

# **COLLINS CHABANE LOCAL MUNICIPALITY**



**DRAFT ANNUAL REPORT  
2016/2017  
SECTION 121 OF MFMA**

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## GLOSSARY

ADDP	-	African Christian Democratic Party
ADMD	-	After Diversity Maximum Demand
AFS	-	Annual Financial Statements
AG	-	Auditor General
AGSA	-	Auditor General South Africa
ANC	-	African National Congress
APAC	-	Audit and Performance Assessment Committee
B&T	-	Budget and Treasury
CFO	-	Chief Financial Officer
CIPRO	-	Companies and Intellectual Property Registration Office
COGHSTA	-	Department of Cooperative Governance, Human Settlement and Traditional Affairs
COPE	-	Congress of the People
CPMD	-	Consolidated Program for Management Development
DA	-	Democratic Alliance
DCOMS	-	Department Community Services
DCSS	-	Department Corporate Support & Shared Services
DDP	-	Department Development Planning
DTS	-	Department Technical Services
EAP	-	Employee Assistance Program
EEP	-	Employment Equity Plan
ERM	-	Enterprise Risk Management
EXCO	-	Executive Committee
FBE	-	Free Basic Electricity
FBS	-	Free Basic Services
FBS	-	Free Basic Sewer
FBW	-	Free Basic Water
GRAP	-	General Recognized Accounting Practice
HH	-	Households
ICT	-	Information and Communication Technology
IDP	-	Integrated Development Plan
IIA (SA) (standards)	-	Institute of Internal Auditors (SA)
INEP	-	Integrated National Electrification Program
IT	-	Information Technology
KPA	-	Key Performance Area
KPI	-	Key Performance Indicator
LED	-	Local Economic Development
LGSETA	-	Local Government Sector Education & Training Agency
MFMA	-	Municipal Finance Management Act
CCLM	-	Collins Chabane Local Municipality
MM	-	Municipal Manager
MPAC	-	Municipal Public Account Committee
MSA	-	Municipal Structures Act
MSA	-	Municipal Systems Act
NERSA	-	National Electricity Regulator South Africa
OHS	-	Occupational Health and Safety
OPCA	-	Operation Clean Audit
PAC	-	Pan Africanist Congress
PMS	-	Performance Management System
RD	-	Refer to Drawer
RDP	-	Reconstruction Development Program
RWS	-	Reticulation Water Scheme
SCM	-	Supply Chain Management
SDBIPs	-	Service Delivery and Budget Implementation Plans
SDP	-	Skills Development Plan
SITA	-	State Information Technology Agency
SLA	-	Service Level Agreement
SMME	-	Small, Medium and Micro Enterprise
VDM	-	Vhembe District Municipality
WSA	-	Water Services Authority
WSP	-	Water Services Provider
WPSP	-	Work Place Skills Plan

# **COLLINS CHABANE LOCAL MUNICIPALITY**



## **CHAPTER 01 INTRODUCTION AND OVERVIEW**

## CHAPTER 1: MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

### COMPONENT A: MAYOR'S FOREWORD



#### 1.1. MAYOR'S FOREWORD

##### a. Vision

Collins Chabane Local Municipality adopted a vision statement which reaffirms its commitment to the achievement of its strategic goals. The vision reads “A sustainable, spatially integrated and inclusive municipality with a vibrant, job creating local economy”. This vision is a complete endorsement of the **2016 ANC Local Government Elections Manifesto** which is the **Programme of Action** of Council for the 2016 to 2021 political term of office. For Collins Chabane Municipality, this is the first Annual Report since the formation of this new municipality and the inauguration of Council on the 17<sup>th</sup> of August 2016 in terms of **Section 12 of the Municipal Structures Act**.

Let me therefore, take this opportunity to appreciate the commitment, support, dedication and patriotism by colleagues, officials, traditional leaders, faith-based organisations, community structures, business community and all residents of Collins Chabane as we take this municipality to greater heights.

This report comes at the beginning of the 3<sup>rd</sup> year of the 3<sup>rd</sup> decade since the new dispensation of the South African democracy, and our municipality is determined to make a significant dent on the triple challenges of poverty, unemployment and inequality in Collins Chabane on a sustainable basis.

##### b. Mission statement

The municipality aims to ensure the provision of a sustainable basic services and infrastructure to improve the quality of life of our people and to grow the local economy for the benefit of all our citizens.

##### c. Key Policy Developments

This Annual Report is presented for the first time to all residents of Collins Chabane Municipality with the hope to inspire and cement the relationship that exist between public servants and

public representatives, as well as form new relations. the municipality received a Qualified Audit Opinion which encompasses measures for improvement, and an action plan has been developed as a response to all challenges pinpointed by the Auditor General during the 2016/2017 financial year.

The municipality is making substantial infrastructure investments to build an environment that is conducive for business to get-about its daily operations and to plan for the future. This report will show that our investor-friendly policies and connection with business yields over time the results we desire as our local economy expands despite the odds that face similar and bigger local economies. We are also concentrating our efforts on fast-tracking the issue of staffing of all critical positions as we continue to make the municipality work better and deliver on its mandates.

With regard to limiting poverty and unemployment, we place a high premium on the tried-and-tested equalizer that is the principles of Expanded Public Works Programme (EPWP) which more than any programme helps us to absorb many of our communities into sustainable jobs. We will also adopt an aggressive approach to encourage establishment of cooperatives as an easy-to-create business entity that can help numbers of people to get out of the ranks of the unemployed to self-employment. Our policies will mostly focus on this aspect since our municipality is dependent on agriculture and corporations for revenue collections.

#### **d. Key Service Delivery Improvement**

The report will show that the municipality has continued to implement its Municipal Strategy in a manner that builds confidence of residence. The people of Collins Chabane Municipality expect the municipality to be well managed and to be accountable for the prudent stewardship of public funds, the safeguarding of public assets, and the effective, efficient and economical use of public resources. We will show how we have managed to mitigate risks; bettered municipal financial management which all culminated in us receiving a Qualified Audit Opinion from the Auditor-General.

Clearly there is much room for improvement, but we can be proud about the Qualified Audit Opinion considering a number of factors that made it hard for us to achieve a positive audit outcome, such as:

- Shortage of staff;
- Lack of policies;
- Dysfunctionality of the Vuwani area; and
- Lack of assets and infrastructure.

Collins Chabane Local Municipality's Annual Report highlight the following achievements:

- Filling of all Senior Management posts;
- Adoption of a new name;
- Construction of Xikundu and Xithhelani Ring-Road(s) and Malamulele Section B internal streets.
- Electricity projects of Mavambe, Makumeke and Mavandla, which are in progress;
- The purchase of two Graders and two Compactor Trucks;
- Extending our waste management refuse removal programme to rural settlements;
- Advertising of critical posts;
- Appointment of over 200 EPWP employees;
- Establishment of our billing system, amongst many other feats; and
- The currently running street blading programmes.

The municipality also continue with its Public Consultative Meetings regarding its proposed Logo which is expected to be adopted by Council at the end of March 2018.

#### **e. Public Participation**

In its preamble, the Freedom Charter (1955) cautions us that *“no government can justly claim authority unless it is based on the will of the people.”* The Charter being the blueprint upon which our democratic future is established, our municipality ensures that public participation remains the hallmark of all government work. The report will show that the municipality has joined others in this sphere of government in strengthening ward committees by reimbursing them for costs related to work they do in communities whilst assisting ward Councillors. It will also show that the municipality has not lost the connection with communities in relation to projects it implements in their name.

In recognition of the critical importance of involving our communities consistently and continuously in the business of government, President Jacob Zuma made the undertaking that: *“The defining feature of this administration will be that it knows where people live, it will understand their needs and respond faster.”* Accordingly, our service delivery model will enable us to travel the length and breadth of Collins Chabane to talk to our people.

During our most recent IMBIZOs, we interacted with the people of Ward 1 in Makhasa, Mashobye and Olifantshoek, and the message from our people was clear and unequivocal.

Those who continue to live under conditions of abject poverty expect us to implement measures urgently to alleviate their plight. They want access to roads, water and sanitation. They want to

feel and be safe where they live and work. The unemployed wants sustainable jobs. The homeless who live in squalor wants decent housing built on well-located land and access to basic electricity.

**f. Future actions**

Our emphasis in the coming year and beyond, is to reinforce public participation processes by introducing focused sector meetings on regular basis, which will sit to assess community impressions about the work of different municipal departments. This will be in addition to the already launched Pastors', Traditional Leaders, Elderly Peoples', Business and Traditional Practitioners' Forums.

In the interest of a sound living environment, we will address on an urgent basis, and in collaboration with the other spheres of government, the mining legacy which affects our region and our municipality in particular. Already, several mining entities have shown interest in rehabilitating mine dumps around our municipality.

A concerted effort including massive campaigns will be made to address the scourge of grime and crime across our municipality. The priorities outlined in the local economic development strategy will receive the necessary attention to ensure that they are indeed realized.

Our Integrated Development Plan (IDP) which carries the aspirations of the masses of our community, aligned with the National Development Plan (NPD), 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.

**g. Agreements and partnerships**

We will also revise our organizational structure to ensure that it is responsive to the new imperatives of our executive, which will include the establishment of a dedicated Local Law Enforcement Agency to give new impetus to this service delivery area.

## **h. Conclusion**

Collins Chabane Municipality has a mandate and will remain steadily devoted in serving its community, and will not cease to initiate initiatives to stamp out unemployment, reduce economic inequality and boot out poverty.

Yours in service.

---

**Cllr Bila Tintswalo Joyce**

**Mayor: Collins Chabane Local Municipality**

## COMPONENT B: EXECUTIVE SUMMARY

### a. MUNICIPAL MANAGER'S FOREWORD

Collins Chabane Local Municipality is a Category B, Executive Municipality, established in the year 2016 in terms of Local Government Municipal Structures Act No. 117 of 1998. In order to stress the inclusiveness of Collins Chabane Local Municipality, the Municipality presides over two towns, 173 villages and areas between them, all with their own historical background, strength and weakness. As a Municipality, we unequivocally pledge an equal commitment to all areas that constitutes Collins Chabane municipal area. The Municipality consists of 36 wards (directly elected Councilors), 35 Proportional Representative Councilors and 33 Traditional Leaders.

**Table 1: Service Delivery backlog**

Population	347 975
Number of Households	91 936
Water Provision Backlog	40 000
Electricity Provision Backlog	4 706
Sanitation Backlog	40 000
Number of Households without refuse removal	21 572
Housing Backlog	23 000

The table below reflects the main dwelling types found in Collins Chabane Local Municipality. Traditional residential areas account for a large percentage of the total households followed by formal residential areas presumably those found in Malamulele and Vuwani towns

**Table 2: Dwelling per household (Source Stats SA, 2016 Community Survey)**

Dwelling Type	Number	%
Formal dwelling/house or brick/concrete block structure on a	268498	77,2%
Traditional dwelling/hut/structure made of traditional mater	59387	17,1%
Flat or apartment in a block of flats	332	0,1%
Cluster house in complex	385	0,1%
Townhouse (semi-detached house in a complex)	4057	1,2%
Semi-detached house	663	0,2%
Formal dwelling/house/flat/room in backyard	7424	2,1%
Informal dwelling/shack in backyard	1450	0,4%
Informal dwelling/shack not in backyard (e.g. in an informal	187	0,1%
Room/flatlet on a property or larger dwelling/servants quart	158	0,0%

Caravan/tent	-	
Other	5433	1,6%
Unspecified	-	
Total	347974	100,0%

The age and gender profile provides valuable insight into the composition of the market population and will help establish the Potential Economically Active population (PEA). The PEA population refers to the population that falls within the working age group (between 15 and 64 years). It does not mean that this entire portion of the population is prepared or able to be employed. For example, some prefer to stay at home as housekeepers, some are disabled and others are fulltime students, or have given up looking for work. They do, however, form part of the potential labour pool. The population of Collins Chabane Municipal area is relatively young.

Opportunities for economic growth and employment exists in Collins Chabane Local Municipality. The following sectors have been defined as Economic Growth Strategies (EGS):

- Agriculture
- Mining
- Infrastructure development
- Tourism
- Manufacturing

#### **b. Vision**

Collins Chabane Local Municipality's vision reflects as follows:

***“A sustainable, spatially integrated and inclusive municipality with a vibrant, job creating local economy”***

#### **c. Mission**

Collins Chabane Local Municipality mission is defined as follows:

***“To ensure the provision of sustainable basic services and infrastructure to improve the quality of life of our people and to grow the local economy for the benefit of all our citizens”.***

#### **d. Values**

The values of the Municipality are as follows:

- Transparency
- Accountability
- Responsive
- Professional
- Creative
- Integrity

#### **e. Strategic IDP Objectives**

The following are the municipality strategic IDP objectives:

- Invest in skilled and experienced workforce
- Promote community well-being and environmental welfare
- Effective community participation
- Improved access to sustainable basic services
- Sound financial management
- Integrated local economy
- Improved governance and administration

The Municipality write this report in order to promote the principles of transparency and accountability to the community and other stakeholders. It enhances participatory democracy and cooperative governance and thereby responds to the principles of Batho Pele White Paper on Local Government, Municipal Systems Act, Municipal Finance Management Act and the Constitution.

#### **f. Powers and Functions**

Collins Chabane Local Municipality has powers and functions assigned to it in terms of the provisions of schedules 4 (B) and 5 (B) of the Constitution of the Republic of South Africa (Act 108 of 1996). The powers and functions of the Municipality are listed hereunder as follows:

- ✓ Air pollution
- ✓ Building regulations
- ✓ Child care facilities
- ✓ Electricity and gas reticulation
- ✓ Firefighting services

- ✓ Local tourism
- ✓ Municipal airports
- ✓ Municipal planning
- ✓ Municipal health services
- ✓ Municipal public transport
- ✓ Municipal public works
- ✓ Storm water management systems in built-up areas
- ✓ Trading regulations
- ✓ Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems (Water service level agreement with the District Municipality)
- ✓ Billboards and the display of advertisements in public places
- ✓ Cemeteries, funeral parlors and crematoria
- ✓ Cleansing
- ✓ Control of public nuisances
- ✓ Control of undertakings that sell liquor to the public
- ✓ Facilities for the accommodation, care and burial of animals
- ✓ Fencing and fences
- ✓ Licensing of dogs
- ✓ Licensing and control of undertakings that sell food to the public
- ✓ Local amenities
- ✓ Local sport facilities
- ✓ Markets
- ✓ Municipal abattoirs
- ✓ Municipal parks and recreation
- ✓ Municipal roads
- ✓ Noise pollution
- ✓ Pounds
- ✓ Public places
- ✓ Refuse removal, refuse dumps and solid waste disposal
- ✓ Street trading
- ✓ Street lighting
- ✓ Traffic and parking

In performing the above powers and functions, Collins Chabane Local Municipality administration has throughout the financial year 2016/2017 displayed eagerness and willingness to achieve administrative excellence. This was evidenced by the effective implementation

of best practice systems and processes to address matters raised by the Auditor-General in 2014/2015 financial year. Collins Chabane municipality has successfully reported on the implementation of both National priorities and the Service Delivery Budget Implementation Plan (SDBIP) through the Back to Basics reports. This includes reporting the following:

- ✓ Putting People first
- ✓ Delivering basic Services
- ✓ Good governance
- ✓ Sound Financial Management
- ✓ Building Capacity

Collins Chabane Local Municipality is an agent of the Vhembe District Municipality with regard to environmental health, potable water supply systems and domestic waste water and sewerage disposal systems. Collins Chabane Local Municipality is an operating agent for the Provincial Department of Arts and Culture in respect of rendering a public library service. It is also an operating agent of Department of Transport for the licensing of vehicles and drivers. It performs the full function at a compensation of 80/20 ratio.

There were infrastructure projects that were successfully completed and some rolled over to the financial year 2017/2018.

With regard to audit issues, the Municipality was qualified on the following issues:

- ✓ Fixed assets
- ✓ Receivables
- ✓ Revenue
- ✓ Payables

Collins Chabane Local Municipality appreciate the support given by the sector departments during the process of establishing the Municipality. Support has been provided as follows:

- ✓ Development of policies
- ✓ Development of by laws
- ✓ Allocation of transitional grants

The municipality has so far not incurred any debts except for the running costs with Eskom and Telkom. The 2016/2017 budget was tabled and adopted by Council. The Municipality submitted section 71 reports to Treasury after the end of the month. In terms of tender processes, the

Municipality opted to use section 32 processes of supply chain management policy. The GRAP compliant Asset Register was updated. By the end of June 2017 the Municipality spending pattern was as follows:

- Capital Budget Spent over 65% (78 464 631/119 970 000)
- 95% payment made to creditors within 30 days of receipt of the correct invoice

Operation Clean Audit was institutionalized to support management practices geared towards improving internal controls and compliance. In recognition of participatory development planning as a key driver of developmental local government, the municipality made commendable strides in involving the communities that it serves throughout the service delivery value chain (planning and budgeting). Against this background, several community engagement structures were used as a means of consultation. This yielded good results in assisting the achievement of resource targeting during planning and also led to focused delivery on performance against set commitments.

The Municipality has not established the Risk Management and Anti-Fraud and Corruption Committee due to lack of staff.

**Table 3: Section 57 Managers position (filled and vacancies)**

NAME	POSITION
1. T.C Ngobeni	Municipal Manager (1 May 2017)
2. Vacant	Director Community Services
3. Vacant	Director Development and Planning
4. R.R Shilenge	Director Corporate Services (3 June 2017)
5. Vacant	Director Technical Services
6. Vacant	Chief Financial Officer

The organisational structure for 2016/2017 was successfully developed and approved by Council. The new organisational structure showed clear realignment of strategic section for improved service delivery, and administrative streamlining for effective and efficient service delivery.

In conclusion, appreciations go to Mayor for the leadership support displayed together with the Speaker, Chief Whip, Executive Committee, Councillors and the community at large. We urge all members of the community to continue to participate in the affairs of the municipality through support and constructive criticism in an attempt to enhance service delivery. Acknowledgement and thanks also go to all colleagues in the National and Provincial sector departments, with whom a number of exciting projects have been incepted and implemented. The management team and all officials from the municipality are also commended for continuing to pursue the vision of the municipality of becoming a hub for socio economic development by 2025.

**MUNICIPAL MANAGER**  
**T.C NGOBENI**

# COMPONENT C: MUNICIPAL OVERVIEW

## a. MUNICIPAL OVERVIEW

Collins Chabane Local Municipality is in the Northern part of Limpopo Province. The Municipality is part of the Vhembe District and is situated between Greater Giyani, Thulamela, and Makhado municipalities. To the north-east the Municipality's borders extend to Mozambique and on the south east to Kruger National Park. The Municipality is flanked by two dominant roads, namely D4 that connects the Municipality to the N1 to Musina and Gauteng. Whilst the R81, connects the Municipality via Giyani to Mopane and Capricon District. The Municipal land area covers 5 467.216km<sup>2</sup> (22° 35' S 30° 40' E) in extent with a population of approximate of 347 974 inhabitants. There are two main towns namely, Malamulele and Vuwani towns; and 173 Villages in Lim 345 municipal jurisdiction. Collins Chabane Local Municipality is divided into thirty-six (36) as determined by the Municipal Demarcation Board.

Figure 1: Location of Collins Chabane Local Municipality

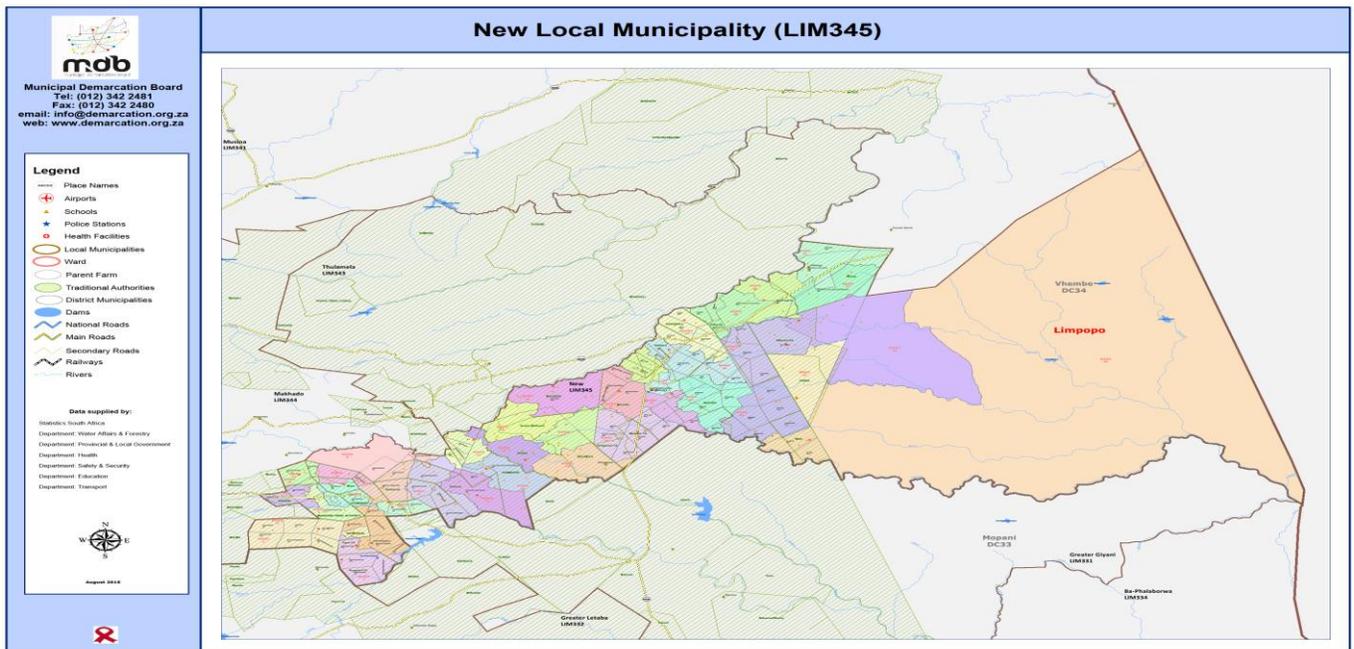


Table 4: Water source (source STATSA Census 2011: Community Survey 2016)

Source of water	N <sup>o</sup> . of households
Piped (tap) water inside the dwelling / house	16 475
Piped (tap) water inside yard	139 247
Piped water on community stand	89 023
Borehole in the yard	10 202
Rainwater tank in yard	400
Neighbours tap	13 643
Public / Communal tap	61 633
Water carrier / tanker	860
Borehole outside the yard	11 518
Flowing water / stream / river	317
Other	4 658
Total	347 975

According to World Health Organisation (WHO) set of standards 1 professional nurse is responsible for 40 patients 1 health facility (clinic) should be found within a 5km radius the municipality has got a radius of 5 467 216 mq 2 which means that there is a huge backlog of Health facilities. Collins Chabane Local Municipality has 1 hospital, 3 health care and 32 clinics. Shortage of childhood centres, old age facilities and access to social grants are major challenges. The prevalence of Malaria in Vhembe district and Mopani, create a huge health risk for the Municipality.

# **COLLINS CHABANE LOCAL MUNICIPALITY**



## **CHAPTER 02 GOVERNANCE**

## CHAPTER 2: GOVERNANCE

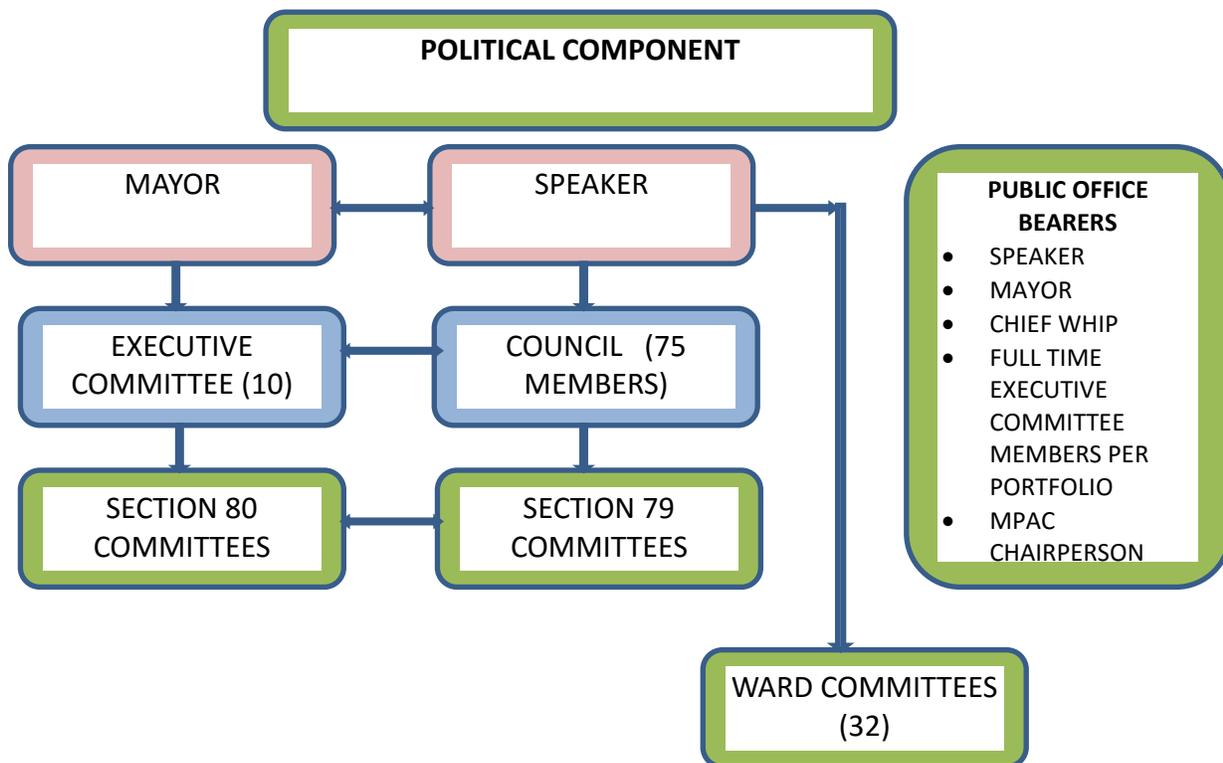
### COMPONENT A: GOVERNANCE STRUCTURES

#### 2.1. POLITICAL GOVERNANCE STRUCTURE

##### a. COUNCILORS

This Annual Report has been produced by the Council that was elected in August 2017 and it was under the leadership of Cllr Bila T.J as the Mayor. Collins Chabane Local Municipality (LIM345) is a category B municipality in terms of the Structures Act, 1998.

**Figure 2 Political Structures**



## b. POLITICAL STRUCTURE

The council consist of 71 councillors constituted by 36 ward councillors and 35 proportional councillors. The Ward councillor for each ward is the Chairperson of that particular ward committee, meanwhile the Mayor heads the Executive committee which comprised of 10 councillors.

The Municipality has 6 full time councillors as outlined in the table below

**Table 5: Political Management Team**

	Name
Mayor	Her Worship Hon. Cllr Bila Tintswalo Joyce
Speaker	Hon. Cllr Lebea Madume Elvis
Chief whip	Hon. Cllr Chauke Miyelani Gladstone

**Table 6: Full Time Portfolio Councillors**

Name of Portfolio	Chairperson	Department Supported
Budget and Treasury	Cllr Maluleke Shadrack Gezani	Budget and Treasury
Planning & Development	Cllr Mashimbye Faneriwa Percy	Planning and Development
Infrastructure	Cllr Mavikane Siimon Xihlamariso	Technical Services

Collins Chabane Municipality have 36 Ward Councilors as listed below:

**Table 7: Name of Councilors**

NO.	PARTY	NAMES
01	ANC	NGOBENI MASHILA RAYMOND
02	ANC	SHANDUKANI MUKONDELELI JANET
03	ANC	LAUWARD NGOBENI

04	ANC	RIKHOTSO GEZANI MONIKA
05	ANC	MASHIMBYE PERCY FANERIWA
06	ANC	MAHLANGU DOMINIC
07	ANC	THOVHAKALE MPHO SYDNEY
08	ANC	MUTELE THOMANI MOLLY
09	INDEPENDENT	MUKHOMI NORMAN VULANI
10	ANC	NDOVE HELANI DORGEN
11	ANC	RIVOMBO KHAZAMULA EDWARD
12	ANC	MULAUDZI THIVHILELI NELSON
13	ANC	MUDAU THIFULUFHELI
14	ANC	MATHOMA MPHO PHINEAS
15	ANC	MALULEKE THOMAS EUGENE
16	ANC	MAVIKANE SIMON XIHLAMARISO
17	ANC	SHILUVANE TSAKANI ELSIE
18	ANC	MALULEKE MAGEZI PHANUEL
19	ANC	MUNYAI NKANUKENI
20	ANC	MASANGU GEZANI DANIEL
21	ANC	MABASA DORRIS
22	ANC	BALOYI HLEKANI ROBERT
23	ANC	BALOYI NDZUNISANI LAZARUS
24	ANC	MAHLALE STEVEN
25	ANC	CHAUKE HISELA MAX
26	ANC	BALOYI MKHACHANI JOHN
27	ANC	SHIVAMBU SHADRACK
28	ANC	MABASA JOSEPH
29	ANC	MOYO MKHACANI THOMAS
30	ANC	CHAUKE HENRY GEZANI
31	ANC	MIZAMANI WINNERS SITHOLE
32	ANC	MATHONSI NTSAKO PIEKY
33	ANC	MABUNDA MZAMANI CALVIN
34	ANC	SIMANGO MAFEMANI RICHARD
35	ANC	CHABANGU TINTSWALO CYNTHIA
36	ANC	CHAVANE PHAHLELA JOE

**The following are names of Proportional Representative (PR) Councilors:**

	PARTY	NAMES
37	ANC	TINTSWALO JOYCE BILA
38	ANC	CHAUKE MIYELANI GLADSTONE
39	ANC	NKANYANI RHULANI GRACE
40	ANC	NKHENSANI SARAH CHAUKE
41	ANC	TSAKANI GLADYS KHOSA
42	ANC	ROFHIWA PATIENCE MUDAU
43	ANC	LANGANI ROSINA MALULEKE
44	ANC	SOLANI GRACE HLONGWANI
45	ANC	NDAHENI ELIZABETH NGOBENI
46	ANC	SABINAH MARTHA REKHOTSO
47	ANC	FULUFHELO FRANSCINAH MADAVHU
48	ANC	MADUME ELVIS LEBEA
49	ANC	ZODWA QUEEN MIYAMBO
50	ANC	DAPHNEY TENGANI NKUNA
51	ANC	KHUBANI ELIZABETH MASHAKENI
52	ANC	TSKANI MARIA SAMBO
53	ANC	ZANELE WIENNAH SUNDUZA
54	ANC	AZWIHANGWISI JULIA MUKHAHA
55	ANC	MOSES MALULEKE
56	ANC	SHADRACK GEZANI MALULEKE
57	ANC	MUYANALO SOPHY MATAMELA
58	ANC	MAVUYISI CLAUDINE FUNGHENI
59	ANC	NKHESANI GRACE NDZOVELA
60	ANC	RIRHANDZU CONSTANCE MABASA
61	ANC	TSITSILA REBECCA CHAUKE
62	DA	MASIA TSHEPO MERIUM
63	EFF	RADZIVHONI MUSUNDWA CHRISTNAH
64	EFF	HLABANGWANI THEMBANI LUCIA
65	EFF	TSHIREDO CORNELIA ELIZA
66	DA	MAZIBUKO MIRINGO PATRIC
67	EFF	MAKHUBELA HANGALACANI THOMAS
68	EFF	BALOYI DUNANI

69	EFF	KHOSA HASANI JOSEPH
70	XIMOKO	BALOYI OURAL CHOKI
71	ACDP	MABASA KHOMBO KNOX

**c. EXECUTIVE COMMITTEE**

The Executive Committee is composed in line with the provisions of the Local Government: Municipal Structures Act, 1998. The Executive Committee consisting of ten members, four full-time members and five part-time members as arranged by General Notice 178 of 2012 promulgated by the M E C for Cooperative Governance, Human Settlements and Traditional Affairs as published in the Provincial Gazette Extraordinary No 2079 of 7 May 2012

SURNAME & INITIALS	POSITION
BILA TINTSWALO JOYCE (MAYOR)	MAYOR
MASHIMBYE FANERIWA PERCY	PORTFOLIO HEAD – DEVELOPMENT PLANNING
MUTELE THOMANI MOLLY	PORTFOLIO HEAD – CORPORATE SERVICES
MAVIKANE SIMON XIHLAMARISO	PORTFOLIO HEAD – TECHNICAL SERVICES
CHAUKE HENRY GEZANI	PORTFOLIO HEAD – COMMUNITY SERVICES
MALULEKE SHADRACK GEZANI	PORTFOLIO HEAD – BUDGET AND TREASURY
FUNGHENI MAVUYISI CLAUDINE	PORTFOLIO HEAD – SPECIAL PROGRAMMES
MUKHAHA AZWIHANGWISI JULIA	PORTFOLIO HEAD – LEGISLATIONS
BALOYI DUNISANI LYBORN	ORDINARY MEMBER
MAZIBUKO MIRINGO PATRICK	ORDINARY MEMBER

**d. SECTION 79 COMMITTEES**

SURNAME AND NAMES	PORTFOLIO COMMITTEE	POSITION
Cllr Moyo M.T	Budget and Treasury	CHAIRPERSON
Cllr Mabasa Joseph	Corporate Services	CHAIRPERSON
Cllr Ndove Helani Dorgen	Technical Services	CHAIRPERSON
Cllr Mudau Rofhiwa	Community Services	CHAIRPERSON
Cllr Mahlangu Dominic	Education Sports Arts & Culture	CHAIRPERSON
Cllr Shandukani Janet	Ethics Committee	CHAIRPERSON
Cllr Mabasa Rirhandzu	Planning and Local Economic Development	CHAIRPERSON
Cllr Hlogwane Grace	Special Programme	CHAIRPERSON
Cllr Rekhoto Sabima Martha	Legislation and Traditional Affairs	CHAIRPERSON
Cllr Mulaudzi Thivhilaeli	Rules	CHAIRPERSON
Cllr Mudau Solly	Municipal Public Accounts Committees	CHAIRPERSON
Cllr Miyambo Zodwa	Women Caucus Chairperson	CHAIRPERSON

**e. ADMINISTRATIVE COMPONENT - MUNICIPAL MANAGEMENT**

Collins Chabane Local Municipality has 6 positions of Section 57 Managers which are Municipal Manager, Director Community Services, Director Corporate Services, Director Technical Services, Director Development and Planning and Chief Financial Officer. For the financial year under review the positions were as follows:

Name	Position	Start date	End date
Moshoana Dick Joseph	Acting Municipal Manager	10/08/2016	31/12/2017
Mhangwana Donald	Acting Municipal Manager	10/08/2016	08/05/2017
Maeta Choene Marios	Acting Chief Financial Officer	01/02/2017	30/11/2017
Mulaudzi Ham	Acting Director Corporate Services	01/11/2016	31/05/2017
Louw Brenda	Acting Director Development Planning	01/11/2016	31/05/2017
Ngobeni T.C	Municipal Manager	01/05/2017	To date
Shilenge R.R	Director Corporate Services	03/06/2017	To date

## **COMPONENT B: INTERGOVERNMENTAL RELATIONS**

Collins Chabane Local Municipality participated in intergovernmental relations forums such as District, Provincial and National Forums. The primary purpose of the intergovernmental relations forum is to enhance intergovernmental relations by mobilizing resources and strategic partnerships which will ensure co-ordination of service delivery by all departments to the community of Collins Chabane Local Municipality. Intergovernmental relations helps in the following:

- Coordinating and managing all municipal relationships with other spheres of government.
- To ensure that there is a strong link between departments internally and the other two spheres of government (National and Provincial).
- To facilitate information and knowledge sharing through inter-municipal cooperation.
- To build managerial and technical capacity (through study tours, exchange programmes, seminars and conferences).
- To develop project partnerships with other government departments for mutual benefit.
- To create employment through the public works programmes.
- To ensure that there is monitoring and alignment of municipal budgets and IDP implementation with provincial and national government departments.
- Promoting efficient lines of communication and between the municipality and other spheres of government.
- Ensure efficient relations and sharing models of good practice with other municipalities.

## **COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION**

The Council of Collins Chabane Local Municipality is committed to sustainable participation of its residents in all decision making processes. As a Municipality, the community was engaged through the existing public participation mechanisms and structures. Two (2) Mayoral imbizos were held and Two (2) IDP Representative Forum were coordinated. Established ward Committees met on a monthly basis to consider all service delivery issues at ward level. There are some areas where ward committees were not established i.e. Vuwani. Other community stakeholders and interest group meetings were held throughout the year in order to listen and act on the needs of our people.

## COMPONENT D: CORPORATE GOVERNANCE

This component deals with issues of risk management, anti-corruption and fraud, supply chain management, by-laws, websites, public satisfaction on municipal services and all municipal oversight committee. Collins Chabane have 7 rationalized by-laws that reflect as follows:

- ✓ Tariff by-law
- ✓ Property rates by-law
- ✓ Credit control by law
- ✓ Spatial planning and land use management by law
- ✓ Waste management by laws
- ✓ Street trading by laws
- ✓ Cemetery and cremation by laws

Collins Chabane Local Municipality developed a website although it faces a challenge in terms of keeping it updated due to lack of personnel.

### a. COMMITTEES APPOINTED BY COUNCIL

#### 1. SECTION 79 COMMITTEES

##### i. BUDGET AND TREASURY COMMITTEE

<b>SURNAME AND NAMES</b>
Portfolio : Cllr Maluleke Shadrack
Chairperson: Cllr Moyo M.Thomas
Cllr Mathoma Mpho Phineas Whipper
Cllr Maluleke Moses
Cllr Ngobeni Mashila Raymond
Cllr Chabangu Cynthia
Cllr Nkuna Tengani
Cllr Matamela Sophy

##### ii. CORPORATE SERVICES

<b>SURNAME AND NAMES</b>
Portfolio Cllr Mutele Molly
Chairperson: Cllr Mabasa Joseph
Cllr Nkanyani Grace Rhulani
Cllr Sithole Mzamani Winners
Cllr Hlabangwani Thembani Lucia
Cllr Ngobeni Ndaheni Elizabeth
Cllr Baloyi Ndzunisani Lazarous

**iii. TECHNICAL SERVICES & INFRASTRUCTURE**

SURNAME AND NAMES
Portfolio Cllr Mavikane Xihlamariso Simon
Chairperson Cllr Ndove Helani Dorgen
Cllr Mahlale Steven –Whipper
Cllr Baloyi Hlekani Robert
Cllr Shiluvane Tsakane Elsie
Cllr Munyai Nkanukeni
Cllr Maluleke Eugene
Cllr Miyambo Zodwa
Cllr Rikhotso Gedzani Monika

**iv. COMMUNITY SERVICES**

Portfolio Cllr Chauke Henry Gezani
Chairperson Cllr Mudau Rofhiwa
Cllr Ndzovela Grace Nkhesani –Whipper
Cllr Chauke Sarah Nkhesani
Cllr Ngobeni Ndaheni Elizabeth
Cllr Baloyi Choki Oriel
Cllr Mabasa Khombo Knox
Cllr Mukhomi Vulani Norman

**v. EDUCATION, SPORTS, ARTS AND CULTURE**

Chairperson Cllr Mahlangu Dominic
Cllr Maluleke Langani Rosinah-Whipper
Cllr Sambo Tsakani Maria
Cllr Mashakeni Khubani Elizabeth
Cllr Miyambo Zidwa Queen
Cllr Khosa Hasani Joseph

**vi. ETHICS COMMITTEE**

Chairperson Cllr Shandukani Janet
Cllr Simango Richard-Whipper
Cllr Chabangu T. Cynthia
Cllr Sithole Mzamani Winners
Cllr Chavani Phahlela Joe

**vii. PLANNING AND LED**

Portfolio Cllr Mashimbye Percy
Cllr Madavhu Fhulufhelo Francinah

Chairperson Cllr Mabasa C Rirhandzu
Cllr Shivambu Shadrack
Cllr Mabasa Dorris
Cllr .Radzivhoni C musundwa
Cllr Makhubele Hangalakani Thomas

**viii. SPECIAL PROGRAMMES**

Portfolio Cllr Fungheni Mavuyise
Chairperson Cllr Hlogwane Grace
Cllr Maluleke Magezi Phaniel – Whipper
Cllr Khoza Gladys Tsakane
Cllr Chauke Tsitsila Rebecca
Cllr Tshiredo Cornelia Elizabeth

**ix. LEGISLATION & TRADITIONAL AFFAIRS**

Portfolio Cllr Mukhaha Julia
Chairperson Cllr Rekhotso Sabina Martha
Cllr Vukeya Shiluvane Tsakani Elisie
Cllr Cllr Chabangu Tintswalo Cynthia
Cllr Ndzovela Grace Nkhensani
Cllr Mabunda Calvin Mzamani

**x. MPAC**

Chairperson Cllr Mudau T Solly
Cllr Thovhakale Mpho Sydney
Cllr Sunduza Winnie Zanele
Cllr Masangu Daniel Gezani
Cllr Baloyi Mkhacani John
Cllr Mathonsi Piekie Ntsako
Cllr Chauke Hasela Max
Cllr Maluleke Phineas Mkhacani
Cllr Rivomba Khazamula Edward
Cllr Mukhomi Vulani Norman
Cllr Masia Tshepo Meriam

Cllr Makhubele Hangaani Thomas
Cllr Ngobeni Ntsako Loward

**xi. RULES COMMITTEE**

Chairperson Cllr Mulaudzi Thivhilaeli
Cllr Nkuna Tengani Daphney
Cllr Simango Mafemani Richard
Cllr Hlogwane Mkhachani Reuben
Cllr Madavhu Francinah
Cllr Mabasa Joseph
Cllr Shandukani Janet

**xii. WOMEN CAUCUS.**

Chaiperson: Cllr Miyambo Zodwa
MEMBERS
ALL WOMEN COUNCILLORS

**xiii. THE AUDIT AND PERFORMANCE AUDIT COMMITTEE**

Collins Chabane Local Municipality did not establish Audit and Performance Committee

**xiv. ICT GOVERNANCE**

In the financial year 2016/2017 ICT governance issues were done through the services of a consultant. A range of rationalised policies were adopted.

**xv. RISK MANAGEMENT**

The Municipality did not have a risk management unit hence no activities in this area.

**xvi. FRAUD AND CORRUPTION MANAGEMENT**

Fraud and Corruption represent a significant potential risk to the Municipality's' assets, service delivery efficiency and reputation. The Municipality does not tolerate corrupt or fraudulent activities, whether internal or external to the institution and will vigorously pursue and prosecute any parties which engage in such practices or attempt to do so by all legal means available. Communities are also encouraged to report all incidents relating to fraud and corruption to the district shared, premier and presidential hotline.

# **COLLINS CHABANE LOCAL MUNICIPALITY**



## **CHAPTER 03 SERVICE DELIVERY**

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### a. OVERVIEW OF SERVICE DELIVERY

According to Census 2011, Collins Chabane Local Municipality Service Delivery backlog is summarized as follows:

Population	347 975
Number of Households	91 936
Water Provision Backlog	40 000
Electricity Provision Backlog	4 706
Sanitation Backlog	40 000
Number of Households without refuse removal	21 572
Housing Backlog	23 000

The electricity backlog amounts to 10 507 households which includes Eskom distribution area within the municipal jurisdiction and it is predominantly comprised of new extensions. This backlog was determined by consolidation of data collected by respective Ward Councilors in affected areas and it is more realistic.

### b. OVERVIEW OF CAPITAL PROJECTS IMPLEMENTED

The municipality has successfully implemented two projects: 15km upgrading of roads from gravel to tar: Malamulele C1 and Malamulele B1 extensions, two projects: Xikundu ring road (70%) and Malamulele-B internal streets (15%) on construction. Two roads projects the designs were completed: Xithlelani ring road and Malamulele-D internal streets. The following projects were withheld: Sasekani ring road, Malamulele bus rank, Malamulele market stalls, Vuwani stadium and Sibudi Vyeboom road. Electrification projects (963 households connections) within 7 villages. One project for refurbishment of the civic center the engineer was appointed for designs

### **c. ELECTRICITY CONNECTIONS PERFORMED**

A total of 87 232 households have been supplied with electricity connections in 2016/2017 and there was a backlog of four thousand seven hundred and six (4 706) households. Eskom has planned to electrify two thousand and thirty four (2 034) households within 14 villages during 2017/18 and the municipality will implement 1 161 households at Mavambe, Makumeke and Mavandla during 2017/18 financial. The remaining backlog will be one thousand two hundred and sixty-eight (1 268). However, the backlog has increased because of the extensions

### **d. ROADS UPGRADING AND REHABILITATION**

The municipality has upgraded two (2) roads (15km) in the Malamulele township areas from gravel to asphalt.

### **e. BASIC SERVICES**

Below is information relating to water; wastewater (sanitation); electricity; solid waste management (refuse removal) and provision of housing for the poor, as well as a summary of delivery of free basic services.

#### **i. WATER SERVICES**

The sources of water in the municipality are from dams and boreholes: 3 dams are Nandoni, Albasin and Levhuvhu/ Letaba.

#### **ii. MAIN SOURCE FOR DRINKING WATER**

The table below reflects the number of households with access to the different sources/ standards of water provision: for the district.

**Table 8:** MAIN SOURCE FOR DRINKING WATER

Piped (tap) water inside the dwelling/house	4373
Piped (tap) water inside yard	35745
Piped water on community stand	24900
Borehole in the yard	2784
Rain-water tank in yard	96

Neighbours tap	4136
Public/communal tap	15348
Water-carrier/tanker	160
Borehole outside the yard	2946
Flowing water/stream/river	78
Well	-
Spring	-
Other	1369
Total	91935

Table 11: (source STATSA Census 2011: Community Survey 2016)

### iii. PURIFICATION PLANT & BOREHOLES

Table 9: Purification Plant & Boreholes

Purification Plant	CAPACITY IN M3/DAY	
	Design	Actual
Malamulele water works	21 600	16 000
Xikundu water works	20 000	10 000
Mhinga package plant	3 500	3 105
Mtititi water works	760	Under repair
Albasini water works	10 368	9 700
Total:	56 228	38 805

Table 12: (Source VDM)

### iv. COST RECOVERY

Vhembe District Municipality [VDM] as the Water Services Authority & Provider is responsible for cost recovery related to this service. The District has by-laws, tariffs and policies and is currently in the process of developing a Revenue Enhancement Strategy in order to manage the recovery of the cost associated with water. This is in line with the provisions of section 74 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) and Section 64 of the Municipal Financial Management Act (Act No. 56 of 2003). There are challenges regarding insufficient funding to procure enough water meters and its accessories to address the water meter connection backlog. The other challenges include 15 000 unmetered connections due to past era water connections, illegal water connection, delay in water meter installation, dilapidated water infrastructure and meters, and water loss and street taps damages

**v. SANITATION SERVICES (SEWER)**

Depicting from the figure below, more than forty thousand (40 000) people have no access to toilet facilities

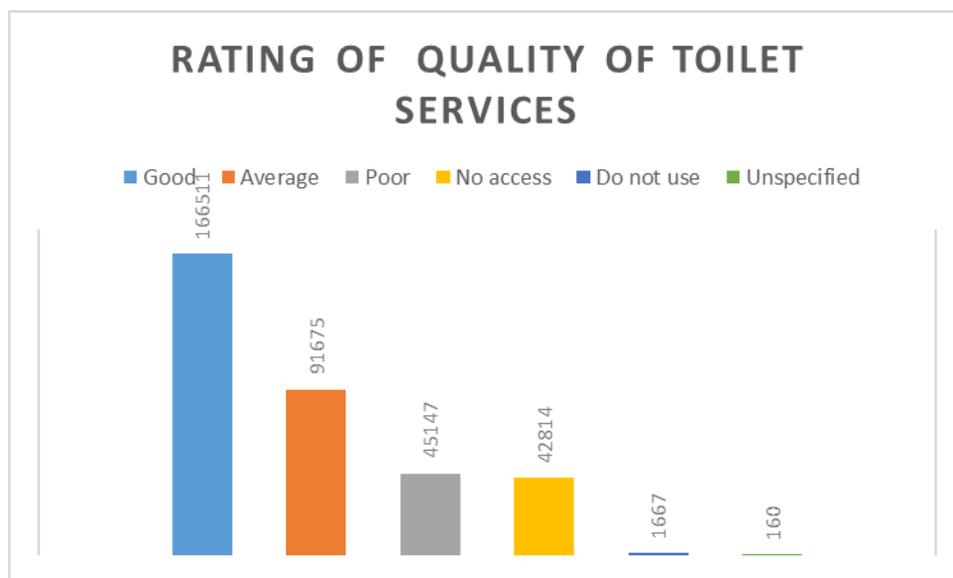


Figure 16 (Source Stats SA, 2016 Community Survey)

**vi. ELECTRICITY SERVICES**

About four thousand seven hundred and six (4706) households are without electricity. These households are in the Eskom distribution licensed area. The municipality does not have a license for electricity distribution. The municipality has an indigent Policy targeted at poor households with free basic services.

The Municipality has a joint responsibility with Eskom to electrify and service all customers as well as households within the jurisdiction of Eskom areas.

Energy distribution has an important economic developmental implication with a potential to make considerable impact. This impact relates to improved living conditions, increased productivity and greater sustainability of the environment. The electricity in Collins Chabane Local Municipality is supplied by Eskom. Table 14, suggests that the majority of households have access to prepaid electricity at 82367.

<b>HOUSEHOLD ACCESS TO ELECTRICITY</b>	
In-house conventional meter	3506
In-house prepaid meter	82367
Connected to other source which household pays for (e.g. con	95

Connected to other source which household is not paying for	801
Generator	12
Solar home system	230
Battery	5
Other	216
No access to electricity	4706
Total	91938

Table 14: (Source Stats SA, 2016 Community Survey)

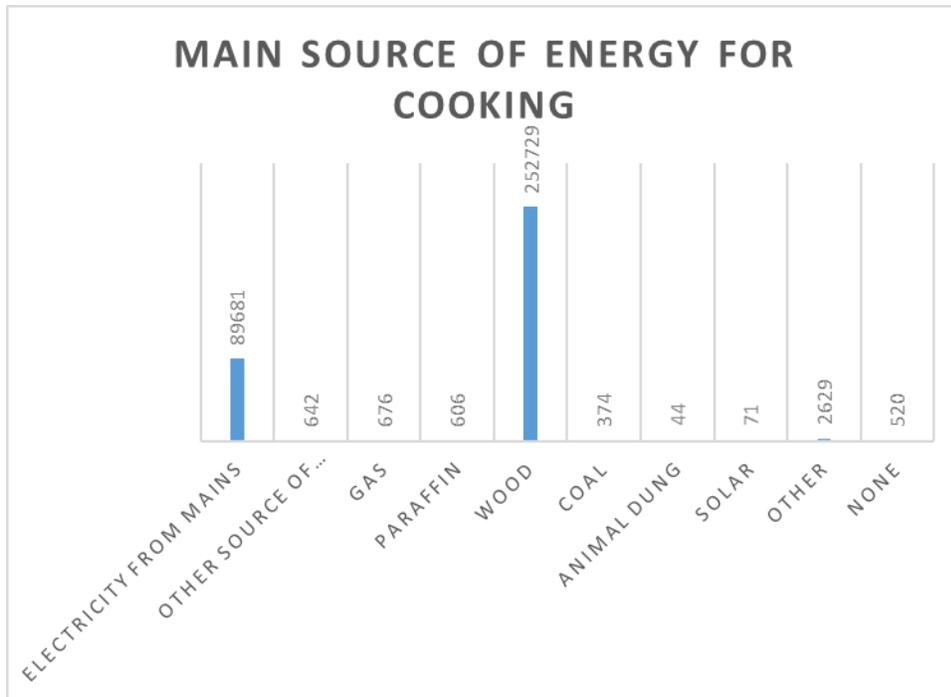


Figure 19: (Source Stats SA, 2016 Community Survey)

Depicting from the figure above it is evident that wood is still the main source of energy for cooking

#### vii. FREE BASIC SERVICE

There are 46000 indigent registered of which 629 receives free basic electricity. The municipality will be receiving INEP GRANT on the financial year 2017/2018 which will amount to R18 000 000.00. The Electrification of projects reflects as follows:

**Table 10: Electrification Projects 2016/17: Electricity services**

NO	DESCRIPTION	SOURCE	NO OF UNITS	BUDGET	EXPENDITURE
1	Mukondeni	Eskom	66	R1 511 809	R1 511 809
2	Masia Tshikwarani Ext	Eskom	169	R1 433 705	R1 433 705
3	Sundani	Eskom	34	R 463 150	R 463 150
4	Nwamatatani	Eskom	147	R 3 269 737	R 3 269 737

NO	DESCRIPTION	SOURCE	NO OF UNITS	BUDGET	EXPENDITURE
5	Madonsi A	Eskom	0	R3 277 438	R3 277 438
6	Nkavele Ext	Eskom	42	R 1 251 481	R 1 251 481
7	Vyeboom	Eskom	502	R 8 240 292	R 8 240 292
			<b>963</b>	<b>R19 447 613</b>	<b>R19 447 613</b>

### Electrification Projects 2017/18: Electrification Services (Planned)

NO	DESCRIPTION	SOURCE	NO OF UNITS	BUDGET
1	Mashau Magweni/Misevhe	ESKOM	33	R 1 091 971
2	Tshitungulwane	ESKOM	128	R 3 284 439
3	Tiyani	ESKOM	349	R 6 688 858
4	Nyavani	ESKOM	162	R 2 755 220
5	Tshitumbuni	ESKOM	83	R 2 043 898
6	Makhasa	ESKOM	33	R 1 272 796
7	Nkuzani	ESKOM	91	R 2 122 498
8	Nwaxinyamani	ESKOM	54	R 1 243 331
9	Tshipuseni	ESKOM	93	R 2 122 498
10	Fourways	ESKOM	15	R 943 832
11	Olifantshoek	ESKOM	15	R 1 192 704
12	Xifaxani	ESKOM	465	R 8 271 301
13	Ximixoni	ESKOM	418	R 7 050 854
14	Shibangwa	ESKOM	95	R 1 951 687
			<b>2034</b>	<b>R 42 054 834</b>

### viii. ROAD INFRASTRUCTURE

Table 11 Gravel Road Infrastructure

Gravel Road Infrastructure				Kilometers
	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to asphalt	Gravel roads bladed /maintained
2016/17	3500km	0	15km	886

Table 12 provincial roads 2016/17: Road Services maintained

Project Name	Road NO	Km's
Nkavele-Block H	D386	3.11
Muswana-Xihosani	D3636	7.5
Gumbani-Xihosani	D3637	9.4
Xikundu-Makuleke	D3639	14.3
Mphambo-Mudavula	D3640	19.5
Jilongo-Mtititi	D3643	10.9
Mtititi-Gijana	D3644	8.4
Muchipisi-Gijana	D3645	21.5
Mphambo-Bevula	D3647	30.7
Jimmy Jones-Mkhomi	D3648	7.9
Phugwani-Gijamhandeni	D3649	6.9
Nyavani-Makhasa	D3650	7.3
Xihosani-Xihosana	D3652	5.2
Boxahuku-Matiyani	D3653	12.2
Magona-Bevhula	D3653	12.7
Mukhomi-Dumela	D3654	5
Mahonisi-Mavambe	D3655	5.8
Happy Homes-Green Farm	D3360	9.6
Basani-Xikundu	D3661	15.6
Matsakali-Mapapila	D3662	2.2
Makahlule-Block H	D3663	1.7
Xikundu-Manghena	D3664	2

Project Name	Road NO	Km's
Mashombye-Makhubele	D3665	5.3
Xigalo-Tshifudi	D3666	15.3
Makhubele-Hlungwani	D3667	11.2
Xibangwa-Nkavele	D3668	11.6
Mtiti-Altein	D3745	3.5
Dumela-Muswani	D3779	4
Mphambo-N'wazekudzeku	D3800	6.8
Jilongo-Mninginisi	D3803	3.6
Mapapila-Dinga	D3805	4.1
Magomani-Ximixoni	D3859	4.1
Xikundu-Mhinga	D3860	12.6
Botsoleni-Maphophe	D3862	6.3
Manghena-Nkovani	D3864	11.3
Mhinga-Josefa	D3865	3.6
Mavambe-Jerome	D3868	5.8
Jerome-Roodhuis	D3991	0.95
Muswani-Mbhalati	D3923	15.5
Matsakali-Mtiti	D4	14.8
Gandlanani-Makumeke	UN1	8
Xithlelani-Dinga	UN2	3.5
Xikundu-Dinga	UN3	2.7
Makhubele-Bevula	UN4	3.2

**Table 13** Developments of Municipal Roads

<b>Development of municipal roads as required</b>	15 kms of municipal roads developed
2016/17	15km

Storm water management structures are provided for during the designs and construction of roads. This is attributed to municipality financial status.

### 3.4.5 MUNICIPAL INFRASTRUCTURE GRANT (MIG) EXPENDITURE

The municipality's actual spending is highlighted under "Actual Expenditure", whereas the difference in actual spending and final approved budget is highlighted under "Variance Adjustment Budget". Collins Chabane municipality has spent 68% of MIG.

**Table 14** Municipal Infrastructure Grant Expenditure

Municipal Infrastructure Grant (MIG)* Expenditure 2016/17 on Service backlogs						
						R' 000
Details	Budget Approved	Adjustment Budget Approved	Actual Expenditure	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustment Budget	
<b>Infrastructure - Road transport</b>						
<i>Roads, Pavements &amp; Bridges</i>	R88 177 000	0	R59 680 691.95	0	0	None
<i>Storm water</i>	Included above					

**Table 15: EPWP jobs**

Job creation through EPWP* projects		
Year	EPWP Projects	Jobs created through EPWP projects
	No.	No.
2016/2017	4	202

**ix. REFUSE REMOVAL**

Collins Chabane local Municipality has 3 refuse trucks that collect waste in more than 42 villages and 20 business centers. The Municipality has placed refuse bins in some high density business areas. The Municipality conducted four (4) environmental campaigns at Malamulele, Matiyani, Bungeni and Saselaamni. The main challenges on refuse removal are as follows:

- No Landfill site
- Continuous breakdown of waste management vehicles
- Lack of personnel to coordinate the process
- No license for the landfill site.

**x. HOUSING**

The Municipality is faced with a high number of housing backlog. According to the municipal information (needs identify by communities) the current housing backlog in villages is estimated to be more than twenty-three thousand (23 000). The Department of Corporative Governance, Human Settlements and Traditional Affairs (CoGHSTA) has built 356 houses in 2016/2017 financial year. The department will also assist the Municipality in developing a Housing Chapter in 2017/2018.

**Table 16: ANNUAL SDBIP PERFORMANCE**

ANNUAL SDBIP PERFORMANCE											
E. KPA 1 MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT											
Key performance area	Strategic Objectives	KPI	Baseline	Annual Targets	Responsible Manager	Budget	Evidence	Status	Progress	Challenges	Measures for Improvements
<b>1.1. Organisational Design and Human Resources</b>											
To develop a sound municipal institution	Good Governance and Administration	% review of the organizational structure Review by June 2017.	N/A	Organisational structure developed by June 2017	<b>Corporate Services</b>	R 500 000.00	Council resolution	Target Achieved	Organisational structure was developed by June 2017	None	None
To develop a sound municipal institution	Good Governance and Administration	% posts evaluated by June 2017	N/A	100% posts evaluated by June 2017	<b>Corporate Services</b>	Included in the above	Council resolution	Target Not Achieved	11% (41/343) posts were evaluated by June 2017	None	None
To develop a sound municipal institution	Good Governance and Administration	Number of HR policies rationalized	None	24 HR policies rationalized by 30 September 2016	<b>Corporate Services</b>	OPEX	Council resolution on rationalized.	Target Achieved	24 HR policies were rationalized by 30 September 2016	None	None

**ANNUAL SDBIP PERFORMANCE**

**E. KPA 1 MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT**

Key performance area	Strategic Objectives	KPI	Baseline	Annual Targets	Responsible Manager	Budget	Evidence	Status	Progress	Challenges	Measures for Improvements
To develop a sound municipal institution	Good Governance and Administration	Number of critical by-laws rationalized	None	7 by laws rationalised by 30 September 2016	<b>Corporate Services</b>	OPEX	Council resolution on rationalized.	Target Achieved	7 by laws were rationalised by 30 September 2016	None	None
<b>1.2. Integrated Development Planning</b>											
Integrated Development planning	Good Governance and Compliance	IDP /Budget Framework and Process Plan	None	Process plan for 17/18 IDP/BUDGET developed	Municipal Manager	OPEX	IDP Process plan adopted by council	Target Achieved	Process plan for 17/18 IDP/BUDGET developed	None	None
Integrated Development planning	Good Governance and Compliance	Draft IDP Compile and submitted to Council by 31 March 2017	None	Draft 2017/18 IDP/BUDGET in place	<b>Municipal Manager</b>	OPEX	Council Resolution	Target Achieved	Draft 2017/18 IDP/BUDGET was in place	None	None
Integrated Development planning	Good Governance and Compliance	Approved of final IDP	None	Final IDP/BUDGET for 2017/18 financial year adopted	<b>Municipal Manager</b>	OPEX	Council Resolution	Target Achieved	Final IDP/BUDGET for 2017/18 financial year was adopted	None	None
Integrated Development planning	Good Governance and Compliance	MSCOA	None	MSCOA Readiness	<b>Municipal Manger</b>	Opex	MSCOA report	Target Achieved	MSCOA Readiness done (The municipality was on MSCOA by 30 June 2017	None	None
<b>1.3. Performance Management Systems</b>											

**ANNUAL SDBIP PERFORMANCE**

**E. KPA 1 MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT**

Key performance area	Strategic Objectives	KPI	Baseline	Annual Targets	Responsible Manager	Budget	Evidence	Status	Progress	Challenges	Measures for Improvements
Human resources	Good Governance and Administration	Organisational Performance Management Framework approved by Council	None	Organizational Performance Management Framework developed by June 2017	Corporate Services	OPEX	Approved Organisational Performance Management Framework	Target Not Achieved	Organizational Performance Management Framework was developed by June 2017	None	None
Basic service delivery	Dignified living	Number of Back to Basics reports compiled.	None	8	Municipal Manager	OPEX	Reports	Target Not Achieved	Non-report was done	Lack of personnel to compile the report	To appoint 41 personnel by 31 December 2017
<b>1.4 Skills Development</b>											
Human resources	Good Governance and Administration	Work Place Skills Plan Developed by June 2017	None	Work Skills Plan developed	Corporate Services	OPEX	Approved WSP	Target Achieved	Workplace Skills Plan was developed	None	None
Human resources	Good Governance and Compliance	% training sessions conducted for councillors	None	100% training sessions conducted by June 2017	Corporate Service	Training budget	Reports	Target Not Achieved	0% training sessions conducted by June 2017	Lack of personnel to coordinate the processes	To appoint 41 personnel by 31 December 2017
Human resources	Good Governance and Compliance	% training sessions conducted for officials	None	100% training sessions conducted by June 2017	Corporate Service	Training budget	Reports	Target Not Achieved	0% training sessions conducted by June 2017	Lack of personnel to coordinate the processes	To appoint 41 personnel by 31 December 2017

**ANNUAL SDBIP PERFORMANCE**

**E. KPA 1 MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT**

Key performance area	Strategic Objectives	KPI	Baseline	Annual Targets	Responsible Manager	Budget	Evidence	Status	Progress	Challenges	Measures for Improvements
Fleet maangement services	Good Governance and Administration	Number of vehicles purchased for political office	None	1 mayoral vehicle purchased.	Corporate Service	R 1.2M	Invoice	Target Achieved	1 mayoral vehicle was purchased.	None	None
Legal service, compliance and control environment	Good Governance and Compliance	% litigations attended.	None	100% litigations attended by June 2017	Corporate Service	OPEX	Reports	Target Achieved	There were no litigations against the Municipality	None	None

**F. KPA 2 BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT**

Key performance Area	Strategic Objectives	KPI	Baseline	Annual Targets	Responsible Manager	Budget	Evidence	Status	Progress	Challenges	Measures for Improvement s
<b>2.1. Implementation of MIG projects</b>											
Settlement and Property Management	Dignified Living	Level of project implementation	None	Sibudi To Vyeboom Road Road And Storm Water Completed by June 2017	Technical Service	0	Completion certificate	Target Not Achieved	Sibudi To Vyeboom Road Road And Storm Water was not Completed by June 2017	The budget for the project was taken to Malamulele B section road due refusal by the Vuwani Commnity	To budget for the project when the Community of Vuwani need it

**F. KPA 2 BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT**

Key performance Area	Strategic Objectives	KPI	Baseline	Annual Targets	Responsible Manager	Budget	Evidence	Status	Progress	Challenges	Measures for Improvements
Basic Service Delivery	Dignified Living	Level of project implementation	None	Saselamani stadium upgraded by June 2017	Technical Service	R26 400,000.00	Completion certificate	Target Not Achieved	Saselamani stadium not fully upgraded (75%)	There was additional scope of work	Grant extension of time until the 30 of August 2017
Basic Service Delivery	Dignified Living	Level of project implementation	None	Xikundu Ring Road completed by June 2017	Technical Service	R37,000,000.00	Completion certificate	Target Not Achieved	Xikundu Ring Road completed (75% - 4km tarred, 3km earth work done)	Delays by SANRAL on intersection and rainfall	Grant extension of time until the 30 of October 2017
Basic Service Delivery	Dignified Living	Level of project implementation	None	Malamulele B Extension Street upgrading started	Technical Services	R66,000,000.00	Appointment Letters, Completion Certificate.	Target Not Achieved	Commission Contractor to Implement done	None	None
<b>2.1. Roads</b>											
Basic Service Delivery	Dignified Living	Report to the Portfolio Committee on the process of forward regarding projects for 2017/18	None	2	Technical Service	Operational	Technical report compiled	Target Achieved	2	None	None

**F. KPA 2 BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT**

Key performance Area	Strategic Objectives	KPI	Baseline	Annual Targets	Responsible Manager	Budget	Evidence	Status	Progress	Challenges	Measures for Improvements
Basic Service Delivery	Dignified Living	Report to the Portfolio Committee on the maintenance and repairs conducted	None	3	Technical Service	Operational	Reports	Target Achieved	3	None	None
<b>2.3. Waste Removal</b>											
Basic Service Delivery	Dignify Living condition	Procurement of equipment	None	Four(5) plant/equipment purchased by June 2017 ( 2 water tankers, 1 grader, 1 skip loader and 1 Waste removal truck)	Community service	R4,500,000	Delivery invoice	Target Not Achieved	5 plant/Equipment were not purchased ( 2 water tankers, 1 grader, 1 skip loader and 1 Waste removal truck)	Lack of personnel to coordinate the process	To purchase the equipment's by December 2017
Basic Service Delivery	Dignify Living condition	Provide free basic refuse removal to villages with sustained refuse removal services by June 2017	None	Refuse removal collected in 42 villages by June 2017.	Community Service	OPEX	Quarterly reports	Target Achieved	Refuse removal was collected in more than 42 villages	Continuous breakdown of waste management vehicles	To purchase the equipment's by December 2017
Basic Service Delivery	Dignify Living condition	Number of businesses and government departments with sustained refuse removal service by June 2017	None	20 business centres receiving waste removal per week by June 2017	Community Service	OPEX	Quarterly reports	Target Achieved	More than 20 business centres were receiving waste removal	Continuous breakdown of waste management vehicles	To purchase the equipment's by December 2017

**F. KPA 2 BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT**

Key performance Area	Strategic Objectives	KPI	Baseline	Annual Targets	Responsible Manager	Budget	Evidence	Status	Progress	Challenges	Measures for Improvements
Environmental awareness as campaigns	Dignify Living condition	Number of campaigns	None	20	Community Service	OPEX	Campaign pictures and attendance register	Target Not Achieved	4 environmental campaigns conducted	Lack of personnel to coordinate the process	To conduct campaigns by JDecember 2017
Basic Service Delivery	Dignify Living condition	Licence landfill site	None	Licence landfill site	Community Service	R 10 000 000.00	Completion certificate	Target Achieved	The Licence for the landfill site was not secured.	Delays in the appointment of engineer and contractor	To appoint engineer and contractor by December 2017
Health and Safety	To create safe and healthy work environment	Number of trained healthy and safety representatives by June 2017	None	20	Community Service	OPEX	Training report	Target Not Achieved	No training conducted	Lack of personnel to coordinate the process	To do the training by December 2017
Health and Safety	To create safe and healthy work environment	Number of safety inspections conducted by June 2017	None	12	Community Service	OPEX	Inspection report	Target Not Achieved	No safety inspection conducted	Lack of personnel to coordinate the process	To do the training by December 2017
<b>2.4. Park, Public open Space and Cemeteries</b>											
Basic Service Delivery	To provide readily available graves	Percentage graves provided by June 2017	None	100% graves provided by June 2017	Community Service	OPEX	Quarterly reports	Target Achieved	100% graves provided	None	None

**F. KPA 2 BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT**

Key performance Area	Strategic Objectives	KPI	Baseline	Annual Targets	Responsible Manager	Budget	Evidence	Status	Progress	Challenges	Measures for Improvements
Basic Service Delivery	To provide provide drivers and motor vehicle licensing services to the community	Percentage application for learner driver's permit issued by June 2017	None	100% learner driver's permit issued by June 2017	Community Service	OPEX	E-natis report	Target Achieved	100% learner driver's permit issued	None	None
Basic Service Delivery	Preferred investment destinations	% drivers licences issued by June 2017	None	100% drivers licenses issued by June 2017	Community Service	OPEX	E-natis report	Target Achieved	100% drivers licenses issued	None	None
Basic Service Delivery	Preferred investment destinations	% motor vehicles tested by June 2017		100% motor vehicles tested by June 2017		OPEX	Quarterly report	Target Achieved	100% motor vehicles tested	None	None
Basic Service Delivery	Dignified Living	Number of sports facilities maintained by June 2017	None	5 sports facilities( Mudavula, Merwe, Malamulele, Boxing GYM and Tennis court) maintained by June 2017	Community service	OPEX	Quarterly reports	Target Achieved	5 sports facilities( Mudavula, Merwe, Malamulele, Boxing GYM and Tennis court) maintained	None	None
Basic Service Delivery	To create safe and healthy work environment	Number of municipal building gardens maintained	None	4 ( DCO, Vuwani, Technical and Traffic centres)municipal building gardens maintained	Community service	OPEX	Quarterly reports	Target Not Achieved	3 (DCO, Technical and Traffic centres) municipal building gardens maintained. Vuwani is not being maintained due to the strike	None	None
<b>2.5. Human Settlement and Spatial Planning</b>											

**F. KPA 2 BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT**

Key performance Area	Strategic Objectives	KPI	Baseline	Annual Targets	Responsible Manager	Budget	Evidence	Status	Progress	Challenges	Measures for Improvements
Human Settlement and Property Management	Preferred investment destination	Municipal Planning Tribunal established by 30 June 2017.	None	Establishment and Operation of Municipal Planning Tribunal by the 30 June 2017	Planning and Development	OPEX	Appointment letters	Target Not Achieved	The Municipality requested to be part of Makhado Tribunal in May 2017.	Makhado Municipality did not respond to the letter by June 2017	The Municipality rescinded the Makhado resolution and request to join the Vhembe District Municipality Tribunal
Settlement and Property Management	Preferred investment destination	Spatial Development Planning Framework	None	Approved SDF by 30 June 2017	Planning and Development	OPEX	Council Resolution that SDF is approved	Target Not Achieved	A service provider is appointed to do SDF	Delays in securing a service provider through regulations 32	A section 32 of SCM Regulations was secured with Lephalale Municipality
Settlement and Property Management	Preferred investment destination	Land Use Management Scheme	None	Approved Land Use Management Scheme by the 30 June 2017	Planning and Development	OPEX	Council Resolution.	Target Not Achieved	A service provider is appointed to do and Land Use Scheme	Delays in securing a service provider through regulations 32	A section 32 SCM Regulations was secured with Musina Municipality
Settlement and Property Management	Preferred investment destination	Report quarterly to the Portfolio on the process of land use applications in terms of the relevant legislations ( SPLUMA)	None	2	Planning and Development	OPEX	Report Approved General Plan	Target Not Achieved	No report was written to the portfolio committee	There were no complete application to be approved by the authorised official due to lack of knowledge by the applicants	To conduct awareness campaign on the processes of obtaining approval for a development application
Human Settlement and Property Management	Preferred investment destination	Approved Business Park, Malamulele Ext E ( 56 Erf)	Draft GP Approved Layout Plan	Proclaimed Township	Planning and Development	OPEX	Opening of Township register	Target not achieved	Engagement meetings were held with the Consultant appointed by Thulamela for status quo report	Delays in starting with the reappointment processes	To appoint the consultants that was appointed by Thulamela to finalise the approval of the General Plan

**F. KPA 2 BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT**

Key performance Area	Strategic Objectives	KPI	Baseline	Annual Targets	Responsible Manager	Budget	Evidence	Status	Progress	Challenges	Measures for Improvements
Good Governace and Administrartion	Preferred investment destination	Municipal Valuation Roll	None	Approved Valuation Roll	Planning and Development	OPEX	Council Resolution	Target achieved	Valuation Roll was approved	None	None
Human Settlement and Property Management	Housing Administration	Malamulele extent ion B ( Not proclaimed)	Draft GP Approved Layout	Proclaimed Township	Planning and Development	OPEX	NoticeApproved General Plan	Target not achieved	Engagement meetings were held with the Consultant appointed by Thulamela for status quo report	Delays in starting with the reappointment processes	To appoint the consultants that was appointed by Thulamela to finalise the approval of the General Plan
Human Settlement and Property Management	Building development control	Percentage of building plans received and processed by June 2017	None	Percentage of building plans approved by June 2017.	Planning and Development	OPEX	Opening of Township register	Target achieved	10/10 building plans were approved	None	None
Human Settlement and Property Management	Preferred investment destination	Number of illegal activities and land invasion cases attended	None	1	Community Service	OPEX	Quarterly reports.	Target achieved	The were no cases of land invasion	None	None

**G. KPA 3 LOCAL ECONOMIC DEVELOPMENT**

Priority Area	Strategic Objectives	KPI	Baseline	Annual Targets	Responsible Manager	Budget	Evidence	Status	Progress	Challenges	Measures for Improvements
Local Economic Development	Preferred Investment	Providing training and workshops for entrepreneurs/ SMME and Cooperatives	None	5	Planning and Development	OPEX		Target achieved	5 trainings were conducted (Durban Indaba, Tourism Capacity building in Musina, YEAP, NYDA, Faranani	None	None

**H. KPA 4 MUNICIPAL FINANCIAL MANAGEMENT AND VIABILITY**

Priority Area	Strategic Objectives	KPI	Baseline	Annual Targets	Responsible Manager	Budget	Evidence	Status	Progress	Challenges	Measures for Improvements
Fiancial Vaibility Management	To improve overall fiancial maangement of the municipality	Number of monthly budget statements prepared and submitted as required by MFMA	NONE	12 monthly budgets reports prepared by June 2017	Chief Financial Officer	OPEX	Section 71 reports	Target achieved	11 monthly budgets reports were prepared	Not all reports were submitted within legislative timelines	To appoint personnel by December 2017
Fiancial Vaibility Management	To improve overall fiancial maangement of the municipality	Number of financial management policies reviewed and adopted by council	NONE	9 financial management related policies reviewed and adopted by council by June 2017	Chief Financial Officer	OPEX	Council Resolution	Target achieved	9 financial management related policies were reviewed and adopted	None	None
Fiancial Vaibility Management	To improve overall fiancial maangement of the municipality	Number of mid-year budget assessment approved by council	None	1 mid-year budget assessment approved by council by January 2017	Chief Financial Officer	OPEX	Council resolution	Target achieved	1 mid-year budget assessment was approved	None	None
Fiancial Vaibility Management	To improve overall fiancial maangement of the municipality	Number of annual budget approved by council	None	1 annual budget approved by council by June 2017	Chief Financial Officer	OPEX	Council resolution	Target achieved	1 annual budget was approved by council	None	None

**H. KPA 4 MUNICIPAL FINANCIAL MANAGEMENT AND VIABILITY**

Priority Area	Strategic Objectives	KPI	Baseline	Annual Targets	Responsible Manager	Budget	Evidence	Status	Progress	Challenges	Measures for Improvements
Fiancial Vaibility Management	To improve overall fiancial maangement of the municipality	Percentage of payment made to creditors within 30 days receipt of invoice	None	100% payment made to creditors within 30 days of receipt of the correct invoice	Chief Financial Officer	OPEX	Creditors Ageing Analysis	Target Not achieved	95% payment made to creditors within 30 days of receipt of the correct invoice	lack of personnel to capture the claims within timeframe	To appoint personnel by December 2017
Fiancial Vaibility Management	To improve overall fiancial maangement of the municipality	Number of tariff structures developed	1	1 tariff structure developed and adopted by May 2017	Chief Financial Officer	OPEX	Reviewed tariff structure	Target Achieved	1 tariff structure developed and adopted by May 2017	None	None
Fiancial Vaibility Management	To improve overall fiancial maangement of the municipality	# Deadline to conduct municipal assets verification	0	Asset verification report submitted to council by 30 June 2017	Chief Financial Officer	OPEX	Asset verification report	Target Achieved	Asset verification report submitted to council by 30 June 2017	None	None
Fiancial Vaibility Management	To improve overall fiancial maangement of the municipality	Capacitate SCM unit	0	SCM training facilitated	Chief Financial Officer	OPEX	Training Reports/Attendance register	Target Achieved	SCM training was facilitated	None	None
Fiancial Vaibility Management	To improve overall fiancial maangement of the municipality	% Timeous appointment of service providers with 90 days in accordance with SCM prescripts	0	100% compliance to SCM prescripts	Chief Financial Officer	OPEX	Tender awarded report	Target Not Achieved	Not all SCM prescripts were complied with	lack of capacity and knowledge to assist in applying SCM compliance issues	To train the existing staff and appoint experienced and qualified personnel.

**H. KPA 4 MUNICIPAL FINANCIAL MANAGEMENT AND VIABILITY**

Priority Area	Strategic Objectives	KPI	Baseline	Annual Targets	Responsible Manager	Budget	Evidence	Status	Progress	Challenges	Measures for Improvements
Fiancial Vaibility Management	Improved complaince to MFMA and LIM345 policy framework	Consolidated billed revenue and debtor's information from Thulamela and Makhado	New	1 consolidated revenue report	Chief Financial Officer	OPEX	Revenue Report	Target Achieved	1 consolidated revenue report done	None	None
Fiancial Vaibility Management	To improve overall fiancial maangement of the municipality	Improved Municipal compliance to mSCOA	New	mSCOA readiness to go live by 30 June 2017	Chief Financial Officer	OPEX	mSCOA reports	Target Achieved	mSCOA readiness to go live by 30 June 2017	None	None
Expenditure Management	To improve overall fiancial maangement of the municipality	% of municipality capital budget actually spent on capital projects by 30 June 2017	0	100%	Chief Financial Officer	CAPEX	Section 71 reports/ MIG reports	Target Achieved	65% (78 464 631/119 970 000) capital budget was spent.	Non implementation and Non competition of certain capital projects	To ensure forward planning in the financial year 2017/2018.
Budget and Reporting	To improve overall fiancial maangement of the municipality	Number of Budget adjustment conducted	0	1 Adjustment budget report	Chief Financial Officer	OPEX	Council resolution	Target Achieved	2 Adjustment budget report done	None	None

**I. KPA 5 GOOD GOVERNANCE AND PUBLIC PARTICIPATION**

Priority Area	Strategic Objectives	KPI	Baseline	Annual Targets	Responsible Manager	Budget	Evidence	Status	Progress	Challenges	Measures for Improvements
<b>5.1. Council and Executive Committee</b>											
<b>Good governance</b>	<b>Good cooperative governance</b>	Effective functioning of Council	None	Scheduled Council meetings held	<b>Corporate Services</b>	OPEX	Minutes, Attendance Registers	Target achieved	Scheduled Council meetings were held (8 meetings)	None	None
<b>Good governance</b>	<b>Good cooperative governance</b>	Effective functioning of the Executive Committee	None	Scheduled Executive meetings held	<b>Corporate Services</b>	OPEX	Minutes, Attendance Registers	Target achieved	Scheduled Executive meetings were held (8 meetings)	None	None
<b>5.2. Public Participation and Ward Committee</b>											
<b>Good cooperative governance</b>	<b>Good cooperative governance</b>	IDP Rep Forum	None	IDP Rep Forum Meetings held	<b>Municipal Manager</b>	OPEX	Attendance Register	Target achieved	Number of IDP Rep Forum Meetings held (2 meetings)	None	None
<b>Good cooperative governance</b>	<b>Good cooperative governance</b>	Effective function of ward committee	None	Ward committee reports compiled	<b>Municipal Manager</b>		Ward Committee Report	Target achieved	Number of ward committee reports (272 meetings)	None	None
<b>Good cooperative governance</b>	<b>Good cooperative governance</b>	Mayoral Imbizos	None	Mayor Imbizo held	<b>Municipal Manager</b>	OPEX	Attendance registers, Imbizo reports	Target achieved	2 Mayoral Imbizos done	None	None

<b>Good cooperative governance</b>	<b>Good cooperative governance</b>	Effective Function of audit committee	None	Audit Committee Meetings Held	<b>Municipal Manager</b>	OPEX	Attendance Register and AC reports	Target Not achieved	No Audit Committee held	None	None
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# **COLLINS CHABANE LOCAL MUNICIPALITY**



## **CHAPTER 04 MUNICIPAL PERSONNEL**

## **CHAPTER 4: MUNICIPAL PERSONNEL**

### **COMPONENT A: MUNICIPAL WORKFORCE**

#### **a EMPLOYEES PER DEPARTMENT**

**As at 30 June 2017, Collins Chabane Local Municipality had a total workforce of 166 (one hundred and sixty-six) allocated in to six (6) departments stationed at Malamulele and Vuwani.** The Municipal Manager was appointed in May 2017 while Director Corporate Services started in June 2017.

A large number of employees are attached to the Department Community Services and the Department of Technical Services. The large number is attributed to the nature of department which is service delivery oriented. The employees enjoy benefits such as pension, medical aid, UIF, annual leave and other allowances relevant to their department. There are two recognized workers' unions at Collins Chabane Local Municipality, i.e. IMATU and SAMWU. The continuous engagement with organized labour is done at the level of the Local Labour Forum to ensure that there is worker's stability and also to consult employees on matters of common interest. The 2016/2017 financial year never experienced any industrial actions by labour. The Municipality managed through an interdependent system of management structures. The administrative top management were occupied by officials in an acting capacity. The Municipality absorbed 166 employees from Thulamela and Makhado Municipalities.

#### **b EMPLOYEE TURNOVER**

A number of one hundred and fifty-eight (158) vacant posts which were budgeted for existed on the approved organizational structure by June 2015/2016 financial year. In the year under review the municipality filled 61 posts. As far as staff turnover is concerned it is paramount to highlight that the majority of employees are not young anymore. The turnover that was experienced was mainly due to retirement and death of employees. The municipality also experienced sporadic resignations due to employees who have found greener pastures elsewhere

**Table 17** Turn-over Rate

Details	Total Appointments as of beginning of Financial Year	Terminations during the Financial Year
2015/16	25	48

**c ORGANIZATIONAL STRUCTURE**

Collins Chabane Local Municipality has the following departments:

**i. DEPARTMENT COMMUNITY SERVICES**

- Department Community Services consist of the following sections -
- Protection Services (Traffic and Licensing)
- Disaster Management Services
- Environmental Health Services (although this service is busy being transferred to the Vhembe District, the one (1) staff member and function is still with MLM)
- Public Library Services
- Public swimming pools
- Municipal Parks
- Cemeteries and crematorium
- Municipal Pounds
- Waste management
- Caretaker and Cleaning services of municipal buildings

**WASTE MANAGEMENT**

- Collection of refuse on domestic and Industrial
- Maintenance and operations of waste management facilities

**PARKS AND RECREATION**

- Maintenance of parks,
- Maintenance and running of public swimming pools, cemeteries and crematorium
- Running of Municipal Pounds

**PROTECTION SERVICES (TRAFFIC)**

- Traffic Control
- Law Enforcement

- Hawker Control
- Road Markings and Traffic Signs
- Security
- VIP Escorts
- Accident response
- Bus and Taxi Operator Forum

### **PROTECTION SERVICES (LICENSING)**

- Motor vehicle licensing
- Drivers' license testing and issuing
- Roadworthy testing center
- Business licenses
- Public driving permits
- Certificate of fitness for vehicles
- Road transportation plan
- Bus and Taxi routes

## **ii. DEPARTMENT CORPORATE SERVICES**

The Department of Corporate Services consists of the following sections:

### **HUMAN RESOURCES MANAGEMENT**

#### **Section: Personnel Administration & Performance Management System**

- Personnel Administration
- Human Resource Management and Administration
- Recruitment and Placement of employees

#### **Section: Organizational Development & Skills Development**

- Employment Equity Plan
- Skills gaps analyses and skills development programs
- Organizational Development
- Occupational Health and Safety services and compliance

#### **Section: Employee Assistance Programme**

- Employee wellness
- Counseling and referrals
- Making workplace interesting through various activities
- Support to individual employees
- Arranging Memorial Services

## **ADMINISTRATION AND COUNCIL SUPPORT SERVICES**

### **Section: Administration and Council Support**

- Committee Services
- Administration
- Support services to all municipal departments

### **Section: Auxiliary Services**

- Records and Archives

### **Section: Computer Services and Call Center**

- Information Technology – hardware, software and user assistance
- System Administration
- Network Administration
- User technical support
- 24/7 Call center services
- Telephone communication systems

## **LEGAL SERVICES**

- Legislative Drafting
- Litigation
- Legal Research (Opinion / Advice / Interpretation)
- Contract drafting
- Prosecution and presiding in the Disciplinary Tribunal / Bargaining Council
- Employment Equity
- Labor Related Policies
- Local Labor Forum
- Dispute Resolution

## **COMMUNICATIONS**

- Communication and Publicity Services

**iii. OFFICE OF THE SPEAKER**

- Support service to the Office of the Municipal Councilors
- It consist of Public participation, Council committees and Ward committee services

**iv. OFFICE OF THE MAYOR**

- Office of the Mayor
- Office of the Speaker (including municipal councilor support activities)
- Gender desk
- Youth desk
- Aged desk
- Disability desk
- Arts and Culture
- Special Programs and Culture Services

**d DEPARTMENT DEVELOPMENT PLANNING**

The department consists of the following sections:

**INTEGRATED DEVELOPMENT PLANNING**

**Section: Integrated Development Planning**

- Review and drafting of the IDP
- Coordinate the IDP review process

**LOCAL ECONOMIC DEVELOPMENT DIVISION**

- Investment attraction and business retention and expansion drive
- Conducting open market days
- Creating and enabling environment for SMMEs, Agriculture, Tourism and Cooperatives.
- Updating of the LED Strategy
- Coordination of the annual show
- Provide support to SMMEs and Cooperatives
- Provision of support and coordination of LED projects funded by Provincial and National Departments

## **SPATIAL PLANNING AND LAND USE MANAGEMENT DIVISION**

### **Section: Building Control**

- Responsible for producing copies of building plans and town maps
- Approval of building plans and departmental drawings
- Outdoor advertisement and sign boards
- Building inspections for building under construction, completed structures, PHP houses, additional building structures and municipal buildings
- Response to enquiries regarding building works and technical advices on buildings
- Issuing of completion certificate and certificate of occupancy

### **Section: Survey**

- Iron peg identification
- Sites demarcation (Business, residential, cemeteries, etc.)
- Enquiries regarding general plans
- Assist clients to identify their sites
- Site inspection
- Spatial Information on the rural villages and the township areas

### **Section: Geographical Information**

- Updating of maps
- Analysis of zoning on the building plans
- Development of GIS maps
- Plotting of the maps

### **Section: Town Planning**

- Ensure compliance to Town Planning scheme
- Issuing of zoning certificates
- Attend to land use enquiries
- Issuing consent use applications
- Attend to enquiries regarding home Business enquiries
- Manage layout plans of Louis Trichardt and R293 towns e.g. Vleyfontein, Waterval, Dzanani and Vuwani
- Provide land use Information on the rural villages and the township areas
- Attend to development proposals
- Control township establishment
- Control Subdivision of land
- Control consolidations of farm areas and erven
- Site development plans assessment

- Site inspections

Section: Housing

- Administration of RDP houses
- Administration of PHP houses
- Research on vulnerable groups
- Identification of SMMEs to assist in building PHPs with the assistance of ward councilors
- Assist contractors, councilors and traditional authorities in developing the housing beneficiary list
- Drafting of contracts for EPWP employees
- Payment of the EPWP employees
- Site inspection on RDP and PHP houses
- Follow up with the DLGH with regard to incomplete RDP houses
- Introduction of developers to councilors
- Connection of toilets to the PHP houses
- Inform the DLGH on houses affected by disaster e.g. hurricanes
- Facilitate the official handover of the completed RDP houses
- Conduct housing needs analysis
- Conduct meetings related to housing
- Management of contracts PHP projects
- Handling of housing complaints
- Attend to daily correspondences related to housing

**e BUDGET AND TREASURY OFFICE**

**REVENUE**

Among others, the Revenue section is responsible for the following:

- Management of the municipal revenue;
- Collection of municipal revenue in terms of its Credit Control and Debt Collection
- Policy formulated compliant to section 95 of the Local Government: Municipal Systems Act;
- The revenue due to the municipality is calculated on a monthly basis;
- That the municipal taxes and other services are calculated on a monthly basis;
- All monies received should be banked promptly into the municipal bank account;
- Maintenance of the management, accounting and information systems which:
  - recognize revenue when it is earned;

- accounts for debtors; and
- accounts for receipts of revenue;
- the municipality should charge interest on accounts in arrears;
- reconciliation of revenue received at least once a week;
- report to the National Treasury of accounts owing by the organ of State for accounts of more than 30 days in arrear:
- Funds collected by the municipality on behalf of any Organ of State should be Transferred once per week;
- Funds collected on behalf of another Organ of State should not be used for Municipal purposes;

**The division is composed of the following sections:**

- Customer Care section
- Billing section
- Credit control section
- Debt collection section

**BUDGET**

The Budget Division is responsible for the following:

- compile the municipal budget;
- coordinate implementation of the municipal approved budget;
- control the municipal budgeted spending against the anticipated revenue;
- monitor both revenue and expenditure properly;
- prepare the adjustment budget;
- draft the SDBIP for the financial year;
- draft the annual performance agreement;
- report the budget shortfall and/ or overspending to council;
- reporting to the National Treasury any bank overdraft;
- compilation of financial reports to council on a quarterly basis;
- compilation of reports to both the Provincial and National treasury;

**The division is composed of the following sections:**

- Budget and Financial Reporting section
- Data capturing section

- Investment section
- Reconciliation section

## **SUPPLY CHAIN MANAGEMENT AND ASSET MANAGEMENT**

The Supply Chain Management Division is responsible for the following:

- Acquisition of goods and services, including assets for the municipality;
- That the municipal supply chain system is implemented as follows:
  - must be fair;
  - must be equitable;
  - must be transparent;
  - competitive; and
  - cost-effective;
- management of the disposal processes;
- maintenance of the municipal supply data base;
- conduct of the store material stock-tacking annually;
- implementation of the internal controls with regard to the supply chain management systems;

**The division is composed of the following sections:**

- Acquisition section
- Demand section
- Logistics Management section
- Contract Management section
- Disposal Management section

The Asset management Division of the municipality is responsibility for the following:

- Management of the municipal assets;
- safeguarding and maintenance of the municipal assets and liabilities;
- Maintenance of the management, accounting and information systems which:
  - account for proper assets and liabilities;
  - maintenance of the internal control of the assets and liabilities of the municipality;
- preparation and maintenance of the municipal assets register;
- management of the municipal fleet;

**The division is composed of the following sections:**

- Transport/ Fleet section
- Asset section

**EXPENDITURE**

Amongst others, the Expenditure Division is responsible for the following:

- manage municipal expenditure;
- maintain effective and efficient systems of expenditure control;
- Maintenance of the management, accounting and information systems which:
  - recognizes expenditure when its incurred;
  - accounts for municipal creditors;
  - accounts for municipal payments;
- maintenance of a system of internal control regarding creditors and payments;
- payments should be made to the person or institution owed by the municipality unless agreed to the contrary of the requirements of MFMA;
- payments should be made electronically or by means of a non-transferrable cheque;
- municipal payments made within 30 days of receipt of the invoice;
- effecting compliance to tax, levy, duty, pension, medical aid, audit fees and other statutory commitments;
- manage municipal working capital effectively and economically;
- implement the Supply Chain Policy in a transparent, competitive and cost-effective manner;
- close and reconcile the financial accounts of the municipality at the end of the month;

**The division is composed of the following sections:**

- Salaries section
- Creditors section
- Direct Payments section

**f DEPARTMENT TECHNICAL SERVICES**

**WATER AND SANITATION SERVICES**

- Coordination of water and sanitation services on behalf of VDM

## **MECHANICAL WORKSHOP FOR MAINTENANCE OF FLEET**

- Repair and Servicing of fleet

## **ELECTRICAL ENGINEERING DIVISION**

- OHS, network and designs
- Network and Design Rural
- Metering protection and control
- Electrification

## **ROADS AND STORM WATER**

- Maintenance of Roads and Storm-water
- Side-walk and provision of access roads

## **BUILDING**

- Maintenance of Municipal infrastructures

## **PROJECT MANAGEMENT UNIT**

- Management of project infrastructure

### **f. OFFICE OF THE MUNICIPAL MANAGER**

The Municipal Manager's office consists of performance management, internal audit, risk management and integrated development planning.

## **COMPONENT B: MANAGING MUNICIPAL WORKFORCE LEVELS**

### **REPORTING LEVELS**

#### **a. MUNICIPAL MANAGER (SECTION 54A MANAGER)**

The Municipal Manager of Collins Chabane Local Municipality is Ms T.C Ngobeni. She was appointed as Municipal Manager on 01 May 2017. The Municipal Manager reports directly to the Mayor. The municipality operates according to a collective executive committee system with a full-time Mayor. A reporting by Municipal Manager is according to the practice of a collective executive committee system as arranged by the provisions of the Local Government: Municipal Systems Act, 2000 read with the provisions of the Local Government: Municipal Structures, 2000.

## **ORGANIZATIONAL PERFORMANCE MANAGEMENT**

- Alignment between IDP, Budget and the SDBIP
- Monitor organizational performance through SDBIP
- Coordinate annual, midyear, quarterly and monthly reports
- Develop and review performance management framework

## **INTERNAL AUDITING**

- Manages the Internal Audit functionality,
- Co-coordinating specific processes to support the formulation of the Audit Plan and Program,
- Monitoring compliance and
- Conducting investigations to determine the extent of variation of non-compliance to statutory requirements, policies and procedures,
- Preparing and presenting comments and options and providing guidance on the interpretation of principles to enable re-alignment of functions and responsibilities
- Ensuring the activities of Municipality are conducted and concluded in a credible manner.

## **RISK MANAGEMENT**

- Co-ordinates the Risk Management functionality,
- Co-coordinating specific processes to support the formulation of the Risk Management Plan and Program,
- Monitoring compliance and conducting investigations to determine the extent of variation of non-compliance to statutory requirements, policies and procedures,
- Preparing and presenting comments and options and providing guidance on the interpretation of principles to enable re-alignment of functions and responsibilities ensuring the activities of Municipality are conducted and concluded in a credible manner.

### **b. MUNICIPAL POLICIES**

The Municipality has rationalized policies developed by the task team that assisted in the establishment of the Municipality. The following policies were rationalized:

- ✓ Acting policy
- ✓ Leave policy
- ✓ Time and attendance policy
- ✓ Private work policy

- ✓ Relocation policy
- ✓ Bereavement policy
- ✓ Recruitment and selection policy
- ✓ Employment equity policy
- ✓ Disciplinary policy
- ✓ Employment assistance programme policy
- ✓ HIV/AIDS policy
- ✓ Incapacity due to work performance policy
- ✓ Internal bursary policy
- ✓ Legal aid policy
- ✓ Long service award policy
- ✓ Memorial and funeral policy
- ✓ Medial aid subsidy policy
- ✓ Information and communication technology security policy
- ✓ Internet acceptable use policy
- ✓ Password policy
- ✓ ICT firewall policy
- ✓ User account management policy
- ✓ ICT data center, physical access and environmental control policy
- ✓ Electronic mail acceptable use policy
- ✓ Financial management policies

**c. HUMAN RESOURCE MANAGEMENT**

The Municipality Human Resource division has been operating despite the lack of personnel. Below is a summary of the key activities in the division.

Employees who resigned	None
Employee who took pension	02
Employees appointed	05
Terminations	02
Sick leave taken	25
Disciplinary hearing	None
Employees trained	13

## **COMPONENT C: CAPACITATING MUNICIPAL WORKFORCE**

### **a. CAPACITATING THE MUNICIPAL WORKFORCE**

#### **i. INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT**

The municipality develops its human resources by ensuring that there is sustainable capacity building. The training unit is not active due to lack of personnel. The Municipality results of skills audit assist in compilation of the skills development plan or Workplace Skills Plan. The plan has been submitted to LGSETA as a guiding document in terms of which training will be done for the particular financial year.

#### **ii. INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES**

This component includes information about all technology tools used by municipality in its operations and credible data and systems management of all data over the whole spectrum of local municipal functions and powers.

#### **iii. INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES**

It manages the technological communication hardware and software, including also continuous telephone communication on a 24/7 basis. This section exists to craft the development of ICT infrastructure facilities and services by researching new technologies on the market to enhance the daily operations of ICT in the municipality and it is not limited to the implementation thereof. It is by enlarge a support function of the institution which it renders also by means of contracts with external expertise service providers.

The **Capital projects** performed in this period consisted of the following -

- IT support
- Upgrade of network infrastructure
- Internet data line upgrade
- Procure ICT office equipment

## COMPONENT D: WORKFORCE EXPENDITURE

During the year 2016/2017, the salary bill of the Municipality was R222 455 401. The workforce expenditure per category is as follows:

**Table 18 Total Salaries**

Category	Total Salaries paid for 2015/2016	Total Salaries paid for 2016/2017
Employees	None	32880990
Councillors	None	20250399

The Municipality uses the Payday Payroll Systems. There were challenges in employees and including councillors receiving printed payslips on a monthly basis due delays in purchasing the printer. The pay day for the Municipality is the 25<sup>th</sup> of every month.

# **COLLINS CHABANE LOCAL MUNICIPALITY**



## **CHAPTER 05 STATEMENT OF FINANCIAL PERFORMANCE**







# **COLLINS CHABANE LOCAL MUNICIPALITY**



## **CHAPTER 06 AUDITOR GENERAL'S REPORT**



# Report of the auditor-general to the Limpopo provincial legislature and the council on Collins Chabane Local Municipality

## Report on the audit of the financial statements

### Qualified opinion

1. I have audited the financial statements of the Collins Chabane local municipality set out on pages ... to ..., which comprise the statement of financial position as at 30 June 2017, and the statement of financial performance, statement of changes in net assets, cash flow statement and the statement of comparison of budget information with actual information 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 effects of the matter described in the basis for qualified opinion section of my report the financial statements present fairly, in all material respects, the financial position of the municipality as at 30 June 2017, and its financial performance and cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act 2016 (Act No. 3 of 2016) (DORA).

### Basis for qualified opinion

#### *Property, plant and equipment*

3. The municipality did not recognise all items of property, plant and equipment in accordance with GRAP 17, *Property, plant and equipment*. Expenditure for work in progress was not recorded in the financial records. Consequently, work in progress was understated by R5 431 978 and gain from transfer of functions was understated by the same amount.

#### *Receivables from exchange transactions*

4. The municipality recognised a receivable from exchange transactions amounting to R3 065 456, the amount could not be confirmed as a payable by the transferring entity. I was unable to determine whether any adjustment to receivables from exchange transactions stated at R3 957 613 in note 7 to the financial statements was necessary. Additionally, there was a resultant impact on payables and surplus for the period.

#### *Payables from exchange transactions*

5. The municipality did not have adequate systems in place to maintain records of retentions. I identified a difference of R4 434 863 between retentions as per the financial statements and the underlying accounting records. Consequently, retentions were understated by R4 434 863 and gain from transfer of functions was understated by the same amount.

#### *Revenue from non-exchange transactions*

6. The municipality did not recognise all revenue in accordance with GRAP 23, *Revenue from non-exchange transactions*. Incorrect tariffs were applied to monthly property rates billings. Consequently, revenue from non-exchange transactions was understated by
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R4 337 944 and receivables from non-exchange transactions was understated by the same amount.

#### **Revenue from exchange transactions**

7. The municipality did not recognise all revenue in accordance with GRAP 9, *Revenue from exchange transactions*. Incorrect interest rates were applied to outstanding debtors. Consequently, revenue from exchange transactions was understated by R1 333 992 and the receivables from exchange transactions was understated by the same amount.

#### **Expenditure**

8. The municipality did not depreciate municipal assets in accordance with GRAP 17, *Property, plant and equipment*. Incorrect depreciation rates were used and immovable assets were not depreciated per component. I was not able to determine the impact on amount of depreciation and the net carrying amount of property, plant equipment as it was impracticable to do so

#### **Context for the opinion**

9. 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 my report.
10. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *Code of ethics for professional accountants* (IESBA code) together with 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.
11. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

#### **Emphasis of matters**

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

#### **Material losses/impairments**

13. As disclosed in note 8, 9 and 10 to the financial statements, material losses to the amount of R109 573 352 were incurred as a result of impairment of irrecoverable trade debtors due to inadequate collection processes
14. As disclosed in note 7 to the financial statements, material losses to the amount of R84 583 were incurred as a result of theft of inventory

#### **Material underspending of the conditional grant**

15. As disclosed in note 15 of the statement of financial position, the municipality has materially underspent on conditional grants to the amount of R38 939 290
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## **Irregular expenditure**

16. As disclosed in note 39 to the financial statements, irregular expenditure to the amount of R7 926 426 was incurred, as a proper tender and quotation process had not been followed.

## **Fruitless and wasteful expenditure**

17. As disclosed in note 38 to the financial statements, fruitless and wasteful expenditure to the amount of R1 125 367 was incurred, due to late submission of tax returns, payment of salary for employee who was not at work and overpayment of cell phone allowance to councillors.

## **Other matter**

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

## **Unaudited supplementary schedules**

19. 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 party responsible for the financial statements**

20. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with SA Standards of GRAP, 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.

21. In preparing the financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the accounting officer 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**

22. 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 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

23. A further description of my responsibilities for the audit of the financial statements is included in the annexure to the auditor's report.

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## Report on the audit of the annual performance report

### Introduction and scope

24. 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 development priorities presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.
25. My procedures address the reported performance information, which must be based on the approved performance planning documents of the municipality. I have not evaluated the completeness and appropriateness of the performance indicators/measures included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
26. I evaluated 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 development priorities presented in the annual performance report of the municipality for the year ended 30 June 2017:

<b>Development priorities</b>	<b>Pages in the annual performance report</b>
KPA 1: Municipal transformation and institutional development	x – x
KPA 2: Basic service delivery and infrastructure development	x – x

27. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
28. The material findings in respect of the usefulness and reliability of the selected development priorities are as follows:

#### **KPA 1: Municipal Transformation and Institutional Development**

##### **Indicator: % review of the organizational structure review by June 2017.**

29. The source information and/or evidence for the achievement of the planned indicator were not clearly defined, as required by the Framework for Managing Programme Performance Information (FMPPI).

##### **Indicator: % posts evaluated by June 2017**

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30. The source information and/or evidence for the achievement of the planned indicator were not clearly defined, as required by the FMPPI.
31. The systems and processes to enable reliable reporting of actual service delivery against the indicator were not designed as required by the FMPPI. The municipality does not have any documented standard operating procedures in place to collect, collate and report on each individual indicator and target for the performance management systems. It is therefore not possible to confirm that targets reported by management are complete, accurate and valid.
32. The reported achievement for target was misstated as the evidence provided indicated 11% and not 100% as reported.

**Indicator: Number of HR policies rationalized**

33. The source information and/or evidence for the achievement of the planned indicator were not clearly defined, as required by the FMPPI.
34. The systems and processes to enable reliable reporting of actual service delivery against the indicator were not designed as required by the FMPPI. The municipality does not have any documented standard operating procedures in place to collect, collate and report on each individual indicator and target for the performance management systems. It is therefore not possible to confirm that targets reported by management are complete, accurate and valid.
35. The reported achievement for target was misstated as the evidence provided indicated 17 and not 24 as reported.

**Indicator: Number of critical by-laws rationalized**

36. The source information and/or evidence for the achievement of the planned indicator were not clearly defined, as required by the FMPPI.
37. The systems and processes to enable reliable reporting of actual service delivery against the indicator were not designed as required by the FMPPI. The municipality does not have any documented standard operating procedures in place to collect, collate and report on each individual indicator and target for the performance management systems. It is therefore not possible to confirm that targets reported by management are complete, accurate and valid.

**Indicator: IDP /Budget Framework and Process Plan**

38. The source information and/or evidence for the achievement of the planned indicator was not clearly defined, as required by the FMPPI.

**Indicator: Draft IDP compile and submitted to council by 31 March 2017**

39. The source information and/or evidence for the achievement of the planned indicator were not clearly defined, as required by the FMPPI.

**Indicator: Approved of final IDP**

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40. The source information and/or evidence for the achievement of the planned indicator was not clearly defined, as required by the FMPPI.

**Indicator: MSCOA**

41. The source information and/or evidence for the achievement of the planned indicator was not clearly defined, as required by the FMPPI.

**Indicator: Organisational performance management framework approved by council**

42. The source information and/or evidence for the achievement of the planned indicator were not clearly defined, as required by the FMPPI.

43. The systems and processes to enable reliable reporting of actual service delivery against the indicator were not designed as required by the FMPPI. The municipality does not have any documented standard operating procedures in place to collect, collate and report on each individual indicator and target for the performance management systems. It is therefore not possible to confirm that targets reported by management are complete, accurate and valid.

44. The reported achievement for target was misstated as the evidence provided indicated that no Organisational Performance Management Framework was approved by Council.

**Indicator: Number of Back to Basics reports compiled**

45. The source information and/or evidence for the achievement of the planned indicator were not clearly defined, as required by the FMPPI.

46. The systems and processes to enable reliable reporting of actual service delivery against the indicator were not designed as required by the FMPPI. The municipality does not have any documented standard operating procedures in place to collect, collate and report on each individual indicator and target for the performance management systems. It is therefore not possible to confirm that targets reported by management are complete, accurate and valid.

**Indicator: Work place skills plan developed by June 2017**

47. The source information and/or evidence for the achievement of the planned indicator were not clearly defined, as required by the FMPPI.

48. The systems and processes to enable reliable reporting of actual service delivery against the indicator were not designed as required by the FMPPI. The municipality does not have any documented standard operating procedures in place to collect, collate and report on each individual indicator and target for the performance management systems. It is therefore not possible to confirm that targets reported by management are complete, accurate and valid.

49. The reported achievement for target was misstated as the evidence provided indicated that no Work Place Skills Plan was developed by June 2017

**Indicator: % training sessions conducted for councillors**

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50. The source information and/or evidence for the achievement of the planned indicator were not clearly defined, as required by the FMPPI.

51. The systems and processes to enable reliable reporting of actual service delivery against the indicator were not designed as required by the FMPPI. The municipality does not have any documented standard operating procedures in place to collect, collate and report on each individual indicator and target for the performance management systems. It is therefore not possible to confirm that targets reported by management are complete, accurate and valid.

**Indicator: % training sessions conducted for officials**

52. The source information and/or evidence for the achievement of the planned indicator were not clearly defined, as required by the FMPPI.

53. The systems and processes to enable reliable reporting of actual service delivery against the indicator were not designed as required by the FMPPI. The municipality does not have any documented standard operating procedures in place to collect, collate and report on each individual indicator and target for the performance management systems. It is therefore not possible to confirm that targets reported by management are complete, accurate and valid.

**Indicator: Number of vehicles purchased for political office**

54. The source information and/or evidence for the achievement of the planned indicator were not clearly defined, as required by the FMPPI.

55. The systems and processes to enable reliable reporting of actual service delivery against the indicator were not designed as required by the FMPPI. The municipality does not have any documented standard operating procedures in place to collect, collate and report on each individual indicator and target for the performance management systems. It is therefore not possible to confirm that targets reported by management are complete, accurate and valid.

**Indicator: % litigations attended**

56. The source information and/or evidence for the achievement of the planned indicator were not clearly defined, as required by the FMPPI.

57. The systems and processes to enable reliable reporting of actual service delivery against the indicator were not designed as required by the FMPPI. The municipality does not have any documented standard operating procedures in place to collect, collate and report on each individual indicator and target for the performance management systems. It is therefore not possible to confirm that targets reported by management are complete, accurate and valid.

***KPA 2: Basic Service Delivery and Infrastructure Development***

**Indicator: Level of project implementation (Sibuyi to Vyeboom road)**

58. The source information and/or evidence for the achievement of the planned indicator were not clearly defined, as required by the FMPPI.

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59. The systems and processes to enable reliable reporting of actual service delivery against the indicator were not designed as required by the FMPPI. The municipality does not have any documented standard operating procedures in place to collect, collate and report on each individual indicator and target for the performance management systems. It is therefore not possible to confirm that targets reported by management are complete, accurate and valid.

**Indicator: Level of project implementation (Saselamani stadium upgrade)**

60. The source information and/or evidence for the achievement of the planned indicator were not clearly defined, as required by the FMPPI.

61. The systems and processes to enable reliable reporting of actual service delivery against the indicator were not designed as required by the FMPPI. The municipality does not have any documented standard operating procedures in place to collect, collate and report on each individual indicator and target for the performance management systems. It is therefore not possible to confirm that targets reported by management are complete, accurate and valid.

**Indicator: Level of project implementation (Xikundu ring road)**

62. The source information and/or evidence for the achievement of the planned indicator were not clearly defined, as required by the FMPPI.

63. The systems and processes to enable reliable reporting of actual service delivery against the indicator were not designed as required by the FMPPI. The municipality does not have any documented standard operating procedures in place to collect, collate and report on each individual indicator and target for the performance management systems. It is therefore not possible to confirm that targets reported by management are complete, accurate and valid.

**Indicator: Level of project implementation (Malamulele B Extension Street upgrading)**

64. The source information and/or evidence for the achievement of the planned indicator were not clearly defined, as required by the FMPPI.

65. The systems and processes to enable reliable reporting of actual service delivery against the indicator were not designed as required by the FMPPI. The municipality does not have any documented standard operating procedures in place to collect, collate and report on each individual indicator and target for the performance management systems. It is therefore not possible to confirm that targets reported by management are complete, accurate and valid.

**Indicator: Report to the portfolio committee on the process of forward regarding projects for 2017/18**

66. The source information and/or evidence for the achievement of the planned indicator were not clearly defined, as required by the FMPPI.

67. The systems and processes to enable reliable reporting of actual service delivery against the indicator were not designed as required by the FMPPI. The municipality does not have any documented standard operating procedures in place to collect, collate and report on each individual

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indicator and target for the performance management systems. It is therefore not possible to confirm that targets reported by management are complete, accurate and valid.

68. The reported achievement for target was misstated as the evidence provided indicated that no report to the Portfolio Committee on the process of forward regarding projects for 2017/18 was drafted.

**Indicator: Report to the portfolio committee on the maintenance and repairs conducted**

69. The source information and/or evidence for the achievement of the planned indicator were not clearly defined, as required by the FMPPI.

70. The systems and processes to enable reliable reporting of actual service delivery against the indicator were not designed as required by the FMPPI. The municipality does not have any documented standard operating procedures in place to collect, collate and report on each individual indicator and target for the performance management systems. It is therefore not possible to confirm that targets reported by management are complete, accurate and valid.

71. The reported achievement for target was misstated as the evidence provided indicated no report to the Portfolio Committee on the maintenance and repairs conducted was drafted.

**Indicator: Procurement of equipment**

72. The source information and/or evidence for the achievement of the planned indicator were not clearly defined, as required by the FMPPI.

73. The systems and processes to enable reliable reporting of actual service delivery against the indicator were not designed as required by the FMPPI. The municipality does not have any documented standard operating procedures in place to collect, collate and report on each individual indicator and target for the performance management systems. It is therefore not possible to confirm that targets reported by management are complete, accurate and valid.

**Indicator: Provide free basic refuse removal to villages with sustained refuse removal services by June 2017**

74. The source information and/or evidence for the achievement of the planned indicator were not clearly defined, as required by the FMPPI.

75. The systems and processes to enable reliable reporting of actual service delivery against the indicator were not designed as required by the FMPPI. The municipality does not have any documented standard operating procedures in place to collect, collate and report on each individual indicator and target for the performance management systems. It is therefore not possible to confirm that targets reported by management are complete, accurate and valid.

76. The reported achievement for target was misstated as the evidence provided indicated 32 and not 42 as reported.

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**Indicator: Number of businesses and government departments with sustained refuse removal service by June 2017**

77. The source information and/or evidence for the achievement of the planned indicator were not clearly defined, as required by the FMPPI.
78. The systems and processes to enable reliable reporting of actual service delivery against the indicator were not designed as required by the FMPPI. The municipality does not have any documented standard operating procedures in place to collect, collate and report on each individual indicator and target for the performance management systems. It is therefore not possible to confirm that targets reported by management are complete, accurate and valid.
79. The reported achievement for target was misstated as the evidence provided indicated 15 and not 20 as reported.

**Indicator: Number of campaigns**

80. The source information and/or evidence for the achievement of the planned indicator were not clearly defined, as required by the FMPPI.
81. The systems and processes to enable reliable reporting of actual service delivery against the indicator were not designed as required by the FMPPI. The municipality does not have any documented standard operating procedures in place to collect, collate and report on each individual indicator and target for the performance management systems. It is therefore not possible to confirm that targets reported by management are complete, accurate and valid.

**Indicator: Licence landfill site**

82. The source information and/or evidence for the achievement of the planned indicator were not clearly defined, as required by the FMPPI.
83. The systems and processes to enable reliable reporting of actual service delivery against the indicator were not designed as required by the FMPPI. The municipality does not have any documented standard operating procedures in place to collect, collate and report on each individual indicator and target for the performance management systems. It is therefore not possible to confirm that targets reported by management are complete, accurate and valid.
84. The reported achievement for target was misstated as the evidence provided indicated that no licence for landfill site was secured.

**Indicator: Number of trained healthy and safety representatives by June 2017**

85. The source information and/or evidence for the achievement of the planned indicator were not clearly defined, as required by the FMPPI.
86. The systems and processes to enable reliable reporting of actual service delivery against the indicator were not designed as required by the FMPPI. The municipality does not have any documented standard operating procedures in place to collect, collate and report on each individual
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indicator and target for the performance management systems. It is therefore not possible to confirm that targets reported by management are complete, accurate and valid.

**Indicator: Number of safety inspections conducted by June 2017**

87. The source information and/or evidence for the achievement of the planned indicator were not clearly defined, as required by the FMPPI.

88. The systems and processes to enable reliable reporting of actual service delivery against the indicator were not designed as required by the FMPPI. The municipality does not have any documented standard operating procedures in place to collect, collate and report on each individual indicator and target for the performance management systems. It is therefore not possible to confirm that targets reported by management are complete, accurate and valid.

**Indicator: Percentage graves provided by June 2017**

89. The source information and/or evidence for the achievement of the planned indicator were not clearly defined, as required by the FMPPI.

90. The systems and processes to enable reliable reporting of actual service delivery against the indicator were not designed as required by the FMPPI. The municipality does not have any documented standard operating procedures in place to collect, collate and report on each individual indicator and target for the performance management systems. It is therefore not possible to confirm that targets reported by management are complete, accurate and valid.

91. The reported achievement for target was misstated as it could not be verified to the reported target achievement.

**Indicator: Percentage application for learner driver's permit issued by June 2017**

92. The source information and/or evidence for the achievement of the planned indicator were not clearly defined, as required by the FMPPI.

93. The systems and processes to enable reliable reporting of actual service delivery against the indicator were not designed as required by the FMPPI. The municipality does not have any documented standard operating procedures in place to collect, collate and report on each individual indicator and target for the performance management systems. It is therefore not possible to confirm that targets reported by management are complete, accurate and valid.

94. The reported achievement for target was misstated as the evidence provided could not be verified to the reported target achievement.

**Indicator: % drivers licences issued by June 2017**

95. The source information and/or evidence for the achievement of the planned indicator were not clearly defined, as required by the FMPPI.

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96. The systems and processes to enable reliable reporting of actual service delivery against the indicator were not designed as required by the FMPPI. The municipality does not have any documented standard operating procedures in place to collect, collate and report on each individual indicator and target for the performance management systems. It is therefore not possible to confirm that targets reported by management are complete, accurate and valid.
97. The reported achievement for target was misstated as the evidence provided could not be verified to the reported target achievement.

**Indicator: % motor vehicles tested by June 2017**

98. The source information and/or evidence for the achievement of the planned indicator were not clearly defined, as required by the FMPPI.
99. The systems and processes to enable reliable reporting of actual service delivery against the indicator were not designed as required by the FMPPI. The municipality does not have any documented standard operating procedures in place to collect, collate and report on each individual indicator and target for the performance management systems. It is therefore not possible to confirm that targets reported by management are complete, accurate and valid.
100. The reported achievement for target was misstated as the evidence could not be verified to the reported target achievement.

**Indicator: Number of sports facilities maintained by June 2017**

101. The source information and/or evidence for the achievement of the planned indicator were not clearly defined, as required by the FMPPI.
102. The systems and processes to enable reliable reporting of actual service delivery against the indicator were not designed as required by the FMPPI. The municipality does not have any documented standard operating procedures in place to collect, collate and report on each individual indicator and target for the performance management systems. It is therefore not possible to confirm that targets reported by management are complete, accurate and valid.
103. The reported achievement for target was misstated as the evidence provided indicated 2 and not 5 as reported.

**Indicator: Number of municipal building gardens maintained**

104. The source information and/or evidence for the achievement of the planned indicator was not clearly defined, as required by the FMPPI.
105. The systems and processes to enable reliable reporting of actual service delivery against the indicator were not designed as required by the FMPPI. The municipality does not have any documented standard operating procedures in place to collect, collate and report on each individual indicator and target for the performance management systems. It is therefore not possible to confirm that targets reported by management are complete, accurate and valid.
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106. The reported achievement for target was misstated as the evidence provided indicated 2 and not 4 as reported.

**Indicator: Municipal planning tribunal established by 30 June 2017**

107. The source information and/or evidence for the achievement of the planned indicator were not clearly defined, as required by the FMPPI.

108. The systems and processes to enable reliable reporting of actual service delivery against the indicator were not designed as required by the FMPPI. The municipality does not have any documented standard operating procedures in place to collect, collate and report on each individual indicator and target for the performance management systems. It is therefore not possible to confirm that targets reported by management are complete, accurate and valid.

**Indicator: Spatial development planning framework**

109. The source information and/or evidence for the achievement of the planned indicator were not clearly defined, as required by the FMPPI.

110. The systems and processes to enable reliable reporting of actual service delivery against the indicator were not designed as required by the FMPPI. The municipality does not have any documented standard operating procedures in place to collect, collate and report on each individual indicator and target for the performance management systems. It is therefore not possible to confirm that targets reported by management are complete, accurate and valid.

**Indicator: Land use management scheme**

111. The source information and/or evidence for the achievement of the planned indicator were not clearly defined, as required by the FMPPI.

112. The systems and processes to enable reliable reporting of actual service delivery against the indicator were not designed as required by the FMPPI. The municipality does not have any documented standard operating procedures in place to collect, collate and report on each individual indicator and target for the performance management systems. It is therefore not possible to confirm that targets reported by management are complete, accurate and valid.

**Indicator: Report quarterly to the portfolio on the process of land use applications in terms of the relevant legislations ( SPLUMA)**

113. The source information and/or evidence for the achievement of the planned indicator were not clearly defined, as required by the FMPPI.

114. The systems and processes to enable reliable reporting of actual service delivery against the indicator were not designed as required by the FMPPI. The municipality does not have any documented standard operating procedures in place to collect, collate and report on each individual indicator and target for the performance management systems. It is therefore not possible to confirm that targets reported by management are complete, accurate and valid.

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**Indicator: Approved business park, Malamulele Ext E ( 56 Erf)s**

115. The source information and/or evidence for the achievement of the planned indicator were not clearly defined, as required by the FMPPI.
116. The systems and processes to enable reliable reporting of actual service delivery against the indicator were not designed as required by the FMPPI. The municipality does not have any documented standard operating procedures in place to collect, collate and report on each individual indicator and target for the performance management systems. It is therefore not possible to confirm that targets reported by management are complete, accurate and valid.

**Indicator: Municipal valuation roll**

117. The source information and/or evidence for the achievement of the planned indicator were not clearly defined, as required by the FMPPI.
118. The systems and processes to enable reliable reporting of actual service delivery against the indicator were not designed as required by the FMPPI. The municipality does not have any documented standard operating procedures in place to collect, collate and report on each individual indicator and target for the performance management systems. It is therefore not possible to confirm that targets reported by management are complete, accurate and valid.

**Indicator: Malamulele extension B (Not proclaimed)**

119. The source information and/or evidence for the achievement of the planned indicator were not clearly defined, as required by the FMPPI.
120. The systems and processes to enable reliable reporting of actual service delivery against the indicator were not designed as required by the FMPPI. The municipality does not have any documented standard operating procedures in place to collect, collate and report on each individual indicator and target for the performance management systems. It is therefore not possible to confirm that targets reported by management are complete, accurate and valid.

**Indicator: Percentage of building plans received and processed by June 2017**

121. The source information and/or evidence for the achievement of the planned indicator were not clearly defined, as required by the FMPPI.
122. The systems and processes to enable reliable reporting of actual service delivery against the indicator were not designed as required by the FMPPI. The municipality does not have any documented standard operating procedures in place to collect, collate and report on each individual indicator and target for the performance management systems. It is therefore not possible to confirm that targets reported by management are complete, accurate and valid.

123. The reported achievement for target was misstated as the evidence provided indicated 3 and not 10 as reported.

**Indicator: Number of illegal activities and land invasion cases attended**

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124. The source information and/or evidence for the achievement of the planned indicator were not clearly defined, as required by the FMPPI.
125. The systems and processes to enable reliable reporting of actual service delivery against the indicator were not designed as required by the FMPPI. The municipality does not have any documented standard operating procedures in place to collect, collate and report on each individual indicator and target for the performance management systems. It is therefore not possible to confirm that targets reported by management are complete, accurate and valid.

#### **Other matters**

I draw attention to the matters below.

#### **Achievement of planned targets**

126. Refer to the annual performance report on pages x to x; for information on the achievement of planned targets for the year and explanations provided for the under achievement of a significant number of targets. This information should be considered in the context of the qualified opinion expressed on the usefulness and reliability of the reported performance information in paragraphs [x; x; x] of this report.

#### **Adjustments of material misstatements**

127. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were on the reported performance information of KPA 1: Municipal Transformation and Institutional Development and KPA 2: Basic Service Delivery and Infrastructure Development of development priorities. 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 included in the basis for qualified opinion paragraphs.

#### **Report on audit of compliance with legislation**

##### **Introduction and scope**

128. 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.

#### **Financial statements, performance and annual reports**

129. The annual financial statements were not submitted for auditing within two months after the end of the financial year, as required by section 126(1)(a) of the MFMA.
130. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122 of the MFMA.
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131. Material misstatements of non-current assets, current assets, liabilities, revenue, expenditure, disclosure items identified by the auditors in the submitted financial statements were subsequently corrected and/or the supporting records were provided subsequently, but the uncorrected material misstatements resulted in the financial statements receiving qualified audit opinion.

### **Revenue management**

132. Revenue due to the municipality was not calculated on a monthly basis, as required by section 64(2)(b) of the MFMA.

133. Interest was not charged on all accounts in arrears, as required by section 64(2)(g) of the MFMA.

### **Expenditure management**

134. Money owed by the municipality was not always paid within 30 days, as required by section 65(2)(e) of the MFMA

135. Effective steps were not taken to prevent irregular expenditure amounting to R 7 926 426, as required by section 62(1)(d) of the MFMA. The majority of the irregular expenditure was caused by non-compliance with SCM regulations

136. Effective steps were not taken to prevent fruitless and wasteful expenditure amounting to R1 125 367, in contravention of section 62(1)(d) of the MFMA. The majority of the disclosed irregular expenditure was caused by late submission of tax returns, payment of salary for employee who was not at work and overpayment of cell phone allowance to councillors.

### **Asset management**

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

### **Procurement and contract management**

138. Goods and services with a transaction value of below R200 000 were procured without obtaining the required price quotations, in contravention of by SCM regulation 17(a) and (c).

139. Goods and services of a transaction value above R200 000 were procured without inviting competitive bids, as required by SCM regulation 19(a). Deviations were approved by the accounting officer even though it was not impractical to invite competitive bids, in contravention of SCM regulation 36(1).

140. The preference point system was not applied to some of the procurement of goods and services above R30 000 as required by section 2(a) of the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000) (PPPFA).

141. Quotations were awarded to bidders based on preference points that were not calculated in accordance with the requirements of the PPPFA and its regulations.

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142. The performance of some of the 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 upgrade of Vuwani stadium and Sasekani ring road.

143. The contract performance and monitoring measures and methods were insufficient to ensure effective contract management, in contravention of section 116(2)(c) of the MFMA.

### **Human resource management**

144. Municipal manager failed to disclose financial interests within 60 days from date of appointment, as required by regulation 36(1)(a) on appointment and conditions of employment of senior managers

145. Senior managers failed to disclose financial interests within 60 days from date of appointment, as required by regulation 36(1)(a) on appointment and conditions of employment of senior managers

146. Appropriate systems and procedures to monitor, measure and evaluate performance of staff were not developed and adopted as required by section 67(1)(d) of the MSA

147. The municipal manager and senior managers did not sign performance agreements within the prescribed period, as required by section 57(2)(a) of the MSA

### **Other information**

148. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report, which includes the audit committee's report. The other information does not include financial statements, the auditor's report thereon and those selected development priorities presented in the annual performance report that have been specifically reported on in the auditor's report.

149. 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.

150. 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 development priorities presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

### **Internal control deficiencies**

151. 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 thereon. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for qualified opinion, the findings on the annual performance report and the findings on compliance with legislation included in this report.

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## **Leadership**

152. For most part of the year the positions of chief financial officer and municipal manager were occupied by personnel seconded from Treasury and Coghsta on an acting capacity. Deficiencies identified in internal control were identified due to this instability at senior management level.
153. Management did not always provide the required supervision and review over daily and monthly recording and reconciliation of transactions and account balances to ensure that the municipality complies with will applicable financial reporting.
154. There were vacancies at all levels during the period under review.

## **Financial and performance management**

155. The municipality did not have a proper system of record management that provides for the maintenance of information that supports the reported performance contained in the annual performance report.
156. The municipality did not develop an effective system which verifies the accuracy, completeness and the reliability of the reported performance contained in the annual performance report.
157. The financial statements were not reconciled to the underlying records to ensure the accuracy, completeness and reliability of the reported financial results.
158. Monthly reconciliations for financial reporting and compliance with laws and regulations were not subjected to proper review to ensure accuracy, completeness and reliability of the reported financial results.

## **Governance**

159. Those charged with governance did not provide adequate oversight over the effectiveness of the internal control environment, including financial and performance reporting and compliance with laws and regulations.

Polokwane

05 December 2017

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AUDITOR - GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*

