



MOHOKARE
LOCAL MUNICIPALITY

DRAFT ANNUAL REPORT

2019/2020

MOHOKARE LOCAL MUNICIPALITY FS 163

(Before Noting by Municipal Council)

TABLE OF CONTENTS

Contents	2
CHAPTER 1 – MAYOR’S FOREWORD AND EXECUTIVE SUMMARY	6
COMPONENT A: MAYOR’S FOREWORD	6
COMPONENT B: EXECUTIVE SUMMARY	9
1.1. MUNICIPAL MANAGER’S OVERVIEW	9
1.2. POPULATION AND ENVIRONMENTAL OVERVIEW	10
1.3. SERVICE DELIVERY OVERVIEW	15
1.4. FINANCIAL HEALTH OVERVIEW	17
1.5. ORGANISATIONAL DEVELOPMENT OVERVIEW	21
1.6 AUDITOR GENERAL REPORT	23
1.7. STATUTORY ANNUAL REPORT PROCESS	24
CHAPTER 2 – GOVERNANCE	26
COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE	
2.1 POLITICAL GOVERNANCE	26
2.2 ADMINISTRATIVE GOVERNANCE	36
COMPONENT B: INTERGOVERNMENTAL RELATIONS	
2.3 INTERGOVERNMENTAL RELATIONS	38
COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION	
2.4 PUBLIC MEETINGS	40
2.5 IDP PARTICIPATION AND ALIGNMENT	41
COMPONENT D: CORPORATE GOVERNANCE	
2.6 RISK MANAGEMENT	42
2.7 ANTI-CORRUPTION AND FRAUD	43
2.8 SUPPLY CHAIN MANAGEMENT	44
2.9 BY-LAWS	44
2.10 WEBSITES	45
2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES	46

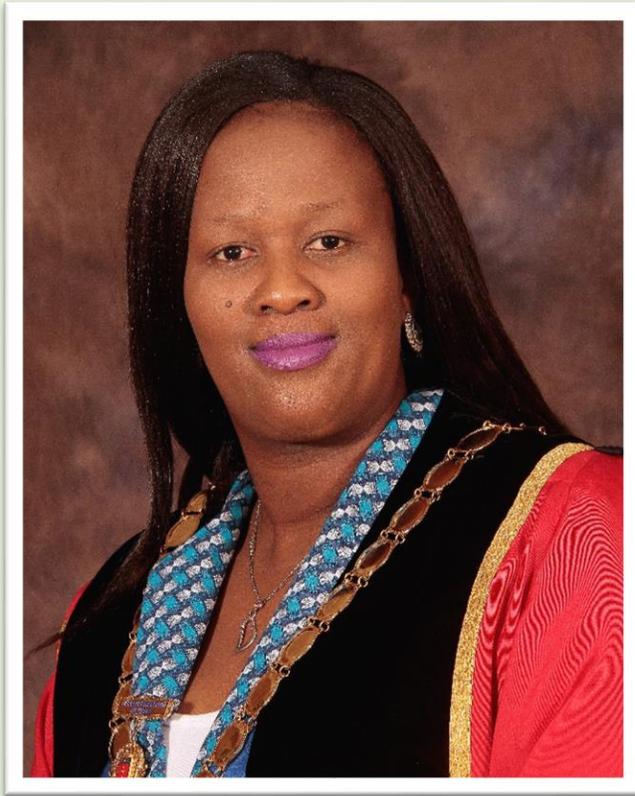
CHAPTER 3 – SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

COMPONENT A: BASIC SERVICES	48
3.1. WATER PROVISION	48
3.2 WASTE WATER (SANITATION) PROVISION	50
3.3 ELECTRICITY	53
3.4 WASTE MANAGEMENT (THIS SECTION TO INCLUDE: REFUSE COLLECTIONS, WASTE DISPOSAL, STREET CLEANING AND RECYCLING)	56
3.5 HOUSING	58
3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT	59
COMPONENT B: ROAD TRANSPORT	
3.7 ROADS & WASTE WATER (STORMWATER DRAINAGE)	61
3.8 TRANSPORT	64
3.9 WASTE WATER (STORMWATER DRAINAGE)	64
COMPONENT C: PLANNING AND DEVELOPMENT	
3.10 PLANNING	65
3.11 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)	68
COMPONENT D: COMMUNITY & SOCIAL SERVICES	
3.12 LIBRARIES, COMMUNITY FACILITIES & OTHER	75
3.13 CEMETERIES	77
3.14 CHILD CARE, AGED CARE, SOCIAL PROGRAMMES	78
COMPONENT E: ENVIRONMENTAL HEALTH	
3.15 ENVIRONMENTAL HEALTH MANAGEMENT	79
COMPONENT G: SECURITY AND SAFETY	
3.17 TRAFFIC SAFETY AND SECURITY	79
3.18 FIRE & DISASTER MANAGEMENT	81

3.19 OTHER (DISASTER MANAGEMENT, ANIMAL LICENCING AND OTHER)	82
COMPONENT H: SPORT AND RECREATION	82
3.20 SPORT AND RECREATION	83
COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES	85
3.21 FINANCIAL SERVICES	87
3.22 HUMAN RESOURCES	89
3.23 INFORMATION & COMMUNICATION TECHNOLOGY	91
COMPONENT K: ORGANISATIONAL PERFORMACE SCORECARD	94
CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE	
(PERFORMANCE REPORT PART II	148
COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL	
4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES	148
COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE	
4.2 POLICIES	150
4.3 INJURIES, SICKNESS AND SUSPENSIONS	151
4.4 PERFORMANCE REWARDS	152
COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE	
4.5 SKILLS DEVELOPMENT AND TRAINING	154
COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE	
4.6 EMPLOYEE EXPENDITURE	158
CHAPTER 5 – FINANCIAL PERFORMANCE	159
COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE	
5.1 STATEMENTS OF FINANCIAL POSITION	159
5.2 GRANTS	161

5.3 ASSET MANAGEMENT	161
5.4 FINANCIAL RATIOS	163
COMPONENT B: SPENDING AGAINST CAPITAL BUDGET	
5.5 SOURCE OF FINANCE	164
5.6 CAPITAL SPENDING AGAINST 5 LARGSET PROJECTS	164
COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENT	
5.7 CASH FLOW	165
5.8 BORROWING AND INVESTMENT	166
5.9 PUBLIC PRIVATE PARTNERSHIP	166
COMPONENT D: OTHER FINANCIAL MATTERS	
5.10 SUPPLY CHAIN MANAGEMENT	166
5.11 GRAP COMPLIANCE	167
CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS	
6.1.1 COMPONENT B: AUDITOR-GENERAL OPINION YEAR 1 (CURRENT YEAR)	168
6.1.2 AUDIT ACTION PLAN	183
APPENDICES	
APPENDIX A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE	207
APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES	208
APPENDIX C – THIRD TIER ADMINISTRATION	209
APPENDIX D – FUNCTIONS OF MUNICIPALITY	210
APPENDIX E – WARD REPORTING	211
APPENDIX F – MOHOKARE POLICIES	211
APPENDIX G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE YEAR 1	212
APPENDIX H – LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS	216
APPENDIX I – MUNICIPAL SERVICE PROVIDER PERFORMANCE SCHEDULE	217
APPENDIX J – DISCLOSURES OF FINANCIAL INTEREST	219
APPENDIX K(I) –REVENUE COLLECTION PERFORMANCE BY VOTE	221
APPENDIX K(II) –REVENUE COLLECTION PERFORMANCE BY SOURCE	222
APPENDIX L- CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG	223
APPENDIX P – SERVICE CONNECTION BACKLOG AT SCHOOLS AND CLINIC	224
APPENDIX Q – SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION	224
APPENDIX R – DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY	224
VOLUME II: ANNUAL FINANCIAL STATEMENTS	225

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 present 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 2019/20 Budget will go a long way in improving the quality of life of our community by broadening accessibility and alleviating poverty.

Regards

Clr Irene Mehlomakulu

I.N MEHLOMAKULU
MAYOR



COMPONENT B: EXECUTIVE SUMMARY

1.1 MUNICIPAL MANAGER'S OVERVIEW

The term under review is relatively successful from a governance point of view. It is a matter of common course now that the municipality has achieved to appoint a Municipal Manager, who is S.M Selepe (Mr).

This milestone has been possible because the Councillors, under the stewardship of the Mayor have been able to play their oversight role which has been characterized by frank engagements. It is also equally important to highlight that the structures of governance are intact and functional. Besides the functionality of the Council, we have a functional Audit Committee, Performance Management Committee and MPAC; including Section 79 committee.

In terms of compliance matters, generally we are doing relatively well. The IDP and Budget credibility is perceivable. Back to basics.....

Kind regards

S.M 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 Aasvoelberg 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	62474	63409	33355	48209	32128	12191	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	44767	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

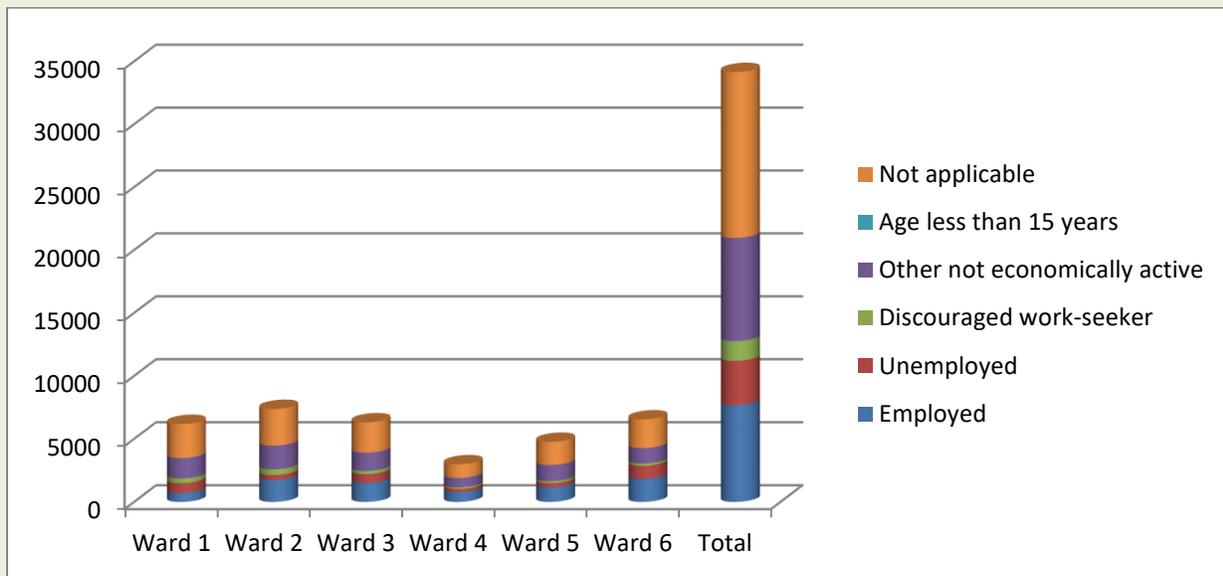
SOCIO ECONOMIC STATUS

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	3518	1571	8200	-	13185	34146

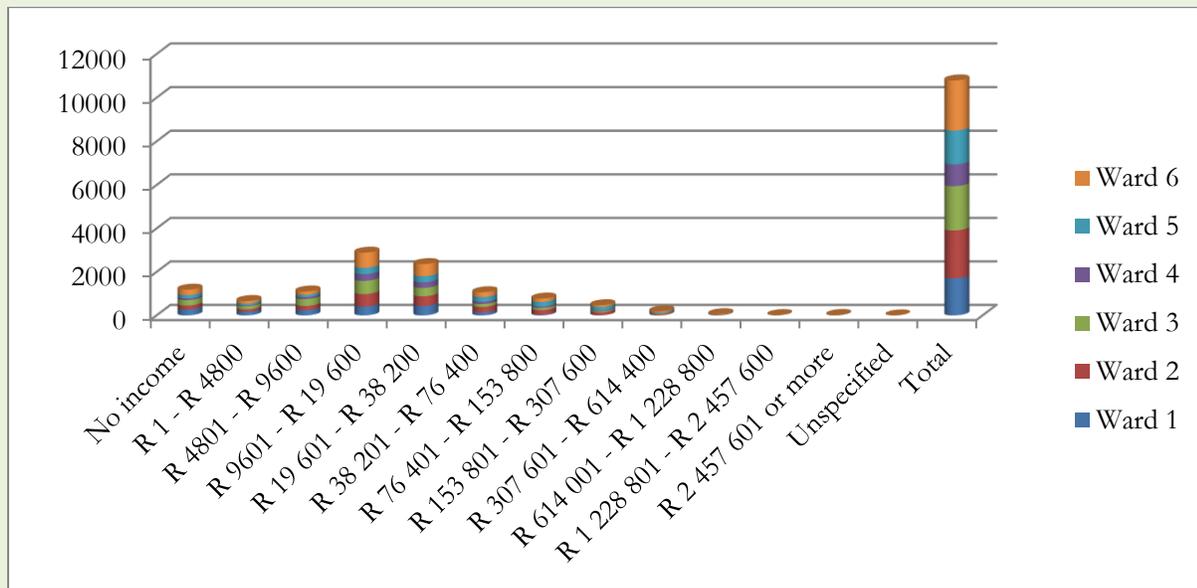
STATS SA 2011



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	1704	2208	2036	1000	1552	2292	10793

STATS SA 2011



Overview of neighbourhoods within Mohokare Local Municipality as per STATSSA 2011

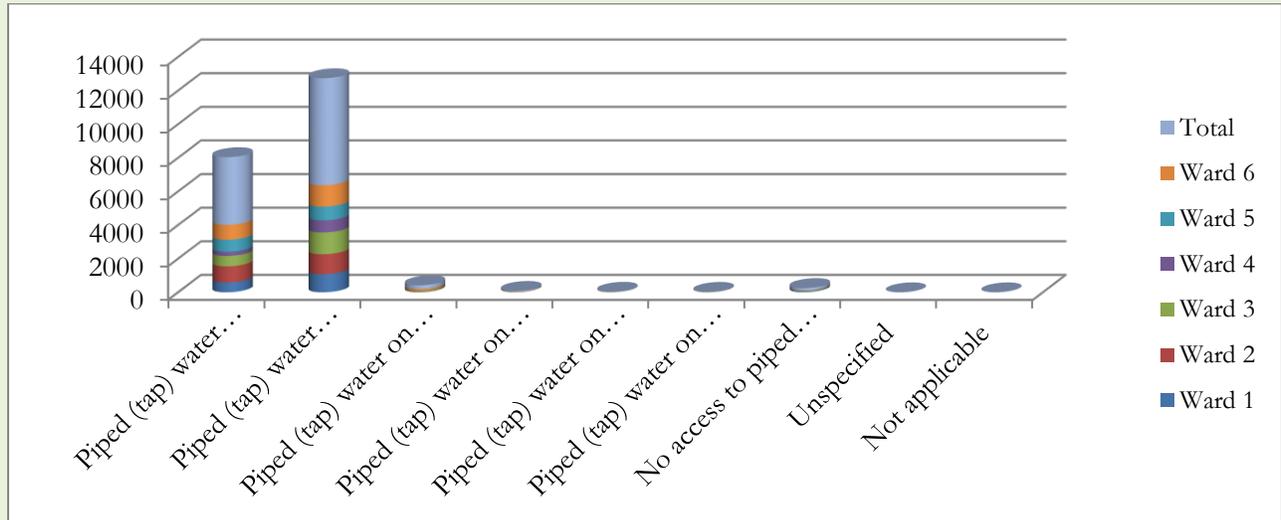
	Census/ Households- Households	Census/Populat ion – Population	Census/Popul ation – Population group	Census/Popul ation – Population group	Census/Popul ation – Population group Indian or Asian	Census/Popul ation – Population group Other	Census/Popul ation – Population group White
	N	N	Black African	Coloured	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

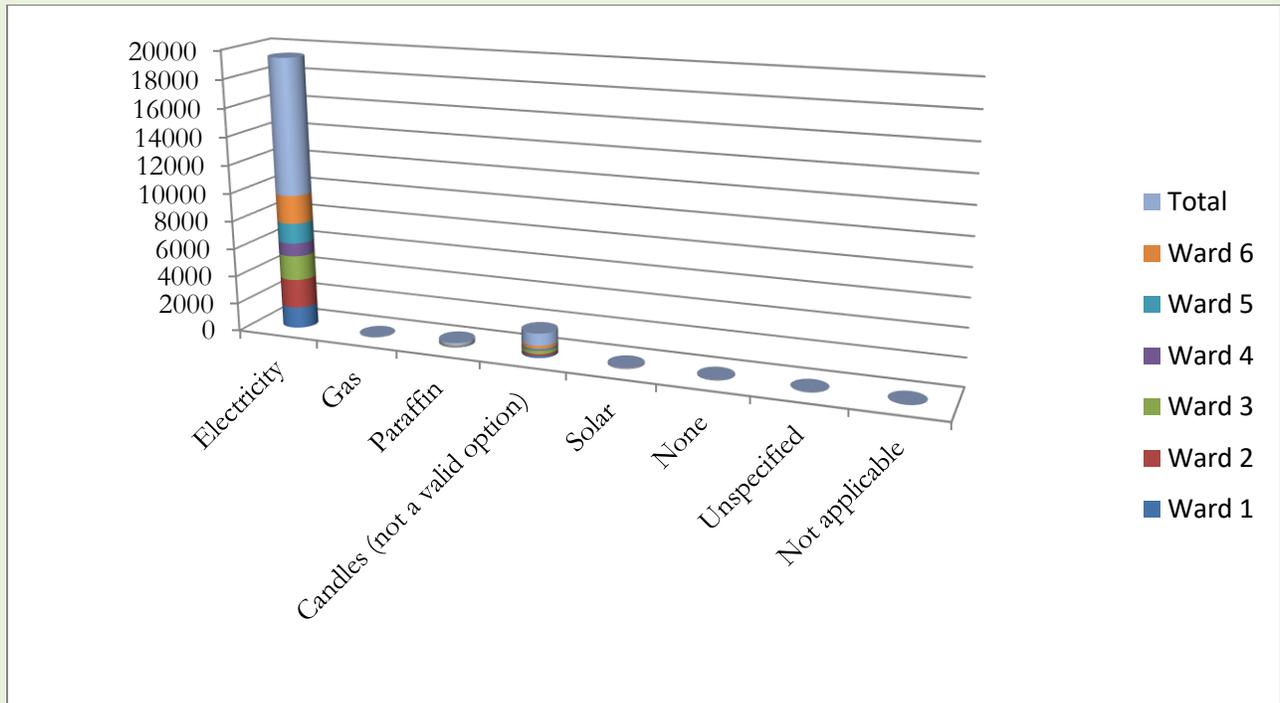
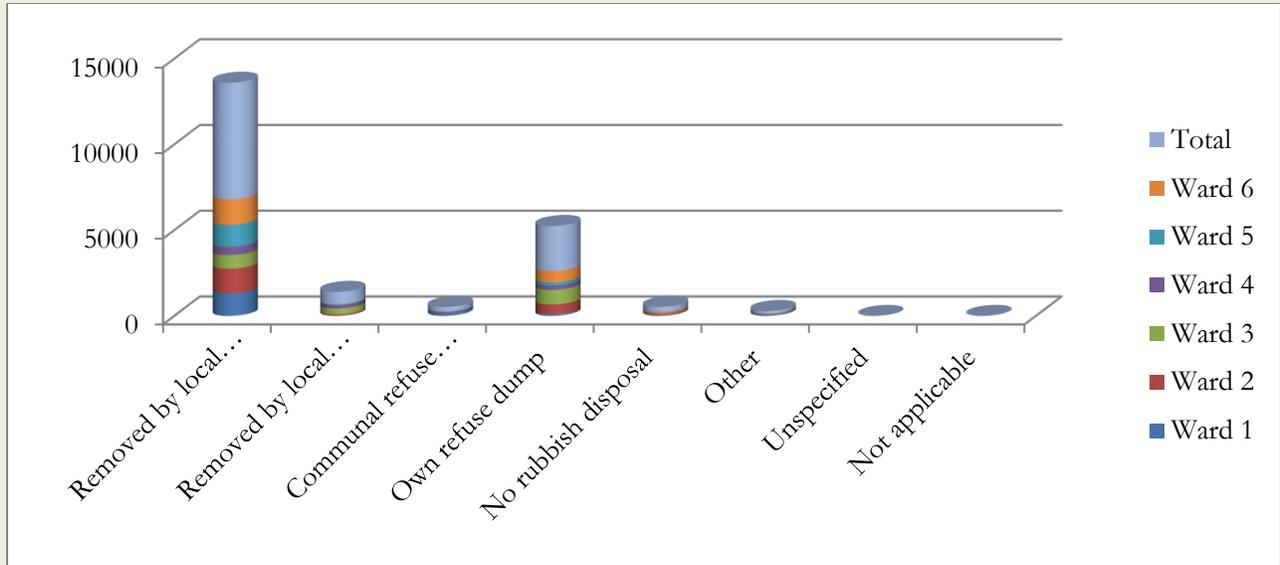
1.3 SERVICE DELIVERY OVERVIEW

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 with the challenge on old infrastructure that needs to be replaced from asbestos pipes to (Plastic) poly vinyl chloride pipes (PVC pipes). This program of replacing pipes, it will limit the most challenge of pipes burst and which make the water system to recover after pipes are been attended. Although all the households have access to water supply, the raw water supply was a challenge due to the drought.

1.3 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 2018
- 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	65,693,000
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	42,928,885
Sub Total	291,239,191	265,039,808	236,650,898
Less: Employee Costs	72,060,585	73,639,184	74,155,894
Less: Councillors Remuneration	4,148,313	4,148,313	4,005,614
Less: Debt Impairment	22,690,500	20,490,500	73,781,848
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	43,416,010
Sub Total	201,182,783	196,681,566	253,260,875
Surplus/(Deficit)	90,056,408	68,358,242	(16,609,977)
			T 1.4.2

COMMENT

Income

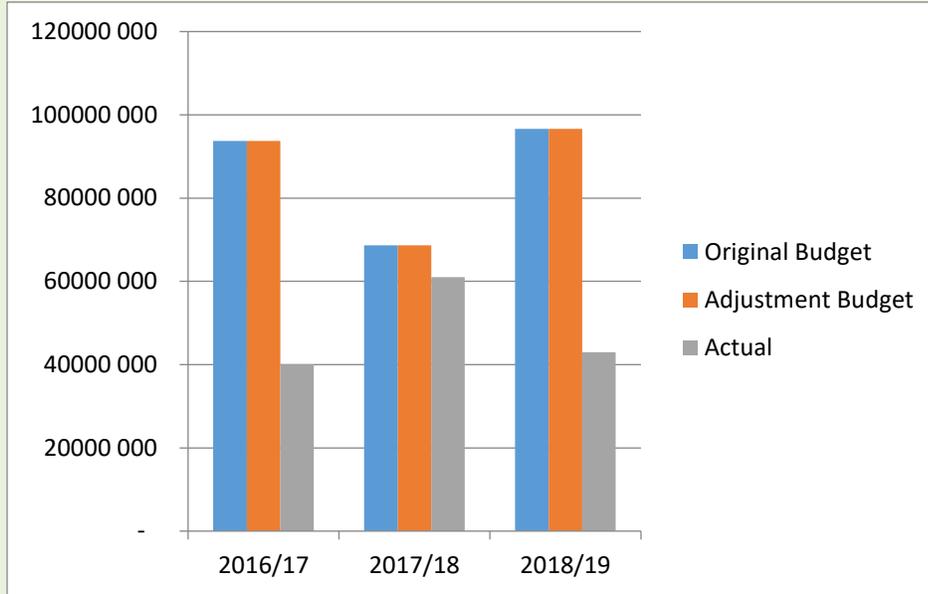
Form the above it can be seen that the municipality is grant reliant. R103,8 million of revenue are from grants received compared to the R60 307 071 million (including electricity sales by Centlec SOC) derived from own operations.

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
			<i>T 1.4.4</i>



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 2019/2020 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 on the audit of Annual Financial Year during the 2018/2019 financial period.

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 2019
3.	Finalise the 4th quarter Report for previous financial year	14 th July 2019
4.	Submit draft year 0 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
14.	Oversight Committee assesses Annual Report	1 st March 2020
15.	Council adopts Oversight report	31 st March 2020
16.	Oversight report is made public	07 th April 2020
17.	Oversight report is submitted to relevant provincial councils	07 th April 2020
18.	Commencement of draft Budget/ IDP finalisation for next financial year	31 st March 2020
19.	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 Councilor	Cllr. T.S. Khasake
3. Ward 2 Councilor	Cllr. T.D Mochechepa
4. Ward 3 Councilor	Cllr. L. Lekhula
5. Ward 4 Councilor	Cllr. B.M. Valashiya
6. Ward 5 Councilor	Cllr. T.I Phatsoane
7. Ward 6 Councilor	Cllr. M.I Morapela
8. Democratic Alliance PR Councilor	Cllr. I.S. Riddle
9. Democratic Alliance PR Councilor	Cllr. M.L Lephuthing ceased to hold office and was replaced by Cllr. P.P Mpongoshe effectively from 26 March 2020
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.Phatsokane	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 2018/2019 was adopted by council in 04th March 2020. The Oversight Committee has not discussed the Draft Annual Report due to National lockdown.

The current oversight committee consists of the following members:

Initials and surname	Capacity
Cllr I Riddle	Councillor, Chairperson
Mr L There	Community Member
Me VL Tuoane	Community Member

Mr Vapi	Risk Management Committee, Audit Committee member
Cllr L Lekhula	Member
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. Moloji	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
- Anti-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 not 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 undergo 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	Councilor /Chairperson
L. Lekhula	Councilor
T.S. Khasake	Councilor
T.I. Phatsoane	Councilor
B.M. Valashiya	Councilor
M.I. Morapela	Councilor
I.S. Riddle	Councilor

- **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 replaced by Cllr. P.P Mpongoshe (26 March 2020)

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 2020:

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 administration 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	Finance	The Consultations were made in Rouxville and the installation commenced in	Zastron and Smithfield is awaiting councilors	Ward councilors to finalise their community meetings

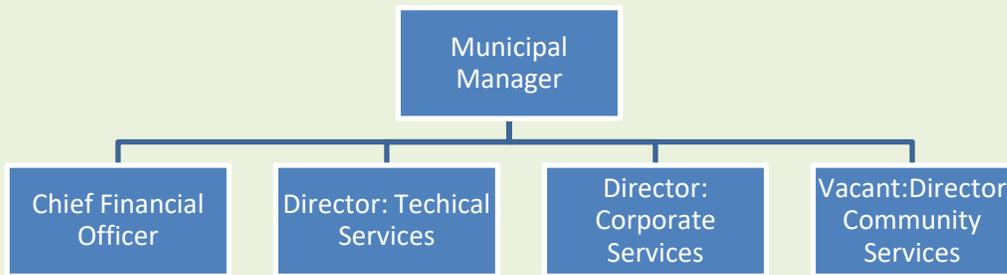
Date of Council meeting	Decision/resolution taken	Responsible directorate	Implemented/ Not	Reasons for deviation	Corrective action taken
	Councillors to start with community consultations until the end of August 2018 to engage communities on installation of pre-paid water meters		Town and is in progress	consultations	and present the projects
ORDINARY COUNCIL MEETING HELD 17 SEPTEMBER 2018	<p>DEBT OWED BY THE MUNICIPAL OFFICIALS AND COUNCILLORS</p> <p>Letters to be written to the Councillors and Officials owing municipal Services</p>	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	<p>GOVERNMENT OWNED PROPERTIES IN MOHOKARE</p> <p>Council resolved that the municipality to commence negotiations with National and Provincial Departments to obtain their vacant sites in Mohokare.</p>	<p>Municipal Manager's Office</p> <p>Town Planner</p>	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.

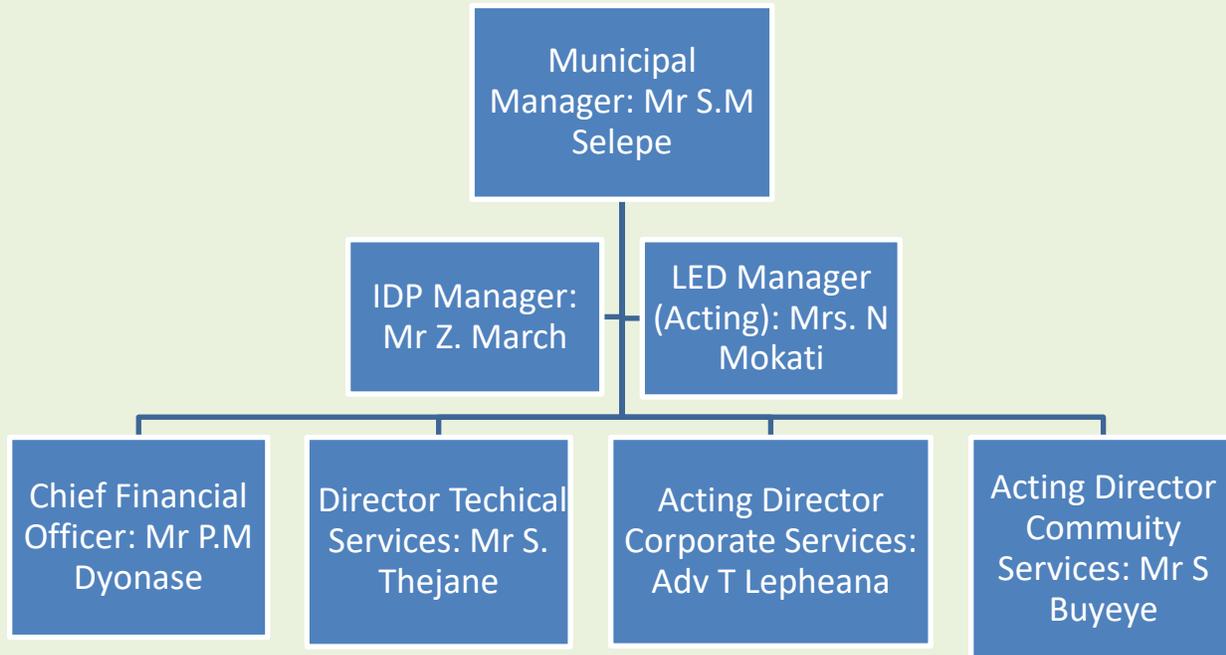
The Municipality is headed by the Municipal Manager and Managers directly accountable to the Municipal Manager, currently the top management structure Mohokare Local Municipality is as shown below;



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 was Acting Corporate Services Director until replaced by secondment from Cogta FS, Adv. Lepheana for May & June 2020 with Community Services Director post filled by N.S Buyeye acting same period

Municipal Manager	Mr. S.M Selepe
Chief Financial Officer:	Mr. P.M Dyonase
Director: Technical Services:	Mr. S. Thejane
Director: Community Services:	Vacant /Mr. N.S Buyeye (acting May&June)
Acting Director: Corporate Services:	Mr. NS Buyeye / Adv. Lepheane (seconded May & June 2020)





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, 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. 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 19/20 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	12	7	6	0
Total	42	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

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 not submitted to Risk management for approval due to non- sitting of the committee.

- 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 Municipality.

No new by-laws were promulgated during the financial year 2019/2020.

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
<i>T2.9.1</i>					

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.

Municipal Local Municipalities 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 64639 visits, since its inception in 2014 to date.

2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

The municipality did not undertake community satisfaction surveys during the year 2019/2020 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

Mohokare Local Municipality remains committed to Service Delivery within its jurisdiction.

The following are the services provided by the municipality throughout the 2019/20 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 – Mohokare LM is Sanitation Services Authority and Sanitation Services Provider. Basic Sanitation” means the prescribed minimum standard of services necessary for the safe, hygienic and adequate collection, removal, disposal or purification of human excreta, domestic waste-water and sewage from households, including informal households stated by the Water Services Act 108 of 1997
3. Roads and Storm water is responsible for planning, providing and maintaining the roads and storm water infrastructure of Mohokare LM to facilitate economic growth and social development, promote traffic safety, improve traffic flow, and alleviate traffic congestion.
4. Electricity - The municipality is an Electricity Services Authorities however Centlec (Mangaung Electricity Entity) is providing services thereof.
5. Implementation of Projects - The municipality has been implemented as 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 during the past financial years due to a challenge experience of burst asbestos pipes lines that supply household. 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 commencements of any new projects. A new contractor, Group YWO (Pty) Ltd, was appointed in August 2018 for the completion of the

Total Use of Water by Sector (cubic meters)					
	Agriculture	Forestry	Industrial	Domestic	Unaccountable water losses
Year -1	0	0	0	2148547,84	173058,96
Year 0	0	0	0	2467830	395642

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 (78 % to date) and we anticipate completing 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 2019/20 financial year also saw the municipality appointing a contractor for Abstraction works on the Orange River and equipping of the x2 raw water pump stations. To date ESKOM has been able to provide the electricity connections for the x1 abstraction works and the x2 raw water pump stations.

Rouxville and Zastron were the only beneficiaries of bulk water infrastructure upgrades prior the 2019/20 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 15 percent of the purified water remains unaccounted for due to losses water treatment plant, 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	-	-	-	-	-
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	100%
16 - 18	-	-	-	-	-
19 - 20	-	-	-	-	-
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)				1734
Piped water inside dwelling				
Piped water inside yard (but not in dwelling)				
Using public tap (within 200m from dwelling)				
Other water supply (within 200m)				1734
<i>Minimum Service Level and Above sub-Minimum Service Level and Above</i>				
				1734
Water: (below min level)				
Using public tap (more than 200m from dwelling)				
Other water supply (more than 200m from dwelling)				

Financial Performance 2018-19: Water Services					
Details	2017-18	2018-19			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	72366	100189	63689	47125	-113%
Expenditure:					
Employees	13389	15085	15369	14434	-5%
Repairs and Maintenance	3409	1675	1675	702	-139%
Other	44657	5125	5125	4786	-7%
Total Operational Expenditure	61455	21885	22169	19922	-10%
Net Operational Expenditure	(10911)	(78304)	(41520)	(27203)	-188%
					T 3.1.8

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 to address the sewer spillages in Refengkhotsi. 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 enabled 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.

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	9601	13778	13778	9483	-45%	
Expenditure:						
Employees	7101	7004	7004	7509	7%	
Repairs and Maintenance	1078	3888	3888	327	-1088%	
Other	5156	1838	1838	35	-5181%	
Total Operational Expenditure	13335	12729	12729	7871	-62%	
Net Operational Expenditure	3735	(1050)	(1050)	(1612)	35%	
					T 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					
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					
19 - 20					
Total	42	62	42	20	32.2%

Households - Sanitation Service Delivery Levels below the minimum						
Description	Households					
	Year -3	Year -2	Year -1	Year 0		
	Actual No.	Actual No.	Actual No.	Original Budget No.	Adjusted Budget No.	Actual 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 2019-20: Sanitation Services					
Capital Projects	2019-20				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	8 937 969,45	8 937 969,45	4 863 407,54	-54 %	
Zastron/Matlakeng: Upgrading of Waste Water Pump Stations and construction of new outfall sewer line (MIS:295628)	8 937 969,45	8 937 969,45	4 863 407,54	54 %	

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 has backlogs in terms of new informal settlement electrification; which households have not connected to electricity supply grid. The electrification connection projects, are been funded through (INEP fund) by department of Energy (DoE).

The municipality received funding through the INEP for 134 household connections at extension 06 Leratong at Rouxville. This project was anticipated to be complete by end of financial year 2019/20, but overlap to 2020/21 financial year due to National lockdown Covid 19. Centlec is an Implementing Agent (IA).

The municipality allocated new additional residential site which has resulted in an increase with regards to 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 able to complete the project 2019/20 financial year.

Electricity Service Delivery Levels				
Description	Households			
	Year-3	Year-2	Year-1	Year 0
	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	Budget	No.
	No.	No.	No.	No.	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					
4 -6					
7 -9					
10 -12	1	1	1	0	0%
13 -15					0%
16 -18					
19 -20					
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	972	28	861	38	747	-40%		
Expenditure:								
Employees	460		444	444	530	16%		
Repairs and Maintenance	774	3	-	-	-	0%		
Other	610	28	705	26	633	3%		
Total Operational Expenditure	844	32	149	27	163	4%		
Net Operational Expenditure	871	3	713)	(11)	713)	(11)	416	2915%
						T 3.3.7		

Electricity still remained a challenge for the municipality in the 2019/2020 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	Households			
	Year-3	Year-2	Year-1	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>	2,790	3,015	2,678	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					
4 -6	29	45	29	16	35.5%
7 -9	0	1	0	1	100%
10 -12	7	9	7	0	0%
13 -15	1	1	1	1	100%
16 -18					
19 -20	0	1	0	1	100%
Total	37	57	37	19	33,3%

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	881	376	376	838	-43%	
Expenditure:						
Employees	789	521	521	132	-8%	
Repairs and Maintenance	29	-	-	-	0%	
Other	242	100	100	224	-392%	
Total Operational Expenditure	060	621	621	356	-24%	
Net Operational Expenditure	179	755	755	(483)	-264%	
<i>T 3.4.7</i>						

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	2015 - 2020	200	1. e`so project managers 2. BOMAC Construction 3. Ithuteng CC	Provincial CoGTA	In progress but not complete as the Contractor has left the site
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 formal settlements
Year -3	10276	10276	100%
Year -2	10276	10276	100%
Year -1	10276	10276	100%
Year 0	10793	10276	100%

INFORMAL SETTLEMENTS

Percentage of households with access to basic housing			
Year end	Total households	Households with basic housing	Percentage of HHs with basic housing
Year -3	70	70	100%
Year -2	120	120	100%
Year -1	300	300	100%
Year 0	455	455	100%

Financial Performance 2018-19: Housing Services						R'000
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	1012	1012	736	-38%	
Repairs and Maintenance	-	-	-	-	0%	
Other	6	30	30	-	0%	
Total Operational Expenditure	656	1042	1042	736	-42%	
Net Operational Expenditure	197	227	226	237	4%	
						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

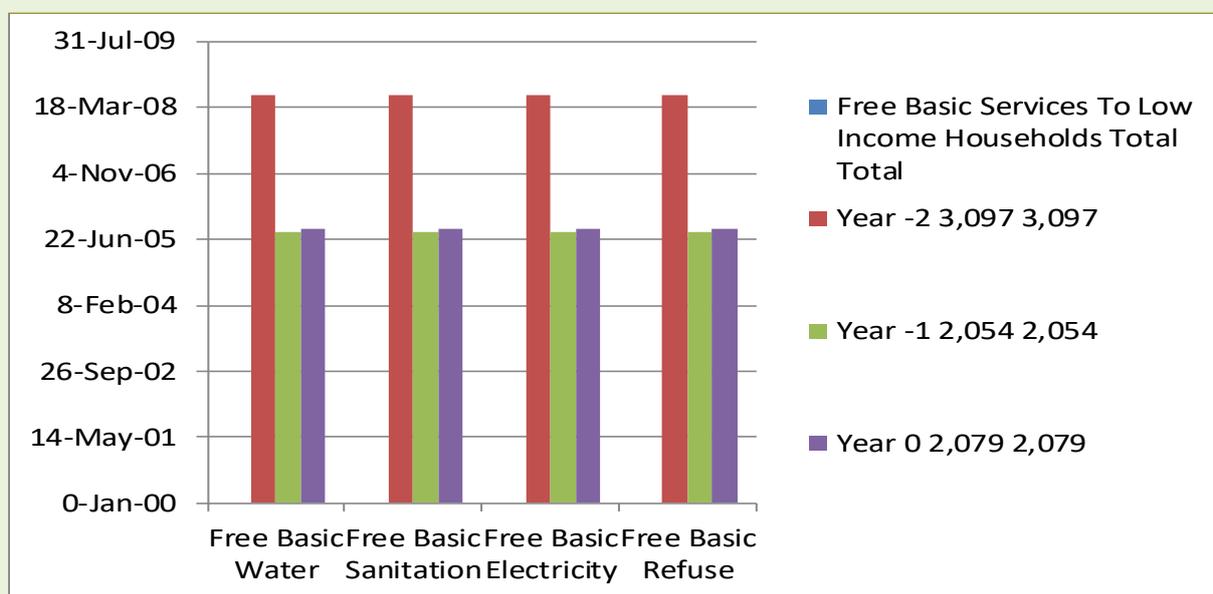
Basic services are generally regarded to be, access to electricity, clean water within a reasonable distance of one's dwelling, basic sanitation, solid waste removal and access to and availability of roads. Free Basic Services (FBS) are allocated as part of the equitable share received annually and utilized 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	521	256	256	521	17%	
Waste Water (Sanitation)	195	204	204	195	-1028%	
Electricity	-	728	728	-	0%	
Rates and Levies	30	600	600	30	-1871%	
Waste Management (Solid Waste)	146	258	258	146	-764%	
Total	893	045	045	893	-272%	
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 a 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 & WASTE WATER (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
- Insufficient budget for maintenance purposes.

Gravel Road Infrastructure					
	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar	Gravel roads graded/maintained	
Year -2	60	-	5.6		90
Year -1	60	-	0		120
Year 0	60	-	2.3		132
Tarred Road Infrastructure					
Kilometers	Total tarred roads	New tar roads	Existing tar roads re-tarred	Existing tar roads re-sheeted	Tar roads Maintained
	21	-	-	21	21
re-tarred	21	-	-	8	14
re-sheeted	21	-	-	8	10
Maintained					T 3.7.3

Road; Storm Water					
Job Level	Year-1	Year 0			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts) %
0 – 3					
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					
19 – 20					
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.
- The construction of the 600m Zama road in Zastron – completed 2019 and a construction of 1.7km phase 1 & 2 km phase access road in Rouxville – on construction. 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 Upgraded	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	0	0		R110 000.00
Year -1	632,800	0		R 120 000.00
Year 0	2,337,396	0		R 158 400.00

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.

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).

LAND USE DEVELOPMENT, PLANNING AND MANAGEMENT

- Town Planning Schemes
- Building control; and

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.

A draft was approved by Council. Due to the lockdown, the LUS will not be completed by the end of June 2020 as per SPLUMA regulations. The Minister of Rural Development and Land Reform, Me T. Didiza published an extension notice for all municipalities who could not comply and gave an extra two years for completion of the land use schemes,

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.

The FPSU Project is nearing completion although the Covid 19 lockdown brought challenges and the new due date for completion is 1 August 2020

EXTENSION 5 SMITHFIELD

The Township Register for Extension 5 Smithfield is open after compliance was reached in all relevant legal phases.

ESKOM

The properties next to the current substation in Smithfield was put aside for future development and upgrades of the current substation by Council. Properties affected are erven 996 - 1004. The current substation is located on erf 1000

.

SANRAL

The N6 upgrade is ongoing in line with the new servitudes registered by SANRAL

UFS

The town planner was invited as an external examiner for mini dissertations by Honours students in Town and Regional Planning. The town planner marked 26 Honours students' URMD 6808 papers 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.

SACPLAN AND CPD POINTS

The concept of CPD (Continuous Professional Development) in town planning was approved by SACPLAN and was instituted in April 2018. The town planner is Obtaining the necessary CPD points as per the SACPLAN Regulations.

The SACPLAN registration of the individual is current and paid up.

SWOT ANALYSIS

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

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

- Possible funding for the initial investigations and requirements for the development of Mooifontein for residential purposes.

MUNICIPAL PLANNING TRIBUNAL

The Tribunal did not sit in the financial year 2019/20

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/.

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					
4 – 6					
7 – 9					
10 – 12					
13 – 15	1	1	1	0	0%
16 – 18					
19 – 20					
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, and budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community

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 Local Economic Development Strategy has been adopted and approved by council on the 10 Mach 2020.

HIGH IMPACT PROJECTS

SMME Policy has been reviewed and adopted together with the LED Strategy and all the projects that have high impact are incorporated as under stated on the document.

THE IDENTIFIED LED PROJECTS FOR 2019/20

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 WEB SITE IN HEAD OFFICE	ESTABLISHMENT OF TOURISM WEB SITE IN HEAD OFFICE	ESTABLISHMENT OF TOURISM WEB SITE IN HEAD OFFICE
BROUCHER	BROUCHER	BROUCHER

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 GAME	WILD GAME	WILD GAME
MUSEUMS	MUSEUMS	MUSEUMS
RELOCATION OF THE TAXI RANK	BUILDING OF THE TAXI RANK IN (ROUXVILLE)	BUILDING OF THE TAXI RANK IN (SMITHFIELD)
	FUEL STATION (ROUXVILLE)	FUEL STATION IN (SMITHFIELD)
HAWKERS STALLS DEVELOPMENT	HAWKERS STALLS DEVELOPMENT	HAWKERS STALLS DEVELOPMENT
RE-COMMERCIALIZATION OF MAKHALENG BOADER POST		
UPGRADING OF THE S2 ROAD		
DEVELOPMENT OF TOURISM HUB	DEVELOPMENT OF TOURISM HUB	DEVELOPMENT OF TOURISM HUB
ESTABLISHMENT OF THE SHOPPING COMPLEX		
PRODUCTION OF CHARCOAL		REVIVAL OF THE TRUCK STOP (SMITHFIELD)

POVERTY ALLEVIATION SUPPORT

For the current financial year 2019/20 CWP has been able to create 1046 jobs through its Community Work Program.

The department of Public Works has also created around 90 jobs through its EPWP initiative.

The municipality through Technical Services projects has created 120 jobs.

FUNDED PROJECTS IN 2019/20 FINANCIAL YEAR

Individual SMMR owners has been equipped with business equipment at the tune of R300 000.00

Smithfield

Mahlodi Saloon: Saloon equipment 2 Standing hair dryers, 4 hand dryres nail dryer, hair clipper.

Ntsedieng catering : Fridge, 2 x50 litres pots, 2x 36 litres pots, urn

Themba Carwash: Compressor and vacuum cleaner

Moseke Catering: 4plate has stove, 4x50litres pots, 4x36litres pots, 4x folding tables

Rouxville

Karabo Saloon : 3x standing hair dryer. 4x hand dryer, nail dryer. 2x hair clipper, 10 chairs.

Nzula: 500l tank, angle grinder, flash touch machine W5920, Wheelbarrow, rotary hammer drill

Pitso: Laptop and printer, flash touch machine W5920

Siko: laptop and printer

Tyokolo: 21liter pot, 36liter pot, urn, single deep fryer, 4burner gas stove. 3x chafing dish

Shabe: laptop and printer, ryobi brush cutter

Nondlwana: 4x hair dryer, 2x hood standing 22x plastic chair, urn

Mathinya: 3x hair dryer, 2x hair clipper, 2x standing hood and 2x nail dryer

Zastron

Ramarumo: 2x Folding table, gazebo, chip cutter, 3x chafing dish, 3 burner stove, 50litre pot, 36litre pot 21litre pot

Rwexana: 196litre chest fridge, urn, double deep fryer, microwave, chip cutter

Paseka: 9kg gas cylinder, 36l pot, 50l pot, 4 burner stove, chip cutter, skottel braai

Farelane: 5x slasher grass poly handle, 3x ryobi 43cc brush cutter

Motsepe: Compressor and printer

Touane: industrial sewing machine, mannequin and 2x chafing dish

Sesinyi: 196l chest freezer. 36l pot, 6x folding table

Modikeng : Generator and compressor

Languza: canon eos250d dslr camera

Nyefolo: 3burner stove, industrial toaster, chip cutter, double deep fryer, 9kg gas cylinder

Telite: compressor, water tank, 2x folding tables

Relebohile: 25 kiddies tiffany chairs and camera

Koloi: Generator, 2x Hair dryer, 2x Hair clipper, 2x standing hood dryer, nail dryer, urn

Stephen: 4 burner gas stove, 4x folding table, 8 x chafing dish

Mpiti: 4x 36l pots, 4x50l pots 2x folding table

Masiso: 3 burner stove, deep fryer, 5kg gas cylinder, chip cutter, folding table, hair dryer, hair clipper, standing dryer

FUNDING APPLICATIONS FOR 2019/2020 FINANCIAL YEAR

The LED unit had ensured that all registered Co-operatives and individual owned SMME are applying for funding during this 2019/2020 financial year while unregistered were encouraged and assisted 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,

Mohokare LED Unit managed to submit **350** applications during the roadshow while the process is still continuing. The applications submitted to different sector departments and

business funders such as DESTEA, SEDA , Department of Small Business Development and Rural Development.

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 20% 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, 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 SMME's were unprofessionally operating without accessing government funding advantages. Registration of SMME's ensures compliance with legislative requirements. There are three recognised levels of Co-operatives namely, Primary, Secondary and Tertiary. More-over we have the following kinds of Co-operatives; Agriculture, Financial Services, Manufacturing, Tourism, Consumer, Transport, Housing, Social, Burial Society, Marketing & Supply and Services. We are having 29 registered Co-operatives in Rouxville 24 in Smithfield and 76 in Zastron, however registration process is continuously happening with the assistance of DESTEA.

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. 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	14	10
Rouxville	3	3
Smithfield	7	8

SMALL SCALE MINING

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

Training was conducted for the cooperative on financial management.

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. 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. The Mohokare Local Municipality, Zastron in particular has been identified where the government precinct to be built.

SALE OF COMMERCIAL LAND

No commercial land was sold.

CONCLUSION

It's a cogent fact that municipality has on budget for LED projects, but its primary task through its LED Unit is to create 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.
Year0 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 No.	Jobs lost/displaced by other initiatives No.	Net total jobs created in year No.	Method of validating jobs created/lost
Total (all initiatives)		None	None	Reports
Year -2	114	None	None	Reports
Year -1	83	None	None	Reports
Year0	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
Year0	3	105
<i>*- Extended Public Works Programme</i>		<i>T3.11.6</i>

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

Financial Performance Year 2015-16: PLANNING DIVISION: Includes Town Planning, IDP and LED					
Details	2014-15	2015-16			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-1,688	975,801	988,265	410,816	-138%
Expenditure:					
Employees	1,665,453	2,270,747	3,690,779	947,587	-140%
Repairs and Maintenance	0	0	0	0	0%
Other	372,916	782,340	642,676	30,096	-2499%
Total Operational Expenditure	2,038,369	3,053,087	4,333,455	977,683	-212%
Net Operational Expenditure	2,040,057	2,077,287	3,345,191	566,868	-266%
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					T 3.10.5

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.

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 Employee 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					
4-6					
7-9					
10-12	0	0	0	0	0%
13-15					
16-18					
19-20					
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%
					T 3.12.5

There have never been projects planned for the above facilities (Community Facilities) except the upgrading of Mofulatshepe Sports ground. See report or details under sports and facilities.

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. Hereunder, is 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
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 as it might somehow slightly differ due to effects of the COVID-19.

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	17 788	17 788	62	-28427%	
Expenditure:						
Employees	0	-	-	-	0%	
Repairs and Maintenance	0	-	-	-	0%	
Other	0	-	-	-	0%	
Total Operational Expenditure	0	-	-	-	0%	
Net Operational Expenditure	(58)	(17 788)	(17 788)	(62)	-28427%	
T 3.13.5						

COMMENT ON THE PERFORMANCE OF CEMETORIES & CREMATORIUMS 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 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 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
0 Number of traffic officers in the field on an average day	7	7	6	0
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	48 401	18 900	33 900	37 874	50%	
Expenditure:						
Police Officers						
Other employees	1 922	1 345	1 345	2 687	50%	
Repairs and Maintenance	-	-	-	-	0%	
Other	198	215	215	166	-30%	
Total Operational Expenditure	2 120	1 560	1 560	2 853	45%	
Net Operational Expenditure	(46 281)	(17 340)	(32 340)	(35 021)	50%	

T 3.20.5

3.18 FIRE & DISASTER MANAGEMENT

The fire service is the competence 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	-	80	80	62	-28%	
Total Operational Expenditure	-	80	80	62	-28%	
Net Operational Expenditure	-	80	80	62	-28%	
					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;

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 an annual renewable 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					
Job Level	Year -1		Year 0		
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0-3					
4-6	0	1	0	1	100%
7-9					
10-12	1	1	1	1	0%
13-15					
16-18					
19-20					
Total	1	2	1	2	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	250	-	-	-	0%	
Expenditure:						
Employees	383	452	452	466	3%	
Repairs and Maintenance	-	-	-	-	0%	
Other	267	145	145	82	-76%	
Total Operational Expenditure	650	597	597	548	-9%	
Net Operational Expenditure	400	597	597	548	-9%	
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, 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
- Boards 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					
4 - 6					
7 - 9					
10 - 12					
13 - 15	12	15	12	3	20%
16 - 18					
19 - 20					
Total	12	15	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	989	989	1 491	34%
Repairs and Maintenance	-	-	-	-	0%
Other	5	120	120	68	-75%
Total Operational Expenditure	812	1 109	1 109	1 559	29%
Net Operational Expenditure	812	1 109	1 109	1 559	29%

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:

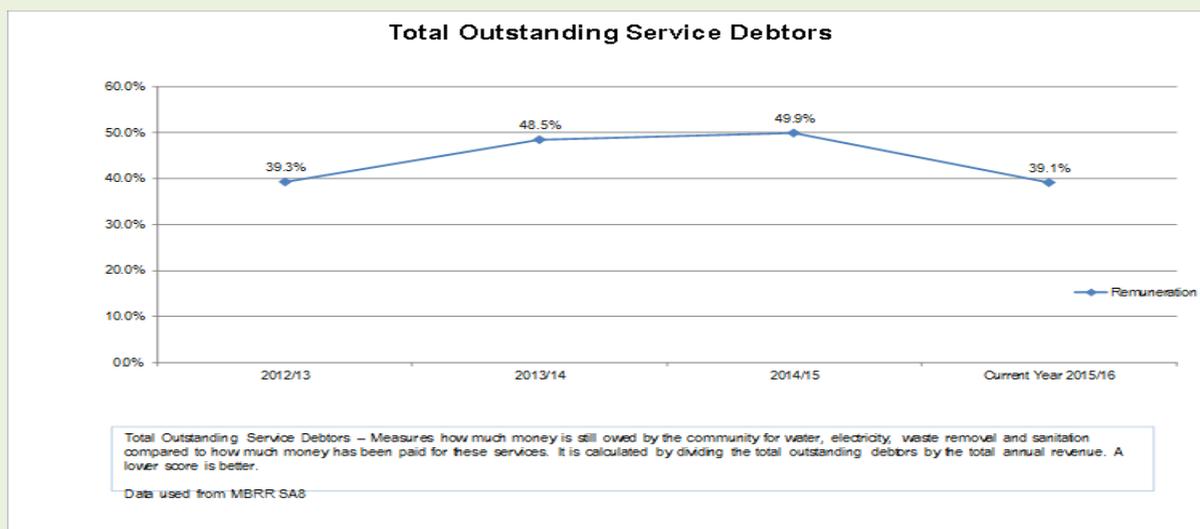
- As a result of a low payment rate and
- The inability to budget for the effective provision for the payment of creditors from the prior period.

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	Year			
	Employees	Posts	Employees	Vacancies (fulltime)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0-3					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					
19-20					
Total	38	45	38	7	16%

Financial Performance 2018-19: Financial Services					
					R'000
Details	2017-18	2018-19			Variance to Budget
	Actual	Original Budget	Adjustment Budget	Actual	
Total Operational Revenue	92 673	84 862	80 162	100 209	15%
Expenditure:					
Employees	9 974	11 500	12 336	11 428	-1%
Repairs and Maintenance	3	-	-	-	0%
Other	24 607	73 440	66 240	129 926	43%
Total Operational Expenditure	34 584	84 940	78 576	141 355	40%
Net Operational Expenditure	(58 089)	79	(1 585)	41 146	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.

Job Level	Year -1		Year		
	Employees	Posts	Employees	Vacancies (fulltime)	Vacancies (as a % of
	No.	No.	No.	No.	%
	0	0	0	0	0%
0 - 3	0	0	0	0	0%
4 - 6	3	4	3	1	33%
7 - 9	0	1	0	1	100%
10 - 12					
13 - 15					
16 - 18	3	5	3	2	66%

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; and web development.

The Server Administration Services function is responsible to design, install, administer the data-centre (server room) of the municipality, ensuring that the data-centre functions well as the backbone of the network.

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 previous year, 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 facilitate 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					
	Year -1	Year			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
Job Level					
0 - 3					
4 - 6	2	2	2	0	0%
7 - 9	1	1	1	0	0%
10 - 12					
13 - 15					
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:					
Employees	819	928	928	961	3%
Repairs and Maintenance	–	–	–	–	0%
Other	6	2 660	2 660	181	-1369%
Total Operational Expenditure	825	3 588	3 588	1 142	-214%
Net Operational Expenditure	825	3 588	3 588	1 142	-214%
					T 3.27.5

This APR is drafted in terms of Section 46 of the Municipal Systems Act, 32 of 2000. The 2019/2020 APR is based on audited information.

ANNUAL PERFORMANCE REPORT

2019/2020

This APR is drafted in terms of Section 46 of the Municipal Systems Act, 32 of 2000. The 2019/2020 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 2019 to 30 June 2020 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 2019/2020.

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 2019/2020

Directorate	Number of set target	Number of achieved targets	Number of not achieved	Percentage
Office of the Municipal Manager	24	13	11	54%
Finance Department	20	12	8	60%
Corporate Services	21	3	19	14%
Community Services	11	8	3	73%
Technical Services	20	11	9	55%
	96	47	50	48%

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

2019/2020

INTERNAL AUDIT

KP A No	Key Performance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	SO No	Key performance indicator(s)	Annual Target	Baseline	Unit of measure	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reason for Deviation	Corrective measure to be taken	REF#
3	Good governance and public participation	Good Governance and public participation	Maintaining and improving the Municipal Audit Opinion	4	Review Internal Audit Charter and Manual for approval by July 2019	Review 2019/20 Internal Audit Charter by July 2019	Adopted and reviewed 2017/2018 Internal Audit charter	Approved Internal Audit Charter	-	-	Review of 2019/2020 Internal Charter and Manual by March 2020	-	Approved Internal Audit Charter, and Manual Attendance register and minutes	Achieved	The documents were approved during the meeting held 06 March 2020. Subsequent to the amendments, the documents were sent to the chairpersons for signature but were not yet received at the start of the lockdown	-	A

KP A No	Key Performance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	SO No	Key performance indicator(s)	Annual Target	Baseline	Unit of measure	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reason for Deviation	Corrective measure to be taken	REF#
3	Good governance and public participation	Good Governance and public participation	Maintaining and improving the Municipal Audit Opinion	4	Reviewed 2019/2020 Internal Audit Charter and Manual for approval by June 2020	Review and approve 2020/2021 Internal Audit Charter by June 2020	Adopted and reviewed 2018/2019 Internal Audit charter	Approved Internal Audit Charter	-	-	-	Review of 2020/2021 Internal Charter and Manual by June 2020	Approved Internal Audit Charter, and Manual Attendance register and minutes	Not achieved	Due to the National Lockdown that commenced on 27 March 2020. There are disruptions in the activities of the Unit	Subsequent to the National Lockdown, the Municipal Manager will be engaged on the issue of Committee meetings	-
3	Good governance and public participation	Good Governance and public participation	Maintaining and improving the Municipal Audit Opinion	4	Reviewed and approved Audit Committee Charter by July 2019	Reviewed and approved Audit Committee Charter by July 2019	2017/2018 Audit Committee Charter	Approved Audit Committee Charter	-	-	Submission of the reviewed 2019/2020 Audit Committee Charter to Council for Approval by March 2020	Submission of the reviewed 2020/2021 Audit Committee Charter to Council for Approval by June 2020	Approved Audit Committee Charter	Not achieved Quarter 3 target was achieved The documents were approved during the meeting	Due to the National Lockdown that commenced on 27 March 2020. There are disruptions in the activities of the Unit	Subsequent to the National Lockdown, the Municipal Manager will be engaged on the	B

KP A No	Key Performance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	SO No	Key performance indicator(s)	Annual Target	Baseline	Unit of measure	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reason for Deviation	Corrective measure to be taken	REF#
														held 06 March 2020		issue of Committee meetings	
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	4	Develop and submit Internal Audit Coverage Plan	Approved Internal Audit Coverage Plan	Adopted 2017/2018 Internal Audit Coverage Plan	Approved Internal Audit Coverage Plan	Approved 2018/2019 Internal Audit Coverage Plan by August 2019	-	-	Approved 2019/2020 Internal Audit Coverage Plan by June 2020	Approved Internal Audit Coverage Plan, Attendance register & minutes.	Not achieved	Due to the National Lockdown that commenced on 27 March 2020. There are disruptions in the activities of the Unit	Subsequent to the National Lockdown, the Municipal Manager will be engaged on the issue of Committee meetings	-

TOWN PLANNING

KP A No	Key Performance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	SO No	Key performance indicator(s)	Annual Target	Baseline	Unit of measure	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reason for Deviation	Corrective measure to be taken	REF#
3	Good governance & Administration	Good governance in Mohokare	100% compliance to SPLUMA	4	Review the 8 Town Planning Policies by June 2020	8 Policies reviewed and approved by Council	4 Policies for 2018/2019	Approved policies	-	-	-	Final reviewed policies submitted and approved by Council by June 2020	Approved policies	Not Achieved Only 4 policies were adopted Council resolution	Policies were sent to Management for inputs and still awaits to be submitted to Council	Policies will be sent to Council in the next Council meeting	C
					Reviewed Spatial Development Framework by June 2020	Reviewed SDF by June 2020	2018/2019 SDF	Reviewed SDF	-	-	Submit the draft updated project list in the SDF to Council by March 2020	Submit the final updated project list in the SDF to Council by May 2020	Council Resolution and Copy of the updated project list	Achieved SDF was adopted on the 29 th May 2020 Council resolution	-	-	D
3	Good Governance and public participation	Good Governance and public participation	To instil good governance in all Municipal operations, ensure public participation and provide	4	Conduct 1 Municipal Planning Tribunal meeting bi-annually by June	1 Municipal Planning Tribunal conducted Bi-annually by June 2020	New KPI	1 Tribunal held	1 Municipal Planning Tribunal conducted by September 2019	-	-	1 Municipal Planning Tribunal conducted by March 2020	Attendance registers Minutes/report	Not Achieved Quarter 1 target was achieved The MPT sat on 19	Due to Covid lockdown meeting did not sit	Meeting will sit in the next financial year	E

KP A No	Key Performance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	SO No	Key performance indicator(s)	Annual Target	Baseline	Unit of measure	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reason for Deviation	Corrective measure to be taken	REF#
			critical strategic support to the municipality		2020									July 2019. Three applications were submitted and approved			
3	Good governance & Administration	Good governance in Mohokare	100% compliance to SPLUMA	4	Attend 4 quarterly SPLUM Meetings by June 2020	4 SPLUM quarterly meetings attended by June 2020	New kpi	Meetings attended	SPLUM meeting attended by Sept 2019	SPLUM meeting attended by Dec 2019	SPLUM meeting attended by March 2020	SPLUM meeting attended by June 2020	Attendance registers Minutes/report	Achieved Attendance registers Minutes/report	-	-	F
3	Good governance & Administration	Good governance in Mohokare	100% compliance to SPLUMA	4	Conduct public participation for drafting Land Use Management Scheme by October 2019	Public participation for drafting Land Use Management Scheme conducted by October 2019	New KPI	Public participation report Public comments	-	Participation for drafting Land Use Management Scheme conducted by October 2019	-	-	Public participation report Public comments	Achieved	-	-	G

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	Unit of measure	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reason for Deviation	Corrective measure to be taken	REF#
3	Good governance & Administration	Good governance in Mohokare	100% compliance to SPLUMA	4	Develop final Land Use Management Scheme by October 2019	Final Land Use Management Scheme developed by October 2019	New Kpi	Final Copy of the Land Use Management Scheme	-	Final Draft Land Use Management Scheme submitted to Council by October 2019	-	-	Land Use Management Scheme copy	Achieved Land Use Management Scheme copy	-	-	H

LOCAL ECONOMIC DEVELOPMENT

KP A No	Key Performance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	SO No	Key performance indicator(s)	Annual Target	Baseline	Unit of Measure	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reason for Deviation	Corrective measure to be taken	REF#
5	Local Economic Development	Local Economic development	Enhancement of the municipality's local economy	SO 2	5 year LED Strategy developed by June 2020	5 year LED Strategy developed by June 2020	2017/18 LED Strategy	Reviewed LED Strategy	-	-	-	5 year LED Strategy developed and approved by Council by June 2020	Council Resolution and copy of the adopted strategy	Achieved	-	-	I
					12 Business expos conducted to assist cooperatives and SMMEs per town	12 Business expos conducted to assist cooperatives and SMMEs per town	4 Business expos conducted	Invites and attendance registers	Conduct 1 business expo per town by Sep 2019	Conduct 1 business expo per town by Dec 2019	Conduct 1 business expo per town by March 2020	Conduct 1 business expo per town by June 2020	Invites and attendance registers	Achieved	-	-	J
					Reviewed SMME support Policy by June 2020	Reviewed SMMEs support Policy by June 2020	SMME Policy 2017/18 reviewed	Reviewed and adopted Policy	-	-	Submit the developed draft Policy to Council by Mar 20	Submit the developed final Policy to Council by May 2020	Council Resolution and copy of the Policy	Achieved	-	-	K

KP A No	Key Performance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	SO No	Key performance indicator(s)	Annual Target	Baseline	Unit of Measure	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reason for Deviation	Corrective measure to be taken	REF#
					Developed and approved Tourism Policy by June 2020	Developed and approved Tourism Policy by June 2020	New KPI	Approved Policy	-	-	-	Developed and approved Tourism Policy by June 2020	Approved Policy Council Resolution	Not achieved			-

RISK MANAGEMENT

KPA No	Key Performance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	S O N o	Key performance indicator(s)	Annual Target	Baseline	Unit of measure	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reason for Deviation	Corrective measure to be taken	REF#
3	Good governance and administration	Good governance in Mohokare	To evaluate the effectiveness of Risk management, control and governance processes and develop actions to address key risks identified	4	Reviewed Enterprise Risk Management Policies (Risk Management Strategy and Framework, Fraud and Anticorruption Strategy, Risk Management Committee Charter	Reviewed Enterprise Risk Management Policies	Reviewed Enterprise Risk Management Policies	Reviewed and adopted policies	Submission of 2018/2019 Policies to RMC & AC for approval by September 2019	-	-	-	Attendance register and minutes from AC Council resolution and copy of the adopted policies	Not Achieved			-
					Implementation of the Reviewed 2019/2020 Risk Register by June 2020	Implementation of the Reviewed 2019/2020 Risk Register by June	2018/19 Risk Register	Quarterly reports	Assessment of levels of Municipal Risk Appetite and Risk Tolerance	Quarterly Risk Assessments held with departments	Quarterly Risk Assessments held with departments	Quarterly Risk Assessments held with departments	Quarterly monitoring reports	Not Achieved			

KPA No	Key Performance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	SONO	Key performance indicator(s)	Annual Target	Baseline	Unit of measure	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reason for Deviation	Corrective measure to be taken	REF#
						2020			by September 2019								
3	Good governance and public participation	Good Governance and public participation	To evaluate the effectiveness of Risk management, control and governance processes and develop actions to address key risks identified	4	Reviewed 2019/2020 Risk Register by June 2020	Reviewed and approved 2019/2020 risk register	2018/2019 risk register	Approved risk register	Approved Risk register by September 2019	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 registers (RMC and Assessments held) approved risk register	Not Achieved			-

INTERGRATED DEVELOPMENT PLAN

K P A N o	Key Perform ance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	S O N o	Key performan ce indicator(s)	Annual Target	Baseline	Unit of Measure	Q1	Q2	Q3	Q4	POE	Actual Achievem ent	Reason for Deviation	Corrective measure to be taken	REF#
3	Good govern ance & Admini stration	Good govern ance in Mohok are	To implement a ranking and rating system for all new capital projects to support the strategic objectives and priorities of Council and Community	4	Reviewed and approve d IDP by May 2020	Reviewed and approve d IDP	Approve d 2018/19 IDP	Approve d IDP Plan	Approve d IDP Process plan by August 2019	Establish ment of Rep Forum	Submit drafft IDP to Council by March 2020 for 2019/20 FY	Submit final IDP to Council for adoption by May 2020	Council resolution And electroni c copy of the IDP.	Achieved Council resolution s for drafft and final adoption s Electronic copies of IDP Process Plan and Council resolution	-	-	L

PERFORMANCE MANAGEMENT SYSTEM

KP A No	Key Performance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	SO No	Key performance indicator(s)	Annual Target	Baseline	Unit of measure	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reason for Deviation	Corrective measure to be taken	REF#
3	Good governance & Administration	Good governance in Mohokare	100% monitoring and evaluation of the municipality's Performance	4	2018/2019 Organisational performance management system policy reviewed by May 2020	Review PMS policy framework	2018/2019 Approved PMS policy Framework	Reviewed PMS Policy	-	-	Submit the draft 2020/2021 PMS Policy to Council by March 2020	Submit the final 2020/2021 PMS Policy to Council by May 2020	Council resolution and electronic copy of the reviewed policy	Not Achieved	Due to national lockdown we were unable to send documents for adoption	Will be adopted in the next financial year	-
					Submission of the draft Annual report and the annual performance report for 2018/19 to the Auditor General by 31 August 2019	Submitted draft Annual report, annual performance report by 31st of August 2019	Annual report, annual performance report submitted on the 31 August 2018	Developed AR and APR	Submit draft Annual report, annual performance report on 31st of August 2019	-	-	-	Acknowledgement of receipt	Achieved Acknowledgement of receipt	-	-	M

KP A No	Key Performance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	SO No	Key performance indicator(s)	Annual Target	Baseline	Unit of measure	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reason for Deviation	Corrective measure to be taken	REF#
3	Good governance & Administration	Good governance in Mohokare	100% monitoring and evaluation of the municipality's Performance	4	Developed 2020/2021 SDBIP by June 2020	Developed 2020/2021 SDBIP by June 2020	2018/2019 SDBIP	Developed and approved SDBIP	-	-	Draft 2020/2021 SDBIP submitted to Council by March 2020	Submitted developed 2020/2021 SDBIP to Mayor within 28 days after the approval of the Budget	Approved SDBIP	Not achieved SDBIP was adopted on the 31 st August 2020	Due to COVID National lockdown we were unable to adopt the SDBIP on time	SDBIP was adopted on the 31 st August 2020	N
3	Good governance & Administration	Good governance in Mohokare	100% monitoring and evaluation of the municipality's Performance	4	Developed Mid-year report submitted to Council by 25 January 2020	Mid-year report submitted to Council by 25 January 2020	2018/2019 Mid-year report	Developed and submitted Mid-year report	-	-	Mid-year report developed and submitted to Council by 25 Jan '2020	-	Adopted Mid-year report	Achieved Council resolution	-	-	0

KP A No	Key Performance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	SO No	Key performance indicator(s)	Annual Target	Baseline	Unit of measure	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reason for Deviation	Corrective measure to be taken	REF#
3	Good Governance and public participation	Good Governance and public participation	Ensuring 100% compliance to MFMA, MSA and Circular 63 & 32	4	Developed and adopted adjustment SDBIP and submitted to Council by 28 Feb 2020	Adjusted SDBIP and adopted by Council in Feb 2020	2018/2019 Adjusted SDBIP	Developed and approved adjusted SDBIP	-	-	Developed and approved 19/20 Adjusted SDBIP by Council by 28 Feb 2020	-	Approved Adjusted SDBIP	Achieved Approved Adjusted SDBIP	-	-	P
3	Good Governance and public participation	Good Governance and public participation	Ensuring 100% compliance to MFMA, MSA and Circular 63 & 32	4	Tabled AR and APR to Council by 25 January 2019	Tabled Annual Report and Annual Performance Report by the 25 January 2019	Annual report, annual performance Report tabled on the 29 January 2018	Adopted Annual Report	-	-	Table Annual Report and Annual Performance Report by the 25 January 2019	-	Council resolution and electronic copy of AR & APR	Achieved	-	-	Q

TECHNICAL SERVICES

KP A No	Key Performance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	SO No	Key performance indicator(s)	Annual Target	Baseline	Unit of measure	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reason for Deviation	Corrective measure to be taken	REF#
1	Basic Service Delivery and Infrastructure development	Deliver sustainable services that are on or above RDP level	Provision of Project Management services to the Municipality 2017/18	1	To execute work amounting to R 30 000 000.00 on RBIG BY June 2020.	R 30 000 000.00 (Accumulative) certified as work done on the Regional Bulk Infrastructure Grant (RBIG)) by 30 June 2020	R 10 096 629.68	Payment certificates & list of payments spreadsheet	R 6 000 000.00 work to be certified as complete	R 13 200 000.00 work to be certified as complete	R 21 600 000.00 work to be certified as complete by end March 2019	R 30 000 000.00 work to be certified as complete by end June 2019	Allocation letters Tax Invoice Payment Certificate List of payments	Not Achieved R 21 402 650.00 work certified as complete by 30 June 2020	Projects were placed on hold due to the COVID-19 National lockdown	Contractors to re-establish on site and revised programme of works to be approved for the time lost	A
1	Basic Service Delivery and Infrastructure development	Deliver sustainable services that are on or above RDP level	Provision of Project Management services to the Municipality 2017/18	1	To execute work amounting to R 30 000 000.00 on WSIG June 2020.	R 30 000 000.00 (Accumulative) certified as work done on the Water Services Infrastructure Grant (WSIG) by 30 June 2020	R 13 241 639.33	Payment certificates & list of payments spreadsheet	R 6 000 000.00 work to be certified as complete	R 13 200 000.00 work to be certified as complete	R 21 600 000.00 work to be certified as complete by end of March 2019	R 30 000 000.00 work to be certified as complete by end June 2019	Allocation letters Tax Invoice Payment Certificate List of payments	Not Achieved R 29 065 687.16 work certified as complete by 30 June 2020	Projects were placed on hold due to the COVID-19 National lockdown	Contractors to re-establish on site and revised programme of works to be approved for the time lost	B

KP A No	Key Performance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	SO No	Key performance indicator(s)	Annual Target	Baseline	Unit of measure	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reason for Deviation	Corrective measure to be taken	REF#
1	Basic Service Delivery and Infrastructure development	Deliver sustainable services that are on or above RDP level	Provision of Project Management services to the Municipality 2017/18	1	To executive work amounting to R 17 991 000.00 on MIG by June 2020	R 17 991 000.00 (Accumulative) certified as work done on the Municipal Infrastructure Grant (MIG) by 30 June 2020	R 10 933 453.17	Payment certificates & list of payments spreadsheet	R 3 598 200.00 work to be certified as complete	R 7 916 040.00 work to be certified as complete	R 12 953 520.00 work to be certified as complete by end March 2019	R 17 991 000.00 work to be certified as complete by end June 2019	DORA Schedule Tax Invoice Payment Certificate List of payments	Not Achieved R 8 389 508.10 work certified as complete by 30 June 2020	Projects were placed on hold due to the COVID-19 National lockdown	Contractors to re-establish on site and revised programme of works to be approved for the time lost	C
1	Basic Service delivery and Infrastructure development	Deliver sustainable services that are on or above RDP level	To provide dignified cemeteries	1	To executive work amounting to R 2 211 000.00 on INEP by June 2020	R 2 211 000.00 (Accumulative) certified as work done on the Integrated National Electrification Programme (INEP) by 30 June 2020	R 500 000.00	Payment certificates & list of payments spreadsheet	R 442 200.00 work to be certified as complete	R 972 840.00 work to be certified as complete	R 1 591 920.00 work to be certified as complete by end of March 2019	R 2 211 000.00 work to be certified as complete by end of June 2019	Allocation letter Tax invoices Payment certificate List of payments	Not achieve R 0.00 work certified as complete by 30 June	Projects were placed on hold due to the COVID-19 National lockdown	Contractors to re-establish on site and revised programme of works to be approved for the time lost	D

KP A No	Key Performance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	SO No	Key performance indicator(s)	Annual Target	Baseline	Unit of measure	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reason for Deviation	Corrective measure to be taken	REF#
1	Basic Service delivery and Infrastructure development	+rr	To provide dignified cemeteries	1	To executive work amounting to R 1 000 000.00 on EPWP by June 2020	R 1 000 000.00 (Accumulative) expenditure of the Expanded Public Works Programme (EPWP) by 30 June 2020	New KPI	Payment certificates & list of payments spreadsheet	R 200 000.00 Expenditure on Salaries and related operations complete	R 440 000.00 Expenditure on Salaries and related operations complete	R 720 000.00 Expenditure on Salaries and related operations complete	R 1 000 000.00 Expenditure on Salaries and related operations complete	Payroll proof of payment – Salaries Tax Invoices & Proof of payment – Operations	Achieved R 1 105 749.00 expenditure	-	-	E
1			To provide dignified cemeteries	1	Phase 1: Upgrading of 1.7km access roads in Roleleathunya	Appointment of new Contractor by June 2020	Physical progress on site at 65%	Monthly progress reports Site visit reports	75% physical progress on site	90% Physical progress on site	Practical Completion of the project by March 2020	Bid advert and appointment of new contractor	1. Monthly progress report 2. Practical Completion Certificate 3 Progress report 4.Appointment of new contractor	Achieved Contractor appointed on 21 May 2020 and VO for the works was signed on June 2020	-	-	F

KP A No	Key Performance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	SO No	Key performance indicator(s)	Annual Target	Baseline	Unit of measure	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reason for Deviation	Corrective measure to be taken	REF#
1	Basic Service delivery and Infrastructure development	Deliver sustainable services that are on or above RDP level	Provision of trafficable roads	1	Upgrading of the 0.6km Zama access road in Matlaken g	Practical completion of the project by 30 June 2020	86% Physical progress on site	Monthly progress reports	90% physical progress on site	Practical Competition of the project	Appointment of Local sub-contractors	Final completion by 30 June 2020	1. Monthly progress reports from consultant 2. Practical completion certificate 3. Hand over report including asbulid drawings	Not Achieved Project at 95% completion	Projects were placed on hold due to the COVID-19 National lockdown	Sub - Contract or to be granted extension of time	G
1	Basic Service delivery and Infrastructure development	Deliver sustainable services that are on or above RDP level	Provision of trafficable roads	1	Road Maintenance and storm water maintenance plan	Re-gravelling of 4km of internal streets and access roads by 30 June 2020	2019/20 Road Maintenance plan approved by council	Monthly maintenance reports	Re-gravelling of 1km of internal streets and access roads	Re-gravelling of 1km of internal streets and access roads	Re-gravelling of 1km of internal streets and access roads	Re-gravelling of 1km of internal streets and access roads	maintenance Program reports Monthly reports to management	Not Achieved	Lack of resources (yellow fleet)	MLM advertised for procurement of a fleet management system, however the municipality could not make	H

KP A No	Key Performance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	SO No	Key performance indicator(s)	Annual Target	Baseline	Unit of measure	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reason for Deviation	Corrective measure to be taken	REF#
																an appointment on time due to the National lockdown, the validity tender period has lapsed as lockdown. MLM to re-advertise	
1	Basic Service delivery and Infrastructure development	Deliver sustainable services that are on or above RDP level	Provision of trafficable roads	1	Rouxville / Roleleathunya: Upgrading of the Waste Water Treatment Works (WWTW)	Appointment of a contractor to establish site before 30 June 2020	Designs complete	Appointment letter & site hand-over meeting minutes	-	-	Commencement with the procurement process for appointing a contractor	Appointment of a contractor and handing over of site	Tender advert Appointment letter Minutes & attendance register of the site hand over meeting Revised COVID-19	Not Achieved Tender was advertised and closed, however the appointment could not be concluded	COVID-19 reprioritization and funding commitments on the MIG 2019/20 allocation	Project to be implemented in the 2021/22 financial year	I

KP A No	Key Performance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	SO No	Key performance indicator(s)	Annual Target	Baseline	Unit of measure	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reason for Deviation	Corrective measure to be taken	REF#
													implementation plan				
1	Basic Service Delivery and Infrastructure development	Deliver sustainable services that are on or above RDP Level	Provision of dignified sanitation services	1	Installation of on-site sanitation units for 410 House holds in Refengkhoto	Installation of on-site sanitation units for 110 House holds in Refengkhoto by 30 June 2020	300 Units installed	Practical completion certificates	Installation of on-site sanitation units for 330 House holds (Accumulative)	Installation of on-site sanitation units for 375 House holds (Accumulative)	Practical Completion	-	Monthly progress report Completion certificates Happy letters signed by beneficiaries	Achieved	-	-	J
1	Basic Service Delivery and Infrastructure development	Deliver sustainable services that are on or above RDP Level	Provision of dignified sanitation services	1	Zastron / Matlaken g: Upgrading of the outfall sewerline and refurbishment of sewer pump stations	35% physical progress on site by 30 June 2020	Consultant appointed	Monthly progress reports	Completion of preliminary design report & designs	Appointment of a contractor	10% physical progress on site	35% physical progress on site	Preliminary design report Designs Tender Advert Procurements Monthly progress report	Achieved Actual achievement is 38.3% physical progress on site at 30 June 2020	-	-	K

KP A No	Key Performance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	SO No	Key performance indicator(s)	Annual Target	Baseline	Unit of measure	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reason for Deviation	Corrective measure to be taken	REF#
1	Basic Service Delivery and Infrastructure development	Deliver sustainable services that are on or above RDP Level	Provision of areal lightening	1	Waste water quality management by 30 June 2020	Maintain dignified sanitation to meet green drop compliance 30 June 2020	100% implementation wastewater risk abatement plans	Compliance /Assessments reports	Compliance of tested waste water quality results	Water quality results and reports	Achieved	-	-	L			
1	Basic Service Delivery and Infrastructure development	Deliver sustainable services that are on or above RDP Level	Provision of bulk water supply	1	Upgrading of the Zastron Water Treatment Works (WTW)	Practical completion of the project by 30 March 2020	45% physical progress on site	Monthly progress reports & Practical completion certificate	65% physical progress on site	85% physical progress on site	Practical Completion	Retention period	Monthly progress reports Practical completion Releasing of retention 5% , guarantees plus surety Hand over report including asbulid drawings	Not Achieved Actual achievement is 65% Physical progress on site	The project was stopped due to the COVID-19 National lockdown and the contractor is still not on site pending contractual matters that still need to be resolved		M

KP A No	Key Performance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	SO No	Key performance indicator(s)	Annual Target	Baseline	Unit of measure	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reason for Deviation	Corrective measure to be taken	REF#
1	Basic Service Delivery and Infrastructure development	Deliver sustainable services that are on or above RDP Level	Provision of basic drinking water services Provision of basic services to community	1	Construction of an abstraction works on the Orange River and equipping of x2 raw water pump stations with M&E	40% physical progress on site by 30 June 2020	Designs Complete	Tender Advert, Appointment letter, Site hand over minutes & Attendance register & Monthly progress reports	Tender advert	Appointment of a contractor and site hand over	15% physical progress on site	40% physical progress on site	Procurement process Appointment letter Site hand over minutes & Attendance register Monthly progress reports	Achieved Actual Achievement is 51%	-	-	N
1	Basic Service Delivery and Infrastructure development	Deliver sustainable services that are on or above RDP Level	Provision of basic services to community	1	Construction of a 27km long raw bulk water pipeline from the Orange River to Paisley dam in Rouxville	Practical completion of the project by 30 June 2020	11.8% physical progress on site	Monthly progress reports & Practical completion certificate	15% physical progress on site	20% physical progress on site	30% physical progress on site	40% physical progress on site	Monthly progress reports March 2020 monthly progress report (Before the COVID-19 National lockdown)	Not Achieved Actual achievement is 17% physical progress on site	Project was placed on hold due to the COVID-19 National lockdown and slow progress on site shown by the contractor	Revision of the program of works and application of penalties on the contractor	O

KP A No	Key Performance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	SO No	Key performance indicator(s)	Annual Target	Baseline	Unit of measure	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reason for Deviation	Corrective measure to be taken	REF#
1	Basic Service Delivery and Infrastructure development	Deliver sustainable services that are on or above RDP Level	Provision of basic drinking water services	1	Provide 10793 of household with water in MLM daily	2080.5 MI of purified water	2349.5 ml of purified water	MI of Inflow and outflow meters	Zastron 246.375 ml, Smithfield 102.2 ml and Rouxville ml 118.625 Purified water	Zastron 246.375 ml, Smithfield 102.2 ml and Rouxville ml 118.625 Purified water	Zastron 246.375 ml, Smithfield 102.2 ml and Rouxville ml 118.625 Purified water	Zastron 246.375 ml, Smithfield 102.2 ml and Rouxville ml 118.625 Purified water	1. Water mass Balance report 2. Callibration reports	Achieved	-	-	P
1	Basic Service Delivery and Infrastructure development	Deliver sustainable services that are on or above RDP Level	Provision of sustainable portable water in all 3 Towns	1	Review of the WSDP by 30 June 2020	Approved reviewed WSDP by 30 June 2020	Draft WSDP	Council approved Draft	-	-	-	Submission of the reviewed final WSDP to council	Council Resolution Approved WSDP	Achieved	-	-	Q
1	BASIC Service Delivery	Keep Mohokare Safe & Clean	Waste management	1	Drinking water quality management by June 2020	Maintain and supply water to meet blue drop compliance by 30 June 2020	100% compliance of physical, chemical and biological water quality	Compliance/Assessment reports	Compliance of tested water quality results	Water quality results and reports	Achieved	-	-	R			

KP A No	Key Performance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	SO No	Key performance indicator(s)	Annual Target	Baseline	Unit of measure	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reason for Deviation	Corrective measure to be taken	REF#
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	1	Rouxville Electrification of household	Electrification of 134 House Holds in Roleleathunya Ext. 6 by 30 June 2020 Completion of stringing of MV backbone	New KPI	Certificates of Compliance (COC)	-	Digging and planting of MV and Poles 70%	Completion of stringing of MV backbone	Completion of stringing LV backbone	Progress reports Happy letters signed by beneficiaries	Achieved	-	-	S
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	4	Construction of the primary substation building next to Ou Kragstasi Substation by March 2020	Practical completion of the Ou Kragstasi Substation by March 2020	57% physical progress on site	Practical Completion certificate	65% physical progress on site	90% physical progress on site	Practical Completion of project	-	1. Monthly progress reports 2. Practical completion certificate	Achieved			T

FINANCE

KP A No	Key Performance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	SO No	Key performance indicator(s)	Annual Target	Baseline	Unit of measure	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reason for Deviation	Corrective measure to be taken	REF#
4	Financial Management	Financial Viability	Review, and implement all relevant departmental policies	SO 3	6 budget related policies reviewed by June 2020(Assets, SCM, Revenue, bank and investment, Credit Control and Expenditure)	6 budget related policies reviewed by June 2020 (Assets, SCM, Revenue, bank and investment, Credit Control and Expenditure	2018/19 Reviewed budget related policies	Approved Policies	-	-	To submit 6 draft policies to Section 79 and Council for adoption by March 2020	To submit 6 Final policies to Section 79 and Council for adoption by May 2020	Policies Council resolutions Attendance register	Achieved	-	-	A
4	Financial Management	Financial Viability	Implementation of Mohokare Financial Management	SO 3	Developed Compliant MSCOA budget by June 2020	Developed Compliant MSCOA budget by June 2020	2018/19 adopted budget	Adopted Compliant MSCoA Budget by May 2020	-	-	Submit the draft compliant budget to Budget Steering Commit	Submit the Final budget to Budget Steering Committee and Council for adoption by May	Compliant budget	Achieved	-	-	B

KP A No	Key Performance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	SO No	Key performance indicator(s)	Annual Target	Baseline	Unit of measure	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reason for Deviation	Corrective measure to be taken	REF#
			Plan								tee and Council by March 2020	2020					
4	Financial Management	Financial Viability	Implementation of Mohokare Financial Management Plan	SO 3	Developed adjustment budget by Feb 2020	Adopted adjustment budget by Feb 2020	Adopted adjustment budget in by Feb 2019	Adopted 2018/19 adjustment budget	-	-	Submit the adjusted budget to Budget Steering Committee and Council for Adoption by Feb 2020	-	Attendance register-steering resolution Adjusted Budget Council Resolution	Achieved	-	-	C
4	Financial Management	Financial Viability	Implementation of the Procurement Plan	3	Development of Procurement Management Plan by August 2019	Developed and adopted Procurement Management Plan by August 2019	2017/18 approved plan	Developed and adopted Procurement Management Plan by August 2019	Submit developed Plan to Council by August 2019 for adoption	-	-	-	Council Resolution and adopted copy	Not Achieved	Procurement plan was not drafted on time.	The procurement plan to be finalised and tabled to Council by 31 March 2020	-

KP A No	Key Performance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	SO No	Key performance indicator(s)	Annual Target	Baseline	Unit of measure	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reason for Deviation	Corrective measure to be taken	REF#
						2019											
4	Financial Management	Financial Viability	Development of operationalization of SCM Plans	3	Annual implemented MFMA Internship programme by Sept 2019	Implemented MFMA Internship program by Sept 2019	New kpi	Appointed MFMA Interns	Advertise and appoint MFMA Interns by Sept 2019	-	-	-	Adverts Appointment letter	Target achieved - Advertisement went out on 03/07/2019 and positions filled from 02/09/2020	-	-	D
4	Financial Management	Financial Viability	Promotion and maintenance SCM	3	Review of the Financial Management Plan by May 2020	Reviewed and adopted Financial Management by May 2020	2019/2020 Financial Management plan	Reviewed and adopted Financial Management Plan	-	-	-	Submit the reviewed Financial Management Plan to Council for adoption by May 2020	Council Resolution and adopted copy	Not Achieved	-	-	-
4	Financial viability	Become financially viable		3	Review of 3 year cash flow manage	Reviewed and adopted 3	New KPI	Adopted 3 Year Cash Flow	-	-	-	Submit the reviewed 3 Year Cash Flow	Council Resolution and	Not Achieved	-	-	-

KP A No	Key Performance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	SO No	Key performance indicator(s)	Annual Target	Baseline	Unit of measure	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reason for Deviation	Corrective measure to be taken	REF#
					ment model by May 2020	Year Cash Flow Management Model by May 2020		Management Model -				Management Model to Council for adoption by May 2020	adopted copy				
5	Local Economic Development	Local Economic development	Grow Mohokare	2	Implementation and monitor of the procurement plan by June 2020	Procurement Plan implemented by June 2020	2018/19 quarterly plans	Progress report	Monthly Progress report on the procurement plan	Adverts, Bid Committees meetings minutes Attendance register	Achieved	-	-	E			
4	Municipal Financial Viability	Become financially viable	Grow Mohokare	3	Irregular, fruitless and wasteful expenditure reduced by June 2020	Irregular, fruitless and wasteful expenditure reduced by June 2020	2018/19 quarterly plans	Progress report	Quarterly MPAC meetings on irregular, fruitless and wasteful expenditure	Quarterly MPAC meetings on irregular, fruitless and wasteful expenditure	Quarterly MPAC meetings on irregular, fruitless and wasteful expenditure	Quarterly MPAC meetings on irregular, fruitless and wasteful expenditure	Monthly Financial Progress reports	Not Achieved	Meetings did not occur. First meeting took place in February 2020.	Finance is currently underway with the preparation of all reports on UIFW Expenditure to be taken to the committee for	-

KP A No	Key Performance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	SO No	Key performance indicator(s)	Annual Target	Baseline	Unit of measure	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reason for Deviation	Corrective measure to be taken	REF#
																investigation in their next meeting.	
4	Municipal Financial Viability	Become financially viable	Grow Mohokare	3	Quarterly SCM reports submitted to the Mayor and Accounting Officer	Quarterly SCM reports submitted to the Mayor and Accounting Officer	New KPI	Quarterly report	Quarterly SCM report	Quarterly SCM report	Quarterly SCM report	Quarterly SCM report	Quarterly SCM report	Achieved	-	-	F
	Municipal Financial Viability	Become financially viable	Ensure sound financial management and financial sustainability of MLM	3	12 local businesses awarded by June 2020	12 local businesses awarded by June 2020	12 business reports awarded	Report	3 local businesses awarded	Report on LED	Achieved	-	-	G			

KP A No	Key Performance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	SO No	Key performance indicator(s)	Annual Target	Baseline	Unit of measure	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reason for Deviation	Corrective measure to be taken	REF#
4	Municipal Financial Viability	To ensure that municipal assets are adequately managed and monitored	Fully effective asset management unit	3	50 % creditors paid within 30 days	50 % creditors paid within 30 days	% Creditors paid	Invoices and expenditure forms	12.5 % of creditors paid within 30 days	12.5 % of creditors paid within 30 days	12.5 % of creditors paid within 30 days	12.5 % of creditors paid within 30 days	Quarterly Financial reports Invoices and expenditure forms	Achieved	-	-	H
4	Municipal Financial Viability	To ensure sound financial management, compliance and regular reporting	Implementing effective internal controls and monitoring compliance	3	Payment vouchers of Third Parties done by the 7th of each month	Third Party paid by the 7th of each month	New KPI	Payment reconciliations	Payment of current third party deductions by the 7th	Payment of current third party deductions by the 7th	Payment of current third party deductions by the 7th	Payment of current third party deductions by the 7th	Proof of payment Quarterly 3rd party reconciliations register	Achieved	-	-	I
4	Financial Management	Financial Viability	Compilation of compliant AFS	3	Compliance with SARS directive on VAT issues.	Submission of 12 VAT 201 returns	New KPI	VAT Returns	Completed 3 VAT returns submitted	VAT returns	Not Achieved	Only July to April VAT returns are available		J			
4	Financial Management	Financial Viability	Submission of Compliant AFS	SO 3	30% of debt collected by June	30% of debt collected by June	% debt collected	Quarterly report	7.5 % of debt collected	Quarterly revenue report	Not Achieved	March to June billing not yet available	Will be available once the system is closed	K			

KP A No	Key Performance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	SO No	Key performance indicator(s)	Annual Target	Baseline	Unit of measure	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reason for Deviation	Corrective measure to be taken	REF#
					2020	2020											
3	Good Governance and public participation	Good Governance and public participation	To instill good governance in all Municipal operations, ensure public participation	4	Registration of indigent households	1200 indigent households registered by June 2019	New KPI	Indigent register	300 HH registered Quarterly indigent session per town registered	300 HH registered Quarterly indigent session per town registered	300 HH registered Quarterly indigent session per town registered	300 HH registered Quarterly indigent session per town registered	Report on status on indigency	Achieved	1416 Indigents registered as @ 28 February 2020		L
3	Good Governance and public participation	Good Governance and public participation	and provide critical strategic support to the municipality	4	Quarterly updating of moveable assets against assets register and preparation of fixed and Infrastructure assets register by June 2020	Quarterly updating of moveable assets against assets register and preparation of fixed and Infrastructure assets register	2018/19 quarterly reports	Quarterly reports	Quarterly Updating of moveable assets	Quarterly Updating of moveable assets	Quarterly Updating of moveable assets	Quarterly Updating of moveable assets Preparation of fixed and infrastructure assets register	GRAP compliant assets Register Detailed quarterly report on updating of asset register.	Not achieved	Asset register not yet finalised	Asset staff currently busy with verification of asset, once completed the register will be updated	M

KP A No	Key Performance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	SO No	Key performance indicator(s)	Annual Target	Baseline	Unit of measure	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reason for Deviation	Corrective measure to be taken	REF#
						by June 2020											
4	Municipal Financial Viability	To ensure sound financial management, compliance and regular reporting	Implementing effective internal controls and monitoring compliance	3	Timely submission of compliance reports to Council, NT and PT (Section 71, 52, and 72)	Compliance reports as per MFMA	2017/18 quarterly compliance reports	Quarterly reports	Quarterly budget statement (Section 52 & 71)	Quarterly budget statement (Section 52 & 71)	Quarterly budget statement (Section 52 & 71)	Quarterly budget statement (Section 52 & 71)	Quarterly reports	Not Achieved	M10,M11 and M12 data strings not yet available because the system is not closed	-	N
4	Financial Management	Financial Viability	Compilation of compliant AFS	3	Submission of Draft Compliant Financial Statements to AG, National and Provincial Treasury by 31 st August 2019	Submitted AFS by 31 st August 2019	Submitted AFS by Aug 2017	Compliant AFS to AG, NAT,PT by 31 Aug 2019	Submission of compliant Draft Financial Statements to AG and National and Provincial Treasury by 31 st	-	-	-	Proof of submission to AG, NT and PT	Achieved			O

KP A No	Key Performance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	SO No	Key performance indicator(s)	Annual Target	Baseline	Unit of measure	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reason for Deviation	Corrective measure to be taken	REF#
									August 2019								
4	Financial Management	Financial Viability	Submission of Compliant AFS	SO 3	Submission of Final compliant Financial Statements to Council, NT and PT by 25 January 2020	Submitted final AFS to Council by 25 January 2020	AFS submitted to Council by 25 Jan 2020	Submitted final AFS	-	-	Submission of Final compliant Financial Statements to Council, NT and PT by 25 January 2020	-	Proof of submission to AG, NT and PT	Achieved	-	-	P

CORPORATE SERVICES

KP A No	Key Performance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	SO No	Key performance indicator(s)	Annual Target	Baseline	Unit of measure	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reason for Deviation	Corrective measure to be taken	REF #
3	Good governance & Administration	Good governance in Mohokare	To instill good governance in all Municipal operations, ensure public participation and provide critical strategic support to the municipality	4	4 Ordinary Council sittings held annually as legislated (1 per quarter)	4 Ordinary Council meeting held by June 2020	4 distributed notices and agenda for 4 ordinary meetings	Signed distributed acknowledgement of receipt	Distribution of 1 notice and agenda by Aug 2019	Distribution of 1 notice and agenda by Dec 2019	Distribution of 1 notice and agenda by March 2020	Distribution of 1 notice and agenda by May 2020	Copy of notices and agenda as distributed and acknowledgement of receipts	Not achieved Quarter 1 and 2 notices were sent out	Due to Covid 19 lock down	Meetings will be scheduled in the new financial year	A
					1 monthly notice of Local Labour Forum distributed by June 2020	12 LLF notices and agenda distributed	12 LLF notices and agenda distributed	Signed distributed acknowledgement of receipt	Distribution of 3 notices and agendas	Distribution of 3 notices and agendas	Distribution of 3 notices and agendas	Distribution of 3 notices and agendas	Copy of notices and agenda as distributed and acknowledgement of receipts	Not achieved Quarter 1 and 2 notices were sent out	Due to Covid 19 lock down	Meetings will be scheduled in the new financial year	B

KP A No	Key Performance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	SO No	Key performance indicator(s)	Annual Target	Baseline	Unit of measure	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reason for Deviation	Corrective measure 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	4	Agenda and notices of section 79 committees distributed quarterly	20 notices and agenda of Section 79 distributed quarterly	17/18 Sec 79 notices and agenda	Notices and agendas	5 notices and agendas distributed by July 2020	5 notices and agendas distributed by Dec 2020	5 notices and agendas distributed by Feb 2020	5 notices and agendas distributed by May 2020	Notices and agenda	Not achieved Due to Covid 19 lock down Only Q1 is notices were sent out	Meetings will be scheduled in the new financial year		C
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	4	Reviewed and adopted Employment Equity Policy by December 2019	Reviewed and adopted EE Policy	16/17 EE Policy	Approved policy	-	Reviewed and adopted Employment Equity Policy by December 2019	-	-	Council resolution and adopted policy	Not achieved	Awaiting consultations	The policy will be reviewed and adopted in the Ordinary Council meeting in the new financial year	-

KP A No	Key Performance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	SO No	Key performance indicator(s)	Annual Target	Baseline	Unit of measure	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reason for Deviation	Corrective measure to be taken	REF #
3	Good governance & Administration	Good governance in Mohokar	To instil good governance in all Municipal operations, ensure public participation and provide critical strategic support to the Municipality	4	Submitted EE Plan Report to Dept. of Labour by 15 January 2020	Submitted EE Plan Report to Dept. of Labour by 15 January 2020	New kpi	Proof of submission	-	-	Submitted EE Plan Report to Dept. of Labour by 15 January 2020	-	Proof of submission to Dept. of Labour	Achieved	-	-	D
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	4	Reviewed HRD Strategy by June 2020	Reviewed HRD Strategy by June 2020	Adopted 2017/2018 HRD Strategy	Reviewed Strategy	-	-	-	Final reviewed 2020/2021 HRD Strategy submitted to Council by June 2020	Reviewed HRD Strategy by June 2019	Not achieved	Due to Covid-19 lock down	For review forthcoming ordinary council meeting Q1 2020/2021	-

KP A No	Key Performance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	SO No	Key performance indicator(s)	Annual Target	Baseline	Unit of measure	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reason for Deviation	Corrective measure to be taken	REF #
3	Municipal Transformation and Development	Municipal Transformation and Development	Review, and implement all relevant departmental policies	4	Quarterly Implementation of the HRD Strategy by June 2020	Quarterly reports submitted to Management (Recruitment and selection report aligned to Employment equity plan, leave management, benefits and claims, vacancy rate and Overtime	2018/2019 Quarterly reports	Achieved			E						

KP A No	Key Performance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	SO No	Key performance indicator(s)	Annual Target	Baseline	Unit of measure	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reason for Deviation	Corrective measure to be taken	REF #
3	Municipal Transformation and Development	Municipal Transformation and Development	Strategies developed and reviewed	4	2 Vacant posts advertised of Sec 56 managers by June 2020	2 Vacant posts of Sec 56 managers advertised by June 2020	2 sec 56 positions filled	Appointment letters	-	-		Advertise the 2 vacant post of Sec 56 by June 2020	Advert, interview report, signed Contracts	Not achieved	Due to Covid-19 lock down	To be advertised during Q1 2020/2021	-
3	Municipal Transformation and Development	To build capacity and maximise utilization of human capital	Organizational development	4	3 unskilled labours vacant post filled by June June 2020	3 Unskilled vacant posts filled by June 2020	New KPI	3 unskilled employee Appointed	-	-	Advertise posts and hold interviews of the 3 vacant posts	Appointment of the 3 unskilled employees	Advert, interview report, signed appointment letters/contracts	Not Achieved	Due to Covid-19 lock down	Positions to be advertised in the 1 st Quarter	-
3	Municipal Transformation and Development	To build capacity and maximise utilization of human capital	Councillor development	4	10 Human Resources Policies reviewed and approved by Council by June 2020	10 Human Resources Policies reviewed and approved by Council by June 2020	10 policies reviewed and approved by Council	Approved Policies	-	-	-	Submit draft reviewed HR Policies to Council by June 2020	Council Resolution and electronic copies of HR policies	Not achieved	Due to Covid-19 lock down	For review during forthcoming council meeting Q1 2020/2021	-

KP A No	Key Performance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	SO No	Key performance indicator(s)	Annual Target	Baseline	Unit of measure	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reason for Deviation	Corrective measure to be taken	REF #
3	Municipal Transformation and Development	Facilitate filling of prioritized funded posts	Recruitment and selection	4	Reviewed Organogram by June 2020	Reviewed Organogram by June 2020	2018/2019 reviewed organogram	Reviewed organogram	-	-	-	Submit the final Organogram to Council by June 2020	Council Resolution and a copy of the organogram	Not achieved	Due to Covid 19 lock down	For review during forthcoming council meeting Q1 2020/2021	-
3	Municipal Transformation and Development	Municipal Transformation and Development	Enhance institutional development and good governance	4	Develop the 5 year ICT Strategy by 2020	Develop the 5 year ICT Strategy by 2020	2018/2019 ICT Strategy	Reviewed ICT Strategy by June 2020	-	-	-	Submit the final 5 year ICT Strategy to Council by June 2020	Council Resolution and copy of Strategy	Not achieved	Due to Covid 19 lock down	For review during forthcoming council meeting Q1 2020/2021	-
3	Municipal Transformation and Development	Municipal Transformation and Development	Enhance institutional development and good governance	4	Reviewed ICT Policies June 2020	14 reviewed ICT Policies adopted by May 2020 1.IT Security policy 2.IT Assets Control & Disposal	14 reviewed and adopted Policies 2018/19	14 Policies Reviewed by June 2020	-	-	-	Submit the 14 Final ICT Policies to Council by June 2020	Council Resolution and copies of the adopted Policies	Not achieved	Due to Covid-19 lock down	For review during forthcoming council meeting Q1 2020/2021	-

KP A No	Key Performance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	SO No	Key performance indicator(s)	Annual Target	Baseline	Unit of measure	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reason for Deviation	Corrective measure to be taken	REF #
						Policy 3.Internet & Email Usage Policy 4.Change management policy 5.Password policy 6.IT Backup Policy 7 Disaster Recovery policy 8 Telephone Policy 9 Mobile and Gadgets Policy 10. Patch Management Policy 11. End											

KP A No	Key Performance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	SO No	Key performance indicator(s)	Annual Target	Baseline	Unit of measure	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reason for Deviation	Corrective measure to be taken	REF #
						User Access Management Policy 12. ICT Operating System Security Controls Policy 14. Printing Policy											
3	Municipal Transformation and Development	Municipal Transformation and Development	To ensure provision of secretaries support to council	4	Review of the Disaster recovery and Business Continuity Plan by June 2020	Reviewed Disaster Recovery and Business Continuity Plan for the 2019/2020 financial year.	2018/2019 Reviewed Disaster Recovery and Business Continuity Plan	Approved plan	-	-	-	Disaster Recovery and Business Plan to Council by June 2020 for approval.	Council resolution and copy of the approved plan	Not achieved	Due to Covid-19 lock down	For review during forthcoming council meeting Q1 2020/2021	-
3	Good Governance and public participation	Good Governance and public participation	To instil good governance in all Municipal operations, ensure	4	5 reviewed policies by June 2018 (Public	5 reviewed policies by June 2019 (Public	5 reviewed policies	5 approved policies	-	-	-	5 reviewed policies by June 2020	Policies Council resolution	Not achieved	Due to Covid 19 lock down	For review during forthcoming council	-

KP A No	Key Performance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	SO No	Key performance indicator(s)	Annual Target	Baseline	Unit of measure	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reason for Deviation	Corrective measure to be taken	REF #
			public participation and provide critical strategic support to the municipality		participation, Communication ,HR and Training, Social media policies)	participation, Communication ,HR and Training, Social media policies)										meeting Q1 2020/2021	
3	Municipal Transformation and Development	Municipal Transformation and Development	Strategies developed and reviewed	4	Annual Reviewed delegation system adopted by Council by June 2020	Annual Reviewed delegation system adopted by Council by June 2020	2018/2019 reviewed delegation system	Reviewed delegated system by June 2020	-	-	-	Reviewed and adopted Delegation System by June 2020	Council Resolution and Adopted Delegation System	Not achieved	Due to Covid-19 lockdown	For review during forthcoming council meeting Q1 2020/2021	-
3	Municipal Transformation and Development	To build capacity and maximise utilization of human capital	Organizational development	4	6 officials capacitated in terms of the workplace skills	6 officials capacitated by June 2020	New KPI	6 Officials capacitated	Quarterly skills development reports	Quarterly Skills development report	Not achieved	Due to Covid 19 lockdown	For review during council meeting Q1 2020/2021	-			

KP A No	Key Performance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	SO No	Key performance indicator(s)	Annual Target	Baseline	Unit of measure	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reason for Deviation	Corrective measure to be taken	REF #
	Municipal Transformation and Development	Municipal Transformation and Development	Councillor development	4	5 councillors capacitated in terms of skills by June 2020	5 councillors capacitated by June 2020	New KPI	2 councillors	Quarterly skills development reports	Quarterly Skills development Report	Not achieved	Due to Covid 19 lock down	To continue after suspension of lock down	-			
3	Municipal Transformation and Development	Municipal Transformation and Development	Enhance institutional development and good governance	4	Development and submission of the (19/20) workplace skills plan by 30 April 2020 to LGSETA	19/20 WSP submitted by April 18	18/19 submitted WSP	Developed and submitted WSP BY 30 April 2020	-	-	-	Developed and submitted WSP to LGSETA by April 2020	Acknowledgement of receipt from LGSETA and WSP Document	Achieved	-	-	F
3	Municipal Transformation and Development	Municipal Transformation and Development	Enhance institutional development and good governance	4	Adoption of the WSP by LLF by June 30 th April 2020	Adoption of the WSP by LLF by June 30 th April 2020	New KPI	Adopted WSP by LLF	-	-	-	Adoption of the WSP by LLF by June 30 th April 2020	Adopted and signed	Not achieved	Due to Covid 19 lock down	For submission to forthcoming LLF meeting Q1 2020/2021	-

KP A No	Key Performance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	SO No	Key performance indicator(s)	Annual Target	Baseline	Unit of measure	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reason for Deviation	Corrective measure to be taken	REF #
3	Municipal Transformation and Development	Municipal Transformation and Development	Enhance institutional development and good governance	4	3% of budget actually spent on implementing WSP bi-annually	3% of budget actually spent on implementing WSP	New KPI	Actual budget spent	-	1% of budget actually spent on implementing WSP	-	2% of budget actually spent on implementing WSP	Proof of amounts spent	Not achieved Achieved the 1% IN Quarter 1	Budget was not spent due to Covid-19 lockdown	New budget will be spent in the 1 st Quarter 2020/2021	G
3	Municipal Transformation and Development	Municipal Transformation and Development	To ensure provision of secretaries support to council	4	Quarterly updated resolution register	Updated resolution register by June 2020	Register updated	Register updated	Resolution register updated by Sept 2019	Resolution register updated Dec 2019	Resolution register updated by March 2020	Resolution register updated by June 2020	Updated register	Not achieved Achieved in Quarter 1 and 2	Due to Covid 19 lockdown	Update for forthcoming council meeting Q1 2020/2021	H

COMMUNITY SERVICES

KP A No	Key Performance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	SO No	Key performance indicator(s)	Annual Target	Baseline	Unit of measure	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reason for Deviation	Corrective measure to be taken	REF #
1	Basic Service Delivery	Keep Mohokare Safe & Clean	Provision of sustainable Human Settlements in all the three towns by 30 June 2017	5	Reviewed Human Settlement Sector Plan by June 2020	Review of Human Settlement Sector Plan by June 2020	Human Settlement Sector Plan 2018/19	Council adopted policy	-	-	-	Submit the final reviewed Plan to Council by May 2020	Council resolution and Copy of the Plan	Achieved	-	-	A
					Reviewed Land Disposal Policy by June 2020	Land Disposal Policy developed by June 2020	17/18 policy	Council adopted policy	-	-	-	Submission of final policy to Council for approval by June 2020	Council resolution copy of the plan	Achieved			B
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	4	Reviewed of Municipal Housing Rental Policy by June 2020	Reviewed of Municipal Housing Rental Policy by June 2020	Municipal housing policy in place by 2018/19	Council adopted policy	-	-	-	Submission of final policy to Council for approval by June 2020	Council resolution copy of the plan	Not Achieved	Due to national Lockdown	Will be reviewed in the next financial year	-

KP A No	Key Performance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	SO No	Key performance indicator(s)	Annual Target	Baseline	Unit of measure	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reason for Deviation	Corrective measure to be taken	REF #
3	Good Governance and public participation	Good Governance and public participation	Management of Local Disaster as per incident	4	Reviewed Municipal sites allocation Policy by June 2020	Reviewed Municipal sites allocation Policy by June 2020	2018/2019 Policy	Council adopted policy	-	-	-	Submission of final Policy to Council for approval by June 2020	Council resolution Copy of the Policy	Not achieved	Due to national Lockdown	Will be reviewed in the next financial year	-
3	Good Governance and public participation	Good Governance and public participation	Management of Local Disaster as per incident	4	Reviewed and implemented of local disaster management plan by June 2020	Reviewed Disaster Management Plan by June 2020	Local Disaster Management Plan in place 2018/19	Council adopted policy	-	-	-	Submit the final reviewed Plan to Council by May 2020	Council resolution and Copy of the Plan	Achieved	-	-	C
1	Basic Service Delivery	Keep Mohokare Safe & Clean	Management of Extended Public Works	1	Reviewed Extended Public Works Policy by June 2020	Reviewed Extended Public Works Policy by June 2020	2017/2018 EPWP	Council adopted policy	-	-	Reviewed Extended Public Works Policy submitted to Council by March 2020	Reviewed Extended Public Works Policy submitted to Council by May 2020	Council resolution and Copy of the Policy	Achieved	-	-	D

KP A No	Key Performance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	SO No	Key performance indicator(s)	Annual Target	Baseline	Unit of measure	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reason for Deviation	Corrective measure to be taken	REF #
1	Basic Service Delivery	Keep Mohokare Safe & Clean	Provision of sustainable Commonage Management	1	Reviewed Commonage Management plan by June 2020	Reviewed Commonage Management Plan by June 2020	Commonage management plan in place	Council adopted policy	-	-	-	Submit final plan to Council by May 2020	Council resolution and Copy of the Plan	Achieved			E
1	Basic Service Delivery	Keep Mohokare Safe & Clean	Management of Sports and Facilities	1	Reviewed Sports and Facilities Management policy by June 2020	Reviewed Sports and Facilities Management policy by June 2020	18/19 Sports facility Management	Council adopted policy	-	-	-	Submit final draft to Council by May 2020	Council resolution and Copy of the Policy	Achieved			F
1	Basic Service Delivery	Keep Mohokare Safe & Clean	Management of Municipal Amenities	1	Reviewed Cemetery Management Policy by June 2020	Review of Cemetery management Policy by June 2020	Cemetery Management policy in place	Council adopted policy	-	-	-	Submission of final policy to Council for approval by June 2020	Council resolution copy of the plan	Achieved			G
1	Basic Service Delivery	Keep Mohokare Safe & Clean	Operations and maintenance	1	Develop the operations and maintenance Plan for Council Properties	Developed draft operations and maintenance Plan by Council Properties	New KPI	Approved Plan	Develop Operations and Maintenance Plan approved by Council by August	-	-	-	Management resolution & Approved draft plan	Not achieved	Due to national Lockdown	Will be reviewed in the next financial year	-

KP A No	Key Performance Area	Municipal Strategic Objective (SOs)	Municipal Strategic Objective (Departmental)	SO No	Key performance indicator(s)	Annual Target	Baseline	Unit of measure	Q1	Q2	Q3	Q4	POE	Actual Achievement	Reason for Deviation	Corrective measure to be taken	REF #
					by August 2019	by August 2019			2019								
1	Basic Service Delivery	Keep Mohokare Safe & Clean	Traffic Management	1	Reviewed IWMP Intergrated Waste Management Plan by August 2019	Reviewed IWMP Intergrated Waste Management Plan by August 2019	16/17 Adopted IWMP	Approved Plan	Reviewed IWMP Intergrated Waste Management Plan by August 2019	-	-	-	Approved plan Council Resolution	Achieved	-	-	H

CONCLUSION

Mohokare Local Municipality served the community with distinction during the 2019/2020 financial year. This report clearly demonstrates the commitment of the municipality to ensure that the local community have access to their basic needs.

Investment capital infrastructure remains a clear focus area when projects are identified in the IDP. This report to Council and the local community demonstrates the ability of the Mohokare Local Municipality to adapt to the ever changing social needs of the local community.

This progress report will be submitted to the Municipal Council by 25th January 2020 together with the Mid-year Budget and Performance Assessment Report 2018/2019. I wish to extend my gratitude to the Municipal Council, Mayor, and the Management Team as well as to all the employees of the Mohokare Local Municipality who willingly and competently assisted to ensure the Municipality is well on its way to become a place of excellence.

MR. S.M SELEPE
MUNICIPAL MANAGER

CHAPTER 4

ORGANISATIONAL DEVELOPMENT PERFORMANCE (PERFORMANCE REPORT PART II)

COMPONENT A: INTRODUCTION TO MUNICIPAL PERSONNEL

4.1 EMPLOYEE TOTALS

Mohokare Local Municipality employs 244 (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 31st June 2020			
	Number of Posts	Number of Employees	Vacancies	% Variance
Water	66	54	12	18.1%
Sanitation	77	40	37	48.05%
Electricity	1	1	0	0%
Roads & Storm-water	23	8	15	65,2%
Technical Services (exc the above)	8	6	2	25 %
Waste Management	48	26	22	45.8%
Human Settlement	5	4	1	20%
Traffic Safety & Management	7	7	0	0%
Community Services (exc Waste, Human Settlement & Traffic)	35	19	16	45.7%
Planning	2	2	0	0%
Local Economic Development	2	2	0	0%
Office of the MM (exc Planning & LED)	26	23	3	11.5%
Finance	46	24	22	47.8%
Corporate Services	35	28	8	22.9%
TOTALS	381	244	138	36.2%

VACANCIES

Vacancy Rate: 2019/20			
Designations	Total Approved Posts	Vacancies	Vacancies %
Municipal Manager	1	0	0.00
CFO	1	0	0.00
Other S56 Managers (excluding Finance Posts)	3	2	100%
Other S57 Managers (Finance posts)	2	0	0.00%
Police officers	0	0	0.00
Fire fighters	0	0	0.00
Senior management: Levels 13-15 (excluding Finance Posts)	19	4	21%
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	92	12	13%

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	15	20	75%
Year -1	0	7	
Year 0			
Total	15	27	56%

Appointment of Senior Managers

Only one post of the Municipal Manager is filed on the 18th March 2018. Two Senior Managers were appointed the Chief Financial Officer and Technical Director and Two are still vacant.

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	August 2019
2	Organogram	100	100	August 2019
3	Organizational Design Policy	100	100	August 2019
4	Employment Policy	100	100	August 2019
5	Leave Policy	100	100	August 2019
6	Occupational Health and Safety Policy	100	100	August 2019
7	Overtime Policy	100	100	August 2019
8	Relocation Policy	100	100	August 2019
9	Councilor Remuneration Policy	100	100	August 2019
10	Staff Retention Policy	100	100	August 2019
11	Employment Equity policy	100	100	August 2019

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)	900	0	112	146	6
Highly skilled production(levels 6-8)	300	0	55	35	9
Highly skilled supervision(levels 9-12)	196	0	20	47	4
Senior management(Levels 13-15)	55	0	15	13	4
MM and S57	0	0	0	3	0
Total	1451	0	202	244	6

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 2019/20 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 2019/2020.

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 2019/2020 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 2020	Number of skilled employees required and actual as at 30 June 2020											
			Learner ships			Skills programmes & other short courses			Other forms of training			Total		
		No.	Actual: 2017/2018	Planned: 2019/2020	Actual: 2019/2020	Actual: 2017/2018	Planned: 2019/2020	Actual: 2019/2020	Actual: 2017/2018	Planned: 2019/2020	Actual: 2019/2020	Actual: 2017/2018	Planned: 2019/2020	Actual: 2019/2020
MM and s56	Female	0	0	0	0	0	0	0	0	0	0	0	0	0
	Male	3	0	3	1	0	3	0	0	3	1	0	3	5
Councillors, senior officials and managers	Female	9	0	9	0	2	9	0	0	9	1	2	9	1
	Male	16	6	16	2	1	16	0	0	16	6	7	16	8
Technicians and associate professionals*	Female	2	0	2	1	0	2	0	1	2	0	1	2	1
	Male	2	0	2	0	0	2	0	0	2	0	0	2	0
Professionals	Female	1	0	1	0	3	1	1	0	1	1	3	1	2
	Male	5	0	5	0	0	5	5	0	5	5	0	5	10
Clerical support Workers	Female	7	2	7	0	0	7	4	3	7	0	5	7	11
	Male	5	1	6	1	0	5	0	0	5	0	1	5	1
Elementary Occupations	Female	82	9	82	1	0	82	0	0	82	0	9	82	1
	Male	123	40	123	14	0	123	0	0	123	0	40	123	14
Sub total	Female	101	11	101	2	5	101	5	4	101	2	20	101	16
	Male	154	47	154	18	1	154	4	0	154	12	48	154	38
Total		255	58	255	20	6	255	9	4	255	14	68	255	54

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 (Regulatio n 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	0
Chief financial	1	0	1	1	1	1
Senior managers	0	0	0	0	0	0
Any other financial officials	13	0	13	12	0	12
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	15	3	15

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 2019/20 No.	Original Budget and Actual Expenditure on skills development							
			Learner ships		Skills programs & other short		Other forms of training		Total	
			Budgeted	Actual	Budgeted	Actual	Budgeted	Actual	Budgeted	Actual
MM and S57	Female	0	0	0	0	0	0	0	0	0
	Male	1	0	0	0	0	0	0	0	0
Legislators, senior officials and Professionals	Female	2	R122 000	R122 000	0	0	0	0	R122 000	R122 000
	Male	9	R92 000	R92 000	0	0	R229 000	R229 000	R321 000	R321 000
Technicians	Female	1	0	0	0	0	0	0	0	0
	Male	0	0	0	0	0	0	0	0	0
Clerks	Female	0	0	0	0	0	0	0	0	0
	Male	1	0	0	0	0	0	0	0	0
Service and sales workers	Female	5	0	0	0	0	0	0	0	0
	Male	0	0	0	0	0	0	0	0	0
Plant and machine operators and Elementary occupations	Female	0	0	0	0	0	0	0	0	0
	Male	0	0	0	0	0	0	0	0	0
Sub total	Female	2	0	0	0	0	0	0	0	0
	Male	17	0	0	0	0	0	0	0	0
Total	Female	7	0	0	0	0	0	0	0	0
	Male	23	0	0	0	0	0	0	0	0
Total		54	R260000	R260000	0	0	R229000	R229000	R489000	R489000

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 (Levels9-12)	Female	None
	Male	None
Senior management (Levels13-16)	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 16.6 million compared to a budgeted surplus of R 68.4 million. Operating revenue for the year is R 236.7 million (2018: R 260.9 million) which reflects a decrease of 9.28%. The operating expenditure for the year is R 253.3 million (2018: R 240.2 million) which reflects an increase of 5.45%.

The total capital expenditure capitalized for the year in respect of property, plant and equipment amounted to R 42.97 million. Cash and short term investments increased by 90.07% to R 8.7 million (2018: R 4.6 million).

COMPONENT B: STATEMENTS OF FINANCIAL PERFORMANCE

Operating revenue excluding government grants and subsidies but including equitable share for the year is R 185.1 million (2018: R 188 million) which reflects a decrease of 1.5%. Included in the above figure is equitable share to the amount of R 61.7 million, 26.08% of the total revenue.

Electricity and water are the largest source of income and contributes 11.7% and 12.4% respectively to operating revenue. Property rates constitute 3.5% 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 253.3 million (2018: R 240.2 million) which reflects an increase of 5.45% from the previous financial year. The main expenditures are employee related costs at R 74.2 million, debt impairment at R 73.8 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 A: STATEMENTS OF FINANCIAL POSITION

The current assets increased from R 51.4 million to R 58.2 million. This is an increase of 13.2%. This is an increase of R 6.8 million.

The current liabilities increased from R 118.1 million to R 159.6 million. This is an increase of R 41.5 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 3.1 million.

5.1 STATEMENTS OF FINANCIAL PERFORMANCE

Financial Performance of Operational Services							R '000
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	4 230	4 230	3 947	-7.16%	-7.16%	
Component B: sub-total	9 951	4 230	4 230	3 947	-7.16%	-7.16%	
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	109 717	104 932	164 902	33.47%	36.37%	
Component D: sub-total	63 156	120 257	115 472	180 203	33.27%	35.92%	
Total Expenditure	239 581	201 183	196 682	253 261	20.56%	22.34%	
						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							R' 000
Description	2017-18	2018-19			2018-19 Variance		
	Actual	Budget	Adjustments Budget	Actual	Original Budget (%)	Adjustments Budget (%)	
Operating Transfers and Grants							
National Government:	58 955	64 693	64 693	65 693			
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			
LG Seta Training Grant	-	-	-	-			
Total Operating Transfers and Grants	58 955	64 693	64 693	65 693			
						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 remains a concerning area in Mohokare Local Municipality due to reliance on consultants on infrastructure assets and lack of capacity that would ensure the transfer of skills by consultants. Only one person is working in the division and is fully responsible for movable and immovable assets. No capital project (work in progress) were completed and unbundled in the current financial year. All asset additions for the year relates to work in progress on ongoing projects as well as movable asset additions.

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

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

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	42 202	0.00%	-55.96%	
Other	619	776	776	770	0.00%	-0.79%	
Total	61 045	96 599	96 599	42 972	0.00%	-56.75%	
<i>Percentage of finance</i>							
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	30 952	0.00%	-61.75%	
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	42 972	0.00%	-214.57%	
<i>Percentage of expenditure</i>							
Water and sanitation	68.0%	83.8%	83.8%	72.0%	0.0%	28.8%	
Electricity	6.8%	0.6%	0.6%	0.0%	0.0%	46.6%	
Housing	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Roads and storm water	3.3%	10.2%	10.2%	21.5%	0.0%	3.1%	
Other	21.9%	5.4%	5.4%	6.5%	0.0%	21.5%	
						<i>T 5.6.1</i>	

5.5 CAPITAL SPENDING ON THE FIVE LARGEST PROJECTS

Capital Expenditure of 5 largest projects*					
Name of Project	2018-19			Variance: 2018-19	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
	R' 000				
Construction of the 27km raw bulk water pipeline from the Orange River to Paisley dam in Rouxville	17 456	17 456	7 481	57%	0%
Upgrading of the Rouxville / Roleleathunya Water Treatment Works	12 544	12 544	6 540	48%	0%
Rouxville/Roleleathunya: Construction of 1.7km paved road and related storm water phase 1	4 847	4 847	5 608	-16%	0%
Smithfield Bulk Water	7 817	7 817	9 965	-27%	0%
Zastron/Matlakeng: Construction of 600m paved road and related storm water for Zama street	125	125	3 615	-2802%	0%
* Projects with the highest capital expenditure in Year 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	None identified				
Future Challenges	Differences between contractor and the Municipality regarding the contract				
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	None identified				
Future Challenges	Maintenance of the treatment works				
Anticipated citizen benefits	Sustainable water supply for future demands				
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	None identified				
Future Challenges	Maintenance of the road				
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	None identified				
Future Challenges	Maintenance of the water treatment works				
Anticipated citizen benefits	Sustainable water supply for future demands				
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	None identified				
Future Challenges	Maintenance of the road				
Anticipated citizen benefits	Better roads and related storm water				

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	16 426
Government - operating	58 955	66 393	66 393	65 693
Government - capital	63 342	104 708	68 208	56 061
Interest	3 206	4 835	4 835	398
Dividends	–	10	10	12
Payments				
Suppliers and employees	(79 920)	(141 893)	(143 756)	(73 955)
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	54 662
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)	(45 389)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(62 323)	(96 599)	(96 599)	(45 389)
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)	9 041
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)	13 619
<i>Source: MBRR A7</i>				<i>T 5.9.1</i>

The municipality closed the 2018/19 financial year with a positive balance of R 13,6 million. This was due to unspent conditional grants.

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
<i>T 5.10.2</i>			

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
<i>T 5.10.4</i>			

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

<u>No</u>	<u>Name</u>	<u>Qualification</u>
1	Lesibo Sebatane	B.Com (Accounting) + MFMP
2	Pule Lesenyeho	B.Com (General) + MFMP
3	Thabiso Lebetse	National Diploma (Internal Auditing) + MFMP
4	Dideka Mazwi	B.Tech (Cost & Management Accounting) + MFMP

AGSA recommended that an SCM Manager be appointed. The Municipality did not have this vacancy previously in the organogram and it is now included.

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 xx to xx, which comprise the statement of financial position as at 30 June 2018, the statement of financial performance, the statement of changes in net assets, the cash flow statement and the 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 2018, 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, 2017 (Act No. 3 of 2017) (Dora).

Basis for qualified opinion

Service charges

3. The municipality did not recognise revenue in terms of Generally Recognised Accounting Practice 9, Revenue from exchange transactions. The municipality did not read all water meters on a monthly basis and the reasonability of the estimated units levied on the billing system could not be confirmed. Due to the volume of transactions involved, I was unable to determine the full extent of the overstatement of service charges and receivables from exchange transactions in the current and previous years. Consequently, I was unable to determine whether any adjustments were necessary to service charges stated at R67 299 066 (2017: R60 307 071) in the financial statements.

General expenses

4. 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 the general expenditure stated at R29 336 666, as disclosed in note 36 to the financial statements. Additionally, there was a resultant impact on payables from exchange transactions.

Commitments

5. I was unable to obtain sufficient appropriate audit evidence for commitments due to the status of the accounting records. The municipality did not have adequate systems of internal control to ensure that all commitments were recorded in the commitments register at the correct commitment values. I was unable to confirm commitments by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to commitments stated at R 175 006 712 (2017: R96 807 809) in note 39 to the financial statements. Furthermore, the municipality disclosed certain commitments at values that differed from the underlying project documentation.

Unauthorised expenditure

6. 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 890 739 in note 47 to the financial statements, as it was impracticable to do so.

Irregular expenditure

7. The municipality did not disclose all instances of irregular expenditure incurred in the notes to the financial statements, as required by section 125(2)(d) of the MFMA. The municipality made payments in contravention of the supply chain management (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 R30 791 754 (2017: R20 241 445) in note 49 to the financial statements, as it was impracticable to do so.

Total revenue

8. In addition to the individually material uncorrected misstatement on service charges, revenue was materially misstated by R2 471 229 due to the cumulative effect of individually immaterial uncorrected misstatements in the following items:

- Interest received stated at R3 206 029 was understated by R221 662
- Other income stated at R368 257 was overstated by R1 23 432
- Property rates stated at R7 694 858 was understated by R193 999

9. In addition, I was unable to obtain sufficient appropriate audit evidence and to confirm by alternative means government grants and subsidies of R2 179 000.

Total expenditure

10. In addition to the individually material uncorrected misstatement on general expenses, expenditure was materially misstated by R2 793 991 due to the cumulative effect of individually immaterial uncorrected misstatements in the following items:

- Employee related costs stated at R67 392 782 was overstated by R2 979 691
- Lease rentals on operating lease stated at R413 918 was understated by R1 857 700

Context for the opinion

11. 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.

12. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' Code of ethics for professional accountants (IESBA code) and 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 code.

13. 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

14. I draw attention to the matter below. My opinion is not modified in respect of this matter.

15. Note 45 to the financial statements indicates that as at 30 June 2018, the municipality's current liabilities exceeded its current assets by R63 547 749. The municipality has been deducting pension from employee's salaries, but has been unable to pay over R39 405 103 (2017: R30 757 301) of these amounts deducted to the relevant third parties, as disclosed in note 40. These events or conditions, along with other matters as set forth in note 45, 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

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

Pension fund contributions

17. As disclosed in note 40 to the financial statements, the pension funds issued notices of motion against the municipality relating to long-outstanding employee deductions as well as council contributions. As at 30 June 2018, the outstanding payments to the pension funds totalled R39 405 103 (2017: R30 757 301). This amount is included in the staff salaries and third parties payables as per note 15 to the financial statements. The

act by management of withholding contributions and not paying it over to the relevant schemes is likely to result in adverse financial consequences for the employees.

Capital projects

18. As disclosed in note 10 to the financial statements, several of the municipality's capital projects are taking much longer to be completed as a result of the termination of services of consulting engineers and contractors due to poor project management and workmanship.

Restatement of corresponding figures

19. As disclosed in notes 42 and 43 to the financial statements, the corresponding figures for 30 June 2017 have been restated as a result of errors in the financial statements of the municipality at, and for the year ended, 30 June 2018.

Material impairment

20. As disclosed in note 4 to the financial statements, receivables from exchange transactions were impaired by R180 395 268 (2017: R1 38 256 385). In addition, as disclosed in note 5 to the financial statements, receivables from non-exchange transactions were impaired by R90 084 738 (2017: R51 424 211).

Material losses

21. As disclosed in note 50 to the financial statements, the municipality incurred material electricity distribution losses of R6 702 185 (2017: R7 198 627), mainly due to tampering with meters, the incorrect ratios used on bulk meters, faulty meters, and illegal electricity connections.

Fruitless and wasteful expenditure

22. As disclosed in note 48 to the financial statements, fruitless and wasteful expenditure of R1 606 551 (2017: R5 483 951) was incurred during the current and previous financial year, due to interest on overdue accounts as well as fines and penalties on late payments.

Other matters

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

Unaudited disclosure notes

24. 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

25. 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.

Responsibilities of the accounting officer for the financial statements

26. 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.

27. In preparing the financial statements, the accounting officer is responsible for assessing the Mohokare Local 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

28. 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.

29. 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

30. 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.

31. 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 KPA presented in the annual performance report of the municipality for the year ended 30 June 2018:

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

32. 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

Various indicators

33. 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	Planned target	Reported achievement
Upgrading of the Rouxville Waste Water Treatment Works	Appointment of a contractor and site establishment by 30 June 2018	Not achieved
Installation of 4 high mast lights in Roleleathun a	30m high mast lights installed b 30 June 2018	Achieved, 2 installed but not connected
Upgrading of the Zastron raw water pump station	Equipping of the 2 raw water pump stations with mechanical and electrical(M&E) components b 30 June 2018	Not achieved
10793 of formal households with water in MI-M dail	Provision of drinking water to 10793 HH in MLM 100%	Not achieved
10793 HH of receiving weekly domestic waste collection services	10793 HH receiving domestic waste collection services	Not achieved
Upgrading of 1.7 km access roads in Roleleathunya	15% physical progress on site by 30 June 2018	Not achieved
Maintenance of roads by June 2018	Re-gravelling of 6km gravel roads	Not achieved
Upgrading of the 0.6 km Zama access road in Matlakeng	60% physical progress on site by 30 June 2018	Not achieved

Installation of 180 onsite sanitation systems by June 2018

34. The measures taken to improve performance against the target Installation of onsite sanitation toilet systems for 180 HH in Refengkhotoso, were not included in the annual performance report.

Various indicators

35. I was unable to obtain sufficient appropriate audit evidence to support the measures taken to improve performance against the performance targets below as reported in the annual performance report. This was due to limitations placed on the scope of my work. I was unable to confirm the reported measures taken by alternative means.

Consequently, I was unable to determine whether any adjustments were required to the reported measures taken to improve performance.

Key performance indicator	Annual target	Reported actual achievement
Installation of 180 onsite sanitation systems by June 2018	Installation of onsite sanitation toilet systems for 180 HH in Refengkhoto	Not achieved Only 43 units were completed
10793 of formal households with water in MI-M daily	Provision of drinking water to 10793 HH in MLM(100%)	Not achieved
10793 HH of receiving weekly domestic waste collection services	10793 HH receiving domestic waste collection services	Not achieved
Maintenance of roads by June 2018	Re-gravelling of 6km gravel roads	Not achieved
Upgrading of the 0.6 km Zama access road in Matlakeng	60% physical progress on site by 30 June 2018	Not achieved

All indicators

36. A comparison between the planned and actual performance of the year under review and the previous year was not included in the annual performance report for all indicators of KPA 1: basic service delivery and infrastructure development.

Smithfield bulk water supply

37. The source information and method of calculation for the achievement of the planned indicator were not clearly defined.

Various indicators

38. Material differences were noted between the summarised indicator grant expenditure tables in support of the annual performance report, reported actual achievement in the annual performance report, grant expenditure per commitment register, grant expenditure per grant register and grant expenditure as per the grant note in the annual financial statements for the indicators below:

Key performance indicator	Annual target	Reported actual achievement
To execute work amounting to R20 million on RBIG (Regional bulk infrastructure grant) by 30 June 2018	R20 000 000 to be certified as work done by 30 June 2018	Actual expenditure incurred: R12 478 471 Not achieved
To execute work amounting to R30 million on WSIG (Water services infrastructure grant) by 30 June 2018	R30 000 000 to be certified as work done by 30 June 2018	Actual expenditure incurred. R1 6 964 548,49 Not achieved

To execute work amounting to R 18 236 000 on Municipal Infrastructure Grant by 30 June 2018	R18 236 000 to be certified as work done by 30 June 2018	Actual expenditure incurred: R9 161 425,64 Not achieved
---	--	---

Various indicators

39. I was unable to obtain sufficient appropriate audit evidence for the reported achievement of the indicators relating to KPA 1: basic service delivery and infrastructure development. This was

due to limitations placed on the scope of my work. I was unable to confirm the reported achievements by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reported achievements in the annual performance report of the indicators listed below:

Key performance indicator	Annual target	Reported actual achievement
Installation of 180 onsite sanitation systems by June 2018	Installation of onsite sanitation toilet systems for 180 HH in Refengkhotoso	Not achieved Only 43 units were completed
Installation of 4 high mast lights in Roleleathunya	30m high mast lights installed by 30 June 2018	Achieved, 2 installed but not connected
Upgrading of the Zastron water treatment works	35% completion of works by 30 June 2018	Achieved, 38% progress
Upgrading of the 1.7 km access roads in Roleleathunya	15% physical progress on site by 30 June 2018	Not achieved
Upgrading of the Rouxville Waster Water Treatment works	Appointment of a contractor and site establishment by 30 June 2018	Not achieved
Smithfield bulk water supply	Completion of feasibility study	Achieved
10793 of formal households with water in MI-M daily	Provision of drinking water to 10793 HH in MLM(100%)	Not achieved
10793 HH of receiving weekly domestic waste collection services	10793 HH receiving domestic waste collection services	Not achieved
Maintenance of roads by June 2018	Re-gravelling of 6km gravel roads	Not achieved
Upgrading of the 0.6 km Zama access road in Matlakeng	60% physical progress on site by 30 June 2018	Not achieved

Other matters

40. I draw attention to the matters below.

Achievement of planned targets

41. 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 underachievement 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 33 to 39 of this report.

Adjustment of material misstatements

42. 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

43. 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.

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

Annual financial statements

45. The annual financial statements were not submitted to the auditor-general for auditing within two months after the end of the financial year, as required by section 126(1)(a) of the MFMA.

46. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA. Material misstatements of non-current assets, liabilities and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected and the supporting records provided, but the uncorrected material misstatements resulted in the financial statements receiving a qualified audit opinion.

Expenditure management

47. 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.

48. 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. Irregular expenditure incurred in the current year as per note 49 to the financial statements amounted R10 550 309. 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.

49. Reasonable steps were not taken to prevent fruitless and wasteful expenditure amounting to R1 606 551, as disclosed in note 48 to the annual 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 and poor quality work by contractors, resulting in work having to be redone.

50. Reasonable steps were not taken to prevent unauthorised expenditure amounting to R43 331 896, as required by section 62(1)(d) of the MFMA. The expenditure disclosed does not reflect the full extent of the unauthorised expenditure incurred, as indicated in the basis for qualification paragraph. The majority of the disclosed unauthorised expenditure was caused by overspending on votes in prior financial years and the current year.

Revenue management

51. A credit-control and debt-collection policy was not implemented, as required by section 96(b) of the Municipal Systems Act of South Africa, 2000 (Act No. 32 of 2000) (MSA) and section 62(1) of the ME-MA.

52. An adequate management, accounting and information system was not in place to account for revenue, debtors and receipts of revenue, as required by section 64(2)(e) of the MFMA.

53. An effective system of internal control for debtors and revenue was not in place, as required by section 64(2)(f) of the MFMA.

54. 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

55. No key performance indicators were set in respect of the provision of basic electricity, as required by section 43(2) of the MSA and municipal planning and performance management regulation 10(a).

56. The performance management system and related controls were inadequate, as it did not describe how the performance review and reporting processes should be conducted, as required by municipal planning and performance management regulation 7(1).

Consequence management

57. Some of the 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 ME-MA.

58. 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.

Human resource management

59. 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 MSA.

Utilisation of conditional grants

60. The municipal infrastructure grant, regional bulk infrastructure grant and water service infrastructure grant were not spent in accordance with the applicable grant frameworks, in contravention of section 17(1) of Dora.

Procurement and contract management

61. Some of the goods and services with a transaction value of 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.

62. Some quotations were accepted from prospective providers who were not on the list of accredited prospective providers and did not meet the listing requirements prescribed by the SCM policy, in contravention of SCM regulations 16(b) and 17(b). Similar non-compliance was also reported in the prior year.

63. Some quotations were accepted from bidders who did not submit a declaration on whether they are 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.

64. Some contracts were awarded to bidders other than those recommended by the bid evaluation committee without ratification by the accounting officer, as required by SCM regulation 29(5)(b). This non-compliance was identified in the procurement processes for the supply and installation of 410 on site sanitation toilet systems in Refenggotso.

65. The preference point system was not applied in the procurement of some 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). The non-compliance was identified in the procurement processes for the upgrading of the Zastron water treatment works.

66. Sufficient appropriate audit evidence could not be obtained that all extensions or modifications to contracts were approved by a properly delegated official, as required by SCM regulation 5.

67. The performance of some contractors or providers was not monitored on a monthly basis, as required by section 116(2)(b) of the MFMA. This non-compliance was identified in the procurement processes for the construction of a 27 kilometre raw water pipeline (Orange River

— Paisley Dam), Smithfield bulk water scheme, and Rouxville / Roleleathunya: upgrading of the wastewater treatment works and Smithfield access road.

68. The contract performance and monitoring measures and methods were not sufficient to ensure effective contract management, as required by section 1 16(2)(c) of the MFMA.

Other information

69. 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 those selected KPAs presented in the annual performance report that have been specifically reported in this auditor's report.

70. 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.

71. 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 KPAs presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

72. 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

73. 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.

74. Although the leadership established a formal code of conduct that addresses appropriate ethical and moral behaviour, the continuous monitoring of adherence to policies needs to be improved as several instances of non-compliance with legislation and municipal policies and procedures were noted.

75. Due to vacancies in senior management positions, the municipality lacked capacity to adequately respond to the matters reported by the external auditors in the previous financial year, and to implement consequential performance management for managers and officials that did not comply with legislation and did not implement municipal policies and procedures.

76. Review functions performed by heads of user departments were not adequate to ensure that information provided to the finance directorate and the performance management directorate

was credible. Different departments worked in silos, resulting in a breakdown in communication between the different units.

77. Several month-end reconciliations were not prepared or adequately reviewed. Control and suspense accounts were not investigated and cleared on a monthly basis.

78. 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.

79. The internal audit unit was not functional. A risk-based internal audit plan was not compiled. There was further no sufficient progress in addressing the external quality assurance assessment reviews performed. This is also partly attributable to the vacant chief audit executive position.

80. The audit committee was not established for the full period. This affected the effectiveness of the internal audit unit and audit committee, with the result that they were unable to influence an improvement in the control environment of the municipality. Furthermore, steps taken by management to address internal control deficiencies and emerging audit risks identified in the previous audit were not adequately monitored.

Auditor - General

Bloemfontein

28 February 2019



SOUTH AFRICA

Auditing to SUi/d public confidence

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 Mohokare Local 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 a 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, where applicable, related safeguards.

6.1.2. AUDIT ACTION PLAN FOR 2018/2019 ADDRESSING AUDIT FINDING - **OUTSTANDING**

APPENDIX A – COUNCILORS, COMMITTEE ALLOCATION AND, COUNCIL 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 DA	73	27

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, 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 (Acting NS Mokati)
Performance Management Services	T.L. Ravele
Human Resource Management	DC. 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	M Lepheana (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	
Acting Community Services Director	NS Buyeye (Acting)
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
Refuse removal, refuse dumps and solid waste disposal	YES	NO

Municipal / Entity Functions

MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes / No)*	Function Applicable to Entity (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

Basic Service Provision					
Detail	Water	Sanitation	Electricity	Refuse	Housing
Households with minimum service delivery	10793	10793	10793	10793	
Households without minimum service delivery	1734	1734	1734	1734	
Total Households*					
Houses completed in year					
Shortfall in Housing units					
<i>*Including informal settlements</i>					TF.2

APPENDIX G – AUDIT COMMITTEE’S REPORT

The AUDIT Committee Report is attached as “Appendix G”

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		Satisfaction on Rating 1 - Very Good Rating 2 - Good Rating 3 - Average Rating 4 - Bad
			Target (Amount)	Actual (Amount)	Target (Amount)	Actual (Amount)	
	(b) Service Targets		*Previous Year		*Previous Year		
AON South Africa	Insurance: 3 years	R 804 806	702 344.98	702 344.98	201 201.00	201 201.00	2
Altech Netstar	Fleet Management System	R 345 146	87 816.03	87 816.03	278 035.00	278 035.00	1
Uniquenco Property (Pty) Ltd	Valuation Roll	R 1 800 000	192 002.58	192 002.58	Per SLA	Per SLA	2
Modisenya ne Property Valuers	Valuation Roll	R 2 450 000	1 398 507.64	1 398 507.64	-	-	2

Traffic Management Solutions	Traffic Management	Per SLA	735 055.85	735 055.85	Per SLA	Per SLA	1
ABSA	Provision of banking and related services	Per SLA	159 920.10	159 920.10	Per SLA	Per SLA	2
Centlec	Electricity	TBA	-	-	TBA	TBA	1
Makhedama & Associates	Professional Engineers: Zastron/Zama Road 600m paved access road	R 299 847	147 026.00	147 026.00	-	-	2
Hammet Chemicals	Supply & delivery of water treatment chemicals and commodities for 3 years	Per SLA	1 868 215.90	1 868 215.90	-	-	2
Lohan Civil JV Sebandile	Contractor: Upgrading of the Zastron water treatment works	R 13 685 156	6 368 681.49	6 368 681.49	-	-	2
Gerox Trading cc	Leasing of photocopier machines for 3 years	R 765 470	235 945.05	235 945.05	148 841.00	148 841.00	2
Engineering Aces (Pty) Ltd	Professional Engineers: Rouxville/Roleleath unya phase 1 & phase 2 paved access roads with related storm water	R 1 377 604	426 048.50	426 048.50	-	-	2
Aryx Consulting (Pty) Ltd	Professional Engineers: Upgrading of the waste water treatment works	R 521 988.90	491 170.56	491 170.56	-	-	2
Proper Consulting Engineers (Pty) Ltd	Smithfield bulk water scheme		220 000.00	220 000.00	-	-	2
SAGE (VIP)	Payroll system	Per SLA	281 331.58	281 331.58	Per SLA	Per SLA	2
Munsoft	Financial system	Per SLA	3 426 708.00	3 426 708.00	Per SLA	Per SLA	2

Master Maize cc	Contractor: Rouxville/Roleleath unya phase1 & phase 2 paved access roads with related storm water	R 7 170 660	5 182 253.32	5 182 253.32	-	-	2
Sotika Trading cc	Contractor: Zastron/Zama Road 600m paved access road	R 3 593 318	3 467 551.41	3 467 551.41	-	-	2
Group YWO	Contractor: Rouxville/Roleleath unya 27km Pipeline from Orange River to Paisley Dam	R 47 774 261	5 882 142.81	5 882 142.81	-	-	2
Inkazimulu Civil	Engineer: Smithfield Bulk Water Scheme	R 16 278 250	9 964 750.00	9 964 750.00	-	-	2
CUA Trio Holdings	Contractor: Installation of 410 Easy Flush Toilets in Refengkhotoso	R 856 936	984 699.76	984 699.76	-	-	2
Envirosan	Contractor: Installation of 410 Easy Flush Toilets in Refengkhotoso	R 3 140 928	2 477 483.24	2 477 483.24	-	-	2

APPENDIX J – DISCLOSURES OF FINANCIAL INTERESTS

Disclosures of Financial Interests		
Period 1 July to 30 June of Year 2019/20		
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 2019/20		
Municipal Manager	S.M. Selepe	Land and Property: Property 2600 hectares in Harrismith with a nominal value of ± R 1 million Property 80 Hectors Flat with a nominal value of ± R 1 million
For completion by PMS		
Chief Financial Officer	P.M. Dyonase	Shares: Apex Engineering 33.33% – No income
Director Corporate Services (Acting)	N.S Buyeye	None
Director Technical Services (acting)	S. Shamase	None
Director Community Services	Vacant	-

APPENDIX K- REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE

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

Revenue Collection Performance by Vote						
						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	73 842	-17%	-11%
Planning and Development	-	-	-	-	0%	0%
Health	-	-	-	-	0%	0%
Community and Social Services	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	235 352	-24%	-13%
<i>Variiances 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

APPENDIX K (ii): REVENUE COLLECTION PERFORMANCE BY SOURCE

Revenue Collection Performance by Source							R '000
	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	526	-82%	-82%	
Interest earned - external investments	1 986	900	900	398	-126%	-126%	
Interest earned - outstanding debtors	1 220	8 745	8 745	-	#DIV/0!	#DIV/0!	
Dividends received	-	10	10	12	15%	15%	
Fines	48 401	18 900	33 900	39 874	53%	15%	
Licences and permits	2	15	15	6	-167%	-167%	
Agency services	-	-	-	-	0%	0%	
Transfers recognised - operational	58 955	66 393	66 393	65 693	-1%	-1%	
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	188 246	0.91%	-4.56%	
0						T K.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%	
* This includes Neighbourhood Development Partnership Grant, Public Transport Infrastructure and Systems Grant and any other grant						TL

Appendix O

Capital Programme by Project by Ward: Year 0		
		R' 000
Capital Project	Ward(s) affected	Works completed
Water		
"Project A"		
"Project B"		
Sanitation/Sewerage	01,03 & 05	No
Electricity	02	No
Housing		
Refuse removal		
Stormwater	02 & 04	No
Economic development		
Sports, Arts & Culture		
Environment		
Health		
Safety and Security		
ICT and Other		
		<i>TO</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	4649	4637	848
Rouxville	2088	2086	474
Smithfield	1635	1635	412
Total	8372	8358	1734

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 2020**