



DRAFT ANNUAL REPORT

2018/2019

MOHOKARE LOCAL MUNICIPALITY FS 163

(Before Noting by Municipal Council)

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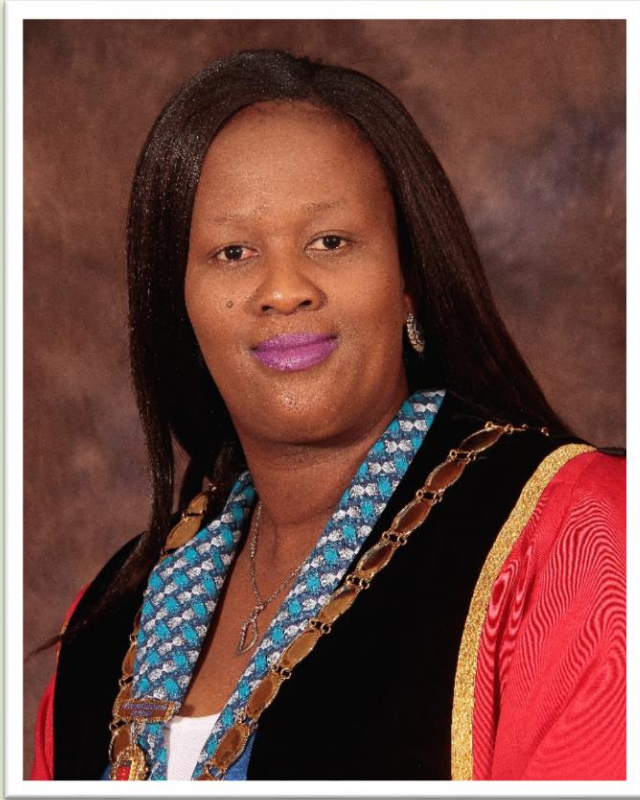
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CHAPTER 1



COMPONENT A: MAYOR'S OVERVIEW

MAYOR'S FOREWORD

Vision: To be a community-driven municipality that ensures sustainable quality service delivery applying principles of good governance.

Mission: A performance-driven municipality that utilises its resources to respond to community needs.

Slogan: Re aha motse

This Annual Report is presented in recognition of our obligation to be an accountable and transparent organization. The report reflects our service delivery developments, achievements and challenges during the stipulated financial year. The year under review marks a great achievement of the appointments of both the CFO and Director Technical Services, the process to fill the remaining two (2) positions of section 56 Managers in a form of Director Corporate and Community Service is currently underway.

This Annual Report serves as a record and accounting mechanism to communities on the municipality's achievements and challenges; as well as remedial and mitigation measures implemented to address the latter. In an expression of commitment to public participation, service delivery and clean accountable government; the council has adopted the IDP & Budget documents on the 31 May 2019 in an open type of a meeting at the community hall in Smithfield. In order to view such documents, and other important information about the municipality we therefore urge the residents to visit our official municipal website [www.mohokare.gov.za] and our Facebook page [Mohokare Local Municipality]. In accordance with the provisions of the laws that govern the affairs of the municipality we have embarked upon a process of consultation with the local community with a view to pre-sent the IDP and Budget for the 2018/19 Financial Year. Chapter 4 of the Municipal Systems Act 32 of 2000 makes community participation in the affairs, programmes and activities of the municipality a legal obligation. This IDP is therefore the culmination of a lengthy process of consultation with the local community. Accordingly, this IDP carries the aspirations of the masses of our community which the 2018/19 Budget must seek to finance. Therefore, this IDP must be seen as a beacon of hope that will continue to guide us over the next financial year in our collective endeavours of building a better life for all our communities. Reflection of free basic services and encourage deserving households to register for indigent should be imperative in the development agenda of the municipality.

We remain committed to the realization of the 5 National Key Performance Areas of municipalities, being the following:

Good Governance and Public Participation

Municipal Transformation and Organisational Development

Basic Infrastructure and Service Delivery

Local Economic Development

Municipal Financial Viability and Management

We are going to embark on a number of measures to address the unemployment challenge by implementing Local Economic Development programs. Youth unemployment is a pressing challenge; it is therefore a matter of great urgency that we draw young people in for great numbers into productive economic activity. Young local people will be moved to the centre of our economic agenda; it is within this spirit/background that the municipality through the Office of the Mayor will

be partnering with other relevant stakeholders to realise the vision of the municipality to be a Wi-Fi free zone, in order for the youth to be a component of the Fourth Industrial Revolution (4IR).

Agriculture presents one of the greatest opportunities to significantly grow the local economy and job creation. In realizing this dream, the DRDLR has been allocated site to establish a farmer's support unit in Zastron. Tourism is another sector which provides our municipality with incredible opportunities. Given the municipality's financial challenges, the institution is unable to budget for tourism related projects but in one of its sittings council resolved to embark on a Private-Public partnership to resuscitate and enhance the local tourism industry. The LED unit has started a project of compiling a local tourism brochure which will showcase our tourism destinations. The brochure will be used as a marketing tool to sell Mohokare to the outside world.

Our support to the local SMME's:

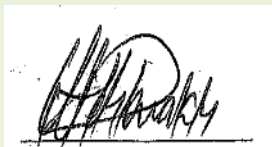
- Provide land to local SMMEs
- Lease of municipal buildings and coordinating funding from sector departments, private sector and donors.
- Encourage transition from informal to formal business.

Our course to job creation:

- Prioritize local suppliers when procuring for municipality
- Successfully engaged with contractors to sub-contract 30% of the work to local contractors.

Our IDP and 2018/19 Budget will go a long way in improving the quality of life of our community by broadening accessibility and alleviating poverty.

Regards



I.N MEHLOMAKULU
MAYOR



COMPONENT B: EXECUTIVE SUMMARY

1.1 MUNICIPAL MANAGER'S OVERVIEW

Section 121 (3) of the Municipal Finance Management Act (MFMA) 2003, read together with Section 46 of the Municipal Systems Act, act 32 of 2000 prescribes the minimal contents of the Annual Report of a Municipality.

This Annual Report therefore provides an alternative record of the Mohokare Local Municipality during the financial year under review and seeks to promote accountability to the local community for programme and services provided throughout the financial year.

Section 152 of the Constitution of the Republic of South Africa requires that the Municipality must strive within its financial and administrative capacity to achieve the following objects of local government.

- (a) To provide democratic and accountable government for local communities;
- (b) To ensure the provision of services to communities in a suitable manner;
- (c) To promote social and economic development;
- (d) To promote a safe and healthy environment; and
- (e) To encourage the involvement of communities and community organisations in the matter of local government.

The Municipality during this financial year strengthen its support to the Honourable Mayor and Councillors through engagement to solicit inputs and respective during the Integrated Development Plan (IDP) and drafting of the budget.

The year under review marks a great achievement of the appointments of both the CFO and Director Technical Services, the process to fill the remaining two (2) positions of section 56 Managers in a form of Director Corporate and Community Service is currently underway.

The financial health of the Municipality remains a challenge. The Municipality remains a challenge. The Municipality is presently giving attention to revenue enhancement with the assistance of both Provincial Department of CoGTA and Treasury including CoGTA National. The Socio – Economic situation of the communities of Mohokare remain a challenge. More emphasis should be made on job creation. The involvement of the Municipal Local Economic Development cannot be our emphasised.

The financial situation of the Municipality creates challenges in terms of provision of service delivery namely water, sanitation, roads and refuse removal. The department of water and sanitation has assisted the Municipal timeously in finding water infrastructure. The implementation of water project by its nature takes time and hope that in 2020 the provision of water in our municipality will has improved.

Ageing fleet remain a major challenge which affects mainly collection of refuse and maintenance of roads.

Kind regards



Mr. S SELEPE
MUNICIPAL MANAGER

PREFACE

The financial years contained in this report are explained as follows:

- Year -1: The previous financial year;
- Year 0: The current financial year;
- Year 1: The following financial year.

We wish to thank all relevant municipal employees for their inputs and support throughout the development of this document.

1.2 POPULATION AND ENVIRONMENTAL OVERVIEW

Mohokare Local Municipality is situated in the Xhariep District (Free State Province) it measures 8 748, 53 km and comprises of three main towns i.e. Zastron, Rouxville and Smithfield and surrounding farm areas.

Zastron

It is the main administration town for the Mohokare Local Municipality. The town, located at the foot of the Aasvoëlberg with the famous Eye of Zastron, a nine-meter-wide hole through a sandstone rock. Very nice examples of bushman art can be found on the various farms in the area. Zastron is very close to Lesotho and a great place to start exploring.

Rouxville

It is in the middle of a number of other interesting places such as Smithfield, Aliwal, Xhariep and Zastron and with the impressive Maluti Mountains in the back drop it is perfect for enjoying the views. Situated on the N6 Rouxville was founded by Petrus Wepenaar, in 1863 on the farm Zuurbult.

Smithfield

It's a small town in the Free State Province of South Africa. It was founded in 1848 after Sir Harry Smith, the Cape Colony governor. Smithfield is the third oldest town in the Free State Province.

Mohokare's population growth rate according to Statistics South Africa, is 1.06%, this is indicative of the fact that during the Census survey conducted in 2011, the total estimated population was + 34146, which has now increased to +35 840 according to 2016 Community Survey.

Demographics as per STATS SA 2016

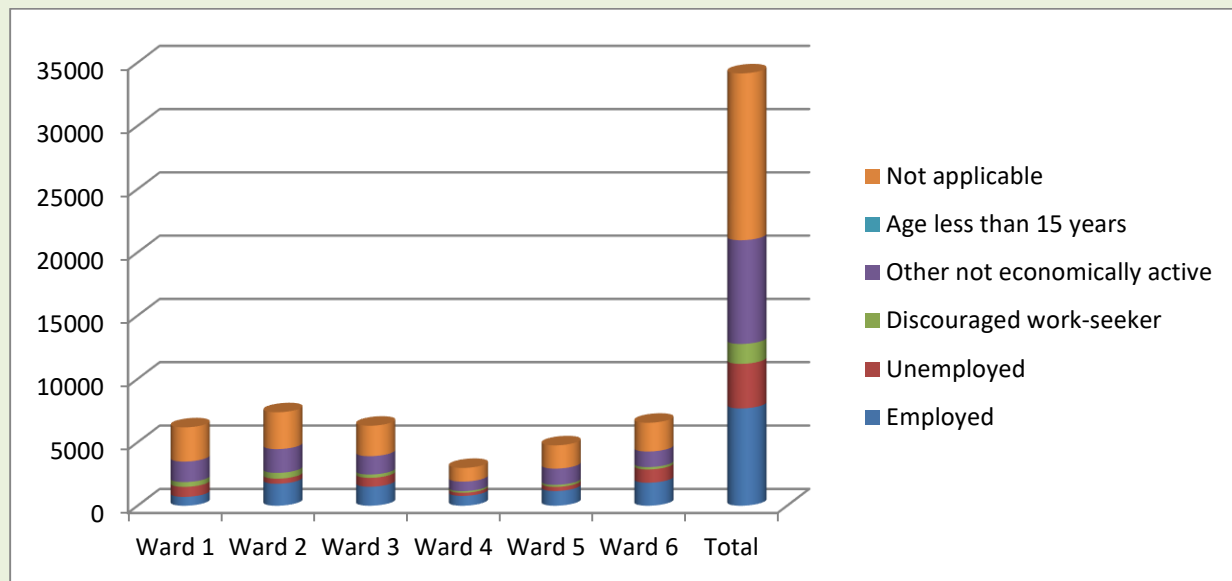
Geography	Total population	Gender		Age				% of Youth	Dependency Ratio [Per 100 (15 - 64 Years)]	Sex Ratio (Males per 100 Females)
		Male	Female	0–14 Years (Children)	15–34 Years (Youth)	35–64 Years (Adults)	65 + Years (Elderly)			
Free State	2834714	1379965	1454749	797265	1058948	732863	245638	37.4	58.2	94.9
Xhariep	125884	62475	63409	33355	48209	32128	12192	38.3	56.7	98.5
Letsemeng	40044	21140	18904	9955	15794	10656	3639	39.4	51.4	111.8
Kopanong	49999	24812	25188	13007	18802	13227	4964	37.6	56.1	98.5
Mohokare	35840	16523	19317	10393	13613	8245	3589	38.0	64.0	85.5

Households Dynamics as per STATS SA 2016

Geography	Total households	Average household size	Child-headed households (10 - 17 Years) %	Female headed households %	Formal dwellings %	Housing owned/paying off %
Free State	946638	3.0	0.6	41.7	83.6	70.2
Xhariep	44768	2.8	0.8	37.6	89.2	62.8
Letsemeng	13969	2.9	0.5	31.5	85.1	73.0
Kopanong	18412	2.7	0.6	37.4	89.3	60.0
Mohokare	12387	2.9	1.3	44.8	93.6	55.3

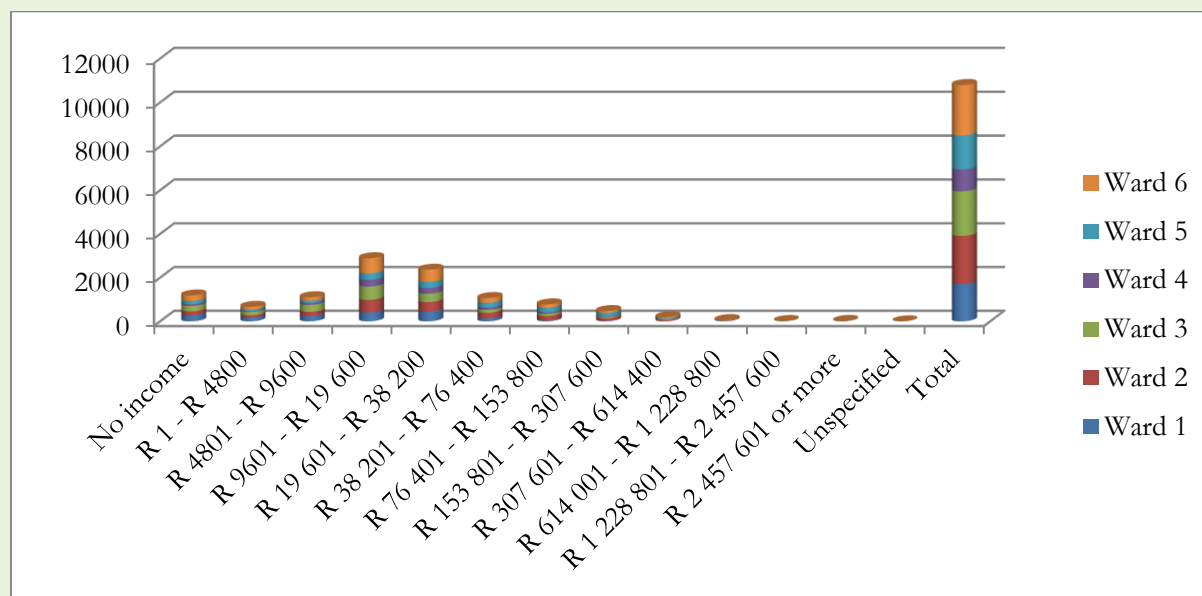
SOCIO ECONOMIC STATUS**Table:1.2.5****Geography by official employment status**

	Employed	Unemployed	Discouraged work-seeker	Other not economically active	Age less than 15 years	Not applicable	Total
Ward 1	696	792	377	1619	-	2696	6181
Ward 2	1732	401	456	1878	-	2903	7370
Ward 3	1496	704	260	1446	-	2402	6307
Ward 4	775	246	130	751	-	1079	2982
Ward 5	1161	324	164	1276	-	1836	4762
Ward 6	1812	1050	184	1229	-	2268	6543
Total	7672	3517	1571	8199	-	13184	34145

STATS SA 2011

Annual household income

	Ward 1	Ward 2	Ward 3	Ward 4	Ward 5	Ward 6	Total
No income	272	186	248	78	150	251	1186
R 1 - R 4800	167	112	150	39	74	120	662
R 4801 - R 9600	241	197	314	88	102	161	1101
R 9601 - R 19 600	408	575	608	311	292	693	2888
R 19 601 - R 38 200	434	447	385	262	280	554	2362
R 38 201 - R 76 400	140	250	136	106	213	221	1065
R 76 401 - R 153 800	30	214	103	67	207	154	776
R 153 801 - R 307 600	11	131	52	35	161	78	467
R 307 601 - R 614 400	2	60	26	9	48	43	189
R 614 001 - R 1 228 800	-	22	5	1	16	13	56
R 1 228 801 - R 2 457 600	-	5	5	1	6	2	19
R 2 457 601 or more	-	9	5	2	4	2	22
Unspecified	-	-	-	-	-	-	-
Total	1705	2208	2037	999	1553	2292	10794

STATS SA 2011

Overview of neighbourhoods within Mohokare Local Municipality as per STATSSA 2011

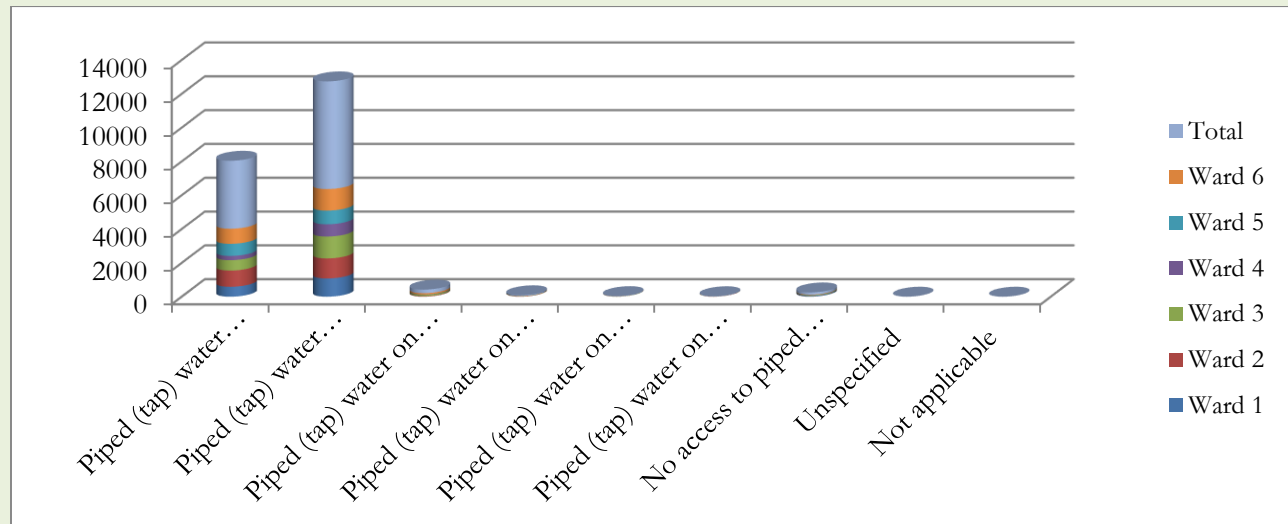
	Census/ Households- Households	Census/Populat ion – Population	Census/Popul ation – Population group	Census/Popul ation – Population group	Census/Popul ation – Population group Indian or Asian	Census/Popul ation – Population group Other	Census/Popul ation – Population group White
	N	N	N	N	N	N	N
Ward 1 ZASTRON	1705	6181	6163	7	6	5	1
Ward 2 ROUXVILLE	2208	7370	6353	182	21	31	783
Ward 3 ZASTRON	2036	6307	5963	37	9	4	294
Ward 4 ROUXVILLE	1000	2982	2655	194	5	2	126
Ward 5 ZASTRON	1552	4762	4020	59	41	3	639
Ward 6 SMITHFIELD	2292	6543	5865	290	11	16	361
Total	10793	34145	31019	769	93	61	2204

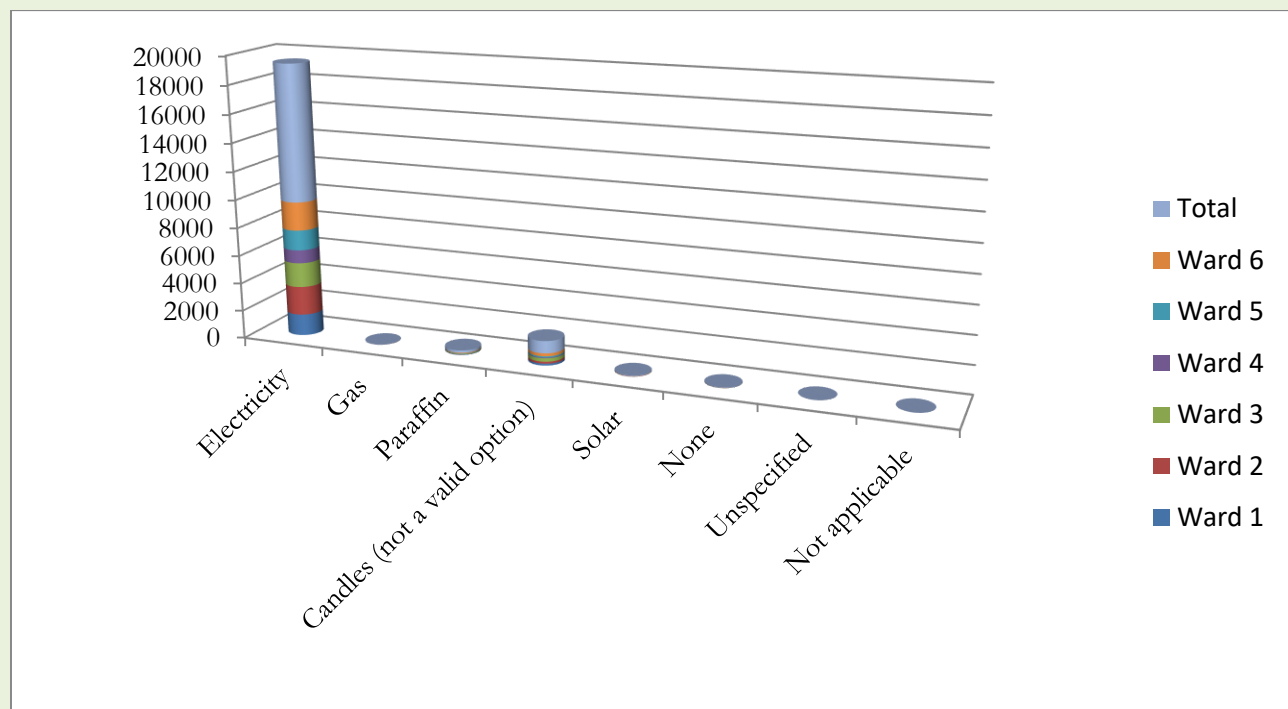
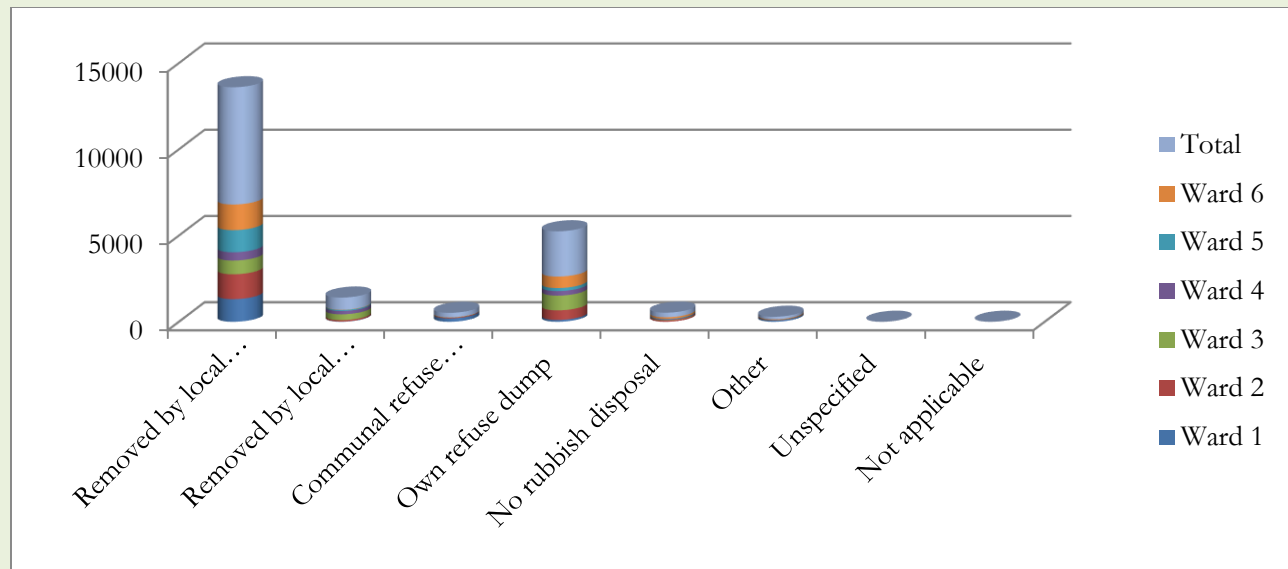
1.3 SERVICE DELIVERY OVERVIEW

Mohokare Local Municipality provides affordable and acceptable quality of basic services to different categories within its area of jurisdiction. The provision of such services is a directive from different pieces of legislation which delegates powers and function to Local Authority. The following services are rendered to different categories of consumers which include commercial businesses, schools, and hospitals, formal and informal settlements.

Type of services rendered by the Municipality:

- Portable water services
- Sanitation services
- Roads and storm water services
- Refuse removal services
- Electricity services





The municipality faced and is still facing drought challenges as far as raw water supply is concerned. Although all the households have access to water supply, the raw water supply was a challenge due to the drought. The eradication of buckets still can't be concluded due to the Bucket Eradication Programme (BEP) that is on hold.

1.4 FINANCIAL HEALTH OVERVIEW

Mohokare is a highly grant dependent municipality with a high number of indigent households, as a result the municipality cannot generate sufficient income to fund its operations adequately.

Endeavors are being made through the assistance of other government departments and government entities to assist the municipality in turning around its financial viability and improving its cash flow management.

In the current year the annual financial statements were prepared in accordance with the Standards of Generally Recognized 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).

Pricing of Services

In order to remain financially viable and sustainable, the municipality must generate sufficient resources. As limited scope exists to generate alternative revenue, it is necessary to increase rates and tariffs annually.

The determining of tariffs is the responsibility of Council, as per the provision of the Local Government Municipal Systems Act. Affordability was an important factor when considering the rates and tariff increases. Consideration was also given to the alignment between the resources of the municipality, level of service and customer expectations.

Rates

The rates increased by 6% during the year under audit.

Service Charges

The 6% increase in water tariffs are as a result of (amongst other factors), the water loss intervention programme, the increase in maintenance of ageing infrastructure and the roll out of infrastructure to new areas / developments.

Indigents

The number of indigents is at 864 for the year under audit and in order to provide free services to residents who cannot afford to pay also contributed to the need to increase tariffs.

The cost of the indigents was funded from the equitable share allocated to Council by National Treasury in terms of the Division of Revenue Act.

General

The following service delivery challenges also influenced the levels of tariffs and service charges for the municipality:

- The developmental challenge to address the service delivery backlogs in all towns of the municipality.

- The declining local economy will be insufficient to absorb the unemployed and this will have a service delivery impact and harm the ability of the municipality to sustain its revenue base to finance extended services.

The other general contributory factors for the increase in levels of rates and service charges were:

- Salary increase of 7.00% with effect from 1 July 2019
- Provision for the filling of critical vacancies;
- Rollout of infrastructure and the provision of basic services; and
- Increased maintenance of network and structures.

Intervention measures planned for 2018/2019 government debt

Over the years Mohokare Local Municipality has developed a good relationship with the Provincial and National Governments. There have been notable successes in recovering outstanding debts; however, there is still a number of unresolved issues. We expect this relationship to yield fruit in the form of increase payment for services rendered.

Secondly, categorization of debtors per:

- Department:
- Business:
- Households:

One of the most pertinent issues is the debt accumulated over a number of years. The total outstanding debt is standing at R236 million, with a collection rate of 7%. This significant increase in the debt book as well as the drastic decline in the collection rate was brought on by the Municipality converting to a new financial system and during the period of the transfer of information accounts were not issued to consumers, hence the decline in the collection rate.

The municipality employs the services of its lawyer to assist in the collection of long outstanding debts.

Council properties

Council properties are not ratable as per the rates policy.

Arrest a debt

The process of conducting road shows per wards to identify all qualifying indigents is being accelerated so that more customers are targeted. The main intention of the Municipality is to contain debt on customers so that it doesn't become too large to manage.

Embark on a process of putting maps of wards on the financial system of the municipality to print monthly accounts per ward; the intention is to involve Ward Councilors in the process of debt coverage by going door to door per ward.

The last resort will be recommendation to council to write-off the account of all affected households or insolvent business.

Unemployment and National Credit Act

The recession had a negative impact on the collection of outstanding debts. Customers could not afford to pay outstanding amounts.

Certain consumers were granted extended terms to pay. These customers could not raise loans to pay outstanding Municipal accounts because of the National Credit Act. The banks requirements for granting loans became stringent and that had a huge impact in recovering outstanding amounts.

Asset Register

A GRAP compliant asset register had been compiled and all finished infrastructure assets had been unbundled. The biggest challenge now is the maintenance of these assets and the asset register.

Institutional Transformation

The municipality had succeeded into reviewing the IDP successful in-house.
The municipality's budget is compiled per the format as prescribed by the MFMA.

Key challenges facing the municipality

Mohokare Local Municipality's economy is very weak with only agricultural activities as its main economic activities and experiencing a high unemployment rate. The above factors place a large task on the Municipality to revive its economy in order to create job opportunities. The key challenges for the municipality are:

- To develop a coherent local economic development strategy to create job opportunities.
- To ensure sustainability of the Municipality through sound administration and financial management.
- Deepening participatory democracy and good governance.
- To enhance effective service delivery to the community.

Financial Overview: Year 2018 - 19			
Details	Original budget	Adjustment Budget	Actual
Income:			
Grants - Operational	66,393,000	66,393,000	71 993 000
Grants - Capital	104,708,000	68,208,000	47,531,207
Taxes, Levies and tariffs	72,983,067	72,983,067	80,497,806
Other	47,155,124	57,455,741	42 008 430
Sub Total	291,239,191	265,039,808	242 030 443
Less: Employee Costs	72 061 000	73 640 000	72 945 065
Less: Councillors Remuneration	4,148,313	4,148,313	3 927 044
Less: Debt Impairment	22,690,500	20,490,500	70 996 764
Less: Depreciation and Assets Impairment	31,720,500	26,720,500	23,058,736
Less: Finance Charges	4,879,000	5,715,000	9,973,272
Less: Bulk Purchases	26,692,685	26,692,685	24,869,501
Less: Other Expenditure	38,991,200	39,275,384	44 830 286
Sub Total	201 184 000	196 683 000	250 523 748
Surplus/(Deficit)	90,056,408	68,358,242	-8 570 225
T 1.4.2			

COMMENT

Income

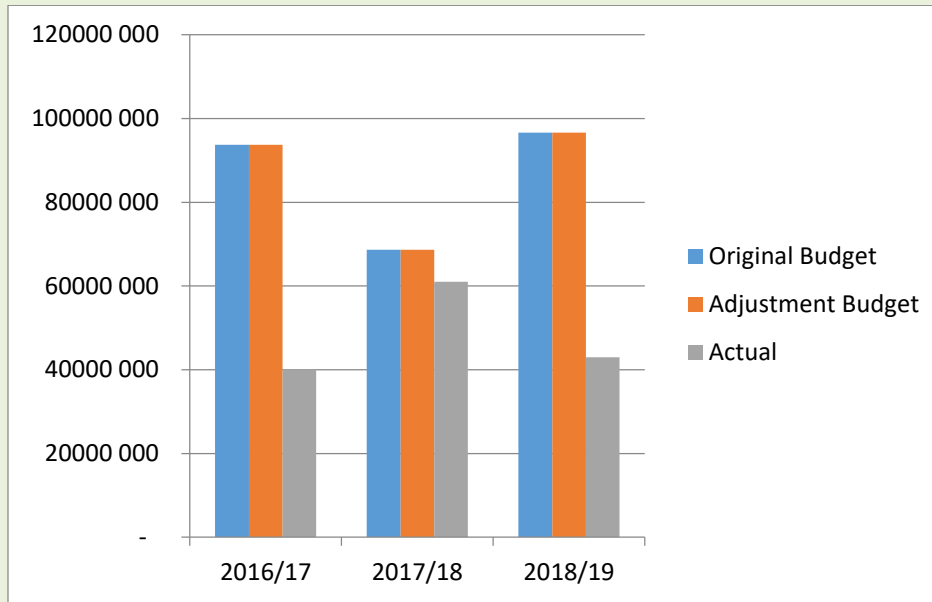
Form the above it can be seen that the municipality is grant reliant. R103,8 million of revenue are from grants received compared to the R60 307 071 million (including electricity sales by Centlec SOC) derived from own operations.

Expenditure

The Non-Cash expenditure is not cash-backed. Depreciation, when cash backed, will enable additional expenditure on maintenance and replacement of assets at the end of their useful lives.

Operating Ratios	
Detail	%
Employee Cost	29.78%
Repairs & Maintenance	1.79%
Finance Charges & Impairment	3.15%

Total Capital Expenditure: 2016-17 to 2018-19			
Detail	2016/17	2017/18	2018/19
Original Budget	93 694 000	68 671 700	96 598 600
Adjustment Budget	93 694 000	68 671 700	96 598 600
Actual	40 032 232	61 044 900	42 972 220
T 1.4.4			



1.5 ORGANISATIONAL DEVELOPMENT PERFORMANCE

The implementation of PMS is to fulfil the legislative mandate, improve service delivery and provide mechanism to report back to National Government and the public. Performance Management focuses on results than activities. It ensures that there is alignment between the internal processes to the vision and mission of the municipality and encourages the culture of performance and accountability. It assists the municipality to detect early warning signs of under-performance or non-performance, thus allowing relevant interventions for improvement. The PMS Section lies under the Municipal Manager and the reporting line is directly to Council.

The section is tasked with implementing the PMS Framework and conducting monitoring and evaluation in respect of the 5 National Government KPA's:

- Basic Service Delivery,
- Local Economic and Development,
- Municipal Transformation and Institutional Development,
- Financial Management and Viability, and
- Good Governance and Public Participation

Mohokare Local Municipality has adopted a scorecard as its performance measuring tool. The municipality adopted the 2018/2019 Performance Management Framework, the framework was reviewed and adopted by Council at a Council meeting held on the 30th of May 2019.

The PMS section addressed all issues in relation to AG's exceptions in order to ensure that there is no repetition of these queries in the new financial year. Support was offered in terms of identifying and training of Departmental PMS Champions with regards to compilation of Portfolio of Evidence Files. However, the section is still experiencing poor cooperation from reporting departments which always result in late submission of reports and noncompliance to treasury timeframes. As a corrective measure, the PMS section will roll-out PMS workshops to strengthen understanding of PMS by all staff levels. A possibility of cascading PMS to all levels will also be looked at so that all staff levels have performance plans which will be monitored by relevant Heads of sections on quarterly basis.

- Filling of Section 54A and 56 Manager Positions;
- Signed performance agreements by Section 54A and 56 Managers;
- Disciplinary processes against Section 54A and 56 Managers;

1.6 AUDITOR GENERAL REPORT

Mohokare Local Municipality received a qualified audit opinion for the 2018/2019 financial year.

See chapter 6 for the complete report of the Auditor General.

1.7 STATUTORY ANNUAL REPORT PROCESS

According to legislation the Annual Report of a municipality must be tabled in the municipal council on or before 31 January each year. In order to enhance Council's oversight function, the municipality should submit their Annual Report as soon as possible after the financial year end ideally this ought to be end of August.

The anticipated process for the creation, submission, review and approval for the 2018/2019 Annual Report is set out in the table below:

NO	ACTIVITY	TIMEFRAME
1.	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period	31 st August 2019
2.	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	01 st July 2018
3.	Finalise the 4th quarter Report for previous financial year	14 th July 2018
4.	Submit draft Annual Report to Internal Audit and Auditor-General	31 st August 2019
5.	Municipal entities submit draft annual reports to MM	N/A
6.	Audit/Performance committee considers draft Annual Report of municipality and entities (where relevant)	31 st August 2019
7.	Mayor tables the unaudited Annual Report	N/A
8.	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General	31 st August 2019
9.	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	31 st January 2020
10.	Auditor General audits, Annual Report including consolidated Annual Financial Statements and Performance data	31 st August 2019
11.	Municipalities receive and start to address the Auditor General's comments	31 st January 2020

NO	ACTIVITY	TIMEFRAME
12.	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report	31 st January 2020
13.	Oversight Committee assesses Annual Report	1 st March 2020
14.	Council adopts Oversight report	31 st March 2020
15.	Oversight report is made public	07 th April 2020
16.	Oversight report is submitted to relevant provincial councils	07 th April 2020
17.	Commencement of draft Budget/ IDP finalisation for next financial year	31 st March 2020
18.	Annual Report and Oversight Reports to be used as input	01 st April 2020

Note that the annual performance report and the financial statements form part of the Annual Report.

The Final Annual Report will be submitted to National and Provincial Treasuries', COGTA and Auditor General and to the Chairperson of the Oversight Committee in line with the National Treasury's guidelines.

Measures such as creation and capacitation of the performance management unit in the office of the municipal manager have been put in place to ensure appropriate monitoring and reporting.

CHAPTER 2

GOVERNANCE

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

The primary role of the municipal council is that of political oversight of the municipality's functions and programs. The powers of local government as outlined in the Constitution of the Republic of South Africa chapter 7, section 160(1) are vested in the municipal council, which has legislative authority and executive authority. The Municipal Council is led by the Honourable Mayor while the administration is governed by the Municipal Manager who ensures that the decisions and policies of the Council are implemented.

Corporate management support – Council and committees

The Standing Rules and Orders of Mohokare Local Municipality govern that the speaker must determine a schedule of the dates, times and venues of ordinary council meetings, and that the council must hold at least one ordinary meeting every three months.

The functions of the Council include:

The development and implementation of by-laws, the Integrated Development Plan (IDP), the budget and it also debates local government issues and can ratify or reject proposals. The council has adopted major by-laws, policies and plans. It has subsequently appointed the committees in terms of the Structures Act dealing with vast responsibilities which are fully functional: Section 79 committees, MPAC, Oversight Committee, the Audit Committee, Ward Committees, and SPLUMA Committee.

Council meetings are functional with ordinary council meetings sitting once quarterly with special council meetings called by the Mayor as and when the need arises also taking in consideration compliance matters governed by municipal legislation. Senior management implements council resolutions to achieve strategic objectives.

2.1 POLITICAL GOVERNANCE

Mohokare Local Municipality was established in terms of the provincial Gazette No. 14 of 28 February 2000 issued in terms of Section 21 of the Local Government Notice and Municipal Demarcation Act No.27 of 1998

Mohokare is made up of three former TLC Local Authorities which are Zastron, Rouxville and Smithfield. The 2008/2009 demarcation processes saw this municipality increase from having only 5 wards to 6 wards and this process brought about a gain of one more seat in the council, meaning that Mohokare LM now has a total number of 11 public representatives constituting the council, however this did not change the type of a council Mohokare was - it remained to be a plenary type of a Council.

Subsequent to the successfully held August 02, 2016 Local Government elections, the Council changed as outlined below:

1. Mayor (ANC PR Councilor)	Cllr. N.I Mehlomakulu
2. Ward 1 Councillor	Cllr. T.S. Khasake
3. Ward 2 Councillor	Cllr. T.D Mochechepa
4. Ward 3 Councillor	Cllr. L. Lekhula
5. Ward 4 Councillor	Cllr. T.I Phatsoane
7. Ward 6 Councillor	Cllr. M.I Morapela
8. Democratic Alliance PR Councillor	Cllr. I.S. Riddle
9. Democratic Alliance PR Councillor	Cllr. M.L Lephuthing
10. EFF PR Councilor	Cllr. L.J Lipholo
11. EFF PR Councilor	Cllr. B.J Lobi

Councillors are elected by the local registered voters in their respective wards and represent their respective constituents in local council. Mohokare has a total of eleven (11) seats with seven (7) councillors from the ANC, two (2) from the DA and two (2) from the EFF.

Refer to **Appendix A** where a full list of Councillors can be found (including committee allocations and attendance at council meetings)

Introduction to political governance oversight

Mechanisms used for oversight purposes are the following current committees to which councillors are assigned to serve on these committees chaired by a nominated councillor as outlined below:

- **Section 79 portfolio committees**

Five Council Portfolio committees have been established in line with section 79 of municipal structures act, 1998 and their meeting schedule adopted by council. They sit quarterly and the target is for each committee to sit four (4) times a year. Operations of the committees are also governed by the standing rules and orders of council. All the five committees are functional. The following Councillors serve as chairpersons of the committees:

Initials and surname	S79 Committee
Cllr. B.M. Valashiya	Finance
Cllr. L. Lekhula	Planning and Local Economic Development
Cllr. M.I. Morapela	Corporate Services Committee
Cllr. T.I. Phatsoane	Community Services
Cllr. T.S. Khasake	Technical Services

- **Council Oversight committee**

The MFMA governs the establishment of an Oversight Committee for the detailed analysis and review of the annual report and the annual performance report. Following the reports being tabled in Council, receiving and reviewing representations made by the public and inputs from other Councillors and then drafting an oversight report for Council's adoption. The annual report of the financial year 2018/19 was adopted by council in January 2019. The Oversight Committee discussed the Annual Report and adopted it with reservations on the 28th March 2019.

The current oversight committee consists of the following members:

Initials and surname	Capacity
Cllr I Riddle	Councillor, Chairperson
Mr L Thene	Community Member
Me VL Tuoane	Community Member
Mr Vapi	Risk Management Committee, Audit Committee member
Cllr L Lekhula	Member

Initials and surname	Capacity
Cllr M.I Morapela	Member
Cllr T.S Khasake	Member

- Audit Committee / Performance Audit Committee**

The MFMA and the Municipal Planning and Performance Management Regulations require that the municipal council establish an audit committee consisting of a minimum of three members, where the majority of members are not employees of the municipality. No councillor may be a member of an audit committee. Council shall also appoint a chairperson who is not an employee.

The audit committee of the municipality oversees financial, performance and compliance reporting, disclosures and the accounting of policies within the municipality.

The Regulations give municipalities the option to establish a separate performance audit committee whereas the MFMA provides only for a single audit committee.

According to the regulations, the performance audit committee must review the quarterly reports submitted to the committee by the internal audit unit and the municipality's performance management system and make recommendations in this regard to the council. The audit committee should meet at least twice during a financial year submit an audit report to the municipal council.

The Audit Committee / Performance Audit committee comprises of the following members:

Initials and surname	Capacity
Ms. Z. Chonco	Chairperson
Mr. T. Moloi	Member
Mr. V.W Vapi	Member
Mr. T Motshoikha	Member

- Risk Committee**

The Risk Committee emanates from the risk management unit which has been established in terms of the Public Sector Risk Management Framework of 1 April 2010.

The MFMA governs that a municipality must have effective, efficient and transparent systems of risk management as all activities of an organisation involve risk.

The development of this risk management is a systematic, timely and structured approach to risk management; anti-corruption and fraud prevention.

The following policies/documents guide the risk unit in its operations:

- Risk management strategy and policy; and
- Fraud and corruption policy.

The Risk Committee comprises of the following members:

Initials and surname	Capacity
Mr. M. Tshofela	Chairperson
Management (Senior & Middle)	Members
Internal Auditor	Member
Information Technology	Member

The risk committee was partially functional during 2018/2019.

- **Municipal Public Accounts Committee (MPAC)**

The MPAC will assist council to hold the executive and municipal entities to account, and to ensure the efficient and effective use of municipal resources. By so doing, the MPAC would help to increase council and public awareness of the financial and performance issues of the municipality and its entities.

The MPAC may engage directly with the public and consider public comments when received and will be entitled to request for documents or evidence from the Accounting Officer of a municipality.

MPAC was a shared service with the Xhariep District Municipality until 14th March 2019 when Council appointed its own MPAC Committee of which members had to undergone training before any meeting could commence. Meetings will only start in the new financial year.

- **Section 32 Committee**

The S32 committee was established on the 27th July 2017 in line with the Local Government Municipal Finance Management Act of 2003 to investigate unauthorised, irregular or fruitless and wasteful expenditure incurred by the municipality and consists of the following members:

Initials and Surname	Capacity
T.D. Mochechepa	Councillor /Chairperson
L. Lekhula	Councillor
T.S. Khasake	Councillor
T.I. Phatsoane	Councillor
B.M. Valashiya	Councillor
M.I. Morapela	Councillor
I.S. Riddle	Councillor

- **Agri Forum**

The Agri Forum consists of a group of organised farmers meeting with municipal management on a regular basis. Chaired by the Mayor the forum sits once quarterly and matters of mutual interest are shared between the municipality and the association of the farming component based in Mohokare Local Municipality. The aim of the forum is to enhance good relations between the two groups.

- **Local Labour Forum**

Section 23 of the Constitution of the Republic of South Africa, Act 108 of 1996, lays the basis for good labour relations and collective bargaining. The Labour Relations Act, 66 of 1995 prescribes how this constitutional mandate can be achieved. The primary purpose of the Act was to change the law governing labour relations with specific focus on, amongst other things, promoting and facilitating collective bargaining at the workplace and at sectorial level.

The Workplace Organisational Rights Agreement governs the establishment and operations of the Local Labour Forum. The Local Labour Forum shall have the powers and functions of negotiating and/or consulting on the following matters

- Matters of mutual concern pertaining to the municipality and which do not form the subject matter of negotiations at the SALGBC
- Matters referred to it by the SALGBC
- Minimum Service Level Agreements

Mohokare Municipality's Local Labour Forum has an approved meeting schedule and it meets monthly.

POLITICAL STRUCTURE

MAYOR/SPEAKER

Cllr. Nokufa Irene Mehlomakulu

CHIEF WHIP

Cllr. B.M. Valashiya

HONOURABLE COUNCILORS

Cllr. T.D Mochechepa

Cllr. B.M Valashiya

Cllr. L. Lekhula

Cllr. T.I Phatsoane

Cllr. M.I Morapela

Cllr. M.L Lephuthing

Cllr. I.S Riddle

Cllr. L.J Lipholo

Cllr. B.L Lobi



The Council is the policy maker, decision maker and the ultimate accountability for this structure is to the communities that they represent, therefore all business that Council undertakes is of the interest of its constituency which are communities in Mohokare jurisdiction.

The Council implements its objectives by taking resolutions on how to improve people's lives and the implementation of these resolutions is delegated to the Accounting Officer, who is the Municipal Manager.

The following outstanding council resolutions were recorded as not being concluded on the 30th of June 2019:

Date of Council meeting	Decision/resolution taken	Responsible directorate	Implemented/ Not	Reasons for deviation	Corrective action taken
Ordinary Council Meeting Held 17 September 2018	REPORT ON SMME's The Municipal Manager to prepare a report outlining the appointed and non-appointed SMMEs and further state reasons for the actions.	Municipal Manager's Office LED	Pending	Awaiting the Municipal Manager's meeting with the Acting LED Manager to finalize a progress report	All applicants to come and present to Council or alternatively administrati on to advertise for interested parties to apply
Ordinary Council Meeting Held 29 th May 2018	REPORT ON LAND INVASION IN MATLAKENG The Community Services Manager to avail the current waiting list for sites for comparison against the list from the informal settlement.	Community Services	Register was implemented containing information of occupants at informal settlement	No deviation	n/a
	SOURCING OF FUNDS FOR PRE PAID WATER METERS Councillors to start with community	Finance	The Consultations were made in Rouxville and the installation commenced in	Zastron and Smithfield is awaiting councilors consultation s	Ward councilors to finalise their community meetings

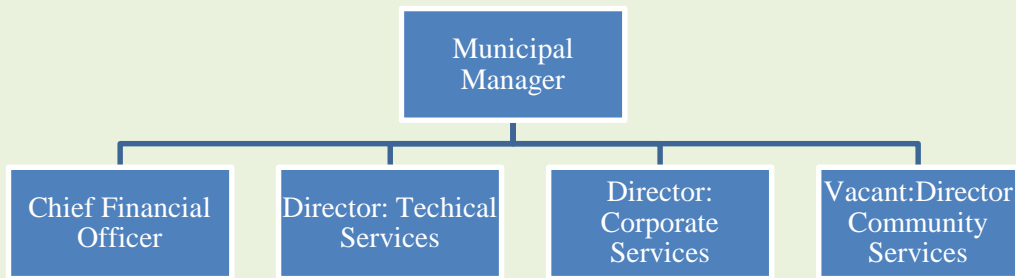
Date of Council meeting	Decision/resolution taken	Responsible directorate	Implemented/ Not	Reasons for deviation	Corrective action taken
	consultations until the end of August 2018 to engage communities on installation of pre-paid water meters		Town and is in progress		and present the projects
ORDINARY COUNCIL MEETING HELD 17 SEPTEMBER 2018	DEBT OWED BY THE MUNICIPAL OFFICIALS AND COUNCILLORS Letters to be written to the Councillors and Officials owing municipal Services	Finance	In progress	No deviation	Amendments have to be made to previous arrangements in place with individual councillors and officials
ORDINARY COUNCIL MEETING HELD 28 TH MARCH 2019	GOVERNMENT OWNED PROPERTIES IN MOHOKARE Council resolved that the municipality to commence negotiations with National and Provincial Departments to obtain their vacant sites in Mohokare.	Municipal Manager's Office Town Planner	Implemented In progress	No deviation	Consultations between municipality and Dept of Public Works is ongoing

2.2 ADMINISTRATIVE GOVERNANCE

Mohokare Local Municipality strives for improved service delivery and efficiency in customer care relations, in order to do these tasks the Municipality has an organizational structure that talks to the needs of Council and the Powers and Functions of a plenary type Municipality.

The Municipal Manager as the Accounting Officer has ensured that the organizational structure that will enable the implementation of service delivery tasks is reviewed.

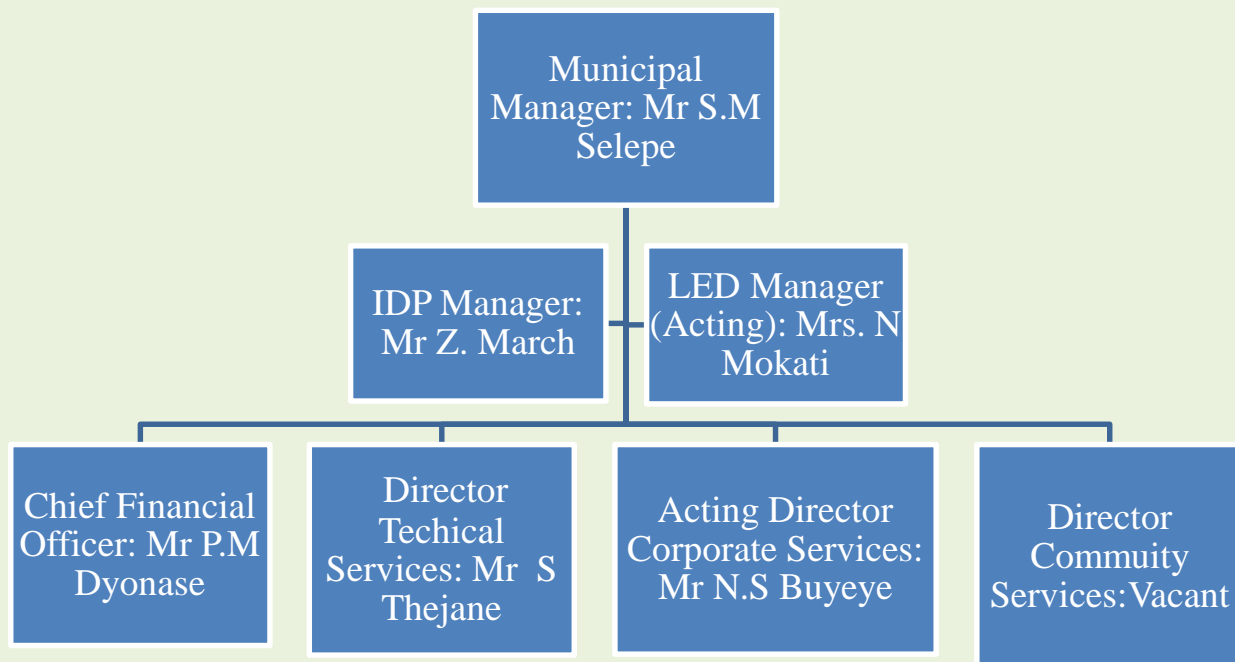
The Municipality is headed by the Municipal Manager and Managers directly accountable to the Municipal Manager, currently the top management structure Mohokare Local Municipality is as shown below:



The new Municipal Manager Mr. S.M Selepe was appointed on the 19th March 2018.

The Technical Services Director Mr. S.E Thejane was appointed on the 01st July 2019, and the Chief Financial Officer Mr. P.M Dyonase was appointed on the 01st June 2019. Mr. N.S Buyeye is Acting Corporate Services Director and Community Services Director post is vacant.

Municipal Manager	Mr. S.M Selepe
Chief Financial Officer:	Mr. P.M Dyonase
Director: Technical Services:	Mr. S.E Thejane
Director: Community Services:	Vacant
Acting Director: Corporate Services:	Mr. NS Buyeye





COMPONENT B: INTERGOVERNMENTAL RELATIONS

2.3 INTERGOVERNMENTAL RELATIONS

The Inter-Governmental Relations Framework Act 13 of 2005 seeks to establish a framework for the National, Provincial and Local governments to promote and facilitate intergovernmental Relations to provide for mechanisms and procedures to facilitate the settlement of intergovernmental disputes and to provide for matters connected herewith.

The municipality participates with various departments at national, provincial and district levels in fostering strategic partnerships and to advance its developmental objectives.

NATIONAL INTERGOVERNMENTAL STRUCTURES

Municipal Managers Forum

The Municipal Manager's Forum established as a platform for Municipal Managers to share knowledge and experiences, it sits regularly as a platform that provides an opportunity for Municipal Managers to contribute to the strengthening of the sector by informing improvements in Local Government performance collaborate in addressing common concerns and technical input to policy and legislative processes. The forum also provided opportunities to collectively engage with key stakeholders in addressing key issues affecting Local Government.

PROVINCIAL INTERGOVERNMENTAL STRUCTURE

The municipality is collaborating with various departments at provincial level.

The municipality participates in the SALGA IGR forum, Municipal Managers Forum, integrated development plan forum, Performance Management Systems Forum, Job Evaluation Forum and is also involved in attending meetings called by Provincial COGTA and the office of the Premier.

DISTRICT INTERGOVERNMENTAL STRUCTURES

Informed by guiding legislation and policies related to IGR structures, Xhariep District Municipality established an IGR forum of which Mohokare as a Municipality is a member of this forum. The forum holds meetings quarterly to engage on issues pertaining to service delivery and to also foster strategic partnerships with government departments.

There are two structures of IGR the Political IGR and the Technical IGR; The Political IGR is the structure for Mayors and Councillors and the technical structure for Municipal Managers and Key Managers and Officials.

COMPONENT C:**PUBLIC ACCOUNTABILITY AND PARTICIPATION****OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION**

Mohokare Municipality is committed to the development of a culture of municipal governance that complements formal representative government with a system of participatory governance. The Municipality has a legal obligation to establish appropriate mechanisms, processes and procedures to enable the local community to participate in its affairs.

Mohokare Municipality utilizes the community centered participatory approach which enables the involvement of communities in municipal planning which ensures the participation of the community in the development of their area to promote the promotion of public accountability.

Public participation is the main system through which the municipality practices a culture of stakeholder engagements and participation as required by the Constitution of the Republic of South Africa, Act 108 of 1996, and the Local Government: Municipal Systems Act 32 of 2000.

2.4. PUBLIC MEETINGS

Mohokare has a public participation policy adopted by council, in terms of the Municipal Systems Act, Ward Councilors are required to hold at least one public meeting per ward per quarter and Councilors were encouraged to hold public meetings monthly to ensure continuous communication with their constituencies.

Mohokare Municipality engages with the public all through the year on IDP/ Budget, by laws and various programmes and projects. The municipality has 6 wards and 6 ward committees that are functional. The municipality publishes its public meetings utilizing the municipal website, notice boards and loud hailing to inform the community on public meetings to broaden its public participation.

IDP/Budget review meetings were held in all 6 wards from August 2018 till May 2019 with stakeholders and the community to consult and also to assist in prioritizing the community needs for consideration in the planning of the operations of the municipality. The Council of the Municipality adopted the IDP/Budget process plan which guide stakeholders on dates for community and stakeholder consultations on the 17th of September 2018. The Council however adopted the draft 2019/2020 IDP/Budget on the 28th of March 2019 and the final adoption was on the 31st of May 2019.

There is also a stakeholder's forum chaired by the Mayor, constituted by all government departments offering services in the jurisdiction of Mohokare Local Municipality, this stakeholder forum holds monthly regular meetings and are well attended.

Public Meetings

Nature and purpose of meeting	Date of events	Number of participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Dates and manner of feedback given to community
Mayoral Imbizo	None					
Awareness Programme: Woman and children killings and abuse	Mar 2019	4	11	+/- 250	Yes	None
	April 2019	1	6	+/-200	Yes	None
	May 2019	3	15	+/-300	Yes	None
IDP/Budget consultative meetings	Apr-May 2019	11	10	Number vary from town to town	Yes	
Ward Community Meetings	Quarterly	one per ward	5 per ward	Number vary from ward to ward	Yes	monthly-Quarterly

2.5 IDP PARTICIPATION AND ALIGNMENT

IDP Participation and Alignment Criteria*	Yes/No
Does the municipality have impact, outcome, input, output indicators?	YES
Does the IDP have priorities, objectives, KPIs, development strategies?	YES
Does the IDP have multi-year targets?	YES
Are the above aligned and can they calculate into a score?	NO
Does the budget align directly to the KPIs in the strategic plan?	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

INTEGRATED DEVELOPMENT PLANNING

Integrated Development Planning (IDP) is a process whereby a municipality prepares its strategic development plan for a five-year cycle directly linked to its term of Council. The IDP is at the centre of system of developmental local government in South Africa and represents the driving force for making municipalities more strategic, inclusive, and responsive and performance driven in character.

The IDP is the principle strategic instrument which guides and informs all planning, budgeting and development in Mohokare Local Municipality. It seeks to integrate and balance the economy, ecological and social pillars of sustainability without compromising the institutional capacity required to implement and coordinate the efforts needed across sectors and relevant spheres of government.

COMPONENT D: CORPORATE GOVERNANCE

On-going local government reforms have provided broad administrative frameworks for further improvements to occur. These include more stringent corporate governance requirements, greater flexibility and a focus on results and accountability.

2.6 RISK MANAGEMENT

To ensure that the Mohokare Local Municipality's culture and processes encourage the identification assessment and treatment of risks that may affect its ability to achieve its objectives.

To explain key aspects of risk management and create an environment where all the employees take responsibility for managing risk.

To create a more risk aware organizational culture through enhanced communication and reporting of risk.

For the 18/19 financial year the municipality had a non-functional risk management committee.

An effective risk management strategy can improve accountability by ensuring that risks are explicitly stated and understood by all parties that the management of risk is monitored and reported on and that action is taken based on the results.

Focus on planning to deal with factors that may impact on the objectives of the municipality and provide an early warning signal.

Ensure opportunities are not missed and surprises cost don't arise.

The table below indicates progress made by departments in addressing the risks:

Department	No. of risks	No. of risks with progress indicated	No. of risks with No progress indicated	No. of risks completed
Corporate Service	11	8	1	2
Technical Services	10	8	2	0
Community Services	9	9	0	0
Finance Services	13	7	6	0
Total	43	32	9	2

The identified risks are having internal risk implications of the following categories:

Knowledge and Information Management – Accuracy, Accessibility, Availability and Relevance of Information;

Human Resources – Recruitment, Skills and Competence;

Financial - Budget allocations, Revenue collection, Wasteful and fruitless expenditure, Cash flow adequacy and management thereof;

Compliance \ Regulatory - Failure to monitor or enforce compliance; and

Cultural - Communication channels and the effectiveness.

2.7 ANTI-CORRUPTION AND FRAUD

Transparency is the cornerstone of public sector accountability. Fraud prevention is concerned ultimately with the effective utilization of resources and the minimization of waste, abuse, mismanagement, fraud and corruption. Effective accountability mechanisms for the use of public funds act to bolster the fraud prevention environment. Measures to prevent fraud should be continually monitored, reviewed and developed particularly as new systems, benefit programs, contracting or arrangements are introduced or modified.

The following documents were submitted to and approved by the Risk Management Committee and the Audit Committee in the Second quarter 2018.

- Fraud prevention plan in place
- Risk Management Strategy
- Risk Management Policy

During the month of November as it known as international fraud month the risk unit posted posters in the notice boards of the municipality, the aim of the post was to create awareness to the employees, community of Mohokare to come and report alleged cases of fraud either to the municipality or by dialling the national hotline.

2.8 SUPPLY CHAIN MANAGEMENT

The Mohokare SCM Policy is adopted and in line with Section 112 of the MFMA.

The Mohokare SCM Policy is from the Model Policy (Treasury Guideline) which is in line with the SCM Regulations. The Policy was adopted by Council and also approved by Treasury.

Goods or services must be procured by the municipality in accordance with authorized processes only. Threshold values for different procurement processes must be complied with. There are ranges of procurement processes within the SCM Policy of the Municipality which are in line with the Model Policy (Guideline). Performance management is also included in the Mohokare Supply Chain Policy.

There is a newly developed Service Providers Performance Management Policy by SCM with the assistance of PMU and PMS and is to be included as part of the SLA when a contract is signed by Mohokare Local Municipality and a service provider.

2.9 BY-LAWS

Sections 12 and 13 of the Municipal Systems Act, 2000 (as amended) govern the legislative procedures and publication of by-laws by the municipality in order to give effect to the municipality's policies.

No new by-laws were newly adopted or during the year under review and no by-laws in existence was revised.

Section 10 (1) of the Establishment Notice of Mohokare LM (Provincial Notice 181 of 2000) reads as follows:

“By-laws and resolutions (including standing delegations) of a disestablished municipality ... (a)

Continue in force in the area in which they were applicable subject to any amendment or repeal by the competent municipality”

As a result, there are the by-laws of the disestablished municipalities in Mohokare area of jurisdiction that are still valid in their respective areas until they have been repealed and replaced by Mohokare Local Municipality.

No new by-laws were promulgated during the financial year 2018/2019.

By-laws Introduced during Year 0					
Newly Developed	Revised	Public Participation Conducted Prior to Adoption of	Dates of Public Participation	By-Laws Gazetted* (Yes/No)	Date of Publication
None	None	None	None	None	None
T2.9.1					

2.10 WEBSITE

Mohokare Local Municipality website can be found at www.mohokare.gov.za.

MUNICIPAL WEBSITE : CONTENT AND CURRENCY OF MATERIAL		
Documents published on the Municipality's Website	Yes/ No	Publishing Date
Current annual and adjustments budgets and all budget-related documents	Yes	2019/04/10 Adjustment 2019/06/11 Annual budget
All current budget-related policies	Yes	2019/06/11
The previous annual report	Yes	2019/04/16
-The annual report 2017/2018 published	Yes	2019/04/16
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (Year 0) and resulting scorecards	Yes	2018/08/31
All service delivery agreements (Year 0)	No	-
All long-term borrowing contracts (Year 0)	No	-
All supply chain management contracts above a prescribed value (give value) for Year 2018/19	Yes	2018/11/29 2019/03/16
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during Year 1	No	-
Contracts agreed in Year 0 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	No	-
Public-private partnership agreements referred to in section 120 made in Year 0	N/A	-
All quarterly reports tabled in the council in terms of section 52 (d) during Year 0	No	-

MUNICIPAL WEBSITE AND CONTENT

Section 21B of the Municipal systems act requires all municipalities to establish their own official website, the website enables municipalities to deliver information to the public this is essential for improving service delivery.

The municipal website is an integral part of the communication platform of the municipality that serves as a tool for communication participation, information dissemination, allows for access to significant information, stakeholder involvement and disclosure in line with the pieces of legislation including: Local Government Municipal Systems Act No 32 of 2000, Local Government Municipal Finance Management Act No 56 of 2003 and Municipal Property Rates Act No 6 of 2004.

Mohokare Local Municipality has established its own website that is managed and hosted internally, the website contains a newly developed structure, it is accessible, easy to use and it is regularly uploaded with key documentation and information as set out in Local Government Municipal Finance Management Act section 75 or any other applicable legislation. The website at the current stage does have a function of measuring the number of the public visiting the website, and at this time the website measured 28942 visits.

2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

The municipality did not undertake community satisfaction surveys during the year 2018/2019 and the previous survey conducted did not realise a satisfactory sample of respondents, therefore data is inadequate to analyse service feedback.

The services used in the survey index were based on service delivery such as water, sanitation, electricity, municipal billing and roads.

CHAPTER 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

Mohokare Local Municipality remains committed to Service Delivery within its jurisdiction. The municipality is a Water Services Authority and a Water Services provider for all its three towns namely; Smithfield, Rouxville and Zastron.

The municipality considers water borne sanitation as a basic level of service rendered to its community. The only backlogs recorded under sanitation services can be noted only in Zastron / Refengkhoto which is as a result of a collapsed sewer network system.

It is a pleasure to report that no infills can be reported within the jurisdiction of Mohokare LM as all households have electricity connections. The main challenges remain to transfers of the electricity meter box from shacks to recently build RDP houses. The municipality implemented an aerial lightening project in Rouxville / Roleleathunya whereby 5 high mast lights were installed via the Municipal Infrastructure (MIG) with the aim of improving the safety conditions that our communities live in. The project is practically complete and await ESKOM connection for 2 high mast lights, the rest are operational. The main challenge however on electricity challenges still remains the finalisation of the SLA with Centlec.

The following are the services provided by the municipality throughout the 2018/19 financial year:

1. Water - Mohokare LM is a Water Services Authority (WSA) and a Water Services Provider (WSP), thus not making use of any Water Board (WB) for the provision of water supply in all towns.
2. Sanitation - As stated by the National Water Act of 2000, Water services refers to water and sanitation services.
3. Roads and Storm water
4. Electricity - The municipality is an Electricity Services Authorities however Centlec (Mangaung Electricity Entity) is providing services thereof.
5. Implementation of Projects - The municipality is an Implementing Agent (IA) for the following grants that seeks to improve the living standards of the community:
 - a. Municipal Infrastructure Grant (MIG)
 - b. Water Services Infrastructure Grant (WSIG)
 - c. Regional Bulk Infrastructure Grant (RBIG)
 - d. Integrated National Electrification Programme (INEP)

COMPONENT A: BASIC SERVICES

3.1 WATER PROVISION

INTRODUCTION TO WATER PROVISION

The municipality was not declared a disaster area in terms of draughts however the shortage of bulk water remains a challenge due to the under capacitated bulk water infrastructure. This challenge is common to all three towns of Mohokare LM.

The municipality was able to complete the upgrading of x2 raw water pump stations in Zastron during the 2018/19 financial year. This achievement marked the completion of phase 2 of the Zastron Bulk Water Scheme. Currently the municipality is implementing the 3rd and final phase of the Scheme which comprises of the Upgrading of the Zastron Water Treatment Works (WTW) whereby it is anticipated to be completed in the 2019/20 financial year. The completion of this scheme will enable the municipality to meet its current and future water supply demands.

The town of Rouxville has been facing similar challenges as far as bulk water is concerned. The municipality aimed at prioritising running projects prior to commencement of any new projects. A new contractor, Group YWO (Pty) Ltd, was appointed in August 2018 for the completion of the 27km raw water pipeline from the Orange River to Paisley dam after the project has been on hold for more than a year. Work is progressing on site and we anticipate to complete the project in the 2019/20 financial year. In addition to this project, the municipality continued with the implementation of the Upgrading of the Rouxville Water Treatment Works (WTW) which is a multiyear project.

The 2018/19 financial year also saw the municipality completing the design of the abstraction works to be constructed on the Orange River and equipping of the x2 raw water pump stations in Rouxville. To date ESKOM has been able to provide the electricity connections for the x1 abstraction works and the x2 raw water pump stations. A contractor will be appointed in the 2019/20 financial year to complete the project and have the final scheme functional.

Rouxville and Zastron were the only beneficiaries of bulk water infrastructure upgrades prior the 2018/19 financial year. The municipality appointed a consultant in October 2019 for the designs of Smithfield Scheme. To date the designs are complete and the municipality is awaiting funding confirmation in order to appoint a contractor for work to commence on site. Although no contractor has been appointed, the municipality is currently busy with the Water Use License Application (WULA) and Environmental Impact Assessments (EIA).

The municipality only caters for water services to domestic and commercial users. The municipality does not have agriculture, forestry and industrial sectors.

The Municipality towns can be classified as very rural and therefore does not have industries and agricultural sectors within the municipal water supply network. Most of the water supplied goes to residential areas (\pm 60 percent) with a small percentage (\pm 12 percent) to schools and health facilities like hospital and clinics. About 20 percent of the purified water remains unaccounted for due to losses within the network as well as unmetered supplies.

Employees: Water Services					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	0	0	0	0	0%
4 - 6	45	54	45	9	16.6%
7 - 9	0	1	0	1	100%
10 - 12	4	4	4	0	0%
13 - 15	1	2	1	1	50%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
Total	50	61	50	11	18%

Water Service Delivery Levels				
Description	Households			
	Year -3	Year -2	Year -1	Year 0
	Actual No.	Actual No.	Actual No.	Actual No.
Water: (above min level)				
Piped water inside dwelling				
Piped water inside yard (but not in dwelling)				
Using public tap (within 200m from dwelling)	42	42	42	0
Other water supply (within 200m)				
<i>Minimum Service Level and Above sub-total</i>				
<i>Minimum Service Level and Above Percentage</i>				
Water: (below min level)				
Using public tap (more than 200m from dwelling)				
Other water supply (more than 200m from dwelling)	255	255	255	0

Details	Financial Performance 2018-19: Water Services				
	2017-18	2018-19			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	72 366	100 189	63 689	47 125	-113%
Expenditure:					
Employees	13 389	15 085	15 369	14 434	-5%
Repairs and Maintenance	3 409	1 675	1 675	702	-139%
Other	44 657	5 125	5 125	4 786	-7%
Total Operational Expenditure	61 455	21 885	22 169	19 922	-10%
Net Operational Expenditure	(10 911)	(78 304)	(41 520)	(27 203)	-188%
					<i>T 3.1.8</i>

Operations and maintenance (O&M) still remains a serious challenge for the municipality as the budget allocated for O&M is not adequate to address all the municipal needs. This results from the municipality's inability to collect adequate revenue for municipal operations.

The completion of the bulk water projects will assist in providing sustainable water supply in order to gain consumer confidence which will result in the community paying for municipal rates and taxes.

3.2 WASTE WATER (SANITATION) PROVISION

The municipality has managed to eradicate all buckets within its jurisdiction however there are still challenges to be addressed on the bulk infrastructure.

The 2018/19 financial year saw the completion of the Upgrading of the Zastron Waste Water Treatment Works (WWTW) which aims at producing an acceptable effluent for discharge. This project will also cater for the extensions such as Ext. 10 and Mooifontein.

Although the upgrading of the Zastron WWTW is complete, the municipality still faces a challenge with regards to the outfall sewer line and pump stations that keep blocking and overflowing. Thus the municipality has successfully registered a project under the Municipal Infrastructure Grant (MIG) for an amount of R8.9 Million to upgrade the outfall sewer line and pump stations.

Mohokare LM appointed a consultant in order address the sewer spillages in Refengkhotoso. The aim is to register a project for commencement upon completion of the sewer line and pump stations upgrade, which is viewed as a long term solution. An interim project was introduced to the community of Refengkhotoso which entails the installation of Easyflush units for 410

households. 300 units were completed in the 2018/19 financial year with the remainder to be completed in the 2019/20 financial year

A consultant was successfully appointed for the Upgrading of the Rouxville Waste Water Treatment Works (WWTW). This project was registered under the MIG to enable the plant to handle increase amounts of waste water it will be receiving as a result of the upgrades that are currently underway on the bulk water infrastructure. The project will be implemented in the 2019/20 financial year and will only be completed in the 2020/21 financial year.

The oxidation ponds in Smithfield were upgraded in 2013 and have since not operated at design capacity. This is as a result of the constant blockages experienced on the main lines prohibiting the adequate transportation of the waste water to the oxidation ponds. In order to counter act this challenge, the municipality then appointed a consultant for the upgrading of the main lines. This project will reduce the frequency of blockages and enable the municipality to provide additional sites for residential purposes.

Financial Performance Year 2018-19: Sanitation Services					
R'000					
Details	2017-18	2018-19			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	9 601	10 576	10 576	9 480	-12%
Expenditure:					
Employees	7 101	10576	10576	9480	-12%
Repairs and Maintenance	1 078	-	-	-	-
Other	5 156	-	-	-	-
Total Operational Expenditure	13 335	10576	10576	9480	-12%
Net Operational Expenditure	3 735	(10 565)	(10 565)	(9 470)	-12%
					7 3.2.8

Employees: Sanitation Services					
Job Level	Year -1	Year0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0%
4 - 6	39	59	39	20	33.8%
7 - 9	0	0	0	0	0%
10 - 12	3	3	3	0	0%
13 - 15	0	0	0	0	0%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
Total	42	62	42	20	32.2%

Households - Sanitation Service Delivery Levels below the minimum						
Description	Year -3	Year -2	Year -1	Year 0		
	Actual	Actual	Actual	Original	Adjusted	Actual
	No.	No.	No.	Budget No.	Budget No.	No.
Formal Settlements						
Total households	1798	1798	1063			54
Level	1798	1798	1063			54
Proportion of households below minimum service level	16,65%	16,65	9,84%	25%	25%	0,51 %

Capital Expenditure 2018-19: Sanitation Services					
R' 000					
Capital Projects	2018-19				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	2 416 758,52	2 417 000,00	880 331,00	-175%	
Upgrading Rouxville of the WWTW	2 416 758,52	2 417 000,00	880 331,00	0%	521 988,00
T 3.2.9					

3.3 ELECTRICITY

The Municipality is the electricity services authority but it has however appointed CENTLEC (entity of Mangaung Metro) to provide this service on its behalf. Some of the households, mostly in the townships fall within Eskom supply area. The Municipality currently does not have backlogs as all its households have been connected to electricity supply grid. This was achieved through funding from the Department of Energy (DoE).

The municipality received funding through the MIG for the installation of 5 High mast lights in Rouxville / Roleleathunya. This project was successfully implemented and completed in the 2018/19 financial year through Centlec as the appointed Implementing Agent (IA). All five (5) high mast lights are operational and has resulted in creating a safer community.

The municipality is in the process of issuing additional residential site which has resulted in an increase with regards to the bulk electricity infrastructure. Therefore, the municipality was allocated an amount of R 500 0000.00 through the INEP grant to strengthen its bulk infrastructure network by upgrading the Ou Kragstasie substation. Unfortunately, the municipality was not able to complete the project, however it will be completed in the 2019/20 financial year.

Electricity Service Delivery Levels				
Description	Year-3	Year-2	Year-1	Year0
	ActualNo.	ActualNo.	ActualNo.	ActualNo.
Energy: (above minimum level)				10793
Electricity (at least min.service level)	8667	8867	9681	0
Electricity - prepaid (min.service level)	8667	8667	9681	0
<i>Minimum Service Level and Above sub-total</i>	1926	1926	1112	0
<i>Minimum Service Level and Above Percentage</i>	17,844%	17,884%	10,31%	0
Energy: (below minimum level)				
Electricity (< min.service level)	1926	1926	1112	0
Electricity - prepaid (< min. service level)				
Other energy sources				
<i>Below Minimum Service Level sub-total</i>	1926	1926	1112	0
<i>Below Minimum Service Level Percentage</i>	17,844%	17,884%	10,31%	0
Total number of households	10793	10793	10793	10793

Households - Electricity Service Delivery Levels below the minimum						
Description	Year -3	Year -2	Year -1	Year 0		
	Actual	Actual	Actual	Original	Adjusted	Actual
	No.	No.	No.	Budget No.	Budget No.	No.
Formal Settlements						
Total households	1926	1926	1112			0
Households below minimum service level	17,844%	17,884%	10,31%			0
Proportion of households below minimum service level	1926	1926	1112			0

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

Financial Performance 2018-19: Electricity Services					
R'000					
Details	2017-18	2018-19			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	28 972	38 861	38 861	45 355	0%
Expenditure:					0%
Employees	460	693	–	63 500	0%
Repairs and Maintenance	3 774	–	–	–	0%
Other	28 610	–	–	–	0%
Total Operational Expenditure	32 844	693	–	63 500	0%
Net Operational Expenditure	3 871	(38 861)	(38 861)	18 145	0%
					T 3.3.7

Electricity still remained a challenge for the municipality in the 2018/19 financial year due to the following challenges:

1. No signed Service Level Agreement (SLA) with Centlec.
2. No O&M plans received for electricity infrastructure from Centlec.
3. No Electricity Master Plan in place.

3.4 WASTE MANAGEMENT (THIS SECTION TO INCLUDE: REFUSE COLLECTIONS, WASTE DISPOSAL, STREET CLEANING AND RECYCLING (COMMUNITY SERVICES))

The above division is mainly responsible for removal of waste classified or meant for household and business purposes.

On daily basis once per week, a programme is been implemented and followed to ensure removal of refuse within our communities.

Solid Waste Service Delivery Levels				
Description	Year-3	Year-2	Year-1	Households Year 0
	Actual No.	Actual No.	Actual No.	Actual No.
Solid Waste Removal: (Minimum level)				
Removed at least once a week	2,895	2,685	2,846	2,235
<i>Minimum Service Level and Above sub-total</i>	2,895	2,685	2,846	2,235
<i>Minimum Service Level and Above percentage</i>	50.9%	47.1%	51.5%	44.8%
Solid Waste Removal: (Below minimum level)				
Removed less frequently than once a week	655	547	565	523
Using communal refuse dump	865	846	487	865
Using own refuse dump	655	547	565	523
Other rubbish disposal	502	952	938	720
No rubbish disposal	112	123	124	124
<i>Below Minimum Service Level sub-total</i>	2,789	3,015	2,679	2,755
<i>Below Minimum Service Level percentage</i>	49.1%	52.9%	48.5%	55.2%
Total number of households	5,685	5,699	5,523	4,991
				T 3.4.2

Employees: Waste Management Services					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 -3	0	0	0	0	0%
4 -6	29	45	29	16	35.5%
7 -9	0	1	0	1	100%
10 -12	7	9	7	2	22%
13 -15	1	1	1	1	0%
16 -18	0	0	0	0	0
19 -20	0	1	0	1	100%
Total	37	57	35	20	35.01%

Financial Performance 2018-19: Solid Waste Management Services					
R'000					
Details	2017-18	2018-19			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	5 881	8 376	8 376	–	0%
Expenditure:					0%
Employees	4 789	–	–	–	0%
Repairs and Maintenance	29	–	–	–	0%
Other	39 242	–	–	–	0%
Total Operational Expenditure	44 060	–	–	–	0%
Net Operational Expenditure	38 179	(8 376)	(8 376)	–	0%
					T 3.4.7

3.5 HOUSING

Amongst its objectives, is the registration and management of applicants in need of sites, the allocation thereof, registration and the allocation of houses and to address disputes of houses and sites. All of the above are to reflect on divisions five (5) years Housing Sector Plan reviewed on annual basis. From the beginning of this Council's term, the Municipality has been offered the allocation of houses as per the below table:

Name of Town	Financial Year	Housing units allocated	Name of Contractor	Project Sponsor	Project progress to date
Zastron	2016 to 2018	200	Ithuteng Consulting	Provincial CoGTA	In progress
TOTAL ALLOCATION		200			

Another project in progress is the construction of two roomed houses, which is a project from the Provincial Human Settlement and is monitored by the Province. The Municipality only gets involved when there are complaints from the community about the delays of the completion of the project and then liaise with the Province and contractors on site.

Percentage of households with access to basic housing			
Year end	Total households (including in formal and informal settlements)	Households in formal settlements	Percentage of HHs in informal settlements
Year -3	10276	10276	100%
Year -2	10276	10276	100%
Year -1	10276	10276	100%
Year 0	10793	10276	100%

Financial Performance 2018-19: Housing Services					
Details	2017-18	2018-19			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	459	815	816	499	-63%
Expenditure:					
Employees	650	-	-	-	-
Repairs and Maintenance	-	-	-	-	0%
Other	6	-	-	-	0%
Total Operational Expenditure	656	-	-	-	-
Net Operational Expenditure	197	(815)	(816)	(499)	-63%
					T 3.5.5

Service delivery priorities	Improved performance measures	Major efficiencies achieved
Identification of land for housing development	Availability of land and sites for developments	Reduction of backlog on sites and housing
Compilation of register for Applicants	Up to date registers for sites	
Compilation of a register for potential Beneficiaries	Up to date register for housing allocations	
Annual review of the Housing Sector Plan	Reviewed Housing Sector Plan	

3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

Basic services are generally regarded to be, access to electricity, clean water within a reasonable distance of one's dwelling, basic sanitation, solid waste removal and access to and availability of roads. Free Basic Services (FBS) are allocated as part of the equitable share received annually and utilized for the benefit of the poor only.

The key purpose of the indigent policy subsidy is to ensure that households with no or lower income are not denied a reasonable service and on the contrary the Municipality is not financially burdened with non-payment of services. Provided that funds are available, the indigent subsidy policy should remain intact.

Registered indigent qualify for the following free basic services:

- 6kl of free water
- 50kwh of electricity
- 100% subsidy on sanitation tariff
- 100% subsidy on refuse removal tariff
- Up to R 120 000 of the market value of the property



Free Basic Services To Low Income Households										
	Number of households									
	Total	Households earning less than R1,100 per month								
		Free Basic Water		Free Basic Sanitation		Free Basic Electricity		Free Basic Refuse		
		Total	Access	%	Access	%	Access	%	Access	%
2014-15	2,054	2,054	2,054	100%	2,054	100%	2,054	100%	2,054	100%
2015-16	2,079	2,079	2,079	100%	2,079	100%	2,079	100%	2,079	100%
2016-17	840	840	840	100%	840	100%	840	100%	840	100%
T 3.6.3										

Financial Performance 2018-19: Cost to Municipality of Free Basic Services Delivered					
Services Delivered	2017-18	2018-19			
	Actual	Budget	Adjustment Budget	Actual	Variance to Budget
Water	1 521	–	–	–	0%
Waste Water (Sanitation)	195	–	–	–	0%
Electricity	–	–	–	–	0%
Rates and Levies	30	–	–	–	0%
Waste Management (Solid Waste)	146	–	–	–	0%
Total	1 893	–	–	–	0%
					T 3.6.4

COMPONENT B: ROAD TRANSPORT

The municipality participated in the Rural Roads Asset Management System (RRAMS) which is a forum coordinated by the Xhariep District.

The following municipalities participated:

1. Kopanong LM
2. Mohokare LM
3. Letsemeng LM
4. Xhariep DM
5. Aganang Consulting Engineers

The forum was able to develop a report for Council adoption indicating the assessments conducted on all rural roads and the status thereof.

Furthermore, the municipality was able to develop a road maintenance plan and roads and storm water master plan which were both adopted by Council prior to 30 June 2019.

The municipality remains committed to improving the quality of access roads within its jurisdiction. This has seen the implementation of two projects in the 2018/19 in Rouxville and Zastron.

The following project commenced in the 2018/19 financial year:

1. Zastron / Matlakeng: Construction of 600m Zama access road with related storm water
2. Rouxville / Roleleathunya: Construction of 1.7km access road with related storm water

The above projects are funded through the MIG and will be completed in the 2019/20 financial year.

3.7 ROADS (STORM WATER DRAINAGE)

The Municipality has been implementing roads projects in line with its road and storm-water master plan. The focus has been on access roads where the internal roads have been upgraded

with block paving. Despite progress made thus far, the Municipality still faces challenges on maintenance of existing roads.

Challenges:

- Lack of yellow fleet for maintenance of roads;
- Lack of proper storm-water channels which affects roads especially during rainy season; and
- Insufficient budget for maintenance purposes.

Gravel Road Infrastructure					
	Total gravel roads in km	New gravel roads constructed in Km	Gravel roads upgraded to tar /Pave Blocked in Km	Gravel roads re-shaped and re- graveled	
Year-2	137	-	5,6	107	
Year-1	137	-	0	82	
Year0	137	30	2.3	87	
Tarred Road Infrastructure					
	Total tarred roads in km	New tar roads in km	Existing tar roads re-tarred in km	Existing tar roads re-sheeted in km	Tar roads Maintained in km
Year-2	12	-	-	-	12
Year -1	12	-	-	-	9
Year0	12	-	-	-	10
				T 3.7.3	

Road; Storm Water					
Job Level	Year-1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	0	0	0	0	0%
4 – 6	9	20	9	11	55%
7 – 9	0	0	0	0	0%
10 – 12	1	3	1	2	66%
13 – 15	0	0	0	0	0%
16 – 18	0	0	0	0	0%
19 – 20	0	0	0	0	0%
Total	10	23	10	13	56%

As indicated earlier, the Municipality has been prioritizing its access roads and below are the main projects implemented thus far:

- Upgrading of 2 km access paved road in Rouxville - completed in 2011;
- Upgrading of the 2.9 km paved access road in Matlakeng – completed 2015; and
- Upgrading of 3 km paved access road in Mofulatshepe/Smithfield – the municipality was able to over achieve by 2.6km on this project as 5.6 km was completed.
- New projects entail the construction of the 600m Zama road in Zastron and a construction of 1.7km access road in Rouxville. The roads are to be constructed using block paving.

3.8 TRANSPORT

The Municipality does not have an approved transport plan; however, the plan will be developed once the spatial framework has been completed. Most of the transport functions which includes vehicle licensing and taxi licensing are currently being managed under the provincial government.

3.9 WASTE WATER (STORMWATER DRAINAGE)

The Municipality is currently creating new storm-water channels on the existing residential areas through implementation of new access roads. In the 2013/14 financial year the Municipality constructed a 2 km access road in Rouxville/Roleleathunya and in the 2014/15 constructed 2.9 km access road in Zastron. The Municipality started with a 5 km access road project in Smithfield in April 2016.

The Municipality has not yet upgraded any existing storm-water channels due to huge backlog. Maintenance of the existing storm water channels is currently being done through the Expanded Public Works Program. Below tables indicates the length of storm-water done for the past three years including expenditure thereof:

Storm water Infrastructure				
	Kilometres			
	Total Storm water Measures	New storm water measures	Storm water measures	Storm water measures maintained
Year -2	160	0.4	0	30
Year -1	166	1.3	0	26.76
Year 0	166	1.3	0	40

Cost of Construction/Maintenance			
R' 000			
	Storm water Measures		
	New	Upgraded	Maintained
Year -2	R 17 268 747.00	0	R 3 991 399.00
Year -1	R 0,000 000.00	0	R 6 229 024.00
Year 0	R 11 664 853.00	0	R 1 499 044.00

The Municipality is utilizing open channel drainage system in most of its areas and these are further implemented along the access road project. Maintenance is mostly done under the Public Works program of EPWP.

Major maintenance works is done utilizing hired jet machines to unblocked underground storm-water channels in certain sections of Matlakeng/Zastron.

COMPONENT C: PLANNING & DEVELOPMENT

3.10 PLANNING

Town planning from a municipal perspective focuses on land use and the development thereof in such a way as to be sustainable, in other words, planning and development must be done as to enhance the environment for man and animal in a harmonious way as to be sure that future generations will be able to enjoy the legacy from their parents in a sustainable manner.

MAIN ELEMENTS OF PLANNING STRATEGY

Manages the key performance areas and result indicators associated with the creation, regeneration, enhancement and management of public spaces through the provision of a professional management consultancy service disseminating advice and guidance on international best practice trends, design, specification, procurement and implementation sequences in respect of urban design and architectural projects and monitoring and reporting on the outcomes. For this to be possible, town planning has certain policy documents as well as guidelines to assist in above goals.

SPLUMA COMPLIANCE

- Spatial Planning by law;
- Town planning policy updated in terms of SPLUMA;
- Spatial Development Framework Review: incorporation of SPLUMA principles; and
- Development of a land use scheme for Mohokare as per SPLUMA within 4 years (2019).

LANDUSE DEVELOPMENT, PLANNING AND MANAGEMENT

- Town Planning Schemes; and
- Building control.

By-laws

The following by laws assisting in town planning were adopted, in place and are implemented to assist in the management of municipal land.

- Standard Control of Street Vendors, Peddlers and Hawkers By-law;
- Standard Advertising By-Law;
- Standard Informal Settlements By-law; and
- Spatial planning and land use management by-law on municipal land use planning.

Policies:

Planning policies were developed in conjunction with the Free State Planning Guidelines (August 2017). The Draft policies were approved by Council in March 2019.

Town planning draft policies.

- Policy on building control
- Policy on national heritage resources
- Policy on planning and environmental guidelines
- Policy on town planning principles in terms of cemeteries
- Policy on spatial planning and land use management
- Policy on student accommodation
- Policy taverns, liquor outlets and licensing
- Policy on telecommunication infrastructure

ACHIEVEMENTS

The Mohokare Land Use Scheme is being drawn up with the assistance of Spatial Planning, COGTA and MISA.

The Mohokare Municipality is earmarked for a Farmer Production Support Unit as part of the DRLR (Department of Rural Development and Land Reform's Agri Park project - an initiative through the National Development Plan. A site (Erf 4195) was earmarked at Zastron. The site handover was done and construction started during May 2019.

EXTENTION 5 SMITHFIELD

The property preventing the finalization of Ext 5 Smithfield was declared derelict and was legally reverted back to the municipality to conclude the town planning processes as to open the township register. Outstanding is the proclamation to be done by CoGTA.

ESKOM

Eskom's planning division reacted on the information of future development in Mohokare and contracts were signed between Eskom and Mohokare local municipality for the upgrade of the Rouxville-Zastron line as well as the construction of a new substation.

Exemption letters was issued to Eskom to facilitate expedited procedures according to sections 16 and 70 of the Mohokare land use and spatial planning by-law for the registration of servitudes

SANRAL

Contracts were signed between SANRAL and the municipality in terms of portions of land needed for the upgrading of the N6 between Rouxville and Smithfield and also to Reddersburg. Exemption letters were issued to SANRAL to facilitate expedited procedures according to sections 16 and 70 of the Mohokare land use and spatial planning by-law for the registration of servitudes.

UFS

The town planner was invited as an external examiner for mini dissertations by Honours students in Town and Regional Planning. Nine dissertations were marked and reported on to the UFS's Dept. of Town – and Regional Planning.

FREE STATE PLANNING FORUM

The town planner is a member of the SPLUM Forum and attend quarterly meetings. On 2 November 2018, the town planner presented at the Forum on problems experienced in terms of SPLUMA, the implementation thereof in smaller municipalities.

SACPLAN AND CPD POINTS

The concept of CPD (Continuous Professional Development) in town planning was approved by SACPLAN and was instituted in April 2018.

1.2 Definition of CPD

SACPLAN has adopted a definition of CPD that is widely used by professionals operating in the built and natural environments.

CPD is the systematic maintenance, improvement and broadening of knowledge and skills, and the on-going development of personal competencies and qualities necessary for the execution of professional and technical duties throughout a practitioner's working life.

1.3 Rationale and aims of the SACPLAN's CPD Policy

The rationale for CPD is to develop, enhance and maintain professional competency of registered planners to ensure that their technical knowledge base is kept current and improved in an orderly and continuous basis. The CPD Policy is also aimed at:

- harmonising standards and norms in the management and development of the planning profession;
- ensuring improved skills, competencies and performance;
- encouraging a CPD culture among planning professionals;
- addressing professional development limitations within the planning profession; and
- ensuring national relevance, international recognition and professional integrity.

-

SWOT ANALYSIS

<u>STRENGTHS</u>	<u>WEAKNESSES</u>
<p>Alignment of Spatial Development Framework to the Integrate Development Plan and the Budget.</p> <p>Professional planner</p> <p>National and Provincial support SPLUMA – supportive legislation</p> <p>Good working relations with Senior Management Team</p>	<p>Lack of understanding of spatial planning and land use management by local communities</p> <p>No GIS</p> <p>Turn-around time for town planning processes to run its course</p> <p>MPT (Municipal Planning Tribunal) problematic in small municipalities</p>
<u>OPPORTUNITIES</u>	<u>THREATS</u>
<p>Effective implementation of SPLUMA in terms of land use</p> <p>Development and planning opportunities</p> <p>Future growth within the wall-to-wall boundaries of the municipality</p> <p>Smooth Land use management and governance</p>	<p>Illegal occupation of land</p> <p>Inadequate budget for processes of own planning in terms of own land development – e.g. 54 sites in Mofulatsepe</p>

LANDUSE DEVELOPMENT, PLANNING AND MANAGEMENT

- Identification of land for LED projects as per the project lists in the Spatial Development Framework 2019/20;
- Infill planning in Smithfield of the vacant municipal owned properties;
- Investigation into state-owned residential properties for possible transfer to the municipality;
- Talks with Transnet in terms of lease agreements between the municipality and Transnet for use of their vacant proprieties and structures for local economic development growth; and
- Possible funding for the initial investigations and requirements for the development of Mooifontein for residential purposes.

MUNICIPAL PLANNING TRIBUNAL

The Tribunal sat twice in the financial year 2018/19.

The following applications were received and dealt with:

Category 1**ZONING AND REZONING, CONSOLIDATION, SUBDIVISION**

ERF NUMBER	OWNER	REQUEST FOR:	ACTION TAKEN
Erf 453 Zastron	Michael John Harfield and Andile Antoinette Harfield	Rezoning	Approved with conditions
Erf 1/55 Zastron	Motheo College	Rezoning	Approved
Erf 704 Zastron	Assemblies of God Movement	Rezoning	Approved
Erf 869 Somido Park	V.K Duda	Consent Use	Approved with conditions

Category 2

ERF NUMBER	OWNER	REQUEST FOR:	ACTION TAKEN
Erf 4195 Zastron	Farmer Production Support Unit	Consent Use	Approved
Farm Orange Dale 389 Zastron	H. Van Zyl	Registration of Right of Way	Approved
Farm portions	SANRAL	Servitude registrations	None
Farm portions	ESKOM	Servitude registrations	None

LIQUOR LICENSE APPLICATIONS

DATE	APPLICANT	Outlet	TYPE	ADDRESS	TOWN	OUTCOME
11/04/2017	DB NTAU	DITAU TAVERN	TAVERN	ERF 3432 REFENG KHOTSO	MATLAKENG	Not approved. Liquor Board review.
10/10/2017	MP MAZANZI	LWANDO'S LOUNGE	TAVERN	ERF 140	MATLAKENG	Not approved. Liquor Board review – no feedback
08/08/2018	TP RAMAKOKA	MABALENG BOTTLE STORE	LIQUOR STORE	787 SOMIDO PARK	SMITHFIELD	Not approved. Residential property. May request consent for tavern. Liquor Board decision unknown
07/05/2019	RETRO VU DINER	RETRO VU DINER	RESTAURANT	FARM ORANGIA	ROUXVILLE DISTRICT	No feedback
07/05/2019	VANANCO CC WHOLESALERS	TOPS	LIQUOR STORE	cr MAJOZI AND GUSTAVUS STR	ZASTRON	No feedback

The Mohokare municipality experiences problems with the Free State Liquor board' decisions and lack of feedback on licenses issued as it does not take enough cognizance of the municipal recommendations and thus does not adhere to SPLUMA principles. This problem will be addressed through the Free State SPLUM Forum and SALGA.

BUILDING PLAN REGISTER 2018/2019

Date	Invoice	Surname	EFR No.	Town	New Plan	Extension	Approved	Not approved	Comments
12/01/2018	Not Paid	NA. A Mankayi	1688	Matlakeng		x	x		
11/01/2018	Not paid	J. Malan	90	Smithfield		x	x		
		G.J. Marais	720	Zastron		x	x		
		MR. NDODA	10	Zastron		x		x	Single residential use (TPS) Awaits ownership verification and servitude line adherence explained
DATE	Invoice	MRS. N. BHAYI	92	Smithfield	x		x		
22/09/2017	21446	S.D. SMITH	25	Rouxville	x		x		

SERVICE DELIVERY PRIORITIES

Land use applications according to SPLUMA and new E-lodgment format

Constant information is given to the community and individuals on the new Act governing Land use. This was done by devising a new policy based on SPLUMA principles.

New application forms have been developed for use in submitting applications.

Problems are currently experienced throughout the Free State in terms of the Municipal Planning Tribunals but municipalities are being assisted by COGTA.

Spatial Development Framework and Land Use Scheme

A LUS Steering Committee as well as a SDF Steering committee were established as per SPLUMA requirements to aid in the development of new documents for the municipality.

Meetings were held with Spatial Planning COGTA as well as MISA who is assisting in drawing up the Land Use Scheme for Mohokare as per SPLUMA. Minutes and attendance registers are available.

MEASURES TO IMPROVE SERVICE DELIVERY

1. Make use of the Chief Surveyor General's data and diagrams for encroachment complaints
2. Verification of ownership through the Deeds Office; and
3. Functioning Municipal Planning Tribunal.

Applications for Land Use Development						
Detail	Formalization of townships		Rezoning		Built Environment	
	Year -1	Year 0	Year -1	Year 0	Year -1	Year 0
Planning application received	1 Ext 5 Smithfield outstanding since 2006		3		0	
Determination made in year of receipt	0		0		0	
Determination made in following year	1 – outstanding is the proclamation of Ext 5		1		0	0
Applications withdrawn	0		0		0	0
Applications outstanding at year end	0		2		0	0

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

Financial Performance 2018-19: Planning Services (Includes Town Planning, IDP and LED)					
					R'000
Details	2017-18	2018-19			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	6	–	–	7	0%
Expenditure:					
Employees	5557	5 142	5 142	7 056	27%
Repairs and Maintenance	0	1 100	1 100	–	0%
Other	51	1 029	1 029	8	-13276%
Total Operational Expenditure	5609	7 271	7 271	7 063	-3%
Net Operational Expenditure	5603	7 271	7 271	7 057	-3%
					T 3.10.5

3.11 LOCAL ECONOMIC DEVELOPMENT – LED (INCLUDING TOURISM AND MARKET PLACES)

Municipalities have a constitutional mandate to promote local economic development (LED). Section 153 of the constitution states that:

A municipality must structure and manage its administration, budgeting and planning processes to give priority to the basic needs of the community, to promote the social and economic development of the community.

Local Economic Development is a process where local stakeholders such as government, business, labour, and civil society organisations work collectively to identify, utilize and harness resources to stimulate local economy and create employment.

LED STRATEGY

The LED Strategy is under review with the assistance from both COGTA and DESTEA (Research and Planning Unit). The document to go out for public consultations in conjunction with IDP as per the adopted process plan by Council.

HIGH IMPACT PROJECTS

The SMME's Development Policy is review and awaits council adoption and approval, SMME's were also informed of outstanding process of reviewing our LED strategy. However, it was sufficiently agreed that all SMME's must raise their expected LED projects which are tabulated underneath to be incorporated once strategy is being reviewed.

THE IDENTIFIED LED PROJECTS FOR 2018/2019

ZASTRON	ROUXVILLE	SMITHFIELD
Maintenance of the current monuments	Maintenance of the current monuments	Maintenance of the current monuments
Building of other monuments	Building of other monuments	Building of other monuments
Tourism signage	Tourism signage	Tourism signage
Mohokare cycling	Mohokare cycling	Mohokare cycling
Maintenance of recreation parks	Maintenance of recreation parks	Maintenance of recreation parks
Establishment of tourism website in the head office	Establishment of tourism website in the head office	Establishment of tourism website in the head office
Broacher	Broacher	Broacher
Rotation of annual hunting	Rotation of annual hunting	Rotation of annual hunting
Erection of swimming pool	Erection of swimming pool	Erection of swimming pool
Wild games	Wild games	Wild games
Museums	Museums	Museums
Relocation of taxi rank	Building of the taxi rank in	Building of the taxi rank in
	Fuel station	Fuel station/ garage
Hawkers stalls development	Hawkers station development	Hawkers station development

ZASTRON	ROUXVILLE	SMITHFIELD
Re-commercialisation of Makhaleng boarder post		
Upgrading of the S2 road	Municipal feedlot	Revival/ resuscitation of the truck stop
Development of tourism hub	Development of tourism hub	Development of tourism hub
Establishment of the shopping complex	Milk processing	Piggery projects
Production of charcoal	Wool processing	Game farming
Textile factory	Poultry farming	Textile factory
Executive car wash	Leather turning	
Crusher stone plant	Lime stone mining	Bricks making project
Meat processing	Office park development	Beef farming
Recycling	Recycling	Recycling
Bakery	Goedemoed gravel road project	Bakery
Bricks making project	Hydroponic projects	Bricks making project
Large vegetable farming	Large scale farming	Large vegetable farming

POVERTY ALLEVIATION SUPPORT

Total jobs created for the current financial year 2018/2019

Program	No.
CWP	1032
EPWP	105
Technical EPWP	78
Total number	1 2015

FUNDED PROJECTS IN 2018/2019 FINANCIAL YEAR

Name of SMEE	Funder	Amount
Nozamile Sewing Cooperative	Dept. of Rural Development	R800 000 .00
Sandstone Mining	Dept. of Rural Development	R350 000.00
Hatelang –pele Cooperative	Dept. of Sports, Arts& Culture	R350 000.00

FUNDING APPLICATIONS FOR 2018/2019 FINANCIAL YEAR

The LED unit had ensured that all registered Co-operatives are applying for funding during this 2018/19 financial year while unregistered were encouraged to register so that they could also benefit from department designed funding incentives to suit the needs of various SMMEs, namely Enterprise Development and Support Incentive which targeted start-up enterprises and Risk- Sharing Incentive which is targeting medium to large enterprises. The funding incentives are intended to support economically viable and sustainable enterprises for the development, growth, and transformation of the provincial economy. Application should preferably be from the following priority sector as outlined in the Free State Growth and Development Strategy (FSGDS):

- Information and Communication Technology
- Agro-Processing, Mining and Transport
- Manufacturing and Tourism.

Applications submitted for funding during the 2018/19 financial year:

Department/ Institution	Number of Applications
Land Reform	200
SEDA	150
DESTEA	5
Total number submitted	355

EMPLOYMENT RESEARCH

The rate of unemployment is extremely higher and serious. The LED unit explores new and innovative ways to empower, support and capacitate all SMME's to live up to the ideals of self-employment. Research conducted had revealed that only 18% indigents registered as per municipality indigent register of the entire population in the municipality. This is absolutely very low percentage, as compared to the rate of unemployment, meaning municipality must encourage residents to register as indigents. However, the LED unit will continuously support SMME's through all relevant interventions as per attached on LED identified projects as means to create jobs.

COOPERATIVES PROGRAM

Most of the SMME's were operating without them being registered and through the programme of co-operatives, they were assisted to registration into different sectors like agriculture, financial services, manufacturing and others.

Name of Town	Number of SMME's
Rouxville	34
Smithfield	28
Zastron	80
Total	142

AGRO-PROCESSING

The LED unit oversee that the established Local Economic Forums in Zastron, Rouxville and Smithfield in the past financial year that are functional with a sole objective of discussing economic opportunities that Mohokare municipality can create for residents. Moreover, the municipality has been identified as an agrarian area that pride itself with cattle, sheep, pigs and goat farming but residents don't benefit from agricultural opportunities as cow and sheep skin are taken elsewhere for processing instead of being processed locally and create employment.

TOURISM

Tourism is one of the world fastest growing industries and it has a major influence on the economy and developments in our areas. The municipality is situated along Maluti tourism route that covers the town of Zastron and Rouxville. The other town of Smithfield is situated along the N6 national road which also presents good opportunities for tourism. Mohokare Local Municipality shares borders with the Mountain kingdom of Lesotho, town of Mhaleshoek as well as the Eastern Cape town of Sterkspruit. The municipality's geographic position therefore presents a wide range of opportunities including trade and tourism.

A private investor has been secured to develop tourism infrastructure at our magnificent and attractive mountains. LED unit together with other provincial officials had inspected all establishments in Mohokare, all bed and breakfast establishments in Mohokare are in good conditions, even though others need to be graded and registered. However, the process with Tourism Department is on-going. The underneath table shows number of accommodation establishments and attraction sites at each town:

TOWN	ACCOMODATIONS	ATTRACTIONS
Zastron	15	13
Rouxville	4	5
Smithfield	7	7

COMMERCIALISATION OF MAGALEEN BORDER POST

It is a known fact that the aforesaid boarder post is shared by Zastron town in the Free State Province and Mhaleshoek town of Lesotho country. The S2 road also needs to be upgraded so that travelling between two countries can be easier and accessible for tourists. The project has been presented as part of Small Town Regeneration (STR) Programmes.

SMALL SCALE MINING

It was officially confirmed that the DRDLR is still funding the sandstone mining project which was awarded to our SMME named Zondwa Zintshaba cooperative. The manager from DRDLR Mr Fanyane Mokoena is working on this project.

SMALL TOWNS REGENERATION PROGRAM

Small Town Regeneration (STR) is one of the flagship initiatives of SALGA aimed at targeting small towns as entry points of effective spatial transformation, stimulate economic growth, and create employment. The programme was inaugurated in Bloemfontein in 2015 and then roll-out in the Karoo region in the following year. The Karoo STR is an inter-provincial initiative which strides across provinces i.e. Northern Cape, Western Cape, Eastern Cape & the Free State. Forty (40) Municipalities are participating in this unique interprovincial initiative: 4 of these Municipalities are in Free State these are:

- Xhariep District Municipality
- Mohokare Local Municipality
- Letsemeng Local Municipality
- Kopanong Local Municipality

The Council resolution was submitted to SALGA indicating that Mohokare Municipality support this noble initiative and Zastron was a pilot town with identified LED projects. However, the steering committee must be established comprising of all local stakeholders whereby chairperson must be the mayor. The training will be organised for committee members, and terms of reference will be circulated, STR conference will host the 4th conference Municipality is expected to give in-puts.

SALE OF COMMERCIAL LAND

Mohokare Municipality has commercial land in all its three towns. During 2018, Council approved proposals of inviting potential investors to unfold the bidding process, underneath is the list of site numbers to be sold.

TOWN	SITE NUMBERS
Zastron	654,655,662,663,664,665 and 666
Rouxville	683,684,685,686,687,688 and 689

CONCLUSION

It's a cogent fact that municipality has no budget for LED projects, but its primary task through its LED Unit is to create an enabling environment for economic growth and employment creation. Through its LED Unit the municipality further assist, give support and lobby funding for developmental projects as identified and proposed by formalised structures in a form of cooperatives and close corporations. The EPWP as well as CWP are still accounting for more employment in the municipality even though on contractual basis. Currently, the LED Unit is

run by both LED Manager and SMMEs & Tourism Officer who are respectively implementing all LED projects, coordinating LED strategies, objectives and programmes as well as assisting government agencies and statutory institutions with the implementation of SMMEs support programmes to mention but few.

Job creation through EPWP* projects		
	EPWP Projects	Jobs created through EPWP projects
Details	No.	No.
Year 2018/ 2019	1	105
*- <i>Extended Public Works Programme</i>		<i>T3.11.6</i>

Jobs Created during Year 0 by LED Initiatives (Excluding EPWP projects)				
Total Jobs created / Top 3 initiatives	Jobs created	Jobs lost/displaced by other initiatives	Net total jobs created in year	Method of validating jobs created/lost
	No.	No.	No.	
Total (all initiatives)		None	None	Reports
Year -2	114	None	None	Reports
Year -1	83	None	None	Reports
Year 0	1032	None	None	Reports

Job creation through EPWP* projects		
	EPWP Projects	Jobs created through EPWP projects
Details	No.	No.
Year -2	3	78
Year -1	3	78
Year 0	3	105
*- <i>Extended Public Works Programme</i>		<i>T3.11.6</i>

Employees: Local Economic Development					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	0	0	0	0	0%
4 – 6	0	0	0	0	0%
7 – 9	0	0	0	0	0%
10 – 12	1	1	1	0	100%
13 – 15	1	1	1	1	0%
16 – 18	0	0	0	0	0%
19 – 20	0	0	0	0	0%
Total	1	1	1	0	0%

COMPONENT D: COMMUNITY & SOCIAL SERVICES

This component is focused on the following; Human Settlements, Commonage Management, Traffic Law Enforcement, Sports and Facilities, Amenities, Solid Waste Management & partly Disaster Management

INTRODUCTION TO COMMUNITY AND SOCIAL SERVICES

In contexts of our Municipality, this department dedicatedly, serves to bring about changes and developments through the above strategies as mandate through organizational structure of Mohokare Local Municipality. It is therefore noted under each subcomponent that, amendments from previous report is reflected as an update of the current and functional administration.

3.12 LIBRARIES, COMMUNITY FACILITIES & OTHER

Libraries and its surrounding facilities, are the responsibility of the Provincial Sports, Arts, Culture and Recreation Department.

SERVICE STATISTICS FOR LIBRARIES, COMMUNITY FACILITIES & OTHER

The Municipality through Corporate Services department, is responsible for bookings and for management of Community halls since Libraries has been transferred to the Province through dissolution processes.

All municipal employees then assigned to work in that division, has been recalled and reallocated to other positions within the organizational structure.

Employees: Libraries					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0-3	0	0	0	0	0%
4-6	0	0	0	0	0%
7-9	0	0	0	0	0%
10-12	0	0	0	0	0%
13-15	0	0	0	0	0%
16-18	0	0	0	0	0%
19-20	0	0	0	0	0%
Total	0	0	0	0	0%

Financial Performance 2018-19: Libraries					
					R'000
Details	2017-18	2018-19			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	–	–	–	–	0%
Expenditure:					
Employees	5 232	–	–	–	0%
Repairs and Maintenance	–	–	–	–	0%
Other	–	–	–	–	0%
Total Operational Expenditure	5 232	–	–	–	0%
Net Operational Expenditure	5 232	–	–	–	0%
					<i>T 3.12.5</i>

3.13 CEMETERIES

The Municipality has eighteen (18) cemeteries with six (6) in each town. Having mentioned the above, its only three cemeteries operational in each town due to sites been allocated to its full capacity. The allocation of graves is being conducted through the Municipal offices and Supervisors responsible. There is no crematorium that is owned or managed by the Municipality.

To date, we note that there are reports on attendance of departmental monthly meetings from the Management took note of the graves allocated on Municipal cemeteries. Below, are the quarterly reports reflecting the above mentioned during the financial year.

Month	Name of Town	Number allocated							No of top on top	Ward Number						Total Graves allocated
		Still born	0-5	6-15	16-21	22-36	37-65	66 Up		1	2	3	4	5	6	
Quarter 1 – 4	Rouxville	1	0	4	0	15	38	22	9	-		-		-	-	89
	Smithfield	0	3	0	2	5	24	22	16	-	-	-	-	-		72
	Zastron	1	0	7	3	3	38	2	6		-		-		-	60
Total number of graves allocated		2	3	11	5	23	100	46	31							221

NOTE BEFORE:

It is brought to the attention of the Public that, the numbers reflected above, are as per the official municipal graves allocation register from each town and not from any other source. This report is not intended to contravene any other report available or made available to the public.

Financial Performance 2018-19: Cemeteries					
R'000					
Details	2017-18	2018-19			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	58	18	18	62	71%
Expenditure:					
Employees	0	-	-	-	0%
Repairs and Maintenance	0	-	-	-	0%
Other	0	-	-	-	0%
Total Operational Expenditure	0	-	-	-	0%
Net Operational Expenditure	(58)	(18)	(18)	(62)	71%
					T 3.13.5

COMMENT ON THE PERFORMANCE OF CEMETERIES & CREMATORIALS OVERALL:

There is a report tabled about the cemeteries as it is what the Municipality is operating and managing.

3.14 CHILD CARE, AGED CARE, SOCIAL PROGRAMMES

The Municipality does not manage or operate all of the above though there are facilities that through rental agreements, has been dedicated to accommodate this learning institutes.

COMPONENT E: ENVIRONMENTAL PROTECTION

3.15 ENVIRONMENTAL HEALTH MANAGEMENT

The above, is not a core function of the municipality but the District Municipality; therefore, all the tables in this component are not applicable to the municipality. The reports will respectively reflect under Xhariep District Municipality and the Department of Health.

COMPONENT F: HEALTH

3.16 HEALTH INSPECTION, FOOD AND ABATTOIR LICENSING AND INSPECTION

This component includes: clinics, ambulances and health inspection and it is not the core-function of the municipality. The reports will respectively reflect under Xhariep District Municipality and the Department of Health.

COMPONENT G: SECURITY AND SAFETY

Our traffic safety and security division, under department of Community Services, plays a pivotal role in managing traffic and all related aspects, including our roads and assisting both the province and national spheres of government, when coming to traffic services on the roads they are responsible for. It is within this division again and the Security services, that you see enforcement of the by-laws.

3.17 TRAFFIC SAFETY AND SECURITY

Mohokare Municipality has a dedicated division responsible for traffic control and traffic law enforcement. Through this division, amongst its functions, the below mentioned are been brought to the attention of the Management and the Council on quarterly basis.

Under this division, the Municipality focused mainly on the following: visible traffic policing when coming to speed controls, well-staffed (human and technical resources) traffic division. The below table serves as illustrations under the division:

Service delivery priorities	Improved performance measures	Major efficiencies achieved
Visible traffic policing	Informed drivers and repaired and maintained vehicles and the roads	Reduced traffic accidents, continuous repairs and maintenance of the roads and fully functional traffic division.
Speed control	Reduced charges on reckless, careless and drinking driving	
Capacitated division	Enhanced municipal revenue base.	

Municipal Traffic Service Data					
	Details	Year -1	Year 0		Year 1
		Actual No.	Estimate No.	Actual No.	Estimate No.
1	Number of road traffic accidents during the year	58	0	73	0
2	Number of by-law infringements attended	0	0	0	0
3	Number of traffic officers in the field on an average day	7	7	6	0
4	Number of traffic officers on duty on an average day	7	7	6	0

Financial Performance 2018-19: Traffic & Police					
					R'000
Details	2017-18	2018-19			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	22321	18 900	33 900	48 401	61%
Expenditure:					
Police Officers					0%
Other employees	-	-	-	-	0%
Repairs and Maintenance	-	-	-	-	0%
Other	-	-	-	-	0%
Total Operational Expenditure	-	-	-	-	0%
Net Operational Expenditure	(22)	(18 900)	(33 900)	(48 401)	61%
					73.20.5

3.18 FIRE & DISASTER MANAGEMENT

The fire service is the responsibility of the District Municipality. In instance where prompt response and assistance required, the Municipality assigns its own employees to assist and frequently would source the services of Working On Fire teams in both Zastron and Rouxville. To date, there are no priorities except to mention that we only ascertain the annual review of Municipal Disaster Management Plan.

Fire Service Data					
	Details	Year -1	Year 0		Year 1
		Actual No.	Estimate No.	Actual No.	Estimate No.
1	Total fires attended in the year	0	0	3	0
2	Total of other incidents attended in the year	0	0	3	0
3	Average turnout time - urban areas	0	0	0	0
4	Average turnout time - rural areas	0	0	0	0
5	Fire fighters in post at year end	0	0	0	0
6	Total fire appliances at year end	0	0	0	0
7	Average number of appliance off the road	0	0	0	0
					T 3.21.2

There have been no disastrous events reported during the financial year.

Financial Performance 2018-19: Fire Services					
R'000					
Details	2017-18	2018-19			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-	-	-	-	0%
Expenditure:					
Fire fighters					
Other employees	-	-	-	-	0%
Repairs and Maintenance	-	-	-	-	0%
Other	-	-	-	-	0%
Total Operational Expenditure	-	-	-	-	0%
Net Operational Expenditure	-	-	-	-	0%
					T 3.21.5

3.19 OTHER (DISASTER MANAGEMENT, ANIMAL LICENCING AND CONTROL OF PUBLIC NUISANCES AND OTHER)

Disaster management is a district function in terms of the allocation of powers and functions. The Unit is specifically responsible to assist the Municipality on processes and administration of disaster and its related incidents. Without detracting from the above statement, Municipality, in partnership with both the District Municipality and the Provinces, pay attention to hazmats, road accidents, veld & households' fires, on commercial and commonage farming areas, including the town and townships.

In managing disaster, a plan is in place and work with stakeholders to maintain the course. Animal licensing with specific reference to the dogs, is still a matter to be emphasized through the by-laws whilst others (pigs, cattle, sheep etc.) are notably registered as per the animal livestock registration act.

The control of public nuisance is being given attention by our Xhariep based EHP and as such, a report reflects on the progress and plans under the District.

COMPONENT H: SPORT AND RECREATION

Sports in general, is one of the utmost importance with regard to the healthy persona, mentally and physically. Without this in life, life expectants with reference to our youth, would seem diminishing as most will resort to unhealthy lifestyles. As this was one of the Municipal important strategic goal in this current financial year, attention was brought or given in the below mentioned areas:

- Upgrading Zama Sports in Matlakeng, Zastron;
- Maintaining of Matlakeng of Sports Ground

SERVICE STATISTICS FOR SPORT AND RECREATION

There are no recorded services statistics except to mention that progress, employment opportunities enjoyed under the project, is reflected under department of technical services.

3.20 SPORT AND RECREATION

This division is responsible for promotion and management of sports, the management, repairs and maintenance of all sporting facilities under the jurisdiction of the Municipality. Credit is not taken away from our sister departments in every level provided to the Municipality on annual basis.

Through our own internal competence and assistance of XDM and the Province (SACR), we managed to develop a draft Policy on

- Management and Use of Municipal Sports facilities and currently

Priorities progress/outcome

The upgrading has been completed and the field is being used for sporting activities

Employees: Sport and Recreation					
	Year -1		Year 0		
Job Level	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0-3	0	0	0	0	0%
4-6	0	1	0	1	100%
7-9	0	0	0	0	0%
10-12	1	1	1	0	0%
13-15	0	0	0	0	0%
16-18	0	0	0	0	0%
19-20	0	0	0	0	0%
Total	1	2	1	1	50%

Financial Performance 2018-19: Sport and Recreation					
R'000					
Details	2017-18	2018-19			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	1 995	-	-	-	0%
Expenditure:					
Employees	383	-	-	-	0%
Repairs and Maintenance	-	-	-	-	0%
Other	462	0	0	-	0%
Total Operational Expenditure	845	597	597	650	8%
Net Operational Expenditure	(1 150)	597	597	650	8%
					T 3.23.4

It is clear from the KPA itself that the wellbeing of us is dependent on local area planning and such has to be realized. Having said that, the municipality through CWP (Community Works Programme) and Xhariep District Municipality's EPWP, have identified specific strategic location in developing the community park. Testimony thereto will be the main entrance into Smithfield, Rouxville and Zastron main entrances into the towns. The

upgrading of stadium in Smithfield also bears testimony.

COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

CORPORATE GOVERNANCE

Corporate governance is a term that refers broadly to the rules, processes, or laws by which businesses are operated, regulated, and controlled. The term can refer to internal factors defined by the officers, stockholders or constitution of a corporation, as well as to external forces such as consumer groups, clients, and government regulations.

Well-defined and enforced corporate governance provides a structure that, at least in theory, works for the benefit of everyone concerned by ensuring that the enterprise adheres to accepted ethical standards and best practices as well as to formal laws. To that end, organizations have been formed at the regional, national, and global levels.

Mohokare Local Municipality applies the requirements of King III with the main focus areas:

- Ethical leadership and citizenship
- Council and directors
- Audit Committees
- The governance of risk
- The governance of information technology
- Compliance with laws, rules, codes and standards
- Internal Audit
- Governing stakeholder relationships
- Integrated reporting and disclosure

The municipality has made strides in its role of ensuring the following is in place:

- Compliance with statutes through the development of a compliance register
- Upgrading of technology and systems
- Risk management- the governance of risk through applicable processes
- Development and review of policies
- Periodic performance assessments of Senior Managers are conducted
- There is an independent and effective audit committee
- A functional internal audit unit

Employee: The Executive and Council						
Job Level	Year -1	Year 0				
	Employees	Posts	Employees	Vacancies (fulltime	Vacancies (as a % of total posts)	
	No.	No.	No.	No.	%	
0 – 3	0	0	0	0	0%	
4 – 6	0	0	0	0	0%	
7 – 9	0	0	0	0	0%	
10- 12	0	0	0	0	0%	
13- 15	12	15	12	3	20%	
16- 18	0	0	0	0	0%	
19- 20	0	0	0	0	0%	
Total	12	15	20	12	3	20%

Financial Performance 2018-19: Municipal Manager					
					R'000
Details	2017-18	2018-19			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-	-	-	-	0%
Expenditure:					
Employees	807	1296	1109	1 296	0%
Repairs and Maintenance	-	-	-	-	0%
Other	5	-	-	-	0%
Total Operational Expenditure	812	1 296	1 109	1 296	0%
Net Operational Expenditure	812	1 296	1 109	1 296	0%
					T 3.24.5

3.21 FINANCIAL SERVICES

The financial services for Mohokare are rendered by the Budget and Treasury department under the leadership and guidance of the Chief Financial Officer.

Capacity in the reporting of financial matters making use of in-house capacity relating to budget (draft, final and adjustment) as well as the drafting of the annual financial statements. The completion of the asset register is outsourced only relating to fixed and infrastructure assets.

The reporting on assets is still outsourced.

The financing of services has been achieved in spite of severe financial constraints.

The major constraints being:

Poor cash-flow:

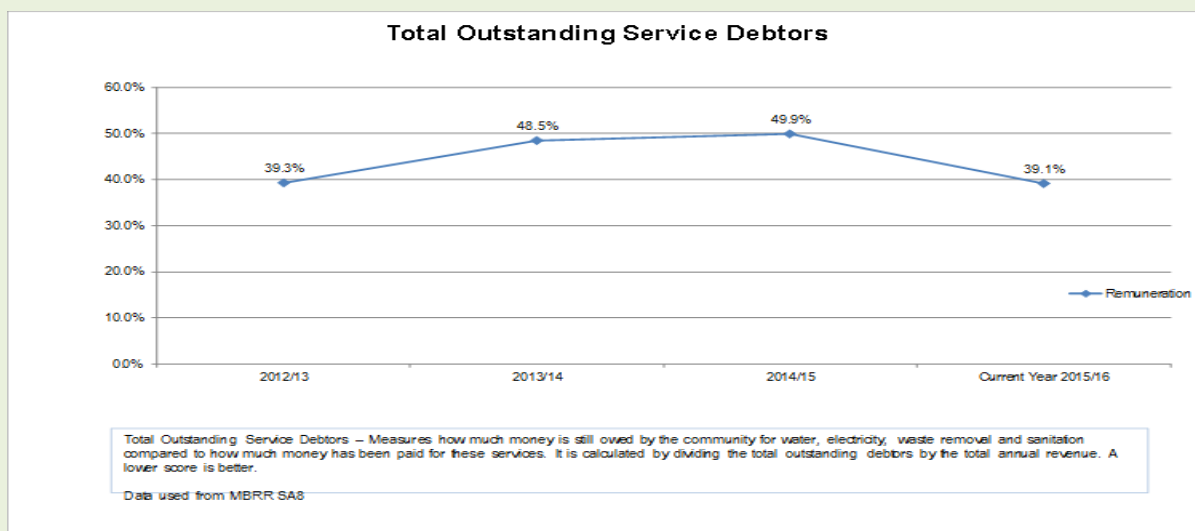
- As a result of a low payment rate and
- The inability to budget for the effective provision for the payment of creditors from the prior period.

Low payment rate.

The payment rate is set out in graph below, i.e. 39.1%

- The Municipality does not have the leverage to use restriction of electricity to ensure payment of the water, refuse and sewerage services.
- Water is at present not restricted – the fact that water is not always available at source also minimizes the effect of restricting the supply of water to a specific household.
- The recovery of existing debts is hampered by the limited information on consumers whether they are able to service the debt and the current consumption.
- The moratorium place by a council decision on the handing over of new debtor accounts to the attorney of the council.
- The lack of capacitated staff to undertake credit control and debt collection.

This will be further illustrated below.



Employees: Financial Services					
Job Level	Year-1	Year0			
	Employees	Posts	Employees	Vacancies (fulltime)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0-3	0	0	0	0	0%
4-6	19	24	19	5	21%
7-9	1	1	1	0	0%
10-12	16	18	16	2	11%
13-15	2	2	2	0	0%
16-18	0	0	0	0	0%
19-20	0	0	0	0	0%
Total	38	45	38	7	16%

Financial Performance 2018-19: Financial Services					
R'000					
Details	2017-18	2018-19			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	92 673	84862	80,162	92 480	100%
Expenditure:					
Employees	9 974	–	–	–	–
Repairs and Maintenance	3	–	–	–	–
Other	24 607	–	–	–	–
Total Operational Expenditure	34 584	84940	78576	46 508	100%
Net Operational Expenditure	(58 089)	78,00	(2)	(45 972)	100%
					T 3.25.5

3.22 HUMAN RESOURCE SERVICES

The Human Resource Department contributes to managing the gap between human capacity needs and realities of Mohokare Local Municipality.

A Human Resource Strategy is in place to align our human resource policies and practices to support the accomplishment of the mission, vision, goals and strategies of MLM. The focus is to invest in our human capital to contribute effectively, efficiently and economically to the achievement of short, medium and long term objectives of the municipality.

The principal objectives of the HRM can be listed as the following but not limited to:

- To help the organisation reach its goals;
- To employ the skills and abilities of the workforce efficiently
- To provide the organisation with well trained and well-motivated employees;
- To increase to the fullest, the employees job satisfaction and self-actualization
- To communicate the HR policies to all employees
- To be ethically and socially responsible to the needs of the society.
- To develop and maintain a quality of work force.

In the year ahead work will be done to develop the succession and staff retention strategies and policies in order to grow internal capacity and ability. It is believed that this is a key tool to realizing many components of the HR Strategy.

Employees: Human Resources Services					
Job Level	Year-1	Year 0			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0 -3	0	0	0	0	0%
4 -6	0	0	0	0	0%
7 -9	0	0	0	0	0%
10-12	3	4	3	1	33%
13 -15	0	1	0	1	100%
16-18	0	0	0	0	0%
19-20	0	0	0	0	0%
Total	3	5	3	2	40%

Financial Performance 2018-19: Human Resource Services					
R'000					
Details	2017-18	2018-19			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	–	–	–	–	0%
Expenditure:					
Employees	1 387	1 775	1 775	1 436	-24%
Repairs and Maintenance	1	–	–	–	0%
Other	12	420	420	218	-93%
Total Operational Expenditure	1 400	2 195	2 195	1 654	-33%
Net Operational Expenditure	1 400	2 195	2 195	1 654	-33%
T 3.26.5					

3.23 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

Information Technology Services provided by the IT Unit in Mohokare Local Municipality, include the following:

The Client Services function is responsible for help desk and desktop support services.

The Network Services function is responsible for management of the municipality's local and wide area networks, copper, and wireless communications, and telecommunication services. Further responsibility is also to assure adequate security measures are in place to protect the municipality's network from unauthorized access.

The Website and Application Services function is responsible for support of enterprise systems; selection leadership and integration of new commercial-off-the-shelf (COTS) solutions; maintenance and upgrade of existing systems; architectures, software and database standards; web development;

The Server Administration Services function is responsible to design, install, administer.

IT Governance and Administration function is “hidden” but critically active function. The responsibilities in this area include the management of the Information Technology related assets, the administration of SLA’s and contracts, management of information security, IT Strategic Planning as well as sourcing and procuring of IT related equipment. The area is also responsible for the recommendation for replacement equipment where the need arises.

As set out in the IT Strategic documents, which is an input to the drafting of the municipality’s IDP, a dedicated and all-round effort has been placed on improvement of all functions of the ICT environment in order to enable efficiently the processes that bring about the realization of the IDP objectives, which amongst others include good governance.

Primarily, in brief measures have been put in place to:

Provide efficient helpdesk support service to enable or empower the workforce of municipality. Further, procurement of the upgrades of the server items have enabled the setup of the File Server which backups user’s information. Provide for increased protection of user’s information, by procuring efficient Anti-Virus software, Kaspersky Anti-Virus.

In the year 2018/19, the ICT Unit initiated a scholarly project to revise its current ICT Policies and Strategies in order to provide guidance on how ICT is controlled and directed to facilitated the strategic goals of the municipality.

This included the following policies and strategies:

- 1) ICT Security policy
- 2) ICT Assets Control & Disposal Policy
- 3) ICT Internet Usage Policy
- 4) ICT Change management policy
- 5) ICT Password policy

- 6) ICT Backup Policy
- 7) ICT Disaster Recovery policy
- 8) ICT Network Policy
- 9) ICT Email Usage Policy
- 10) ICT Telephone Policy
- 11) ICT Operating System Security Controls Policy
- 12) ICT Printing Policy
- 13) ICT Mobile and Gadget Policy
- 14) ICT Disaster Recovery & Business Continuity Plan
- 15) ICT Strategic Plan
- 16) ICT Governance Policy Framework

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

Financial Performance 2018-19: Information Technology					
					R'000
Details	2017-18	2018-19			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	–	–	–	–	0%
Expenditure:					0%
Employees	819	3588	3588	–	0%
Repairs and Maintenance	–	–	–	–	0%
Other	6	–	–	–	0%
Total Operational Expenditure	825	3588	3588	–	0%
Net Operational Expenditure	825	3588	3588	–	0%
					T 3.27.5

ANNUAL PERFORMANCE REPORT

2018/2019

This APR is drafted in terms of Section 46 of the Municipal Systems Act, 32 of 2000. The 2018/2019 APR is based on audited information.

INTRODUCTION

The Annual Performance Report is hereby submitted to the Mohokare Municipal Council in terms of the Municipal Systems Act (MSA), 32 of 2000, section 46(1) and (2), as well as the MFMA Circular 11 on annual reporting. This report covers the performance information from 01 July 2018 to 30 June 2019 and focuses on the implementation of the Service Delivery Budget and Implementation Plan (SDBIP), in relation to the objectives as encapsulated in the Municipality's Integrated Development and Plan (IDP).

This Report reflects actual performance of the Municipality as measured against the performance indicators and targets in its Integrated Development Plan (IDP) and Service Delivery and Budget Implementation Plan (SDBIP) for 2018/2019.

This report will also endeavour to report to Council the Municipality's performance in terms of the five (5) National Government's Strategic Key Performance Areas for local government, which are

- (1) Basic Service Delivery;
- (2) Local Economic Development;
- (3) Municipal Institutional Transformation and Development;
- (4) Municipal Financial Viability and Management and
- (5) Good Governance and Public Participation.

LEGAL REQUIREMENTS

This Annual Performance Report has been compiled in compliance with the requirements of section 46 (1) of the Local Government: Municipal Systems Act, 2000; which stipulates as follows: (1) A municipality must prepare for each financial year a performance report reflecting—

- (a) the performance of the Municipality and each external service provider during that financial year;
- (b) a comparison of the performance referred to in paragraph (a) with targets set for performance in the previous financial year; and
- (c) measures taken to improve performance.

In addition, Regulation 7 (1) of the Local Government: Municipal Planning and Performance Management Regulations, 2001 states that “A Municipality's Performance Management System entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the roles of the different role players.” Performance management is not only relevant to the organisation as a whole, but also to the individuals employed in the organisation as well as the external service providers and the Municipal Entities. This framework, inter alia, reflects the linkage between the IDP, Budget, SDBIP and individual and service provider performance.

SUMMARY OF MUNICIPAL PERFORMANCE PER DEPARTMENT 2017/2018

Directorate	Number of set target	Number of achieved targets	Number of not achieved	Percentage
Office of the Municipal Manager	41	31	10	76%
Finance Department	17	16	1	94%
Corporate Services	13	11	2	85%
Community Services	13	6	7	46%
Technical Services	21	6	15	29%
	105	70	33	66%

SUMMARY OF MUNICIPAL PERFORMANCE PER DEPARTMENT 2018/2019

Directorate	Number of set target	Number of achieved targets	Number of not achieved	Percentage
Office of the Municipal Manager	30	12	19	40%
Finance Department	20	4	16	20%
Corporate Services	23	7	16	30%
Community Services	13	0	13	0%
Technical Services	20	5	15	25%
	106	28	79	26%

ANNUAL PERFORMANCE REPORT

2018/2019

LOCAL ECONOMIC DEVELOPMENT

KP A N o	Key Performa nce Area	Munici pal Strategi c Objecti ve (SOs)	Municipal Strategic Objective (Departmen tal)	S O N o	Key performan ce indicator(s)	Annual Target	Baselin e	Q1	Q2	Q3	Q4	POE	Actual achiev ement	Reason for deviati on	Correcti ve measur e to be taken	#REF
5	Local Economi c Develop ment	Local Econo mic develo pment	Enhanceme nt of the municipalit y's local economy	S O 2	5 year LED Strategy develope d by December 2018	5 year LED Strategy develop ed by Decemb er 2018	2017/18 LED Strateg y	-	5 year LED Strate gy devel oped and appro ved by Coun cil by Dece mber 2018	-	-	Council Resoluti on and copy of the adopte d strategy	Not Achiev ed Draft was reviewe d	Due to non- sitting of Sec 79 on time policy was submitt ed to Sec 79 on the 13th of June 2019	Adhere nce to the approv ed Sec 79 and Council schedul e	-
	Local Economi c Develop ment	Local Econo mic develo pment	Enhanceme nt of the municipalit y's local economy	S O 2	12 Business expos conducte d to assist cooperati ves and SMMes per town	12 Business expos conduct ed to assist coopera tives and SMMes per town	4 Busines s expos condu cted	Condu ct 1 business expo per town by Sep 2018	Condu ct 1 busine ss expo per town by Dec 2018	Conduct 1 business expo per town by March 2019	Condu ct 1 busin ess expo per town by June 2019	Invites and attend ance registers	Over Achiev ed 21 expos were conduc ted	-	-	Disk Attend ance register s

KP A N o	Key Performa nce Area	Munici pal Strategi c Objecti ve (SOs)	Municipal Strategic Objective (Departmen tal)	S O N o	Key performan ce indicator(s)	Annual Target	Baselin e	Q1	Q2	Q3	Q4	POE	Actual achiev ement	Reason for deviati on	Correcti ve measur e to be taken	#REF
5	Local Economi c Develop ment	Local Econo mic develo pment	Enhanceme nt of the municipalit y's local economy	S O 2	Reviewed SMME support Policy by June 2019	Reviewe d SMMES support Policy by June 2019	SMME Policy 2017/18 review ed	-	-	Submit the develop ed draft Policy to Council by March 2019	Submi t the devel oped final Policy to Coun cil by May 2019	Council Resoluti on and copy of the Policy	Not Achiev ed Draft was reviewe d	Due to non- sitting of Sec 79 on time policy was submitt ed to Sec 79 on the 13th of June 2019	Adhere nce to the approv ed Sec 79 and Council schedul e	-
5	Local Economi c Develop ment	Local Econo mic develo pment	Enhanceme nt of the municipalit y's local economy	S O 2	Develope d and approved Tourism Policy by December 2018	Develop ed and approve d Tourism Policy by Decemb er 2018	New KPI	-	Devel oped and appro ved Touris m Policy by Dece mber 2018	-	-	Approv ed Policy Council Resoluti on	Not Achiev ed	Awaitin g assistan ce from Depart ment of Tourism	Stakeh olders engage ments taking place	-

TOWN PLANNING

KP A N o	Key Performan ce Area	Munici pal Strate gic Object ive (SOs)	Municipal Strategic Objective (Department al)	S O N o	Key performan ce indicator(s)	Annual Target	Baselin e	Q1	Q2	Q3	Q4	POE	Actual Achiev ement	Reason for deviatio n	Correcti ve measur e to be taken	#REF
3	Good governan ce& Administ ration	Good governan ce in Moyo kare	100% compliance to SPLUMA	S O 4	Developm ent of SPLUM Policy by June 2019	Develo ped SPLUM Policy by June 2018	2017/1 8 Appro ved SPLUM Policy	-	-	Submit the draft Policy to Section 79 and Council by March 2019	Submit the final Policy to Council by May 2019	Counc il Resolut ion and copy of the policy	Not Achiev ed	Due to non- sitting of Sec 79 on time policy was submitt ed to Sec 79 on the 13th of June 2019	To be tabled to Council in the next Council meetin g	-
					Review the 4 Town Planning Policies by June 2019	4 Policies reviewe d and approv ed by Council	New KPI	-	-	Draft policies submitt ed to Council by March 2019	Final reviewe d policies submitt ed and approv ed by Council by June 2019	Counc il Resolut ion Appro ved policie s	Not Achiev ed	Due to non- sitting of Sec 79 on time policy was submitt ed to Sec 79 on the 13th of	To be tabled to Council in the next Council meetin g	-

KP A N o	Key Performan ce Area	Munici pal Strate gic Object ive (SOs)	Municipal Strategic Objective (Department al)	S O N o	Key performan ce indicator(s)	Annual Target	Baselin e	Q1	Q2	Q3	Q4	POE	Actual Achiev ement	Reason for deviat ion	Correcti ve measur e to be taken	#REF
														June 2019		
					-Reviewed Spatial Developm ent Framework by June 2019	Review ed SDF by June 2019	2017/2 018 SDF	-	-	Submit the draft update d project list in the SDF to Counci l by March 2019	Submit the final update d project list in the SDF to Council by May 2019	Counc il Resolut ion and Copy of the updat ed project list	Achiev ed	-	-	Disk SDF
3	Good governan ce& Administ ration	Good governan ce in Mohokare	100% compliance to SPLUMA	S O 4	Conduct 1 Municipal Planning Tribunal meeting by June 2019	1 Municipal Planning Tribunal conduc ted by June 2019	New KPI	-	-	-	1 Municipal Planning Tribunal conduc ted by June 2019	Attend ance register s Minute s/repor t	Not Achiev ed	Due to non- availabi lity of membe rs	To be schedul ed in the next quarter	-

KP A N o	Key Performan ce Area	Munici pal Strate gic Object ive (SOs)	Municipal Strategic Objective (Department al)	S O N o	Key performan ce indicator(s)	Annual Target	Baselin e	Q1	Q2	Q3	Q4	POE	Actual Achiev ement	Reason for deviatio n	Correcti ve measur e to be taken	#REF
3	Good Governan ce and public participati on	Good Governan ce and public participati on	To instil good governance in all Municipal operations, ensure public participation and provide critical strategic support to MLM	S O 4	% - implement ation of action plan to mitigate identified risks (Output)	100% of identifie d risks mitigat ed by June 2019	17/18 mitigat ed risks	1 Quarte rly monito ring of identifi ed risks report	1 Quarte rly monito ring of identifi ed risks report	1 Quarte rly monito ring of identifi ed risks report	1 Quarterl y monitori ng of identifie d risks report	Ackno wledg ment of receipt Monito ring tool templa te	Not achiev ed	-	-	-

RISK MANAGEMENT

KP A N o	Key Performa nce Area	Municipal Strategic Objectiv e (SOs)	Municipal Strategic Objective (Departme ntal)	S O N o	Key performan ce indicator(s)	Annual Target	Baseline	Q1	Q2	Q3	Q4	POE	Actual achiev ement	Reason for deviati on	Correct ive measur es to be taken	#REF
3	Good governan ce and administr ation	Good governan ce in Mohokar e	To evaluate the effectiven ess of Risk managem ent, control and governanc e processes and develop actions to address key risks identified	S O 4	Reviewed Enterprise Risk Managem ent Policies (Risk Managem ent Strategy and Framework , Fraud and Anticorrupt ion Strategy, Risk Managem ent Committee Charter	Reviewed Enterprise Risk Managem ent Policies	Reviewed Enterprise Risk Manage ment Policies	Submiss ion of 2018/20 19 Policies to RMC & AC for approv al by Septem ber 2018	-	-	-	Attend ance register and minutes from RMC and AC Council resoluti on and copy of the adop ted policies	Achiev ed The target was achiev ed during the 2 nd quarter	Non- sitting of the RMC	Imple mentati on of the RMC schedu le	Disk Risk policie s
					Implement ation of the Reviewed 2018/2019 Risk Register by June 2019	Implement ation of the Reviewed 2018/2019 Risk Register by June 2019	2018/19 Risk Register	Assessm ent of levels of Municip al Risk Appetit e and Risk Toleran ce by Septem ber 2018	Quarterl y Risk Assessm ents held with departm ents	Qua rtely Risk Asses ments held with dep artm ents	Qua rtely Risk Asses ments held with dep art men ts	Quarte rly monit oring reports Attend ance register s	Not Achiev ed	Non- functio ning RMC	Imple mentati on of the RMC schedu le	-

3	Good governance and public participation	Good Governance and public participation			Reviewed 2018/2019 Risk Register by June 2018	Reviewed and approved 2018/2019 risk register	2018/2019 risk register	Approved Risk register by September 2018	Quarterly Risk Assessments held with departments to update the risk register	Quarterly Risk Assessments held with departments	Quarterly Risk Assessments held with departments	Assessment report, minutes : attendance register s (RMC and Assessments held); approved risk register	Partially Achieved The register was approved	Non-functioning of the RMC.	Implementation of the RMC schedule	Disk Risk register
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INTERNAL AUDIT

K P A N *o	Key Perform ance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	S O N o	Key performance indicator (s)	Annual Target	Baseline	Q1	Q2	Q3	Q4	POE	Actual achievement	Reason for deviation	Corrective measures to be taken	#REF
3	Good governance and public participation	Good Governance and public participation	Maintaining and improving the Municipal Audit Opinion	S O 4	Review Internal Audit Charter and Manual for approval by July 2018	Review 2018/2 019 Internal Audit Charter by July 2018	Adopted and reviewed 2017/2 018 Internal Audit charter	Review of Internal Charter and Manual by July 2018	-	-	-	Approved Internal Audit Charter, and Manual Attendance register and minutes	Achieved	-	-	DISK 1. Signed minutes 2. Charter and Manual
					Reviewed 2019/2020 Internal Audit Charter and Manual for approval by June 2019	Review and approve 2019/2020 Internal Audit Charter by June 2019	Adopted and reviewed 2018/2 019 Internal Audit charter	-	-	-	Review of Internal Charter and Manual by June 2019	Approved Internal Audit Charter, and Manual Attendance register and minutes	Not Achieved	The Audit and Performance Committee did not convene	During the upcoming meeting schedule of meetings will be drafted and approved by the Committee	-

K P A N *o	Key Perform ance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	S O N o	Key performance indicator (s)	Annual Target	Baseline	Q1	Q2	Q3	Q4	POE	Actual achievement	Reason for deviation	Corrective measures to be taken	#REF
					Reviewed and approved Audit Committee Charter by July 2018	Reviewed and approved Audit Committee Charter by July 2018	2017/2018 Audit Committee Charter	Submission of the reviewed Audit Committee Charter to Council for Approval by July 2018	-	-	Submission of the reviewed Audit Committee Charter to Council for Approval by June 2019	Approved Audit Committee Charter	Not Achieved	The Audit and Performance Committee did not sit and was not fully functional during the financial year and thus did not report to Council	Council meetings will be scheduled before Council to enable the Committee to report during Council meetings	-
					Develop and submit Internal Audit Coverage Plan	Approved Internal Audit Coverage Plan	Adopted 2017/2018 Internal Audit Coverage Plan	Approved 2018/2019 Internal Audit Coverage Plan by August 2018	-	Review the 2018/2019 Internal Audit Coverage Plan by March 2019	Approved 2019/2020 Internal Audit Coverage Plan by June 2019	Approved Internal Audit Coverage Plan, Attendance register & minutes.	Not Achieved	The Audit and Performance committee did not convene	During the upcoming meeting a schedule of meetings will be drafted and approved by the Committee	-

K P A N *o	Key Perform ance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	S O N o	Key performance indicator (s)	Annual Target	Baseline	Q1	Q2	Q3	Q4	POE	Actual achievement	Reason for deviation	Corrective measures to be taken	#REF
3	Good Governance and public participation	Good Governance and public participation	To instill good governance in all Municipal operations , ensure public participation and provide critical strategic support to the municipality	S O 4	% - implemen tation of action plan to mitigate identified risks (Output)	100% of identifi ed risks mitigat ed by June 2018	16/17 mitigat ed risks	1 Quarte rly monito ring of identifi ed risks report	1 Quart erly monit oring of identifi ed risks report	1 Quarter ly monito ring of identifie d risks report	1 Quarterl y monito ring of identifie d risks report	Acknowledgment of receipt Monitoring tool template	Not Achieved	Non- functioni ng RMC	Impleme ntation of the RMC schedule	-

PERFORMANCE MANAGEMENT SYSTEMS DEPARTMENT-

KP A N O	Key Performance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	S O N O	Key performa nce indicator(s)	Annual Target	Baseli ne	Q1	Q2	Q3	Q4	POE	Actual achiev ement	Reaso ns for deviat ions	Corre ctive meas ures to be taken	#REF
3	Good governance& Administration	Good governanc e in Mohokare	100% monitoring and evaluation of the municipality's Performance	S O 4	2018/201 9 Organisat ional performa nce manage ment system policy reviewed by May 2019	Review PMS policy framework	2017/ 2018A pprov ed PMS policy Frame work	-	-	Submit the draft 2019/202 0 PMS Policy to Council by March 2019	Submit the final 2019/20 20 PMS Policy to Council by May 2019	Council resolution and electroni c copy of the reviewed policy	Achiev ed	-	-	DISK Policy
3				S O 4	Submissio n of the draft Annual report and the annual performa nce report for 2015/16 to the Auditor General by 31 August 2018	Submitte d draft Annual report, annual performa nce report by 31st of August 2018	Annu al report , annu al perfor manc e report submi tted on the 31 August t 2018	Submit draft Annual report, annual perform ance report on 31st of August 2018	-	-	-	Acknowle dgement of receipt	Achiev ed Though submitt ed in Septem ber	-	-	Disk AR

KP A N o	Key Performance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	S O N o	Key performa nce indicator(s)	Annual Target	Baseli ne	Q1	Q2	Q3	Q4	POE	Actual achiev ement	Reaso ns for deviat ions	Corre ctive meas ures to be taken	#REF
3	Good governance& Administration	Good governanc e in Mohokare	100% monitoring and evaluation of the municipality's Performance	S O 4	Develope d 2019/202 0 SDBIP by June 2019	Develope d 2019/202 0 SDBIP by June 2019	2017/ 2018 SDBIP	-	-	Draft 2019/202 0 SDBIP submitted to Council by March 2019	Submit develo ped 2019/20 20 SDBIP to Mayor within 28 days after the approv al of the Budget	Approve d SDBIP	Achiev ed			DISK Signe d SDBIP
					Develope d Mid- year report submitted to Council by 25 January 2019	Mid-year report submitted to Council by 25 January 2019	2017/ 2018 Mid- year report	-	-	Mid-year report develope d and submitted to Council by 25 Jan '19	-	Adopted Mid-year report	Achiev ed			Disk Signe d Mid- year
			Ensuring 100% compliance to MFMA, MSA and Circular 63 & 32		Develope d and adopted adjustme nt SDBIP and submitted to Council by 28 Feb 2019	Adjusted SDBIP and adopted by Council in Feb 2019	2017/ 2018 Adjust ed SDBIP	-	-	Develope d and approve d 18/19 Adjusted SDBIP by Council by 28 Feb 2019	-	Approve d Adjusted SDBIP	Achiev ed Approv ed on the 14 th of March	Due to non- sitting of Coun cil	Adher ence to the appro ved Coun cil sched ule	DISK Signe d Adjust ed SDBIP

KP A N o	Key Performance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	S O N o	Key performa nce indicator(s)	Annual Target	Baseli ne	Q1	Q2	Q3	Q4	POE	Actual achiev ement	Reaso ns for deviat ions	Corre ctive meas ures to be taken	#REF
					Tabled AR and APR to Council by 25 January 2019	Tabled Annual Report and Annual Performa nce Report by the 25 January 2019	Annua l report , annua l perfor manc e Report t table d on the 29 Janua ry 2019	-	-	Table Annual Report and Annual Performa nce Report by the 25 January 2019	-	Council resolution and electroni c copy of AR & APR	Not Achiev ed	Audit proces s took longer than the legisla ted timefr ame	Adher ence to legisla tion	-
3	Good Governance and public participation	Good Governanc e and public participatio n		S O 4	Review of 2018/19 Suppliers and Service Providers monitorin g Policy by March 2018	Review of 2018/19 Suppliers and Service Providers monitorin g Policy by March 2018	Servic e Provid er 17/18	-	-	Review of 2018/19 Suppliers and Service Providers monitorin g Policy by March 2019	-	Adopted policy, and Council resolution	Target Achiev ed Though the policy was taken to Sec 79 on the	-	-	Disk Signe d Policy
3	Good Governance and public participation	Good Governanc e and public participatio n	To instil good governance in all Municipal operations, ensure public participation and provide critical	S O 4	% - impleme ntation of action plan to mitigate identified risks	100% of identified risks mitigated by June 2019	17/18 mitiga ted risks	1 Quarterl y monitori ng of identifie d risks report	1 Quarterl y monitori ng of identifie d risks report	1 Quarterly monitorin g of identified risks report	1 Quarterl y monitori ng of identifie d risks report	Acknowle dgment of receipt Monitorin g tool template	Not achiev ed	Non – comp liance to Risk	Adher ence to Risk Comp liance	-

KP A N o	Key Performance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	S O N o	Key performa nce indicator(s)	Annual Target	Baseli ne	Q1	Q2	Q3	Q4	POE	Actual achiev ement	Reaso ns for deviat ions	Corre ctive meas ures to be taken	#REF
			strategic support to the municipality		(Output)											
3	Good Governance and public participation	Good Governanc e and public participatio n	To instil good governance in all Municipal operations, ensure public participation and provide critical strategic support to the municipality	S O 4	Improve ment in Audit Opinion (Outcom e)	Improve ment in Audit opinion (Unqualifi ed)	16/17 Audit opinio n	1 Quarterl y Implem entatio n and monitori ng Audit action Plan report	1 Quarterl y Implem entatio n and monitori ng Audit action Plan report	1 Quarterly Impleme ntation and monitorin g Audit action Plan report	1 Quarterl y Implem entatio n and monitori ng Audit action Plan report	AG report. Audit action plan report	Not Achiev ed	Audit proces ses took longer than the legisl ated timefr ame	Adher ence to legisl ation	

INTERGRATED DEVELOPMENT PLAN (IDP)

KP A No	Key Performance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	S O N o	Key performance indicator(s)	Annual Target	Baseline	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reasons for deviations	Corrective measures to be taken	#REF
-3	Good governance & Administration	Good governance in Mohokare	To implement a ranking and rating system for all new capital projects to support the strategic objectives and priorities of Council and Community	S O 4	Reviewed and approved IDP by May 2019	Reviewed and approved IDP	Approved 2017/18 IDP	Approved IDP Process plan by August 2018	Establishment of Rep Forum	Submit draft IDP to Council by March 2019 for 2019/20 FY	Submit final IDP to Council for adoption by May 2019	Council resolution And electronic copy of the IDP.	Achieved	-	-	DISK 1 Draft and Final IDP 2. Council resolution
-3	Good Governance and public participation	Good Governance and public participation	To instil good governance in all Municipal operations, ensure public participation and provide critical strategic	S O 4	% - implementation n of action plan to mitigate identified risks (Output)	100% of identified risks mitigated by June 2018	16/17 mitigated risks	1 Quarterly monitoring of identified risks report	1 Quarterly monitoring of identified risks report	1 Quarterly monitoring of identified risks report	1 Quarterly monitoring of identified risks report	Acknowledgment of receipt Monitoring tool template	Not achieved	-	-	-

KP A No	Key Performan ce Area	Municipa l Strategic Objectiv e (SOs)	Municipal Strategic Objective (Departme ntal)	S O N o	Key performan ce indicator(s)	Annu al Target	Baseli ne	Q1	Q2	Q3	Q4	POE	Actual Achiev ement	Reas ons for devia tions	Corre ctive meas ures to be taken	#REF
			support to the municipalit y													
3-	Good Governan ce and public participati on	Good Governan ce and public participat ion	To instil good governanc e in all Municipal operations, ensure public participatio n and provide critical strategic	S O 4	Improvem ent in Audit Opinion (Outcome)	Improveme nt in Audit opinio n (Unqu alified d)	17/18 Audit opini on	1 Quarterl y Impleme ntation and monitori ng Audit action Plan report	1 Quarterly Implement ation and monitoring Audit action Plan report	1 Quarte rly Imple mentat ion and monito ring Audit action Plan report	1 Quarte rly Imple mentat ion and monito ring Audit action Plan report	AG report. Audit action plan report	Not achieve d	-	-	-

KP A No	Key Performance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	S O N o	Key performance indicator(s)	Annual Target	Baseline	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reasons for deviations	Corrective measures to be taken	#REF
3	Good Governance and public participation	Good Governance and public participation	support to the municipality	S O 4	Monthly Back to Basics reports compiled and submitted to CoGTA	12 monthly Back to Basics reports submitted to CoGTA and National Treasury reports by 30 June 2019	New KPI	X3 monthly B2B report submitted to National Treasury and CoGTA	X3 monthly B2B report submitted to National Treasury and CoGTA	X3 monthly B2B report submitted to National Treasury and CoGTA	X3 monthly B2B report submitted to National Treasury and CoGTA	Proof of submission Acknowledgement of receipt	Achieved	-	-	-

TECHNICAL SERVICES DEPARTMENT

KP A N O.	Key Performa nce Area	Municip al Strategi c KPA	Municipal Strategic Objective(SOs)	S O N o .	Key performan ce indicator(s)	Annual Target	Baselin e	Q1	Q2	Q3	Q4	POE	Actual Achiev ement	Reason s for deviati on	Correct ive measur es to be taken	#REF
1	Basic Service Delivery and Infrastru cture develop ment	Deliver sustaina ble services that are on or above RDP level	Provision of Project Managem ent services to the Municipalit y 2017/18	S O 1	To execute work amounting to R 32 000 000.00 on RBIG (Regional Bulk Infrastructu re Grant) by 30 June 2019	R 32 000 000.00 to be certified as work done 30 June 2019	New KPI	R 7 600 000.00 work to be certified as complete	R 16 720 000.00 work to be certified as complete	R 24 000 000.000 work to be certified as complete by end of March 2019	R 32 000 000.00 work to be certified as complete by end of June 2019	Payme nt certific ate from Engine ers (Extern al projects) & PMU (Interna l projects)	Not Achiev ed Actual Achiev ement R17 800 208	Internal cash flow resultin g in use of capital grants for munici pal operati onal use which resulted in project being placed on suspens ion until 30 June 2019	1. MLM to apply for a roll over for the remaini ng balanc e of R 16 199 792 2. MLM to implem ent revenu e enhanc ement strateg y to minimis e the use of capital grants to funds	File 1 – O 1. Division of Revenu e Bill 2.Alloc ation and realloc ation letter 3. Grants Register 4. Payme nt Vouche rs 5. Payme nt

KP A N O.	Key Performa nce Area	Municip al Strategi c KPA	Municipal Strategic Objective(SOs)	S O N o .	Key performan ce indicator(s)	Annual Target	Baselin e	Q1	Q2	Q3	Q4	POE	Actual Achiev ement	Reason s for deviati on	Correct ive measur es to be taken	#REF
															municipal operations	certificate
				S O 1	To execute work amounting to R 17 000 000 on the WSIG (Water Services Infrastructure Grant) by 30 June 2019	R 17 000 000 to be certified as work done by 30 June 2019	New KPI	R 9 700 000.00 work to be certified as complete	R 21 340 000.00 work to be certified as complete	R 12 750 000 work to be certified as complete by end of March 2019	R 17 000 000.00 work to be certified as complete by end of June 2019	Payment certificate from Engineers (External projects) & PMU (Internal projects)	Not achieved Actual Achievement of R13 241 639.33	Internal cash flow resulting in use of capital grants for municipal operational use which resulted in project being placed on	1. MLM to apply for a roll over for the remaining balance of R 3 758 360.67 2. MLM to implement revenue enhancement	File 1 – P 1. Division of Revenue Bill 2. Allocation and reallocation letter 3. Grants Register 4. Payme

KP A N O.	Key Performa nce Area	Municip al Strategi c KPA	Municipal Strategic Objective(SOs)	S O N o .	Key performan ce indicator(s)	Annual Target	Baselin e	Q1	Q2	Q3	Q4	POE	Actual Achiev ement	Reason s for deviati on	Correct ive measur es to be taken	#REF
														suspens ion until 30 June 2019	ement strateg y to minimis e the use of capital grants to funds municip al operati ons	nt Vouche rs 4. Payme nt certific ate
1	Basic Service Delivery and Infrastru cture develop ment	Deliver sustaina ble services that are on or above RDP level	Provision of Project Managem ent services to the Municipality 2017/18	S O 1	To execute work amounting to R 17 708 000.00 on MIG(Municipal Infrastructure Grant) by 30 June 2019	R 17 708 000.00 to be certified as work done by 30 June 2019	New KPI	R 3 541 600.00 work to be certified as complete	R 8 023 840.00 work to be certified as complete	R 7 791 520.00 work to be certified as complete by end of March 2019	R 17 708 000.00 work to be certified as complete by end of June 2019	Payme nt certific ate from Engineers (Extern al projects) & PMU (Intern al projects)	Not achiev ed Actual Achiev ement	Internal cash flow resultin g in use of capital grants for municip al operati onal use which resulted in project	1. MLM to apply for a roll over for the remaini ng balanc e of R 5 080750. 07 2. MLM to implem ent	File 1 - Q 1.Divisi on of Revenu e Bill 2. Grants Register 3. Payme nt Vouche rs

KP A N O.	Key Performa nce Area	Municip al Strategi c KPA	Municipal Strategic Objective(SOs)	S O N o .	Key performan ce indicator(s)	Annual Target	Baselin e	Q1	Q2	Q3	Q4	POE	Actual Achiev ement	Reason s for deviati on	Correct ive measur es to be taken	#REF
														being placed on suspens ion until 30 June 2019	revenu e enhanc ement strateg y to minimis e the use of capital grants to funds munici pal operati ons	4. Payme nt certific ate

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KP A No .	Key Performance Area	Municipal Strategic KPA	Municipal Strategic Objective(SOs)	S O N o	Key performance indicator(s)	Annual Target	Baseline	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reasons for deviation	Corrective measures to be taken	#REF
1			Provision of trafficable roads	S O 1	Phase 1: Upgrading of 1.7km access roads in Roleleathunya	Project to be practically complete by 30 June 2019	Contractor appointed & On site	44% physical progress on site	72% Physical progress on site	40% physical progress on site by March 2019	Project to be practically complete by 30 June 2019	1. Monthly progress reports from MISA (Municipal Infrastructure Support Agency) 2. Practical completion certificate	Not achieved Actual achievement 65%	Project was placed on suspension since April 2019 to 30 June 2019 due to unavailability of funds	1. Council approved new completion date 2. Allocation provided in the 2019/20 Implementation plan to complete the project	File 1 –R 1. Progress reports- Engineering Access 2. Site Visits Report
				S O 1	Phase 2: Upgrading of 2km access roads in Roleleathunya	Completion of preliminary design report by 30 June 2019	Engineers appointed & Project registered for implementation	-	15% Physical progress on site	-	Completion of preliminary design report by 30 June 2019	Preliminary design report	Not Achieved Phase 1 still in progress	Project was placed on suspension due to Phase 1 being incomplete	1. Council approved new completion date 2. Allocation provided in the 2019/20 Implementation plan to complete	File 2 – S 1. Registration of project

KP A No .	Key Performance Area	Municipal Strategic KPA	Municipal Strategic Objective(SOs)	S O N o	Key performance indicator(s)	Annual Target	Baseline	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reasons for deviation	Corrective measures to be taken	#REF
															the project	
				S O 1	Upgrading of the 0.6km Zama access road in Matlaken g	Practical completion of the project by 30 June 2019	72% Physical progress on site	Practical Completion	-	-	Project to be practically complete by 30 June 2019	1. Monthly progress reports from consultant 2. Practical completion certificate	Not Achieved Actual Achievement 86%	Project was placed on suspension due to Phase 1 being incomplete	1.Council approved new completion date 2.Allocation provided in the 2019/20 Implementation plan to complete the project	File 2- T 1.Progress Report(3)
1	Basic Service delivery and Infrastructure development	Deliver sustainable services that are on or above RDP level	Provision of sports & recreation facilities	S O 1	Roleleathunya: Construction of a sports ground	Phase 2: 44% physical progress on site by 30 June 2019	Phase 1 complete	-	-	-	Phase 2: 44% physical progress on site	Monthly progress reports from consultant	Not Achieved	Project was placed on suspension since April 2019 to 30 June 2019 due to unavailability of funds	1.Council approved new completion date 2.Allocation provided in the 2019/20 Implementation	File 2 - U

KP A No .	Key Performance Area	Municipal Strategic KPA	Municipal Strategic Objective(SOs)	S O N o	Key performance indicator(s)	Annual Target	Baseline	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reasons for deviation	Corrective measures to be taken	#REF
															ntation plan to complete the project	
1	Basic Service delivery and Infrastructure development	Deliver sustainable services that are on or above RDP level	Provision of trafficable roads	S O 1	Road and Storm water maintenance plan	Review of Road and storm water maintenance plan by 30 June 2019	2017/18 approved maintenance plan	Re-gravelling of 1km	Re-gravelling of 1km	Adoption of draft roads and storm water maintenance plan by 30 March 2019	Adoption of draft roads and storm water maintenance plan by 30 June 2019	Final roads and storm water maintenance plan & Council resolution	Achieved Final roads & storm water maintenance plan adopted by Council in May 2019	-	-	File 2 – V 1. Council Resolution 2. Council Addendum 3.Draft Roads & Storm Water Operations 4.Management Report 5. Review & Development of Master

KP A No .	Key Performance Area	Municipal Strategic KPA	Municipal Strategic Objective(SOs)	S O N o	Key performance indicator(s)	Annual Target	Baseline	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reasons for deviation	Corrective measures to be taken	#REF
																Plans
1	Basic Service Delivery and Infrastructure development	Deliver sustainable services that are on or above RDP Level	Provision of dignified sanitation services	S O 1	Upgrading of the Rouxville Waste Water Treatment Works	Advertise for the appointment of a contractor by 30 June 2019	Contractor appointed & on site	72% Physical progress on site	Practical Completion	-	Advertise for the appointment of a contractor by 30 June 2019	Final Tender advert	Achieved The tender was just advertised on the 05 April 2019	-	-	File 2 - W Tender Invitation (advert)
1	Basic Service Delivery and Infrastructure development	Deliver sustainable services that are on or above RDP Level	Provision of dignified sanitation services	S O 1	Installation of Onsite Sanitation units in Refengkhoto by 30 June 2019	Installation of Onsite Sanitation on 410 units in Refengkhoto by 30 June 2019	New KPI	Installation of Onsite Sanitation on 100 units in Refengkhoto by end of September 2018	Installation of Onsite Sanitation on 200 units in Refengkhoto by end of December 2018	Installation of Onsite Sanitation on 250 units in Refengkhoto by end of March 2019	Installation of Onsite Sanitation on 410 units in Refengkhoto by 30 June 2019	Progress report & Completion certificate with list of completed houses	Not Achieved 300 units installed by 30 June 2019	Project was placed on suspension since April 2019 to 30 June 2019 due to unavailability of funds	1.Council approved new completion date 2.Allocation provided in the 2019/20 implementation plan to complete the project	File 2 -X 1.Appointment Letter 1.Progress Report 2. Certificate of Completion of works

KP A No .	Key Performance Area	Municipal Strategic KPA	Municipal Strategic Objective(SOs)	SO No	Key performance indicator(s)	Annual Target	Baseline	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reasons for deviation	Corrective measures to be taken	#REF
1	Basic Service Delivery and Infrastructure development	Deliver sustainable services that are on or above RDP Level	Provision of dignified sanitation services	SO 1	Zastron / Matlaken g: Upgrading of the outfall sewer line and refurbishment of sewer pump stations & Refengkh otso sewer reticulation	44% Physical progress on site by June 2019	Professional Engineer appointed	Submit project for registration	Appointment of contractor	20% Physical progress on site	Advertise for the appointment of a contractor by 30 June 2019	Final Tender advert	Not achieved Project was only registered on the 14th June 2019	Project was placed on suspension since April 2019 to 30 June 2019 due to unavailability of funds	1.Council approved new completion date 2.Allocation provided in the 2019/20 Implementation plan to complete the project	File 2 – Y 1.Project registration letter - COGTA
1	Basic Service Delivery and Infrastructure development	Deliver sustainable services that are on or above RDP Level	Provision of dignified sanitation services	SO 1	Smithfield / Mofulatsh epe: Upgrading of Tladi Village outfall sewer line	Submission of Technical report to CoGTA by 30 June 2019 for project registration	New KPI	Submit project for registration	Appointment of contractor	Completion of the project Technical report by end of March 2019	Submission of Technical report to CoGTA by 30 June 2019 for project registration	Proof of submission to CoGTA for project registration (email)	Achieved Awaiting approval from GOGTA	-	-	File 2- Z 1.Preliminary Design Report Draft 2. Invoice for appointment of Professional Engineers

KP A No .	Key Performance Area	Municipal Strategic KPA	Municipal Strategic Objective(SOs)	SO No	Key performance indicator(s)	Annual Target	Baseline	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reasons for deviation	Corrective measures to be taken	#REF
P	Basic Service Delivery and Infrastructure development	Deliver sustainable services that are on or above RDP Level	Provision of bulk water supply	SO 1	Smithfield bulk water supply	Appointment of a contractor for the construction of the works by 30 June 2019	New KPI	Completion of feasibility study and submission to DWS	-	Advertise for the appointment of a contractor by end of March 2019	Appointment of a contractor for the construction of the works by 30 June 2019	1. Final Tender advert 2. Contractor appointment letter	Not Achieved Tender was advertised and closed	Project stopped by DWS due to limitation of funds	Contract to be re-advertised upon confirmation of funding from DWS	File 2 – AA 1.Tender Invitation 2.Feasibility Study Report 3. Invoice for appointment of Professional Engineers 4.Suspension letter from DWS
1	Basic Service Delivery and Infrastructure development	Deliver sustainable services that are on or above RDP Level Deliver sustainable	Provision of basic drinking water services Provision of basic services to community	SO 1	Upgrading of the Water Treatment works in Zastron	72% Physical progress on site by 30 June 2019	25% progress on project	44% Physical progress on site	72% Physical progress on site	30% Physical progress on site by end of March 2019	50% Physical progress on site by 30 June 2019	1. Monthly progress reports from consultant	Not Achieved Actual achievement is 45%	Project was placed on suspension since April 2019 to 30 June 2019 due to unavailability of funds	Project to resume in the 2019/2020 FY on new allocation	File 2 –BB 1.Monthly Progress Report – Proper Consulting (3)

KP A No .	Key Performance Area	Municipal Strategic KPA	Municipal Strategic Objective(SOs)	SO No	Key performance indicator(s)	Annual Target	Baseline	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reasons for deviation	Corrective measures to be taken	#REF
1		le services that are on or above RDP Level	Provision of basic drinking water services	SO 1	10793 of formal Households with water in MLM daily.	Provision of 1 440 ML of purified water by 30 June 2019	1635 ml of purified water	Provision of drinking water to 10 793 HH in MLM (100%)	Provision of drinking water to 10 793 HH in MLM (100%)	Provision of 360 ML of purified water from 1 January 2019 – 30 March 2019	Provision of 360 ML of purified water from 1 April 2019 – 30 June 2019	Water meter readings at the water treatment works (final distribution) per town	Achieved 1536 ML of purified water for 2018/19	-	-	File 3 – CC 1. Water Treatment Plant Sheets 2. Management Report
1			Provision of sustainable portable water in all 3 Towns	SO 1	Review of the WSDP by 30 June 2019	Approved reviewed WSDP by 30 June 2019	Draft WSDP	-	-	Review: Final Draft of WSDP by end of March 2019	Submission of the reviewed final WSDP to council for approval	Council Resolution and Approved WSDP	Achieved WSDP reviewed and adopted in May 2019	-	-	File 3 – DD 1. Council Resolution 2. WSDP Disk
1	Basic Service Delivery and Infrastructure development	Deliver sustainable services that are on or above RDP level	Provision of Aerial lighting and electrification of households	SO 1	Provision of 1 report per quarter regarding the status of aerial lightening to council until 30	Submission of 4 reports to council regarding the status of aerial lightening by 30	New KPI	X1 report submitted to council	X1 report submitted to council	X1 report submitted to council for the period of 1 January 2019	X1 report submitted to council for the period of 1 April 2019 – 30 June	Ordinary Council Agenda, report submitted & abstract of the minutes from the council	Not Achieved X3 reports submitted	No ordinary council meeting took place for the 2nd quarter	Reports to be tabled in the next ordinary council meeting	File 3 – EE 1. Council Agenda – 28 March 2019

KP A No .	Key Performance Area	Municipal Strategic KPA	Municipal Strategic Objective(SOs)	S O N o	Key performance indicator(s)	Annual Target	Baseline	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reasons for deviation	Corrective measures to be taken	#REF
					June 2019	June 2019				– 30 March 2019	2019	meeting				
3	Good Governance and public participation	Good Governance and public participation	To instil good governance in all Municipal operations, ensure public participation and provide critical strategic support to the municipality	S O 1	% - implementation of action plan to mitigate identified risks (Output)	Submission of x4 Updated risk registers by 30 June 2019	16/17 mitigated risks	1 Quarterly monitoring of identified risks report	1 Quarterly monitoring of identified risks report	Submission of x1 Updated risk register for the period of 1 January 2019 – 30 March 2019	Submission of x1 Updated risk register for the period of 1 April 2019 – 30 June 2019	Acknowledgment of receipt Updated risk register	Not achieved No reports submitted	No annual approved risk register or committee in place	Technical Services department to improve on submission compliance	-

KP A No .	Key Performance Area	Municipal Strategic KPA	Municipal Strategic Objective(SOs)	S O N o	Key performance indicator(s)	Annual Target	Baseline	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reasons for deviation	Corrective measures to be taken	#REF
3	Good Governance and public participation	Good Governance and public participation	To instil good governance in all Municipal operations, ensure public participation and provide critical strategic support to the municipality	S O	Improvement in Audit Opinion (Outcome)	Improvement in Audit opinion for the 2018/19 financial year ending on 30 June 2019	16/17 Audit opinion	1 Quarterly Implementation and monitoring Audit action Plan report	1 Quarterly Implementation and monitoring Audit action Plan report		Submission of Updated Audit Action plan indicating findings that have been addressed	AG report. Proof of submission on Audit Action Plan	Not Achieved	2017/18 Audit processes took longer than the legislated timeframe	Adherence to legislation	-

CORPORATE SERVICES DEPARTMENT

KP A N o	Key Performan ce Area	Municipa l Strategic Objectiv e (SOs)	Municip al Strategi c Objecti ve (Depart mental)	S O N o	Key performan ce indicator(s)	Annual Target	Baselin e	Q1	Q2	Q3	Q4	POE	Actual Achiev ement	Reasons for deviat ion	Correcti ve measur es	#REF
3	Good governan ce & Administra tion	Good governan ce in Mohokar e	To instil good governan ce in all Municip al operatio ns, ensure public particip ation and provide critical strategi c support to the Municip ality	S O 4	Coordin ation of ordinary council meetings	4 Ordinar y Council meetin g	4 distribut ed notices and agend a for 4 ordinar y meetin gs	Distribut ion of 1 notice and agend a by Aug 18	Distribut ion of 1 notice and agend a by Dec 18	Distribut ion of 1 notice and agend a by March 19	Distribut ion of 1 notice and agend a by May 19	Copy of notices and agenda s distribut ed and acknow ledgem ent of receipts	Not achiev ed 3 notices were distribut ed, quarter 2 & 4 meetin g were not sent out	Incon sistent sitting of Sec 79 and Coun cil Meeti ngs betwe en Jan to June 2019	Adhere nce to Council Schedul e	File 1-A 1. 3 Notices 2. Proof of email to Council 3. Attendanc e registers of the Council meetings
				S O 4	Coordin ation of LLF meetings	12 LLF notices and agend a distribut ed	12 LLF notices and agend a distribut ed	Distribut ion of 3 notices and agend as	Distribut ion of 3 notices and agend as	Distribut ion of 3 notices and agend as	Distribut ion of 3 notices and agend as	Copy of notices and agenda s distribut ed and acknow ledgem ent of receipts	Achiev ed 12 Notices were distribut ed	-	-	File 1-B 1. 12 Notices 2. Acknowled gement of receipt by members 3. Attendanc e registers of the meeting

KP A N O	Key Performan ce Area	Municipa l Strategic Objectiv e (SOs)	Municip al Strategi c Objecti ve (Depart mental)	S O N o	Key performa nce indicator(s)	Annual Target	Baselin e	Q1	Q2	Q3	Q4	POE	Actual Achiev ement	Reasons for deviat ion	Correcti ve measur es	#REF
3				S O 4	Reviewed and adopted Employment Equity Policy by June 2019	Review ed and adopte d EE Policy	16/17 EE Policy	-	-	-	Submit draft Policy to Council by June 2019	Council resolution and adopted policy	Not achieved	Inconsistent sitting of Council meetings between Jan to June 2019	Reports to be tabled to Council on the 31st of July 2019	-
3	Good governance & Administration	Good governance in Mohokare	To instil good governance in all Municipal operations, ensure public participation and provide critical strategic support to the Municip	S O 4	Submitted EE Plan Report to Dept. of Labour by 15 January 2019	Submitted EE Plan Report to Dept. of Labour by 15 January 2019	New KPI	-	-	Submitted EE Plan Report to Dept. of Labour by 15 January 2019	-	Proof of submission to Dept of Labour	Achieved	-	-	File 1-C 1. Acknowledgement of EE Report from Labour Dept. 2. EE Report
3	Good Governance and public participation	Good Governance and public participation		S O 4	Agenda and notices of section 79	20 notices and agenda of Section	17/18 Sec 79 notices and agenda	5 notices and agenda as distributed	5 notices and agenda as distributed	5 notices and agenda as distributed	5 notices and agenda as distributed	Notices and agenda	Not Achieved 15 notices	Inconsistent sitting of Sec 79 and Council	Implementation of the approved Sec 79	File 1-D 1. Scheduled dates - Proof of

KP A N O	Key Performan ce Area	Municipa l Strategic Objectiv e (SOs)	Municip al Strategi c Objecti ve (Depart mental)	S O N o	Key performa nce indicator(s)	Annual Target	Baselin e	Q1	Q2	Q3	Q4	POE	Actual Achiev ement	Reasons for deviat ion	Correcti ve measur es	#REF
	on	tion	ality		committees distributed quarterly	79 distributed quarterly	a	ed by July 2018	ed by Dec 2018	ed by Feb 2019	ed by May 2019		were distributed	cil Meetings between Jan to June 2019	scheduled	emails sent out 2. Postponement of meetings - Proof of email sent out 3. Notices per Sec 79 committee (5) - Proof of emails sent out 4. Notices and attendance registers for Quarter 3
3	Good Governance and public participation	Good Governance and public participation	To instil good governance in all Municipal operations, ensure	S O 4	Monitoring of risk related matters	Identified risks, developed and updated Risk registers June	2017/2018 identified risks	Identified risks submitted to risk officer by Sept 2018	Identification of risks submitted to risk officer by December	Identification of risks submitted to risk officer by March	Identification of risks submitted to risk officer by June 2019	Proof of submission of the updated risk register (Acknowledgment of	Non – compliance to Risk	Adherence to Risk Compliance	Non – compliance to Risk	-

KP A N o	Key Performan ce Area	Municipa l Strategic Objectiv e (SOs)	Municip al Strategi c Objecti ve (Depart mental)	S O N o	Key performa nce indicator(s)	Annual Target	Baselin e	Q1	Q2	Q3	Q4	POE	Actual Achiev ement	Reaso ns for deviat ion	Correcti ve measur es	#REF
			public particip ation and provide critical strategi c support to the Municip ality			2019			2018	2019		receipt)				

KP A N O	Key Perfor manc e Area	Municip al Strategi c Objecti ve (SOs)	Municip al Strategi c Objecti ve (Depart mental)	S O N o .	Key performa nce indicator(s)	Annual Target	Baselin e	Q1	Q2	Q3	Q4	POE	Actual Achiev ement	Reason s for deviatio ns	Corrective measures	#REF
3	Good gover nanc e & Admi nistrati on	Good govern ance in Mohok are	Annual Review and implem entation of the Human Resourc es Strategy	S O 4	Reviewed HRD Strategy by June 2019	Reviewed HRD Strategy by June 2019	Adopte d 2017/20 18 HRD Strateg y	-	-	-	Final reviewed 2018/201 9 HRD Strategy submitted to Council by June 2019	Review ed HRD Strateg y by June 2019	Not Achiev ed	Inconsi tent sitting of Sec 79 and Council Meetin gs betwee n Jan to June 2019	The report was tabled to the Council meeting scheduled for the 31 July 2019	-
3	Good gover nanc e & Admi nistrati on	Good govern ance in Mohok are	Annual Review and implem entation of the Human Resourc es Strategy	S O 4	Quarterly Impleme ntation of the HRD Strategy by June 2019	Quarterly reports submitted to Manage ment (Recruitm ent and selection report aligned to Employm ent equity plan, leave	2017/20 18 Quarterl y reports	Quart erly report s	Quart erly report s	Quart erly report s	Quarterly reports	Quarterl y reports	Achiev ed	-	-	File 1-E Quarterly HR Reports

KP A N O	Key Perfor manc e Area	Municip al Strategi c Objecti ve (SOs)	Municip al Strategi c Objecti ve (Depart mental)	S O N O .	Key performa nce indicator(s)	Annual Target	Baselin e	Q1	Q2	Q3	Q4	POE	Actual Achiev ement	Reason s for deviatio ns	Corrective measures	#REF
						manage ment, benefits and claims, vacancy rate and Overtime										
3	Good govern ance & Admini stration	Good govern ance in Mohok are	Annual Review and implem entation of the Human Resourc es Strategy	S O 4	4 Vacant posts of Sec 56 managers filled by June 2019	4 Vacant posts of Sec 56 managers filled by June 2019	4 sec 56 positions filled	-	-	Advert t, Intervi ews of Sec 56 positi ons held	Appointm ent letters and Contracts signed	Advert, Intervie w report, signed Contra cts	Not achiev ed 2 Sec 56 Manag ers were appoint ed 2 posts are still vacant	Financi al constrai nts	Only two directors were appointed: Director Technical and CFO but Community services and Corporate Director have not been appointed due to financial challenges	File 1-F 1. Adverts 2. Attendanc e registers for the 3 posts 3. Appointme nt letters (2) - Signed Contracts (2)
3	Good govern ance & Admini stration	Good govern ance in Mohok are	Annual Review and implem entation of the	S O 4	5 unskilled labours vacant post filled by June	5 Unskilled vacant posts filled by	New KPI	-	-	Advert tise posts and hold intervi	Appointm ent of the 5 unskilled employe	Advert, Intervie w report, signed appoint	Achiev ed	-	-	FILE 1- G (5) Signed Contracts of appointed

KP A N O	Key Perfor manc e Area	Municip al Strategi c Objecti ve (SOs)	Municip al Strategi c Objecti ve (Depart mental)	S O N O	Key performa nce indicator(s)	Annual Target	Baselin e	Q1	Q2	Q3	Q4	POE	Actual Achiev ement	Reason s for deviation s	Corrective measures	#REF
	on		Human Resourc es Stratergy		2019	June 2019				ews of the 5 vaca nt posts	es	ment letters/c ontracts				
3	Good govern ance & Admi nistrati on	Good govern ance in Mohok are	To instil good govern ance in all Municip al operati ons, ensure public particip ation and provide critical	S O 4	10 Human Resource s Policies reviewed and approve d by Council by June 2019	10 Human Resource s Policies reviewed and approve d by Council by June 2019	8 policies reviewe d and approv ed by Council	-	-	-	Submit draft reviewed HR Policies to Council by June 2019	Council Resoluti on and electro nic copies of HR policies	Not achiev ed	Inconsis tent sitting of Sec 79 and Council Meetin gs between Jan to June 2019	The report was tabled to the Council meeting scheduled for the 31 July 2019	-
3	Good govern ance & Admi nistrati on	Good govern ance in Mohok are	critical strategi c support to the Municip ality	S O 4	Reviewed Organogr am by June 2019	Reviewed Organogr am by June 2019	2017/20 18 reviewe d organo gram	-	-	Submi t the draft Orga nogra m to Sec 79 by Marc h 2019	Submit the final Organogr am to Council by June 2019	Council Resoluti on and a copy of the organo gram	Not achiev ed	Inconsis tent sitting of Sec 79 and Council Meetin gs between Jan to June 2019	The report was tabled to the Council meeting scheduled for the 31 July 2019	-

KP A N O	Key Perfor manc e Area	Municip al Strategi c Objecti ve (SOs)	Municip al Strategi c Objecti ve (Depart mental)	S O N O	Key performa nce indicator(s)	Annual Target	Baselin e	Q1	Q2	Q3	Q4	POE	Actual Achiev ement	Reason s for deviatio ns	Corrective measures	#REF
3	Good Gover nanc e and admin istrati on	Good Govern ance in Mohok are	Ensure 100% develo pment of ICT Strategy	S O 4	Reviewed ICT Strategy by June 2019	Reviewed ICT Strategy by June 2019	2017/20 18 ICT Strateg y	-	-	Submi t the draft ICT Strate gy to Coun cil by Marc h 2019	Submit the final ICT Strategy to Council by June 2019	Council Resoluti on and copy of Strateg y	Not achiev ed	Inconsi tent sitting of Sec 79 and Council Meetin gs betwee n Jan to June 2019	The report was tabled to the Council meeting scheduled for the 31 July 2019	-
3	Good Gover nanc e and admin istrati on	Good Govern ance in Mohok are	Ensure 100% develo pment of ICT Strategy	S O 4	Reviewed ICT Policies June 2019	14 reviewed ICT Policies adopted by May 2016. 1.IT Security policy 2.IT Assets Control & Disposal Policy 3.Internet & Email Usage Policy 4.Chang e	9 reviewe d and adopte d Policies 2017/18	-	-*	Submi t the 14 draft revie wed ICT Polic ies to Coun cil by Marc h 2019	Submit the 14 Final ICT Policies to Council by June 2019	Council Resoluti on and copies of the adopte d Policies	Not achiev ed	Inconsi tent sitting of Sec 79 and Council Meetin gs betwee n Jan to June 2019	The report was tabled to the Council meeting scheduled for the 31 July 2019	-

KP A N O	Key Perfor manc e Area	Municip al Strategi c Objecti ve (SOs)	Municip al Strategi c Objecti ve (Depart mental)	S O N O .	Key performa nce indicator(s)	Annual Target	Baselin e	Q1	Q2	Q3	Q4	POE	Actual Achiev ement	Reason s for deviatio ns	Corrective measures	#REF
						manage ment policy 5.Passwor d policy 6.IT Backup Policy 7 Disaster Recovery policy 8 Telephon e Policy 9 Mobile and Gadgets Policy 10. Patch Manage ment Policy 11. End User Access Manage ment Policy 12. ICT										

KP A N O	Key Perfor manc e Area	Municip al Strategi c Objecti ve (SOs)	Municip al Strategi c Objecti ve (Depart mental)	S O N O	Key performa nce indicator(s)	Annual Target	Baselin e	Q1	Q2	Q3	Q4	POE	Actual Achiev ement	Reason s for deviation s	Corrective measures	#REF
						Operatin g System Security Controls Policy 14. Printing Policy										
3	Good Govern ance and admini stration	Good Govern ance in Mohok are	Ensure 100% develo pment of ICT Strategy	S O 4	Review of the Disaster recovery and Business Continuit y Plan by June 2019	Reviewed Disaster Recovery and Business Continuit y Plan for the 2018/19 financial year.	2017/20 18 Review ed Disaster Recover y and Business Continu ity Plan	-	-	Submi t draft Disast er Reco very and Busine ss Conti nuity Plan to Coun cil by Marc h 2019	Disaster Recovery and Business Plan to Council by June 2019 for approval.	Council resoluti on and copy of the approv ed plan	Not achiev ed	Inconsi stent sitting of Sec 79 and Council Meetin gs betwee n Jan to June 2019	The report was tabled to the Council meeting scheduled for the 31 July 2019	-
3	Municip al	Municip al Transfor mation	Review, and implem ent all		5 reviewed policies by June	5 reviewed policies by June	5 reviewe d	-	-	-	5 reviewed policies by June	Policies Council resoluti	Not achiev ed	Inconsi stent sitting of Sec 79 and	The report was tabled to the Council	-

KP A N O	Key Perfor manc e Area	Municip al Strategi c Objecti ve (SOs)	Municip al Strategi c Objecti ve (Depart mental)	S O N O	Key performa nce indicator(s)	Annual Target	Baselin e	Q1	Q2	Q3	Q4	POE	Actual Achiev ement	Reason s for deviatio ns	Corrective measures	#REF
	Transf ormati on and Devel opme nt	and Develo pment	relevant depart mental policies		2018 (Public participat ion, Communi cation, HR and Training, Social media policies)	2019 (Public participat ion, Communi cation, HR and Training, Social media policies)	policies				2019	on		Council Meetin gs betwee n Jan to June 2019	meeting scheduled for the 31 July 2019	
3	Munic ipal Transf ormati on and Devel opme nt	Municip al Transfor mation and Develo pment	Strategi es develo ped and reviewe d		Annual Reviewed delegatio n system adopted by Council by June 2019	Annual Reviewed delegatio n system adopted by Council by June 2019	2017/20 18 reviewe d delegat ion system	-	-	-	Reviewed and adopted Delegatio n System by June 19	Council Resoluti on and Adopte d Delegat ion System	Not achiev ed	Inconsi tent sitting of Sec 79 and Council Meetin gs betwee n Jan to June 2019	The report was tabled to the Council meeting scheduled for the 31 July 2019	-
3	Munic ipal Transf ormati on and	To build capacit y and maximi se utilizatio	Organiz ational develo pment		6 officials capacita ted in terms of the workplac	6 officials capacita ted by	New KPI	-	-	3 officia ls capa citate	3 officials capacita ted	Skills develo pment report	Not achiev ed	Inconsi tent sitting of Sec 79 and Council	The report was tabled to the Council meeting scheduled	-

KP A N O	Key Perfor manc e Area	Municip al Strategi c Objecti ve (SOs)	Municip al Strategi c Objecti ve (Depart mental)	S O N O	Key performa nce indicator(s)	Annual Target	Baselin e	Q1	Q2	Q3	Q4	POE	Actual Achiev ement	Reason s for deviatio ns	Corrective measures	#REF
	Devel opme nt	n of human capital			e skills	June 2019				d				Meetin gs betwee n Jan to June 2019	for the 31 July 2019	
			Councill or develo pment		2 councillor s capacita ted in terms of skillsb by June 2019	2 councillor s capacita ted	New KPI	-	-	-	2 councillor s	Skills develo pment Report	Not Achiev ed 4 officials are capacit ated	Financi al Constra ints	-	FILE 1-H 1. Skills Developme nt Report 2. Workplace Skills Plan
3	Munic ipal Transf ormati on and Devel opme nt	Municip al Transfor mation and Develo pment	Enhanc e institutio nal develo pment and good govern ance		Develop ment and submissio n of the (19/20) workplac e skills plan by 30 April 2019 to LGSETA	19/20 WSP submitted by April 18	18/19 submitt ed WSP	-	-	-	Develope d and submitted WSP to LGSETA by April 2019	Ackno wledge ment of receipt from LGSETA and WSP Docum ent	Over achiev ed 5 Council lors are capacit ated	-	-	File 1- I 1. Skills developme nt Report

KP A N O	Key Perfor manc e Area	Municip al Strategi c Objecti ve (SOs)	Municip al Strategi c Objecti ve (Depart mental)	S O N O .	Key performa nce indicator(s)	Annual Target	Baselin e	Q1	Q2	Q3	Q4	POE	Actual Achiev ement	Reason s for deviatio ns	Corrective measures	#REF
3	Municipal Transf ormati on and Devel opme nt	Municipal Transfor mation and Develo pment	Enhanc e institutio nal develo pment and good govern ance		3% of budget actually spent on impleme nting WSP bi- annually	3% of budget actually spent on impleme nting WSP	New KPI	-	1% of budg et actua lly spent on imple menti ng WSP	-	2% of budget actually spent on impleme nting WSP	Proof of amount s spent	Achiev ed	-	-	File 1 – J Acknowled gement of receipt from LGSETA
3	Municipal Transf ormati on and Devel opme nt	Municipal Transfor mation and Develo pment	To ensure provisio n of secretar ies support to council		Quarterly updated resolution register	Updated resolution register by June 2019	Register update d	Resol ution regist er updat ed by Sept 2018	Resol ution regist er updat ed Dec 2018	Resol ution regist er updat ed by Marc h 2019	Resolutio n register updated by June 2019	Update d register	Achiev ed	-	-	File 1-K Updated Resolution register

FINANCE DEPARTMENT

P A N o	Key Performance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	S O N o	Key performance indicator(s)	Annual Target	Baseline	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reasons for deviations	Corrective measures	#REF
4	Financial Management	Financial Viability	Review, and implement all relevant departmental policies	SO 3	6 budget related policies reviewed by June 2019 (Assets, SCM, Revenue, bank and investment, Credit Control and Expenditure)	6 budget related policies reviewed by June 2019 (Assets, SCM, Revenue, bank and investment, Credit Control and Expenditure)	2017/18 Reviewed budget related policies	-	-	To submit 6 draft policies to Section 79 and Council for adoption by March 2019	To submit 6 Final policies to Section 79 and Council for adoption by May 2019	Policies Council resolutions Attendance register	Not achieved	Inconsistent sitting of Sec 79 and Council Meetings between Jan to June 2019	Adherence to the approved Sec 79 and Council schedule	DISK 1. POLICIES (draft and final) 2. Council resolution
4	Financial Management	Financial Viability	Implementation of Mohokare Financial Management Plan	SO 3	Developed Compliant MSCOA budget by June 2019	Developed Compliant MSCOA budget by June 2019	2017/18 adopted budget	-	-	Submit the draft compliant budget to Budget Steering Committee and Council by March 2019	Submit the Final budget to Budget Steering Committee and Council for adoption by May 2019	Compliant budget	Achieved Though, the document was taken to Council end of March 2019	Inconsistent sitting of Sec 79 and Council Meetings between Jan to June 2019	Adherence to the approved Council schedule	DISK 1. Adopted Budget (Draft and final) 2. Quality certificate 3. Council resolution

P A N o	Key Performance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	S O N o	Key performance indicator(s)	Annual Target	Baseline	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reasons for deviations	Corrective measures	#REF
4	Financial Management	Financial Viability	Implementation of Mohokare Financial Management Plan	SO 3	Developed adjustment budget by Feb 2019	Adopted adjustment budget by Feb 2019	Adopted adjustment budget in by Feb 2018	-	-	Submit the adjusted budget to Budget Steering Committee and Council for Adoption by Feb 2019	-	Attendance register- steering resolution Adjusted Budget + Council Resolution	Not achieved No POE provided	-	-	DISK 1. Adopted Adjustment Budget 2. Quality certificate 3. Council resolution 4. Attendance register Budget steering committee
4	Financial Management	Financial Viability	Implementation of the Procurement Plan	SO 3	Development of Procurement Management Plan by August 2018	Developed and adopted Procurement Management Plan by August 2018	2017/18 approved plan	Submit developed Plan to Council by August 2018 for adoption	-	-	-	Council Resolution and adopted copy	Not achieved No POE provided	-	-	File 1- A Procurement Plan
4	Financial Management	Financial Viability	Development of operation alization of SCM Plans		Implementation and monitor of the procurement plan by June 2019	Procurement Plan implemented by June 2019	2017/18 quarterly plans	Monthly Progress report on the procurement plan	Monthly Progress report on the procurement plan	Monthly Progress report on the procurement plan	Monthly Progress report on the procurement plan	Monthly Financial Progress reports	Not achieved No POE provided	-	-	-

P A N o	Key Performa nce Area	Municip al Strategic Objectiv e (SOs)	Municipal Strategic Objective (Departm ental)	S O N o	Key performa nce indicator(s)	Annual Target	Baselin e	Q1	Q2	Q3	Q4	POE	Actua l Achie veme nt	Reason s for deviatio ns	Correcti ve measur es	#REF
4	Financial Manage ment	Financial Viability	Promotio n and maintena nce SCM		Irregular, fruitless and wasteful expendit ure reduced by June 2019	Irregular, fruitless and wasteful expendit ure reduced by June 2019	2017/18 quarterl y plans	Progress report on irregular , fruitless and wasteful expendi ture	Progress report on irregular , fruitless and wasteful expendi ture	Progress report on irregular , fruitless and wasteful expendi ture	Progres s report on irregula r, fruitless and wasteful expendi ture	Month ly Finan cial Progre ss report s	Not achie ved No POE provid ed	-	-	File 1-B Quarterly registers of irregular, fruitless and wasteful
4	Financial viability	Become financial ly viable			Quarterly SCM reports submitted to the Mayor and Accounti ng Officer	Quarterly SCM reports submitted to the Mayor and Accounti ng Officer	New KPI	Quarterl y SCM report	Quarterl y SCM report	Quarterl y SCM report	Quarterl y SCM report	Quart erly SCM report	Achie ved	-	-	File 1-C Quarterly SCM Reports
5	Local Economi c Develop ment	Local Economi c develop ment	Grow Mohokar e		12 local businesse s awarded by June 2019	12 local businesse s awarded by June 2019	12 business reports awarde d	3 local business es awarde d	3 local business es awarde d	3 local business es awarde d	3 local busines ses award ed	Repor t on LED	Not Achie ved No POE provid ed	-	-	File 1-D 1.Expenditu re forms 2.Requisitio n form 3.purchase requisition

P A N o	Key Performa nce Area	Municip al Strategic Objectiv e (SOs)	Municipal Strategic Objective (Departm ental)	S O N o	Key performa nce indicator(s)	Annual Target	Baselin e	Q1	Q2	Q3	Q4	POE	Actua l Achie veme nt	Reason s for deviatio ns	Correcti ve measur es	#REF
-	Municipa l Financial Viability	Become financial ly viable	Grow Mohokar e		80 % creditors paid within 30 days	80 % creditors paid within 30 days	% Creditor s paid	20 % of creditor s paid within 30 days	20 % of creditor s paid within 30 days	20 % of creditor s paid within 30 days	20 % of creditor s paid within 30 days	Quart erly Finan cial report s Invoic es and expen diture forms	Not achie ved	Financi al constrai nt of the municip ality	Creditor s are paid on availabi lity of funds.	File 1-E 1. List of Outstandin g creditors
	Municipa l Financial Viability	Becom g financial ly viable	To ensure complian ce with MFMA and Treasury regulatio ns and impleme nt internal controls		Payment vouchers of Third Parties done by the 7th of each month	Third Party paid by the 7 th of each month	New KPI	Payme nt of current third party deducti ons by the 7 th	Payme nt of current third party deducti ons by the 7 th	Payme nt of current third party deducti ons by the 7 th	Payme nt of current third party deducti ons by the 7 th	Proof of paym ent Quart erly 3 rd party recon ciliatio ns registe r	Achie ved	-	-	File 1-F Third party payments
			To ensure complian ce with MFMA and Treasury regulatio ns and impleme		Complian ce with SARS directive on VAT issues.	Submissio n of 12 VAT 201 returns	New KPI	Comple ted 3 VAT returns for June, July, August	Comple ted 3 VAT return for Septem ber, Octobe r, Novem ber	Comple ted 3 VAT return for Decem ber, Jan uary, Februar y	Comple ted 3 VAT return for March, April, May	VAT returns	Not achie ved No POE provid ed	-	-	File 1-G SARS forms

P A N o	Key Performa nce Area	Municip al Strategic Objectiv e (SOs)	Municipal Strategic Objective (Departm ental)	S O N o	Key performa nce indicator(s)	Annual Target	Baselin e	Q1	Q2	Q3	Q4	POE	Actua l Achie veme nt	Reason s for deviatio ns	Correcti ve measur es	#REF
			nt internal controls													
	Municipa l Financial Viability	Become financial ly viable	Grow Mohokar e		30% of outstandi ng debt collected over 90 days by June 2019	30% of outstandi ng debt collected over 90 days by June 2019	% debt collect ed	7.5 % of debt collect ed	7.5 % of debt collect ed	7.5 % of debt collect ed	7.5 % of debt collect ed	Quart erly reven ue report	Not achie ved No POE provid ed	Non- implem entatio n of the Revenu e enhanc ement strategy	-	-
	Municipa l Financial Viability	Become financial ly viable	Provide free basic water to indigent househol ds		Registrati on of indigent househol ds	1200 indigent househol ds registered by June 2019	New KPI	300 HH register ed Quarterl y indigen t session per town register ed	300 HH register ed Quarterl y indigen t session per town register ed	300 HH register ed Quarterl y indigen t session per town register ed	300 HH register ed Quarterl y indigen t session per town register ed	Repor t on status on indige ncy	Not achie ved No POE provid ed	-	-	DISK Updated Indigent register
4	Municipa l Financial Viability	To ensure that municip al assets are adequat ely manage d and monitore d	Fully effective asset manage ment unit		Quarterly verifying physical assets against assets register by June 2019	Updated GRAP complan t assets register by June 2019	2017/18 quarterl y reports	GRAP compli ant register Develo pment of the asset movem ent register	Quarterl y monitor ing of asset movem ent register	Quarterl y monitor ing of asset movem ent register	Quarterl y monitor ing of asset movem ent register	GRAP Regist er Detail ed report on asset registe r.	Achie ved	-	-	File 1-H Assets report DISK Updated GRAP Assets register

P A N o	Key Performa nce Area	Municip al Strategic Objectiv e (SOs)	Municipal Strategic Objective (Departm ental)	S O N o	Key performa nce indicator(s)	Annual Target	Baselin e	Q1	Q2	Q3	Q4	POE	Actua l Achie veme nt	Reason s for deviatio ns	Correcti ve measur es	#REF
4	Municipa l Financial Viability	To ensure sound financial manage ment, complia nce and regular reportin g	Impleme nting effective internal controls and monitorin g complian ce		Timely submissio n of complian ce reports to Council, NT and PT (Section 71, 52, and 72)	Complian ce reports as per MFMA	2017/18 quarterl y compli ance reports	Quarterl y budget statem ent (Sectio n 52 & 71)	Quarterl y budget statem ent (Sectio n 52 & 71)	Quarterl y budget statem ent (Sectio n 52 & 71)	Quarterl y budget statem ent (Sectio n 52 & 71)	Quart erly report s	Not achie ved	Financi al System not yet closed for May and June	Quarterl y reports to be submitt ed once system is closed	File 1- I Proof of submission to Treasury
4	Financial Manage ment	Financial Viability	Compilati on of complian t AFS		Submissio n of Draft Complian t Financial Statemen ts to AG, National and Provincial Treasury by 31 st August 2018	Submitte d AFS by 31 st August 2018	Submitt ed AFS by Aug 2017	Submissi on of compli ant Draft Financi al Statem ents to AG and Nationa l and Provinci al Treasury by 31 st August 2018	-	-	-	Proof of submis sion to AG, NT and PT	Not achie ved	Late submiss ion of AFS during the 2017/18 Financi al year Non- compli ance to legislati on	Adhere nce to legislati on	File 1- K Proof of submission to AG
4	Financial Manage ment	Financial Viability	Submissio n of Complian t AFS	S O 3	Submissio n of Final complian t Financial Statemen ts to Council, NT and PT by 25 January	Submitte d final AFS to Council	AFS submitt ed to Council by 25 Jan 2019	-	-	Submissi on of Final compli ant Financi al Statem ents to Council , NT	-	Proof of submis sion to AG, NT and PT	Not achie ved	Audit process es took longer than legislat ed	Adhere nce to legislati on	-

P A N o	Key Performa nce Area	Municip al Strategic Objectiv e (SOs)	Municipal Strategic Objective (Departm ental)	S O N o	Key performa nce indicator(s)	Annual Target	Baselin e	Q1	Q2	Q3	Q4	POE	Actua l Achie veme nt	Reason s for deviatio ns	Correcti ve measur es	#REF
					2019					and PT by 25 January 2019						
3	Good Governance and public participation	Good Governance and public participation	To instil good governance in all Municipal operations, ensure public participation and provide critical strategic support to the municipality	SO 4	% - implemen tation of action plan to mitigate identified risks (Output)	100% of identified risks mitigated by June 2019	17/18 mitigated risks	1 Quarterly monitoring of identified risks report	1 Quarterly monitoring of identified risks report	1 Quarterly monitoring of identified risks report	1 Quarterly monitoring of identified risks report	Proof of submis sion of the updated risk register (Ackn owledg ment of receipt) Monit oring tool templ ate	Not achieved	Non – compliance to Risk	Adherence to Risk Compliance	-
3	Good Governance and public participation	Good Governance and public participation	To instil good governance in all Municipal operations, ensure public participation and provide critical strategic support to the municipality	SO 4	Improve ment in Audit Opinion (Outcome)	Improve ment in Audit opinion (Unqualified)	17/18 Audit opinion	1 Quarterly Implement ation and monitoring Audit action Plan report	1 Quarterly Implement ation and monitoring Audit action Plan report	1 Quarterly Implement ation and monitoring Audit action Plan report	1 Quarterly Implement ation and monitoring Audit action Plan report	AG report. Audit action plan report	Not Achieved	2017/18 Audit process took longer than the legislated timeframe	Adherence to legislation	-

COMMUNITY SERVICES DEPARTMENT

KP A N o	Key Perform ance Area	Municip al Strategi c Objecti ve (SOs)	Municipal Strategic Objective (Departm ental)	S O N o.	Key performa nce indicator(s)	Annual Target	Baseline	Q1	Q2	Q3	Q4	POE	Actual Achiev ement	Reasons for deviation	Correcti ve measur es	#REF
1	Basic Service Delivery	Keep Mohok are Safe & Clean	Provision of sustainab le Human Settleme nts in all the three towns by 30 June 2017	S O 5	Review of Human Settleme nt Sector Plan by June 2019	Review of Human Settleme nt Sector Plan by June 2019	Human Settleme nt Sector Plan 2017/18	-	-	Submiss ion of draft plan to Council by March 2019	Submit the final reviewe d Plan to Council by May 2019	Coun cil resolu tion and Copy of the Plan	Not achiev ed	Inconsiste nt sitting of Sec 79 and Council Meetings between Jan to June 2019	Adhere nce to the approv ed Sec 79 and Council schedul e	-
					Reviewe d Land Disposal Policy by June 2019	Land Disposal Policy Reviewe d by June 2019	17/18 policy	-	-	Submiss ion of draft policy to council by march 2019	Submissi on of final policy to Council for approv al by June 2019	Coun cil resolu tion copy of the plan	Not achiev ed	Inconsiste nt sitting of Sec 79 and Council Meetings between Jan to June 2019	Adhere nce to the approv ed Sec 79 and Council schedul e	-
					Reviewe d of Municipal Housing Rental	Reviewe d of Municip al Housing	Municip al rental housing policy in place by	-	-	Submiss ion of draft policy to	Submissi on of final policy to	Coun cil resolu tion copy	Not achiev ed	Inconsiste nt sitting of Sec 79 and Council	Adhere nce to the approv ed Sec	-

KP A N o	Key Perform ance Area	Municip al Strategi c Objecti ve (SOs)	Municipal Strategic Objective (Departm ental)	S O N o.	Key performa nce indicator(s)	Annual Target	Baseline	Q1	Q2	Q3	Q4	POE	Actual Achiev ement	Reasons for deviation	Correcti ve measur es	#REF
					Policy by June 2019	Rental Policy by June 2019	2017/18			council by march 2019	Council for approval by June 2019	of the plan		Meetings between Jan to June 2019	79 and Council schedule	
					Reviewed Municipal sites allocation Policy by June 2019	Reviewed Municipal sites allocation Policy by June 2019	2017/2018 Policy	-	-	Submission of draft Policy to Council by March 2019	Submission of final Policy to Council for approval by June 2019	Council resolution Copy of the Policy	Not achieved	Inconsistent sitting of Sec 79 and Council Meetings between Jan to June 2019	Adherence to the approved Sec 79 and Council schedule	-
			Management of Local Disaster as per incident		Review of local disaster management plan by June 2019	Reviewed Disaster Management Plan by June 2019	Local Disaster Management Plan in place 2017/18	-	-	Submission of draft plan to Council by March 2019	Submit the final reviewed Plan to Council by May 2019	Council resolution and Copy of the Plan	Not achieved	Inconsistent sitting of Sec 79 and Council Meetings between Jan to June 2019	Adherence to the approved Sec 79 and Council schedule	-

KP A N o	Key Perform ance Area	Municip al Strategi c Objecti ve (SOs)	Municipal Strategic Objective (Departm ental)	S O N o.	Key performa nce indicator(s)	Annual Target	Baseline	Q1	Q2	Q3	Q4	POE	Actual Achiev ement	Reasons for deviation	Correcti ve measur es	#REF
1	Basic Service Delivery	Keep Mohok are Safe & Clean	Manage ment of Extended Public Works	5	Reviewe d Extended Public Works Policy by June 2019	Reviewe d Extende d Public Works Policy by June 2019	2017/201 8 EPWP		-	Review ed Extend ed Public Works Policy submitt ed to Council by March 2019	Review ed Extende d Public Works Policy submitt ed to Council by May 2019	Coun cil resolu tion and Copy of the Policy	Not achiev ed	Inconsiste nt sitting of Sec 79 and Council Meetings between Jan to June 2019	Adhere nce to the approv ed Sec 79 and Council schedul e	-
1	Basic Service Delivery	Keep Mohok are Safe & Clean	Provision of sustainab le Common age Manage ment	5	Reviewe d Common age Manage ment plan by June 2019	Reviewe d Common age Manage ment Plan by June 2019	Common age manage ment plan in place	-	-	Submiss ion of draft plan to Council by March 2019	Submit final plan to Council by May 2019	Coun cil resolu tion and Copy of the Plan	Not achiev ed	Inconsiste nt sitting of Sec 79 and Council Meetings between Jan to June 2019	Adhere nce to the approv ed Sec 79 and Council schedul e	-
			Managem ent of Sports and Facilities	5	Reviewe d Sports and Facilities Manage ment policy by	Reviewe d Sports and Facilities Manage ment policy	17/18 Sports facility Manage ment	-	-	Submiss ion of draft plan to Council by March	Submit final draft to Council by May 2019	Coun cil resolu tion and Copy	Not achiev ed	Inconsiste nt sitting of Sec 79 and Council Meetings between	Adhere nce to the approv ed Sec 79 and Council	-

KP A N o	Key Perform ance Area	Municip al Strategi c Objecti ve (SOs)	Municipal Strategic Objective (Departm ental)	S O N o.	Key performa nce indicator(s)	Annual Target	Baseline	Q1	Q2	Q3	Q4	POE	Actual Achiev ement	Reasons for deviation	Correcti ve measur es	#REF
					June 2019	by June 2019				2019		of the Policy		Jan to June 2019	schedul e	
			Manage ment of Municipal Amenities	5	Reviewe d Cemet ery Manage ment Policy by June 2019	Review of Cemet ery manage ment Policy by June 2019	Cemeter y Manage ment policy in place	-	-	Submiss ion of draft policy to council by March 2019	Submissi on of final policy to Council for approv al by June 2019	Coun cil resolu tion copy of the plan	Not achiev ed	Inconsiste nt sitting of Sec 79 and Council Meetings between Jan to June 2019	Adhere nce to the approv ed Sec 79 and Council schedul e	-
1	Basic Service Delivery	Keep Mohok are Safe & Clean	Operatio ns and maintena nce		Develop the operatio ns and maintena nce Plan for Council Propertie s by August 2018	Develop ed draft operatio ns and mainten ance Plan by Council Properti es by August 2018	New KPI	Develop Operati ons and Mainten ance Plan approve d by Council by August 2018	-	-	-	Mana geme nt resolu tion & Appro ved draft plan	Not achiev ed	Inconsiste nt sitting of Sec 79 and Council Meetings between Jan to June 2019	Adhere nce to the approv ed Sec 79 and Council schedul e	-

KP A N o	Key Perform ance Area	Municip al Strategi c Objecti ve (SOs)	Municipal Strategic Objective (Departm ental)	S O N o.	Key performa nce indicator(s)	Annual Target	Baseline	Q1	Q2	Q3	Q4	POE	Actual Achiev ement	Reasons for deviation	Correcti ve measur es	#REF
1	Basic Service Delivery	Keep Mohokare Safe & Clean	Environm ental Health Manage ment	0 6	Reviewe d IWMP Integrate d Waste Manage ment Plan by August 2018	Reviewe d IWMP Integrat ed Waste Manage ment Plan by August 2018	16/17 Adopte d IWMP	Reviewe d IWMP Integrat ed Waste Manage ment Plan by August 2018	-	-	-	Appro ved plan Coun cil Resol ution	Not achiev ed	Inconsiste nt sitting of Sec 79 and Council Meetings between Jan to June 2019	Adhere nce to the approv ed Sec 79 and Council schedul e	-
3	Good Govern ance and public particip ation	Good Govern ance and public particip ation	To instil good governan ce in all Municipal operation s, ensure public participat ion and provide critical strategic support to the municipa lity		% - impleme ntation n of action plan to mitigate identified risks (Output)	100% of identifie d risks mitigate d by June 2019	17/18 mitigate d risks	1 Quarterl y monitori ng of identifie d risks report	1 Quarterly monitorin g of identified risks report	1 Quarterly monitori ng of identifie d risks report	1 Quarterl y monitori ng of identifie d risks report	Proof of submi ssion of the updat ed risk regist er (Ackn owled gmen t of recei pt) Monit oring tool templ ate	Not achiev ed	Non – complian ce to Risk	Adhere nce to Risk Compli ance	-

KP A N o	Key Perform ance Area	Municip al Strategi c Objecti ve (SOs)	Municipal Strategic Objective (Departm ental)	S O N o.	Key performa nce indicator(s)	Annual Target	Baseline	Q1	Q2	Q3	Q4	POE	Actual Achiev ement	Reasons for deviation	Correcti ve measur es	#REF
3	Good Govern ance and public particip ation	Good Govern ance and public particip ation			Improve ment in Audit Opinion (Outcom e)	Improve ment in Audit opinion (Unqualif ied d)	17/18 Audit opinion	1 Quarterl y Impleme ntation and monitori ng Audit action Plan report	1 Quarterly Implemen tation and monitorin g Audit action Plan report	1 Quarterl y Implemen tation and monitori ng Audit action Plan report	1 Quarterl y Implemen tation and monitori ng Audit action Plan report	AG report . Audit actio n plan report	Not Achiev ed	2017/18 Audit processe s took longer than the legislated timefram e	Adhere nce to legislati on	-

CHAPTER 4

ORGANISATIONAL DEVELOPMENT PERFORMANCE (PERFORMANCE REPORT PART II)

COMPONENT A: INTRODUCTION TO MUNICIPAL PERSONNEL

4.1 EMPLOYEE TOTALS

Mohokare Local Municipality employs 272 (including non-permanent positions) officials, who individually and collectively contribute to the Municipality's strategic objectives. The primary objective of Human Resource Management is to render innovative HR services that address both skills development and administrative function.

TOTAL EMPLOYEES				
Description	Ending 31 st June 2019			
	Number of Posts	Number of Employees	Vacancies	% Variance
Water	55	46	9	16.36%
Sanitation	61	41	20	32.79%
Electricity	1	1	0	0%
Roads & Storm-water	22	10	13	59.09%
Technical Services (exc the above)	10	6	4	40%
Waste Management	48	31	17	35.41%
Human Settlement	5	4	1	20%
Traffic Safety & Management	7	7	0	0%
Community Services (exc Waste, Human Settlement & Traffic)	26	7	20	76.9%
Planning	2	2	0	0%
Local Economic Development	2	2	0	0%
Office of the MM (exc Planning & LED)	27	17	10	37.04%
Finance	49	38	10	20.41%
Corporate Services	25	17	8	32%
TOTALS	315	216	99	31.43%

VACANCIES

Vacancy Rate: 2018/19			
Designations	Total Approved Posts	Vacancies	Vacancies %
Municipal Manager	1	0	0.00
CFO	1	0	0.00
Other S56 Managers (excluding Finance Posts)	4	2	50%
Other S57 Managers (Finance posts)	1	0	0.00%
Police officers	0	0	0.00
Fire fighters	0	0	0.00
Senior management: Levels 13-15 (excluding Finance Posts)	20	3	15%
Senior management: Levels 13-15 (Finance posts)	2	0	0%
Highly skilled supervision: levels 9-12 (excluding Finance posts)	46	5	10%
Highly skilled supervision: levels 9-12 (Finance posts)	18	2	11%
Total	93	11	12%

TURNOVER

Turn-over Rate 2018/19			
Details	Total Appointments as of beginning of Financial Year	Terminations during the Financial Year	Turn-over Rate
Year -2	36	10	28%
Year -1	0	0	
Year 0			
Total	36	18	28%

Appointment of Senior Managers

Only one post of the Municipal Manager is filed on the 18th March 2018. 4 Sec 56 posts were filled by

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

4.2 POLICIES

Policies and plans provide guidance for fair and consistent staff treatment and approach to managing staff.

All policies relevant to Human Resources have been reviewed and implemented in the years under review.

Human Resource policies road shows have been embarked upon to train and share information of the policies to all staff members.

The table below shows the HR Policies and Plans that are approved:

HR Policies and Plans				
	Name of Policy	Completed	Reviewed	Date adopted by council
1	Human Resource Development Strategy	100	100	24 July 2018
2	Organogram	100	100	24 July 2018
3	Organizational Design Policy	100	100	24 July 2018
4	Employment Policy	100	100	24 July 2018
5	Leave Policy	100	100	24 July 2018
6	Occupational Health and Safety Policy	100	100	24 July 2018
7	Overtime Policy	100	100	24 July 2018
8	Relocation Policy	100	100	24 July 2018
9	Councilor Remuneration Policy	100	100	24 July 2018
10	Staff Retention Policy	100	100	24 July 2018
11	Employment Equity policy	100	100	24 July 2018

4.3 INJURIES, SICKNESS AND SUSPENSIONS

Number and Cost of Injuries on Duty					
Type of injury	Injury Leave Taken	Employees using injury leave	Proportion employees using sick leave	Average Injury Leave per employee Days	Total Estimated Cost
Required basic medical attention	0	0	0	0	0
Temporary total disablement	0	0	0	0	0
Permanent disablement	0	0	0	0	0
Fatal	0	0	0	0	0
Total	0	0	0	0	0

Injuries, sickness and suspensions excl. 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
Lower skilled (Levels 1-2)	0	0	0	0	0
Skilled(Levels 3-5)	1200	0	120	102	12
Highly skilled production(levels 6-8)	600	0	21	35	17
Highly skilled supervision(levels 9-12)	300	0	36	48	6
Senior management(Levels 13-15)	76	0	20	13	17
MM and S57	0	0	0	2	

Total	2176	0	197	200	10.8
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SUSPENSIONS

Number and period of suspension				
Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken or Status of case and reasons why not finalized	Date Finalized
NONE				

CASES 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 Finalized
NO CASES REPORTED			

4.4 PERFORMANCE REWARDS

In terms of regulation 8 of the Local Government: Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers, 2006 R. 805 a bonus may only be paid after the municipal council has adopted the annual report of the year under review.

All Senior Managers appointed in terms of Section 56 of the MSA are on fixed-term performance contracts. The Individual Performance Management System has not been fully cascaded down to all institutional levels within the municipality. Currently there is no performance bonus system non-section 56 employees, only a notch progression methodology is currently utilized.

This will be put in place once the organization achieves the necessary performance management maturity level. The table below sets out the total number and cost of annual bonuses paid out to senior managers and fixed term contract employees for the 2018/19 financial year:

Performance Rewards By Gender					
Designations	Beneficiary profile				
	Gender	Total number of employees in group	Number of beneficiaries	Expenditure on rewards Year 1	Proportion of beneficiaries within
Lower skilled (Levels 1-2)	Female	0	0	0	0
	Male	0	0	0	0
Skilled (Levels 3-5)	Female	0	0	0	0
	Male	0	0	0	0
Highly skilled production (levels 6-8)	Female	0	0	0	0
	Male	0	0	0	0
Highly skilled supervision (levels 9-12)	Female	0	0	0	0
	Male	0	0	0	0
Senior management (Levels 13-15)	Female	0	0	0	0
	Male	0	0	0	0
MM and S56	Female	1	1	0	0
	Male	3	3	0	0
Total		4	4	0	0

Despite gradual improvement of financial and performance position of the municipality over the last financial years, the municipal manager and senior managers have never been paid any performance bonuses due to the financial difficulties faced by the institution.

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

Section 68 of the Municipal Systems Act states that a municipality must develop its human resource capacity to a level that enables it to perform its functions and exercise its powers in an economical, effective, and efficient and accountable way and for this purpose must comply with Skills Development Act and Skills Development Levies Act.

Mohokare Local Municipality had an approved and adopted workplace skills Plan detailing the trainings planned by the municipality for 2018/2019.

Training plan was developed with time frames and approved by management for implementation. Further to that the municipality applied for Discretionary grant from LGSETA unfortunately we were not approved.

Challenges: Municipality depends most on the LGSETA grants in order to implement most of the programmes due to financial constraints. The Municipality experienced challenges on the implementation of the programmes in the financial year 2018/2019 hence in attempt to rescue the situation by submitting applications for Discretionary grants.

4.5 SKILLS DEVELOPMENT AND TRAINING

Skills Matrix														
Management level	Gender	Employees in post as at 30 June 2019	Number of skilled employees required and actual as at 30 June 2019											
			Learner ships			Skills programmes & other short courses			Other forms of training			Total		
		No.	Actual: 2017/18	Actual: 2018/19	2018/2019	Actual: 2017/2018	Actual: 2018/2019	2018/19	Actual: 2017/2018	Actual: 2018/2019	2018/19	Actual: 2017/2018	Actual: 2018/2018	2018/19
MM and s57	Female	0	0	0	0	0	0	0	0	0	0	0	0	0
	Male	3	0	0	0	0	0	0	0	0	0	0	0	0
Councillors, senior officials and managers	Female	9	0	0	1	2	11	1	0	0	2	2	17	2
	Male	16	6	4	3	1	11	0	0	5	5	7	20	8
Technicians and associate professionals*	Female	1	0	1	0	0	0	1	1	1	0	1	2	1
	Male	2	0	2	0	0	0	0	0	2	0	0	4	0
Professionals	Female	1	0	1	0	3	3	0	0	1	0	3	5	0
	Male	6	0	0	0	0	0	0	0	0	0	0	0	0
Clerical support Workers	Female	7	2	3	0	0	1	0	3	3	0	5	7	0
	Male	5	1	4	1	0	0	0	0	0	0	1	4	1
Elementary Occupations	Female	96	9	83	2	0	0	0	0	11	0	9	94	2
	Male	134	40	55	13	0	0	0	0	9	0	40	64	13
Sub total	Female	114	13	94	3	3	3	2	1	6	2	17	125	7
	Male	166	47	68	14	2	5	1	2	13	5	51	92	23
Total		280	60	162	17	5	8	2	3	19	7	68	217	28

Financial Competency Development: Progress Report						
Description	A. Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	B. Total number of officials employed by municipal entities (Regulation 14(4)(a))	Consolidat ed: Total of A and B	Consolidat ed: Competen cy assessments completed for A and B (Regulation 14(4)(b) and (d))	Consolidated: Total number of officials whose performance agreements comply with Regulation 16 (Regulation	Consolidat ed: Total number of officials that meet prescribe d competenc y levels (Regulation
Accounting officer	1	0	1	1	1	1
Chief financial	1	0	1	1	1	1
Senior managers	0	0	0	0	0	0
Any other financial officials	13	0	13	10	0	10
Supply Chain Management Officials						
Heads of supply chain management units	1	0	1	1	1	1
Supply chain management senior	0	0	0	0	0	0
TOTAL	16	0	16	13	3	13

This is a statutory report under the National Treasury: Local Government: MFMA Competency Regulations (June 2007)

Regulation R493 of the National Treasury requires that all identified officials in the municipality should have achieved minimum competencies by June 2019.

Skills Development Expenditure										
Management level	Gender	Employees 2018/19	Original Budget and Actual Expenditure on skills development 2015/2016							
			Learner ships		Skills programs & other short courses		Other forms of training		Total	
		No.	Budgeted	Actual	Budgeted	Actual	Budgeted	Actual	Budgeted	Actual
MM and S57	Female	0	0	0	0	0	0	0	0	0
	Male	0	0	0	0	0	0	0	0	0
Legislators, senior officials and managers	Female	2	0	0	0	0	0	0	0	0
	Male	7	0	0	0	0	500 000,00	148 786,00	500 000,00	148 786,00
Professionals	Female	0	0	0	0	0	0	0	0	0
	Male	0	0	0	0	0	0	0	0	0
Technicians	Female	0	0	0	0	0	0	0	0	0
	Male	0	0	0	0	0	0	0	0	0
Clerks	Female	2	0	0	0	0	0	0	0	0
	Male	1	0	0	0	0	0	0	0	0
Service and sales workers	Female	0	0	0	0	0	0	0	0	0
	Male	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0	0	0	0	0
	Male	0	0	0	0	0	0	0	0	0
Elementary occupations	Female	3	0	0	0	0	0	0	0	0
	Male	13	0	0	0	0	0	0	0	0
Sub total	Female	7	0	0	0	0	0	0	0	0
	Male	21	0	0	0	0	0	0	0	0
Total		28	0	0	0	0	R500000	R148786	R500000	R148786

SKILLS DEVELOPMENT

The Skills Development Act aims to develop the skills of the South African workforce and to improve the quality of life of workers and their prospects of work. To improve productivity in the workplace and the competitiveness of employers and to promote self-employment.

The workplace skills plan is the key strategic planning document relating to workplace training, career pathing and employment equity, the plan details the training planned for the financial year and it is informed by the IDP, Skills audit results and the MFMA in terms of Section 83(1). The municipality endeavours to provide training as planned in the WSP due to financial constraints not all trainings are implemented however there is a significant progress to ensure that in a financial year employees receive quality training to acquire new skills and improve performance.

COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

4.6 EMPLOYEE EXPENDITURE

Section 66 of the Municipal Systems Act states that the Accounting Officer of the municipality must report to the Council on all expenditure incurred by the municipality on staff salaries wages, allowances and benefits. This is line with the requirements of the Public Services Regulations, 2002 as well as National Treasury Budget and Reporting Regulations

Number Of Employees Whose Salaries Were Increased Due To Their Positions Being Upgraded		
Beneficiaries	Gender	Total
Lower skilled (Levels 1-2)	Female	None
	Male	None
Skilled (Levels 3-5)	Female	None
	Male	None
Highly skilled production (Levels 6-8)	Female	None
	Male	None
Highly skilled supervision (Levels 9-12)	Female	None
	Male	None
Senior management (Levels 13-16)	Female	None
	Male	None
MM and S 57	Female	None
	Male	None
Total		0

Employees Whose Salary Levels Exceed The Grade Determined By Job Evaluation				
Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
None				

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

CHAPTER 5

FINANCIAL PERFORMANCE

The overall operating results achieved for the past financial year closed off with a deficit of R 8.6 million compared to a budgeted surplus of R 68.4 million. Operating revenue for the year is R 242 million (2018: R 260.9 million) which reflects a decrease of 7.24%. This decrease is brought on by under more the decrease in Traffic fine revenue as well as the decrease in Public contributions and donations. The operating expenditure for the year is R 250.6 million (2018: R 240.2 million) which reflects an increase of 4.33%.

The total capital expenditure capitalized for the year in respect of property, plant and equipment amounted to R 43.9 million. Cash and short term investments increased by 90.07% to R 8.7 million (2018: R 4.6 million).

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

Operating revenue excluding government grants and subsidies but including equitable share for the year is R 184.2 million (2018: R 188 million) which reflects a decrease of 2.02%. Included in the above figure is equitable share to the amount of R 61.7 million, 25.5% of the total revenue.

Electricity and water are the largest source of income and contributes 11.4% and 12.12% respectively to operating revenue. Property rates constitute 3.39% of revenue.

Fines, Penalties and Forfeits has decreased from R 48.4 million to R 36.9 million.

The operating expenditure for the year is R 250.6 million (2018: R 240.2 million) which reflects an increase of 4.33% from the previous financial year. The main expenditures are employee related costs at R 72.9 million, debt impairment at R 71 million, bulk purchases at R 24.9 million and depreciation and amortisation at R 23.1 million. Repair and maintenance decreased from R 6.2 million to R 1.5 million.

COMPONENT B: STATEMENTS OF FINANCIAL POSITION

The current assets increased from R 51.4 million to R 65.1 million. This is an increase of 26.7%. This is an increase of R 13.7 million.

The current liabilities increased from R 118.1 million to R 157.7 million. This is an increase of R 39.6 Million.

The non-current assets increased from R 624.3 million to R 644.9 million. This is an increase of R 20.6 million or 3.3%. This was largely due to capital grants from RBIG and WSIG.

The non-current liabilities increased by R 3.2 million.

5.1 STATEMENTS OF FINANCIAL PERFORMANCE

Financial Performance of Operational Services						
Description	2017-18	2018-19			2018-19 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Operating Cost						
Water	62 100	21 885	22 169	19 922	-9,85%	-11,28%
Waste Water (Sanitation)	28 335	12 729	12 729	7 871	-61,72%	-61,72%
Electricity	63 500	27 149	27 149	28 163	3,60%	3,60%
Waste Management	6 088	6 621	6 621	5 356	-23,62%	-23,62%
Housing	658	1 042	1 042	736	-41,58%	-41,58%
Component A: sub-total	160 682	69 425	69 709	62 047	-11,89%	-12,35%
Roads	9 951	7 576	7 576	9 951	23,87%	23,87%
Component B: sub-total	9 951	7,576	7,576	9,951	23,87%	23,87%
Planning	5 793	7 271	7 271	7 063	-2,94%	-2,94%
Component C: sub-total	5 793	7 271	7 271	7 063	-2,94%	-2,94%
Community & Social Services	5 007	8 304	8 304	11 857	29,97%	29,97%
Security and Safety	2 120	1 640	1 640	2 915	43,75%	43,75%
Sport and Recreation	650	597	597	528	-12,97%	-12,97%
Corporate Policy Offices and Other	55 380	-	-	-	-	-
Component D: sub-total	63 156	10 540	10 540	15 300	31,11%	31,11%
Total Expenditure	239 581	87 243	87 528	84 421	-3,34%	-3,68%
						T 5.1.2

COMMENTS

Significant variances can be noted in several departments. This relates mainly to Waste Water, Waste Management, Housing and Security Services

5.2 GRANTS

Grant Performance						
Description	R' 000					
	2017-18	2018-19			2018-19 Variance	
	Actual	Budget	Adjustments Budget	Actual	Original Budget (%)	Adjustments Budget (%)
<u>Operating Transfers and Grants</u>						
National Government:	58 955	64 693	64 693	71 993		
Equitable share	56 055	61 723	61 723	61 723	100%	100%
Finance Management Grant	1 900	1 970	1 970	1 970	100%	100%
Expanded Public Works Programme	1 000	1 000	1 000	1 000	100%	100%
Provincial FSPT	–	–	–	1 000		
Co-Operative Governance and Traditional Affairs	–	–	–	6 300		
Total Operating Transfers and Grants	58 955	64 693	64 693	71 993		
T 5.2.1						

COMMENT ON OPERATING TRANSFERS AND GRANTS:

The equitable share grant is not increasing in line with inflation. This resulted as a result of the depopulation of the rural areas in conjunction with the decrease in registered indigents.

All transfers and grants received for the year have been spent for the purposes they were received for where conditions were attached.

All conditional grants were received except for R21.447 million withheld from the Equitable Share Grant in respect of unspent conditional grant funding.

5.3. ASSET MANAGEMENT

Asset management still rely on consultants on infrastructure assets and lack of capacity that would ensure the transfer of skills by consultants. Only two persons are working in the division and is fully responsible for movable assets. All asset additions for the year relates to work in progress on ongoing projects as well as movable asset additions.

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The figure above does not include labour, transport and overheads.

Repair and Maintenance Expenditure: 2018-19				
				R' 000
	Original Budget	Adjustment Budget	Actual	Budget variance
Repairs and Maintenance Expenditure	7 308	7 308	1 499	79%
				T 5.3.4

There was an under expenditure of 79% of the budgeted amount for the purchase of materials.

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

5.4 SOURCES OF FINANCE (captured manually)

Capital Expenditure - Funding Sources: Year -1 to Year 0							
R' 000							
Details		2017-18	2018-19				
		Actual	Original Budget (OB)	Adjustment Budget	Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)
Source of finance							
	External loans	–	–	–	–	0,00%	0,00%
	Public contributions and donations	–	–	–	–	0,00%	0,00%
	Grants and subsidies	60 426	95 823	95 823	43 144	0,00%	-54,98%
	Internally generated funds	619	776	776	770	0,00%	-0,79%
Total		61 045	96 599	96 599	43 913	0,00%	-55,77%
Percentage of finance							
	External loans	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
	Public contributions and donations	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
	Grants and subsidies	99,0%	99,2%	99,2%	98,2%	0,0%	98,6%
	Other	1,0%	0,8%	0,8%	1,8%	0,0%	1,4%
Capital expenditure							
	Water and sanitation	41 482	80 929	80 929	31 893	0,00%	-60,59%
	Electricity	4 153	593	593	–	0,00%	-100,00%
	Housing	–	–	–	–	0,00%	0,00%
	Roads and storm water	2 044	9 881	9 881	9 223	0,00%	-6,66%
	Other	13 366	5 195	5 195	2 798	0,00%	-46,15%
Total		61 045	96 599	96 599	43 913	0,00%	-213,40%
Percentage of expenditure							
	Water and sanitation	68,0%	83,8%	83,8%	72,6%	0,0%	28,4%
	Electricity	6,8%	0,6%	0,6%	0,0%	0,0%	46,9%
	Housing	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
	Roads and storm water	3,3%	10,2%	10,2%	21,0%	0,0%	3,1%
	Other	21,9%	5,4%	5,4%	6,4%	0,0%	21,6%
T 5.6.1							

5.5 CAPITAL SPENDING ON THE FIVE LARGEST PROJECTS

Capital Expenditure of 5 largest projects*					
R' 000					
Name of Project	2018-19			Variance: 2018-19	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
Construction of the 27km raw bulk water pipeline from the Orange River to Paisley dam in Rouxville	47 774 261,00	36 124 205,00	7 481 181,00	84%	24%
Upgrading of the Rouxville / Roleleathunya Water Treatment Works	51 945 159,00	51 945 159,00	6 539 864,00	87%	0%
Rouxville/Roleleathunya: Construction of 1.7km paved road and related storm water phase 1	8 621 847,00	8 621 847,00	9 964 751,00	-16%	0%
Smithfield Bulk Water	60 327 969,00	16 498 250,00	9 964 751,00	83%	73%
Zastron/Matlakeng: Construction of 600m paved road and related storm water for Zama street	3 043 005,00	3 043 005,00	3 614 577,00	-19%	0%
Name of Project - A	Construction of the 27km raw bulk water pipeline from the Orange River to Paisley dam in Rouxville				
Objective of Project	Increase of raw bulk water supply to Rouxville				
Delays	project was placed on hold from 15 April 2019 to 19 August 2019 due to lack of funds				
Future Challenges	Availability of sufficient O&M budgets				
Anticipated citizen benefits	Sustainable water supply to residents of Rouxville, Roleleathunya and Uitkoms				
Name of Project - B	Upgrading of the Rouxville / Roleleathunya Water Treatment Works				
Objective of Project	Increase of bulk water supply to Rouxville				
Delays	project was placed on hold from 15 April 2019 due to lack of funds				
Future Challenges	Maintenance of the treatment works and employment of qualified process controllers				
Anticipated citizen benefits	Rouxville / Roleleathunya				
Name of Project - C	Rouxville/Roleleathunya: Construction of 1.7km paved road and related storm water phase 1				
Objective of Project	Upgrading of Rouxville/Roleleathunya roads				
Delays	project was placed on hold from 15 April 2019 to 19 August 2019 due to lack of funds and slow prog				
Future Challenges	None identified				
Anticipated citizen benefits	Better roads and related storm water				
Name of Project - D	Smithfield Bulk Water				
Objective of Project	Increase of bulk water supply to Smithfield				
Delays	Project was placed on hold by the DWS due to unavailability of sufficient funds				
Future Challenges	Availability of sufficient O&M budgets				
Anticipated citizen benefits	Smithfield / Mofulatshepe				
Name of Project - E	Zastron/Matlakeng: Construction of 600m paved road and related storm water for Zama street				
Objective of Project	Upgrading of Zastron/Matlakeng roads				
Delays	project was placed on hold from 15 April 2019 & the contractor has abundant site				
Future Challenges	None identified				
Anticipated citizen benefits	Zastron / Matlakeng				
T 5.7.1					

5.6 CASH FLOW (Captured manually)

Cash Flow Outcomes				
				R'000
Description	2017-18	Current: 2018-19		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Ratepayers and other	22 522	66 742	77 042	21,580
Government - operating	58 955	66 393	66 393	71,993
Government - capital	63 342	104 708	68 208	50,257
Interest	3 206	4 835	4 835	398
Dividends	–	10	10	12
Payments				
Suppliers and employees	(79 920)	(141 893)	(143 756)	(85,501)
Finance charges	(8 536)	(4 879)	(5 715)	(9 973)
Transfers and Grants				
NET CASH FROM/(USED) OPERATING ACTIVITIES	59 569	95 916	67 018	(9 505)
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE				
Decrease (Increase) in non-current debtors				
Decrease (increase) other non-current receivables				
Decrease (increase) in non-current investments				
Payments				
Capital assets	(62 323)	(96 599)	(96 599)	-43913
NET CASH FROM/(USED) INVESTING ACTIVITIES	(62 323)	(96 599)	(96 599)	-43913
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Short term loans				
Borrowing long term/refinancing				
Increase (decrease) in consumer deposits				
Payments				
Repayment of borrowing	(92)	–	–	(232)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(92)	–	–	(232)
NET INCREASE/ (DECREASE) IN CASH HELD	(2 845)	(683)	(29 581)	(9 781)
Cash/cash equivalents at the year begin:	15 953	900	900	4 578
Cash/cash equivalents at the year end:	13 108	218	(28 681)	(5 203)
Source: MBRR A7				T 5.9.1

5.7 BORROWINGS AND INVESTMENT

The big portion of borrowing facilities relates to Centlec. The Centlec Payable relates to the amounts owed to Centlec in terms of services provided on behalf of the Municipality. This accounts for electricity bulk purchases, electricity sales on behalf of Mohokare Local Municipality, general expenditure incurred in the process of performing these duties as well as distribution losses. No contractual agreement regarding repayment terms interest rate applicable, maturity date has been agreed upon and based on past history there is no indication that Centlec will demand payment within the next 12 months.

Actual Borrowings: 2016-17 to 2018-19			
R' 000			
Instrument	2016-17	2017-18	2018-19
Municipality			
Long-Term Loans (annuity/reducing balance)	32 445	36 144	39 352
Financial Leases	525	–	–
Municipality Total	32 970	36 144	39 352
T 5.10.2			

Investments are made with different financial institutions.

Municipal and Entity Investments			
R' 000			
Investment* type	2016-17	2017-18	2018-19
	Actual	Actual	Actual
Municipality			
Deposits - Bank	14 226	2 573	6 637
Municipality sub-total	14 226	2 573	6 637
Consolidated total:	14 226	2 573	6 637
T 5.10.4			

5.8 PUBLIC PRIVATE PARTNERS

Mohokare Local municipality is not involved in any Public Private Partnership agreements at present.

5.9 SUPPLY CHAIN MANAGEMENT

Progress made by MLM in developing and implementing policies and procedures. The current SCM Policy has been approved by Council and by the Provincial Treasury.

All SCM officials are competent and they all meet the minimum requirements and this enables them to carry out their duties effectively.

No	Name	Qualification
1	Pule Lesenyeho	B.Com (General) + MFMP
2	Thabiso Lebetse	National Diploma (Internal Auditing) + MFMP

AGSA recommended that an SCM Manager be appointed.

5.10 GRAP COMPLIANCE

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

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

CHAPTER 6 - AUDITOR GENERAL REPORT

Report of the auditor-general to the Free State Legislature and the council on the Mohokare Local Municipality

Report on the audit of the financial statements

Qualified opinion

1. I have audited the financial statements of the Mohokare Local Municipality set out on pages ... to ..., which comprise the statement of financial position as at 30 June 2019, the statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, except for the possible effects of the matters described in the basis for qualified opinion section of this auditor's report, the financial statements present fairly, in all material respects, the financial position of the Mohokare Local Municipality as at 30 June 2019, and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2018 (Act No. 1 of 2018) (Dora).

Basis for qualified opinion

Property, plant and equipment

3. The municipality did not recognise all items of property, plant and equipment in accordance with GRAP 17, *Property, plant and equipment*. Items of property, plant and equipment under the control of the municipality were not all included on the asset register and items held for rentals were incorrectly recognised as property, plant and equipment. Consequently, property, plant and equipment was understated by R5 018 211 and investment property was understated by R16 099 008. There was an impact on the surplus for the period and on the accumulated surplus. Additionally, the residual values and useful lives of property, plant and equipment were not reviewed at each reporting date in accordance with GRAP 17. Completed capital projects were in some instances not capitalised and accounted for as work-in-progress, assets were not unbundled to identify individual components with significant costs and work in progress as well as repairs and maintenance were not disclosed per class of assets in note 10. I was unable to determine the impact on the net carrying amount of plant and equipment as it was impracticable to do so.
4. I was unable to obtain sufficient appropriate audit evidence and explanations for material differences identified between the asset registers, general ledger, trial balance, statement

of financial position and note 10 to the financial statements. In addition I was unable to obtain sufficient appropriate audit evidence for infrastructure assets as I was denied access to certain premises. Consequently, I was unable to determine whether any adjustments were required to property, plant and equipment stated at R587 037 984 in the financial statements.

Payables from exchange transactions

5. The municipality did not have adequate systems to maintain records of accounts payable for goods and services received but not yet paid. This resulted in payables from exchange transactions being understated by R14 232 623 (2018: R2 765 947). In addition, I was unable to obtain sufficient appropriate audit evidence and explanations for material differences between underlying schedules for payables and amounts for payables disclosed in the financial statements. In 2018, I was unable to obtain supporting schedules for unallocated deposits, and staff salaries and third parties. I could not confirm payables from exchange transactions by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary to payables from exchange transaction stated at R129 429 968 (2018: R91 948 956) in the financial statements.

Government grants and subsidies

6. The municipality did not correctly account for conditional grant revenue, as actual conditional grant expenditure differed from the revenue recognised in the conditional grants revenue, which resulted in government grants and subsidies being overstated and unspent conditional grants being understated by R5 422 406 respectively. In addition, I was unable to obtain sufficient appropriate audit evidence in respect of the spending on the DoRA schedule 6B, municipal systems improvement grant, to the amount of R1 700 000 (2018: R2 179 000), as the municipality did not have adequate systems and I could not confirm the spending by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary to government grants and subsidies stated at R119 524 207 in the financial statements.

Commitments

7. The municipality did not have adequate systems of internal control in place to ensure that all commitments were recorded in the commitment register at the correct commitment values. The municipality omitted certain commitments from the commitment register, which resulted in commitments being understated by R1 974 901. In addition, I was unable to obtain sufficient appropriate audit evidence to confirm that certain commitments amounting to R17 440 186 were disclosed in the commitment register at correct values due to the municipality not providing evidence in support of the contract values. I was unable to confirm commitments by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary to commitments stated at R114 183 461 as per note 38 to the financial statements.

Employee related costs

8. The municipality, in the determination of overtime payments, made calculation errors and also made payouts to temporary workers who were not entitled to overtime remuneration. In addition, during 2018 the municipality made medical aid contribution in excess of the

approved limits. This was due to the municipality not having adequate systems of internal control to ensure the implementation of all stipulations of the overtime and other employee related policies. As a result, employee costs as per note 27 was overstated by R4 164 548 (2018: R1 422 836). Additionally, there was an impact on the surplus for the period and on the accumulated surplus.

Service charges

9. The municipality did not account for revenue from service charges in accordance with GRAP 9, *Revenue from exchange transactions*. Adequate systems to account for service charges were not in place, as incorrect meter readings and tariffs were used for billing, estimates billed in the current year were reversed without a corresponding billing on the system, and accounts were not always billed monthly. This resulted in service charges and receivables from exchange transactions both being overstated by R5 580 575. Additionally, there was an impact on the surplus for the period, VAT receivables and on the accumulated surplus.
10. During 2018, the municipality did not have adequate systems to account for service charges, as accounts were not always billed monthly, the reasonability of estimates used when readings were not taken could not be confirmed, and certain journals were passed in incorrect accounting periods. This resulted in both service charges and receivables from exchange transactions being overstated by R8 257 850. In addition, I was unable to obtain sufficient appropriate audit evidence for journals processed on the billing system. I could not confirm service charges by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary to service charges stated at R64 709 887 in the financial statements.

Receivables from exchange transactions

11. The municipality did not correctly classify consumer debtors between the different customer classes, as there was no supplementary valuation roll prepared and reconciled to the billing system. I was unable to determine the impact on the receivables from exchange transactions as disclosed in note 4 to the financial statements or the related debt impairment, as it was impracticable to do so. In addition, I was unable to obtain sufficient appropriate audit evidence and explanations for the basis used in management's assessment of debt impairment, the restatement made to rectify previous year misstatements, as well as material differences identified between the sub-ledger, general ledger, trial balance, statement of financial position and note 4 to the financial statements. I was unable to confirm the net carrying amount of receivables from exchange transactions and the impairment by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to the receivables from exchange transactions stated at R9 350 587 (2018: R2 973 306) as disclosed in note 4 to the financial statements.

Debt impairment

12. The municipality, in the determination of debt impairment for the year, omitted to exclude value-added tax (VAT) from the amount expensed. Consequently, debt impairment as per note 32 was overstated by R4 859 864 and the VAT receivable as per

note 6 was understated by R4 859 864. Additionally, there was an impact on the surplus for the period and on the accumulated surplus.

Investment properties

13. I was unable to obtain sufficient appropriate audit evidence for investment properties, as the municipality did not have adequate systems to record investment properties and evaluate whether they have control over the investment properties or not. This was because in some instances, the municipality did not have legal ownership of the assets, and in some others, the properties were occupied by third parties and used solely by those third parties. I was unable to confirm the investment properties by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary to the investment properties stated at R57 163 000 (2018: R57 163 000) in note 9 to the financial statements.

Fines, penalties and forfeits

14. I was unable to obtain sufficient appropriate audit evidence for non-exchange revenue arising from traffic fines, as the municipality did not establish internal controls over external system-generated reports for the issuing, withdrawal and reduction of traffic fines before their initial entry in the municipality's financial records. I was unable to confirm the fines by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to fines, penalties and forfeits stated at R36 874 000 (2018: R48 400 510), as disclosed in the financial statements. In addition, there was a resultant impact on receivables from non-exchange transactions.

Receivables from non-exchange transactions

15. I was unable to obtain sufficient appropriate audit evidence for the basis used in management's assessment of the impairment of receivables from non-exchange transactions, as the municipality could not provide evidence for the basis used. I was unable to confirm the debt impairment by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to the receivables from non-exchange transactions stated at R17 587 670 (2018: R17 471 937) as disclosed in note 5 to the financial statements.

Irregular expenditure

16. The municipality did not disclose all instances of irregular expenditure incurred in the notes to financial statements, as required by section 125(2)(d) of the MFMA. The municipality made payments in contravention of the supply chain management (SCM) requirements, which were not disclosed as irregular expenditure. In addition, the municipality utilised DoRA grant allocations for purposes other than those stipulated in the schedules and the grant frameworks. I was unable to determine the full extent of the understatement of irregular expenditure stated at R35 810 923 (2018: R29 757 380) in note 48 to the financial statements, as it was impracticable to do so.

Contracted services

17. The municipality did not account for contracted services in accordance with GRAP 1, *Presentation of financial statements*. The municipality did not have adequate systems to maintain records of the contracted services, as some of the transactions were recorded in the incorrect accounting period. Consequently, contracted services were understated by R3 488 273. In addition, I was unable to obtain sufficient appropriate audit evidence for some other transactions that services were actually received. I could not confirm contracted services by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary to contracted services stated at R10 528 086 in the financial statements.

General expenses

18. During 2018, I was unable to obtain sufficient appropriate audit evidence for general expenses, as the municipality could not provide evidence that goods and services were actually received and utilised for official purposes. I was unable to confirm the general expenditure by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to general expenditure stated at R30 189 793 as per note 35 to the financial statements. My opinion on the current year's financial statements was also modified because of the possible effect of these matters on the comparability of the general expenses for the current period.

Unauthorised expenditure

19. During 2018, the municipality did not disclose all instances of unauthorised expenditure incurred in the notes to the financial statements, as required by section 125(2)(d) of the MFMA. The municipality did not include unauthorised expenditure relating to capital spending in the amount calculated for the year. In addition, underspending on certain of the votes was set off against overspending on other votes in the approved budget. I was unable to determine the full extent of the misstatement of unauthorised expenditure stated at R255 890 729 in note 46 to the financial statements, as it was impracticable to do so.

Aggregation/ accumulation of immaterial uncorrected misstatements

Total current assets

20. In addition to the individually material uncorrected misstatements on receivables from exchange transactions and receivables from non-exchange transactions as per paragraphs 11 and 15 above, current assets for 2018 was materially misstated by R3 558 453 due to the cumulative effect of individually immaterial uncorrected misstatements in the following items:

21. Total current assets was materially misstated by R1 442 549 due to the cumulative effect of individually immaterial uncorrected misstatements in the following item:

- VAT receivable stated at R25 401 693 was overstated by R1 442 549

22. In addition, I was unable to obtain sufficient appropriate audit evidence and to confirm the following item by alternative means:

- Cash and cash equivalents stated at R4 578 406 as included in the disclosed balance in note 7 to the financial statements

Consequently, I was unable to determine whether any further adjustment was necessary to total current assets.

Context for the opinion

23. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of this auditor's report.
24. I am independent of the municipality in accordance with sections 290 and 291 of the International Ethics Standards Board for Accountants' *Code of ethics for professional accountants* and parts 1 and 3 of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA codes) as well as the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA codes.
25. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Material uncertainty relating to going concern

26. I draw attention to the matter below. My opinion is not modified in respect of this matter.
27. Note 44 to the financial statements indicates that as at 30 June 2019, the municipality's current liabilities exceeded its current assets by R92 632 469. The municipality has been deducting pension, medical aid and provident fund contributions from employees' salaries but has not been able to pay over these amounts deducted to the relevant third parties as disclosed in note 14. The municipality also has long-outstanding creditors and has not been able to comply with section 65 of the MFMA, which requires creditors to be paid within 30 days. These events or conditions, along with other matters as set forth in note 44, indicate that a material uncertainty exists that may cast significant doubt on the municipality's ability to continue as a going concern.

Emphasis of matters

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

Restatement of corresponding figures

29. As disclosed in notes 41 and 42 to the financial statements, the corresponding figures for 30 June 2018 were restated as a result of errors in the financial statements of the municipality at, and for the year ended, 30 June 2019.

Material losses

30. As disclosed in note 49 to the financial statements, material electricity losses of R5 115 979 (2018: R6 702 185) were incurred. This was mainly due to tampering with meters, faulty meters, and illegal electricity connections.

Unauthorised expenditure

31. As disclosed in note 46 to the financial statements, unauthorised expenditure of R56 579 310 was incurred, due to overspending a main division within the vote.

Fruitless and wasteful expenditure

32. As disclosed in note 47 to the financial statements, fruitless and wasteful expenditure of R9 321 508 (2018: R11 606 551) was incurred, mainly due to interest on overdue accounts as well as fines and penalties on late payments.

Other matters

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

Unaudited disclosure notes

34. In terms of section 125(2)(e) of the MFMA, the municipality is required to disclose particulars of non-compliance with the MFMA in the financial statements. The disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion thereon.

Unaudited supplementary information

35. 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 these schedules and, accordingly, I do not express an opinion thereon.

Capital projects

36. As disclosed in note 10 of the financial statements, several of the municipality's capital projects are taking significantly longer to be completed as a result of the termination of services of consulting engineers and contractors due to poor project management and workmanship. The municipality also had to suspend some capital projects due to cash-flow challenges resulting from funding re-allocation, which saw a reduction in the water services infrastructure grant funding previously allocated to the municipality.

Responsibilities of the accounting officer for the financial statements

37. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the SA Standards of GRAP and the requirements of the MFMA and Dora, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

38. In preparing the financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the financial statements

39. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
40. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

Introduction and scope

41. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected key performance areas (KPAs) presented in the annual performance report. I was engaged to perform procedures to raise findings but not to gather evidence to express assurance.
42. I was engaged to evaluate the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected key performance areas (KPA) presented in the annual performance report of the municipality for the year ended 30 June 2019:

KPA	Pages in the annual performance report
KPA 1: basic service delivery and infrastructure development	X – X

43. The material findings in respect of the usefulness and reliability of the selected KPA are as follows:

KPA 1: basic service delivery and infrastructure development

All indicators

44. A comparison between the planned and actual performance for the year under review and the previous year was not included in the annual performance report for all indicators of the KPA.

Various indicators

45. The reported achievements for the following indicators and targets were not consistent with the planned indicators and targets approved in the service delivery and budget implementation plan:

Key performance indicator	Actual target	Reported achievement
To execute work amounting to R 17 708 000 on MIG by 30 June 2019	R 17 708 000 to be certified as work done by 30 June 2019	Not achieved
Upgrading of 1.7 km access roads in Roleathunya(Phase 1)	Practical completion of the project by 30 June 2019	Not achieved, actual achievement 86%
Upgrading of 0,6 km Zama access road in Matlakeng	Practical completion of the project by 30 June	Not achieved, actual achievement 86%
Zastron/ Matlakeng: Upgrading of the outfall sewerline and refurbishment of sewer pump stations and Refengkhotoso sewer reticulation	44% physical progress on site by June	Not achieved, project was only registered on the 14th of June 2019

46. Performance indicators were not well defined and targets were not specific for the indicators and targets below:

Key performance indicator	Target
Upgrading of 0,6 km Zama access road in Matlakeng	Practical completion of the project by 30 June
Upgrading of the water treatment works in Zastron	72% physical progress on site by 30 June 2019
Upgrading of the 1,7 km access roads in Roleathunya	Practical completion of the project by 30 June 2019

47. I was unable to obtain sufficient and appropriate evidence for the reported achievements in the annual performance report of the indicators listed below. This was due to a lack of technical indicator descriptions, proper performance management systems and processes with formal standard operating procedures that predetermined how the achievement would be measured, monitored and reported. I was unable to confirm that the reported achievements of these indicators were reliable by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reported achievements.

Indicator description	Reported achievement
Upgrading of the 1,7 km access roads in Roleathunya	Not achieved 65%
Upgrading of the 0,6 km Zama road in Matlakeng	Not achieved Actual achievement 86%
Upgrading of the Zastron water treatment works	Not achieved Actual achievement 45%

48. I was unable to obtain sufficient appropriate audit evidence for the reported achievements in the annual performance report of the indicators listed below. This was due to inconsistencies identified between the reported achievement and the various sources of information provided for audit purposes. I was unable to confirm that the reported achievements of these indicators were reliable by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reported achievements.

Indicator description	Reported achievement	Achievement per supporting documentation
Installation of onsite sanitation units in Refengkhoto by 30 June 2019	Not achieved 300 units installed	Invoices: 320 Progress reports: 372 Completion certificates: 100
To execute work amounting to R 17 708 000 on MIG by 30 June 2019	Not achieved Actual achievement R0	Expenditure per commitments register: R 11 741 850,01 Expenditure per MIG register: R 11 845 599,25

To execute work amounting to R 17 000 000 on WSIG by 30 June 2019	Not achieved Actual achievement: R 13 241 639,33	Expenditure per commitments register: R 22 379 465,91 Expenditure per WSIG register: R 22 799 465,90
To execute work amounting to R 32 000 000 on RBIG by 30 June 2019	Not achieved Actual achievement : R 17 800 208	Expenditure per commitments register: R 14 021 045 Expenditure per RBIG register: R 17 800 208
10793 of formal households with water in MLM daily	Achieved 1536 ML of purified water for 2018/19	Total ML billed for 2018/19: 1779 Total ML reported for 2018/19: 1536 Total ML from water treatment plants for 2018/19: 2173

Other matters

49. I draw attention to the matters below.

Achievement of planned targets

50. Refer to the annual performance report on pages xx to xx for information on the achievement of planned targets for the year and explanations provided for the under- or over achievement of a significant number of targets. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information in paragraphs 44 to 48 of this report.

Adjustment of material misstatements

51. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were on the reported performance information of KPA 1 - basic service delivery and infrastructure development. As management subsequently corrected only some of the misstatements, I raised material findings on the usefulness and reliability of the reported performance information. Those that were not corrected are reported above.

Report on the audit of compliance with legislation

Introduction and scope

52. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the compliance of the municipality with

specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

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

Annual financial statements

54. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122(1). Material misstatements of current assets, non-current assets, liabilities, revenue, expenditure and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected, but the uncorrected material misstatements resulted in the financial statements receiving a qualified audit opinion.
55. The 2017-18 annual report was not made public after being tabled in the council, as required by section 127(5) (a) of the MFMA.
56. The local community was not invited to submit representations in connection with the 2017-2018 annual report, as required by section 127(5)(a) of the MFMA.
57. The council failed to adopt an oversight report containing the council's comments on the annual report within the prescribed timelines, as required by section 129(1) of the MFMA.

Asset management

58. An effective system of internal control for assets (including an asset register) was not in place, as required by section 63(2)(c) of the MFMA.

Conditional grants

59. The municipal infrastructure grant was not spent in accordance with the applicable grant framework, in contravention of section 17(1) of DoRA.
60. The regional bulk infrastructure grant was not spent on its intended purposes in accordance with the applicable grant framework, as required by section 17(1) of Dora.

Consequence management

61. Unauthorised 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) of the MFMA.
62. Irregular expenditure incurred by the municipality was not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(b) of the MFMA.
63. Fruitless and wasteful expenditure incurred by the municipality was not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(b) of the MFMA.

Expenditure management

64. Money owed by the municipality was not always paid within 30 days or an agreed period, as required by section 65(2)(e) of the MFMA.
65. Reasonable steps were not taken to prevent irregular expenditure, as required by section 62(1)(d) of the MFMA. The full extent of the irregular expenditure could not be quantified as indicated in the basis for qualification paragraph. The majority of the disclosed irregular expenditure was caused by the utilisation of Dora grant allocations for purposes other than those stipulated in the schedules and the grant frameworks, as well as non-compliance with SCM processes in the procurement of goods and services.
66. Reasonable steps were not taken to prevent fruitless and wasteful expenditure amounting to R9 321 508, as disclosed in note 47 to the financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the disclosed fruitless and wasteful expenditure was caused by interest on overdue accounts.
67. Reasonable steps were not taken to prevent unauthorised expenditure amounting to R56 579 310, as disclosed in note 46 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the disclosed unauthorised expenditure was caused by overspending on votes in the prior financial years and the current year.

Revenue management

68. An effective system of internal control for debtors and revenue was not in place, as required by section 64(2)(f) of the MFMA.
69. Revenue due to the municipality was not calculated on a monthly basis, as required by section 64(2)(b) of the MFMA.
70. Accounts for municipal tax and charges for municipal services were not prepared on a monthly basis, as required by section 64(2)(c) of the MFMA.

Strategic planning and performance management

71. A mid-year performance assessment was not performed, as required by section 72(1)(a)(ii) of the MFMA.
72. The performance management system and related controls were inadequate as it did not describe how the performance measurement and reporting processes should be conducted and managed, as required by municipal planning and performance management regulation 7(1).

Human resource management

73. Appropriate systems and procedures to monitor, measure and evaluate the performance of staff were not developed and adopted, as required by section 67(1) (d) of the Municipal Systems Act of South Africa, 2000 (Act No. 32 of 2000).

Procurement and contract management

74. Some of the goods and services with a transaction value below R200 000 were procured without obtaining the required price quotations, in contravention of SCM regulation 17(a) and (c). Similar non-compliance was also reported in the prior year.
75. Sufficient appropriate audit evidence could not be obtained that contracts were awarded only to bidders who submitted a declaration on whether they were employed by the state or connected to any person employed by the state, as required by SCM regulation 13(c). Similar non-compliance was also reported in the prior year.
76. Sufficient appropriate audit evidence could not be obtained that quotations were only accepted from bidders whose tax matters had been declared by the South African Revenue Service to be in order, as required by SCM regulation 43.
77. Some of the goods and services with a transaction value above R200 000 were procured without inviting competitive bids, as required by SCM regulation 19(a).
78. Sufficient appropriate audit evidence could not be obtained that contracts were awarded to bidders based on points given for criteria that were stipulated in the original invitation for bidding, as required by SCM regulations 21(b) and 28(1)(a) and the Preferential Procurement Regulations.
79. Sufficient appropriate audit evidence could not be obtained that contracts awarded through a competitive bidding process were adjudicated by a bid adjudication committee.
80. Sufficient appropriate audit evidence could not be obtained that bid specifications were unbiased and allowed all potential suppliers to offer their goods or services, as required by SCM regulation 27(2)(a).
81. Competitive bids were adjudicated by a bid adjudication committee that was not composed in accordance with SCM regulation 29(2).
82. Sufficient appropriate audit evidence could not be obtained that contracts were only awarded to providers whose tax matters had been declared by the South African Revenue Service to be in order, as required by SCM regulation 43.
83. Sufficient appropriate audit evidence could not be obtained that the preference point system was applied in all procurement of goods and services above R30 000, as required by section 2(a) of the Preferential Procurement Policy Framework Act of South Africa, 2000 (Act No. 5 of 2000) (PPPFA). Similar non-compliance was also reported in the prior year.
84. Sufficient appropriate audit evidence could not be obtained that contracts and quotations were awarded to bidders that scored the highest points in the evaluation process, as required by section 2(1)(f) of PPPFA and the Preferential Procurement Regulations.

85. Sufficient appropriate audit evidence could not be obtained that contracts and quotations were awarded to suppliers based on preference points that were allocated and calculated in accordance with the requirements of the PPPFA and its regulations.
86. Sufficient appropriate audit evidence could not be obtained that contracts and quotations were awarded to bidders based on points given for criteria that were stipulated in the original invitation for bidding and quotations, as required by the Preferential Procurement Regulations.
87. Sufficient appropriate audit evidence could not be obtained that contracts and quotations were awarded to bidders based on pre-qualification criteria that were stipulated in the original invitation for bidding and quotations, in contravention of preferential procurement regulation 4(1) and 4(2) of 2017.
88. Some of the contracts were extended or modified without the approval of a properly delegated official, in contravention of SCM regulation 5. Similar non-compliance was also reported in the prior year.
89. Sufficient appropriate audit evidence could not be obtained that the performance of contractors or providers was monitored on a monthly basis, as required by section 116(2)(b) of the MFMA. Similar non-compliance was also reported in the prior year. This limitation was identified in the procurement processes for the construction of a 1,7 km paved road and related storm-water.
90. Sufficient appropriate audit evidence could not be obtained that contract performance and monitoring measures and methods were sufficient to ensure effective contract management, as required by section 116(2)(c) of the MFMA. Similar non-compliance was also reported in the prior year.

Other information

91. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and the selected KPA presented in the annual performance report that has been specifically reported on in this auditor's report.
92. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
93. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected KPA presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

94. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, and if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

95. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion, the findings on the annual performance report and the findings on compliance with legislation included in this report.

96. Management did not in all instances effectively review and monitor the municipality's compliance with laws and regulations, due to their slow response in addressing the drivers of the compliance findings identified in the prior year. As a result, material instances of non-compliance that could have been prevented were repeated by the municipality.

97. The risk management unit did not closely monitor management's responses to the municipality's strategic and operational risks. The effectiveness of this unit was insufficient.

98. The internal audit unit was not fully functional. A risk-based internal audit plan was not compiled. There was furthermore no sufficient progress in addressing the external quality assurance assessment reviews performed. This can be attributed to, amongst others, to the vacant chief audit executive position.

99. Management was slow to respond to prior year recommendations of the external auditors, again resulting in material misstatements in the financial statements and annual performance report that could have been prevented.

100. Management overly relied on the work performed by consultants in the preparation of the annual financial statements. Information prepared by consultants was not thoroughly reviewed by management to assess the accuracy and completeness thereof for financial reporting purposes.



Annexure – Auditor-general’s responsibility for the audit

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements, and the procedures performed on reported performance information for selected KPAs and on the municipality’s compliance with respect to the selected subject matters.

Financial statements

2. In addition to my responsibility for the audit of the financial statements as described in this auditor’s report, I also:
 - identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
 - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality’s internal control
 - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer
 - conclude on the appropriateness of the accounting officer’s use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the municipality’s ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor’s report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor’s report.

However, future events or conditions may cause the municipality to cease continuing as a going concern

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also confirm to the accounting officer that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and, UJ where applicable, related safeguards.

APPENDIX A – COUNCILORS, COMMITTEE ALLOCATION AND ATTENDANCE

Council Members	Full Time/ Part Time FT / PT	Committees Allocated	Ward /Party Representative	Percentage council meetings attendance	Percentage Apologies for non- attendance
Councillor N.I Mehlomakulu (Mayor)	FT	-	Proportional ANC	91	9
Councillor T. S Khasake	PT	Community Services/ Technical Services/ Finance/ IDP planning LED	Ward 1 ANC	73	27
Councillor T.D Mochechepa	PT	Corp/Technical Services	Ward 2 ANC	100	0
Councillor L. Lekhula	PT	Corporate services / Community Services / IDP planning and LED	Ward 3 ANC	91	9
Councillor B.M Valashiya	PT	Finance/ Corporate Services	Ward 4 ANC	100	0
Councillor T.I Phatsoane	PT	Technical Services/ Community Services/ Planning & LED	Ward 5 ANC	100	0
Councillor M.I Morapela	P/T	Finance / Corporate Services	Proportional ANC	100	0
Councillor M. L Lephuthing	P/T	Corporate Service/ Planning and LED	Proportional ANC	82	18
Councillor I.S Riddle	P/T	Finance/Technical Service/ Community Services	Proportional ANC	100	0
Councillor L.J Lipholo	P/T	Technical Services/ Planning & LED	Proportional EFF	73	27
Councillor S Lobi	P/T	Technical Services/Planning LED	Proportional EFF	71	29

APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

Municipal Committees	Purpose of Committee
Section 79 Finance Committee	Revenue, Expenditure, Budget Office, Supply Chain Management, Insurance, Payroll
Section 79 Planning Committee	IDP, IT, Town Planning, LED, PMS
Section 79 Corporate Committee	Institutional, Corporate, Legal, Human Resources, Records, Administration, Council Committee and Council support, Public Participation, Customer Care
Section 79 Community Services Committee	Fire and Rescue, Disaster Management, Traffic Management, Park, Recreation,

Municipal Committees	Purpose of Committee
	Libraries, Social Services, Sport Development, Refuse collection
Section 79 Technical Services Committee	Water Services, Sewer, Project Management, Storm Water, Roads, Electricity
Section 32 Committee on Unauthorised, irregular or fruitless and wasteful expenditure	To conduct investigations on and recover Unauthorised, irregular or fruitless and wasteful expenditure incurred
Municipal Public Accounts Committee	To conduct oversight on the execution performance of the municipality
Audit Performance Committee	To conduct oversight on the performance of the municipality

APPENDIX C: THIRD TIER ADMINISTRATION

Third Tier Structure	
Directorate	Director/Manager (State title and name)
Office Of the Municipal Manager	
Municipal Manager	S.M Selepe
Integrated Development Planning	Z. March
Local Economic Development	N.S Buyeye
Performance Management Services	T.L. Ravele
Human Resource Management	D. Matsoso
Internal Audit	T.P. Macala
Risk Management	N Ntoyi
Information Technology	K Rampheng
Security Services	S Kaibe
Town Planning	E Meades
Finance Department	
Chief Financial Officer	P.M. Dyonase
Senior Manager	E Wilken
Revenue Manager	S Moorosi
Corporate Department	
Director Corporate	N.S. Buyeye (Acting)
Senior Manager Administration	M.M. van Pletzen
Technical Department	
Director Technical	S. Thejane
Water Quality Manager	T.E Fobane
Project Manager	S. Shamase
Community Department	
Community Services Director	Vacant
Community Services Manager	T.A. Lekwala

APPENDIX D – FUNCTIONS OF THE MUNICIPALITY/ENTITY

Municipal / Entity Functions		
MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes / No)*	Function Applicable to Entity (Yes / No)
Constitution Schedule 4, Part B functions:		
Air pollution	NO	NO
Building regulations	YES	NO
Child care facilities	NO	NO
Electricity and gas reticulation	YES (outsourced to CENTLEC)	NO
Firefighting services	NO	NO
Local tourism	YES	NO
Municipal airports	NO	NO
Municipal planning	YES	NO
Municipal health services	YES (District EHP)	NO
Municipal public transport	NO	NO
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto	NO	NO
Storm water management systems in built-up areas	YES	NO
Trading regulations	YES	NO
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems	YES	NO
Beaches and amusement facilities	NO	NO
Billboards and the display of advertisements in public places	YES	NO
Cemeteries, funeral parlours and crematoria	YES	NO
Cleansing	YES	NO
Control of public nuisances	YES	NO
Control of undertakings that sell liquor to the public	YES	NO
Facilities for the accommodation, care and burial of animals	YES	NO
Fencing and fences	YES	NO
Licensing of dogs	NO	NO
Licensing and control of undertakings that sell food to the public	YES	NO
Local amenities	YES	NO
Local sport facilities	YES	NO
Markets	?	NO
Municipal abattoirs	NO	NO
Municipal parks and recreation	YES	NO
Municipal roads	YES	NO
Noise pollution	NO	NO
Pounds	YES	NO
Public places	YES	NO

Municipal / Entity Functions		
MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes / No)*	Function Applicable to Entity (Yes / No)
Refuse removal, refuse dumps and solid waste disposal	YES	NO
Street trading	NO	NO
Street lighting	YES	NO
Traffic and parking	YES	NO

APPENDIX E: WARD REPORTING

Ward Name(Number)	Name of Ward Councillor and elected ward committee member	Committee Established(Yes/No)	Number of monthly committee meetings held during the year	Number of monthly reports submitted to the Speakers office on time	Number of quarterly public ward meetings held during the year
Ward 1	Councillor T. S Khasake	Yes	10	10	9
Ward 2	Councillor T.D Mochechepa	Yes	06	06	07
Ward 3	Councillor L. Lekhula	Yes	05	05	02
Ward 4	Cllr. B. M. Valashiya	Yes	06	06	07
Ward 5	Councillor T. I Phatsoane	Yes	08	08	07
Ward 6	Councillor M. I. Morapela	Yes	03	03	10

APPENDIX F - POLICIES AS TA 30 June 2019

Name of Department	Policy Name
Finance	Fruitless & Wasteful Expenditure Policy
Finance	Paupers Burial Policy
Finance	Loans Policy
Finance	Indigent Policy
Finance	Rates Policy
Finance	Credit control & debt Collection Policy
Finance	Tariff Policy

Name of Department	Policy Name
Finance	Banking & Investment Policy
Finance	Supply Chain Management Policy
Finance	Accounting Policy
Finance	Asset Management Policy
Finance	Budget Policy
Finance	Debt Write-off Policy
Finance	Debt Management Policy
Finance	Virement Policy
Finance	Methodology & Impairment of Debtors Policy
Finance	Fleet Management Policy
Finance	Traveling & Subsistence Policy
Finance	Contingent Liability Policy
Finance	Inventory Management Policy
Finance	Consultants Monitoring & Management Policy
Finance	Service Providers Perform Management Policy
Finance	Draft Policy on Proof of Residence
	Cellular and 3G Policy
	Revenue Enhancement Strategy
Name of Department	Policy Name
Corporate	Placement Policy
Corporate	Organizational Design Policy
Corporate	Employment Policy incl. Benefits, Working hours & Smoking
Corporate	Leave Policy
Corporate	Relocation Policy
Corporate	Legal Aid /Employees Assistance Policy
Corporate	Occupational Health & Safety Policy
Corporate	Overtime Policy
Corporate	Councillor Remuneration Policy
Corporate	Labour relations & Harassment Policy
Corporate	Staff Retention Policy
Corporate	Notch Progression Policy
Corporate	Leave Encashment Policy
Corporate	Employment Equity Policy
Corporate	Core Records Management Policy
Corporate	Guidelines on Civic Funerals (Cllrs)
Corporate	Communications Policy
Corporate	Public Participation Policy
Corporate	Social Media Policy
Corporate	Language Policy
Corporate	HR Training & Development Policy
Corporate	Bursary Agreement Policy
Corporate	Internship Policy
Corporate	Bereavement Policy

Name of Department	Policy Name
Corporate	ISO Procedural Policies
Corporate	ICT Security Policy
Corporate	ICT Assets Control & Disposal Policy
Corporate	ICT Internet Usage Policy
Corporate	ICT Change management Policy
Corporate	ICT Password Policy
Corporate	ICT Disaster Recovery Policy
Corporate	ICT Backup Policy
Corporate	ICT Network Policy
Corporate	Telephone Usage Policy
Corporate	ICT Mobile Devices Policy
Corporate	IT User Account Management Policy
Corporate	ICT Patch Management Policy
Corporate	ICT Governance Framework Policy
Corporate	ICT Email Policy
MM and PMS	Performance Management Policy
	Service Providers Policy
MM and Risk	Anti-Fraud and Corruption Policy
MM and Risk	Risk Management Policy (ISO)
MM and Town Planning	Spatial Planning and Land Use Management Policy
	Policy on Building Control
MM and LED	SMMEs Development Policy
	SMME's Support Policy
MM and Security	Security Policy (ISO)
Name of Department	Policy Name
Community Services	EPWP Policy
	Municipal Land Disposal Policy
	Rental Policy (ISO)
	Cemetery Management Policy
	Use & Management Sports Facilities Policy
	Commonage Management Policy
	Sale/lease of fixed municipal property
	Operation & Maintenance of Initiation Schools
	Sale/Lease of Land for Religious Purposes
Name of Department	Policy Name
Technical Services	ISO Policies
MOHOKARE DOCUMENTS	
Finance	Debt Management Plan
	Revenue Enhancement Strategy

Name of Department	Policy Name
	Valuation Roll
	Budget 2017/2018 & projected outer years
	Procurement Plan 2017/2018
Corporate and MM	Organisational Structure 2017/2018
	Declarations of Interest
	Access to Information PAIA Manual
	Collective Agreement Conditions of Service
	Collective Agreement Disciplinary Proceedings
	Salary & Wage Collective Agreement
	Delegation of Powers
	Code of Ethics
	Workplace Skills Plan 2018/2019
	Employment Equity Plan 2016/2021
	HIV Aids Wellness plan
	Records Management File Plan
	HR Management & Development Strategy
	Council meeting schedules 2017/18
	Youth Development Plan
	Standing Rules and Orders
Mayoral Programmes	Special Programmes
	Public Participation Programme
	Youth Development Programme
MM and PMS	PMS Policy Framework
MM and IT	Disaster Recovery & Business Continuity Plan
	ICT Strategy 2015 - 2019
MM and Risk	Risk Charter
	Fraud Prevention Strategy
MM and Town Planning	Building Plan Control Manual
	Spatial Development Framework
MM and LED	Mohokare Agriculture Strategy 2017/18
MM and IDP	IDP 2018/2019
	IDP & Budget Process Plan 2018/2019
Community Services	Disaster Management Plan
	Fire Maintenance Plan Draft
	Integrated Waste Management Plan
	Housing Sector Plan
	Commonage Management Plan
Technical Services	Master Plan Roads & Storm water
	Master Plan Water & Sanitation
	Waste Water Risk Abatement Plans
	MIG Recovery Plan
	Water Services Development Plan

Name of Department	Policy Name
	Infrastructure Project Plans
Mohokare By-Laws	
Corporate Services	Rules and Orders, 2017
Corporate Services	Ward Committee By-Law, 2012
Finance	Credit Control & Debt Collection, 2008
Finance	Property Rates By-Law, 2009
Finance	Tariff Policy By-Law, 2012
Finance	Indigent Support By-Law, 2012
Community Services	Impoundment of Animals, 2008
Community Services	Dumping & Littering, 2008
Community Services	Keeping of Animals, 2009
Community Services	Informal Settlements, 2012
Community Services	Refuse Removal By-Law, 2012
Community Services	Control of Street Vendors, etc., 2012
Community Services	Advertising By-Law, 2012
Community Services	Operations & Maintenance, 2015
Technical Services	Water Services By-Law, 2012
Town Planning	Land Use Planning By-Law, 2015

APPENDIX G – AUDIT COMMITTEE’S REPORT

REPORT OF THE MOHOKARE LOCAL MUNICIPALITY AUDIT & PERFORMANCE COMMITTEE FOR THE FINANCIAL YEAR ENDED 2017/18

1. Background

- 1.1 The purpose of the Audit and Performance Committee is to exercise oversight over the municipality’s:
 - 1.1.1 financial and non-financial performance to the extent that it affects the municipality’s exposure to risk and weakens the control environment;
 - 1.1.2 financial reporting process; and
 - 1.1.3 governance, risk management and internal control processes, and provide independent assurance on the adequacy thereof.
- 1.2 The importance of the Audit and Performance Committee can be sighted as follows:
 - 1.2.1 increasing public confidence in the objectivity and fairness of financial and other reporting;
 - 1.2.2 reinforcing the importance and independence of internal and external audit and similar review processes;
 - 1.2.3 providing additional assurance through a process of independent review; and
 - 1.2.4 raising awareness of the need for adequate internal controls, effective performance and the implementation of audit recommendations and compliance with laws and regulations.
- 1.3 The Terms of Reference for the Audit and Performance Committee were compiled with in accordance with section 166 of the MFMA and the King III Report on Corporate Governance, and are enshrined in the Audit and Performance Committee Charter.

FUNCTIONALITY OF THE AUDIT COMMITTEE


The Audit Committee was not functioning for the 2018/19 financial year due to vacancies currently existing in the committee of Mohokare Local Municipality. The cause of the above was raised by the resignation of the chairperson and one member on 25 May 2019. This led to the inability of the audit committee in fulfilling its oversight responsibility regarding the financial reporting process, the system of internal control, the audit process, and the municipality's process for the monitoring with laws and regulations and the code of conduct.

APPENDIX H – LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIP

Long Term Contracts (3 Largest Contracts Entered into during 2018/19)					
Name of Service Provider	Description of Services Rendered by the Service Provider	Start Date of Contract	Expiry date of Contract	Project manager	Contract Value
Maltronics Direct Marketing cc	Printing & mailing of municipal accounts: 3 years	28/09/2018	27/09/2021	S. Moorosi	R 269 762,40
ABSA	Banking Services	01/04/2018	31/03/2021	E. Wilken	Per SLA
Gerox Trading cc	Leasing: Photocopier	24/11/2017	24/11/2020	K. Rampheng	R 772 185

The municipality does not have any Public Private Partnership agreements at present.

APPENDIX I - MUNICIPAL ENTITY/ SERVICE PROVIDER PERFORMANCE SCHEDULE

Municipal Entity/Service Provider Performance Schedule						
Name of Entity & Purpose	(a) Service Indicators	Amount	2018/19		2017/18	
	 (b) Service Targets		Target (Amount)	Actual (Amount)	Target (Amount)	Actual (Amount)
			*Previous Year		*Previous Year	
AON South Africa	Insurance: 3 years	R 804 806		-		-
Altech Netstar	Fleet Management System	R 345 146		43 439,48		18 240,53
Uniqueco Property (Pty) Ltd	Valuation Roll	R 1 800 000		31 460,02		10 522,50
Traffic Management Solutions	Traffic Management	Per SLA		392 050,60		838 052,40
ABSA	Provision of banking and related services	Per SLA		-		-
Centlec	Electricity	TBA		1 000 000,00		3 093 645,04
Makhedama & Associates	Professional Engineers: Zastron/Zama Road 600m paved access road	R 299 847		281 122,81		-
Hammet Chemicals	Supply & delivery of water treatment			1 483 936,18		389 944,75

Municipal Entity/Service Provider Performance Schedule						
Name of Entity & Purpose	(a) Service Indicators	Amount	2018/19		2017/18	
	(b) Service Targets		Target (Amount)	Actual (Amount)	Target (Amount)	Actual (Amount)
			*Previous Year		*Previous Year	
	chemicals and commodities for 3 years					
Lohan Civil JV Sebandile	Contractor: Upgrading of the Zastron water treatment works	R 13 685 156		10 965 188,83		13 127 066,06
Gerox Trading cc	Leasing of photocopier machines for 3 years	R 765 470		-		-
Engineering Aces (Pty) Ltd	Professional Engineers: Rouxville/Roleleathuny a phase 1 & phase 2 paved access roads with related storm water	R 1 377 604		687 210,06		1 117 676,90
Aryx Consulting (Pty) Ltd	Professional Engineers: Upgrading of the waste water treatment works	R 521 988,90		1 280 952,07		89 166,24
Proper Consulting Engineers (Pty) Ltd	Smithfield bulk water scheme			13 289 436,70		2 584 191,08
SAGE (VIP)	Payroll system	Per SLA		70 048,95		177 080,05
Munsoft	Financial system	Per SLA		185 592,00		

Municipal Entity/Service Provider Performance Schedule						
Name of Entity & Purpose	(a) Service Indicators	Amount	2018/19		2017/18	
	<div></div> (b) Service Targets		Target (Amount)	Actual (Amount)	Target (Amount)	Actual (Amount)
			*Previous Year		*Previous Year	
Master Maize cc	Contractor: Rouxville/Roleleathuny a phase1 & phase 2 paved access roads with related storm water	R 7 170 660		5 577 686,03		706 618,49
Sotika Trading cc	Contractor: Zastron/Zama Road 600m paved access road	R 3 593 318		2 093 054,60		-

*Note: This statement should include no more than the top four priority indicators. * 'Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; *'Current Year' refers to the targets set in the Year 0 Budget/IDP round. *'Following Year' refers to the targets set in the Year 1 Budget/IDP round. Note that all targets must be fundable within approved budget provision. In column (ii) set out the Service Indicator (In bold italics) then the Service Target underneath (not in bold - standard type face) to denote the difference.*

APPENDIX J – DISCLOSURES OF FINANCIAL INTERESTS

Disclosures of Financial Interests		
Period 1 July to 30 June of Year 2018/19		
Position	Name	Description of Financial Interests Nil / Or details
Mayor	Cllr. N.I Mehlomakulu	Nil
Councillors		
	Cllr. B.M Valashiya	Nil
	Cllr. B.J Lobi	Nil
	Cllr. T.S Khasake	Nil
	Cllr. L.J Lipholo	Nil
	Cllr. L. Lekhula	Phuthuma Nathi Investments Multichoice MTN Shares Lekhula Construction
	Cllr. T.I Phatsoane	Nil
	Cllr. M.I Morapela	Nil
	Cllr. M.L Lephuthing	Nil
	Cllr. T. Mochechepa	Nil
	Cllr. I.S Riddle	Dummer Family Trustee Nick's Place Guest House - 50% Erf 337 Smithfield Old Mutual Pension Benefits
Disclosures of Financial Interests		
Period 1 July to 30 June of Year 2018/19		
Municipal Manager	S.M. Selepe	Shares: Sosal – 25 Shares with a nominal value of R5000
For completion by PMS		Reitumetse Trust – No income
		Land and Property: Property 2600 hectares in Harrismith with a nominal value of \pm R 1 million Property 80 Hectors Flat with a nominal value of \pm R 1 million
Chief Financial Officer	P.M. Dyonase	Shares: Apex Engineering 33.33% – No income

Disclosures of Financial Interests		
Period 1 July to 30 June of Year 2018/19		
Director Corporate Services (acting)	N.S Buyeye	Gifts: Diaries for Senior Managers – No income
Director Technical Services	S.E. Thejane	-
Director Community Services	Vacant	-

APPENDIX K- REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE

APPENDIX K (i): REVENUE COLLECTION PERFORMANCE BY VOTE SOURCE

R' 000						
Vote Description	2017/18	Current: 2018/19		2018/19 Variance		
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Executive and Council	6 555	2 435	2 435	2 726	11%	11%
Finance and Admin	69 723	86 597	81 897	80 521	-8%	-2%
Planning and Development	-	-	-	-	0%	0%
Health	-	-	-	-	0%	0%
Community and Social Service	23 357	28 664	28 664	18 642	-54%	-54%
Housing	7	815	816	12	-6555%	-6560%
Public Safety	48 401	18 900	33 900	36 874	49%	8%
Sport and Recreation	-	-	-	-	0%	0%
Environmental Protection	-	-	-	-	0%	0%
Waste Water Management	9 586	13 778	13 778	9 480	-45%	-45%
Road Transport	1 000	1 000	1 000	1 000	0%	0%
Water Distribution	73 012	100 189	63 689	65 126	-54%	2%
Electricity Distribution	28 972	38 861	38 861	27 649	-41%	-41%
Other	-	-	-	-	0%	0%
Total Revenue by Vote	260 614	291 239	265 040	242 030	-20%	-10%
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A3						<i>T K.1</i>

APPENDIX K (ii): REVENUE COLLECTION PERFORMANCE BY SOURCE

Revenue Collection Performance by Source						
	2017/18	2018/19			2018/19 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Property rates	7 695	7 981	7 981	8 204	3%	3%
Property rates - penalties & collection charges	–	–	–	–	0%	0%
Service Charges - electricity revenue	25 972	36 129	36 129	27 649	-31%	-31%
Service Charges - water revenue	23 193	11 592	11 592	29 323	60%	60%
Service Charges - sanitation revenue	9 586	10 576	10 576	9 480	-12%	-12%
Service Charges - refuse revenue	5 955	6 706	6 706	5 838	-15%	-15%
Service Charges - other	3	–	–	3	100%	100%
Rentals of facilities and equipment	594	955	955	607	-57%	-57%
Interest earned - external investments	1 986	900	900	398	-126%	-126%
Interest earned - outstanding debtors	1 220	8 745	8 745	–	0%	0%
Dividends received	–	10	10	12	15%	15%
Fines	48 401	18 900	33 900	36 874	49%	8%
Licences and permits	2	15	15	6	-167%	-167%
Agency services	–	–	–	–	0%	0%
Transfers recognised - operational	58 955	66 393	66 393	71 993	8%	8%
Other revenue	448	17 630	12 931	1 089	-1518%	-1087%
Gains on disposal of PPE	–	–	–	151	100%	100%
Environmental Protection	–	–	–	–	0%	0%
Total Revenue (excluding capital transfers and contributions)	184 010	186 531	196 832	191 627	2,66%	-2,72%
0						TK.2

APPENDIX L – CONDITIONAL GRANTS RECEIVED EXCLUDING MIG

Conditional Grants: excluding MIG						R' 000
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustments Budget	
Neighbourhood Development Partnership Grant	0	0	0	0%	0%	
Public Transport Infrastructure and Systems Grant	0	0	0	0%	0%	
<i>Other Specify:</i>						
Regional Bulk Infrastructure	38 000	33 000	33 000	-15%	0%	To develop regional bulk infrastructure for water supply to supplement water treatment works at resource development and link such water resource development with the local bulk and local distribution networks on a regional basis cutting across several local municipal boundaries
Water Services Infrastructure Grant	48 500	17 000	17 000	-185%	0%	To facilitate the planning, acceleration and implementation of various projects that will ensure water supply to communities identified as not receiving a water supply service.
Finance Management	1 970	1 970	1 970	0%	0%	To promote and support reforms in financial management by building the capacity in municipality to implement the MFMA Act
EPWP	1 000	1 000	1 000	0%	0%	To incentivise municipalities to increase labour intensive employment through programmes that maximise job creation and skill development in line with the guidelines
Total	89 470	52 970	52 970	-69%	0%	
<i>* This includes Neighbourhood Development Partnership Grant, Public Transport Infrastructure and Systems Grant and any other</i>						<i>T L</i>

APPENDIX P – SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINIC

SERVICE BACKLOGS: SCHOOLS AND CLINICS				
Establishments lacking basic services	Water	Sanitation	Electricity	Solid Waste Collection
Schools	None	None	None	None
Clinics	None	None	None	None

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

The municipality is an Electricity Service provider; however, the services have been outsourced to Centlec.

The table below will show the backlogs the municipality has with regard to services provided by another government entity:

Town	No. of HH	No. of HH connected to the grid	No. of HH without electricity
Zastron	6828	6828	0
Rouxville	2330	2330	0
Smithfield	1635	1635	0
Total	10793	10793	0

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

The municipality did not make any loans in the current financial year.

Appendix L refers to all conditional grants made by the municipality.

**VOLUME II – ANNUAL FINANCIAL STATEMENTS FOR THE PERIOD ENDING
31 JUNE 2019**