP spent	R66 000 000 of INEP spent	Target not achieved: R60 000 000	R 60 000 000	R 60 000 000	Delay on commencement of works	Letter of concern issued to the Service Provider
141					R 0	R- value of NDPG spent	R10 000 000 of NDPG spent	Target not achieved: R5 588 000	R 10 000 000	R 5 588 000	R3,5m withdrawal from 2013/14ty NDPG Allocation	Payment made to National Treasury of R3,5m withdrawal amount
142	To improve overall financial management of the municipality	Improved compliance to MFMA and GTM policy framework	Budget management	FV/14/15/6	12540276	R-value spent on Departmental Budget(Technical Services)	Tech. Serv. Adm = 15 505 264	Target not achieved: R13 127 167	R 15 505 264	R 13 127 167	High level of vacancy rate. Delay in recruitment process for Electrician	Matters to be elevated to the HR Unit
143					R 15 206 393		Roads and stormwater = R33 865 876	Target not achieved: R25 595 221	R 33 865 876	R 25 595 221	High volume/ backlog on maintenance services due to delay in the procurement processes	Matter to be elevated to the Municipal Manager
144					R 17 375 594		Refuse removal = R18 555 147	Target not achieved: R14 210 280	R 18 555 147	R 14 210 280	Compliance audit findings shortcomings. Lack air space. Delay in the transfer of Appiesdoring site	Matters to be elevated to the Municipal Manager

KPA: Good Governance and Public Participation

Item no.	Strategic Objectives	Measurable Objectives	Projects	Project Number	2013/14 annual performance	KPI	Annual Target	Annual Performance	Budget	Expenditure	challenge	Mitigation
145	Promote a culture of participatory and good governance	Comply to all legislative requirements to enhance good governance	Baseline risk assessment	GGP/14/15/1	New Indicator	% implementation of Risk management strategy	100% implementation of Risk management strategy: *10% Development of risk registers(strategic and Operational); *10% Review of risk policy and strategies; *10% Development and implementation of Risk monitoring tool;20% reporting progress on the implementation of Risk action plan;*10% conducting risk awareness campaign; 40% submission of Risk management quarterly report to Risk management and Audit committees	Target Not Achieved: 60% of Risk management strategy implemented: *10% strategic and Operational Risk registers developed;*10% Risk policy reviewed in June 2014;* 10% risk assessment monitoring tool developed;*10% progress report made on the Risk action plans; * 10% The risk awareness workshop conducted in February 2015;*10% risk management report submitted to Audit committee .	R 100 000.00	R 66 087.00	The risk management committee was inactive due to lack of chairperson for a longer time since 2013/14 financial year.	Risk management committee chairperson appointed in the 4th Quarter of the 2014/15 financial year
146	Promote a culture of participatory and good governance	Improved community confidence in the system of local government	Security services management	GGP/14/15/5		0 # of the security company performance report produced	4 - the security company performance report produced	Target not achieved: 1 - the security company performance report produced	R 11 000 000	R 7 819 362	Lack of monitoring systems.	Purchase security monitoring systems.
147	Promote a culture of participatory and good governance	Improved community confidence in the system of local government	Implementation of anti-fraud and corruption strategy	GGP/14/15/22	New Indicator	% implementation of Anti- Fraud and corruption strategy	100% implementation of anti - Fraud and corruption strategy: *30% Review of anti - fraud strategy;* 40% Generate and submit 4x quarterly fraud and corruption report; * 30% conduct fraud and corruption awareness	Target achieved: 100% implementation of anti - Fraud and corruption strategy: *30% Review of anti - fraud strategy;* 40% Generate and submit 4x quarterly fraud and corruption report; * 30% conduct fraud and corruption awareness	R -	R -	None	None
148	Promote a culture of participatory and good governance	Improved community confidence in the system of local government	Fraud awareness program	GGP/14/15/43	New Indicator	# of fraud and corruption Hotline reports produced	4 - fraud and corruption Hotline reports produced	Target Achieved: 4 - fraud and corruption Hotline report produced	R -	R -	None	None
149	Promote a culture of participatory and good governance	Improved community confidence in the system of local government	Functional Risk management committee	GGP/14/15/7	New Indicator	# of Risk management committee meetings held	4 - Risk management committee meetings held	Target not Achieved: 1 - risk management committee meeting were held.	R -	R -	Risk management committee was inactive in the 2014/15 financial year due to lack of chairperson	Chairperson of Risk management committee appointed in the fourth quarter of the 2014/15 financial year
150					0	# of Risk management reports submitted to Audit committee	4 - Risk management reports submitted to Audit committee	Target not achieved: 1 - Risk management reports submitted to Audit committee	R -	R -	Risk management committee was inactive in the 2014/15 financial year due to lack of chairperson	Chairperson of Risk management committee appointed in the fourth quarter of the 2014/15 financial year
151	Promote a culture of participatory and good governance	Improved community confidence in the system of local government	Internal Audit	GGP/14/15/3		4 # of performance audits performed	4 - performance audits performed	Target achieved: 4 - performance audits performed	R -	R -	None	None
152					1	# of internal audit reports submitted to Audit committee	4 - internal audit reports submitted to Audit committee	Target not achieved: 3 - internal audit reports submitted to Audit committee	R 100 000	R -	Prolonged Recruitment processes of appointing Audit committee after the expiry of Shared service with Sekhukhune District Municipality Audit committee	Committee appointed and inducted during June 2015
153	Promote a culture of participatory and good governance	Improved community confidence in the system of local government	Functional Audit committee	GGP/14/15/6		1 # of audit committee reports submitted to council	4 - audit committee reports submitted to council	Target not achieved: 1 - audit committee reports submitted to council	R -	R -	Prolonged Recruitment processes of appointing Audit committee after the expiry of Shared service with Sekhukhune District Municipality Audit	Committee appointed and inducted during June 2015

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Item no.	Strategic Objectives	Measurable Objectives	Projects	Project Number	2013/14 annual performance	KPI	Annual Target	Annual Performance	Budget	Expenditure	challenge	Mitigation
154	Promote a culture of participatory and good governance	Improved community confidence in the system of local government	Auditor General functions	GGP/14/15/8	1	# of internal audits conducted to check progress made on implementation 2013/14 AG Action plan	2 - internal audits conducted to check progress made on implementation 2013/14 AG Action plan	Target not achieved: 1 - internal audits conducted to check progress made on implementation 2013/14 AG Action plan	R -	R -	Internal audit unit is under staffed and the present staff do not cope with work load	internal audit unit to be correctly staffed in 2015/16 financial year
155					64%	% implementation of 2013/14 AG action plan on matters affecting MM's office as per their due dates	100% implementation of 2013/14 AG action plan on matters affecting MM's office as per their due dates	Target not achieved: 75% progress achieved in the implementation of 2013/14 AG action plan on matters affecting MM's office as per their due dates implemented.	R -	R -	Provision of evidence is still a problem in some municipal departments;	Strengthening monitoring of projects and compilation of portfolio of evidence monthly
156			Internal Auditing	GGP/14/15/2	100%	% of internal audit findings addressed	100% of internal audit findings addressed	Target achieved: 100% of internal audit findings addressed	R -	R -	None	None
157			Functional Risk management committee	GGP/14/15/7	0%	% of identified risks mitigated as per their action plan due dates	100% of identified risks mitigated as per their action plan due dates	Target not achieved: 0% of identified risks mitigated as per their action plan due dates	R -	R -	Risk management committee was inactive in the 2014/15 financial year due to lack of chairperson	Chairperson of Risk management committee appointed in the fourth quarter of the 2014/15 financial year
158	Promote a culture of participatory and good governance	Improved community confidence in the system of local government	Develop SDBIP	GGP/14/15/15	100%	% progress in development of 2015/16 SDBIP	100% progress in development of 2015/16 SDBIP: adoption of draft 2015/16 SDBIP with draft 2015/16 IDP(70%); * Final 2015/2016 SDBIP signed off by the Mayor(10%) * Final 2015/2016 SDBIP submitted MEC for COGHSTA(10%); * Final 2015/16 SDBIP pasted on website(10%)	Target achieved: 100% progress made in the development of 2015/16 SDBIP: *70% - Draft 2015/16 SDBIP adopted with draft 2015/16 IDP; *10% - Final 2015/2016 SDBIP signed off by the Mayor on 18 June 2015; *10% - submission of 2015/2016 SDBIP to MEC for COGHSTA done on 1July 2015; *10% - Final 2015/16 SDBIP on website done 06 July 2015	R -	R -	None	None
159	Promote a culture of participatory and good governance	Improved community confidence in the system of local government	Signing of performance contracts	GGP/14/15/16	6	# of section 54/56 managers who signed performance Agreements	6 - section 54/56 managers signed performance Agreements (MM; directors: community service, Technical, ELD, CFO & Corporate)	Target achieved: 6 - section 54/56 managers signed performance Agreements (MM; directors: community service, Technical, ELD, CFO & Corporate)	R -	R -	None	None
160	Promote a culture of participatory and good governance	Improved community confidence in the system of local government	Management reviews	GGP/14/15/9	4	# of management review conducted	4 quarterly management review conducted	Target achieved: 4 quarterly management review conducted	R 50 000	R 4 194	None	None
161	Promote a culture of participatory and good governance	Improved community confidence in the system of local government	EXCO Makgotla programs	GGP/14/15/10	4	# of EXCO makgotla conducted	4 quarterly EXCO makgotla conducted	Target achieved: 4 quarterly EXCO makgotla conducted	R 200 000	28744	None	None
162					100%	% implementation of EXCO makgotla resolutions for MM office implemented	100% implementation of EXCO makgotla resolutions for MM office implemented	Target achieved: 100% implementation of EXCO makgotla resolutions for MM office implemented	R -	R -	None	None

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Item no.	Strategic Objectives	Measurable Objectives	Projects	Project Number	2013/14 annual performance	KPI	Annual Target	Annual Performance	Budget	Expenditure	challenge	Mitigation
163					100%	% implementation of Council resolution for Municipal Manager 's office	100% implementation of Council resolution for Municipal Manager 's office	Target not achieved: 92% (13/14)of Council resolutions for Municipal Manager 's office are implemented	R -	R -	Litigation report deferred back by council for more information	The report to be updated and returned to council
164	Promote a culture of participatory and good governance	Improved community confidence in the system of local government	Generate performance reports	GGP/14/15/11; GGP/14/15/12; GGP/14/15/13		5 # of performance reports submitted to council	6- performance reports submitted to council: *4 quarterly performance report; *Mid-year report(section 72 report); Annual report;	Target achieved: 6 - performance reports submitted to council: *4 quarterly performance report; *2014/15 Mid-year report(section 72 report); 2013/14 Annual performance report; 2013/14 Annual report;	R 100 000	R -		None
165	Promote a culture of participatory and good governance	Improved community confidence in the system of local government	Develop news letters	GGP/14/15/18		2 # of newsletters released per quarter	4 Newsletters released per quarter	*Target not achieved: 2 newsletter released	R 450 000	R 235 328.38	Late appointment of service provider	Appointment of professional marketing and branding service providers on retainer
166					New Indicator	% of print and electronic issues raised against the municipality responded to	100% of print and electronic issues raised against the municipality responded to	Target achieved: 100% all print and electronic media issues addressed	R -	R -		None
167	Promote a culture of participatory and good governance	Improved community confidence in the system of local government	Marketing and branding	GGP/14/15/20		2 # of marketing and branding activities performed	6 - marketing and branding activities performed: * Procurement and Distribution of branding materials(calender & Diaries); *Allocation of nametags & placement doortags; * Placement of national flags in all municipal offices entrance(main office and satellites); * Distribution of 2012/13 Annual Report; * Distribution of 2014/15 IDP	Target not achieved: 3 - marketing and branding activities performed: * Procurement and Distribution of branding materials(calender & Diaries) done; * Placement of national flags in all municipal offices entrance(main office and satellites) is done; * Distribution of 2014/15 IDP	R 250 000	R 490 319	An incompetent service provider was appointed who delayed the distribution of name tags and annual report	Appointment of professional marketing and branding service providers on retainer
168	Promote a culture of participatory and good governance	Improved community confidence in the system of local government	Advertisements	GGP/14/15/31	New Indicator	R-Value spent on advertisements	R 1 030 000	Target not achieved: R691339	R 1 030 000	R 691 339		None
169	Promote a culture of participatory and good governance	Improved community confidence in the system of local government	15 year Review	GGP/14/15/32	New Indicator	% progress in the development 15 year review document	100% progress in the development 15 year review document: 10% Development of TOR; * 10% issueing out of advertisement for service provider;*80% draft 15 year review document developed	Target not achieved: 20% progress in the development 15 year review document : *10% Development of TOR; * 10% issueing out of advertisement for service provider	R500 000	R -	Delays in the appointment of the service provider	To expedite the appointment of the service provider
170	Promote a culture of participatory and good governance	Improved community confidence in the system of local government	State of municipal address	GGP/14/15/21		0 # of SOLMA conducted	SOLMA conducted	Target achieved: SOLMA conducted on the 13th June 2015 at Ga-Mashabela village	R 500 000	R 765 777	Insufficient budget allocated and hence virement was made to cover the shortfall	To increase the allocation in 2015/16 financial year
171	Promote a culture of participatory and good governance	Improved community confidence in the system of local government	Auditor General functions	GGP/14/15/8	R 1 000 000	R-value spent on External Auditing	R 2,000,000.00	Target exceeded: R2, 871,064	R2,500,000	R2, 871,064	Over expenditure due prolonged audit	Submit AFS with supporting evidence
172					40%	% implementation of 2013/14 AG respond Action plan on matters affecting finance Department as per their due dates	100% implementation of 2013/14 AG respond Action plan on matters affecting finance department as per their due dates	Target not achieved: 72% of issues resolved.	R -	R -	Opening balances still being investigated (for receivables and payables)	15% in progress and 13% relates to year end disclosure and to be restated when busy with financials.

KPA: Good Governance and Public Participation

Item no.	Strategic Objectives	Measurable Objectives	Projects	Project Number	2013/14 annual performance	KPI	Annual Target	Annual Performance	Budget	Expenditure	challenge	Mitigation
173	Promote a culture of participatory and good governance	Improved community confidence in the system of local government	Internal auditing	GGP/14/15/2	50%	% of internal audit findings addressed	100% of internal audit findings addressed	Target not achieved: 70% issues resolved	R -	R -	Delays in resolving issues raised, especially SCM.	Address risk in monthly basis through management meetings
174	Promote a culture of participatory and good governance	Improved community confidence in the system of local government	Functional Risk management committee	GGP/14/15/7	0%	% of identified risks mitigated as per their action plan due dates	100% of identified risks mitigated as per their action plan due dates	Target not achieved 60% issues mitigated	R -	R -	Delays in mitigations	Address risk in monthly basis through management meetings
175	Promote a culture of participatory and good governance	Improved community confidence in the system of local government	EXCO Makgotla programs	GGP/14/15/10	95%	% implementation of EXCO makgotla resolutions for Finance department implemented	100% implementation of EXCO makgotla resolutions for Finance Department implemented	Target achieved: 100% EXCO Makgotla resolutions resolved	R -	R -	NONE	NONE
176					100%	% implementation of Council resolution for Finance Department	100% implementation of Council resolution for Finance Department	Target not achieved: 75% of Council resolution for Finance Department implemented	R -	R -	Reviewed SCM policy not yet approved, submitted to EXCO	Conduct training to councillors on SCM policy
177	Promote a culture of participatory and good governance	Improved community confidence in the system of local government	EXCO Makgotla programs	GGP/14/15/10	100%	% implementation of EXCO makgotla resolutions for ELD department implemented	100% implementation of EXCO makgotla resolutions for ELD department	Target achieved: 100% implementation of EXCO makgotla resolutions	R -	R -	None	None
178					100%	% implementation of Council resolutions for ELD department implemented	100% implementation of Council resolutions for ELD department	Target achieved: 100% implementation of Council resolutions	R -	R -	None	None
179	Promote a culture of participatory and good governance	Improved community confidence in the system of local government	Internal Auditing	GGP/14/15/2	100%	% of internal audit findings addressed	100% of internal audit findings addressed	Target achieved: 100% of internal audit findings addressed	R -	R -	None	None
180	Promote a culture of participatory and good governance	Improved community confidence in the system of local government	Auditor General functions	GGP/14/15/8	0%	% implementation of 2013/14 AG action plan on ELD matters as per their due dates	100% implementation of 2013/14 AG action plan on ELD matters as per their due dates	Target achieved: 100% implementation of 2013/14 AG action plan	R -	R -	None	None
181	Promote a culture of participatory and good governance	Improved community confidence in the system of local government	Functional Risk management committee	GGP/14/15/7	New indicator	% of identified risks mitigated as per their action plan due dates	100% of identified risks mitigated as per their action plan due dates	Target achieved: 100% of identified risks mitigated	R -	R -	None	None
182	Promote a culture of participatory and good governance	Improved community confidence in the system of local government	Environment awareness campaigns	GGP/14/15/35	1	# of environment awareness campaigns facilitated	One environment awareness campaigns facilitated during Arbor day.	Target achieved: Arbor day held in the first quarter.	R 50 000	R 1 900	None	None
183	Promote a culture of participatory and good governance	Improved community confidence in the system of local government	Develop public participation strategy	GGP/14/15/23	0	Compilation of Public participation strategy documents	Compilation of Public participation strategy documents	Target achieved: Documents compiled and delivered	R 100 000	R -	None	None
184			Public participation programs	GGP/14/15/24	2	# of Public participation programmes engagements.	2 - Public participation programmes engagements.	Target achieved: 2 - Public participation programmes conducted: *IDP Forum Meeting held on 26/11/2014; *IDP Budget Consultative meetings held on 02 /03/2015 and 25 May 2015.	R 300 000	R 118 813	None	None
185	Promote a culture of participatory and good governance	Improved community confidence in the system of local government	Stipends for Ward committees	GGP/14/14/33	0	# ward management committee report submitted to council	4 - ward management committee report submitted to council	Target achieved: 4 ward management committee reports submitted to Council	R -	R -	None	None

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Item no.	Strategic Objectives	Measurable Objectives	Projects	Project Number	2013/14 annual performance	KPI	Annual Target	Annual Performance	Budget	Expenditure	challenge	Mitigation
186						0 # petition committee reports submitted to council	4 - petition committee reports submitted to council	Target exceeded: 5 petition committee reports submitted to council.	R -	R -	None	None
187						2 # of reports generated on the of establishment of project steering committee and appointment of CLO.	4 - of reports generated on the establishment of project steering committee and appointment of CLO.	Target achieved: 4 reports generated on the establishment of project steering committees and appointment of CLO's.	R -	R -	None	None
188	Promote a culture of participatory and good governance	Improved community confidence in the system of local government	Books replacement	GGP/14/15/37		314 # Number of new books purchased and acquired.	300 new books	Target exceeded: 899 Books purchased for Burgersfort, Ohrigstad and Mapodile libraries. 414 purchased by DSAC, 85 donated by Samancor, 400 purchased by GTM	R 300 000	R 236 672	None	None
189						3 # of Library programs conducted	2 Library programmes conducted: * Library week *Worldbook day	Target Exceeded: 08 Library programmes conducted : * 6 x Library outreaches; *1x Library week ; * 1x world book day	R 30 000	R 16 268	None	None
190	Promote a culture of participatory and good governance	Improved community confidence in the system of local government	Review of HIV/AIDS strategy	GGP/14/15/42		100% % progress in the review of HIV/AIDS strategy	100% progress in the review of HIV/AIDS strategy: * 25% consultative session with stakeholders; * 25% produce draft strategy; * 25% Submission to council; * 25% Duplication and distribution of final document	Target not achieved: 50% progress in the review of HIV/AIDS strategy: * 25% for Consultative session conducted on the 25/09/2014, * 25% draft strategy in place.	R 150 000	R -	Limited capacity in the Unit	Strategy to be finalised in the 2015/16 financial year
191	Promote a culture of participatory and good governance	Improved community confidence in the system of local government	Implementati on of HIV/AIDS programs	GGP/14/15/41	R	2 # of HIV/AIDS activities /events co-ordinated	2 HIV/AIDS activities /events co-ordinated	Target exceeded: 05 - HIV/AIDS activities /events co-ordinated: * World AIDS day on 07/12/14, * STI/Condom on 25/02/15 , * Launching of CAC and distribution of school uniform 28/03/15 , * Candlelight on 22/05/15 . *Cluster event on 30/09/14,	R 150 000	R 74 564	None	None
192						4 # of Local advisory council co-ordinated	4 Local advisory council co-ordinated	Target achieved: 14 Local advisory council co-ordinated	R -	R -	None	None
193	Promote a culture of participatory and good governance	Improved community confidence in the system of local government	Municipal HAST Directory	GGP/14/15/39		0% % Progress in the development of Municipal HAST directory	100% progress in the development of Municipal HAST directory: * 25% Convene LAC meeting and establish a task team; * 25%Collate data from task team members; * 25% Produce draft directory; * 25% Produce Final document	Target achieved: 50% progress made in the development of Municipal HAST directory:*25% for Consultative session of the 25/09/2014;* 25% collated data for directory	R 150 000	R 2 100	Limited capacity in the Unit	Municipal HAST directory to be finalised in the 2015/16 financial year
194	Promote a culture of participatory and good governance	Improved community confidence in the system of local government	Sport and recreation programs	GGP/14/15/40		3 # of cultural activities conducted	3x Arts and Culture programmes. *1x Pageantry. *1x Cultural Show/Festival *1x Indaba	Target exceeded: 04 Arts and Culture programmes: * Art and culture indaba on 20/09/14; * Cultural festival (Sekhukhune FET) on 21/09/14; *Miss Limpopo on 06/12/14; * Arts and Culture indaba on 30/06/15	R 150 000	R 80 118	None	None

KPA: Good Governance and Public Participation

Item no.	Strategic Objectives	Measurable Objectives	Projects	Project Number	2013/14 annual performance	KPI	Annual Target	Annual Performance	Budget	Expenditure	challenge	Mitigation
195						7 # of sporting events helds	6x sports events held: *1x Farm festival *1x Mayoral cup; *1x Indigenous games *1x Chess tournament; games; *1x Cricket Festival; *1x Rugby tournaments	Target not achieved: 04 x sports events held: * Chess and cricket tournament on 30/08/14; *Volley ball(Bogwasha) on 08/11/14; *Tennis(Bogwasha) 15/11/14 ; * Farm sports festival (Solomon Joubert) on 14/03/15	R 100 000	R 102 857	Depletion of the budget to execute the remaining programmes.	More funding to be allocated to this activity in future.
196	Promote a culture of participatory and good governance	Improved community confidence in the system of local government	Disaster implementation on plan	GGP/14/15/34	100%	% progress in the Implementation of Disaster plan	100% progress in the Implementation of Disaster plan: *60% Disaster mangement advisory meetings and resolutions implementation; *40% Disaster Awareness campaigns;	Target achieved: 100% progress in the Implementation of Disaster plan: *60% (7 x) Disaster advisory meetings held; *40% awareness campaign held during cluster event at Rasupi School on the 30/09/2014	R -	R -	Meetings were held at District and Provincial level and resolutions taken were District and Provincial implementation	Develop own Disaster management advisory meetings schedule in 2015/16 financial year
197					100%	% of reported disasters responded to within 12hours	100% of reported disasters/ incident responded to within 12hours	Target achieved: 100% of reported disasters/ incident responded to within 12hours. All 148 cases reported were attended to.	R -	R -	None	None
198					80%	% of disaster victims who Qualify for relief materials received the relief material within seven days	100% Qualifying victims provided with relief material within seven days	Target not achieved: 70% food parcels were given to the affected families during disaster relief at Appiesdooring	R -	R46001 for food parcels during disaster relief at Appiesdooring	Lack of proper planning	Disaster relief material to be procured in bulk and stored in the Municipality in future
199	Promote a culture of participatory and good governance	Improved community confidence in the system of local government	EXCO Makgotla programs	GGP/14/15/10	80%	% implementation of EXCO makgotla resolutions for Community Services Department implemented	100% implementation of EXCO makgotla resolutions for Community Services Department implemented	Target achieved: 100% Exco Makgotla resolutions implemented	R -	R -	None	None
200					50%	% implementation of Council resolution for Community Services Department	100% implementation of Council resolution for Community Services Department	Target achieved: 100% Council resolutions implemented	R -	R -	None	None
201	Promote a culture of participatory and good governance	Improved community confidence in the system of local government	Auditor General functions	GGP/14/15/8	50%	% implementation of 2013/14 AG action plan on community service matters as per their due dates	100% implementation of 2013/14 AG action plan on community services matters as per their due dates	Target achieved: 100% issues addressed pertaining to Community Services	R -	R -	None	None
202	Promote a culture of participatory and good governance	Improved community confidence in the system of local government	Internal Auditing	GGP/14/15/2	0%	% of internal audit findings addressed	100% of internal audit findings addressed	No issues raised for Community Services	R -	R -	None	None
203	Promote a culture of participatory and good governance	Improved community confidence in the system of local government	Functional Risk management committee	GGP/14/15/7	0%	% of identified risks mitigated as per their action plan due dates	100% of identified risks mitigated as per their action plan due dates	No risk related matter raised	R -	R -	None	None
204	Promote a culture of participatory and good governance	Improved community confidence in the system of local government	Bursaries for community (Bursary fund)	GGP/14/15/25	R 317 543	R- Value spent on external Bursary	R500 000 spent on external bursury	Target not achieved: R -	R 500 000	R -	drop out of learners ,learners not registered in the prescribed faculty	Engagement of department of education on curriculum advice
205	Improve organizational cohesion and effectiveness	Improved, effective and efficient municipal administration	Youth programs	GGP/14/15/26	3	# of youth programs implemented	7 - youth programs conducted: * 4x youth forum Quarterly meeting; * youth workshop on SMME; * youth consultative forum on drug and alcohol abuse; * Youth summit on youth empowerment; * Youth month celebration	Target not achieved: 6- youth programs conducted: *4X youth quarterly meetings; *1X strategic planning ;*1x youth consultative forum on drug and alcohol abuse;	R 150 000	R 157 772	The youth Council was disbanded and replaced with Task Teams	Re-establishment of Youth Council

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Item no.	Strategic Objectives	Measurable Objectives	Projects	Project Number	2013/14 annual performance	KPI	Annual Target	Annual Performance	Budget	Expenditure	challenge	Mitigation
206	Improve organizational cohesion and effectiveness	Improved, effective and efficient municipal administration	Special programs	GGP/14/15/27		# of elderly program implemented	6- elderly program conducted: * 4x elderly forum Quarterly meeting; * conduct strategic planning; * Consultative meeting	Target not achieved: 4 - elderly program conducted; *3x elderly forum meeting ; *1X strategic planning	R -	R 200 000	Insufficient out of Pocket allowance ,members cannot afford to pay transport cost	To increase meeting allowance
207						# of Gender programs implemented	7- Gender programs implemented: * 4x Gender forum Quarterly meeting; * conduct strategic planning; * 1x Men Indaba; *1X Women Indaba	Target not achieved: 5 - Gender programs implemented: *2x gender forum meetings held ,*1xstrategic Planning ,*1x Man Indaba , *1x women Indaba held	R 90 000	R 76 950	The Gender committee is dysfunctional	Review the committee as majority members are no longer participating
208						# of children programs implemented	5 - Children program implemented: * 4 x Stakeholder engagement meeting; * 1 X Task Team meeting	Target achieved: 5 - Children program implemented,*1x stakeholder engagment meeting ,*1 x task team meeting ,*1x launched children advisory committee, *1x strategic planning * 1xchildren committee meeting	R 50 000	R 38 750	None	None
209						# of Disability programs implemented	6 - Disability programs implemented: * 4x diasbility forum meetings held; * 1x Disability indaba; * workshop on inclusive education	Target not achieved: 5 - Disability programs implemented: *2 x forum meetings ,*1x Disability Indaba ,*2x special day celebration	R 200 000	R 162 759	Workshop timing was conflict with the programme of the department of Education	Alignment municipality disability with programme of the department of Education
210						# of moral regeneration movement program implemented	7 - moral regeneration movement program implemented: * 4x forum meetings; * 1x Strategic planning conducted ; * 2x consultative meeting	Target not achieved: 6 - moral regeneration movement program implemented: 4x forum meeting ,1x stakeholder meeting ,1x strategic planning	R 15 000	R 8 220	some members relocated to other municipalities and therefore committee could not perform as expected.	Review of the Moral regeneration committee
211	Improve organizational cohesion and effectiveness	Improved, effective and efficient municipal administration	Geographic names change	GGP/14/15/29		# of Geographic names committee program implemented	8 - Geographic names committee program implemented: * 4x forum meetings; * 4x consultative meeting held	Target not achieved: 2 - Geographic names committee program implemented: * 2x forum meetings	R 625 000	R 165 696	Confusion on location of the program	The program be located in Speakers Office and chief whip to monitor progress on quarterly basis
212	Promote a culture of participatory and good governance	Improved community confidence in the system of local government	IGR programs	GGP/14/15/30		# Batho Pele Campaigns held	4 Batho Pele Campaigns held	Target not achieved: 2 Batho Pele Campaigns held	R 200 000	R 300 000	Focus was on provincial Batho pele program in Tzaneen	Re- align the Batho pele program to give room for provincial event
213					100%	% of Presidential / Premiere hotline queries attended to	100% of Presidential / Premiere hotline queries attended to	Target achieved: 100% of presidential hotline attended	R -	R -	None	None
214						# of progress reports generated from matters raised through suggestion boxes/walk-ins	4 progress reports generated from matters raised through suggestion boxes/walk-ins	Target not achieved: 1 - reports on walkings and suggestion box	R -	R -	slow respond by community	Production of quarterly reports in 2015/16 financial year
215					New Indicator	% progress in the development of Municipal service standard	100% progress in the development of Municipal service standard: *25% TOR developed; * 25% stakeholder consultation; * 25% draft service standard developed; * 25% Submission of the services standard to council for approval	Target not achieved: 50% development of services standards ,25%TOR developed,25% draft developed,	R -	R -	Delays in the submission of the document to executive committee	Service standard has to serve in Executive committee
216					New Indicator	% Establishment of Help desk	100% progress in the establishment of help Desk: * 50%Training of staff on help desk; *25% Launching of the Help Desk; * 25% Operation of the help desk	Target not achieved: 50% establishment of helpdesk : 50% of training	R -	R -	Insufficient fund	The project funded by DBSA

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Item no.	Strategic Objectives	Measurable Objectives	Projects	Project Number	2013/14 annual performance	KPI	Annual Target	Annual Performance	Budget	Expenditure	challenge	Mitigation
217	Promote a culture of participatory and good governance	Improved community confidence in the system of local government	EXCO outreach program	GGP/14/15/28	New Indicator	# of Exco-outreaches held	4 Exco-outreaches held	Target achieved: 4 Exco-outreaches held* 1x 03 /10/2014 Leboeng ,1x 26/10/2014 Praktiser Airport,1x 26/10/2015 Stakeholder meeting,1x 13/04/2015 Maremele primary school.	R 80 000	R -	None	None
218	Promote a culture of participatory and good governance	Improved community confidence in the system of local government	Auditor General functions	GGP/14/15/8	50%	% implementation of 2013/14 AG action plan on corporate service matters as per their due dates	100% implementation of 2013/14 AG action plan on corporate services matters as per their due dates	Target not achieved: 95% implementation of AG action plan	R -	R -	Employee benefits not yet cost to be aligned with GL and AFS	Appointment of accredited Actuarials service provider to cost employee benefits
219			Internal Auditing	GGP/14/15/2	50%	% of internal audit findings addressed	100% of internal audit findings addressed	Target achieved: 95% internal audit findings addressed	R -	R -	None compliance to Leave policy and enforcement of compulsory leave to employees.	compliance to Leave policy and enforcement of compulsory leave to employees.
220			Functional Risk management committee	GGP/14/15/7	0%	% of identified risks mitigated as per their action plan due dates	100% of identified risks mitigated as per their action plan due dates	Target not achieved: 88% of identified risks mitigated as per their action plan due dates	R -	R -	Department runs without Head of Department	Fastrack the appointment of Head of Department for corporate services
221	Promote a culture of participatory and good governance	Improved community confidence in the system of local government	EXCO Makgotla programs	GGP/14/15/10	100%	% implementation of EXCO makgotla resolutions for Corporate service department implemented	100% implementation of EXCO makgotla resolutions for Corporate service Department implemented	Target not achieved: 97% implementation of EXCO makgotla resolutions for Corporate service Department implemented	R 108 000	R 62 276.97	Failure to conclude recruitment of employees within three months especially at senior management level	Review the recruitment and retention policies
222					100%	% implementation of Council resolution for Corporate service Department	100% implementation of Council resolution for Corporate service Department	Target not achieved: 97% implementation of Council resolution for Corporate service Department	R -	R -	Failure to conclude recruitment of employees within three months especially at senior management level	Review the recruitment and retention policies
223	Promote a culture of participatory and good governance	Improved community confidence in the system of local government	EXCO Makgotla programs	GGP/14/15/10	100%	% implementation of EXCO makgotla resolutions for Technical service Department implemented	100% implementation of EXCO makgotla resolutions for Technical service Department implemented	Target achieved: 100% implementation of EXCO makgotla resolutions for Technical service Department implemented	R -	R -	None	None
224					100%	% implementation of Council resolution for Technical service Department	100% implementation of Council resolution for Technical service Department	Target achieved: 100% implementation of Council resolution for Technical service Department	R -	R -	None	None
225	Promote a culture of participatory and good governance	Improved community confidence in the system of local government	Auditor General functions	GGP/14/15/8	0%	% implementation of 2013/14 AG action plan on Technical service matters as per their due dates	100% implementation of 2013/14 AG action plan on Technical services matters as per their due dates	Target achieved: 100% implementation of 2013/14 AG action plan on Technical services matters as per their due dates	R -	R -	None	None
226			Internal Auditing	GGP/14/15/2	100%	% of internal audit findings addressed	100% of internal audit findings addressed	Target achieved: 100% of internal audit findings addressed	R -	R -	Late completion of projects	Forward planning.
227			Functional Risk management committee	GGP/14/15/7	0%	% of identified risks mitigated as per their action plan due dates	100% of identified risks mitigated as per their action plan due dates	Target achieved: 100% of identified risks mitigated as per their action plan due dates	R -	R -	None	None

KPA: Spatial Rational

Item no.	Strategic Objectives	Measurable Objectives	Projects	Project Number	2013/14 annual performance	KPI	Annual Target	Annual Performance	Budget	Expenditure	challenge	Mitigation
238	Create a conducive environment for human settlement and business	Increased regulation on building, preserve the environment and ensure integrated planning	Acquisition for roads servitudes	SR/14/15/4	10% (Legal Facilitator appointed)	% progress in the acquisition of 24.5 hectare of land for Burgersfort by-pass/ western ring road	100% progress in the acquisition of 24.5 hectare of land for Burgersfort by-pass/ western ring road : * 20% Subdivision of affected land parcels; 20% Land valuation; 20% Negotiation and signing of agreements with affected land owners; 40% Registration and transfer of land to municipality	Target not achieved: 50% progress made in the acquisition of 24.5 hectare of land for Burgersfort by-pass/ western ring road : *20% subdivision of affected land parcels done; *20% land valuations(Market analysis completed; *10% land negotiations started)	R 3 300 000	R 233 322.39	Negotiations with affected land owners were severely delayed by administrative issues.	Expedite negotiations and finalise the project in the next financial year.
239			Ohrigstad development plan	SR/14/15/7	10% (Service Provider appointed)	% progress in the development of Ohrigstad development plan	100% progress in the development of Ohrigstad development plan (10%- Procurement of PSP; 10%- Project Inception; 30%- Status Quo Analysis; 15% Development Strategies & Framework; 25%- Draft Plan, Public Consultation & Implementation Plan; 10%- Council Adoption/ Approval)	Target not achieved: 78% progress made in the development of Ohrigstad development plan :10%- Project Inception done; *30%- Status Quo Analysis done; *15%- Draft Land Use System with Scheme clauses and maps), 23%- Draft Development Plan, Implementation Plan and public consultation	R 660 000	R 529 129	Conclusion of stakeholder consultations/ public participation delayed due to poor meeting attendance and postponements.	Targeted stakeholder mobilisation to be undertaken in the first quarter of the next financial year.
240	Create a conducive environment for human settlement and business	Increased regulation on building, preserve the environment and ensure integrated planning	Integrated human settlement feasibility study	SR/14/15/5	10% (Service Provider appointed)	% progress in development of municipal wide LUMS	100% progress in development of municipal wide LUMS: * 60% (10%- Inception; 40%- Status Quo Analysis and Updating of Cadastral, Land Use and Zoning information/ data); * 75% (15%- Draft Land Use System with Scheme clauses and maps); * 90% (15%- Public Participation- presentation to various stakeholders and acquiring their inputs;* 100% (10%- Promulgation)	Target not achieved: 90% progress made in development of municipal wide LUMS: 60%(*10%- Project Inception; *40%- Status Quo Analysis and Updating of Cadastral, Land Use and Zoning information/ data); 75%(*15%- Draft Land Use System with Scheme clauses and maps);*90%(15%- Public Participation- presentation to various stakeholders and acquiring their inputs)	R 800 000	R 533 390	Conclusion of stakeholder consultations/ public participation delayed due to poor meeting attendance and postponements.	Targeted stakeholder mobilisation to be undertaken in the first quarter of the 2015/16 financial year.
241	Create a conducive environment for human settlement and business	Increased regulation on building, preserve the environment and ensure integrated planning	Develop wall to wall land use management system	SR/14/15/2		50% % of non - compliance observed during properties audit addressed & referred.	100% of non - compliance observed during properties audit addressed & referred.	Target achieved: 100% of non - compliance observed during properties audit addressed: (114 inspections undertaken, no contravention discovered)	R -	R -	None	None
42						40% % of building contraventions identified during routine inspections addressed and referred	100% of building contraventions identified during routine inspections addressed and referred	Target achieved: 100% of building contraventions identified during routine inspections addressed:* 235 routine inspections conducted; *22 contraventions detected; * 22 notices issued and complied with.	R -	R -	None	None
243	Create a conducive environment for human settlement and business	Increased regulation on building, preserve the environment and ensure integrated planning	Demarcation of site (Township Establishment)	SR/14/15/3	120 days	% of section 96,99 & 100 of Ordinance 15 of 1986 applications processed (approved/ disapproved/ referred back)within 120 days.	100% of section 96,99 & 100 of Ordinance 15 of 1986 applications processed (approved/ disapproved/ referred back)within 120 days.	Target achieved: 100% of section 96,99 & 100 of Ordinance 15 of 1986 applications processed within 120 days. (8 applications received: 3 approved, 5 in process)	R -	R -39 802	Objections received on 2 applications	Adhoc Tribunal Committee to be established to adjudicate the objections
244			Demarcation of site(Rezoning)	SR/14/15/3	120 days	% of section 56 of Ordinance 15 of 1986 applications processed (approved/ disapproved/ referred back) within 120 days.	100% of section 56 of Ordinance 15 of 1986 applications processed (approved/ disapproved/ referred back) within 120days.	Target achieved: 100% of section 56 of Ordinance 15 of 1986 applications processed within 120days. (13 applications received processed within 120 days)	R -	R -21 560	None	None

KPA: Spatial Rational

Item no.	Strategic Objectives	Measurable Objectives	Projects	Project Number	2013/14 annual performance	KPI	Annual Target	Annual Performance	Budget	Expenditure	challenge	Mitigation
245	Create a conducive environment for human settlement and business	Increased regulation on building, preserve the environment and ensure integrated planning	Demarcation of site (Subdivision and Consolidation)	SR/14/15/3	120 days	% of section 92 (1) (a) & (b) of Ordinance 15 of 1986 and section 6 of Ordinance 20 of 1986 applications processed (approved/ disapproved/ referred back)within 120 days.	100% of section 92 (1) (a) & (b) of Ordinance 15 of 1986 and section 6 of Ordinance 20 of 1986 applications processed (approved/ disapproved/ referred back)within 120 days.	Target achieved: 100% of section 92 (1) (a) & (b) of Ordinance 15 of 1986 and section 6 of Ordinance 20 of 1986 applications processed within 120 days. (5 applications received and processed within 120 days)	R -	R -4 977	None	None
246			Demarcation of site (Consent Uses)	SR/14/15/3	120 days	% of clause 21 & 22 of GTM LUMS 2006, Peri Urban Areas Town Planning Scheme 1975 and other land use regulations (R293/ 1962; R188/ 1969 and/or Act 125 of 1967 as amended) applications processed (approved/ disapproved/ referred back) within 120days.	100% of clause 21 & 22 of GTM LUMS 2006, Peri Urban Areas Town Planning Scheme 1975 and other land use regulations (R293/ 1962; R188/ 1969 and/or Act 125 of 1967 as amended) applications processed (approved/ disapproved/ referred back) within 120days.	Target achieved: 100% of clause 21 & 22 of GTM LUMS 2006, Peri Urban Areas Town Planning Scheme 1975 and other land use regulations (R293/ 1962; R188/ 1969 and/or Act 125 of 1967 as amended) applications processed within 120days. (31 applications received and processed within 120 days)	R -	R -30 280	None	None
247	Create a conducive environment for human settlement and business	Increased regulation on building, preserve the environment and ensure integrated planning	Demarcation of site (Site Development Plans & Temporary Consents)	SR/14/15/3	120 days	% of 17 and 23 of GTM LUMS 2006 applications processed (approved/ disapproved/ referred back) within 30 days.	100% of 17 and 23 of GTM LUMS 2006 applications processed (approved/ disapproved/ referred back) within 30 days.	Target achieved: 100% of 17 and 23 of GTM LUMS 2006 applications processed approved within 30 days. (7 Site Development Plan received and approved within 30 days)	R -	R -9 167	None	None
248	To ensure intergrated sustainable human settlement		Demarcation of site(Building Plans)		30 days	% of Building plan received approved/disapproved within 30/60 days	100% of Building plan received approved/disapproved within 30/60 days	Target achieved: 100% of Building plan received approved within 30/60 days: *94 building plans received and approved within 30/60 days. 78 were <500 square meters and 16 were >500 square meters. 45 building plans all<500 square meters were approved.	R-392 645. 80	R -	49 building plans did not meet the requirements hence not approved.	Provide check list to the applicants/clients
249	Eradicate backlogs in order to improve access to services and ensure proper maintenance.	Improved social protection, education and health outcomes	Intergrated Human settlement feasibility study	SR/14/15/5	New indicator	% progress in development of Human Settlement Feasibility Study	20% progress in the development of intergrated Human Settlement feasibility study; *10% Development of TOR and advertising; *10% of appointment of services provider	Target not achieved: 0%	R1.7m	R -	The project has been put in abeyance pending the finalisation of housing sector plan.	The housing master plan has to be done prior to the development of integrated human settlement feasibility study.



South Africa's first democratic platinum city

Greater Tubatse Municipality

(Registration number Lim 475)

Annual Financial Statements
for the year ended 30 June 2015

Greater Tubatse Municipality

(Registration number Lim 475)

Trading as Greater Tubatse LM

Annual Financial Statements for the year ended 30 June 2015

General Information

Legal form of entity

Local Municipality

Mayoral committee

The Mayor

Cllr R S Mamekoa

The Speaker

Cllr Q M Moeng

The Chief Whip

Cllr S M Nkosi

Councillors

Cllr M M Mabelane

Cllr N D Mphethi

Cllr M E Mogofe

Cllr M L Mabilu

Cllr R F Lourens

Cllr L D Moraba

Cllr N M Moropane

Cllr P A Mohlala

Cllr P C Sekgobela

Cllr M E Makgoga

Cllr M P Makine

Cllr M R Mashabela

Cllr M A Malatji

Cllr D Kgoete

Cllr B E Hlatshwayo

Cllr M R Riba

Cllr M S Hlongwa

Cllr D P Nkwana

Cllr N C Moropane

Cllr M T Lesinya

Cllr D M Magane

Cllr L R Maroga

Cllr K V Mphofelo

Cllr K M Maile

Cllr M C Komane

Cllr M E Riba

Cllr P J Hlatshwayo

Cllr M N Thobejane

Cllr A W Mbuyane

Cllr S S Kgoete

Cllr A S Maepa

Cllr A M Shai

Cllr N M Tshehla

Cllr L J Rantho

Cllr T D Komane

Cllr J B Sekgobela

Cllr N L Selahle

Cllr L C Tau

Cllr K J Mogale

Cllr J L Kgwedi

Cllr E Maleka

Cllr I T Makofane

Cllr R R Manotwane

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Annual Financial Statements for the year ended 30 June 2015

General Information

	Cllr R L Makofane
	Cllr P E Malapane
	Cllr S M Malatjie
	Cllr M R Khoza
	Cllr S I Selala
	Cllr M D Thobejane
	Cllr P M Mahlaba
	Cllr R Makhubedu
	Cllr S C Mphogo
	Cllr M D Nkosi
	Cllr O S Serothwane
	Cllr K J Moraba
	Cllr A D Ngwatle
	Cllr M M Mametja
	Cllr N J Mahlake
Grading of local authority	Grade 4
Accounting officer	Mohlala J N T
Acting Chief Finance Officer (ACFO)	Mhangwana D
Registered office	Greater Tubatse Municipality
Business address	1 Kastania Street Burgersfort 1150
Postal address	P. O. Box 206 Burgersfort 1150
Auditors	Auditor General South Africa
Nature of business and principal activities	Municipality
Bankers	First National Bank Burgersfort
Attorneys	Noko Maimela Incorporated Attorneys

Greater Tubatse Municipality

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Annual Financial Statements for the year ended 30 June 2015

Index

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

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Statement of Financial Position	8
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Statement of Financial Performance	9
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Abbreviations

COID	Compensation for Occupational Injuries and Diseases
DBSA	Development Bank of South Africa
SA GAAP	South African Statements of Generally Accepted Accounting Practice
GRAP	Generally Recognised Accounting Practice
IAS	International Accounting Standards
IMFO	Institute of Municipal Finance Officers
IPSAS	International Public Sector Accounting Standards
ME's	Municipal Entities
MEC	Member of the Executive Council
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant

Greater Tubatse Municipality

(Registration number LIm 475)

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Unaudited Annual Financial Statements for the year ended 30 June 2015

Accounting officer's Responsibilities and Approval

The accounting officer is required by the Municipal Finance Management Act (Act 56 of 2003), to maintain adequate accounting records and is responsible for the content and integrity of the unaudited annual financial statements and related financial information included in this report. It is the responsibility of the accounting officer to ensure that the unaudited annual financial statements fairly present the state of affairs of the municipality as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the unaudited annual financial statements and was given unrestricted access to all financial records and related data.

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

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

The accounting officer acknowledges that he is ultimately responsible for the system of internal financial control established by the municipality and place considerable importance on maintaining a strong control environment. To enable the municipality to meet these responsibilities, the accounting officer sets standards for internal control aimed at reducing the risk of error or deficit in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the municipality and all employees are required to maintain the highest ethical standards in ensuring that the municipality's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the municipality is on identifying, assessing, managing and monitoring all known forms of risk across the municipality. While operating risk cannot be fully eliminated, the municipality endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

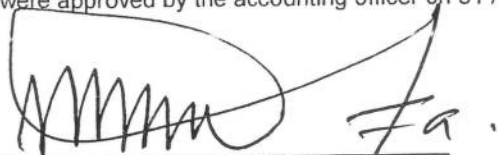
The accounting officer is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the unaudited annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

The accounting officer has reviewed the municipality's cash flow forecast for the year to 30 June 2016 and, in the light of this review and the current financial position, he is satisfied that the municipality has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently reviewing and reporting on the municipality's unaudited annual financial statements.

I certify that the salaries, allowances and benefits of Councillors, loans made to Councillors, if any, and payments made to Councillors for loss of office, if any, as disclosed in note 27 of these annual financial statements are within the upper limits of the framework envisaged in Section 219 of the Constitution, read with the Remuneration of Public Officer Bearers Act and the Minister of Provincial and Local Government's determination in accordance with this Act.

The unaudited annual financial statements set out on pages 6 to 52, which have been prepared on the going concern basis, were approved by the accounting officer on 31 August 2015 and were signed on its behalf by:



Municipal Manager

31/8/2015

Date

Greater Tubatse Local Municipality

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Unaudited Annual Financial Statements for the year ended 30 June 2015

Audit Committee Report

We are pleased to present our report for the financial year ended 30 June 2015.

Audit committee members and attendance

Greater Tubatse Local Municipality used Greater Sekhukhune District Municipality's Audit and Performance Committee until in May 2015, when an Audit & Performance Committee was appointed. The Audit Committee consists of the members listed hereunder and should meet at least 4 times per annum as per its approved terms of reference. During the current year, the new Audit Committee two (2) number of meetings were held.

Name of member & number of meetings attended

1. Adv. Letsepe Thubakgale (Chairperson) - 2/2
2. Adv. Tebogo Martin Malatji - 1/2
3. Mr. Joseph Nakedi Mpyana - 1/2
4. Mr. Siyakhula Simelane - 1/2

Audit committee responsibility

The audit committee reports that it has complied with its responsibilities arising from section 38(10)(1) of the PFMA and Treasury Regulation 3.1.

The audit committee also reports that it has adopted appropriate formal terms of reference as its audit committee charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

The effectiveness of internal control

The system of internal controls applied by the municipality over financial and risk management is effective, efficient and transparent. In line with the PFMA and the King III Report on Corporate Governance requirements, Internal Audit provides the audit committee and management with assurance that the internal controls are appropriate and effective. This is achieved by means of the risk management process, as well as the identification of corrective actions and suggested enhancements to the controls and processes. From the various reports of the Internal Auditors, the Audit Report on the annual financial statements, and the management report of the Auditor-General South Africa, it was noted that no matters were reported that indicate any material deficiencies in the system of internal control or any deviations therefrom. Accordingly, we can report that the system of internal control over financial reporting for the period under review was efficient and effective.

Evaluation of annual financial statements

The audit committee has:

- reviewed and discussed the audited annual financial statements to be included in the annual report, with the Auditor-General and the Accounting Officer;
- reviewed the Auditor-General of South Africa's management report and management's response thereto;
- reviewed changes in accounting policies and practices ;
- reviewed the entities compliance with legal and regulatory provisions;
- reviewed significant adjustments resulting from the audit.

The audit committee concur with and accept the Auditor-General of South Africa's report the annual financial statements, and are of the opinion that the audited annual financial statements should be accepted and read together with the report of the Auditor-General of South Africa.

Internal audit

The audit committee is satisfied that the internal audit function is operating effectively and that it has addressed the risks pertinent to the municipality and its audits.

Auditor-General of South Africa

The audit committee has met with the Auditor-General of South Africa to ensure that there are no unresolved issues.

Adv. Letsepe Thubakgale
Chairperson of the Audit Committee
Date:

Greater Tubatse Municipality

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Annual Financial Statements for the year ended 30 June 2015

Accounting Officer's Report

The accounting officer submits the report for the year ended 30 June 2015.

1. Review of activities

Main business and operations

The municipality is engaged in municipal activities such as rates, refuse and other services and operates principally in South Africa.

Net surplus of the municipality was R 22,094,378 (2014: surplus R 6,204,801).

2. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business. Refer to Note 42.

3. Subsequent events

The accounting officer is not aware of any subsequent event after reporting date which may negatively impact on the annual financial statements except the proclamation by the President of the RSA to conduct an investigation into certain matters in respect of the affairs of the Greater Tubatse Municipality. Proclamation R.51 of 2014 as published in Government Gazette .

4. Accounting officer's interest in contracts

The accounting officer did not declare any interests in contracts of the Municipality.

5. Accounting policies

The annual financial statements were prepared in accordance with the prescribed Standards of Generally Recognised Accounting Practices (GRAP) issued by the Accounting Standards Board as the prescribed framework by National Treasury.

6. Accounting officer

The accounting officer of the municipality during the year and to the date of this report are as follows:

Name	Nationality	Changes
Monyepoa M A	RSA	1 July 2014 to 31 August 2014
Moja M M	RSA	8 September 2014 to 28 April 2015
Ramaipadi M A	RSA	14 May 2015 to 30 June 2015

Mr JNT Mohlala was appointed as the Municipal Manager on 1 July 2015.

Greater Tubatse Municipality

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Annual Financial Statements for the year ended 30 June 2015

Accounting Officer's Report

7. Corporate governance

General

The accounting officer is committed to business integrity, transparency and professionalism in all its activities. As part of this commitment, the accounting officer supports the highest standards of corporate governance and the ongoing development of best practice.

Councillors

The councillors:

- retains full control over the municipality, its plans and strategy;
- acknowledges its responsibilities as to strategy, compliance with internal policies, external laws and regulations, effective risk management and performance measurement, transparency and effective communication both internally and externally by the municipality;
- is of a unitary structure comprising:
 - > - Mayor
 - > - Speaker
 - > - Councillors, and
 - > - Executive councillors.

Chairperson and chief executive

The roles of the Mayor and Municipal Manager are separate, with responsibilities divided between them, so that no individual has unfettered powers of discretion. The Council and Mayor performs their oversight role and duties in terms of the prescribed legislation and delegated authorities.

Audit committee

For the last 6(six) months of the current financial year the chairperson of the audit committee was Mr K.M Ramukumba (non-executive director/ independent audit committee member) and for the first 6(six) months it was Mr A Dzuguda, who is an independent audit committee member. The committee met 4 times during the financial year to review matters necessary to fulfil its role.

The audit committee comprises of the following members appointed as a shared audit with Sekhukhune District Municipality as from the 24 January 2014. Ms SV Mabilane, Mr L. Langalibalela, Mr P.R Mnisi and Mrs S.M Makinta. The term of the audit committee will expired on 25 January 2015 as per memorandum of understanding between GTM and Sekhukhune District Municipality. .

8. Bankers

The municipality banks primarily with First National Bank Limited.

9. Auditors

Auditor General South Africa will continue in office for the next financial period.

Greater Tubatse Municipality

(Registration number Lim 475)

Trading as Greater Tubatse LM

Annual Financial Statements for the year ended 30 June 2015

Statement of Financial Position as at 30 June 2015

Figures in Rand	Notes	2015	2014 Restated*
Assets			
Current Assets			
Inventories	7	653,606	-
Receivables from exchange transactions	8	2,272,837	1,437,356
Receivables from non-exchange transactions	9	3,524,337	4,313,093
VAT receivable	10	864,049	-
Consumer debtors from exchange transactions	11	18,063,155	26,620,472
Consumer debtors from non-exchange transactions	11	92,375,995	55,508,206
Cash and cash equivalents	12	197,254,625	108,741,758
		315,008,604	196,620,885
Non-Current Assets			
Investment property	3	148,135,000	120,255,400
Property, plant and equipment	4	1,342,587,248	1,434,158,808
Intangible assets	5	136,698	230,884
		1,490,858,946	1,554,645,092
Total Assets		1,805,867,550	1,751,265,977
Liabilities			
Current Liabilities			
Other financial liabilities	13	831,120	831,120
Finance lease obligation	14	2,183,722	2,004,394
Operating lease liability	38	17,477,049	16,277,388
Payables from exchange transactions	17	52,402,609	44,812,754
VAT payable	18	821,729	2,308,908
Consumer deposits	19	-	1,192,319
Unspent conditional grants and receipts	15	39,553,395	15,568
Provisions	16	5,370,000	5,597,536
		118,639,624	73,039,987
Non-Current Liabilities			
Other financial liabilities	13	15,079,370	14,633,682
Finance lease obligation	14	28,321	2,212,042
Employee benefit obligation	6	14,931,000	21,264,000
Provisions	16	7,014,762	6,073,897
		37,053,453	44,183,621
Total Liabilities		155,693,077	117,223,608
Net Assets		1,650,174,473	1,634,042,369
Accumulated surplus		1,650,174,473	1,634,042,369

* See Note 41

Greater Tubatse Municipality

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Annual Financial Statements for the year ended 30 June 2015

Statement of Financial Performance

Figures in Rand	Note(s)	2015	2014 Restated*
Revenue			
Revenue from exchange transactions			
Service charges	22	8,730,813	7,984,926
Rental of facilities and equipment	34	420,071	557,171
Licences and permits		6,738,786	6,413,748
Fees earned		652,491	648,495
Commissions received		-	4,839,601
Other income		943,204	667,280
Interest received - investment		7,209,049	5,783,951
Total revenue from exchange transactions		24,694,414	26,895,172
Revenue from non-exchange transactions			
Taxation revenue			
Property rates	21	75,360,585	70,009,714
Property rates - penalties imposed	21	7,621,393	5,383,223
Transfer revenue			
Government grants & subsidies	23	313,483,339	226,471,252
Traffic fines		1,829,100	1,525,450
Total revenue from non-exchange transactions		398,294,417	303,389,639
Total revenue	20	422,988,831	330,284,811
Expenditure			
Employee related costs	26	(96,588,554)	(85,441,511)
Remuneration of councillors	27	(18,122,309)	(17,715,494)
Depreciation and amortisation	30	(106,169,596)	(105,656,302)
Impairment loss/ Reversal of impairments	31	(20,692,786)	(967,571)
Finance costs	32	(4,630,363)	(2,037,404)
Debt Impairment	28	(17,908,037)	(1,800,000)
Repairs and maintenance		(5,367,590)	(6,726,494)
Contracted services	35	(17,795,002)	(13,404,989)
Transfers and Subsidies	36	(3,734,692)	(3,581,027)
General Expenses	25	(143,522,324)	(42,935,905)
Total expenditure		(434,531,253)	(332,067,610)
Operating deficit		(11,542,422)	(1,782,799)
Loss on disposal of assets and liabilities		(22,842,801)	-
Fair value adjustments Investment Properties	29	48,790,600	4,140,600
Actuarial Gains and Losses Post Employment Benefits	6	7,689,000	3,847,000
		33,636,799	7,987,600
Surplus for the year		22,094,377	6,204,801

* See Note 41

Greater Tubatse Municipality

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Annual Financial Statements for the year ended 30 June 2015

Statement of Changes in Net Assets

Figures in Rand	Accumulated surplus	Total net assets
Balance at 01 July 2013	1,627,837,568	1,627,837,568
Changes in net assets		
Surplus for the year	6,204,801	6,204,801
Total changes	6,204,801	6,204,801
Restated* Balance at 01 July 2014	1,628,080,094	1,628,080,094
Changes in net assets		
Surplus for the year	22,094,379	22,094,379
Total changes	22,094,379	22,094,379
Balance at 30 June 2015	1,650,174,473	1,650,174,473

* See Note 41

Greater Tubatse Municipality

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Annual Financial Statements for the year ended 30 June 2015

Cash Flow Statement

Figures in Rand	Notes	2015	2014 Restated*
Cash flows from operating activities			
Receipts			
Sale of goods and services		9,433,089	13,126,295
Grants		313,483,339	226,471,252
Interest income		7,209,049	5,783,951
		<u>330,125,477</u>	<u>245,381,498</u>
Payments			
Employee costs		(114,710,863)	(103,157,005)
Suppliers		(67,053,780)	(84,519,932)
Finance costs		(3,986,838)	(2,037,404)
		<u>(185,751,481)</u>	<u>(189,714,341)</u>
Net cash flows from operating activities	37	<u>144,373,996</u>	<u>55,667,157</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	4	(55,502,084)	(29,253,076)
Purchase of other intangible assets	5	-	(173,500)
Net cash flows from investing activities		<u>(55,502,085)</u>	<u>(29,426,576)</u>
Cash flows from financing activities			
Repayment of other financial liabilities		445,688	(1,227,087)
Finance lease payments		(2,004,393)	(2,557,367)
Proceeds from operating leases		1,199,661	-
Net cash flows from financing activities		<u>(359,044)</u>	<u>(3,784,454)</u>
Net increase/(decrease) in cash and cash equivalents		88,512,867	22,456,127
Cash and cash equivalents at the beginning of the year		108,741,758	86,285,631
Cash and cash equivalents at the end of the year	12	<u>197,254,625</u>	<u>108,741,758</u>

* See Note 41

Greater Tubatse Local Municipality

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Trading as Greater Tubatse LM

Unaudited Annual Financial Statements for the year ended 30 June 2015

Statement of Comparison of Budget and Actual Amount for the ended 30 June 2015

Description	Approved Budget		Adjustment Budget		Final Budget Actual		Variance		Narratives
	R	R	R	R	R	R	%		
FINANCIAL PERFORMANCE									
Property rates	55,120,000		12,880,000		68,000,000	85,792,922	-17,792,922	-26%	The Municipality collected more revenue than anticipated due vast developments in the area
Service charges	5,160,000		3,840,000		9,000,000	8,730,813	269,187	3% n/a	
Government grants & subsidies – operating	189,017,800		0		189,017,800	183,931,618	5,086,182	3% n/a	The Municipality equitable share for the second trench and MIG grants were withheld for some time hence money was not invested as planned.
Government grants & subsidies – capital	215,275,000		0		215,275,000	129,551,721	85,723,279	40%	The Municipality recognised traffic fines in terms of fGRAP1 retrospectively and was not anticipated in the budget process.
Fines	300,500		0		300,500	1,829,100	-1,528,600	-509%	The Municipality transferred R56million from the call account to a fixed deposit account that attracted a higher interest rate.
Interest earned External investment	3,392,000		0		3,392,000	4,215,428	-823,428	-24%	The amount of debt increased due to poor collection, debt collectors did not perform as expected.
Interest Earned –Outstanding debtors	4,450,000		2,000,000		6,450,000	1,045,723	5,404,277	84%	The Municipality cancelled some lease agreement hence less collection than anticipated.
Rental of facilities and equipment	650,000		0		650,000	420,071	229,929	35%	An amount of R10million for the establishment of parks and nursery was not received.
Other revenue	23,761,000		-2,189,000		21,572,000	10,960,916	10,611,084	49%	Additional rebates were calculated as the Municipality collected more property rates than anticipated due vast developments in the area.
Income foregone	-1,300,000		0		-1,300,000	-2,810,944	1,510,944	-116%	
TOTAL REVENUE	495,826,300		16,531,000		512,357,300	423,667,368	88,689,932	17%	
EXPENDITURE									
Employee related costs	86,124,138		-4,072,948		82,051,190	79,662,234	2,388,956	3% n/a	
Employee Social Contribution	19,522,261		-742,274		18,779,987	16,926,320	1,853,667	10% n/a	
Remuneration of councillors	17,034,360		197,464		17,231,824	18,122,309	-890,485	-5% n/a	Poor spending was as a result of PPP project on waste which could not kick-start as anticipated, project builder fail to secure project funding and the project has to be re-evaluated.
General expenses	96,488,528		9,947,153		106,435,681	165,945,967	-59,510,286	-56%	A contract for the appointment of security services was earmarked to kick-start with the new rates and that did not happen and as such affected the spending.
General Expenses- Contracted Services	23,740,000		7,500,000		31,240,000	17,795,002	13,444,998	43%	
Interest Expenses-External Borrowings	1,500,000		0		1,500,000	4,630,363	-3,130,363	-209%	This happened due to decline in interest rates during the financial year Fleet management was moved to the assets management unit and there was an increased management of assets hence less expenditure
Repairs & maintenance	6,192,000		3,550,000		9,742,000	5,367,590	4,374,410	45%	The Municipality spent less on electricity charges by other departments
Inter-Departmental charges	3,000,000		0		3,000,000	2,682,371	317,629	11%	The correction of prior period errors and the use of asset management professionals judgement and interpretation of GRAP 17 resulted in a higher depreciation figure that anticipated.
Depreciation	4,800,000		0		4,800,000	106,169,596	-101,369,596	-2112%	The contribution to the bad debt for the current year was higher than anticipated after taking into account the correct interpretation of GRAP 19.
Contributions to bad debt	2,700,000		0		2,700,000	17,908,037	-15,208,037	-563%	
TOTAL EXPENDITURE	261,101,287		16,379,395		277,480,682	435,209,789	-157,729,107	-57%	
Operating Surplus / (Deficit)	234,725,013		151,605		234,876,618	-11,542,421	246,419,039	1	

An explanation of significant variances greater than 10% is given.

Greater Tubatse Municipality

(Registration number Lim 475)

Trading as Greater Tubatse LM

Annual Financial Statements for the year ended 30 June 2015

Accounting Policies

1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 122(3) of the Municipal Finance Management Act (Act 56 of 2003).

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand.

Assets, liabilities, revenues and expenses were not offset, except where offsetting is either required or permitted by a Standard of GRAP.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these annual financial statements, are disclosed below.

1.1 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement are inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include:

Trade receivables

The municipality assesses its trade receivables, for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit, the municipality makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

Impairment of trade and other receivables

The calculation in respect of the impairment of debtors is based on an assessment of the extent to which debtors have defaulted on payments already due, and an assessment of their ability to make payments based on their payment history. Debtors will be analysed in terms of concentrations of individual risk classes showing each individual ageing.

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note 16.

The cost of defined benefit pension plans and other employment medical benefits is determined using actuarial valuations.

The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty. Additional information is disclosed in note 6.

Classification as investment property

The municipality has reviewed its property portfolio and determined which items of land and buildings are held to earn rental revenue or for capital appreciation. Land and buildings fulfilling these requirements have been classified as investment property, whilst the remainder of the portfolio has either been classified as property, plant and equipment or inventory depending on management's intention in dealing with these properties.

Depreciation and carrying value of items of property, plant and equipment

The estimation of the useful lives of assets is based on management's judgment. Management considers the impact of technology, availability of capital funding, service requirements, and required return on assets to determine the optimum useful life expectation, where appropriate. The estimation of residual values of assets is also based on management's judgment whether the assets will be sold or used to the end of their useful lives, and what their condition will be at that time.

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Accounting Policies

1.2 Investment property

Investment property is initially recognised at cost. Transaction costs are capitalised to the initial cost.

Subsequent to initial measurement investment property is measured at fair value.

A gain or loss arising from a change in fair value is included in net surplus or deficit for the period in which it arises.

The fair value of investment property reflects estimated market conditions at the reporting date whilst provisional amounts reflect the amounts determined using a reasonable basis such as a valuation roll.

Once the entity becomes able to measure reliably the fair value of an investment property under construction that has previously been measured at cost, it measures that property at its fair value. Once construction of that property is complete, it is presumed that fair value can be measured reliably. If this is not the case, the property is accounted for using the cost model in accordance with the accounting policy on Property, plant and equipment.

Compensation from third parties for investment property that was impaired, lost or given up is recognised in surplus or deficit when the compensation becomes receivable.

Property interests held under operating leases are classified and accounted for as investment property in the following circumstances:

1.3 Property, plant and equipment

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use.

Property, plant and equipment are initially measured at cost or fair value. Subsequent measurement of property, plant and equipment is measured at fair value.

Property, plant and equipment are carried at cost or fair value less accumulated depreciation and any impairment losses.

Property, plant and equipment are depreciated on the straight line basis over their expected useful lives to their estimated residual value.

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

Item	Average useful life
Buildings	30
Furniture and fixtures	5-10
Motor vehicles	7-10
Office equipment	5-7
IT equipment	5
Emergency equipment	5-10
Refuse tankers	5-10
Infrastructure	5-200
Roads and stormwater	5-150
Refuse	20-50
Community	5-100
Buildings	20-100
Recreational facilities	20-30
Security	5-10
Halls	20-30
Libraries	20-30
Parks and gardens	15-20
Other assets	15-30

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Accounting Policies

1.3 Property, plant and equipment (continued)

Other property, plant and equipment	2-100
Specialist vehicles	10-35
Other vehicles	5-30
Office furniture	3-15
Furniture and fittings	5-20
Watercraft	15-30
Bins and containers	5-15
Specialised plant and equipment	5-35
Other plant and equipment	2-25
Landfill sites	20-100
Quarries	20-100
Emergency equipment	5-25
Computer equipment	3-15
Land	1000

The residual value, and the useful life and depreciation method of each asset are reviewed at the end of each reporting date. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

Reviewing the useful life of an asset on an annual basis does not require the entity to amend the previous estimate unless expectations differ from the previous estimate.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

1.4 Intangible assets

An asset is identifiable if it either:

- is separable, i.e. is capable of being separated or divided from an entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the entity intends to do so; or
- arises from binding arrangements (including rights from contracts), regardless of whether those rights are transferable or separable from the municipality or from other rights and obligations.

A binding arrangement describes an arrangement that confers similar rights and obligations on the parties to it as if it were in the form of a contract.

An intangible asset is recognised when:

- it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the municipality; and
- the cost or fair value of the asset can be measured reliably.

The municipality assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.

Where an intangible asset is acquired through a non-exchange transaction, its initial cost at the date of acquisition is measured at its fair value as at that date.

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

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Accounting Policies

1.4 Intangible assets (continued)

An intangible asset arising from development (or from the development phase of an internal project) is recognised when:

- it is technically feasible to complete the asset so that it will be available for use or sale.
- there is an intention to complete and use or sell it.
- there is an ability to use or sell it.
- it will generate probable future economic benefits or service potential.
- there are available technical, financial and other resources to complete the development and to use or sell the asset.
- the expenditure attributable to the asset during its development can be measured reliably.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

Internally generated goodwill is not recognised as an intangible asset.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

Item	Useful life
Computer software	3-10 years

Intangible assets are derecognised:

- on disposal; or
- when no future economic benefits or service potential are expected from its use or disposal.

1.5 Financial instruments

Classification

The municipality classifies financial assets and financial liabilities into the following categories:

- Cash and cash equivalents
- Trade receivables
- Financial assets measured at amortised cost

Classification depends on the purpose for which the financial instruments were obtained / incurred and takes place at initial recognition. Classification is re-assessed on an annual basis.

Initial recognition and measurement

Financial instruments are initially recognised at fair value including any transactions costs.

Subsequent measurement

Financial instruments at fair value through surplus or deficit are subsequently measured at fair value, with gains and losses arising from changes in fair value being included in surplus or deficit for the period.

Financial liabilities at amortised cost are subsequently measured at amortised cost, using the effective interest method.

Impairment of financial assets

At each end of the reporting period the municipality assesses all financial assets, other than those at fair value through surplus or deficit, to determine whether there is objective evidence that a financial asset or group of financial assets has been impaired.

For amounts due to the municipality, significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default of payments are all considered indicators of impairment.

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Accounting Policies

1.5 Financial instruments (continued)

Impairment losses are recognised in surplus or deficit.

Impairment losses are reversed when an increase in the financial asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to the restriction that the carrying amount of the financial asset at the date that the impairment is reversed shall not exceed what the carrying amount would have been had the impairment not been recognised.

Reversals of impairment losses are recognised in surplus or deficit except for equity investments classified as available-for-sale.

Financial assets impaired through use of an allowance account are recognised in surplus or deficit within operating expenses, when such assets are written off, the write off is made against the relevant allowance account. Subsequent recoveries of amounts previously written off are credited against operating expenses.

Financial instruments designated as at fair value through surplus or deficit

All financial instruments are initially measured at fair value. The financial instruments are subsequently recognised at fair value through profit and loss.

Receivables from exchange transactions

Receivables from exchange transactions comprise of:

- Trade debtors

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in surplus or deficit when there is objective evidence that the asset is impaired. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 90 days overdue) are considered indicators that the trade receivable is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the deficit is recognised in surplus or deficit within operating expenses. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against operating expenses in surplus or deficit.

Trade and other receivables are classified as loans and receivables.

Payables from exchange transactions

Payables from exchange transactions comprise of:

- Trade payables
- Payments in advance

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently measured at amortised cost, using the effective interest method.

For the purposes of the Cash Flow Statement, cash and cash equivalents comprise cash on hand and deposits held on call with banks, net of bank overdrafts. Bank overdrafts are recorded based on the facility utilised.

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Accounting Policies

1.5 Financial instruments (continued)

Gains and losses

A gain or loss arising from a change in a financial asset or financial liability is recognised as follows:

For financial assets and financial liabilities carried at amortised cost, a gain or loss is recognised in surplus or deficit when the financial asset or financial liability is derecognised or impaired, and through the amortisation process.

Derecognition

Financial assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised where:

the rights to receive cash flows from the asset have expired;

the municipality has transferred its rights to receive cash flows from the asset and either

- has transferred substantially all the risks and rewards of the asset, or
- has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

1.6 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Finance leases - lessee

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease.

Minimum lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of on the remaining balance of the liability.

Any contingent rents are expensed in the period in which they are incurred.

Operating leases - lessor

Operating lease revenue is recognised as revenue on a straight-line basis over the lease term.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease revenue.

The aggregate cost of incentives is recognised as a reduction of rental revenue over the lease term on a straight-line basis.

Operating leases - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

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Accounting Policies

1.7 Inventories

Inventories are initially measured at cost except where inventories are acquired through a non-exchange transaction, then their costs are their fair value as at the date of acquisition.

Subsequently inventories are measured at the lower of cost and net realisable value.

Inventories are measured at the lower of cost and current replacement cost where they are held for:
distribution at no charge or for a nominal charge; or
consumption in the production process of goods to be distributed at no charge or for a nominal charge.

Net realisable value is the estimated selling price in the ordinary course of operations less the estimated costs of completion and the estimated costs necessary to make the sale, exchange or distribution.

Current replacement cost is the cost the municipality incurs to acquire the asset on the reporting date.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost of inventories of items that are not ordinarily interchangeable and goods or services produced and segregated for specific projects is assigned using specific identification of the individual costs.

The cost of inventories is assigned using the first-in, first-out (FIFO) formula. The same cost formula is used for all inventories having a similar nature.

When inventories are sold, the carrying amounts of those inventories are recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expenses are recognised when the goods are distributed, or related services are rendered. The amount of any write-down of inventories to net realisable value or current replacement cost and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value or current replacement cost, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

1.8 Impairment of cash-generating assets

Property, plant and equipment are reviewed at each reporting date for any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. The impairment charged to the Statement of Financial Performance is the excess of the carrying value over the recoverable amount. An impairment is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined had no impairment been recognised. A reversal of impairment is recognised in the Statement of Financial Performance.

Cash-generating assets are those assets held by the municipality with the primary objective of generating a commercial return. When an asset is deployed in a manner consistent with that adopted by a profit-orientated entity, it generates a commercial return.

Criteria developed by the municipality to distinguish cash-generating assets from non-cash-generating assets are as follow:
Cash generating assets are assets held with the primary objective of generating commercial return.
Non-cash generating assets are assets other than cash-generating assets.

Reversal of impairment loss

The municipality assess at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a cash-generating asset may no longer exist or may have decreased. If any such indication exists, the entity estimates the recoverable amount of that asset.

An impairment loss recognised in prior periods for a cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

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Accounting Policies

1.8 Impairment of cash-generating assets (continued)

A reversal of an impairment loss for a cash-generating asset is recognised immediately in surplus or deficit.

Any reversal of an impairment loss of a revalued cash-generating asset is treated as a revaluation increase.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

1.9 Employee benefits

Short-term employee benefits

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled within twelve months after the end of the period in which the employees render the related service.

Short-term employee benefits include items such as:

- wages, salaries and social security contributions;
- short-term compensated absences (such as paid annual leave and paid sick leave) where the compensation for the absences is due to be settled within twelve months after the end of the reporting period in which the employees render the related employee service;
- bonus, incentive and performance related payments payable within twelve months after the end of the reporting period in which the employees render the related service; and
- non-monetary benefits (for example, medical care, and free or subsidised goods or services such as housing, cars and cellphones) for current employees.

The entity recognise the expected cost of bonus, incentive and performance related payments when the entity has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made. A present obligation exists when the entity has no realistic alternative but to make the payments.

Post-employment benefits: Defined contribution plans

Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

When an employee has rendered service to the entity during a reporting period, the entity recognise the contribution payable to a defined contribution plan in exchange for that service:

- as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the reporting date, an entity recognise that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the contribution in the cost of an asset.

Where contributions to a defined contribution plan do not fall due wholly within twelve months after the end of the reporting period in which the employees render the related service, they are discounted. The rate used to discount reflects the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the obligation.

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Accounting Policies

1.9 Employee benefits (continued)

Post-employment benefits: Defined benefit plans

Defined benefit plans are post-employment benefit plans other than defined contribution plans.

Actuarial gains and losses comprise experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred) and the effects of changes in actuarial assumptions. In measuring its defined benefit liability the entity recognise actuarial gains and losses in surplus or deficit in the reporting period in which they occur.

Current service cost is the increase in the present value of the defined benefit obligation resulting from employee service in the current period.

Interest cost is the increase during a period in the present value of a defined benefit obligation which arises because the benefits are one period closer to settlement.

Past service cost is the change in the present value of the defined benefit obligation for employee service in prior periods, resulting in the current period from the introduction of, or changes to, post-employment benefits or other long-term employee benefits. Past service cost may be either positive (when benefits are introduced or changed so that the present value of the defined benefit obligation increases) or negative (when existing benefits are changed so that the present value of the defined benefit obligation decreases). In measuring its defined benefit liability the entity recognise past service cost as an expense in the reporting period in which the plan is amended.

The cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the end of each reporting period. Actuarial gains and losses are recognised in full in the year they are incurred.

The municipality provides certain post-retirement medical benefits by funding the medical aid contributions of certain retired members of the municipality. According to the rules of all of the medical aid funds with which the municipality is associated, a member is entitled to remain a continued member of the medical aid fund on retirement, in which case the municipality is liable for a certain portion of the medical aid membership fee. These medical aid funds are classified as defined benefit plans.

The current service cost is recognised as a period expense in the statement of financial performance and is matched to the benefit received during the working life of the employee. The current service cost includes the expense for benefits received by the employee currently in service and the cost of funding the employee when no longer in service. The expense for the year is included in the employee benefits expense in the statement of financial performance.

Where some of the employees are not members of any qualifying medical aid scheme as at reporting date, the municipality accrues 50% of such potential liability. This management estimate is meant to cater for employees who are likely to join the qualifying medical schemes in future but before retirement.

Other long-term employee benefits

Long service awards are provided to employees who achieve certain pre-determined milestones of service within the municipality. The cost for each employee is computed at each reporting date based on the probability of being employed at each service award date, taking into account the assumed rates of withdrawal, early retirement and death. On determining this liability due allowance is made for future salary increases. Actuarial gains and losses are recognised in full in the year they are incurred.

The municipality's net obligation in respect of long service awards is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The benefit is discounted to determine its present value.

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Accounting Policies

1.10 Leave

The municipality provides employees with time off from work for a variety of reasons. Leave days granted by an employer can either accumulate from one period to the next.

Leave days accumulate from one period to the next. The municipality recognises a liability and expense for accumulating leave as and when employees render services that entitle them to those leave days. The amount of the liability and expense is determined as the additional amount an entity is required to pay as a result of the unused leave days owing to employees at the end of the reporting period.

1.11 Provisions and contingencies

Provisions are recognised when:

- the municipality has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the municipality settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

A provision is used only for expenditures for which the provision was originally recognised.

Provisions are not recognised for future operating deficits.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 39.

Decommissioning, restoration and similar liability

Changes in the measurement of an existing decommissioning, restoration and similar liability that result from changes in the estimated timing or amount of the outflow of resources embodying economic benefits or service potential required to settle the obligation, or a change in the discount rate, is accounted for as follows:

If the related asset is measured using the cost model:

- changes in the liability is added to, or deducted from, the cost of the related asset in the current period.
- the amount deducted from the cost of the asset does not exceed its carrying amount. If a decrease in the liability exceeds the carrying amount of the asset, the excess is recognised immediately in surplus or deficit.
- if the adjustment results in an addition to the cost of an asset, the entity consider whether this is an indication that the new carrying amount of the asset may not be fully recoverable. If there is such an indication, the entity test the asset for impairment by estimating its recoverable amount or recoverable service amount, and account for any impairment loss, in accordance with the accounting policy on impairment of assets as described in accounting policy 1.8.

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Accounting Policies

1.11 Provisions and contingencies (continued)

If the related asset is measured using the revaluation model:

changes in the liability alter the revaluation surplus or deficit previously recognised on that asset, so that:

- a decrease in the liability is credited directly to revaluation surplus in net assets, except that it is recognised in surplus or deficit to the extent that it reverses a revaluation deficit on the asset that was previously recognised in surplus or deficit; and
- an increase in the liability is recognised in surplus or deficit, except that it is debited directly to revaluation surplus in net assets to the extent of any credit balance existing in the revaluation surplus in respect of that asset;

in the event that a decrease in the liability exceeds the carrying amount that would have been recognised had the asset been carried under the cost model, the excess is recognised immediately in surplus or deficit;

a change in the liability is an indication that the asset may have to be revalued in order to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the reporting date. Any such revaluation is taken into account in determining the amounts to be taken to surplus or deficit and net assets. If a revaluation is necessary, all assets of that class is revalued; and

the Standard of GRAP on Presentation of Financial Statements requires disclosure on the face of the statement of changes in net assets of each item of revenue or expense that is recognised directly in net assets. In complying with this requirement, the change in the revaluation surplus arising from a change in the liability is separately identified and disclosed as such.

The adjusted depreciable amount of the asset is depreciated over its useful life. Therefore, once the related asset has reached the end of its useful life, all subsequent changes in the liability is recognised in surplus or deficit as they occur. This applies under both the cost model and the revaluation model.

The periodic unwinding of the discount is recognised in surplus or deficit as a finance cost as it occurs.

1.12 Revenue

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

An exchange transaction is one in which the municipality receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Revenue from non-exchange transactions comprises of:

Taxes; and

Transfers (whether cash or non-cash), including grants, debt forgiveness, fines, bequests, gifts, donations, and goods and services in kind.

Sale of goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the municipality has transferred to the purchaser the significant risks and rewards of ownership of the goods;
- the municipality retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

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Accounting Policies

1.12 Revenue (continued)

Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality;
- the stage of completion of the transaction at the reporting date can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Interest

Revenue arising from the use by others of entity assets yielding interest, royalties and dividends is recognised when:
It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality, and
The amount of the revenue can be measured reliably.

Interest is recognised, in surplus or deficit, using the effective interest rate method.

Service fees included in the price of the product are recognised as revenue over the period during which the service is performed.

1.13 Service charges

Service charges relating to refuse removal are recognised on a monthly basis by applying the approved tariff to each property receiving services. Tariffs are determined per category of property and are levied monthly based on the number of refuse containers on each property, regardless of whether or not all containers are emptied during the month.

Fines

Fines are recognised as revenue when the receivable meets the definition of an asset and satisfies the criteria for recognition as an asset.

Assets arising from fines are measured at the best estimate of the inflow of resources to the municipality.

Where the municipality collects fines in the capacity of an agent, the fine will not be revenue of the collecting entity.

Gifts and donations, including goods in-kind

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

Conditional grants and receipts

Revenue received from conditional grants, donations and funding are recognised as revenue to the extent that the municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions or obligations have not been met a liability is recognised.

1.14 Consumer deposits

Consumer deposits are charged when new water and/or electricity accounts are opened except for owner occupied proportions. The amounts vary per type of consumer and are approved by Council as part of the tariff structure.

1.15 Borrowing costs

Borrowing costs are interest and other expenses incurred by an entity in connection with the borrowing of funds.

Qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use of sale.

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1.15 Borrowing costs (continued)

Borrowing costs are recognised as an expense in the period in which they are incurred.

1.16 Comparative figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year.

1.17 Unauthorised expenditure

Unauthorised expenditure means:

- overspending of a vote or a main division within a vote; and
- expenditure not in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.

All expenditure relating to unauthorised expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.18 Fruitless and wasteful expenditure

Fruitless expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.19 Irregular expenditure

Irregular expenditure as defined in section 1 of the MFMA is expenditure other than unauthorised expenditure, incurred in contravention of or that is not in accordance with a requirement of any applicable legislation, including -

- (a) this Act; or
- (b) the State Tender Board Act, 1968 (Act No. 86 of 1968), or any regulations made in terms of the Act; or
- (c) any provincial legislation providing for procurement procedures in that provincial government.

Irregular expenditure that was incurred and identified during the current financial and which was condoned before year end and/or before finalisation of the financial statements must also be recorded appropriately in the irregular expenditure register. In such an instance, no further action is also required with the exception of updating the note to the financial statements.

Irregular expenditure that was incurred and identified during the current financial year and for which condonement is being awaited at year end must be recorded in the irregular expenditure register. No further action is required with the exception of updating the note to the financial statements.

Where irregular expenditure was incurred in the previous financial year and is only condoned in the following financial year, the register and the disclosure note to the financial statements must be updated with the amount condoned.

Irregular expenditure that was incurred and identified during the current financial year and which was not condoned by the National Treasury or the relevant authority must be recorded appropriately in the irregular expenditure register. If liability for the irregular expenditure can be attributed to a person, a debt account must be created if such a person is liable in law. Immediate steps must thereafter be taken to recover the amount from the person concerned. If recovery is not possible, the accounting officer or accounting authority may write off the amount as debt impairment and disclose such in the relevant note to the financial statements. The irregular expenditure register must also be updated accordingly. If the irregular expenditure has not been condoned and no person is liable in law, the expenditure related thereto must remain against the relevant programme/expenditure item, be disclosed as such in the note to the financial statements and updated accordingly in the irregular expenditure register.

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1.19 Irregular expenditure (continued)

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

1.20 Related parties

The municipality operates in an economic sector currently dominated by entities directly or indirectly owned by the South African Government. As a consequence of the constitutional independence of the three spheres of government in South Africa, only entities within the national sphere of government are considered to be related parties.

Management are those persons responsible for planning, directing and controlling the activities of the municipality, including those charged with the governance of the municipality in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are considered to be those family members who may be expected to influence, or be influenced by, that management in their dealings with the municipality.

Only transactions with related parties not at arm's length or not in the ordinary course of business are disclosed.

1.21 Events after reporting date

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date);
- and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

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

The municipality will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

1.22 Prior period error

Changes in accounting policies due to adoption of newly effective Standards of GRAP have been applied retrospectively in accordance with GRAP 3 requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the change in policy or where allowed transitional provisions had been adopted. In such cases the municipality would restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

Changes in accounting estimates are applied prospectively in accordance with GRAP 3 requirements. Details of changes in estimates are disclosed in the notes to the annual financial statements where applicable.

Errors are corrected retrospectively in the period in which the error has occurred in accordance with GRAP 3 requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the municipality would restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

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1.23 Value added tax

The municipality accounts for Value Added Tax on a payment basis in accordance with section 15(2)(a) of the VAT Act (Act No 89 of 1991). The municipality is liable to account for VAT at the standard rate (14%) in terms of section 7 (1) (a) of the VAT Act in respect of the supply of goods or services, except where supplies are specifically zero-rated in terms of section 11, exempted in terms of section 12 of the VAT Act or are scoped out for VAT purposes. The municipality accounts for VAT on a monthly basis.

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2. New standards and interpretations

2.1 Standards and interpretations issued, but not yet effective

The municipality has not applied the following standards and interpretations, which have been published and are mandatory for the municipality's accounting periods beginning on or after 01 July 2015 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after
GRAP32: Service Concession Arrangements: Grantor	01 April 2016
GRAP108: Statutory Receivables	01 April 2016
IGRAP17: Service Concession Arrangements where a Grantor Controls a Significant Residual Interest in an Asset	01 April 2016
DIRECTIVE 11: Changes in measurement bases following the initial adoption of Standards of GRAP	01 April 2016

3. Investment property

	2015			2014		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Investment property	148,135,000	-	148,135,000	120,255,400	-	120,255,400

Reconciliation of investment property - 2015

	Opening balance	Disposals	Transfers	Fair value adjustments	Total
Investment property	120,255,400	(14,971,000)	(5,940,000)	48,790,600	148,135,000

Reconciliation of investment property - 2014

	Opening balance	Fair value adjustments	Total
Investment property	116,114,800	4,140,600	120,255,400

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

Details of valuation

The effective date of the revaluation(s) was 30 June 2015. Revaluations were performed by an independent valuer, Engnet Solutions, who are not connected to the municipality and have recent experience in location and categorisation of the investment property being valued.

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4. Property, plant and equipment

	2015			2014		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Land	111,295,392	-	111,295,392	118,575,492	-	118,575,492
Buildings	767,000	(128,789)	638,211	4,157,591	-	4,157,591
Plant and machinery	14,848,082	(5,180,817)	9,667,265	15,104,600	(3,861,288)	11,243,312
Furniture and fixtures	5,169,832	(3,045,581)	2,124,251	4,971,725	(2,263,138)	2,708,587
Motor vehicles	2,725,747	(1,248,620)	1,477,127	2,649,466	(1,133,545)	1,515,921
Office equipment	1,191,588	(470,528)	721,060	936,624	(327,661)	608,963
IT equipment	5,405,913	(2,292,335)	3,113,578	5,172,699	(1,567,178)	3,605,521
Infrastructure	1,485,119,082	(349,561,678)	1,135,557,404	1,468,960,208	(229,528,058)	1,239,432,150
Community	15,756,311	(2,182,787)	13,573,524	27,837,392	(2,524,321)	25,313,071
Work In Progress	62,980,619	-	62,980,619	25,496,644	-	25,496,644
Other assets	1,737,518	(298,701)	1,438,817	1,732,518	(230,962)	1,501,556
Total	1,706,997,084	(364,409,836)	1,342,587,248	1,675,594,959	(241,436,151)	1,434,158,808

Reconciliation of property, plant and equipment - 2015

	Opening balance	Additions	Disposals	Transfers	Other changes	Depreciation/ Impairment	Total
Land	118,575,492	-	(7,862,800)	-	582,700	-	111,295,392
Buildings	4,157,591	-	(3,412,529)	-	-	(106,851)	638,211
Plant and machinery	11,243,312	67,535	(324,053)	-	-	(1,319,529)	9,667,265
Furniture and fixtures	2,708,586	-	(20,562)	-	-	(563,774)	2,124,250
Motor vehicles	1,515,920	689,728	(172,812)	-	-	(555,709)	1,477,127
Office equipment	608,963	270,283	(9,736)	-	-	(148,450)	721,060
IT equipment	3,605,521	479,058	(165,705)	-	-	(805,296)	3,113,578
Infrastructure	1,239,432,149	22,560	(206,312)	16,428,945	-	(120,119,937)	1,135,557,405
Community buildings	25,313,071	30,000	(10,657,091)	-	-	(1,112,455)	13,573,525
Work in progress	25,496,644	53,912,920	-	(16,428,945)	-	-	62,980,619
Other assets	1,501,556	30,000	(11,200)	-	-	(81,539)	1,438,817
	1,434,158,805	55,502,084	(22,842,800)	-	582,700	(124,813,540)	1,342,587,249

Reconciliation of property, plant and equipment - 2014

	Opening balance	Additions	Transfers	Other changes	Depreciation/ Impairment	Total
Land	114,086,509	-	-	4,488,983	-	118,575,492
Buildings	4,264,442	-	-	-	(106,851)	4,157,591
Plant and machinery	11,150,290	1,028,999	-	-	(935,977)	11,243,312
Furniture and fixtures	3,229,642	23,069	-	-	(544,125)	2,708,586
Motor vehicles	1,983,014	-	-	-	(467,094)	1,515,920
Office equipment	703,111	20,092	-	-	(114,240)	608,963
IT equipment	4,355,524	23,817	-	-	(773,820)	3,605,521
Infrastructure	1,325,738,989	-	15,373,327	-	(101,680,167)	1,239,432,149
Community buildings	26,198,543	123,955	-	-	(1,009,427)	25,313,071
Work in progress	12,836,827	28,033,144	(15,373,327)	-	-	25,496,644
Other assets	1,578,376	-	-	-	(76,820)	1,501,556
	1,506,125,267	29,253,076	-	4,488,983	(105,708,521)	1,434,158,805

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4. Property, plant and equipment (continued)

Pledged as security

Leased motor vehicles as self-secured in that they are used as security for the loans which were taken to fund them. The carrying value of assets that have been pledged as security:

Motor vehicles	3,623,966	3,623,966
The terms of the agreement are such that the lessor would retain ownership of the vehicles until the loan is fully paid. More details of the loan are disclosed under finance leases.		

Assets subject to finance lease (Net carrying amount)

Motor vehicles	3,477,127	3,515,920
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Other information

Property, plant and equipment fully depreciated and still in use (Gross carrying amount)

Computer Equipment	18,202	13,143
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5. Intangible assets

	2015			2014		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Intangible assets	282,561	(145,863)	136,698	282,561	(51,677)	230,884

Reconciliation of intangible assets - 2015

	Opening balance	Amortisation	Total
Intangible assets	230,884	(94,186)	136,698

Reconciliation of intangible assets - 2014

	Opening balance	Additions	Amortisation	Total
Intangible assets	109,061	173,500	(51,677)	230,884

6. Employee benefit obligations

The amounts recognised in the statement of financial position are as follows:

Carrying value

Present value of the defined benefit obligation - wholly unfunded	(21,264,000)	(20,149,000)
Actuarial gains/(losses)	8,816,000	3,068,000
Current service cost	(1,356,000)	(2,742,000)
Interest cost	(1,151,000)	(1,460,000)
Benefits paid	24,000	19,000
	(14,931,000)	(21,264,000)

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6. Employee benefit obligations (continued)

Changes in the present value of the defined benefit obligation are as follows:

Opening balance	21,264,000	20,149,000
Net expense recognised in the statement of financial performance	(6,333,000)	1,115,000
	14,931,000	21,264,000

Net expense recognised in the statement of financial performance

Current service cost	1,356,000	2,742,000
Interest cost	1,151,000	1,460,000
Actuarial (gains)/losses	(8,816,000)	(3,068,000)
Curtailment	-	(19,000)
Benefits paid	(24,000)	-
	(6,333,000)	1,115,000

Calculation of actuarial gains and losses

Actuarial (gains) losses – Obligation	(8,816,000)	(3,068,000)
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Key assumptions used

Assumptions used at the reporting date:

Discount rates used	7.89 %	7.25 %
Consumer Price Inflation (CPI)	6.14 %	6.24 %
Normal retirement age	65	65
Expected increase in healthcare costs	7.14 %	6.75 %
Average retirement age	63	63
Net effective discount rate	0.70 %	- %

Other assumptions

Assumed salaries cost trend rates have a significant effect on the amounts recognised in surplus or deficit. A one percentage point change in assumed salaries cost trend rates would have the following effects:

	One percentage point increase	One percentage point decrease
Effect on the aggregate of the service cost and interest cost	4,028,000	4,226,000
Effect on defined benefit obligation	20,773,000	19,870,000

Amounts for the current and previous four years are as follows:

	2015 R	2014 R	2013 R	2012 R	2011 R
Defined benefit obligation	14,931,000	21,264,000	20,149,000	15,121,000	12,189,000

Defined contribution plan

It is the policy of the municipality to provide retirement benefits to all its employees as per employee defined benefits on their specific relevant contracts.

The municipality is under no obligation to cover any unfunded benefits.

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7. Inventories		
Consumables	653,606	-
The year end close was not performed in 2014 thus there is no disclosure.		
8. Receivables from exchange transactions		
Sundry debtors	107,460	616,465
WSP Sekhukhune District Municipality	-	820,891
Traffic licensing debtor	2,165,377	-
	2,272,837	1,437,356
9. Receivables from non-exchange transactions		
Traffic Fines	464,614	372,486
Accrued income	807,143	-
INEP Grant debtor	610,189	-
Creditor balances in debit	-	3,107,301
Other receivables	1,642,391	833,306
	3,524,337	4,313,093
10. VAT receivable		
VAT	864,049	-
The VAT is disclosed as a receivable of R 864,049 (2014: R 0) and a payable of R 1,036,856 (2014 : R 2,308,908). Refer to note 18.		
11. Consumer debtors		
Gross balances		
Rates	106,626,710	75,965,163
Refuse	18,181,869	15,268,608
Other	3,035,004	30,221,855
	127,843,583	121,455,626
Less: Allowance for impairment		
Rates	(14,250,718)	(20,456,957)
Refuse	(2,702,587)	(7,672,708)
Other	(451,129)	(11,197,283)
	(17,404,434)	(39,326,948)
Net balance		
Rates	92,375,993	55,508,206
Refuse	15,479,282	7,595,900
Other	2,583,875	19,024,572
	110,439,150	82,128,678
Rates		
Current (0 -30 days)	5,195,154	4,642,161
31 - 60 days	4,015,089	2,627,620
61 - 90 days	2,752,163	1,877,617
91 - total days	94,664,304	66,817,765
	106,626,710	75,965,163

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11. Consumer debtors (continued)		
Refuse		
Current (0 -30 days)	774,985	761,485
31 - 60 days	600,894	515,414
61 - 90 days	496,368	731,869
91 - total days	16,309,622	13,259,841
	18,181,869	15,268,609
Other		
Current (0 -30 days)	125,242	3,596,866
31 - 60 days	40,062	1,264,362
61 - 90 days	40,286	2,197,209
91 - 120 days	2,829,414	23,163,418
	3,035,004	30,221,855
Reconciliation of allowance for impairment		
Balance at beginning of the year	(39,326,948)	(38,454,240)
Contributions to allowance	21,418,911	(1,800,000)
Debt impairment written off against allowance	503,603	927,292
	(17,404,434)	(39,326,948)

12. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	3,999	3,999
Bank balances	197,250,625	108,737,759
	197,254,624	108,741,758

The municipality had the following bank accounts

Account number / description	Bank statement balances			Cash book balances		
	30 June 2015	30 June 2014	30 June 2013	30 June 2015	30 June 2014	30 June 2013
FNB BANK - CALL ACCOUNT - 620-623-0699	35,482	35,112	34,854	35,482	35,112	34,854
FNB BANK - CHEQUE ACCOUNT - 565-500-22466	124,693,479	34,571,346	5,081,499	124,686,941	19,310,478	825,104
FNB BANK - BUSINESS MONEY MARKE - 621-714-33982	187,074	179,515	173,311	187,074	179,515	173,311
FNB BANK - CALL ACCOUNT - 620-275-10818	15,059,267	33,947,234	32,746,953	15,059,267	33,947,234	32,746,953
FNB BANK - CALL ACCOUNT - 616-550-0887	73,529	72,409	71,715	73,529	72,409	71,715
NEDBANK - 90DAYS NOTICE - 7881096004	56,000,000	55,090,147	52,315,173	56,000,000	55,090,148	52,429,694
FNB BANK - CHEQUE ACCOUNT - 620-973-4319 - GTM LIMPOPO P.H.P	-	-	11,944	-	-	-
NEDBANK - CALL DEPOSIT - 3788-1096-004-24	1,377,264	-	-	1,377,264	-	-
Total	197,426,095	123,895,763	90,435,449	197,419,557	108,634,896	86,281,631

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13. Other financial liabilities		
At amortised cost		
DBSA LOAN 102904/1&2	14,219,095	13,902,020
Loan 102904/1 - Interest bearing at a rate of 10.415% per annum over a loan period of 20 years.		
Loan 102904/2 - Interest bearing at a rate of 5% per annum over a loan period of 20 years.		
DBSA LOAN 13585/102	1,691,396	1,562,782
Loan 13585/102 - Interest bearing at a rate of 5% per annum over a loan period of 20 years.		
Total financial liabilities	15,910,491	15,464,802
Total other financial liabilities	15,910,491	15,464,802
Non-current liabilities		
At amortised cost	15,079,370	14,633,682
Current liabilities		
At amortised cost	831,120	831,120
14. Finance lease obligation		
Minimum lease payments due		
- within one year	2,289,828	2,289,754
- in second to fifth year inclusive	28,536	2,318,364
	2,318,364	4,608,118
less: future finance charges	(106,321)	(391,682)
Present value of minimum lease payments	2,212,043	4,216,436
Present value of minimum lease payments due		
- within one year	2,183,722	2,004,394
- in second to fifth year inclusive	28,321	2,212,042
	2,212,043	4,216,436
Non-current liabilities	28,321	2,212,042
Current liabilities	2,183,722	2,004,394
	2,212,043	4,216,436

It is municipality policy to lease plant and equipment under finance leases.

The average lease term was 3-5 years and the average effective borrowing rate was 9.25%.

Interest rates are fixed at the contract date. All leases have fixed repayments and no arrangements have been entered into for contingent rent.

The municipality's obligations under finance leases are secured by the lessor's charge over the leased assets. Refer to note 4.

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15. Unspent conditional grants and receipts		
Unspent conditional grants and receipts comprises of:		
Unspent conditional grants and receipts		
LG SETA Grant	133,979	-
MSIG Grant	836,000	-
FMG Grant	669,448	-
EPWP Grant	94,934	-
MIG Grant	34,068,677	-
NDP Grant	3,750,358	15,568
	39,553,395	15,568

Movement during the year

Balance at the beginning of the year	15,568	14,529,252
Additions during the year	170,776,981	-
Income recognition during the year	(131,849,340)	(11,013,684)
Transferred to National Treasury	-	(3,500,000)
Reclassifying grants as debtors	610,186	-
	39,553,395	15,568

See note 23 for reconciliation of grants from National/Provincial Government.

16. Provisions

Reconciliation of provisions - 2015

	Opening Balance	Additions	Reversed during the year	Actuarial (gains) losses	Actual benefit payments	Total
Environmental rehabilitation	6,073,897	940,865	-	-	-	7,014,762
Provision for performance bonus	678,536	-	(678,536)	-	-	-
Long service leave provision	4,919,000	889,000	-	(294,000)	(144,000)	5,370,000
	11,671,433	1,829,865	(678,536)	(294,000)	(144,000)	12,384,762

Reconciliation of provisions - 2014

	Opening Balance	Additions	Actuarial (gains)/losses	Actual benefit payments	Total
Environmental rehabilitation	5,663,607	410,290	-	-	6,073,897
Provision for performance bonus	678,536	-	-	-	678,536
Long service leave provision	4,708,000	971,000	(523,000)	(237,000)	4,919,000
	11,050,143	1,381,290	(523,000)	(237,000)	11,671,433

Non-current liabilities	7,014,762	6,073,897
Current liabilities	5,370,000	5,597,536
	12,384,762	11,671,433

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17. Payables from exchange transactions		
Trade payables	1,145,311	16,763,024
Payments received in advanced - contract in process	1,058,729	1,058,729
Accrued leave pay	6,513,337	4,881,906
Retention creditors	11,993,811	7,900,703
Other payables	24,325,583	9,676,863
Consumer debtors in credit	7,365,838	4,531,529
	52,402,609	44,812,754

18. VAT payable

Tax refunds payables	821,729	2,308,908
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The VAT is disclosed as a receivable of R 864,049 (2014: R 0) and a payable of R 1,036,856 (2014 : R 2,308,908). Refer to note 10.

19. Consumer deposits

Water	-	1,192,319
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The consumer deposits have been paid to the water services authority.

20. Revenue

Service charges	8,730,813	7,984,926
Rental of facilities and equipment	420,071	557,171
Licences and permits	6,738,786	6,413,748
Fees earned	652,491	648,495
Commissions received	-	4,839,601
Other income	943,204	667,280
Interest received - investment	7,209,049	5,783,951
Property rates	75,360,585	70,009,714
Property rates - penalties imposed	7,621,393	5,383,223
Government grants & subsidies	313,483,339	226,471,252
Fines, Penalties and Forfeits	1,829,100	1,525,450
	422,988,831	330,284,811

The amount included in revenue arising from exchanges of goods or services are as follows:

Service charges	8,730,813	7,984,926
Rental of facilities and equipment	420,071	557,171
Licences and permits	6,738,786	6,413,748
Fees earned	652,491	648,495
Commissions received	-	4,839,601
Other income	943,204	667,280
Interest received - investment	7,209,049	5,783,951
	24,694,414	26,895,172

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20. Revenue (continued)

The amount included in revenue arising from non-exchange transactions is as follows:

	2015	2014
Taxation revenue		
Property rates	75,360,585	70,009,714
Property rates - penalties imposed	7,621,393	5,383,223
Transfer revenue		
Government grants & subsidies	313,483,339	226,471,252
Fines, Penalties and Forfeits	1,829,100	1,525,450
	398,294,417	303,389,639

21. Property rates

Rates received

	2015	2014
Residential	78,171,529	70,169,502
Less: Income forgone	(2,810,944)	(159,788)
	75,360,585	70,009,714
Property rates - penalties imposed	7,621,393	5,383,223
	82,981,978	75,392,937

Valuations

	2015	2014
Residential	2,045,897,000	2,045,897,000
Commercial	1,135,312,000	1,135,312,000
Government	940,451,000	940,451,000
Municipal	87,739,600	87,739,600
Small holdings and farms	1,079,516,000	1,079,516,000
Schools	22,600,000	22,600,000
Mines	460,400,000	460,400,000
Churches	23,735,000	23,735,000
	5,795,650,600	5,795,650,600

Valuations on land and buildings are performed every 4 years. The last general valuation came into effect on 1 July 2011. Interim valuations are processed on a need basis to take into account changes in individual property values due to alterations and subdivisions.

A general rate is applied to property valuations to determine assessment rates. Rebates of 30% are granted to residential and state property owners.

Rates are levied on an annual basis and paid on monthly basis with the final date for payment being 30 June 2015. Interest at prime plus 1% per annum and a collection fee of is levied on rates outstanding two months after due date.

The new general valuation was implemented on 01 July 2011, the municipality has requested an extension on the validity of the valuation roll from the office of the MEC for local government. The extension was granted.

22. Service charges

	2015	2014
Refuse removal	8,730,813	7,984,926

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23. Government grants and subsidies		
Operating grants		
Equitable share	181,634,000	148,108,000
Municipal Systems Improvement Programme Grant	98,000	890,000
EPWP	1,269,066	1,000,000
FMG	930,552	1,559,174
	<u>183,931,618</u>	<u>151,557,174</u>
Capital grants		
Municipal Infrastructure Grant	62,676,322	55,171,078
INEP Grant	60,610,189	14,215,000
Neighbourhood Development Grant	6,265,210	5,528,000
	<u>129,551,721</u>	<u>74,914,078</u>
	<u>313,483,339</u>	<u>226,471,252</u>

Equitable Share

In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members.

All registered indigents receive 100% subsidy on a monthly basis for rates and refuse, which is funded from the grant.

INEP Grant

Current-year receipts	60,000,000	14,215,000
Conditions met - transferred to revenue	(60,610,189)	(14,215,000)
	<u>(610,189)</u>	<u>-</u>

Conditions met - see receivables from non-exchange (see note 9)

The grant is used for electrification acceleration projects. No funds were withheld.

FMG

Balance unspent at beginning of year	-	9,174
Current-year receipts	1,600,000	1,550,000
Conditions met - transferred to revenue	(930,552)	(1,559,174)
	<u>669,448</u>	<u>-</u>

Conditions still to be met - remain liabilities (see note 15)

The grant is used to cater for the finance management interns, their training and any other financial management reforms. No funds were withheld.

MSIG

Current-year receipts	934,000	890,000
Conditions met - transferred to revenue	(98,000)	(890,000)
	<u>836,000</u>	<u>-</u>

Conditions still to be met - remain liabilities (see note 15)

This grant is used to assist the municipality with building in-house capacity to perform their functions and stabilise institutional and governmental systems. No funds were withheld.

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23. Government grants and subsidies (continued)

EPWP

Current-year receipts	1,364,000	1,000,000
Conditions met - transferred to revenue	(1,269,066)	(1,000,000)
	<u>94,934</u>	<u>-</u>

Conditions still to be met - remain liabilities (see note 15)

The grant is used for salaries of employees for the Extended Public Works Programme. No funds were withheld.

MIG

Balance unspent at beginning of year	-	14,520,078
Current-year receipts	96,745,000	40,651,000
Conditions met - transferred to revenue	(62,676,323)	(55,171,078)
	<u>34,068,677</u>	<u>-</u>

Conditions still to be met - remain liabilities (see note 15)

This grant is for the implementation of projects approved by MIG. The municipality was allocated R61,745,000 for 2015 which was fully spent during the period, additional funds of R35,000,000 were received published under the Division of Revenue Amendment Act (Act No. 38 of 2014) on page 12 of the Government Gazette 38613 dates 31 March 2015. The roll forward has been approved by National Treasury. No funds were withheld.

NDP Grant

Balance unspent at beginning of year	15,568	-
Current-year receipts	10,000,000	5,528,000
Conditions met - transferred to revenue	(6,265,210)	(2,012,432)
Transferred back to National Treasury	-	(3,500,000)
	<u>3,750,358</u>	<u>15,568</u>

Conditions still to be met - remain liabilities (see note 15)

The grant is used to enhance economic development projects including Burgersfort and Practiseer Hawkers Facilities. Funds were repaid to National Treasury in 2014.

LG SETA Grant

Balance unspent at beginning of year	-	-
Current-year receipts	133,979	-
Conditions met - transferred to revenue	-	-
	<u>133,979</u>	<u>-</u>

Conditions still to be met - remain liabilities (see note 15)

The grant is used for work skills plan for employees training. No funds were withheld.

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24. Other revenue		
Fees earned	652,491	648,495
Commissions received	-	4,839,601
Fines, Penalties and Forfeits	1,829,100	1,525,450
Other income	943,204	667,280
Licences and permits	6,738,786	6,413,748
	10,163,581	14,094,574
25. General expenses		
Allowances traditional leaders	368,799	115,454
Advertisements	691,339	629,133
Refurbishment	461,010	-
Auditors remuneration	3,033,678	2,404,365
Bank charges	345,659	314,679
MSIG - Implementation of GRAP standards	98,000	-
Land use management scheme	467,886	159,700
Consulting and professional fees	13,499,865	15,339,918
Debt collection	742,341	-
LED Strategy	1,151,586	-
Electrification projects	55,965,643	33,421,850
Entertainment	595,884	346,714
Insurance	441,927	396,241
IT management	3,273,227	695,645
Promotions and sponsorships	-	337,544
Magazines, books and periodicals	255,816	57,590
EPWP - Implementation of grant	1,269,066	-
Performance bonus provision realisation	(678,536)	-
Fuel and oil	1,394,977	970,702
Printing and stationery	493,215	909,138
Protective clothing	198,813	381,204
Royalties and license fees	80,353	50,102
Occupational health and safety	706,935	294,601
Employee wellness	302,818	425,176
Subscriptions and membership fees	885,054	710,753
Telephone and fax	1,125,016	1,361,271
Training	530,415	1,132,816
Travel - local	7,545,536	5,288,172
Refuse	15,226	1,360
Special programs	4,329,950	4,223,020
Ward committee	3,448,400	3,483,000
Skills development program	1,046,937	-
Implementation of FMG grant	930,552	980,662
Hawker's fees	3,102,315	1,504,653
Billing charges	13,655,091	(3,938,678)
Other expenses	3,821,040	1,303,723
Rent of equipment and offices	17,926,490	21,436,311
	143,522,323	94,736,819

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26. Employee related costs		
Basic	51,738,563	48,930,782
Medical aid - company contributions	4,425,325	3,852,081
UIF	416,784	396,212
Industrial council levy	23,608	20,085
Skills development levy	762,681	717,882
Leave pay provision charge	2,626,739	(5,799,092)
Defined contribution plans	11,297,921	10,476,561
Overtime payments	2,054,925	1,987,584
Long-service bonus provision	451,000	638,000
13th Cheques	4,421,985	4,113,024
Car allowance	9,255,173	8,922,834
Housing benefits and allowances	392,666	388,142
Tellephone allowance	734,266	770,013
Other allowance	21,010	16,720
Standby allowance	3,128	1,460,000
Post Employment Health Care Benefit Current Cost	1,356,000	2,742,000
	89,981,774	79,632,828

Remuneration of Municipal Manager

Abitration	1,238,563	-
Acting allowance	162,590	-
Annual Remuneration	-	985,541
Car Allowance	-	132,000
Subsistence allowance	1,120	-
Telephone allowance	-	17,809
	1,402,273	1,135,350

The position of the Municipal Manager for the year under review was vacant and was occupied by Acting Municipal Manager's. Mrs Monyepoa acted for the period 1 July 2014 to 31 August 2014, COGHSTA Seconded Mr Moja M.M from 8 September 2014 to 28 April 2015, Mrs Ramaipadi M.A acted from May 2015 to June 2015. The arbitration amount was paid to the former Municipal Manager whose case was settled in court during the year under review.

Remuneration of Chief Finance Officer

Abitration	1,145,359	-
Acting allowances	267,174	304,863
Car Allowance	36,268	32,225
Leave pay	301,152	-
Other allowance	960	2,682
	1,750,913	339,770

The position of the Chief Financial Officer was vacant for the year under review and occupied by Acting Chief Financial Officer's, Mr Maepa M W acted from the 1 July 2014 to 31 August 2014, COGHSTA seconded Mr Mhangwana D who acted from 8 September 2014 to 30 June 2015. The arbitration amount was paid to the former Chief Finance Officer whose case was settled in court during the year under review.

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	2015	2014
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26. Employee related costs (continued)

Remuneration of Corporate and Human Resources (Corporate Services)

Acting allowance	9,637	-
Annual Remuneration	341,392	801,341
Car Allowance	71,063	170,550
Leave pay	147,535	-
Telephone allowance	8,095	37,428
	577,722	1,009,319

The position for Director Corporate Service was vacant since November 2014 and was occupied by Acting Director Mr Motha J.M until March 2015, the position has remained without an acting person since April 2015 to June 2015.

Remuneration of Community Services

Acting allowance	6,473	-
Annual Remuneration	434,946	845,891
Car Allowance	50,572	100,160
Housing allowance	12,000	24,000
Leave pay	110,209	-
Subsistence allowance	240	-
Telephone allowance	9,714	43,428
	624,154	1,013,479

The position of Community Service Director was vacant since December 2014 and filled July 2015 and has since been occupied by Acting Director Mrs Lingwati M.Y to June 2015.

Remuneration of Director Technical Services

Acting allowance	8,416	-
Annual Remuneration	426,184	711,558
Car Allowance	176,401	321,976
Leave pay	89,658	-
Other allowance	-	12,269
Performance Bonuses	-	59,028
Subsistence allowance	2,400	-
	703,059	1,104,831

The remuneration of the Director Technical Services was vacated in December 2014 and since January 2015 Mr Malungana M.E was appointed acting Director to 30 June 2015

Remuneration of Director Land and Economic Development

Acting allowance	-	225,214
Annual Remuneration	817,944	765,512
Car Allowance	180,000	194,512
Telephone allowance	19,428	19,428
Other	-	1,269
	1,017,372	1,205,935

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27. Remuneration of councillors		
Mayor	756,303	724,669
Speaker	617,690	583,908
Councillors	16,167,925	15,858,198
Chief Whip	580,391	548,719
	18,122,309	17,715,494
In-kind benefits		
The Mayor, Speaker and Chief Whip are full time and provided with office space and secretarial support at the cost of the Council.		
The executive committee consists of full time and part time members.		
The Mayor has the right of use of a municipal vehicle including a driver.		
Remuneration of Mayor		
Car allowance	183,859	175,950
Cellphone allowance	-	20,868
Salary	551,576	527,851
Travel allowance	20,868	-
	756,303	724,669
Remuneration of Speaker		
Cellphone allowance	20,868	20,868
Car allowance	149,205	140,760
Salary	447,617	422,280
	617,690	583,908
Remuneration of Chief Whip		
Cellphone allowance	20,868	20,868
Car allowance	139,881	131,963
Salary	419,642	395,888
	580,391	548,719
Remuneration of Councillors		
Car Allowance	3,758,600	3,655,028
Cellphone allowance	1,180,230	1,251,987
Salary	11,229,095	10,951,183
	16,167,925	15,858,198
28. Debt impairment		
Contributions to debt impairment provision	17,908,037	1,800,000
29. Fair value adjustments		
Investment property (Fair value model)	48,790,600	4,140,600

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30. Depreciation and amortisation		
Property, plant and equipment	106,169,596	105,656,302
31. Impairment of assets		
Impairment		
Property, plant and equipment	18,726,561	-
- Impairment indicators were identified for property, plant and equipment.		
Trade and other receivables	1,453,792	967,571
- Impairment relates to fines issued that are not deemed recoverable within next financial year. The impairment indicator is based on fine receipts compared to total fines issued during the financial year.		
Other receivables from exchange revenue	512,433	-
- Impairment relates to sundry debtors that are not deemed recoverable within next financial year.		
	20,692,786	967,571
32. Finance costs		
Trade and other payables	1,889,366	425,049
Finance leases	285,361	-
Current borrowings	2,455,637	1,279,354
Other interest paid	-	333,000
	4,630,364	2,037,403
Total interest expense, calculated using the effective interest rate, on financial instruments not at fair value through surplus or deficit amounted to R - (2014: R -).		
33. Auditors' remuneration		
Fees	2,887,370	2,310,587
Audit committee	146,308	93,778
	3,033,678	2,404,365
34. Rental of facilities and equipment		
Premises	420,071	557,171
35. Contracted services		
Professional services	9,666,230	1,701,061
Cash collection cost	309,410	312,295
Security services	7,819,363	11,391,634
	17,795,003	13,404,990
36. Grants and subsidies paid		
Other subsidies		
Grant in Aid & Burial	-	97,040
Free Basic Electricity	3,734,692	3,483,987
	3,734,692	3,581,027

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Figures in Rand	2015	2014
37. Cash generated from operations		
Surplus	22,094,379	6,204,801
Adjustments for:		
Depreciation and amortisation	106,169,596	105,656,302
Gain (loss) on sale of assets and liabilities	15,153,801	(3,847,000)
Other non-cash items	(3,957,416)	(20,952,813)
Fair value adjustments	(48,790,600)	(4,140,600)
Investment property	14,971,000	-
Finance costs	4,630,363	2,037,404
Impairment deficit	20,692,786	967,571
Debt impairment	17,908,037	1,800,000
Movements in retirement benefit assets and liabilities	(6,333,000)	1,115,000
Movements in provisions	713,328	621,290
Changes in working capital:		
Inventories	(653,605)	-
Receivables from exchange transactions	(835,481)	3,531,425
Consumer debtors	(28,310,472)	(31,754,765)
Other receivables from non-exchange transactions	788,756	2,647,075
Payables from exchange transactions	(7,589,855)	10,058,928
VAT	(623,130)	(3,812,700)
Unspent conditional grants and receipts	39,537,828	(14,513,684)
Consumer deposits	(1,192,319)	48,923
	144,373,996	55,667,157

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Figures in Rand	2015	2014
38. Commitments		
Authorised capital expenditure not completed		
Already contracted for but not provided for		
Facilities	25,569,037	-
Rural Cemeteries	-	-
Electrification of villages	156,785,000	2,481,897
	182,354,037	2,481,897
Total capital commitments		
Already contracted for but not provided for	182,354,037	2,481,897

This committed expenditure relates to property and will be financed by available bank facilities, retained surpluses, rights issue of shares, issue of debentures, mortgage facilities, existing cash resources, funds internally generated, etc.

Operating leases - as lessee (expense)

Minimum lease payments due		
- within one year	16,990,613	15,446,679
- in second to fifth year inclusive	86,628,350	103,618,963
	103,618,963	119,065,642

Greater Tubatse Municipality leases a building from Tubatse Properties (Pty) Ltd for a period of 10 years, effective from 1 July 2010. The lease payment is R877 800 per month with an annual escalation of 10%. No contingent rent is payable. The lease agreement is not renewable at the end of the lease term.

Greater Tubatse Municipality leases a premises from Hannah Trust for a period of 3 years, effective from 1 May 2014. The lease payment is R24 153 per month with an annual escalation of 7%. No contingent rent is payable. The lease agreement is renewable at the end of the lease term.

There were no defaults or breaches and no terms or conditions were renegotiated during the reporting period.

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2015

2014

39. Contingent Liabilities and Assets

The following are the cases lodged within court:

Contingent liabilities

Mopicon vs GTM

2,571,001 2,571,001

The supplier was appointed to construct Bugersfort main road but they failed to deliver on the specifics and GTM terminated their contract in 2010. The supplier then sued GTM for R2,571,001 for unlawful termination of contract. Ongoing case which is anticipated to be wrapped up in April 2016.

Justice Kgoete vs GTM

- -

Justice Kgoete applied for traffic manager position but was not appointed as one. He sued the municipality through labour but did not appear on the court order dates. He is currently paying the municipality R3,000 (In total R75,000) for not appearing at the court on the dates that were set. Trial date has not been set yet.

Zwahuli Developers vs GTM

- -

Zwahuli Developers bid for a tender and alleged that the municipality awarded it to another service provider unfairly. They requested information from the municipality under access to information act. This information was provided to them in July 2015 and to date the matter has not been taken to court.

SAMWU vs COGHSTA & OTHERS

- -

Urgent Application against the extension of Acting role of the Municipal Manager in July 2014. The labour court ruled in favour of the Municipality in July 2014.

Loncon Developments (Pty) Ltd vs GTM

89,000,000 89,000,000

Loncon Development signed a land availability agreement with GTM in 1999 to build RDP houses. These land was then later occupied by residents illegally. Loncon Development sued the Municipality for R89,000,000 in 2012 for failure to protect the land against the illegal occupant. The matter is still ongoing.

Thushang Construction vs GTM

2,999,309 2,999,309

In 2000 Thushanag Construction was appointed to construct a stadium at Praktiseer township. The service provider could finalise the project and the consultant terminated their contract in 2000. In 2008 the service provider sued the municipality through the high court for R2,999,308.72 compensation of unfair termination. The matter was finalised in March 2015 and judgement has been reserved.

Limpopo Road Binders v GTM

1,835,524 1,835,524

In 2008 Limpopo Road Binders was appointed to construct a water drainage system at GaMapodile village. At the time of service the municipality was undergoing cashflow crisis and service provider entered into a cession agreement with the supplier of the material to used in order to get the material and commence the work. The agreement was that the supplier of the material will be paid by the directly by the municipality, however the service provider later sued for the value of the materials amounting R1,835,524.03. The matter is still ongoing

Amelia Mashego v GTM

7,566,715 7,566,715

In 2008 the municipality offered Amelia Mashego employment at a salary notch above the level that she was appointed for. She sued the municipality through high court for R7,566,714.60 to compensate her for the loss of income between then and her retirement date based on the salary notch she was offered. The matter is still ongoing.

Munsoft (Pty) Ltd vs GTM

3,027,002 3,027,002

Service provider was appointed by the district municipality to assist local municipalities in preparation of annual financial statements in 2013. They municipality did not pay the service provider as it believes that the district should pay the service provider. The service provider then sued the municipality for the services rendered amounting to R3027 002.38 through the high court. This matter is still ongoing.

106,999,551 106,999,551

40. Related parties

Relationships

Directors

Refer to note 26

Councillors

Refer to note 27

The Councillors and Directors are related parties and their transactions are included in note 26 and 27. The municipality has various processes in place to identify and note any related party transactions. These processes range from disclosure by bidders on the bid documents (MB4) to maintenance of a conflict of interest register. For councillors, the disclosure register is kept in the Office of the Speaker whilst for other senior managers it is kept by the Corporate Services Directorate.

Councillors and Directors are related parties and their transactions are included in the notes to the financial statements.

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Trading as Greater Tubatse LM

Annual Financial Statements for the year ended 30 June 2015

Notes to the Annual Financial Statements

Figures in Rand	2015	2014
41. Prior period errors		
The correction of the error(s) results in adjustments as follows:		
Statement of Financial Position		
1.1.a Property, plant and equipment		
Balance as previously stated - 30 June 2014		1,449,089,504
Correction of prior period error		
Provision for landfill rehabilitation not accounted for		4,488,982
Unbundling of roads, reclassification and duplicated journals corrected		(19,419,678)
Restated balance as at 30 June 2014		<u>1,434,158,808</u>
1.1.b Intangible assets		
Balance as previously stated - 30 June 2014		64,062
Correction of prior period error		
Duplicate journals, additions being corrected		166,822
Balance as previously stated - 30 June 2014		<u>230,884</u>
1.2 Receivables for non-exchange transactions		
Balance as previously stated - 30 June 2014		3,107,103
Correction of prior period error		
iGRAP 1 disclosure of fines not accounted for		372,486
Other receivables previously not included		883,306
Restated balance as at 30 June 2014		<u>4,313,093</u>
1.3 Provisions		
Balance as previously stated - 30 June 2014		6,771,861
Correction of prior period error		
Provision for landfill rehabilitation not accounted for		4,488,982
Finance cost not accounted for		410,590
Restated balance as at 30 June 2014		<u>11,671,433</u>
1.4 Trade and other payables		
Balance as previously stated - 30 June 2014		38,895,325
Correction of prior period error		
Duplicate clearing of salary suspense account		(253,932)
Retention creditors incorrectly allocated in duplicate		4,429,792
Creditor accounted for in the incorrect period		17,663
Other payables previously not included		1,723,905
Restated balance as at 30 June 2014		<u>44,812,754</u>
1.5 VAT payable		
Balance as previously stated - 30 June 2014		2,852,918
Correction of prior period error		
VAT incorrectly allocated in duplicate		(544,010)
Restated balance as at 30 June 2014		<u>2,308,908</u>

Greater Tubatse Municipality

(Registration number Lim 475)

Trading as Greater Tubatse LM

Annual Financial Statements for the year ended 30 June 2015

Notes to the Annual Financial Statements

Figures in Rand	2015	2014
41. Prior period errors (continued)		
1.6 Unspent grants		
Balance as previously stated - 30 June 2014		3,515,567
Correction of prior period error		(3,500,000)
Transfer back to National Treasury		
Restated balance as at 30 June 2014		<u>15,567</u>
1.7 Consumer debtors		
Balance as previously stated - 30 June 2014		72,690,305
Correction of prior period error		
Correction of balances to agree to the age analysis		9,438,373
Restated balance as at 30 June 2014		<u>82,128,678</u>
1.8 Surplus for the year		
Balance as previously stated - 30 June 2014		58,879,305
Correction of prior period error(s)		
Reclassification of electrification projects from capitilased to operating expenses		(33,421,850)
Repairs and maintenance unaccounted for		(1,447)
Depreciation unaccounted for		(2,000)
Finance cost unaccounted for		(410,590)
Duplicate clearing of salary accounts		253,932
iGRAP 1 disclosure of fines not accounted for		372,486
Revenue and expenditure items being correctly accounted for		(25,669,836)
Restated balance as at 30 June 2014		<u>6,204,801</u>
1.9 Cash and cash equivalents		
Balance as previously stated - 30 June 2014		108,638,895
Correction of prior period error		
Correction of investment balances		102,863
Restated balance as at 30 June 2014		<u>108,741,758</u>
1.10 Other financial liabilities		
Balance as previously stated - 30 June 2014		15,299,940
Correction of prior period error		
Correction of loan balances		164,862
Restated balance as at 30 June 2014		<u>15,464,802</u>
1.11 Finance lease obligation		
Balance as previously stated - 30 June 2014		27,718,355
Correction of prior period error		
Derecognition of building lease now classified as operating leases		(24,723,745)
Recognition of omitted lease		1,141,058
Period adjustments		80,768
Restated balance as at 30 June 2014		<u>4,216,436</u>

Greater Tubatse Municipality

(Registration number Lim 475)

Trading as Greater Tubatse LM

Annual Financial Statements for the year ended 30 June 2015

Notes to the Annual Financial Statements

Figures in Rand	2015	2014
41. Prior period errors (continued)		
1.12 Operating lease obligation		
Balance as previously stated - 30 June 2014		-
Correction of prior period error		
Recognition of operating lease liability		13,594,141
Accounting for accrual on the lease expense		2,683,247
Restated balance as at 30 June 2014		<u>16,277,388</u>

42. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

43. Unauthorised expenditure

Opening balance	77,687,230	77,687,230
Unauthorised expenditure - on cash votes	1,423,238	-
	<u>79,110,468</u>	<u>77,687,230</u>

Current year unauthorised expenditure relates to overspending of remuneration to councillors and employee cost due to the upper limits salary determination being promulgated late.

Council has referred this amount to the MPAC for investigation and subsequent ratification.

44. Fruitless and wasteful expenditure

Opening balance	318,123	77,319
Fruitless and wasteful expenditure	1,531,202	240,804
	<u>1,849,325</u>	<u>318,123</u>

Included in the current year is an amount of R1,3 million for interest charged on invoices for the Operation Mabune Project. The grant money for this project was received late and thus the invoices were paid late incurring the interest penalty.

Council has referred this amount to the MPAC for investigation and subsequent ratification.

45. Irregular expenditure

Opening balance	121,760,963	87,157,244
Expenditure current year	16,058,399	34,603,719
	<u>137,819,362</u>	<u>121,760,963</u>

Council has referred this amount to the MPAC for investigation and subsequent ratification.

Details of irregular expenditure – current year

Non compliance SCM regulations	Disciplinary steps taken/criminal proceedings Currently under investigation	<u>1,297,086</u>
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Greater Tubatse Municipality

(Registration number Lim 475)

Trading as Greater Tubatse LM

Annual Financial Statements for the year ended 30 June 2015

Notes to the Annual Financial Statements

Figures in Rand	2015	2014
46. Additional disclosure in terms of Municipal Finance Management Act		
Audit fees		
Opening balance	(429,970)	1,880,617
Current year fee	3,158,172	-
Amount paid - current year	(3,158,173)	(2,310,587)
	(429,971)	(429,970)
SALGA Fees		
Current year subscription / fee	810,355	809,410
Amount paid - current year	(810,355)	(809,410)
	-	-
PAYE and UIF		
Current year subscription / fee	18,245,622	16,921,191
Amount paid - current year	(18,245,622)	(16,921,191)
	-	-
Pension and Medical Aid Deductions		
Current year subscription / fee	26,523,701	24,740,964
Amount paid - current year	(26,511,329)	(24,740,964)
	12,372	-
VAT		
VAT receivable	42,320	-
VAT payable	-	2,308,908
	42,320	2,308,908

VAT output payables and VAT input receivables are shown in note 10 and 18.

All VAT returns have been submitted by the due date throughout the year. The municipality is registered on the cash basis and the timing of payments to/from SARS is at the end of each month.

Councillors' arrear consumer accounts

Councillors had arrear accounts on 30 June 2015 .

30 June 2015	Outstanding more than 90 days R	Total R
Councillor M D Nkosi	17,704	17,704
	17,704	17,704

Greater Tubatse Municipality

(Registration number Lim 475)

Trading as Greater Tubatse LM

Annual Financial Statements for the year ended 30 June 2015

Notes to the Annual Financial Statements

Figures in Rand	2015	2014
46. Additional disclosure in terms of Municipal Finance Management Act (continued)		
30 June 2014		
	Outstanding more than 90 days R	Total R
Councillor M D Nkosi	19,401	19,401

The Councillor was entered into a repayment agreement for R500 per month with the Municipality. This agreement will be rediscussed.

47. Utilisation of Long-term liabilities reconciliation

Long-term liabilities raised	15,910,490	15,464,802
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Long-term liabilities have been utilized in accordance with the Municipal Finance Management Act. Sufficient cash has been set aside to ensure that long-term liabilities can be repaid on redemption date.



The **GTM**
GREATER TUBATSE
MUNICIPALITY

South Africa's first democratic platinum city

ANNUAL REPORT OF THE AUDIT COMMITTEE

FOR THE

2014/2015 FINANCIAL YEAR

ANNUAL REPORT OF THE AUDIT COMMITTEE FOR THE 2014/2015 YEAR

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1. INTRODUCTION

In terms of section 166 2 [b] of the Municipal Finance Management Act, No. 56 of 2003 (MFMA), the Audit Committee is required to report in the Annual Report of the Municipality on their perception of the overall control environment and whether or not they consider that the Annual Financial Statements should be accepted by the Council.

The Committee comprised Four (4) independent members as at the end of the current reporting period.

The Audit Committee is pleased to present its Annual report for the financial year ended 30 June 2015.

2. TERMS OF REFERENCE

The Audit Committee has adopted an Audit Committee Charter which sets out the fundamental roles and responsibilities of the Committee. The Charter was informed by the requirements of section 166 of the MFMA. The Committee has conducted its affairs in line with this Charter.

3. AUDIT COMMITTEE MEMBERS

The following new Audit Committee members were appointed by Council on 8 May 2015.

Member	Position
Adv. L Thubakgale	Chairperson
Adv. T Malatji	Member
Mr J Mpjana	Member
Mr. S Simelane	Member

4. ATTENDANCE OF MEETINGS

During the period under review, the Committee had not met due to the fact that the appointment were with effect from 1 June 2015.

5. RESPONSIBILITIES OF THE AUDIT COMMITTEE

The Committee reports on its responsibilities as outlined in its Audit Committee Charter which is guided by section 166 of the MFMA. The following are the fundamental roles and responsibilities of the Audit Committee:

- ✦ Oversight over Internal Audit.
- ✦ Oversight over External Audit.
- ✦ Financial compliances and Review of the Annual Financial Statements
- ✦ Internal Controls
- ✦ Risk Management.
- ✦ Performance Management.
- ✦ Compliance matters

5.1 RESPONSIBILITIES RELATING TO INTERNAL AUDIT

Internal Audit reports administratively to the Municipal Manager and functionally to the Audit Committee. The Audit Committee thus provides the mandate for the Internal Audit unit. The Committee approved the following administrative documents for the unit:

- ✦ Internal Audit Charter.
- ✦ Internal Audit Methodology.
- ✦ Internal Audit Plan 2014/15.
- ✦ Three Year Internal Audit Strategic Plan 2014/15 to 2016/17.

The Committee monitors and evaluates the implementation of the Internal Audit plan and provide feedback to Management and Council on the work performed by the Internal Audit unit. The Committee reports that the Internal Audit plan 2014/15 was not implemented fully by the unit with additional ad-hoc audit requested by management.

The Manager Internal Audit attended all Committee meetings during the financial year and provided the following information to the Audit committee:

- ✦ Quarterly internal audit progress report against the audit plan,
- ✦ All the internal audit reports and key findings for our scrutiny,
- ✦ Progress by management on implementing agreed action plans that address issues raised.

The Audit Committee commends the Municipality on the efforts made to increase the internal capacity of the Internal Audit function, which included amongst others, the renewal of appointment of an additional internal auditor during the current financial year.

The Committee notes and commends the Municipality's management and leadership

on the improved support and recognition of the Internal Audit Department during the execution of its responsibilities. This has resulted into an improved attitude and efforts to resolve internal audit findings by the staff of the Municipality as a whole.

Based on our evaluation of the work performed by the Internal Audit Department and the feedback received from the Auditor General, the Committee is of the opinion that despite the fact that a generally sound system of internal control existed during the year under review, certain internal control weaknesses identified by the Internal Audit Department and the Auditor General still require to be addressed by management especially in the areas of supply chain management, asset management and performance management.

5.2 RESPONSIBILITIES RELATING TO EXTERNAL AUDIT

The Committee noted that the Office of the Auditor General indicated in its Audit reports 2013/14 and 2014/15 indicated that an adequate management, accounting and information system which accounts for assets was not in place, as required by section 63(2) a of the MFMA.

We have also been presented and reviewed the External Auditors report for 2014/14 Financial Year on the annual financial statement which highlighted certain serious deficiencies in the system of internal control. The Audit Committee has advised management to improve in the implementation of both the Internal and External Audit recommendations and to take all reasonable steps to ensure that internal control weaknesses identified are resolved timeously.

The Municipality received a disclaimer opinion in the year under review. The municipality has struggled to deal with implementation and application of GRAP 17 since it became effective.

The Audit Committee encourages continued interaction between Internal and External Auditors to ensure that their functions complement each other and to avoid duplication of efforts.

The Audit Committee reports that it has executed its responsibilities relating to the external audit function in line with the requirements of the Municipal Finance Management Act.

The Audit Committee wishes to encourage Management to involve the Audit Committee during the performance of the external audit to ensure that the Municipality retains an effective and efficient Audit Committee.

5.3 RESPONSIBILITIES RELATING TO ANNUAL FINANCIAL STATEMENTS

The Audit Committee is mandated by the MFMA to review the Annual Financial Statements and provide technical input before they are submitted to the Office of the Auditor General.

The Audit Committee commends management with efforts made to compile the financial statements. This was done with the assistance of the consultants.

The Audit Committee reports that the Annual Financial Statements were presented to the Committee for review, however, the Committee could not fully execute its responsibilities relating the annual financial statements due to the following challenges:

- The version of the financial statements submitted to the

Committee on the agreed date was materially incomplete and different from the version which was presented to the Committee for approval.

- ✦ The Committee did not have adequate time to review the final version to be presented to the external auditors.
- ✦ The Committee was not provided with the supplementary schedules, reconciliations and other applicable information on time to enable it to conduct an efficient review on the annual financial statements.

The Committee recommends that Management should, in the future submit the final version of annual financial statements to the Committee with the relevant supplementary information in order to ensure that the process of review and approval of financial statements is effective and adds value to the Municipality.

**5.3 RESPONSIBILITIES RELATING TO ANNUAL FINANCIAL STATEMENTS
(continued)**

The Committee acknowledges the report of the Auditor General which was presented. The management comments and the findings of the Committee in this regards will be tabled in a separate report to Council.

The Committee reports that the Municipality obtained a disclaimer opinion for the 2014/2015 financial period, which is similar to that of the previous financial period.

The Committee notes the improvement in the matters reported as basis for the qualification and encourages the Municipality to address these areas in the coming financial year.

The Committee concurs and accepts the Auditor General's conclusions on the annual financial statements and is of the opinion that the audited Annual Financial Statements for 2014/2015 be read together with the audit report of the Auditor General.

5.4 RESPONSIBILITIES RELATING TO RISK MANAGEMENT PROCESS

The Committee appreciates the appointment of the Chairperson of the Risk Management Committee. Progress made into the implementation of the risk registers is noted. However focus needs to be placed on Security Management, Fraud and Corruption Management and IT governance framework requirements as the Business Continuity plan and related IT policies.

The Committee noted the effectiveness and independency of the Risk Management Committee as chaired by an independent person. The accounting officer is advised to monitor the progress of the implementation of the risk management action plans and progress thereof must be reported to the Audit Committee on quarterly basis.

5.5 RESPONSIBILITIES RELATING TO PERFORMANCE MANAGEMENT

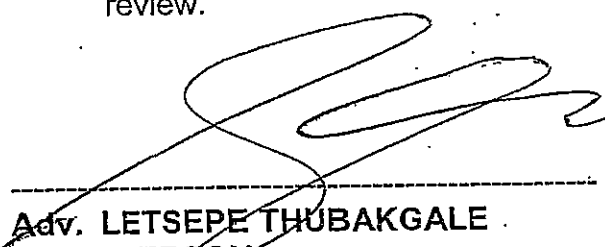
The Audit Committee reports that the Municipality has a performance management system in place and that processes are in place to report on the performance information, however the Municipality still faces challenges regarding the effectiveness of such processes.

The Committee want to recommend that more effort is required to ensure the reliability of the reported information, in terms of its completeness, accuracy and validity.

6. APPRECIATION

The Committee wishes to express its sincere appreciation to Council, the Municipal Manager, Management, Auditor General South Africa, the Department of Co-operative Governance, Human settlement and Traditional affairs, Provincial Treasury, the Sekhukhune District Municipality, SALGA and all other stakeholders involved for their unwavering support and interest in the activities of the Committee during the year under review.

A special word of appreciation is extended to Mrs. Moditela Mametja and her team in Internal Audit unit for their steadfast efforts during the year under review.



Adv. LETSEPE THUBAKGALE
CHAIRPERSON
GREATER TUBATSE MUNICIPALITY: AUDIT COMMITTEE
14 JANUARY 2015

Auditor's report

Greater Tubatse Local Municipality

30 June 2015

Report of the auditor-general to the Limpopo provincial legislature and the council on Greater Tubatse Local Municipality

Report on the financial statements

Introduction

1. I was engaged to audit the financial statements of the Greater Tubatse Local Municipality set out on pages xx to xx which comprise the statement of financial position as at 30 June 2015, the statements of financial performance, changes in net assets, cash flows and the statement of comparison of budget information with actual information for the year then ended and the notes, comprising a summary of significant accounting policies and other explanatory information.

Accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with South African Standards of Generally Recognised Accounting Practice (SA standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2014 (Act No. 10 of 2014) (DoRA), and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor-general's responsibility

3. My responsibility is to express an opinion on the financial statements based on conducting the audit in accordance with International Standards on Auditing. Because of the matters described in the basis for disclaimer of opinion paragraphs, however, I was unable to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis of disclaimer of opinion

Accounting framework

4. The financial statements were not prepared in accordance with SA standards of GRAP in all material respects. The following refers:
 - The municipality did not account for prior period errors in terms of GRAP 3 *Accounting policies, changes in estimates and errors*. All prior period errors were accounted for against the comparative statement of financial performance and were not retrospectively restated as required by GRAP 3.

- The comparative amount for employee cost was restated by R8 238 511. This restatement was not disclosed in the prior period restatements note as required by GRAP 3.
- A material subsequent event regarding the proclaimed disestablishment of the municipality and the establishment of a new municipality that amalgamates Tubatse and Fetakgomo municipalities was not disclosed as required by GRAP 14 *Events after the reporting date*.
- The municipality did not adequately disclose the impairment of assets in the financial statements as required by GRAP 21 *Impairment of non-cash generating assets* which requires the municipality to disclose the nature of assets being impaired, the events or circumstances that led to the impairment and the basis used to determine the recoverable amount.
- The municipality did not comply with GRAP 16 *Investment Property* which requires the municipality to disclose the methods and significant assumptions applied by the Municipality in determining the fair value and whether the determination of fair value was supported by the market evidence or other factors.
- The municipality did not comply with GRAP 25 *Employee Benefits* which requires the municipality to disclose the general description of the type of plan used by the municipality.
- The municipality did not comply with GRAP 24, *Presentation of budget information in financial statements* which requires the municipality to disclose the statement of budget comparison on a comparable basis to actual amounts in the financial statements.
- The municipality did not disclose any financial risk exposures as required by GRAP 104 *Financial instruments*.

Statement of financial performance

5. The comparative total for expenditure as per the statement of financial performance stated as R330 284 811 is overstated by R51 800 913 due to casting errors in the financial statements. There is a consequential impact on the comparative net surplus.

Statement of changes in net assets

6. The statement of changes in net assets contains an unreconciled difference of R 42 982 061 as a result of casting errors in the financial statements as well as journals processed directly to retained earnings. Consequently I was unable to obtain sufficient appropriate audit evidence to satisfy myself as to the correctness of the statement of changes in net assets as it was impractical to do so.

Statement of budget and actual comparison

7. The statement of budget and actual comparison contains unreconciled differences amounting to R 9 731 846 as a result of incorrect budget amounts reflected in the statement as compared to the budget approved by Council. Additionally, the

explanations for significant variances between actual and budgeted amounts were incorrect. Consequently, I was unable to obtain sufficient appropriate audit evidence to satisfy myself as to the correctness of the statement of budget and actual comparison.

Property, plant and equipment

8. The municipality did not recognise all work in progress expenditure in the accounting records in accordance with GRAP 17, Property, Plant and Equipment. I identified work in progress expenditure amounting to R 5 462 601 incurred by the municipality which was not included in the accounting records and financial statements. Consequently, property, plant and equipment stated at R1 342 587 248 in the financial statements is understated there is a consequential impact on depreciation and accumulated surplus for the current year. A municipal building valued at R9 700 000 was incorrectly accounted for as, Investment Property (GRAP 16) instead of Buildings under GRAP 17 Property, Plant and Equipment. This has a consequential impact on the fair value gain and depreciation in the statement of financial performance

Receivables from non-exchange transactions

9. The Municipality made a provision of R17 404 434 (2014: R 39 326 948) for the impairment of receivables from non-exchange transactions as disclosed in note 11 to the financial statements in terms of GRAP 104, Financial Instruments. I was not able to determine the reasonability of the assumptions used in determining this provision as the relevant underlying information supporting the assumptions was not available. I was not able to calculate what the impairment charge against receivables from non-exchange transactions and impairment losses expense should have been had the information been available. Consequently, I was unable to determine whether any adjustments relating to receivables from non-exchange transactions stated at R 92 375 995 (2014: R 55 508 206) in the financial statements and the consequential impact on surplus for the period and accumulated surplus, were necessary.

Revenue

10. I was unable to obtain sufficient appropriate audit evidence that the municipality has correctly billed for all service charges and property rates. The dumping site did not have a weighbridge to enable the charging of dumping levies and the valuation roll was not updated to ensure that all rate payers are billed for refuse collection and property rates. I was unable to confirm the understatement of revenue by alternative means. Consequently, I was unable to determine whether any adjustments to revenue stated at R423 667 368 (2014: R330 284 811) in the financial statements were necessary. Additionally, there is a consequential impact on the receivables from non-exchange transactions.

Value added tax (VAT)

11. I was unable to obtain sufficient appropriate audit evidence for adjustments amounting to R 6 150 071 processed to adjust VAT receivable. I was unable to confirm these adjustments through alternative procedures. Consequently, I was unable to determine whether any adjustment to the VAT receivable stated at R 42 320 (2014: (R 2 308 908)) in the financial statements, was necessary.

Payables from exchange transactions

12. I was unable to obtain sufficient appropriate audit evidence to verify payables from exchange transactions amounting to R 17 848 369 as supporting payables listings could not be availed for audit. Additionally, I identified journals amounting to R5 941 914 that could not be supported. I was unable to confirm the payables from exchange transactions by alternative means. Consequently, I was unable to determine whether any adjustments to payables from exchange transactions stated at R 52 402 609 (2014: R44 812 754) were necessary.

Cash flow statement

13. SA Standards of GRAP 2 Cash flow statements, requires that the municipality summarises its operating, investing and financing activities. Cash flows from operating activities were understated by R 23 826 668 as a result of the municipality not reflecting the cash flows as per the requirements of GRAP 2.

Prior year adjustments

14. During 2014, I was unable to obtain sufficient appropriate audit evidence for journal entries amounting to R232 592 150 and payment vouchers amounting to R 25 404 817. Consequently, I was unable to determine whether any adjustment to the financial statements was necessary. My audit opinion on the financial statements for the period ended 30 June 2014 was modified accordingly. My opinion on the current period's financial statements is also modified because of the possible effect of this matter on the comparability of the current period's figures. I was also unable to obtain supporting documentation for journals posted to accumulated surplus amounting to R37 204 656 in 2015 as internal controls were not established over recording and safekeeping of records. Consequently I was unable to determine whether any adjustments relating to accumulated surplus stated at R1 650 174 473 (2014: R1 634 042 369) in the financial statements was necessary.

Commitments

15. I identified commitments to the amount of R 4 379 181 that were not included in the financial statements. As the municipality did not maintain adequate records for commitments, I was unable to determine the full extent of the understatement in commitments as it was impracticable to do so. Consequently, I was unable to determine whether any adjustment relating to commitments stated at R182 354 037 (2014: R2 481 897) in the notes to the financial statements was necessary.

Loans payable

16. The municipality had outstanding borrowings with a financial institution amounting to R15 910 491 at 30 June 2015. These financing agreements contain certain loan covenants which the municipality must comply with. Failure to comply with the debt covenants may result in the reclassification of the loans to current borrowings in terms of GRAP 1 Presentation of financial statements. The municipality could not provide sufficient appropriate evidence to confirm whether it complied with all the loan covenants. I was unable to confirm compliance by alternative means.

Consequently I was unable to confirm whether the loans have been correctly classified as non-current liabilities.

Irregular expenditure

17. The municipality did not include particulars of irregular expenditure in note 45 to the financial statements as required by section 125(2)(d) of the MFMA. The municipality made payments in contravention of the supply chain management requirements which were not included in irregular expenditure, resulting in irregular expenditure being understated by R8 454 387. The municipality did not have adequate systems in place to identify and report on all irregular expenditure incurred. Consequently I was unable to determine the full extent of the understatement in irregular expenditure as it was impracticable to do so.

Disclaimer of opinion

18. Because of the significance of the matters described in the basis for the disclaimer of opinion paragraphs, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly I do not express an opinion on the financial statements.

Emphasis of matter

19. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Restatement of corresponding figures

20. As disclosed in note 41 to the financial statements, the corresponding figures for 30 June 2014 have been restated as a result of errors discovered during 2015 in the financial statements of the municipality for the year ended 30 June 2015.

Significant uncertainties

21. With reference to note 39 to the financial statements, the municipality is the defendant in various lawsuits. The ultimate outcome of the matter cannot presently be determined and no provision for any liability that may result has been made in the financial statements.

Unauthorised expenditure

22. As disclosed in note 43 to the financial statements, unauthorised expenditure amounting to R1 423 238 was incurred due to management's failure in planning, budgeting and financial management.

Fruitless and wasteful expenditure

23. As disclosed in note 44 to the financial statements, fruitless and wasteful expenditure to the amount of R1 531 202 was incurred due to interest on late payments.

Material under spending of the conditional grants

24. As disclosed in note 15 to the financial statements, the municipality has materially underspent its conditional grants by an amount of R39 553 395. The under spending

relates to poor planning, human capacity constraints and delays in the tender processes on capital projects. Due to the economic growth point of the municipal area, the developments were mostly performed by the private sector. The allocated grants were not in all instances used, as a consequence the municipality has not achieved its objectives of rendering quality services to the community.

Additional matters

25. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Unaudited supplementary schedules

26. The supplementary information set out on pages xx to xx does not form part of the financial statements and is presented as additional information. I have not audited this schedule and, accordingly, I do not express an opinion thereon.

Unaudited disclosure notes

27. In terms of section 125(2)(e) of the MFMA the municipality is required to disclose particulars of non-compliance with the MFMA. This disclosure requirement did not form part of the audit of the financial statements and accordingly I do not express an opinion thereon.

Withdrawal from the engagement

28. Due to the limitation imposed on the scope of the audit by management, I have disclaimed my opinion on the financial statements. But for the legislated requirement to perform the audit of the municipality, I would have withdrawn from the engagement in terms of the ISAs.

Report on other legal and regulatory requirements

29. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report findings on the reported performance information against predetermined objectives for selected development priorities presented in the annual performance report, compliance with legislation and internal control. The objective of my tests was to identify reportable findings as described under each subheading, but not to gather evidence to express assurance on these matters. Accordingly, I do not express an opinion or conclusion on these matters.

Predetermined objectives

30. I performed procedures to obtain evidence about the usefulness and reliability of the reported performance information for the following selected development priorities presented in the annual performance report of the municipality for the year ended 30 June 2015:

- Development priority 2: Basic Service Delivery and Infrastructure Development on pages x to x
 - Development priority 5: Local Economic Development on pages x to x
 - Development priority 5: Spatial Rational on pages x to x
31. I evaluated the reported performance information against the overall criteria of usefulness and reliability.
32. I evaluated the usefulness of the reported performance information to determine whether it was presented in accordance with the National Treasury's annual reporting principles and whether the reported performance was consistent with the planned development priorities. I further performed tests to determine whether indicators and targets were well defined, verifiable, specific, measurable, time bound and relevant, as required by the National Treasury's Framework for managing programme performance information (FMPPi).
33. I assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
34. The material findings in respect of the selected development priorities are as follows:

Usefulness of reported performance information

35. I did not identify material findings on the usefulness of the reported performance information for the following development priorities:
- Basic Service Delivery and Infrastructure Development
 - Local Economic Development
 - Spatial Rational

Reliability of reported performance information

Development priority: Basic Service Delivery and Infrastructure Development

36. The FMPPi requires auditees to have appropriate systems to collect, collate, verify and store performance information to ensure valid, accurate and complete reporting of actual achievements against planned objectives, indicators and targets. Due to inadequate systems I was unable to place reliance on the validity, accuracy and completeness of the reported performance for basic service delivery and infrastructure development. This was due to the fact that the auditee could not provide sufficient appropriate evidence in support of the reported performance information and differences identified between the reported performance information. The municipality's records did not permit the application of alternative audit procedures.

Development priority: Spatial Rational

37. The FMPPi requires municipalities to have appropriate systems to collect, collate, verify and store performance information to ensure valid, accurate and complete reporting of actual achievements against planned objectives, indicators and targets.

Significantly important targets were not reliable when compared to the source information or evidence provided. This was due to a lack of standard operating procedures or documented system descriptions for the accurate recording of actual achievements recording and lack of frequent review of the validity of reported achievements against source documentation.

Additional matter

38. I draw attention to the following matters:

Achievement of planned targets

39. Refer to the annual performance report on pages xx to xx for information on the achievement of planned targets for the year. This information should be considered in the context of the qualified and disclaimer of conclusions expressed on reliability of the reported performance information in paragraphs xx and xx of this report.

Adjustment of material misstatements

40. I identified material misstatements in the annual performance report submitted for auditing on the reported performance information for basic service and infrastructure development, local economic development and spatial rational development priorities. As management subsequently corrected only some of the misstatements, I identified material findings on the reliability of the reported performance information.

Compliance with legislation

41. I performed procedures to obtain evidence that the municipality had complied with applicable legislation regarding financial matters, financial management and other related matters. My material findings on compliance with specific matters in key legislation, as set out in the general notice issued in terms of the PAA, are as follows:

Budget

42. Expenditure was incurred in excess of the limits of the amounts provided for in the votes of the approved budget, in contravention of section 15 of the MFMA.

Annual financial statements, performance and annual report

43. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122 of the MFMA. Material misstatements identified by the auditors were not corrected, which resulted in the financial statements receiving a disclaimer of opinion.

44. The annual performance report for the year under review did not include measures taken to improve performance as required by section 46(1)(c) of the MSA.

Audit committee

45. The performance audit committee did not review all the quarterly internal audit reports on performance measurement, as required by Municipal planning and performance management regulation 14(4)(a)(i).
46. The performance audit committee did not submit, at least twice during the financial year, an audit report on the review of the performance management system to Council, as required by Municipal planning and performance management regulation 14(4)(a)(iii).
47. The audit committee did not meet at least four times a year, as required by section 166(4)(b) of the MFMA.
48. The performance audit committee did not meet at least twice during the financial year, as required by Municipal planning and performance management regulation 14(3)(a).

Procurement and contract management

49. Quotations were accepted from prospective providers who are not registered on the list of accredited prospective providers and do not meet the listing requirements prescribed by Supply Chain Management (SCM) policy in contravention of SCM regulation 16(b) and 17(b).
50. Goods and services of a transaction value above R200 000 were procured without inviting competitive bids, as required by SCM regulation 19(a). Deviations were approved by the accounting officer even though it was not impractical to invite competitive bids, in contravention of SCM regulation 36(1).
51. Contracts were extended without tabling the reason for the proposed amendment in the Council of the municipality, as required by section 116(3) of the MFMA.
52. The performance of contractors or providers was not monitored on a monthly basis as required by section 116(2)(b) of the MFMA.
53. Awards were made to providers who are in the service of the municipality in contravention of section 112(j) of the MFMA and SCM regulation 44.
54. Persons in service of the municipality whose close family member had a private or business interest in contracts awarded by the municipality failed to disclose such interest, as required by SCM regulation 46(2)(e).
55. Prospective providers were not invited to apply for listing in the list of approved prospective providers at least once a year as per the requirements of SCM regulation 14(1)(a)(ii) and 14(2).

Human resource management and compensation

56. The senior managers directly accountable to the municipal manager did not sign performance agreements as required by section 57(2)(a) of the Municipal Systems Act, 2000 (Act No. 32 of 2000) (MSA).

Expenditure management

57. Money owing by the municipality was not always paid within 30 days as required by section 65(2)(e) of the MFMA.
58. An adequate management, accounting and information system was not in place which recognised expenditure when it was incurred, accounted for creditors and accounted for payments made, as required by section 65(2)(b) of the MFMA.
59. Reasonable steps were not taken to prevent unauthorised, irregular as well as fruitless and wasteful expenditure, as required by section 62(1)(d) of the MFMA.

Consequence management

60. Unauthorised, irregular and fruitless and wasteful expenditure incurred by the municipality was not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(a)(ii) of the MFMA.

Internal control

61. I considered internal control relevant to my audit of the financial statements, the annual performance report and compliance with legislation. The matters reported below are limited to the significant internal control deficiencies that resulted in disclaimer of opinion, the findings on the annual performance report and the findings on compliance with legislation included in this report.

Leadership

62. Oversight responsibility regarding financial and performance reporting and compliance and related internal controls was not exercised as those charged with governance did not investigate unauthorised, irregular and fruitless and wasteful expenditure incurred by the municipality in the prior years.
63. There was no detailed review of the financial statements and the annual performance report, resulting in several misstatements not identified and corrected.
64. Municipal officials that deliberately or negligently ignore their duties and disobey legislation were not dealt with through an adequate performance management process as performance evaluations were not done for the year under review.
65. There is a lack of commitment to address deficiencies identified by the auditors as evidenced by many repeat findings. The action plan was not fully implemented and not regularly monitored.

Financial and performance management

66. There is lack of financial reporting skills in the municipality which results in over reliance on the work of consultants.
67. The basic accounting principles of daily and monthly accounting and reconciling have not been implemented.

68. Supply chain management processes were inadequate resulting in irregular expenditure.

69. The financial statements and other information to be included in the annual performance report are not reviewed for accuracy and completeness by the accounting officer.

Governance

70. The internal control monitoring mechanisms of the audit committee and the internal audit are not functioning optimally, as many control weaknesses are only uncovered during the audit of the financial statements and performance information

Auditor GENERAL

Polokwane

30 November 2015



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Auditor General Findings Action Plan



FINANCIAL YEAR		2015/16									
Municipality Name		Greater Tubatse									
Audit Opinion		Disclaimer									
Reporting Period		2014/15									
#	Audit Findings	Category of Finding	Description of Finding	Finding status	Root Cause	Action Plan Description	Start Date	Completion Date	Person Responsible	Progress	Narrative to Progress
PMS /MUNICIPAL MANAGER											
1	Predetermined Objectives	Matters affecting the auditor's report	quarterly performance reports not reviewed by the Performance audit committee	Recurring	Performance of the Performance audit committee not reviewed	(1) Office of the MM to review the performance of the Audit committee and Performance committee monthly by generating a template that is signed off by the MM at the end of each month	18-Jan-16	31-Mar-16	PMS / MM	Not yet started	
2	Predetermined Objectives	Matters affecting the auditor's report	The performance audit committee did not submit at least twice during the financial year an audit report on the review of the performance management system to Council	Recurring	Performance of the Performance audit committee not reviewed	(1) Office of the MM to review the performance of the Audit committee and Performance committee monthly by generating a template that is signed off by the MM at the end of each month	18-Jan-16	31-Mar-16	PMS / MM	Not yet started	
3	Predetermined Objectives	Matters affecting the auditor's report	Performance audit committee meetings not held as required by Municipal Planning and Performance Management Regulations (GNR 796 of 24 August 2001)	Recurring	Performance of the Performance audit committee not reviewed	(1) Office of the MM to review the performance of the Audit committee and Performance committee monthly by generating a template that is signed off by the MM at the end of each month	18-Jan-16	31-Mar-16	PMS / MM	Not yet started	
4	Predetermined Objectives	Other important matters	No source documents to support the performance reported in the annual report for Electrification projects	Recurring	(1) PMS not reviewed regularly (Monthly)	(1) POE files for PMS be reviewed quarterly to ensure that the quarterly reports are properly supported with Evidence	18-Jan-16	31-Mar-16	PMS / MM	Not yet started	
5	Predetermined Objectives	Other important matters	No Document controls in place to ensure that source documents are verified before submission for audit	Recurring	(1) PMS not reviewed regularly (Monthly)	(1) MM to sign off the POEs to confirm that the file was reviewed before submission for audit.	18-Jan-16	31-Mar-16	PMS / MM	Not yet started	
6	Predetermined Objectives	Other important matters	The Performance reported in the annual performance report differs from the performance as per progress reports	Recurring	The Municipality has not implemented a performance management systems that is SMART: Simple, Measurable, Accurate, Relevant and Time bound)	(1) Review all performance targets to ensure that they comply with the SMART principle. (2) All Directors to submit the confirmation that they have reviewed all targets as part of the Midterm review (section 72)	18-Jan-16	31-Mar-16	PMS / MM	Not yet started	
INTERNAL AUDIT / MM											
1	Predetermined Objectives	Matters affecting the auditor's report	The Audit committee did not meet for the minimum number of types recommended	Recurring	The Performance of the Audit committee not reviewed	(1) Office of the MM to review the performance of the Audit committee and Performance committee monthly by generating a template that is signed off by the MM at the end of each month	18-Jan-16	31-Mar-16	Internal Audit / MM	Not yet started	
HR / CORPORATE SERVICES											
1	Records	Other important matters	There is no control to ensure that policies approved by Council are numbered and signed off on each page to avoid alterations	Recurring	Lack of oversight on all Council policies	(1) Compile a list of all policies that went to Council, (2) MM to initial and sign all pages to ensure that alterations are not permitted unless authorised.	18-Jan-16	31-Mar-16	Human Resources (Corporate Services)	Not yet started	
2	Human Resources	Other important matters	No evidence of employees acknowledging existence of policies and commitment to comply with them	Recurring	Attendance register and Agenda for the staff meeting were the policies were workshopped not presented	(1) The next staff meeting quarterly include the agenda for code of conduct and all employees sign an attendance register.	18-Jan-16	31-Mar-16	HR Manager	Not yet started	
INFORMATION TECHNOLOGY (IT)											
1	Information Technology	Other important matters	No IT Strategy developed	Recurring	Governance Guidance checklist for IT not developed	(1) Develop an IT strategy	18-Jan-16	31-Mar-16	IT manager	Not yet started	
FINANCE DEPARTMENT											
1	Procurement	Matters affecting the auditor's report	Investigations by MPAC for Irregular, Unauthorised, or Fruitless Expenditure not promptly concluded	Recurring	Performance of the MPAC not reviewed by EXCO / Council to ensure that its work is executed promptly	(1) The Report of Irregular Expenditure to date be submitted to the MPAC for review and investigation (2) MPAC generate a report to confirm that they have reviewed the Irregular Expenditure	18-Jan-16	31-Mar-16	CFO	Not yet started	

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#	Audit Findings	Category of Finding	Description of Finding	Finding status	Root Cause	Action Plan Description	Start Date	Completion Date	Person Responsible	Progress	Narrative to Progress
PMS /MUNICIPAL MANAGER											
2	Other Disclosure	Matters affecting the auditor's report	Differences between SoBC and approved budget by Council (AFS and Budget Differences)	Recurring	(1) AFS not properly done and reviewed before submission to the AG.	(1) for all findings that relate to the quality of the AFS the following approach is proposed: (1.1) The Municipality should appoint SP (due to capacity early) to prepare the Municipality for an early audit (interim audit). The SP who assisted the Municipality in the previous financial year are PWC (AFS) and Engnet (Assets) (2)The performance of the SP be monitored weekly, (3) The SP should start with addressing the prior year audit findings	18-Jan-16	31-Mar-16	CFO	Not yet started	
3	Other Disclosure	Matters affecting the auditor's report	No Accounting policy on Budgets in the AFS	Recurring	(1) AFS not properly done and reviewed before submission to the AG.	(1) for all findings that relate to the quality of the AFS the following approach is proposed: (1.1) The Municipality should appoint SP (due to capacity early) to prepare the Municipality for an early audit (interim audit). The SP who assisted the Municipality in the previous financial year are PWC (AFS) and Engnet (Assets) (2)The performance of the SP be monitored weekly, (3) The SP should start with addressing the prior year audit findings	18-Jan-16	31-Mar-16	CFO	Not yet started	
4	Procurement	Matters affecting the auditor's report	Deviations not disclosed in the AFS	Recurring	(1) AFS not properly done and reviewed before submission to the AG. (2) Disclosure checklist to the the AFS not compiled	(1) Deviations report should be reviewed monthly (2) Review the AFS and compliance checklist before submission to the AG	18-Jan-16	31-Mar-16	CFO	Not yet started	
5	Other Disclosure	Matters affecting the auditor's report	Employee cost prior period errors not restated but not disclosed in note 41 of the AFS	Recurring	(1) AFS not properly done and reviewed before submission to the AG. (2) Disclosure checklist to the the AFS not compiled	(1) for all findings that relate to the quality of the AFS the following approach is proposed: (1.1) The Municipality should appoint SP (due to capacity early) to prepare the Municipality for an early audit (interim audit). The SP who assisted the Municipality in the previous financial year are PWC (AFS) and Engnet (Assets) (2)The performance of the SP be monitored weekly, (3) The SP should start with addressing the prior year audit findings	18-Jan-16	31-Mar-16	CFO	Not yet started	
6	Other Disclosure	Matters affecting the auditor's report	Non Compliance with GRAP Disclosures	Recurring	(1) AFS not properly done and reviewed before submission to the AG. (2) Disclosure checklist to the the AFS not compiled	(1) Disclosure checklist for MFMA and GRAP to be prepared for the AFS to confirm that all disclosures were properly done.	18-Jan-16	31-Mar-16	CFO	Not yet started	
7	Other Disclosure	Matters affecting the auditor's report	Prior year audit findings not resolved	Recurring	Audit action plan not implemented timely to start with the opening balances before addressing the current year errors	(1) PWC to start early from 18 January 2016 to address the opening balances (2) The report to be finalised to be discussed with AG, PT, NT before submission to Council for write off of the balances that can not be located	18-Jan-16	31-Mar-16	CFO	Not yet started	

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#	Audit Findings	Category of Finding	Description of Finding	Finding status	Root Cause	Action Plan Description	Start Date	Completion Date	Person Responsible	Progress	Narrative to Progress
PMS /MUNICIPAL MANAGER											
8	Records	Matters affecting the auditor's report	Journals incorrectly and not properly supported.	Recurring	Adjustments to the system and out of the system on the caseware file not reviewed and authorised by the Responsible officials	(1) File of all Journals processed to be reviewed and reconciled to Venus and caseware monthly reports to confirm that all adjustments are reviewed and properly supported.	18-Jan-16	31-Mar-16	CFO	Not yet started	
9	Immovable Assets	Matters affecting the auditor's report	Differences between the TB and the AFS	Recurring	(1) AFS not properly done and reviewed before submission to the AG.	(1) for all findings that relate to the quality of the AFS the following approach is proposed: (1.1) The Municipality should appoint SP (due to capacity early) to prepare the Municipality for an early audit (interim audit). The SP who assisted the Municipality in the previous financial year are PWC (AFS) and Engnet (Assets) (2)The performance of the SP be monitored weekly, (3) The SP should start with addressing the prior year audit findings	18-Jan-16	31-Mar-16	CFO	Not yet started	
10	Immovable Assets	Matters affecting the auditor's report	Work in progress understated	Recurring	(1) AFS not properly done and reviewed before submission to the AG.	(1) for all findings that relate to the quality of the AFS the following approach is proposed: (1.1) The Municipality should appoint SP (due to capacity early) to prepare the Municipality for an early audit (interim audit). The SP who assisted the Municipality in the previous financial year are PWC (AFS) and Engnet (Assets) (2)The performance of the SP be monitored weekly, (3) The SP should start with addressing the prior year audit findings	18-Jan-16	31-Mar-16	CFO	Not yet started	
11	Immovable Assets	Matters affecting the auditor's report	Incorrect Accounting of PPE as Investment Property	Recurring	(1) AFS not properly done and reviewed before submission to the AG.	(1) for all findings that relate to the quality of the AFS the following approach is proposed: (1.1) The Municipality should appoint SP (due to capacity early) to prepare the Municipality for an early audit (interim audit). The SP who assisted the Municipality in the previous financial year are PWC (AFS) and Engnet (Assets) (2)The performance of the SP be monitored weekly, (3) The SP should start with addressing the prior year audit findings	18-Jan-16	31-Mar-16	CFO	Not yet started	
12	Liabilities	Matters affecting the auditor's report	Creditors Listing not submitted	Recurring	(1) The General Ledger of the Municipality not reviewed monthly to ensure that the TB / GL reflects amounts that auditable	(1) The GL / TB should be reviewed monthly to confirm that the balances/transactions in the system are auditable (To be done with the SP for AFS (Scope amended to include the GL cleansing project).	18-Jan-16	31-Mar-16	CFO	Not yet started	
13	Liabilities	Matters affecting the auditor's report	Payables Journals not valid	Recurring	Adjustments to the System (venus and caseware (outside the system) not reviewed to ensure that they are appropriately supported	(1) File of all Journals processed to be reviewed and reconciled to Venus and caseware monthly reports to confirm that all adjustments are reviewed and properly supported.	18-Jan-16	31-Mar-16	CFO	Not yet started	
14	Receivables	Matters affecting the auditor's report	Inadequate provision for doubtful debts	Recurring	Methodology for provision of doubtful debts not correctly compiled	The CFO must re-assess appropriately the methodology used in calculating the provision for doubtful debts and effect the necessary corrections	18-Jan-16	31-Mar-16	CFO	Not yet started	

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#	Audit Findings	Category of Finding	Description of Finding	Finding status	Root Cause	Action Plan Description	Start Date	Completion Date	Person Responsible	Progress	Narrative to Progress
PMS /MUNICIPAL MANAGER											
15	Revenue	Matters affecting the auditor's report	Valuation Roll not adequately updated	Recurring	Supplementary/ General Valuation roll not compiled adequately / Timely	(1) The General Valuation roll for the implementation date of 1 July 2016 to be monitored with the valuer, (2) The supplementary roll for the period 1 July 2015 to 30 June 2016 to be compiled and verified for audit purposes.	18-Jan-16	31-Mar-16	CFO	Not yet started	
16	Revenue	Matters affecting the auditor's report	The Municipality does not collect revenue for dumpsite levy. This is in contravention of section 91 of MFMA	Recurring	Non - Compliance with section 91 of the MFMA	(1) Compile a revenue report for the dumpsite to assess possible collection of revenue from the levies	18-Jan-16	31-Mar-16	CFO	Not yet started	
17	Revenue	Matters affecting the auditor's report	Valuation roll not reconciled to the rates and taxes outside the system	Recurring	Rateable valuation not reconciled to the rates and taxes raised	(1) The rateable valuation reconciliations should be compiled electronically and evidence kept monthly by the Revenue Manager, as it is too big to be printed.	18-Jan-16	31-Mar-16	CFO	Not yet started	
18	Other Disclosure	Matters affecting the auditor's report	VAT Incorrectly disclosed and reconciliation not performed	Recurring	Month end procedures for Finance not properly developed and workshopped to the Finance team to ensure all month end procedures are performed	(1) Develop a month end procedure guideline for all month end procedures that should be performed, (2) Review the capacity of the VAT management to confirm if the services of maxprof (VAT reconciliation service provider) should be extended or a new service provider sought.	18-Jan-16	31-Mar-16	CFO	Not yet started	
19	Other Disclosure	Matters affecting the auditor's report	Financial statements are not casting	Recurring	(1) AFS not properly done and reviewed before submission to the AG.	(1) for all findings that relate to the quality of the AFS the following approach is proposed: (1.1) The Municipality should appoint SP (due to capacity early) to prepare the Municipality for an early audit (interim audit). The SP who assisted the Municipality in the previous financial year are PWC (AFS) and Engnet (Assets) (2) The performance of the SP be monitored weekly, (3) The SP should start with addressing the prior year audit findings	18-Jan-16	31-Mar-16	CFO	Not yet started	
20	Other Disclosure	Matters affecting the auditor's report	Commitments not complete	Recurring	Commitments register not compiled / not reviewed monthly to ensure compliance	(1) List of commitments to be compiled and reviewed monthly through the manager: Expenditure	18-Jan-16	31-Mar-16	CFO	Not yet started	
21	Procurement	Matters affecting the auditor's report	Three quotations not received	Recurring	Non compliance with the SCM compliance checklist for all procurement transactions	(1) Review all transactions from 1 July 2015 to date to confirm that all transactions for procurement have the SCM compliance checklist, this will assist with updating of the Irregular, Unauthorised and fruitless expenditure categories	18-Jan-16	31-Mar-16	CFO	Not yet started	
22	Liabilities	Matters affecting the auditor's report	Loan covenants compliance not verified (No evidence to confirm that the Municipality is complying with the conditions of the loan)	Recurring	Municipal loans not reviewed for compliance	(1) Compile a checklist of the conditions of the loans, (2) develop a compliance checklist for all loans.	18-Jan-16	31-Mar-16	CFO	Not yet started	

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#	Audit Findings	Category of Finding	Description of Finding	Finding status	Root Cause	Action Plan Description	Start Date	Completion Date	Person Responsible	Progress	Narrative to Progress
PMS /MUNICIPAL MANAGER											
23	Liabilities	Matters affecting the auditor's report	Payments not made within 30 days	Recurring	SCM does not register all invoices received to ensure that they are paid within 30 days	SCM monitoring of Documents (1) The SCM to compile a list of documents received for processing and distributed to the CFO every Friday, CFO will distribute to all Directors and Level Managers to track any documents that remain in SCM for longer than seven days. (2) Register all invoices received and date stamp them to track the 30 days compliance using Excell spreadsheet developed in the SCM unit.	18-Jan-16	31-Mar-16	CFO	Not yet started	
24	Other Disclosure	Matters affecting the auditor's report	The Municipality did not ensure that the spending is in accordance with the budgets (Section 72 Mid year review not adequately done)	Recurring	The Mid term review was not adequately compiled to address the reduction in anticipated revenue	(1) The Midterm review should be supported by the second quarter performance reviews (2) The Adjustment budget should be reviewed to reflect what is practically possible within the next six months.	18-Jan-16	31-Mar-16	CFO	Not yet started	
25	Other Disclosure	Matters affecting the auditor's report	Going concern assessment not done	Recurring	The Budget for the following financial year not used as a basis to assess the cash flow position for the following financial year	(1) Use the budget for 16/17 Cash flow section to assess the going concern status of the Municipality over the next 12 months.	18-Jan-16	31-Mar-16	CFO	Not yet started	
26	Procurement	Other important matters	No appointment of an independent official that deals with objections relating to SCM processes (section 50 (1))	Recurring	Lack of oversight for the SCM process	(1) The MM to appoint an independent official who will deal with objections from the SCM unit.	18-Jan-16	31-Mar-16	CFO	Not yet started	
27	Records	Other important matters	Valuation roll not uploaded on the Municipal website	Recurring	Non Compliance with MPRA	(1) IT to compile the list of all MFMA requirements for the website, (2) A checklist of Website compliance should be developed.	18-Jan-16	31-Mar-16	CFO	Not yet started	
28	Movable Assets	Other important matters	Incorrect Accounting of Assets Disposals	Recurring	The Municipality did not ensure that its Assets register is GRAP compliance	(1) The SP for assets register should start in January 2016, (2) The AFS should be reviewed and reconciled to the assets register before submission to the AG.	18-Jan-16	31-Mar-16	CFO	Not yet started	
29	Other Disclosure	Other important matters	Non Compliance with GRAP 1 (Presentation of Annual Financial Statements - Valuations)	Recurring	(1) Lack of review of AFS before submission to the AG, and (2) Municipality did not compile a GRAP and MPMA compliance checklist for the AFS.	(1) for all findings that relate to the quality of the AFS the following approach is proposed: (1.1) The Municipality should appoint SP (due to capacity early) to prepare the Municipality for an early audit (interim audit), The SP who assisted the Municipality in the previous financial year are PWC (AFS) and Engnet (Assets) (2) The performance of the SP be monitored weekly, (3) The SP should start with addressing the prior year audit findings	18-Jan-16	31-Mar-16	CFO	Not yet started	
30	Revenue	Other important matters	Lack of segregation of duties (Acting Revenue Manager being Revenue Accountant)	Recurring	Lack of Capacity in the revenue section to ensure segregation of duties	(1) Finalise the appointment of revenue manager, (2) Review the process flow of duties in Finance Department.	18-Jan-16	31-Mar-16	CFO	Not yet started	
31	Records	Other important matters	No cash management policy as required by Section 13 (2) of the MFMA	Recurring	Checklist for all Municipal policies and compliance calendar not developed	(1) Benchmark all policies that should be developed in the Municipality (2) Checklist of all policies that should be in place should be developed by the budget and treasury section	18-Jan-16	31-Mar-16	CFO	Not yet started	

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#	Audit Findings	Category of Finding	Description of Finding	Finding status	Root Cause	Action Plan Description	Start Date	Completion Date	Person Responsible	Progress	Narrative to Progress
PMS /MUNICIPAL MANAGER											
32	Other Disclosure	Other important matters	Provision for 13th Cheque not accounted for in the Annual Financial Statements not disclosed	Recurring	Disclosure checklist of GRAP and MFMA not compiled	(1) Compile a GRAP and MFMA compliance checklist	18-Jan-16	31-Mar-16	CFO	Not yet started	
33	Other Disclosure	Other important matters	Accrued leave not correctly accounted for	Recurring	(1) Disclosure checklist of GRAP and MFMA not compiled, and (2) leave records in the leave system not correctly captured	(1) Compile a GRAP and MFMA compliance checklist (2) Reconcile all leave records from the Employee files with the Payday system (3) Review the access controls for the payday system.	18-Jan-16	31-Mar-16	CFO	Not yet started	
34	Other Disclosure	Other important matters	Other Financial Liabilities incorrectly classified (Short term portion)	Recurring	(1) AFS not properly done and reviewed before submission to the AG.	(1) for all findings that relate to the quality of the AFS the following approach is proposed: (1.1) The Municipality should appoint SP (due to capacity early) to prepare the Municipality for an early audit (interim audit). The SP who assisted the Municipality in the previous financial year are PWC (AFS) and Engnet (Assets) (2) The performance of the SP be monitored weekly, (3) The SP should start with addressing the prior year audit findings	18-Jan-16	31-Mar-16	CFO	Not yet started	
35	Other Disclosure	Other important matters	Difference between DBSA confirmation and GL	Recurring	(1) AFS not properly done and reviewed before submission to the AG, and (2) The audit file not properly reviewed before submission to the AG.	(1) Once the SP has completed the AFS, (2) The AFS should be reconciled with the audit evidence file a session to review the audit file should be held separately.	18-Jan-16	31-Mar-16	CFO	Not yet started	
36	Other Disclosure	Other important matters	Commitments overstated	Recurring	(1) AFS not properly done and reviewed before submission to the AG, and (2) The audit file not properly reviewed before submission to the AG.	(1) Once the SP has completed the AFS, (2) The AFS should be reconciled with the audit evidence file a session to review the audit file should be held separately.	18-Jan-16	31-Mar-16	CFO	Not yet started	
37	Procurement	Other important matters	Awards to persons in the service of the state. SCM	Recurring	No System in place to verify all declarations within the SCM unit	(1) Explore the use of transunion to verify the declarations as part of the revenue enhancement strategy	18-Jan-16	31-Mar-16	CFO	Not yet started	
38	Procurement	Other important matters	SCM- No declaration of Interest	Recurring	The SCM compliance checklist does not have an area to confirm that the declarations were done.	(1) Amend the SCM compliance checklist to include: - Declaration confirmation of municipal bills - confirmation that all compliance document still valid (BEE and Tax clearance)	18-Jan-16	31-Mar-16	CFO	Not yet started	
39	Procurement	Other important matters	Use of Consultants no policy and evidence of monitoring and evaluation of consultants	Recurring	Checklist to monitor the following for each consultant not done: (1) Purposes and objectives of appointing consultants, (2) Overreliance on consultants, (3) Skills transfer	(1) Develop a policy on monitoring of consultants (2) Have a quarterly evidence to confirm that the three areas are complied with.	18-Jan-16	31-Mar-16	CFO	Not yet started	

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#	Audit Findings	Category of Finding	Description of Finding	Finding status	Root Cause	Action Plan Description	Start Date	Completion Date	Person Responsible	Progress	Narrative to Progress
PMS /MUNICIPAL MANAGER											
40	Procurement	Other important matters	Poor Supplier database management	Recurring	Lack of controls on the database to: (1) One database is used, (2) Automated database, (3) Database reviewed monthly as part of the monthly SCM reporting	(1) Issue an advert to invite SP to register on the database (2) Automate the database with access controls (3) SCM report to include the review of the database.	18-Jan-16	31-Mar-16	CFO	Not yet started	
41	Other Disclosure	Other important matters	Unspend conditional grants understated	Recurring	Grant register not compiled / reviewed All grant funded projects not reconciled to the original budget	(1) Compile a Grant register that is reviewed monthly (2) Reconciliation of grants be done.	18-Jan-16	31-Mar-16	CFO	Not yet started	
42	Procurement	Other important matters	Exceeding the limit for variation orders (Section 31 (a) of MFMA and Treasury Circular	Recurring	All grant funded projects not reconciled to the original budget (Monthly).	(1) Projects budget be tracked monthly to track that projects are not exceeding the budgets. (Expenditure section).	18-Jan-16	31-Mar-16	CFO	Not yet started	
43	Payments	Other important matters	Unauthorised expenditure understated	Recurring	No monthly review of the budget performance by Budget and Treasury office	(1) Monthly report by budget and treasury to verify that the budgets are not exceeding the allocated budget.	18-Jan-16	31-Mar-16	CFO	Not yet started	
44	Revenue	Other important matters	Revenue Journal not approved	Recurring	No Controls in place to ensure that Journals are approved being captured in the system	(1) File of all Journals processed to be reviewed and reconciled to Venus and caseware monthly reports to confirm that all adjustments are reviewed and properly supported.	18-Jan-16	31-Mar-16	CFO	Not yet started	
45	Immovable Assets	Other important matters	Non Compliance with GRAP 17 for Accounting policy note in the AFS	Recurring	(1) GRAP compliance checklist for the AFS not developed (2) The AFS not adequately reviewed before submission to the AG	(1) Review the assets register and reconcile to the AFS.	18-Jan-16	31-Mar-16	CFO	Not yet started	
46	Immovable Assets	Other important matters	All assets in the FAR did not comply with the National Treasury guideline for implementation of an assets register	Recurring	Assets register no reviewed before submission to the AG	(1) Review the assets register and reconcile to the AFS.	18-Jan-16	31-Mar-16	CFO	Not yet started	
47	Movable Assets	Other important matters	No barcodes attached to the assets	Recurring	Assets register no reviewed before submission to the AG	(1) Review the assets register and reconcile to the AFS.	18-Jan-16	31-Mar-16	CFO	Not yet started	
48	Immovable Assets	Other important matters	No Accounting policy on the AFS regarding the impairment of non cash generating assets	Recurring	(1) Disclosure checklist of GRAP and MFMA not compiled	(1) Compile a GRAP and MFMA compliance checklist	18-Jan-16	31-Mar-16	CFO	Not yet started	
49	Immovable Assets	Other important matters	Unreasonable and inconsistent useful lives between FAR and assets management policy	Recurring	Assets Management policy not consistent with the FAR (Lack of reconciliation between the FAR and the assets management policy	(1) Review the assets management policy (2) Reconcile the usefull lives in the policy to the assets register	18-Jan-16	31-Mar-16	CFO	Not yet started	

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#	Audit Findings	Category of Finding	Description of Finding	Finding status	Root Cause	Action Plan Description	Start Date	Completion Date	Person Responsible	Progress	Narrative to Progress
PMS /MUNICIPAL MANAGER											
50	Movable Assets	Other important matters	Vehicles could not be traced in the FAR	Recurring	Assets Register not reviewed and reconciled to the assets on the floor before submission of the AFS to the AG.	(1) The SP for assets management will start early January to ensure that all queries from the previous Financial Year (opening balances) (2) Review the assets register and reconcile to the AFS.	18-Jan-16	31-Mar-16	CFO	Not yet started	
51	Movable Assets	Other important matters	Differences between the AFS, GL, TB and FAR	Recurring	AFS not reconciled to the FAR and GL before finalisation of the audit file	Refer to the approach on the AFS to ensure quality.	18-Jan-16	31-Mar-16	CFO	Not yet started	
52	Immovable Assets	Other important matters	Useful lives of assets unreasonable and inappropriate	Recurring	Useful lives of assets not reviewed annually	(1) Review the assets management policy (2) Reconcile the useful lives in the policy to the assets register	18-Jan-16	31-Mar-16	CFO	Not yet started	
53	Movable Assets	Other important matters	Items in stores issued were not correctly recorded and accounted for on the bin cards	Recurring	Reconciliation of inventory on the floor and in the system not performed	(1) Monthly stock takes to be performed reviewed by the CFO	18-Jan-16	31-Mar-16	CFO	Not yet started	
54	Immovable Assets	Other important matters	Investment properties could not be traced to the properties owned by the Municipality per deeds office	Recurring	Reconciliation of IP with the deeds office data not performed before the assets register is finalised.	(1) The SP for assets management will start early January to ensure that all queries from the previous Financial Year (opening balances) (2) Review the assets register and reconcile to the AFS.	18-Jan-16	31-Mar-16	CFO	Not yet started	
55	Immovable Assets	Other important matters	Market value per the investment property register differs from the market value per the valuation report	Recurring	Valuation reports on IP not reconciled with the AR before finalisation of the FAR	(1) The SP for assets management will start early January to ensure that all queries from the previous Financial Year (opening balances) (2) Review the assets register and reconcile to the AFS.	18-Jan-16	31-Mar-16	CFO	Not yet started	
56	Bank	Other important matters	Investment per AFS different to those in the GL	Recurring	Investment register not compiled or reviewed monthly to minimise chances of the register not being accurate.	(1) The Investment register to be compiled and reviewed monthly.	18-Jan-16	31-Mar-16	CFO	Not yet started	
57	Bank	Other important matters	Investment per GL different to those in the TB	Recurring	Register not reconciled to the GL, TB and AFS before the AFS are finalised.	Refer to the approach on the AFS to ensure quality.	18-Jan-16	31-Mar-16	CFO	Not yet started	
58	Movable Assets	Other important matters	Finance leases incorrectly capitalised in the AFS (GRAP compliance issue as well)	Recurring	Leases register not reconciled with GRAP compliance checklist The leases register not reviewed to check for errors in terms of calculations etc	(1) Compile the leases register (2) Use the compliance check list to confirm GRAP compliance of leases in the AFS.	18-Jan-16	31-Mar-16	CFO	Not yet started	
59	Liabilities	Other important matters	Operating lease liability not correctly accounted for	Recurring	(1) AFS not properly done and reviewed before submission to the AG.	(1) Compile the leases register (2) refer to the approach on AFS quality	18-Jan-16	31-Mar-16	CFO	Not yet started	
60	Movable Assets	Other important matters	Mayors chain not disclosed as heritage assets	Recurring	Non Compliance with GRAP 103 Para 04 (Lack of review on the AFS before submission to the AG)	(1) Include in the GRAP compliance checklist	18-Jan-16	31-Mar-16	CFO	Not yet started	

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#	Audit Findings	Category of Finding	Description of Finding	Finding status	Root Cause	Action Plan Description	Start Date	Completion Date	Person Responsible	Progress	Narrative to Progress
PMS /MUNICIPAL MANAGER											
61	Immovable Assets	Other important matters	Useful lives of assets in FAR different with those in the Assets Management policy (Movable and Immovable assets) NB	Recurring	Reconciliation between the FAR useful lives and the assets management policy not done	(1) Review the assets management policy (2) Reconcile the useful lives in the policy to the assets register	18-Jan-16	31-Mar-16	CFO	Not yet started	
62	Immovable Assets	Other important matters	Difference between AFS and GL - Operating expenditure	Recurring	(1) AFS not adequately reviewed, (2) Reconciliation of the GL, TB and AFS not done	Refer to th eapproach on AFS to ensure quality	18-Jan-16	31-Mar-16	CFO	Not yet started	
63	Records	Other important matters	Limitation of scope due to non submission of supporting documents for Inventory Journals	Recurring	(1) Monthly review of all Journal file reconciled with the system not done. (2) No proper filing system for Journals	(1) File of all Journals processed to be reviewed and reconciled to Venus and caseware monthly reports to confirm that all adjustments are reviewed and properly supported.	18-Jan-16	31-Mar-16	CFO	Not yet started	
64	Liabilities	Other important matters	Creditors Reconciliations not done	Recurring	(1) policy for Creditors Reconciliation to guide the approach not developed	(1) Develop a policy on Creditors Reconciliations (Practical creditors reconciliation) (2) Expenditure to implement the creditors reconciliations	18-Jan-16	31-Mar-16	CFO	Not yet started	
65	Other Disclosure	Other important matters	Actuarial gain not accurately disclosed	Recurring	AFS not reviewed before submission to the AG	Refer to the approach on the AFS	18-Jan-16	31-Mar-16	CFO	Not yet started	
66	Receivables	Other important matters	Suspense Accounts not verified: The Municipality did not provide supporting documents for the suspense account clearance	Recurring	(1) Suspense Accounts not cleared and Reconciled Monthly	(1) Suspense accounts should be reviewed and cleared monthly (2) Suspense accounts should be limited to exceptional circumstances signed off by the MM	18-Jan-16	31-Mar-16	CFO	Not yet started	
67	Revenue	Other important matters	No evidence provided that the rate payers receive monthly statements	Recurring	(1) Confirmation from the service provider that the statements were send out requested monthly	(1) Obtain confirmation from Focu Outsourcing to confirm that the statements were sent out to rate payers	18-Jan-16	31-Mar-16	CFO	Not yet started	
68	Revenue	Other important matters	Reconciliation between rateable valuations and rates and taxes raised not reviewed for accuracy and validity	Recurring	(1) Evidence of review of the reconciliation between rateable valuations and rates and taxes raised not generated and reviewed monthly.	(1) Evidence for doing the monthly reconciliations be kept although they are done electronically.	18-Jan-16	31-Mar-16	CFO	Not yet started	
69	Revenue	Other important matters	Incorrect recognition of revenue	Recurring	AFS not reviewed before submission to the AG	Refer to the plan on AFS	18-Jan-16	31-Mar-16	CFO	Not yet started	
70	Revenue	Other important matters	Revenue - (License and Permits) Limitation of scope	Recurring	Lack of adequate record keeping of revenue journals and review thereof monthly by management	(1) Review the journals for the traffic section monthly to confirm that they are supported.	18-Jan-16	31-Mar-16	CFO	Not yet started	
71	Revenue	Other important matters	Agreement with rate payers not in line with the provisions of the agreement	Recurring	(1) Special agreements with rate payers not revised and reconciled to confirm that they are in line with the original agreement of the Municipality	(1) Compile a list of all special arrangements with rate payers (2) Confirm that they are in line with the provisions of the agreement.	18-Jan-16	31-Mar-16	CFO	Not yet started	
72	Revenue	Other important matters	The municipality did not recognise services received in kind as an income for the portion of the salaries that were paid by Cogsta for the seconded CFO.	Recurring	Incorrect interpretation of GRAP standards	(1) For the financial year ending 30 June 2016 disclose the benefits for the part of the year.	18-Jan-16	31-Mar-16	CFO	Not yet started	
73	Other Disclosure	Other important matters	VAT Receivables incorrectly claimed for Educational facilities	Recurring	Monthly reconciliation and review of the VAT not reviewed	(1) VAT reconciliations reviewed monthly	18-Jan-16	31-Mar-16	CFO	Not yet started	
74	Other Disclosure	Other important matters	SCM: Irregular expenditure not accurately accounted for and disclosed	Recurring	List of all Irregular expenditure not updated monthly and reviewed.	(1) Compile the Irregular expenditure list from the SCM compliance checklist from 1 July 2015 to ensure that the irregular expenditure will be complete in the AFS.	18-Jan-16	31-Mar-16	CFO	Not yet started	