

2016-2017 FY

ANNUAL
REPORT

Volume I

Contents

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Preface

PROPOSED REVISED ANNUAL REPORT TEMPLATE

The purpose of this revised Annual Report template is to address the need expressed by a number of municipalities for assistance in the preparation and development of improved content and quality of Municipal Annual Reports. It replaces a template dating back to August 2003.

This template gives effect to the legal framework requirement, concepts and principals espoused in the White Paper on Local Government and Improving Government Performance. It reflects the ethos of public accountability. The content gives effect to information required for better monitoring and evaluation of government programmes in support of policy decision making. The template provides an improved overview of municipal affairs by combining the performance report data required under Municipal Systems Act Section 46 with annual report data referred to in that Act and in the MFMA.

The revised template makes its contribution by forging linkages with the Integrated Development Plan, Service Delivery and Budget Implementation Plan, Budget Reforms, In-year Reports, Annual Financial Statements and Performance Management information in municipalities. This coverage and coherence is achieved by the use of interlocking processes and formats.

The revised template relates to the Medium Term Strategic Framework particularly through the IDP strategic objectives; cross-cutting nature of services offered by different spheres of government, municipal service outcome indicators; and the contextual material as set out in Chapters 3, 4 & 5. It also provides information on good management practice in Chapter 4; risk management in Chapter 2; and Supply Chain Management in Chapter 5; and addresses the Auditor-General's Report, dealing with Financial and Performance Management arrangements in Chapter 6. This opens up greater possibilities for financial and non-financial comparisons between municipalities and improved value for money.

The revised template provides information on probity, including: anti-corruption strategies; disclosure of financial interests by officials and councillors; disclosure of grants by external parties, disclosure of loans and grants by municipalities. The appendices talk to greater detail including disaggregated information on municipal wards, among others.

Notes are included throughout the format to assist the compiler to understand the various information requirements. Once the draft has been finalised, training will be provided to facilitate the implementation of this initiative, and separate additional guidance may be issued if necessary.

We wish to express our gratitude to the members of the Annual Report Reference Group, consisting of national, provincial and municipal officials for their inputs and support throughout the development of this document.

MFMA Implementation Unit, National Treasury

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CHAPTER 1 – MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A: MAYOR'S FOREWORD

MAYOR'S FOREWORD

The Bela Bela Local Municipality Annual report together with the Auditor-General's report and related documents for the year 2016 / 2017 financial year was tabled to Council on the 24 of January 2018.

This report present the enormous progress achieved by Council on its inaugural term.

During the period until 30 June 2017 the following matters are highlighted:

- a) Much improved public participation and constant ward meetings to ensure greater public participation in the development of the five year IDP.
- b) The acceptance of the 2016 / 2017 budget with great emphasis on service delivery and infrastructure provision like roads, electricity, and water loss reduction.
- c) Our waste management and cleansing services were expanded to cover informal settlements with bulk bins. This also made a great contribution to the community and improving cleanliness in the municipal jurisdiction.
- d) Initiatives to enhance local labour promotion and creation of jobs and EPWP to improve cleaning services in the residential areas.
- e) The establishment of a 24 customer care service and bulk SMS communication made it possible to improve service delivery interruption communication more effectively after hours and in emergencies.

All the above has been done to ensure that the municipality improving its strides ***"To be the prime agricultural hub and tourism destination of choice"***

Major projects have been planned and executed such as the construction of 10MVA sub-station, Road paving in bela bela extension 2, 4 & 6, the replacement of 8km Asbestos cement pipes, and many other projects which are reported in detail on various sections of this report.

The municipality has already started with its multi- year water and sanitation projects, Electrical bulk supply and roads upgrade for the development and renewal of infrastructure. These projects are contained in the 2017/2018 IDP.

Bela Bela continues to be a water scares area and with that, the municipality developed 11 boreholes and continued with is water supply agreement with Magalies water board for water augmentation.

It is unfortunate that the municipality did not maintain its unqualified audit outcome of the past 3 years due to the poor municipal cash flow, budget cashback and GRAP issues.

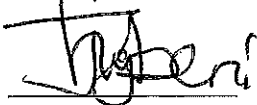
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It took great effort for this municipality to participate in the audit process and I encourage all role players to work smarter in ensuring that the 2017/18 audit outcome improve. There are still new accounting standards that need to be implemented and the planning is on track to achieve the set goals.

It is evident that this municipality does boast an immense potential, which if appropriately unlocked will culminate into sustainable livelihoods of our populace. I therefor wish to sound this clarion call to all grouping, formations and structures therein to rally behind the municipal shares developmental visjon.

United together with synchronised thinking we can achieve greater than expected.

Sincerely Yours



CLLR J NGOBENI

MAYOR: BELA-BELA LOCAL MUNICIPALITY

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COMPONENT B: EXECUTIVE SUMMARY

1. MUNICIPAL MANAGER'S OVERVIEW

MUNICIPAL MANAGER'S OVERVIEW

This 2016/2017 Annual Report bears testimony to what has been achieved by the Municipality through hard work, focus and determination amidst various forms of adversity.

In presenting this Annual Report 2016/2017, we affirm that Bela-Bela Local Municipality has made further massive strides *"To be the prime agricultural hub and tourism destination of choice"*.

The 2016/2017 Financial Year saw a continued instability within Council, which led to dysfunctional Council and Council Structures thereby eroding the working relation between the PMT, Majority of Councillors and Administration. This culminated into some antagonistic relationships of convenience with some aggrieved stakeholders or members of the community, which could not be corroborated on allegations of maladministration and corruption.

Despite all these challenges, the Municipality showed resilience and continued in its excellent performance of its work, where infrastructure was rolled out throughout varying Wards therein. Consequently number of employment opportunities were created where majority of our Community Members benefited.

The 2016/2017 Financial Year was peculiar in that it marked the inaugural term of Council, after the 3rd of August 2016 Municipal Elections, the term which will start from 2016/17 and will end by 2020/2021.

The Bela Bela Municipal Council is constituted by: African National Congress (ANC) which retained its status as the governing Party, two (2) new Political Parties, Economic Freedom Fighters (EFF) and Bushbuckridge Residents Association (BRA) joined Democratic Alliance (DA) on the Opposition benches in Council.

Whilst the number of Councillors remained at 17, the balance of power slightly changed in accordance with the following numbers of seat allocated to each Party in Council: ANC (09); DA (05); EFF (2) and BRA (01).

Over the 2013/14, 2014/15 and 2015/16 Financial Years respectively, our Municipality have received three (3)

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consecutive Unqualified Audit Outcome. It is however unfortunate that the municipality did not maintain its unqualified audit outcome of the past 3 years due to the poor municipal cash flow, budget cashback and GRAP issues.

It took great effort for this municipality to participate in the audit process and I encourage all role players to work smarter in ensuring that the 2017/18 audit outcome improve. There are still new accounting standards that need to be implemented and the planning is on track to achieve the set goals.

Due to our sound expenditure rate of the MIG, our Municipality was given additional funding, which enabled the Municipality to increase on the number of infrastructural projects being implemented therein. Consequently we had two Budget Adjustments to effect these changes in our Budget for the incumbent Financial Year.

Various key service delivery improvements achieved during the year under review confirmed the appropriateness of the strategic direction embarked on at the beginning of the term of office of the current leadership. These include, amongst others:

- a) Attained Organizational Performance of 99.2%
- b) Our Revenue Collection Rate was at 92%, which was above the 95% norm.
- c) Increased accessibility of free basic services (Water, Sanitation and Electricity) to all our Communities.
- d) MIG Expenditure Rate of 100% on the original allocation.
- e) WSIG Expenditure Rate of 100%
- f) Reduced electricity losses to 1.5% which is within the norm.

Bela-Bela Local Municipality continues to invest in infrastructure within the development of all our towns to create the best opportunities and provide excellent services for all our residents. The major infrastructure projects funded from the Capital Budget were:

<i>Upgrade Sport Facility stand 752</i>
<i>Storm water Limpopo road</i>
<i>Upgrade streets Spa Park</i>
<i>Road Paving Ext 2,7 & 8</i>
<i>Bulk Sewer Services Ext 9</i>
<i>Pave access road and fence cemetery</i>

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<i>Upgrade SUNFA Stadium</i>
<i>Upgrade Sport Facilities-274(Community Hall)</i>
<i>Road Paving Ext 2,4,6 & 8</i>
<i>Paving Bus Route: Rapotokwane</i>
<i>Storm water Marikana Street</i>
<i>Upgrading of Masakhane Water Supply Phase 2</i>
<i>Development of Rapotokwane Borehole</i>
<i>Completion of Vingerkraal Water Supply</i>
<i>Bela- Bela Water Conservation and Demand Management- Refurbishment of WTW</i>
<i>Bela- Bela Water Conservation and Demand Management</i>
<i>Bela- Bela re-equip borehole</i>
<i>Bela- Bela Township Source Augmentation</i>
<i>Piensaarsrivier Bulk Water Augmentation</i>
<i>Bela- Bela 10MVA Sub-station</i>

In 2016/2017, the Planning and Economic Development Department continued with the process to transform our Space Economy through key economic development imperatives and priorities as reflected in the 2016/2017 Integrated Development Plan (IDP), which primarily focus on job creation, investment promotion and sector development, rural economic development and the facilitation of skills development.

Our approach to expedite approval of building plans has moved into a higher gear. We are very much aware that in order to uplift the economy we need to pull out all stops to make this happen as fast as is possible. Not only does the Municipality needs to be proficient on the approval of building plans, we also need to be customer friendly and assist our customers with the approval of plans and compliance thereto.

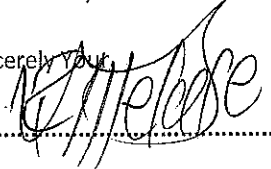
Despite the many challenges encountered with regard to Human Settlements, the Municipality through the support of the Department of Cooperative Governance, Human Settlements and Traditional Affairs (COGSHTA) in the Province, has managed to provide 250 RDP Housing Units at Masakhane area, which is in Ward 9. The same department further allocated 700 housing units for construction in Extension 9, which is in ward 4. This is aligned with the municipalities' objective on formalizing informal settlements.

However, it goes without saying that this is but a drop in the Ocean considering the fact that our backlog is at 4500. To this end the Municipality is earnestly searching for suitable land to be purchased and/or transferred

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by National/Provincial Government where mixed Human Settlement will be developed.

It is against this backdrop that we are confident that our Municipality is on track to good corporate Governance, where our communities will be provided with services in an excellent Manner.

Sincerely,


FR NTEKELE

ACTING MUNICIPAL MANAGER: BELA-BELA LOCAL MUNICIPALITY

Chapter 1

1.1. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

INTRODUCTION TO BACKGROUND DATA

Bela-Bela Local Municipality is performing the Powers and Functions on the Table below: as assigned through the Constitution of the Republic of South Africa and the Local Government: Municipal Structures Act.

Table 1

Function	Is this a Shared Service (Y/N)	RESPONSIBLE DEPARTMENT AT THE MUNICIPALITY
Air Pollution	N	Social and Community Services
Building Regulation	N	Economic Development and Planning
Electricity Reticulation	N	Technical Services
Fire Fighting	Y	Social and Community Services
Local Tourism	Y	Economic Development and Planning
Municipal Airports	N	Social and Community Services
Municipal Planning	Y	Economic Development and Planning
Stormwater Management Systems in Built Up Areas	N	Technical Services
Trading Regulation	N	Economic Development and Planning
Potable Water	N	Technical Services

Whilst the Administration of the Municipality is tasked with the responsibility of ensuring optimal performance of all the Powers and Functions assigned to the Municipality as per the determination of the prescripts of the Law, Council through its Structures regularly performs an Oversight to all the respective Departments to ensure Legislative compliance to that effect and impacts aimed at improving the livelihoods of the communities therein.

Accordingly, the Municipality has developed and approved an Organizational Structure as depicted under graph 1 below that seeks to ensure optimal performance of these Functions. The picture correctly painted by the Organizational Structure is that the Departments of Technical Services, Social & Community Services and Planning & Economic Development respectively as the primary Service Delivery oriented Departments in line

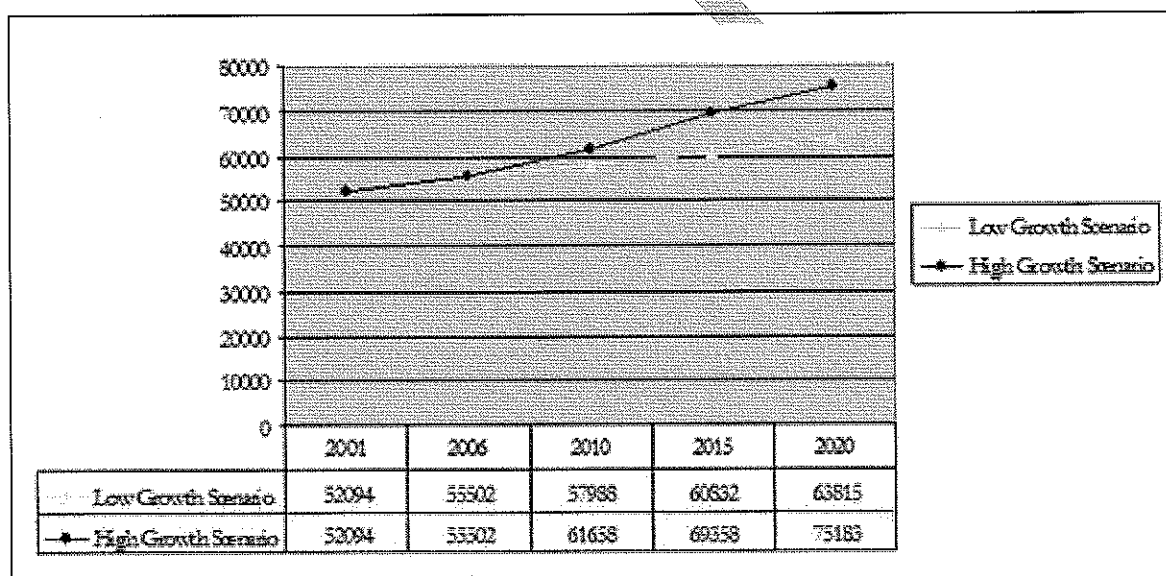
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with the depiction under Table 1 above jointly constitutes more than 60% of the personnel of the entire Municipality.

1.1.1 Population Dynamics and Future Growth Trends

The total size of Bela-Bela's population as of 2011 was estimated to be at **66 500** individuals which has increased by 27.6 % by 2011 compared to Census 2001. Annually, the Population of the Municipality is growing at the rate of **2.44%**. This is based on Census 2011 which also estimates that there are approximately **18 068 households** within Bela-Bela which is 3.7% increase from 2001 figure See **Table 2** below. Statistics South Africa indicated that this figure also takes into account Rapotokwane Village which was incorporated into the Municipality from Dr J.S. Moroka Local Municipality (Mpumalanga Province) in 2000. The **graph below** illustrates the estimated population projection when the information from BMR is taken into account.

Graph 1 Population Growth 2001-2020



The high growth ratio takes into account other main factors such as in – migration, which can result in further increase in the population within Bela-Bela. It would be recalled from the 2007/ 08 IDP that there are a number of people who have relocated from Gauteng to Bela-Bela Town (specifically in the Warmbaths Extensions) to get away from the busy life of Gauteng.

Some of the impacts of the HIV/AIDS

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- Low and/or zero population growth rate – affecting revenue base of the Municipality and sustainability of projects.

Table 2 Households Dynamics

Municipality	Census 2001		Census 2011	
	Households	Ave HH size	Households	Ave HH size
Bela-Bela	12 335	3.7	18 068	3.7
Waterberg	145 883	3.7	179 866	3.8

[Source: Statistics SA: Census, 2011]

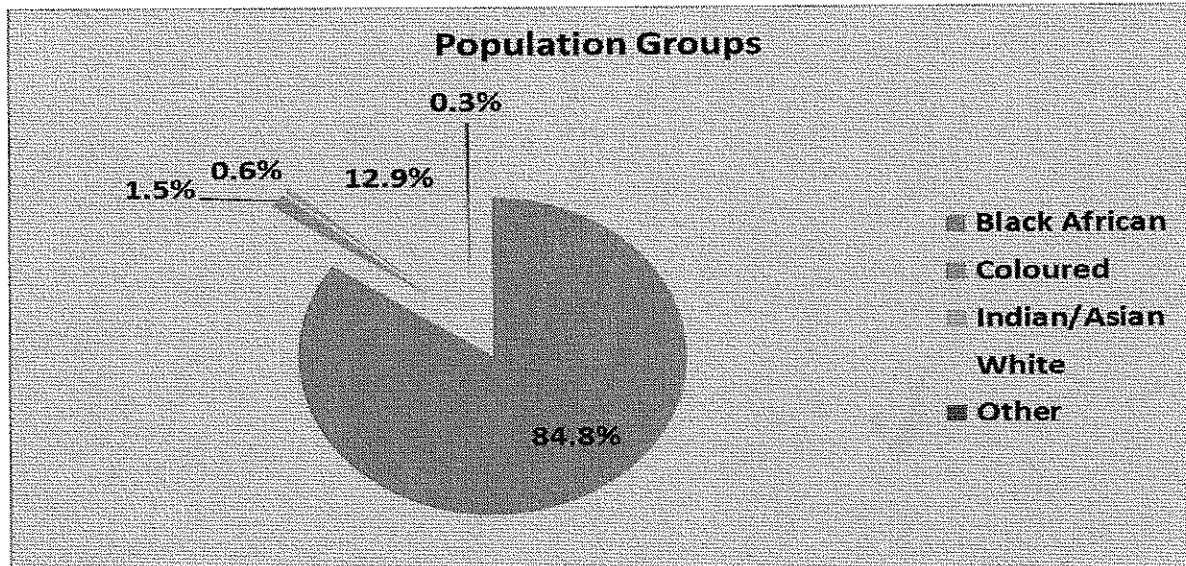
They still have offices in Gauteng, but due to the development of technology they do not need to go to the office every day and therefore choose to live in areas such as Bela-Bela Town, further away from the city. The second factor is the increase of people entering the property market to such an extent that the number of home owners have increased. There was also an increase in people who bought weekend/holiday homes in resorts, estates, etc., of which some also opted for permanent residency specifically in the Estate developments. It can be assumed that the real growth rate for permanent residence in Bela-Bela Municipal area might even be higher than anticipated BMR growth rates up to the year 2020 as indicated in **Graph 1** above.

1.2 Population Group, Age Group and Gender in Bela-Bela Municipal Area.

The population of Bela-Bela Local Municipality in terms of groupings categorized as per the **Graph 2** below. It is evident that Black Africans are in the Majority followed by Whites. It is therefore imperative to take caution that whilst the development priorities within the Municipality seeks to address the plight of Black Africans who majority of which is still characteristics of the previous dispensation in the Country, such should not be at the detriment of the other minority groupings therein.

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Graph 2 Population Groups



[Source: Statics SA: Census, 2011]

All the residents of Bela-Bela Local Municipality irrespective of their Colour of ethnicity should be encouraged to partake in the developmental Agenda of the Municipality from within their respective localities and interest groupings.

The age composition or structure determines the kinds of economic activities which are currently existing and may need to be explored in the future within the locality. Different age groups have different economic needs and different spending patterns. According to Census 2011, the composition of the Population of the Municipality is Young (0-14) 28.1%, Working age (15-64) 66% and Elderly 65+ 5.9%.

Table 3 Census 2011 age group, gender and population group

	Black African	Coloured	Indian or Asian	White	Other	Unspecified
LIM366: Bela-Bela						

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Male						
0 - 4	3 225	52	14	206	5	-
5 - 9	2 730	43	17	208	2	-
10 - 14	2 563	37	13	225	5	-
15 - 19	2 686	47	8	214	2	-
20 - 24	3 377	63	27	201	28	-
25 - 29	3 243	66	36	243	22	-
30 - 34	2 619	28	31	241	9	-
35 - 39	1 997	37	18	260	11	-
40 - 44	1 690	27	17	280	12	-
45 - 49	1 371	18	9	250	7	-
50 - 54	1 119	16	7	282	1	-
55 - 59	817	20	7	254	2	-
60 - 64	599	23	5	338	3	-
65 - 69	350	10	5	333	6	-
70 - 74	188	3	2	239	2	-
75 - 79	101	1	-	198	2	-
80 - 84	68	-	-	107	1	-

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85 +	56	-	4	47	1	-
Total	28 799	489	218	4 127	122	-
Female						
0 - 4	3 188	39	16	204	8	-
5 - 9	2 798	29	11	213	7	-
10 - 14	2 540	43	11	211	3	-
15 - 19	2 496	44	18	219	1	-
20 - 24	2 849	61	14	197	5	-
25 - 29	2 782	38	12	257	8	-
30 - 34	2 094	31	16	229	9	-
35 - 39	1 992	33	8	248	8	-
40 - 44	1 606	30	10	305	4	-
45 - 49	1 525	30	14	268	2	-
50 - 54	1 123	41	5	334	5	-
55 - 59	910	24	8	310	3	-
60 - 64	554	18	4	393	1	-
65 - 69	385	8	3	336	3	-
70 - 74	312	4	6	287	4	-

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75 - 79	205	3	4	207	3	-
80 - 84	129	1	-	134	-	-
85 +	117	-	-	82	-	-
Total	27 603	476	161	4 433	74	-

[Source: Statistics SA: Census, 2011]

This trend in age composition obliges the government departments and the Municipality to ensure that a large percentage of the budget is allocated to Social Development Facilities in order to meet the needs of a youthful population and ensuring that people falling within this age acquire relevant Skills and grow up to become responsible adults. The creation of more job opportunities should also be one of the key aspects of the developmental agenda by the Municipality in partnership with the sector departments such as the Department of Education, Health, Public Works, Roads and Transport etc.

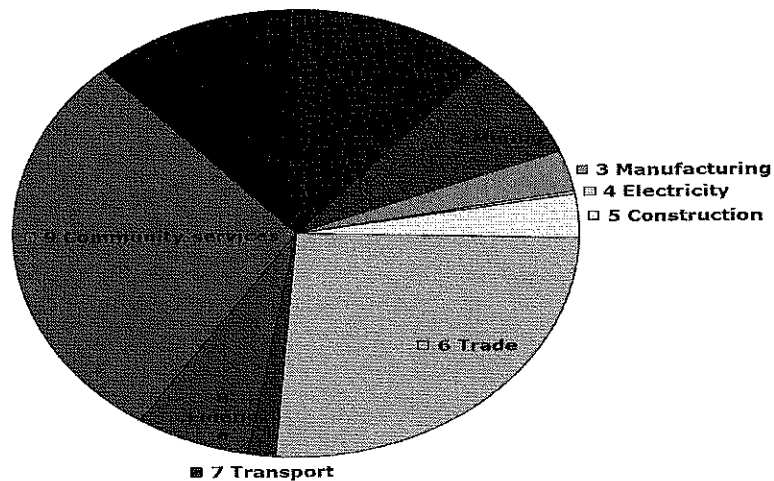
The goal of the Local Economic Development Unit is to facilitate economic development, job creation and poverty eradication within Bela-Bela Local Municipality which is part of Waterberg District Municipality. This will be achieved by reducing the numbers of unemployed people, especially the youth, women and people living with disabilities. Secondly, by ensuring that there is economic development in the Municipality and in particular in the identified sectors. Furthermore, that there is reduction in the number of people living below the poverty line. **Section 153 of the Constitution** stipulates the following developmental duties of all Municipalities:

- A Municipality must structure and manage its administration, budgeting and planning processes to give priority to the needs of the community, and to promote social and economic development.
- A Municipality must participate in national and provincial developmental programmes.

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Graph 3 Formal Employment Sector

Formal Employment - Sector's share of H366 Bela-Bela's total (%)
2012



Source: IHS Global Insight Regional eXplorer version 920

Based on the above, Bela-Bela Local Municipality is actively participating in the Expanded Public Works Programme as well as the Community Works Programme. A Municipal budget is being implemented and equally redistributed within the parameters or principles of EPWP, this implies that each and every Capital project that the Municipality is implementing (capital expenditure) the element of social partnership is being taken into cognizance.

Notably, Local Economic Development is also concerned with the creation of an environment, which will engage stakeholders in implementing strategies and programmes.

The LED Unit will be reviewing the LED Strategy, which will guide implementation of programmes and projects going forward.

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Table 4

REVIEW OF NEIGHBOURHOODS WITHIN BELA- BELA LOCAL MUNICIPALITY	
Settlement Type	Households
Towns and townships	
Bela Bela Town and Township(Growth Point)	12 000
Sub-total	12 000
Small Towns	
Pienaarsriver	500
Radium, Vingerkraal & Tsakane	1137
Rust de Winter, Mabula, Settlers & Farming Areas	2000
Sub-Total	3 637
Rural settlements	
Rapotokwane	600
Sub-Total	600
Informal settlements	
Jacob Zuma	1020
Bela bela ext 9	600
Spa park(proposed warmbath extension 25)	255
Vingerkraal	250
Eersbewoon/tsakane	245
Masakhane	145
Rapotokwane	30
Sub-total	2545
Total	18 182

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Table 5 Natural Resources within Bela-Bela

Natural Resources within Bela-Bela	
Major Natural Resource	Relevance to Community
Hot Natural Springs	One of the key Tourism attraction point and the origin of the name of the Municipality. Large number of job and business opportunities.
Natural Gas	Potential employment and Business opportunities in the green Economy

MINING: The contribution of the mining sector towards economic development of Bela-Bela is not highly significant. There is only one (1) mine (i.e. NAMCO which mine Industrial Diamonds) that exists within Bela-Bela. This mine is located on the southern parts of municipal area and approximately six (6) kilometres to the south east of Radium.

Although diamonds are found on the existing mining activity the previous research undertaken as part of the past IDP reviews revealed that the mineral occurrences that existed in Bela-Bela for mining resources and precious metals (i.e. gold and diamonds) is of a very low grade and potential to such an extent that it cannot be considered probable that these minerals can be mined within the next 20 – 50 years.

Other metals that are found on a limited scale include manganese, copper, tin, cobalt and the supply of calcite, refractory clay and fluorspar is sufficient. The distribution of limestone industrial mineral is small, with a medium scale supply of sandstone and clay which is used to manufacture the bricks within the area.

AGRICULTURE: In terms of the weather conditions, Bela-Bela comprises of temperatures between 20-29°C, with the average rainfall between 520 – 650 mm per annum. There are black and red clay soils of medium to high potential in the Springbok flats. Sandy, red soils and wetlands cover the rest of the area.

Vegetable crops include the following: Squash butternut, Squash hub barb, Onions, Watermelons, Cabbage assorted, Sweet Corn, Pumpkin Grey, Pumpkin White, Beetroot, Carrots, and Peppers. Fruit types include the

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following: Grapes, Citrus, and Peaches. Other crops include: Maize, Cotton, Millet, Tobacco, Lucerne, Cowpeas, Groundnuts, Wheat, Jugebeans, Chinabeans and Sunflower.

1.1.3 COMMENT ON BACKGROUND DATA

Whilst the Hot Water Springs attracts thousands upon thousands of tourists to Bela-Bela, the benefits beyond mere employment opportunities, but for those aspiring to enter the Tourism business are still to be realised, particularly to the majority of the Black population therein

Due to the various crops produced, production systems vary widely. Although the trend is changing the whole industry is still characterized by a high unskilled labour input and a serious lack of middle management capacity. In the commercial estate farming the competitiveness of commercial production will be enhanced through appropriate skills development programmes at all levels and through infrastructure development. Access to water for irrigation is particularly important, but feeder roads to production areas and arterial roads to markets are just as important.

The agriculture sector is by its nature one of the most labour intensive industries, however, this ability to create jobs has decreased in recent times and there is evidence that the sector has even shed jobs. The main reasons can be attributed to the following:

- Mechanization – As with most other sectors, there is a trend towards mechanization (e.g. precision farming) in order to increase production output (per hectare).
- Availability of labour – There are claims that those people that have access to some form of social grant, may find the agriculture sector less attractive as they can probably get a similar, or very close to, a similar income through the social grant. As such, they may either withdraw their labour effort, or only offer it partially, which presents practical problems for the farmer.
- Effects of ESTA - The Extension of Security of Tenure Act (No. 62 of 1997) (ESTA) stipulates that farm labour that has worked on the farm for longer than 10 years and is 60 years and older, has a right to stay on the farm. Some of the farmers are trying to avoid this by employing less people.

The main conclusion is that the agriculture sector will play an increasingly important role to secure food security to the South African population, therefore making it a key sector in the economy. It is therefore important that all land be used productively

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1.2 FINANCIAL HEALTH OVERVIEW

Municipality average debt collection rate was 105% in the 2015/2016 financial year which is the highest in the province and above average nationally. The collection rate declined to 92% in 2016/2017 financial year.

The Municipality's 2016/2017 financial year's total revenue is R421 million as compared to 2015/16 reported revenue of R316 million. The highest source of revenue is Service Charges (income from Sale of water, electricity, waste collection and sanitation) followed by the grants from other spheres of government and property rates. The Municipality's 2016/2017 financial year's total expenditure is R356 million as compared to reported expenditure of R357 million in the previous year. The highest expenditure is employee costs followed by the bulk purchases (Purchase of water and electricity) and Non-cash items (Depreciation and debt impairment).

The Municipality's financial performance resulted in a surplus of R76 million. This is an improvement from a deficit of R41 million incurred in the previous year

The total consumer debtors book was R131 million at the end of June 2017. Debt collectors are being utilized to collect long outstanding debts. Trade payables amounted to R43 million at end of 2017 financial year and this was a reduction when compared to R105 million reported at the end of 2016 financial year. Major creditors included ESKOM for electricity distributions and the fleet service provider of which payment of the balance will depend on the outcome of the currently continuing court proceedings.

Table below indicates an overview of financial performance for the 2016/17 financial year.

Table 6 Financial Overview

Financial Overview 2016/2017			
Description	Original Budget	Adjustment Budget	Actual
Income			
Grants	151 689 000	151 689 000	175 928 195
Taxes and Service charges	164 490 180	164 490 180	147 043 336

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Financial Overview 2016/2017			
Description	Original Budget	Adjustment Budget	Actual
<i>Other</i>	131 926 055	131 926 055	392 941 470
Sub total	448 105 235	448 105 235	421 826 329
Less expenditure	366 551 920	366 551 920	356 593 361
Surplus / (Deficit)	81 553 315	81 553 315	76 766 561

1.2.1 OPERATING RATIOS

Table 7 below depicts the main operating cost ratios in comparison with National treasury norms.

Operating cost ratios 2016/17	
Details	Value
Increase in revenue	47%
Employee cost	31%
Repairs and maintenance	2%
Finance charges and depreciation	3%
Decrease in expenditure	-0,3%
Bulk Purchases increase	8,7%
Remuneration of councillors	4,4%

Revenue has increased by 47% from the previous financial year which is above inflation mainly because of three main factors ie: The increase in service charges tariffs that were pushed by the bulk purchases take on costs and higher adjustment of grants allocated to Bela-Bela Local Municipality in terms of Division of Revenue Act (DORA)

Employee costs is at 31% of the total operating expenditure and is considered to be within the National Treasury norms of between 25% and 40% as stipulated on MFMA Circular No. 71. Repairs and maintenance is at 2% while finance charges is reported at 3%. Acquisition and construction of new infrastructure while gradually replacing the old infrastructure and cash flow limitations resulted in lower repairs and maintenance.

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Total expenditure has decreased by 0.3% as result of implementation of coast containment measure and cash flow management plan.

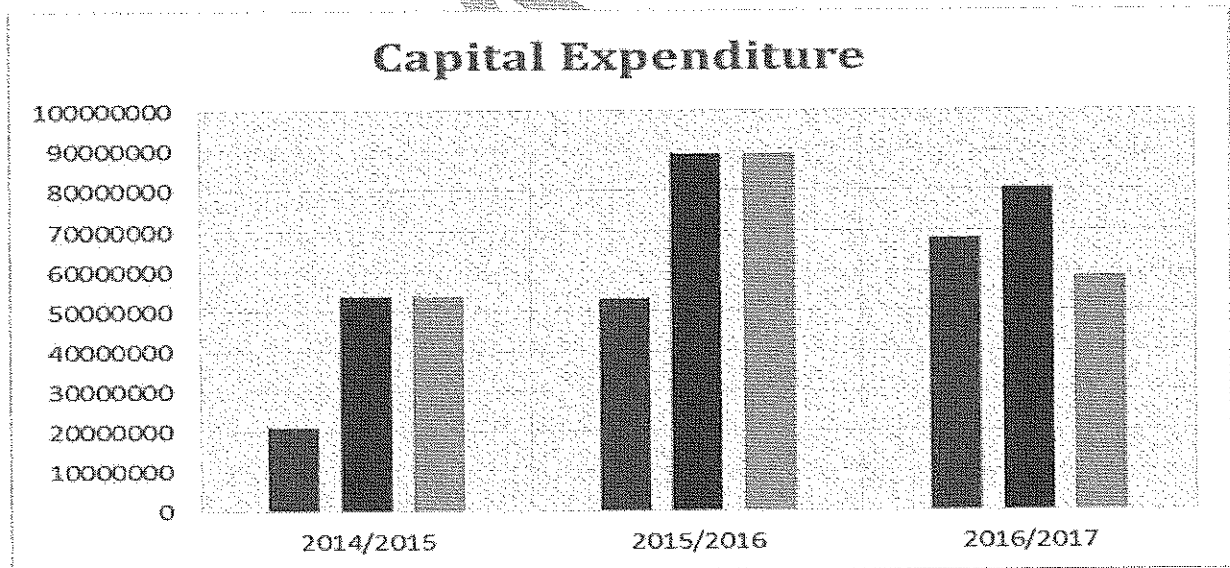
Bulk purchases has increased by 8.7% when compared to previous financial year.

1.2.2 CAPITAL EXPENDITURE

Table 8 below shows the total capital expenditure over the period of three financial years.

Total capital expenditure			
Details	2014/2015	2015/2016	2016/2017
Original Budget	21 097 000	53 182 750	68 183 000
Adjustment budget	53 939 677	89 194 698	80 571 000
Actual	53 939 677	89 194 698	58 495 241

Graph 4 illustration of capital expenditure over the three financial years



The Municipality's capital expenditure has been increasing from R53 million in 2014/2015 to R80 million in 2016/17 financial year. Major increase was as a result of new infrastructural grants allocated to Bela-Bela Local Municipality. Those grants include: Municipal Water Integrated Grant (MWIG) and Integrated National Electrification Programme (INEP)

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1.2. AUDITOR GENERAL REPORT

Auditor General Report for 2016/2017 Financial Year

Bela-Bela Local Municipality complied with the provisions of Section 125 of MFMA and Section 45 of MSA of 2000 by compiling and submitting both the 2016/2017 Annual Performance Report and the 2016/2017 Annual Financial Statements. Both the 2016/2017 Annual Performance Report and the 2016/2017 Annual Financial Statements were submitted to the Auditor General for auditing by the 31st of August 2017 as per the statutory requirements. The municipality audit opinion regressed and was qualified during the 2016/2017 financial year after having obtained unqualified audit opinion in the preceding financial years.. The material findings which led to the qualified audit opinion were as follows:

- a) Cash Flow Management
- b) Budget Cash Back
- c) GRAP Compliance

In preparation of the 2017/2018 audit the Municipality has developed an Audit Action Plan which provides guidance in resolving the findings raised by the Auditor during the 2016/2017 Financial Year. Below is the detailed 2016/2017 Auditor General's Report.

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Report of the auditor-general to Limpopo provincial council and the council of Bela-Bela Local Municipality

Report on the audit of the financial statements

Qualified opinion

1. I have audited the financial statements of the Bela-Bela 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 possible effects of the matters described in the basis of qualified opinion, the financial statements present fairly, in all material respects, the financial position of the Bela-bela Local Municipality as at 30 June 2017, and its financial performance and cash flows for the year then ended in accordance with South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act (Act No. 56 of 2003) (MFMA) and Division Of Revenue Act (Act No.3 of 2016) (DORA).

Basis for qualified opinion

Infrastructure assets

3. I was unable to obtain sufficient appropriate audit evidence for the restatement of the corresponding figure for the infrastructure assets to the value of R3 490 852. As described in note 46 to the financial statements, the restatement was made to rectify a prior year misstatement, but the restatement could not be substantiated by supporting audit evidence. Furthermore the municipality de-recognised infrastructure assets with a net carrying amount of R3 479 165 without appropriate supporting evidence. I was unable to confirm both the restatement and de-recognition of infrastructure assets by alternative means. Consequently, I was unable to determine whether any adjustments to the property, plant and equipment and corresponding figure stated at R458 392 835 (2015- 2016: R 425 471 317) as disclosed in note 4 to the financial statements were necessary. Additionally, there was a resultant impact on the surplus for the period and on the accumulated surplus.

Cash flow statement

4. The municipality did not account for the cash flow statement as required by GRAP 2, *Cash flow statements*. My re-calculations indicate an unexplained difference of R24 665 373 in cash generated from operations. Consequently, the cash and cash equivalents as disclosed in the cash flow statement at the end of the year was misstated by R 24 665 373.

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Irregular expenditure

5. The municipality did not disclose irregular expenditure of R 24 201 749 resulting from the unspent conditional grant that is not backed by cash in terms *Division of Revenue Allocation*, Section 33. In addition, I was unable to determine the purposes the amount was used for as the municipality did not have adequate systems and I could not confirm this by alternative means. Consequently, I was unable to determine whether any further adjustments to irregular expenditure stated at R 1 093 745 in financial statements were necessary.

Context for the opinion

6. 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.
7. 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.
8. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of matter

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

Restatement of corresponding figures

10. As disclosed in note 46 to the financial statements, the corresponding figures for 30 June 2016 have been restated as a result of an error in the financial statements of the municipality at, and for the year ended, 30 June 2017.

Uncertainties relating to the future outcomes of exceptional litigations

11. With reference to note 44 to the financial statements, the municipality is the defendant in various lawsuits. The municipality is opposing these claims, as it believes there is reasonable ground for success. The ultimate outcome of the matter cannot presently be determined and no provision for any liability that may result has been made in the financial statements.

Material impairments

12. As disclosed in note 32 to the financial statements, material losses to the amount of R32 309 464 were incurred as a result of a write-off of irrecoverable traffic fines and trade debtors.

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Material losses – electricity

13. As disclosed in note 53 to the financial statements, material electricity losses to the amount of R19 269 0226 (2015-2016: R 20 016 130) was incurred which represents 15,04% (2015-2016: 17,15%) of total electricity purchased.

Material losses – water

14. As disclosed in note 53 to the financial statements, material water losses to the amount of R3 490 584 (2015-2016: R7 163 515) was incurred which represents 26,18% (2015-2016: 25,19%) of total electricity purchased.

Unauthorised expenditure

15. As disclosed in note 48 to the financial statements, unauthorised expenditure to the amount of R40 046 173 was incurred as a result of overspending on the budget.

Fruitless and wasteful expenditure

16. As disclosed in note 49 to the financial statements, fruitless and wasteful expenditure to the amount of R2 203 436 was incurred as result of interests and penalties.

Other matters

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

Unaudited supplementary information

18. The supplementary information set out on pages xx to xx does not form part of the financial statements and is presented as additional information. I have not audited this schedule and, accordingly, I do not express an opinion thereon

Unaudited disclosure notes

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

Responsibilities of accounting officer

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

Chapter 1

unless the accounting officer either intends to liquidate the municipality 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.

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:

Development priorities	Pages in the annual performance report
Development priority 1 – Basic service delivery	x – x
Development priority 2 – Local economic 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

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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:

Development priority 1 – Basic service delivery

Performance indicator is not verifiable

Number of informal households with access to basic level of Sanitation (VIP toilets) by 30 June 2017

29. The systems and processes to enable reliable reporting of actual service delivery against the indicator were not adequately designed as adequate processes were not put in place for the collection and reporting of the performance information, as required by the Framework for Managing Programme Performance Information.

Reported achievement did not agree with the evidence provided.

Percentage of formalized households with access to basic level of Solid Waste Removal

30. The reported achievement for the target of 10 425 was misstated as the evidence provided indicated 9 012 and not 10 425 as reported.

Development priority 2 – Local economic development

Number of reports on jobs created through municipal LED initiatives including capital projects compiled and tabled to council by 30 June 2017

31. I was unable to obtain sufficient appropriate audit evidence for the reported achievement of the target. This was due to limitations placed on the scope of my work. I was unable to confirm the reported achievement by alternative means. Consequently I was unable to determine whether any adjustments are required to the reported achievement of four job creation reports.

Other matter

32. I draw attention to the matters below.

Achievement of planned targets

33. Refer to the annual performance report on page(s) x to x; x to x for information on the achievement of planned targets for the year and explanations provided for the [under / overachievement] of a number of targets. This information should be considered in the context of the material findings on the reliability of the reported performance information in paragraph(s) x; x; x of this report.

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Adjustment of material misstatements

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

Report on audit of compliance with legislation

Introduction and scope

35. 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.

36. The material findings on compliance with specific matters in key legislations are as follows:

Annual financial statements

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

Conditional grants

38. The Municipal Infrastructure Grant and Integrated National Electrical Programme were not spent in accordance with the applicable grant framework, in contravention of section 17(1) of the DORA.

Asset management

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

40. Capital assets were permanently disposed without the approval of the council and the accounting officer, as required by section 14(2)(a) of the MFMA.

Expenditure management

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

42. An adequate management, accounting and information system was not in place which recognised expenditure when it was incurred and accounted for creditors, as required by section 65(2)(b) of the MFMA.

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43. Effective steps were not taken to prevent fruitless and wasteful expenditure amounting to R 2 203 436, in contravention of section 62(1)(d) of the MFMA. The majority of the disclosed fruitless and wasteful expenditure was caused by interest and penalties for Eskom outstanding amounts.

Procurement and contract management

44. All the commodities designated for local content and production, were procured from suppliers who did not submit a declaration on local production and content as required by Preferential Procurement Regulation 9(1).
45. Some of the contracts were awarded to bidders that did not score the highest points in the evaluation process, as required by section 2(1)(f) of Preferential Procurement Policy Framework Act and Preferential Procurement Regulations. This non-compliance was identified in the procurement processes for the compilation of Immoveable and moveable asset registers.

Other information

46. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report which includes the the audit committee's report. The other information does not include the 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.
47. 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.
48. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected development priorities presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
49. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate, however, if it is corrected this will not be necessary.

Internal control deficiencies

50. 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

51. The accounting officer did not adequately exercise its oversight responsibility regarding financial and performance reporting and compliance with certain laws and regulations.

Financial and performance management

52. The financial statements and reported performance information contained a number of misstatements that were corrected. This is mainly due to inadequate review by management.

53. Non-compliance with laws and regulations could have been avoided had compliance been properly reviewed and monitored.

Governance

54. 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.

Auditor General

Polokwane

30 November 2017



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

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1.4 STATUTORY ANNUAL REPORT PROCESS		
No.	Activity	Timeframe
1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period.	July
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
3	Finalise 4 th quarter Report for previous financial year	
4	Submit draft 08/09 Annual Report to Internal Audit and Auditor-General	
5	Municipal entities submit draft annual reports to MM	
6	Audit/Performance committee considers draft Annual Report of municipality and entities (where relevant)	August
8	Mayor tables the unaudited Annual Report	
9	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General.	
10	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	
11	Auditor General assesses draft Annual Report including consolidated Annual Financial Statements and Performance data	
12	Municipalities receive and start to address the Auditor General's comments	September - October
13	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor-General's Report	
14	Audited Annual Report is made public and representation is invited	
15	Oversight Committee assesses Annual Report	
16	Council adopts Oversight report	November
17	Oversight report is made public	
18	Oversight report is submitted to relevant provincial councils	
19	Commencement of draft Budget/ IDP finalisation for next financial year. Annual Report and Oversight Reports to be used as input.	December
		January

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1.4.1 COMMENT ON THE ANNUAL REPORT PROCESS

In terms of Section 127 (2) of the Local Government Municipal Finance Management Act No 56 of 2003, the Mayor of the Municipality must within seven months after the end of the year, table in the Municipal Council the Annual Report of the Municipality and of any Municipal Entity under the Municipality's sole or shared control. In order to comply with the provisions of the above mentioned Act, Bela-Bela Local Municipality established a process of compiling the 2016-2017 Annual Report. The process began with the adoption of the National Treasury Circular 11 and 63 which provides guidance on how and when to compile and to submit the Annual Report. It should be noted that the requirements of the two circulars compliments each other hence both applied in the compilation of 2016/2017 Annual Report of the Municipality.

Management commenced with the compilation of the report from July 2017 and the 2016/2017 Draft Annual Report was tabled to the Auditor General during Auditing of the 2016/2017 Annual Financial Statements and the 2016/2017 Annual Performance Report in August 2017. Management deemed it necessary to achieve the timelines as set out in the circulars to afford Council ample time to exercise its oversight role over the Administration work. Over and above, the compilation of the 2016/2017 Annual Report as per the above mentioned National Treasury Circulars allow the Municipality to provide more and comprehensive information on the activities and decisions made by the Municipality during the financial year under review.

Furthermore, the municipality adhered to the timeliness on the compilation of the Annual Report to provide more range of information on the challenges, successes and the overall performance of the Municipality. The information assist the new planning cycle for the 2018/2019 Financial Year. The Municipality also compiled the 2016/2017 quarterly performance reports in line with the 2016/2017 approved IDP, Budget and the SDBIP which formed the basis of the 2016/2017 Annual Performance Report outlined in Chapter 4 of this Annual Report.

Chapter 2

CHAPTER 2 – GOVERNANCE

2. INTRODUCTION TO GOVERNANCE

To ensure accountability and governance arrangements are in place, Section 121(2) (c) of the MFMA support the requirements of Section 18(1) (d) of the MSA information on matters of governance should be communicated to communities. This should, according to Sections 65(1) (a) of the MFMA and 46 of the MSA be undertaken through the compilation and publication of the Annual Report. The purpose of such an annual report is to promote accountability to communities for decisions taken by the Council and matters relating to administrative structures, throughout a financial year.

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

2.1 POLITICAL GOVERNANCE

INTRODUCTION TO POLITICAL GOVERNANCE

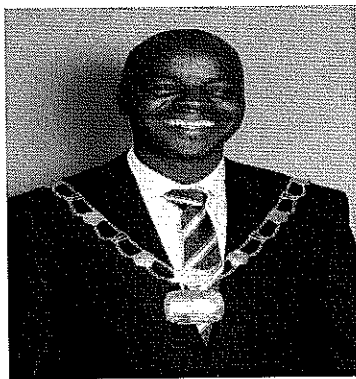
Bela-Bela Local Municipality is a Category B municipality established in terms of Section 12 of the Municipal Structures Act (Act 117 of 1998) and applying a collective Executive Committee System. The Municipality has established Section 80 Committees and are functional. The Committees meet on monthly basis. The recommendations of the Committees are then forwarded to the Executive Committee chaired by the Mayor which also meet monthly.

The Municipality also established an Audit Committee which comprises of three non-council members. The Committee is functional and established in terms of section 166 of the Local Government Municipal Finance Management Act No 56 of 2003. (MFMA 2003). For the audit of performance the Municipality utilizes the existing Audit Committee for the purpose of the Performance Audit Committee as per Municipal Performance Regulations. Municipal Public Account Committee (MPAC) is also established, and performs the role of the Oversight Committee. These committees further ensures that the Municipality complies with Section 127, 129 and 75(c) of MFMA 2003 and Section 21A of the Local Government: Municipal Systems Act No. 32 of 2000 and Regulations.

Chapter 2

POLITICAL STRUCTURE

MAYOR



Clr MJ Ngobeni

FUNCTION

The Mayor provides general political guidance over the fiscal and financial affairs of the municipality and perform all duties as prescribed in of Section 53 of the Local Government Municipal Finance Management Act No 56 of the 2003.

Presides at the meetings of the Executive Committee and also a member of Governance and Treasury Sub-Committee

Performs the duties, including and ceremonial functions, and exercises the powers delegated to the Mayor by the Municipal Council or Executive Committee. In terms of Section 49 of the Local Government Municipal Structures Act No. 117 of 1998 and Regulations.

SPEAKER



Clr RZ Moeletsi
MPAC Member

The Speaker of Council presides at meetings of Council

Performs the duties and exercises the powers delegated to the Speaker in terms of Section 59 of the Local Government Municipal Systems Act (MSA) No 32 of 2000.

Ensures that Council meets at least quarterly

Also maintains order during meetings.

The Speaker is also responsible for ensuring compliance in Council and Council Committees with the Code of Conduct set out in Schedule 1 of MSA No 32 of 2000.

Ensures that Council meetings are conducted in accordance with the Rules

Chapter 2

and Orders of Council

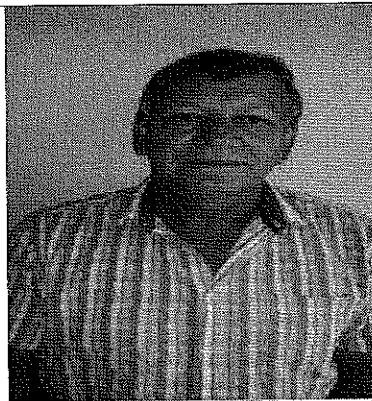
Chief Whip



Cllr H Ledwaba

The Chief Whip of Council maintain sound relations between the Municipal Council and various political parties. Ensure that relationships are constructive and focused on the key issues at hand. Furthermore the Chief Whip is responsible for ensuring that Councillors of the various Political Parties are allocated to different Committees.

It is the responsibility of the Chief to ensure quorum at Council meetings, Advise councillors belonging to various parties to convene party caucuses so as to determine the party's position on specific item/motions on the Council's agenda. To collaborate with the Speaker in relation to issues of discipline and code of conduct of councillors. Attend IDP Rep Forum. Also draw Speaker's lists for the Council debates and determine the speaking time for members after consultation with the respective chief whips of all political parties in Council.



Cllr J Van der Merwe
EXCO member

The Executive Committee (EXCO) is the Principal Committee of Council in the Municipality. The Committee receives reports from other Committees and Sub-Committees of Council. Members of EXCO identify the needs of the Municipality. They also review and evaluate those needs in order of priority. Recommend to the municipal council strategies, programs and services to address priority needs through the Integrated Development Plan (IDP) and estimates of revenue and expenditure, taking into account any applicable national and provincial development plans; and also recommend or determine the best methods, including partnership and other approaches, to deliver those strategies, programs and services to the maximum benefit of the community.

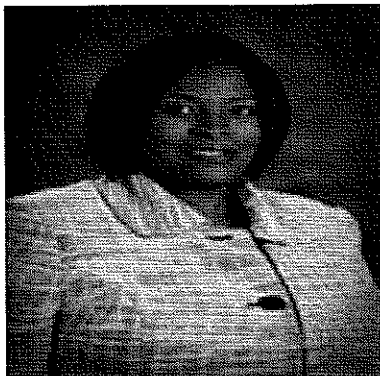
Chapter 2



Cllr A Shika

Planning & Economic Development and Infrastructure Committee Chairperson.

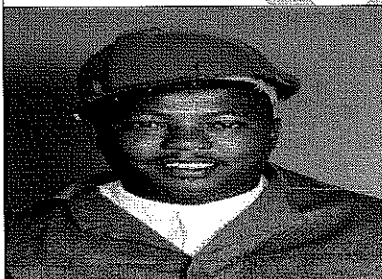
The Chairperson of the Planning & Economic Development and Infrastructure Committee presides and provide political leadership to the meetings of the Committee. The Committee is responsible for advising the Executive Committee on issues of Local Economic Development, Tourism, Town Planning and Human Settlement. The Committee further advise the Executive Committee on Infrastructure development and service delivery issues and proposals that includes water, sanitation, electricity, roads and maintenance. The Committee also serves as a hearing panel for all the applications as and when there are objections received by Council. It also plays an oversight role on the performance of the Planning & Economic Development as well as the Technical Services Departments



Cllr S Maluleka
EXCO Member

Planning & Economic Development and Infrastructure Committee member.

Members of this Committee are responsible for advising the Executive Committee on issues of Local Economic Development, Tourism, Town Planning and Human Settlement. The Committee members further advise the Executive Committee on Infrastructure development and service delivery issues and proposals which includes water, sanitation, electricity, roads and maintenance. Plays an oversight role on the performance of the Planning & Economic Development as well as the Technical Services Departments.



Cllr SA Moswoeu

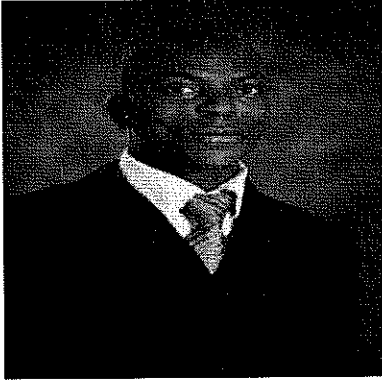
Planning & Economic Development and Infrastructure Committee member.

Members of this Committee are responsible for advising the Executive Committee on issues of Local Economic Development, Tourism, Town Planning and Human Settlement. The Committee members further advise the Executive Committee on Infrastructure development and service delivery issues and proposals which includes water, sanitation, electricity, roads and maintenance. Plays an oversight role on the performance of the Planning & Economic

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Development as well as the Technical Services Departments.

Social & Community Services Chairperson



Cllr FS Hlungwane

The Chairperson of the Social & Community Chairperson presides and provide political leadership to the meetings of the Committee. The Committee is responsible for advising the Executive Committee on issues of Social & Community Services. The Committee further advises the Executive Committee on Social Services, Disaster Management, Environment, Waste Management, and Safety & Security. The Committee also plays an oversight role on the performance of the Community and Social Services.

Social & Community Services Member



CLLR YSM Malete

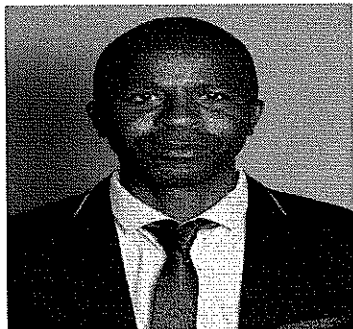
Councillors in this Committee advises the Executive Committee on Social Services, Disaster Management, Environment and Waste Management and Safety & Security, The Committee also plays an oversight role on the performance of the Community and Social Services.



Cllr Masemola TR

Councillors in this Committee advises the Executive Committee on Social Services, Disaster Management, Environment and Waste Management and Safety & Security, The Committee also plays an oversight role on the performance of the Community and Social Services

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Clr Mothokwa KF

Social & Community Services Member

Councillors in this Committee advises the Executive Committee on Social Services, Disaster Management, Environment and Waste Management and Safety & Security, The Committee also plays an oversight role on the performance of the Community and Social Services



Clr Seale SD

Social & Community Services Sub-Committee Members of the Social and Community Services Sub-Committee advises the Executive Committee on Social Services, Disaster Management, Environment and Waste Management and Safety & Security, The Committee also plays an oversight role on the performance of the Community and Social Services while the Local Labour Forum (LLF) is a Structure designed to strengthen the relationship between the Organised Labour and Management. Members of the LLF has the responsibility of negotiating and consulting on matters of mutual concern pertaining to the municipality and which do not form the subject matter of negotiations at the South African Local Government Bargaining Council (SALGBC). The Forum also addresses matters referred to the Forum by the SALGBC, employees and also by the Municipal Management. Furthermore, the members of the LLF also negotiate on the implementation of Minimum Service Level Agreements and other matters as may be relevant.



Clr P Aphane

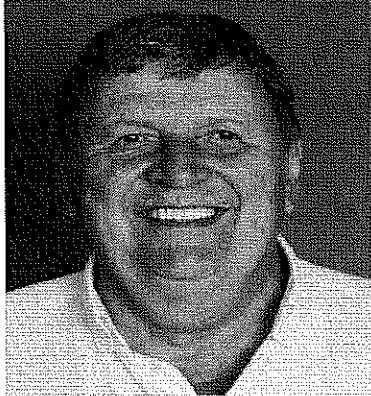
Budget & Treasury/Governance and Transformation Sub-Committee Chairperson.

The Chairperson of the Budget & Treasury and Transformation Su-Committee also presides and provide political leadership to the meetings of the Sub-Committee. Councillors in this Sub- Committee advises the Executive Committee on Financial and Budget related issues, Administration, HR and HRD, Legal Services, Occupational Health and Safety matters. The Sub-Committee also plays an oversight role on the performance of Budget &

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Treasury and of Corporate Services Departments.

Budget & Treasury/Governance and Transformation Sub-Committee member.



Cllr MN Ras

Members of the Budget & Treasury and Transformation Sub- Committee advises the Executive Committee on Financial and Budget related issues, Administration, HR and HRD issues, Legal Services, Occupational Health and Safety issues. Plays an oversight role on the performance of Budget & Treasury and of Corporate Services Departments.

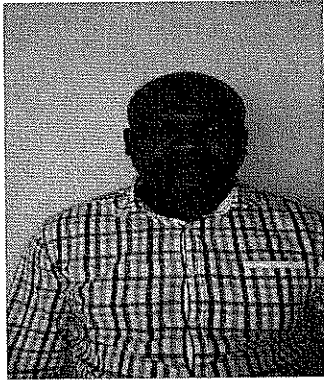
Municipal Public Accounts Committee (MPAC) Chairperson



Cllr LR Modimola

The Chairperson of the MPAC convene and presides over the MPAC meetings. The core functions of the MPAC includes amongst others playing an oversight on the performance of the municipality by means of interrogating financial and non-financial reports and the report findings to Council. The Committee further examine the Financial Statements and the Audit Reports of the municipality. It is this committee that consider and evaluate the content of the Annual Report and to make recommendations to Council when adopting an Oversight Report on the Annual Report. The Committee further promote good governance, transparency and accountability on the use of municipal resources. The Committee further recommend or undertake any investigation in its area of responsibility, after reviewing any investigation report already undertaken by the municipality or the Audit Committee. The Committee also performs any other functions assigned to it through a resolution of Council.

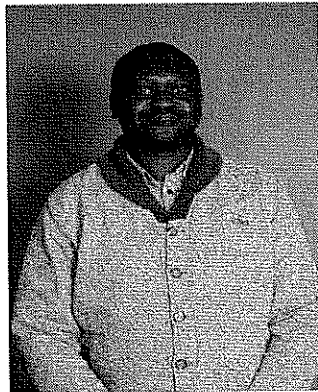
Chapter 2



Cllr D Senosha

Municipal Public Accounts Committee (MPAC) Member

As indicated above members of MPAC plays an oversight on the performance of the municipality by means of interrogating financial and non-financial reports and the report findings to Council. The Committee members further examines the Financial Statements and the Audit Reports of the municipality. It is the members of this committee who consider and evaluate the contents of the Annual Report and to make recommendations to Council when adopting an Oversight Report on the Annual Report. The Committee members further ensures the promotion of good governance, transparency and accountability on the use of municipal resources.



CLLR MJ Makhubela

Municipal Public Accounts Committee (MPAC) Member

As indicated above members of MPAC plays an oversight on the performance of the municipality by means of interrogating financial and non-financial reports and the report findings to Council. The Committee members further examines the Financial Statements and the Audit Reports of the municipality. It is the members of this committee who consider and evaluate the contents of the Annual Report and to make recommendations to Council when adopting an Oversight Report on the Annual Report. The Committee members further ensures the promotion of good governance, transparency and accountability on the use of municipal resources.

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COUNCILLORS

Bela-Bela Municipal Council has a total number of 17 Councillors, with the African National Congress being the majority party. Out of 17 Councillors, 9 are ward councillors and 8 are councillors appointed on a proportional basis.

POLITICAL DECISION-TAKING

Bela-Bela Local Municipality has established section 79 committees. The committees are structured as follows:

- a) Planning and Economic Development/Infrastructure Sub Committee
- b) Social and Community Services Sub committee
- c) Governance & Transformation /Budget & Treasury
- d) Municipal Public Accounts Committee

The committees sit every month. All recommendations are then forwarded to the Executive Committee for consideration. The Executive Committee has the authority to approve delegated functions and the remaining are resolved at Council meetings. During 2016/17 financial year, 2 ordinary Council meetings and 6 Special Council Meetings were held. The Municipal Council took 217 resolutions were during 2016/2017 financial year of which all 217 resolutions were fully implemented.

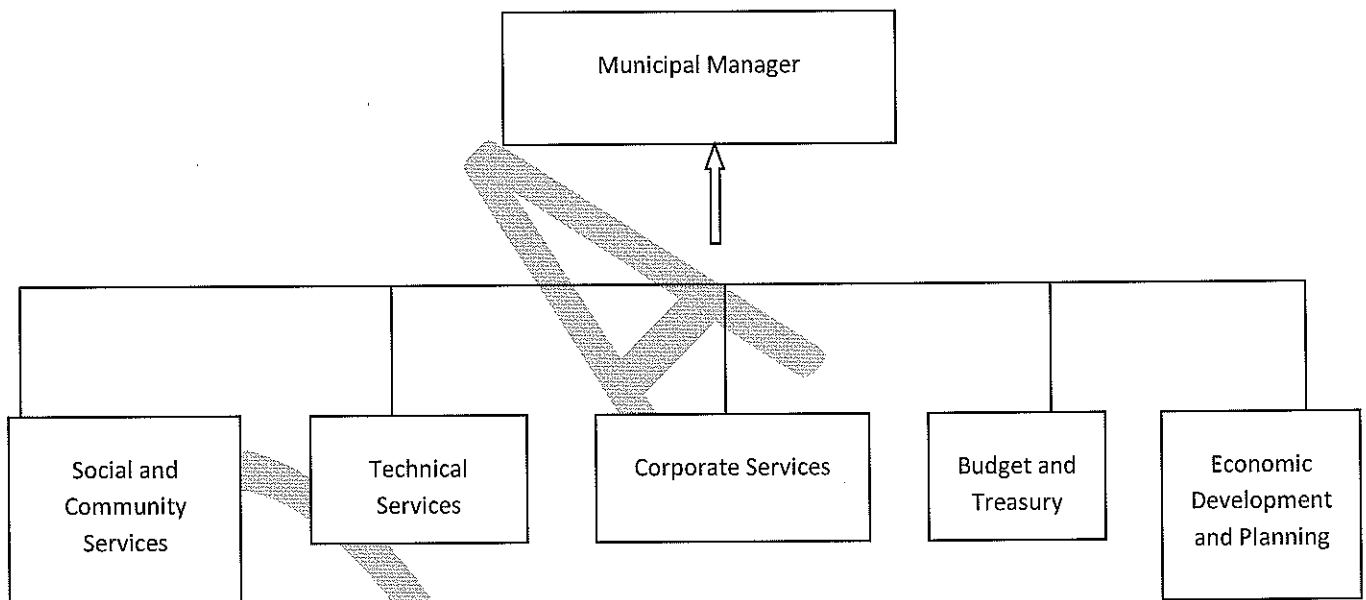
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2.3 ADMINISTRATIVE GOVERNANCE

2.3.1 INTRODUCTION TO ADMINISTRATIVE GOVERNANCE

The Organizational Structure of Bela-Bela Local Municipality makes provision for a Municipal Manager appointed in terms of Section 54 of the Local Government Municipal Systems No 32 of 2000 (MSA) and five Senior Managers appointed in terms of Section 56 of MSA No 32 of 2000. This indicates that there are five Head of Departments reporting to the Municipal Manager thematically depicted as follows:

Graph 1



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Table 1

TIER 1 TOP ADMINISTRATIVE STRUCTURE	Function
Municipal Manager MM Maluleka	<p>a) The Municipal Manager -</p> <ul style="list-style-type: none"> (i) as head of the administration, is responsible for the effective day to day running of the administration of the municipality; (ii) is responsible for the execution of Council resolutions; (iii) plays a prominent role, together with the Mayor, in building, maintaining and enhancing a good relationship between the Council, Councillors and the administration; (iv) must ensure, after consultation with the Mayor and Speaker, that a proper and effective Committee service responsible for the agenda and minutes is in place for each of the Committees, and that then Committees meet on a regular basis; (v) receives reports with recommendations from the Managers on all matters that must be handled by either the Municipal Manager, the Mayor or the Council in terms of the delegation of powers of the Council;
Manager Planning & Economic Development Raputsoa P	<p>Managing the development, approval and implementation of the IDP.</p> <p>Monitoring the performance of the Municipality through PMS requirements.</p> <p>Compiling and monitoring the implementation of strategic, operational and activity plans to</p>

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	<p>Render organisational development services.</p> <p>Render record management services.</p> <p>Render information technology services.</p> <p>Provide auxiliary services.</p> <p>Oversee the drafting and updating of by-laws.</p> <p>Compilation of council agendas.</p> <p>Provide Legal Services</p>
<p>Acting Manager Community and Social Services Mothapo TJ</p>	<p>Responsible for the maintenance of Parks, Cemeteries and Community Facilities.</p> <p>Protection and Emergency Services</p> <p>Waste Management and Cleansing Services.</p>
<p>Manager Technical Services FR Ntekele</p>	<p>Technical Services Directorate is responsible for the provision of Water and Sanitation Roads and Storm-water Electrical Services</p>
<p>Acting Chief Financial Officer K Maposa</p>	<p>The Chief Financial Officer (CFO) is responsible for Budget and Treasury Office(Finance), Budgeting and Financial Reporting, Expenditure and Revenue collection.</p> <p>The CFO play an advisory role to the Accounting Officer on the exercise of powers and duties assigned to the Accounting Officer in terms of the MFMA. It is also the CFO who assist the Accounting Officer with the administration of the Municipality bank's accounts and in preparation and implementation of the Municipality's budget.</p> <p>Other than advising the Accounting Officer, the CFO also</p>

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advise the Senior Managers and other Senior Officials in the exercise of powers and duties assigned to them in terms of Section 78 and 79 of the MFMA. Additionally the CFO review budget, account, analyse and draw financial reports, manage debts, supply chain and other duties as delegated to the CFO and the Accounting Officer.

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COMPONENT B: INTERGOVERNMENTAL RELATIONS

2.4 INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

Bela-Bela Local Municipality participates in forums for intergovernmental relations, The Premier Mayor's forum and the Municipal Manager's forum. The IDP/PMS Divisions also participates in the Provincial and District Municipality's Fora. These forums include sector departments operating at cold face of society and communities. The Presidential hotline is established and deals with queries raised from various stakeholders inclusive of community members.

2.4.1 INTERGOVERNMENTAL RELATIONS

2.4.1.1 NATIONAL INTERGOVERNMENTAL STRUCTURES

Besides Provincial forums attended by both officials and politicians, there are other formal intergovernmental structures dealing directly with the National Government. The interaction between National Government and the Municipality is done through the Provincial forums which are as follows: The Provincial IDP forum, Premier's Lekgotla, Premeir's Monitoring and Evaluation forum and the Monitoring and Evaluation Forum by Cooperative Governance, Human Settlement and Traditional Affairs (CoGHSTA).

2.4.1.2 PROVINCIAL INTERGOVERNMENTAL STRUCTURE

The Provincial Planning forum, Premier's Lekgotla, Premeir's Monitoring and Evaluation forum and the Monitoring and Evaluation Forum by Cooperative Governance and Traditional Affairs. These forums assist with implementation of the Performance Management Systems (PMS) at municipal level and the establishments of credible IDP and SDBIP and further ensuring that municipalities are striving to obtain Clean Audit Opinions.

2.4.1.3. DISTRICT INTERGOVERNMENTAL STRUCTURES

The Waterberg District Municipality is the only District in Limpopo Province that does not have powers and functions on water provision (Water Service Authority). Its role is to coordinate, facilitate and provide support to the local municipalities on service delivery and governance related matters. Bela- Bela Local Municipality is benefitting from attending the District Monitoring and Evaluation forum, the District Planning Forum the Mayor's forum and the Municipal Managers forum.

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COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

2.5 OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

Communities within Bela-Bela Municipality play a vital role to ensure accountability in municipal affairs. Through established ward committee system and scheduled IDP/Budget/PMS community participation processes Council account to the community.

The community participation processes have entrenched a culture of involving communities in decision making processes and finalising the IDP/Budget/PMS of the municipality.

Through the usage of the local media, Council sittings and established Council committee (ward committees) communities are continuously informed on municipal governance, management and other development.

2.5.1 PUBLIC MEETINGS

2.5.1.1 COMMUNICATION, PARTICIPATION AND FORUMS

Communication is an important element of good governance. It is through communication that the communities and other stakeholders are informed about the activities of the municipality, and thereby getting empowered to participate in the affairs of the municipality. Section 18 of the Municipal Systems Act No 32 of 2000 emphasizes the importance of communication between Councils and Communities. It gives guidelines of issues that the municipality must communicate about to its community. It is in this regard that over the years the municipality has utilised different strategies to encourage community participation as enshrined in Section 152 of the South African Constitution of 1996. This included programmes of mobilising, informing and educating, engaging and empowering communities in municipal affairs.

IDP/Budget/PMS public participation processes and ward committee meetings are the cornerstone sessions that entrenches community participation and accountability to the community on municipal programmes. The IDP/Budget/PMS sessions are held in each cluster during the week and on weekends in accordance with set time schedule. The purpose of these meetings is to give feedback and account to the community on the implementation of the IDP/Budget/PMS of the municipality as well as other decisions taken by the municipality. They are further utilized as a platform to agree on community needs which shapes the planning processes.

Further than the IDP/Budget/PMS public participation processes, the municipality involves the community on targeted consultations at ward level, with interested and affected stakeholders (NGOs, business, etc.) and through the IDP/Budget /PMS Rep Forum.

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Other methods used to communicate with the community includes ward Imbizos, media and utilization of the website. Over and above acquisition and confirmation of needs, the Rep Forum meeting serves as a platform for Bela- Bela Local Municipality to engage the different stakeholders during the different stages of the IDP Process as a built up towards the approval of the future budgets, reports on performance on current and past financial years activities.

2.5.1.2 WARD COMMITTEES

The key purpose of ward committees is to create formal unbiased communication channels and cooperative partnership between the community and the municipality in the ward and facilitate public participation in the process of development, review and implementation management of the Integrated Development Planning of the Municipality and municipal processes. Furthermore, Ward Committees are established in Bela-Bela Municipality with the context of deepening public participation by creating a formal unbiased communication channel and partnership between the community and the municipality at ward level.

The ward committees have fully participated in the IDP/Budget consultation meetings, however there has been a challenge of functionality due to none attendance by some members.

2.5.1.3 WARD COMMITTEE MEETINGS

During the 2016/2017 financial year ward committee meetings were held in order to inform local community about the IDP process, and also provide report back with regard to the implementation of the IDP review process as well as on projects which were implemented in the municipal area. Amongst other things which were discussed was the review of the existing IDP project list and identification of new projects.

2.5.1. 4 IDP REP FORUM MEETINGS

The forum should be restructured so as to include the recently established ward committees, service providers and other community – based organizations. The Municipality held its IDP Representative Forum meetings on quarterly basis. The schedule for the meetings was advertised to ensure community participation and broader stake holder management.

2.5.1. 5 IDP ROAD SHOWS

The Mayor held 2016- 2017 IDP/ Budget Mayoral Roadshow in all the wards within the jurisdiction of Bela -Bela Local Municipality as scheduled

2.5.1.6 STRATEGIC PLANNING

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Strategic planning session was held on the 14th to – 17th of February 2016 with Senior and Middle Management, Municipal Mayor, Executive Committee Members and the rest of the Council members. The Strategic Framework provided the strategic direction of the municipality, which also formed the basis for updating the Vision, Mission, Values, Objectives and Strategies. Furthermore, the most important aspect was the formulation of key performance indicators.

Table 2

Public Meetings					
Nature and purpose of the meeting	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending	Dates and manner of feedback given to community
2016/17 IDP Budget Review Ward 8 at Rapotokwane Comm Hall	12/05/2016	02	04	98	IDP/Budget presentation documents handed out to members of the community
2016/17 IDP Budget Review Ward 2 at Bela-Bela Comm. Hall	14/05/2016	02	04	180	IDP/Budget presentation documents handed out to members of the community
2016/17 IDP Budget Review Ward 9 at Masakhane, Blaauboschkuil Primary	15/05/2016	02	04	130	IDP/Budget presentation documents handed out to members of the community
2016/17 IDP Budget Review Ward 8 at Pienaarsrivier Hall	18/05/2016	02	04	128	IDP/Budget presentation documents handed out to members of the community
2016/17 IDP Budget Review Ward 1 at Spa	13/05/2016	02	04	271	IDP/Budget presentation

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Public Meetings					
Nature and purpose of the meeting	Date of events	Number of Participating Municipal Councilors	Number of Participating Municipal Administrators	Number of Community members attending	Dates and manner of feedback given to community
Park Community Hall					documents handed out to members of the community
2016/17 IDP Budget Review Ward 1 at Bela-Bela Laerskool	19/05/2016	02	06	178	IDP/Budget presentation documents handed out to members of the community
2016/17 IDP Budget Review Ward 3 at SUNFA Stadium, 10h00	23/05/2016	02	04	325	IDP/Budget presentation documents handed out to members of the community
2016/17 IDP Budget Review Ward 5 at Bela-Bela High School, 14h00	23/05/2016	02	04	279	IDP/Budget presentation documents handed out to members of the community
2016/17 IDP Budget Review Ward 6 at Leseding Park, 10h00	24/05/2016	02	04	285	IDP/Budget presentation documents handed out to members of the community
2016/17 IDP Budget Review Ward 7 at Ext 6 Clinic Grounds	24/05/2016	03	04	10	IDP/Budget presentation documents handed out to members of the community
2016/17 IDP Budget	30/05/2016	02	03	334	IDP/Budget

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Public Meetings					
Nature and purpose of the meeting	Date of events	Number of Participating Municipal Councilors	Number of Participating Municipal Administrators	Number of Community members attending	Dates and manner of feedback given to community
Review Ward 4 at Ponto Sport Grounds					presentation documents handed out to members of the community
Mayoral Roadshow on municipal accounts and Electricity Amp charges Ward 5 meeting at Bela-Bela Comm Hall, 14h00	29/10/2016	03	05	110	Community members were awarded opportunity to enquire about municipal accounts and detail explanation was presented on implementation of electricity basic Amp charges.
Mayoral Roadshow on municipal accounts and Electricity Amp charges Ward 2 meeting at Bela-Bela Comm Hall, 14h00	30/10/2016	03	05	123	Community members were awarded opportunity to enquire about municipal accounts and detail explanation was presented on implementation of electricity basic Amp charges.
Mayoral Roadshow on	30/10/2016	03	04	230	Community

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Public Meetings					
Nature and purpose of the meeting	Date of events	Number of Participating Municipal Councilors	Number of Participating Municipal Administrators	Number of Community members attending	Dates and manner of feedback given to community
municipal accounts and Electricity Amp charges Ward 7 meeting at Ext 6 Multipurpose centre, 14h00					members were awarded opportunity to enquire about municipal accounts and detail explanation was presented on implementation of electricity basic Amp charges.
Mayoral Roadshow on municipal accounts and Electricity Amp charges Ward 6 meeting at Leseding Park	02/11/2016	03	04	289	Community members were awarded opportunity to enquire about municipal accounts and detail explanation was presented on implementation of electricity basic Amp charges.
Mayoral Roadshow on municipal accounts and Electricity Amp charges Ward 4 meeting at Ponto Sport Grounds	06/11/2016	03	04	320	Community members were awarded opportunity to enquire about municipal accounts

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Public Meetings					
Nature and purpose of the meeting	Date of events	Number of Participating Municipal Councilors	Number of Participating Municipal Administrators	Number of Community members attending	Dates and manner of feedback given to community
					and detail explanation was presented on implementation of electricity basic Amp charges
Mayoral Roadshow on municipal accounts and Electricity Amp charges Ward 4 meeting at Ponto Sport Grounds	06/11/2016	03	04	314	Community members were awarded opportunity to enquire about municipal accounts and detail explanation was presented on implementation of electricity basic Amp charges
Ward 3 Community meeting on establishment of ward committee at SUNFA Stadium	09/01/2016	04	03	250	Members of the community elected 10 people to serve in the ward committee.
Community Mass Meeting to report suspension of electricity Amp charges at Moloto street Sport Grounds following community	10/02/2017	10	0	490	The community was notified about the immediate suspension of electricity basic charge and urged to

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Public Meetings					
Nature and purpose of the meeting	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending	Dates and manner of feedback given to community
protest.					end the protest. Agreements were reached and the strike was ended.
Ward 4 Community meeting on establishment of ward committees at Ponto Sport grounds, 09h00	19/03/2016	02	04	328	Members of the community elected 10 people to serve in the ward committee.
Ward 7 Community meeting on establishment of ward committees at Ext 6 Multipurpose centre 14h00	19/03/2016	02	04	190	Members of the community elected 10 people to serve in the ward committee.
Ward 8 Community meeting on establishment of ward committees at Pienaarsrivier Hall	18/03/2017	02	04	174	Members of the community elected 10 people to serve in the ward committee.
Ward 1 Community meeting on establishment of ward committee at Laerskool Bela- Bela	20/03/2017	02	04	100	Members of the community elected 10 people to serve in the ward committee.
Ward 5 Community meeting on establishment of ward committee at Bela- Bela	26/03/2016	02	03	95	Members of the community elected 10 people to serve in the ward

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Public Meetings					
Nature and purpose of the meeting	Date of events	Number of Participating Municipal Councilors	Number of Participating Municipal Administrators	Number of Community members attending	Dates and manner of feedback given to community
High School					committee.
Ward 2 Community meeting on establishment of ward committee at Bela- Bela Community Hall	09/04/2017	02	04	120	Members of the community elected 10 people to serve in the ward committee.
Ward 9 Community meeting on establishment of ward committee at Masakhane and Spa Park	21/03/2017	02	04	230	Members of the community elected 10 people to serve in the ward committee.
Youth Career Exhibition Day	04/05/2017	10	05	668	Various institutions of higher learning, private and public sector exhibited available career opportunities to grade 11 and 12 learners from all schools within Bela-Bela.
Mayoral Stakeholders Imbizo at Ext 6 Multipurpose Centre	13/06/2017	04	03	80	Organized community structures we presented the adopted IDP and awarded a platform to discuss service

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Public Meetings					
Nature and purpose of the meeting	Date of events	Number of Participating Municipal Councilors	Number of Participating Municipal Administrators	Number of Community members attending	Dates and manner of feedback given to community
					delivery issues to be attended to by the municipality.
Youth Economic Empowerment Seminar hosted at Ext 6 Multipurpose Centre	22/06/2017	07	05	230	Private and public sector institutions presented

2.6 COMMENT ON THE EFFECTIVENESS OF THE PUBLIC MEETINGS HELD:

As a developmental Municipality, Bela-Bela Municipality has a responsibility to mobilize, inform, educate and empower local communities to expand their livelihood assets and capabilities, to participate in, negotiate with influence, control and hold accountable institutions, like the Municipality that affect their lives and their well-being.

Guided by these principles, Bela-Bela Municipality has put Community participation and communication at the centre of its activities and programmes in order to ensure that these are guided and informed by the time aspirations of the community and that the Municipality meets Community needs.

Bela-Bela Municipality has improved its interaction with the communities through the Mayoral Imbizos and Council outreach programmes as the meetings or the programmes take Council closer to the people and afford Council an opportunity to interact directly with all members of the community and also see the conditions under which the communities live in. This consultation initiative further afford Council to learn about the level of satisfaction of community members with regard to the services rendered by the Municipality. These public meetings also provide a platform for community members to present to the Municipality matters of concerns whereby the Municipality clarify and strive to resolve some of the issues raised which also contribute towards a stable Municipality with reduced Community uprisings.

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2.7 IDP PARTICIPATION AND ALIGNMENT

Table 3

IDP Participation and Alignment Criteria*	Yes/No
Does the municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPIs in the strategic plan?	Yes
Do the IDP KPIs align to the Section 56 Managers	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes

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COMPONENT D: CORPORATE GOVERNANCE

2.8 RISK MANAGEMENT

No organization operates in a risk-free environment. Risk management is an integral component of good management and decision-making at all levels. It is about making decisions that contributes to the achievement of the Municipality's objectives.

The purpose of an ERM process is to ensure that all significant risks that the Municipality is exposed to (whether at an executive, cluster, branch, component or project level) are proactively identified and managed to acceptable levels on a continuous basis. The key drivers to embed such a process within the Municipality are:

- a) The avoidance of unplanned impacts as a consequence of risks that take us by surprise;
- b) The need to protect the Municipality's reputation and image;
- c) To comply with the requirements of applicable laws and regulations;
- d) To ensure that we live the Municipality's values and comply with our code of conduct, and
- e) To foster a culture of responsible risk taking.

Risks are defined as 'uncertain future events that could influence the achievement of objectives'. These could include strategic, operational, financial and compliance objectives. Some risks must be taken in pursuing opportunity, but the organization should be protected against avoidable losses.

In turn, ERM is defined as a 'process that is effected by people at every level of an organization, is applied in strategy setting and across the organization. It is designed to identify events potentially affecting the entity and manages risks within its risk appetite. It further provides management and the Executive Authority with reasonable assurance regarding the achievement of the entity's objectives.'

The definition of ERM reflects certain fundamental concepts. It is:

- a) A process, ongoing and flowing through an entity;

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- b) Effected by people at every level of the organization;
- c) Applied in strategy setting;
- d) Applied across business, at every level and unit,
- e) Includes taking an entity level portfolio view of risk;
- f) Designed to identify potential events that, if they occur, will affect the entity and to manage risk within its risk appetite;
- g) Able to provide reasonable assurance to an entity's management and oversight structures; and
- h) Geared to achievement of objectives in one or more separate but overlapping categories.

Benefits of risk management

Some of the benefits of risk management can be summarized as follows:

- a) Ensures that management is focused on strategic objectives
- b) Identifies and manages cross-organizational risks
- c) Provides integrated responses to risks
- d) Ensures rationalization of capital and financial resources

Municipality has risk management committee which composed of head of departments and chaired by an external person.

The risk management committee sits on a quarterly basis to discuss risks that threatens the municipal objectives. Below are five high risks identified by the municipality:

- a) Ageing Infrastructure
- b) Critical vacant positions
- c) Inability to reduce service delivery backlogs
- d) High amount of distribution losses
- e) Public protests

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2.9 ANTI-CORRUPTION AND FRAUD

2.9.1 ANTI-CORRUPTION AND FRAUD STRATEGY

Bela-Bela Local Municipality has priorities fraud risk management as per the Local Government Municipal Finance Management Act (MFMA) No 56 of 2003. Fraud prevention policy and plan are in place. The hotline through which service delivery complaints are received and whistle blowers anonymous are reporting is centralized at the District Municipality and as well as at the Office of the Premier. To instill confidence in the anonymous reporting of incidents of fraud and corrupt activities, the hotline is managed independently. Bela-Bela Local Municipality has sound internal controls in place to work as a deterrent and to also prevent occurrence of fraud. All reported cases are monitored, investigated and furthermore discussed during Top and Broader Management meeting as well as during the Audit Committee meetings. Internal audit and Risk Management Committee assist to detect fraudulent and corrupt activities.

3. Internal Audit Function

The Internal Audit Division is a governance structure. The unit report administratively to the Municipal Manager, functionally to the Audit Committee and has a staff complement of two officials.

The Internal Audit Division is responsible to evaluate the adequacy and effectiveness of the internal control system and report quarterly to the Audit Committee.

During the 2016/2017 Financial Year the internal controls were rated to be adequate, moderate and effective to accomplish the municipal goals and objectives. Furthermore the through the internal control system 95% of control weaknesses were raised during the year under review and the 90% of the weaknesses have been resolved while 5% are in the process of being resolved.

Chapter 2

4. SUPPLY CHAIN MANAGEMENT

4.1 OVERVIEW SUPPLY CHAIN MANAGEMENT

Section 112 of the Municipal Financial Management Act (MFMA) No 56 of 2003 requires municipalities to have a Supply Chain Management Policy which is fair, equitable, transparent, competitive, cost-effective and comply with the prescribed regulatory framework. As guided by the above mentioned Act Bela-Bela Local Municipality revise its SCM Policy annually in order to comply and implement the provisions of Section 112 of MFMA. And taking into account other development in Supply Chain Management (SCM) such as the new South African Revenue Services (SARS) phasing out of tax clearance certificates and introduction of compliance PIN numbers, the new Centralized Supplier Database (CSD) and the e-Tender advertisement platform.

Supply Chain Management (SCM) has improved from the 2015/16 financial year. The Municipality improved its SCM through implementation of the sound internal policies and procedures.

With regards to the long term contracts and Public Private Partnerships (PPP) it should be indicated that the Municipality did not have long term contracts and PPP's during the 2016/17 financial year.

4.2 BY-LAWS

During the 2016/2017 financial year the Municipality drafted, reviewed, approved and promulgated the following by-laws:

1. Property Rates By-law - Gazette No 2829
2. Credit Control and Debt Collection By-law - Gazette No 2829
3. Tariff By-law - Gazette No 2829
4. Spatial Planning and Land Use Management By-laws – Gazette No 2827
5. Resolution : Levying property rates for the Financial year 2017/18 – Gazette No 2826

Chapter 2

4.2.1 COMMENT ON BY-LAWS

The Municipality planned to promulgate more by-laws however, only 5 by-laws were promulgated due to financial constraints. Hence the Municipality sought and received financial support from the Department of Cooperative Governance and Traditional Affairs and Department of Rural Development.

4.3 WEBSITES

Table 4

Municipal Website : Content and Currency on Material	
Documents published on the Municipality's Website	Yes/No
Current annual and adjustments budget and all budget related documents	Y
All current budget-related policies	Y
The previous Annual Report (2016/2017)	Y
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act no 32 of 2000	Y
All service delivery agreements 2016/2017	N/A
All long term borrowing contracts 2016/2017	N/A
All supply chain management contracts above a prescribed value give the value for 2016/2017 FY	N/A
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of Section 14 (2) or (4) during 2016/2017 FY	Y
Contracts agreed in 2016/2017 to which subsection (1) of Section 33 apply, subject to subsection (3) of that section	N/A
Public-Private Partnership agreements referred to in section 120 made in 2016/2017 FY	N/A
All quarterly reports tabled in Council in terms of Section 52 of the Municipal Finance Management Act no 56 of 2003 during 2016/2017 Financial Year	Y

Chapter 2

4.3.1 COMMENT MUNICIPAL WEBSITE CONTENT AND ACCESS:

In terms of Section 75 of the Municipal Finance Act no 56 of 2003, the Accounting Officer of a Municipality is expected to place on the municipal website referred to in section 21 of the Local Government Municipal Systems Act no 32 of 2000 information as may be required and prescribed by the above mentioned Acts. It is in this regard that Bela-Bela Local Municipality established its website which is regularly updated.

4.3.2 Public Satisfaction on Municipal Services

Public Satisfaction Levels

The Municipality did not conduct Customer Satisfaction Survey during 2016/2017 financial year however, a Customer Care Unit was established to gather service delivery issues raised by the community.

Chapter 3

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

3. INTRODUCTION

During the financial year 2016/17 BBLM managed to maintain water services and access to all its consumers. The municipality's water sources are under extreme pressure due to drought and water restrictions had to be activated. Water supply was augmented by ground water in all the settlements. It is worth mentioning that informal settlements such as Vingerkraal, Tsakane and Rapotokwane village are receiving water at an RDP standard (but these sections continue to mushroom).

Infrastructure and service support also obtained from Eskom electrifying the 150 Households in Masakhane as well as Magalies water constructing 30 VIP toilets on same settlement.

Electricity supply is still maintained to all consumers within the municipal licensed area. Preventative maintenance was done to avoid electricity outages. Load shedding was very minimal in this financial year. Electrical capacity was assessed and business plan to construct a 10MVA Substation was approved on a 3 year funding cycle by the Department of Energy. Currently designs are approved by Eskom and the project implementation has started and will be completed in the 2018/19 financial year.

The municipality conducted a road visual assessment and produced a status quo report on the municipal roads and further developed a standard guidelines for design and maintenance specifications. Routine road maintenance was maximized to improve roads infrastructure conditions and accessibility.

COMPONENT A: BASIC SERVICES

This component includes: water; waste water (sanitation); electricity; waste management; and housing services; and a summary of free basic services.

3.1 INTRODUCTION TO BASIC SERVICES

BBLM is a water services authority and provider. The water supply system of this municipality is under severe strain due to drought and high water demands. The informal settlements in the municipal jurisdiction continue to grow and must be catered for in the provision of water services even though they are not part of the plan.

Magalies water board is contracted to the municipality to provide purified water at 4.6MegaLitres per day. However, on average 1.8ML/day was received in this financial year. Obviously this is less than half of the required supply from the water board, hence the strain on the municipal resources. The municipality developed 9 boreholes to augment water shortage within the jurisdiction of Bela Bela Local Municipality. The potable water treatment works has been refurbished to improve treatment process and water quality.

Sewerage plants are on a high critical risk according to the green drop 2014 and need to be refurbished and upgraded in order to accommodate all the settlements. Programmes to develop funding business plan has already started.

This municipality is as well licenced to provide electricity to the town and its townships. The outskirts of the municipal town is serviced by Eskom and that is where majority of the backlog is found. The municipality is busy with applications to take over the electricity supply in those areas so that the entire jurisdiction can be serviced by the municipality.

3.2 WATER PROVISION

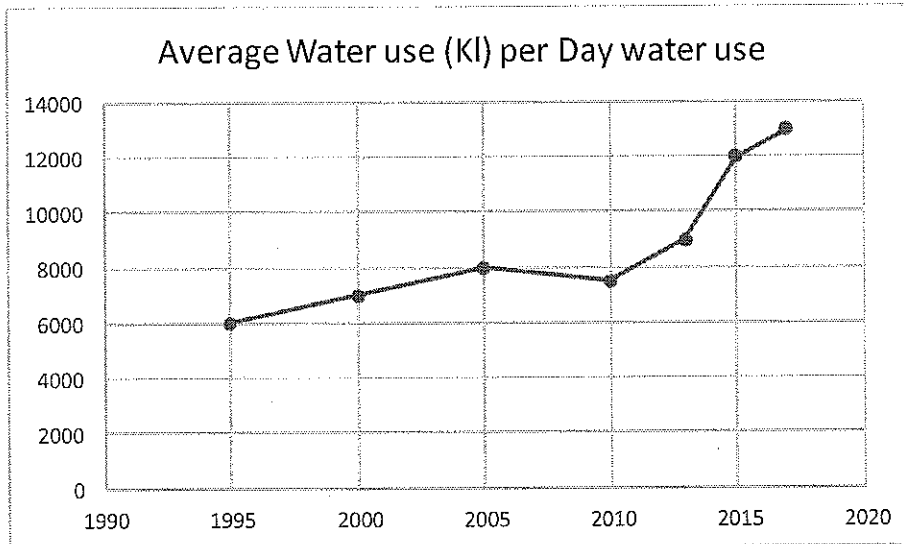
3.2.1 INTRODUCTION TO WATER PROVISION

Bela Bela Local Municipality obtains its water from surface water and groundwater sources. The surface water sources comprise of Magalies Water and the Warmbaths Dam. Approximately 2505ML/year of water is drawn from the above mentioned sources. 801ML/year is sourced from Magalies Water, 1584ML/year is sourced from the Warmbaths Dam and the remainder from boreholes (2015/16 IDP).

There is one (1) water treatment works, six (6) concrete reservoirs and four (4) water pump stations in the Bela Bela Local Municipality.

Urban Water Usage in 2016/17 is 11747kℓ/day, while for the other category the use is on the Moderate level of supply of 80ℓ/c/day (320ℓ/H/d) on 3571 households, the need is therefore 1143kℓ/day.

The Water Demand in Bela- Bela Local Municipality jurisdiction is then calculated at 12890kℓ/day.



Bulk Water Resources in Bela- Bela

The urban regions of Bela- Bela Local Municipality receive bulk water as follows:

- i. Portable water from Magalies Water Board
- ii. Bela- Bela Local Municipality Water Treatment Works
- iii. Boreholes/ Ground water

Table 1

Bulk Resource	Average kℓ/day	% Contribution
Magalies Water	1425	24.34
BBLM WTW	6700	64.16
Ground water	2000	11.49
Total	10 125	99.99

***Note that the % Contribution is rounded off to 2decimal place

This table shows that there is a deficit of 2875kℓ/day on the current demand (13 000kℓ/day)

The Bela- Bela Local Municipality Water Treatment Works is the only sustainable Bulk supply resources.

To argument the bulk water supply, Bela- Bela Local Municipality embarked on the process of developing boreholes.

Additional 9 boreholes were drilled & equipped while four were refurbished. All this work was done in both Bela- Bela urban and other settlement in Bela- Bela Local Municipality jurisdiction funded by the Department of Water & Sanitation.

All what the municipality must prioritize is to reduce water losses to acceptable limits. Should Magalies Water Board supply the agreed quota and Water Management is implemented, the shortfall will not be very critical.

A sustained Water Conservation Demand Management programme will reduce the impact of drought and improve municipal revenue and performance.

Water Conservation Demand Management plan prioritize the following actions:

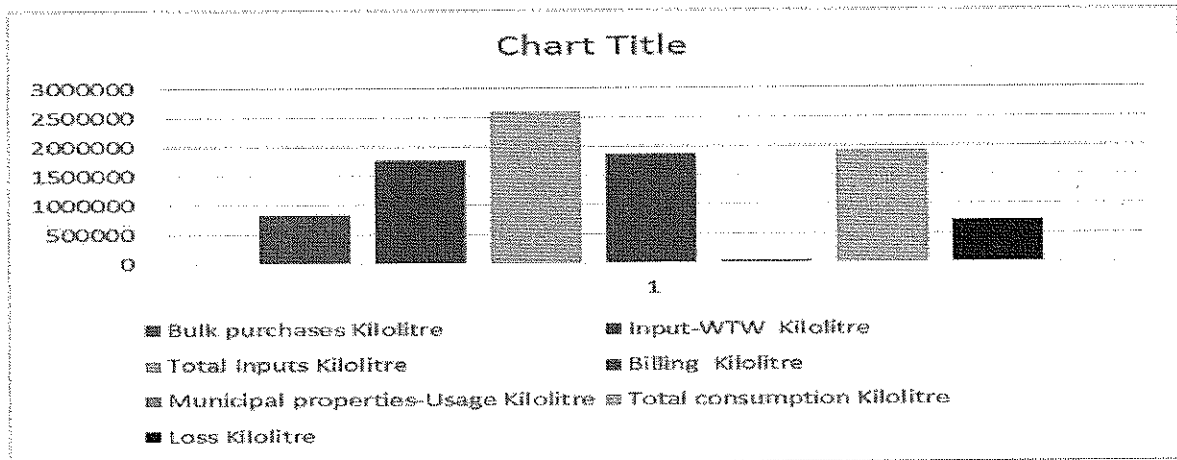
- Reduce the level of non- revenue demand
- Reduce pressure in the reticulation system
- Water recycling
- Manage high water demand areas
- Reduce water losses to minimum acceptable levels
- Explore use of Ground water
- Education & awareness
- Replace aged infrastructure

Table 2

Water use (quantity)-July 2015 to June 2016						
Bulk purchases	Input-WTW	Total Inputs	Billing	Municipal properties-Usage	Total consumption	Loss
Kilolitre	Kilolitre	Kilolitre	Kilolitre	Kilolitre	Kilolitre	Kilolitre
955713	2089720	3045433	2166451	168617	2432643	612790

Water Use (quantity)-July 2016 to JUNE 2017							
Bulk purchases	Input-WTW	Total Inputs	Billing	Municipal properties-Usage	Total consumption	Loss	Percentage loss
Kilolitre	Kilolitre	Kilolitre	Kilolitre	Kilolitre	Kilolitre	Kilolitre	%
834053		1761649	2594260	1873008	42150	1915158	72,1252
							27,80%

Graph 2



3.2.2 COMMENT ON WATER USE BY SECTOR:

Due to persistent drought, the municipality continue with water shading for management and storage accumulation for bulk. Serious consideration on bulk water availability should be done when considering applications for settlements with high service level.

The following Water Conservation Demand Management actions be prioritized:

- Reduce the level of non-revenue demand
- Reduce pressure in the reticulation system
- Water recycling
- Manage high water demand areas
- Reduce water losses to minimum acceptable levels
- Explore use of Ground water
- Education & awareness
- Replace aged infrastructure

Magalies Water Board was engaged to ascertain its capacity to supply water to the municipality, and is now constructing a bulk line to upgrade the existing supply line.

Table 3 Water provision per Ward

	Piped (tap) water inside the dwelling	Piped (tap) water inside the yard	Piped (tap) water on community stand: distance less than 200m from dwelling	Piped (tap) water to community stand: distance less than 200m and 500m from dwelling	Piped (tap) water to community stand: distance less than 500m and 1000m from dwelling	Piped (tap) water on community stand: distance greater than 1000m (1 km) from dwelling	No access to piped (tap) water
LIM366: Bela-Bela	7579	7772	793	598	369	371	586
1 93606001: Ward	2649	884	228	87	50	31	80
2 93606002: Ward	578	1418	39	66	77	0	41
3 93606003: Ward	682	605	0	0	0	0	0
4 93606004: Ward	911	1705	246	206	83	138	91
5 93606005: Ward	495	719	3	0	3	0	0
6 93606006: Ward	364	505	64	166	91	39	0
7 93606007: Ward	968	1180	65	3	4	0	18
8 93606008: Ward	699	406	141	60	51	161	322
9 93606009: Ward	234	350	6	8	12	0	32

Created by Census on 31 May 2017

Table 4 Water Provision per Settlement.

	Piped (tap) water inside the dwelling	Piped (tap) water inside the yard	Piped (tap) water on community stand: distance less than 200m from dwelling	Piped (tap) water to community stand: distance less than 200m and 500m from dwelling	Piped (tap) water to community stand: distance less than 500m and 1000m from dwelling	Piped (tap) water on community stand: distance greater than 1000m (1 km) from dwelling	No access to piped (tap) water
LIM366: Bela-Bela	7579	7772	793	598	369	371	586
Vingerkraal	3	15	92	29	7	3	0
Vingerkraal SP	3	15	92	29	7	3	0
Bela-Bela NU	1921	1853	279	73	62	31	253
Zebula Country Club and Spa	27	4	0	0	0	0	0
Bela-Bela NU	1861	1839	279	72	62	31	252
Elements Private Golf Estate	0	5	0	0	0	0	0
Fish Eagle Estate	4	0	0	0	0	0	0
Bela-Bela Boat Club	0	0	0	0	0	0	0
Kalkheuwel Mine	28	5	0	0	0	0	0
Bela-Bela	4952	5484	308	437	248	177	69
Gholfbaan Park	63	0	0	0	0	0	0
North Park Golf Estate	0	0	0	0	0	0	0
Bela-Bela Ext 2	498	1139	104	232	168	39	39
Bela-Bela Ext 6	587	798	3	0	0	0	3
Bela-Bela Ext 7	353	838	14	0	3	0	3
Bela-Bela Ext 5	817	1109	4	0	0	0	3
Bela-Bela Ext 1	750	1412	3	0	0	0	3
Bela-Bela SP	1745	35	0	5	3	0	3
Jinnah Park	64	67	0	0	0	0	0
Spa Park	70	82	0	0	0	0	0
Fleur 'n Villa	3	0	0	0	0	0	0
HetBad Nature Reserve	0	0	0	0	0	0	0
Aventura Warmbaths	0	0	0	0	0	0	0
Skirileke	0	4	179	197	77	136	19
Lebogang	0	0	0	0	0	0	0
Lebogang SP	0	0	0	0	0	0	0
Settlers	68	21	8	0	0	0	4
Settlers SP	68	21	8	0	0	0	4
Welgegund Village	104	240	0	8	4	0	0
Welgegund Village SP	104	240	3	8	4	0	0

	Piped (tap) water inside the dwelling	Piped (tap) water inside the yard	Piped (tap) water on community stand: distance less than 200m from dwelling	Piped (tap) water to community stand: distance less than 200m and 500m from dwelling	Piped (tap) water to community stand: distance less than 500m and 1000m from dwelling	Piped (tap) water on community stand: distance greater than 1000m (1 km) from dwelling	No access to piped (tap) water
Rapotokwane	13	71	96	49	47	160	246
Rapotokwane SP	13	71	96	49	47	160	246
Rust De Winter	20	8	8	0	0	0	11
Rust De Winter SP	20	8	8	0	0	0	11
Pienaarsrivier	500	81	0	0	0	0	3
Pienaarsrivier SP	500	81	0	3	0	0	3

Created by Census on 31 May 2017

Table 5 Employees: Water Services

Employees: Water Services 2016/2017				
Job Levels	Employees	Posts	Vacancies	% Vacancies
0-3	2	2	0	0
4-6	3	2	1	33%
7-9	3	2	1	33%
10-12	15	7	8	53%
13-15	35	26	9	26%
16-18				
19-20				
TOTAL	58	39	19	33%

It should be noted that water division had many employees retiring for pension due to age. Recruitment and filling of posts will start and conclude in the 1st quarter of 2017/18 financial year.

Table 6 Financial Performance : Water Services and Sanitation

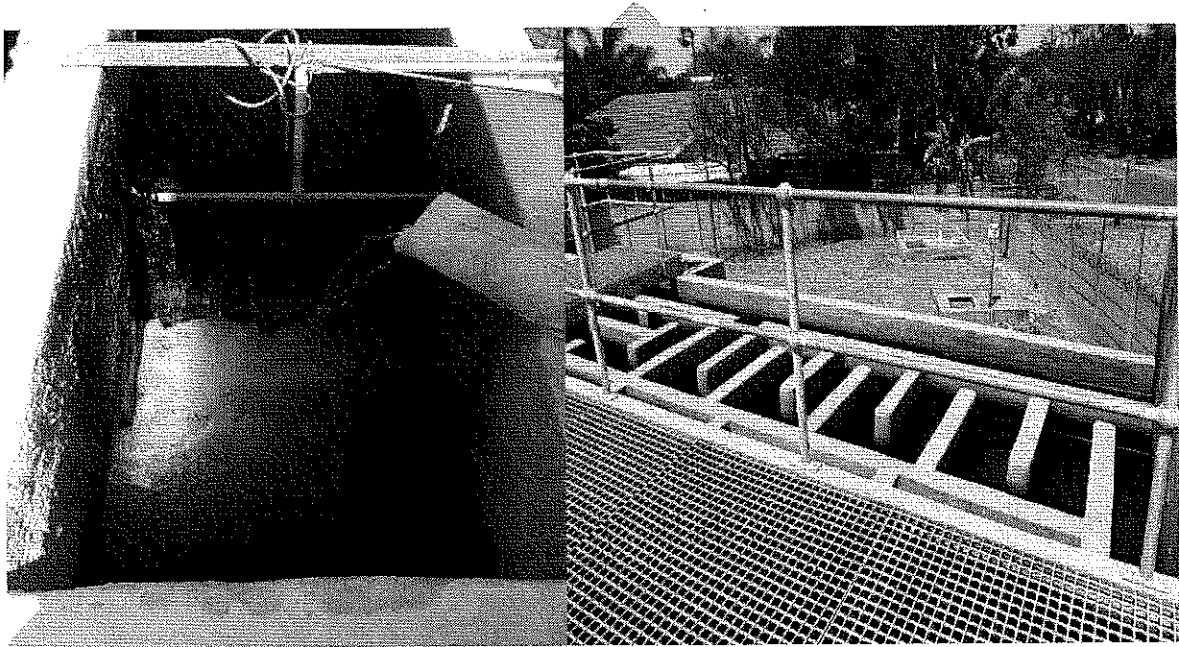
Financial Performance 2016/17 : Water services and Sanitation				
Details	2016/17			
	Budget		Expenditure	Variance %
	Original	Adjustment		
Total operating Revenue	91042161,70	91042161,00	49248602,23	54
Expenditure:				
Employees	13265495,60	13353109,41	14229794,20	107
Repairs and Maintenance	7000000,00	5500000,00	3190644,77	58
Other	0,00			
Total Operational Expenditure	9598381,79	9598381,79	6631531,65	69
Net Operating Expenditure	61178284,31	62590669,80	25196631,61	40

Table 7 Capital Expenditure 2016/2017

Capital Expenditure 2016/2017				
Water Services				
Capital Projects	Budget	Adjustment Budget	Actual Expenditure	Variance from Original Budget
Upgrading of Masakhane Water Supply Phase 2	R 2 500 000,00	R 0,00	R 2 500 000,00	0
Vingerkraal Water Supply	R 222 300,00	R 0,00	R 222 300,00	0
Development of Rapotokwane Boreholes	R 2 700 000,00	R 0,00	R 2 700 000,00	0
Pienaarsrivier Bulk Water Augmentation	R 2 622 000,00	R 0,00	R 2 622 000,00	0
Water Conservation and Water Demand	R 17 500 000,00	R 0,00	R 17 500 000,00	0

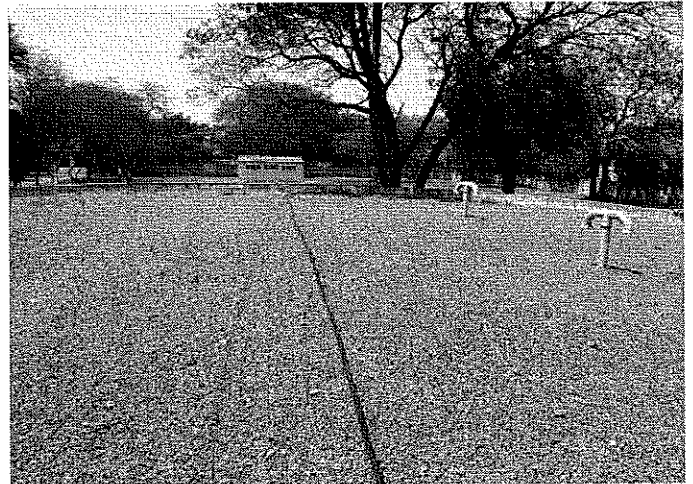
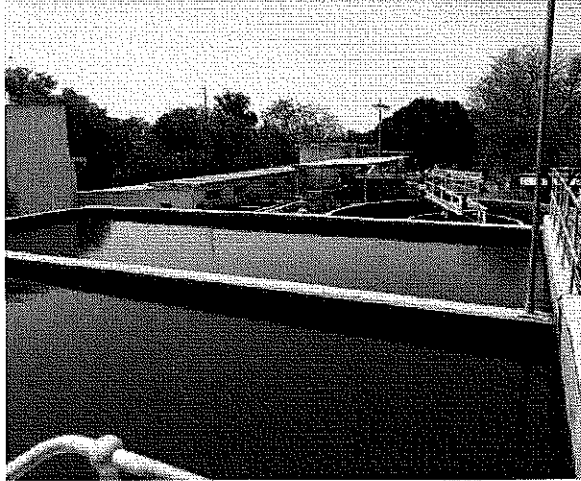
Management- Refurbishment of WTW				
Bela- Bela re- equip borehole	R 2 250 000,00	R 0,00	R 2 250 000,00	0
Bela- Bela Township Source Augmentation	R 2 205 700,00	R 0,00	R 2 205 700,00	0

Figure 2



Lime Dosing Point and Conditioning Channel

Figure 3



Clarifiers and Reservoir

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Chapter 3

3.3 COMMENT ON WATER SERVICES PERFORMANCE OVERALL

The Bela Bela Water Treatment Works constantly produced 6.9ML per day with Class 1 water quality. The municipal water losses are at 27.8% which is still not acceptable, to curb these losses, a water conservation and demand management programme has been registered and is funded by the Department of Water and sanitation. This programme is registered for completion in the 2019/2020 financial year.

The Water and Sanitation Infrastructure Grant (WSIG) has funded development of 9 boreholes within Bela Bela LM jurisdiction to augment bulk water supply.

3.4 WASTE WATER (SANITATION) PROVISION

3.4.1 INTRODUCTION TO SANITATION PROVISION

There are three (3) Waste Water Treatment Works (WWTW) and seven (7) sewerage pump stations in the Bela Bela Local Municipality. Wastewater is piped via outfall sewers or rising mains to the various wastewater treatment works within the Municipality. According to Census 1996-2011 (2011), approximately 80.8% of residents have access to flush toilets connected to sewerage network.

There are a number of critical issues which were noted through desktop analysis and site inspection methods. These were as follows:

- a) The household stormwater run-off piping works situated on rooftops are connected to the sewer network. This causes regular flooding of the WWTW and will need to be addressed in order to prevent further flooding and possible damage to the existing WWTW.
- b) There is a lack of screening facilities at the sewer pump stations which lead to occasional damage of the pumps and associated works.
- c) A possible project which is recommended for implementation is recycling treated wastewater back into the WTW for retreatment. The viability of this will be investigated as a stand-alone project.

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- a) The household stormwater run-off piping works situated on rooftops are connected to the sewer network. This causes regular flooding of the WWTW and will need to be addressed in order to prevent further flooding and possible damage to the existing WWTW.
- b) There is a lack of screening facilities at the sewer pump stations which lead to occasional damage of the pumps and associated works.
- c) A possible project which is recommended for implementation is recycling treated wastewater back into the WTW for retreatment. The viability of this will be investigated as a stand-alone project.

Table 8

Provision of Sanitation Services:2016/2017								
	Flush toilet (connected to sewerage system)	Flush toilet (with septic tank)	Chemical toilet	Pit latrine with ventilation (VIP)	Pit latrine without ventilation	Bucket latrine	Other	None
LIM366: Bela-Bela	12595	1671	336	531	1945	322	233	434
Vingerkraal	0	0	0	4	110	3	0	29
Vingerkraal SP	0	3	0	4	110	3	0	29
Bela-Bela NU	1210	1603	45	239	1004	10	112	251
Zebula Country Club and Spa	7	24	0	0	0	0	0	0
Bela-Bela NU	1180	1561	45	239	1002	10	112	249
Elements Private Golf Estate	0	0	0	0	0	0	0	0

Provision of Sanitation Services:2016/2017

	Flush toilet (connected to sewerage system)	Flush toilet (with septic tank)	Chemical toilet	Pit latrine with ventilation (VIP)	Pit latrine without ventilation	Bucket latrine	Other	None
Fish Eagle Estate	0	4	0	0	0	0	0	0
Bela-Bela Boat Club	0	3	0	0	0	0	0	0
Kalkheuwel Mine	20	10	0	0	0	0	0	0
Bela-Bela	10380	47	160	15	623	302	21	127
Gholfbaan Park	63	0	0	0	0	0	0	0
North Park Golf Estate	0	0	0	0	0	0	0	0
Bela-Bela Ext 2	1613	17	3	0	361	156	3	66
Bela-Bela Ext 6	1372	4	0	0	0	0	10	5
Bela-Bela Ext 7	1186	4	0	0	6	3	4	3
Bela-Bela Ext 5	1923	3	0	0	3	0	0	3
Bela-Bela Ext 1	2157	5	0	0	0	4	0	0
Bela-Bela SP	1780	10	0	0	0	0	0	0
Jinnah Park	132	0	0	0	0	0	0	0

Provision of Sanitation Services:2016/2017

	Flush toilet (connected to sewerage system)	Flush toilet (with septic tank)	Chemical toilet	Pit latrine with ventilation (VIP)	Pit latrine without ventilation	Bucket latrine	Other	None
Spa Park	149	0	0	0	0	0	0	3
Fleur 'n Villa	3	0	0	0	0	0	3	0
HetBad Nature Reserve	0	0	0	0	0	0	0	0
Aventura Warmbaths	0	0	0	0	0	0	0	0
Skirileke	3	3	156	9	255	140	0	48
Lebogang	0	0	0	0	0	0	0	0
Lebogang SP	0	0	0	0	0	0	0	0
Settlers	74	7	3	0	0	0	3	14
Settlers SP	74	7	3	0	0	0	3	14
Welgegund Village	339	0	0	4	0	7	7	0
Welgegund Village SP	339	0	0	4	0	7	7	0
Rapotokwane	8	0	126	266	189	0	88	3

Provision of Sanitation Services:2016/2017

	Flush toilet (connected to sewerage system)	Flush toilet (with septic tank)	Chemical toilet	Pit latrine with ventilation (VIP)	Pit latrine without ventilation	Bucket latrine	Other	None
Rapotokwane SP	8	3	126	266	189	0	88	3
Rust De Winter	13	7	0	0	15	0	0	6
Rust De Winter SP	13	7	0	0	15	0	0	6
Pienaarsrivier	571	3	0	3	0	0	0	4
Pienaarsrivier SP	571	3	0	3	0	0	0	4

Created by Census on 31 May 2017

Graph 3

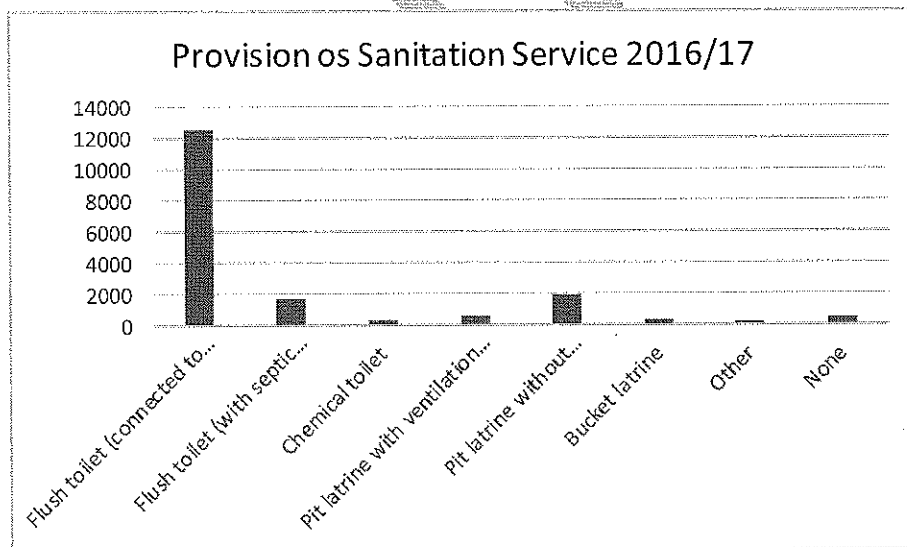
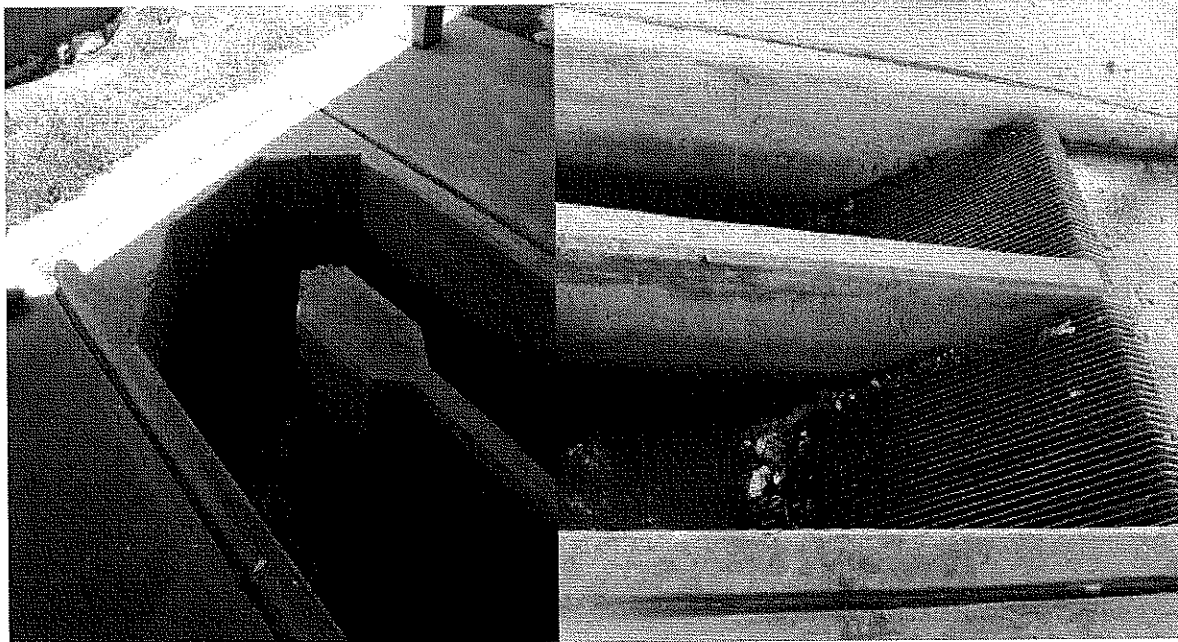


Table 9

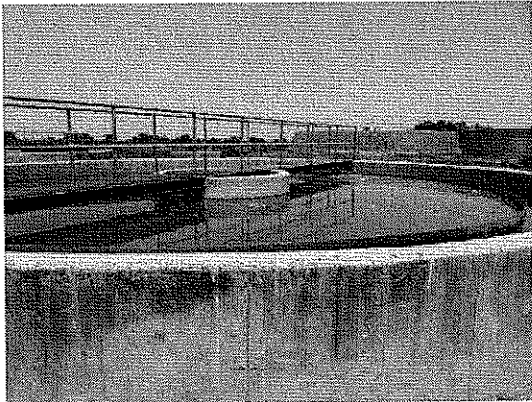
Employees: Sanitation Services				
Job Levels	2016/17			
	Employees	Posts	Vacancies	% Vacancies
0-3	2	2	0	0
4-6	2	2	0	0%
7-9	5	3	2	40%
10-12	2	2	0	0%
13-15	36	33	3	8%
16-18				
19-20				
TOTAL	47	42	5	11%

Figure 4



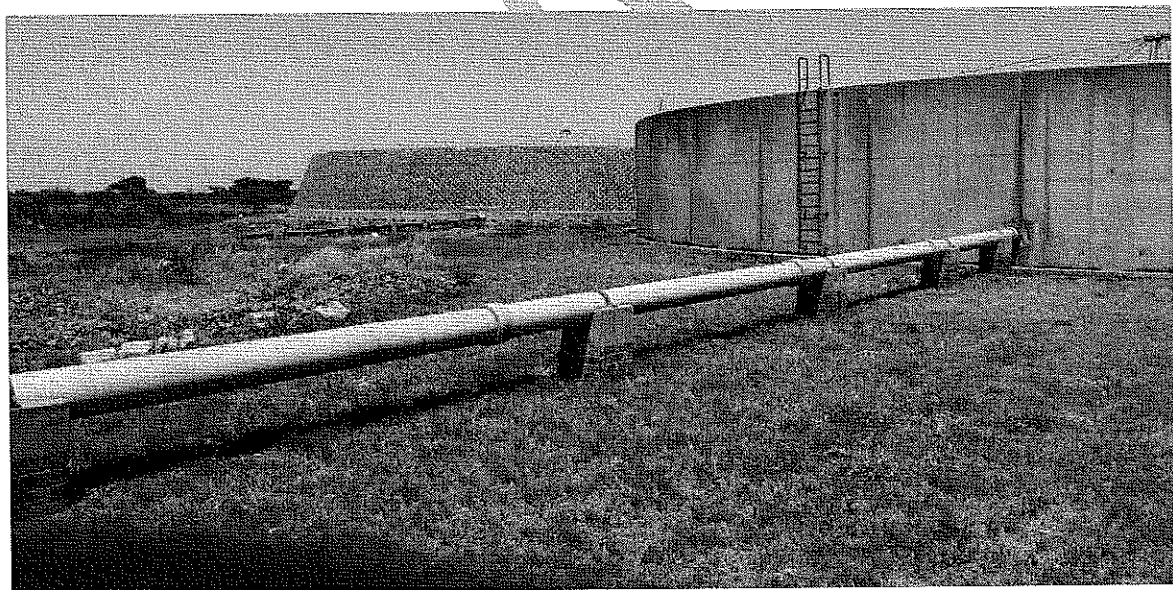
Bela - Bela Waste water Inlet and Screen

Figure 5



Primary Settling Tanks and Overflow (Active)

Figure 6



Waste Water Treatment Works (Bio-Filtering Tanks)

3.4.2 COMMENT ON SANITATION SERVICES PERFORMANCE OVERALL:

A Green Drop audit was performed by the Department of Water Affairs in 2012 to assess the Municipality's management of effluent quality at these Waste Water Treatment Works. The results of the audit are indicated in the table below.

Table 10 Green Drop Assessment Scores

Waste Water Treatment Works	Green Drop Score 2011 (%)	Wastewater Risk Rating (%CRR/CRRmax) (2011)	Wastewater Risk Rating (%CRR/CRRmax) (2012)	Treatment Capacity (MI/d)	Operational (% in Terms of Capacity)
Pienaarsrivier	2.4	88.9	88.2	2	*NM
Radium	21.2	88.9	64.7	*NI	*NM
Warmbaths	17.3	61.1	52.9	5	*NM

*NI – No information, NM – Not measured, CRR – Cumulative Risk Rating

The reasons for these low scores according to the Green Drop Report are the following:

- a) Effluent quality compliance has been problematic with two of the waste water treatment works. However, compliance should improve once construction is completed.
- b) There is no historic monitoring done at Pienaarsrivier however, this has been addressed with the municipality.
- c) Pienaarsrivier falls within the high risk space mainly due to the lack of monitoring such as plant operations and repairs logging, daily flow measurements and financial aspects.
- d) Sludge from Primary Sedimentation Tanks is pumped directly to ponds without treatment.

Overflow of biological filter pump sumps result in effluent not being treated correctly and flows directly into the ponds.

To address the challenges above, the municipality developed business plans as follows:

- a) Upgrade of Bela Bela waster water treatment works- MWIG funding 2017/18

- b) Upgrade of Pienaarrevier waste water treatment works- MIG Funding 2017/18
- c) Upgrade of Masakhane Waste water treatment works -MIG Funding (yet to be confirmed)

3.5 ELECTRICITY

3.5.1 INTRODUCTION TO ELECTRICITY

There are two electricity providers in the Bela-Bela municipal area, namely the Bela- Bela Local Municipality and Eskom. The access to electricity is recorded at 18 695 households with a backlog of 2 499 households as per Community Survey 2016. These backlog is found in areas that are predominately informal. Bela-Bela Local Municipality supplies areas such as Bela-Bela Town, Bela-Bela Township, Spa Park, Jinnah Park, Feur n Villa, Eu Montagne, Golfbaanpark as well as outer plot areas like Bospoort and Noodhulp / Roodepoort. Eskom supplies the remaining areas, smaller towns/nodal points and the rural areas of Bela-Bela Local Municipality viz Radium/ Masakhane, Rapotokwane, Settlers, Pienaarriver and farms areas). Bela-Bela Municipality has one main supply substation namely, Bela-Bela main substation located within town on Industrial Str. Next to the main substation, is the Eskom yard with 2 x 20MVA transformers which supply the substation via 2 x 11kV feeder cables of +/-160 m (each feeder consist of 2x 300mm2 cables). Eskom is only responsible for supply into the main substation (i.e. 2 x 20MVA supply transformers). The reported Notified Maximum Demand is at 17.87 MVA. Current usage throughout the year varies between 14 MVA and 17 MVA, with the higher peak in the winter months.

Graph 5 A percentage breakdown of capacity allocations by consumer class.

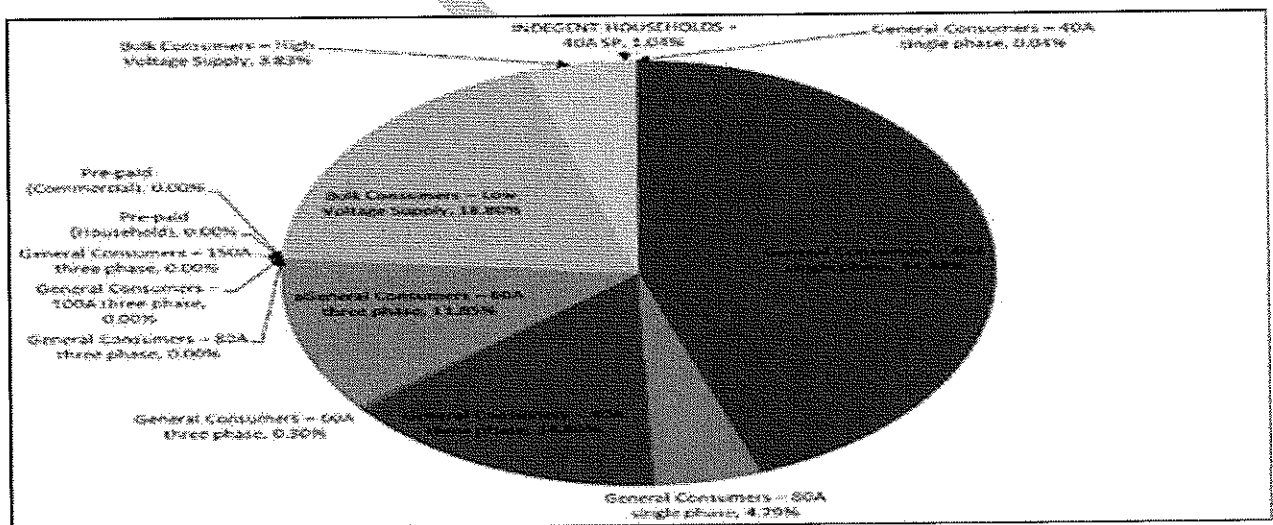


Table 11 Provision of Electricity: 2017/18

	Electricity	Gas	Paraffin	Candles	Solar	Other	None
LIM366: Bela-Bela	15352	46	124	2441	57	0	48
93606001: Ward 1	3454	10	22	486	26	0	12
93606002: Ward 2	1854	8	27	321	7	0	3
93606003: Ward 3	1178	4	8	95	3	0	5
93606004: Ward 4	2489	10	28	832	5	0	15
93606005: Ward 5	1164	0	3	49	3	0	0
93606006: Ward 6	829	0	22	367	4	0	6
93606007: Ward 7	2103	8	10	114	3	0	3
93606008: Ward 8	1713	0	7	109	6	0	4
93606009: Ward 9	569	0	0	67	3	0	3

Created by Census on 31 May 2017

Graph 6

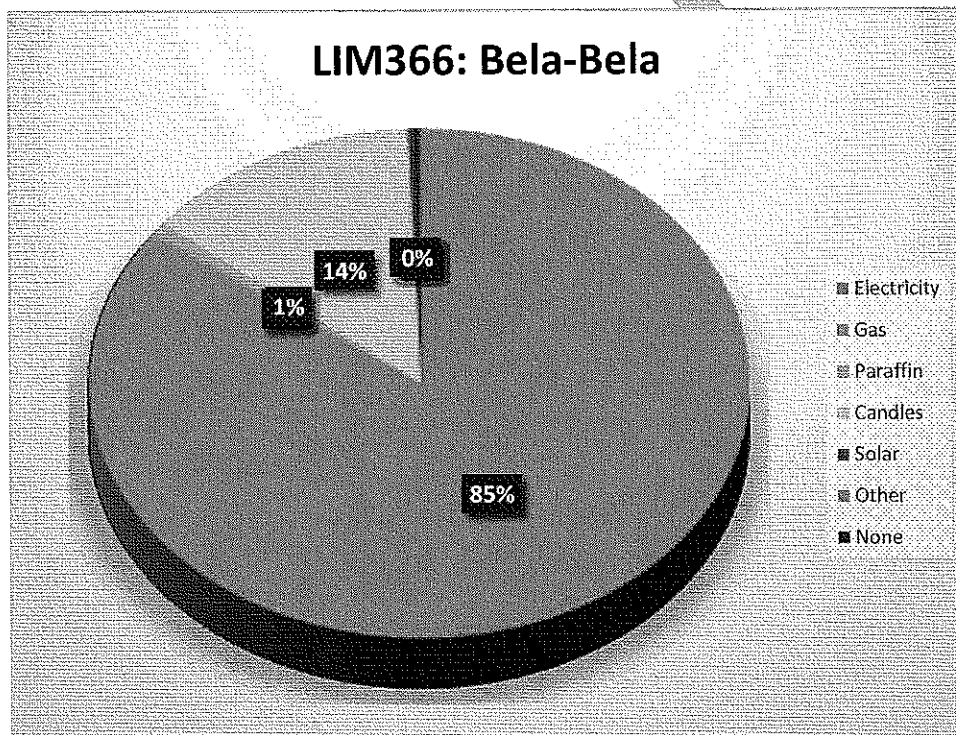


Figure 7



Bela Bela Sub Station

Table 12 Employees: Sanitation Services

Employees: Sanitation Services				
Job Levels	2016/17			
	Employees	Posts	Vacancies	% Vacancies
0-3	4	1	3	75%
4-6	11	10	1	9%
7-9	4	1	3	75%
10-12	5	2	3	60%
13-15	30	19	11	37%
16-18				
19-20				
TOTAL	54	33	21	39%

Table 13 Financial Performance

Financial Performance 2016/17 : Electricity services				
Details	2016/17			
	Budget			Variance %
	Original	Adjustment	Expenditure	
Total operating Revenue	147489210	147489210	103842145	70
Ependiture:				
Employees	11192894	11236776	9912150	88
Repairs and Maintenance	7200000	1300000	1804100	139
Other				
Total Operational Expenditure	97647567	92647567	73791439	80
Net Operating Expenditure				

Table 14 -Capital Expenditure

Capital Expenditure 2016/17:				
Electricity Supply				
Capital Projects	Budget	Adjustment Budget	Actual Expenditure	Variance from Original Budget
Construction of 10MVA Sub Station	R 28 000 000,00	R 0,00	R 17 367 156,04	0

3.5.2 COMMENT ON ELECTRICITY SERVICES PERFORMANCE OVERALL

The municipality is currently implementing a 10MVA substation funded by the Department of Energy over four years. This station will alleviate the demand pressure on the current bela bela sub station and further accommodate the growing demand as the municipality continue to grow. Electricity losses for this financial year were reduced to 15% which is of acceptable standards.

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

3.6.1 INTRODUCTION TO WASTE MANAGEMENT

Section 24(Chapter 2) of the Constitution indicates that everyone has the right to have an environment that is not harmful to his or her health and to have the environment protected for the benefit of present and future generations through reasonable legislative and other measures that :

- a) prevent pollution and ecological degradation;
- b) promote conservation; and
- c) Secure ecologically sustainable development and use of natural resources while promoting justifiable economic and social development.

Based on the Constitution, National Environmental Management Act (NEMA) 107 of 1998 came to effect with the objective to:

- a) protect health, wellbeing and the environment by providing reasonable measures for-

- I. Minimising the consumption of natural resources.
- II. Avoiding and minimising the generation of waste
- III. Reducing, reusing, recycling and recovering waste.
- IV. Treating and safely disposing of waste as a last resort.
- V. Preventing pollution and ecological degradation.
- VI. Securing ecologically sustainable development while promoting justifiable economic and social development.
- VII. Promoting and ensuring the effective delivery of waste services.
- VIII. Remediating land where contamination presents or may present a significant risk of harm to health or the environment and
- IX. Achieving integrated waste management reporting and planning.
 - b) To ensure that people are aware of the impact of waste on their health, well-being and the environment.
 - c) To provide for compliance with the measures set out.
 - d) Generally to give effect to section 24 of the constitution in order to secure an environment that is not harmful to health and well-being.

The Municipality has an approved Integrated Waste Management Plan (IWMP) which has an optimum approach to waste management planning in terms of the resources allocation, time scheduling achievable targets and allocation of responsibilities.

The overall objective of this IWMP is to reduce the generation of waste and the environmental impact of all forms of waste, thereby ensuring sound socio-economic development, a healthy population and that the quality of environmental resources are no longer adversely affected by uncontrolled and uncoordinated waste management. The internationally accepted waste hierarchy approach for waste avoidance/reduction, reuse, recovery, treatment and disposal is adopted in the strategy.

3.6.2 Achievements:

3.6.2.1 WASTE AND OR REFUSE REMOVAL

In order to comply with the requirements of Section 24 of the 1996 Constitution of Republic of South Africa, (NEMA) 107 of 1998 and Bela-Bela Local Municipality approved Integrated Waste Management Plan, which highlighted all the pivotal areas where the municipality is responsible for Waste Management. During the 2015/2016 financial year the Municipality collected waste from all formal settlements once per week per household which was at (Bela-Bela Town, Bela-Bela Township, Pienaarsrivier and Masakhane). The collection of waste was also done twice per week in business areas. Furthermore, it should be noted that apart from the collection of waste in the formalised areas, the municipality could not ignore the informal settlements. The collection of waste was further extended to informal settlements by means of emptying of Mass Refuse Containers placed in different areas of the informal settlements. The Waste collection service in informal settlements covered Zuma, Koppewaai, Ext 9, Tsakani, Dunuza, and Masakhane.

Figure 8 Kerbside Collection by Compactor Truck



Figure 9 Mass Refuse containers at illegal Dump Site



3.6.2.2 Street Cleaning

As part of Waste Management in the Bela-Bela municipal jurisdiction, the Municipality embarked on daily street cleaning programme. There are number of employees who were assigned to cleaning of the streets on daily basis and public holidays excluding Sundays.

Figure 10 Street Cleaning

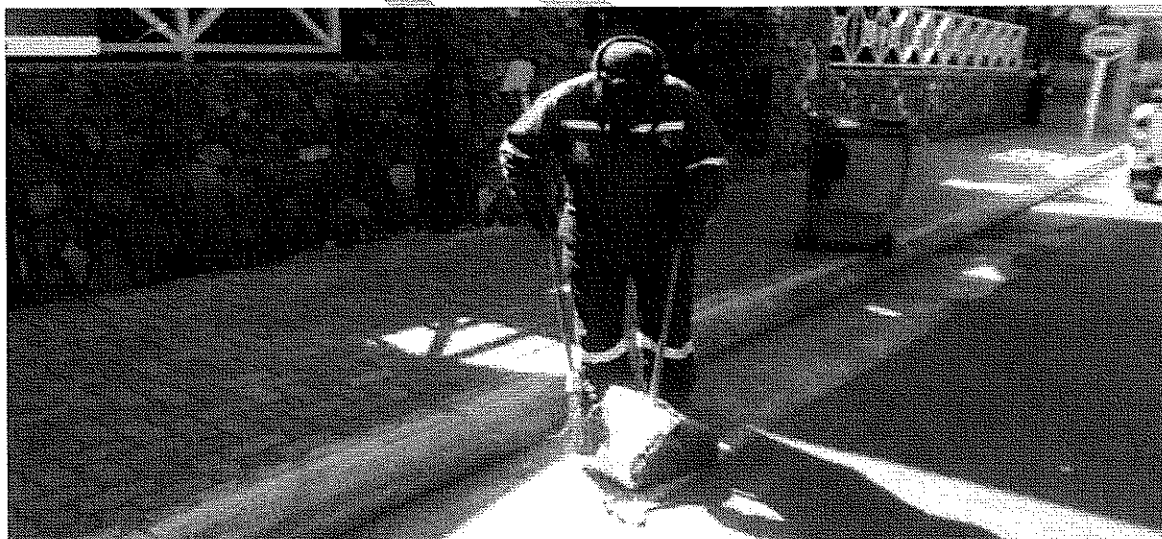


Figure 11 Social & Community Services Community Awareness on Waste Management



3.6.2.3 Illegal Dumping

Due to the mushrooming of informal settlements in the municipal area, the municipality is faced with the challenge of illegal dumping in some areas. In order for the municipality to comply with the provisions of Section 24 of the Constitution of RSA the municipality cleared the illegal dumping areas bi-weekly.

Figure 12 Illegal Dumping Area



Figure 13 Community Awareness Campaign on Illegal Dumping and Waste Management



3.6.2.4 Waste Complaints Management

With regard to waste management complaints the municipality had developed a complaints management register. The municipality registered all complaints received from community members and other stakeholders as well as all complaints identified by municipal officials. All complaints reported in either way were attended to within 48 hours upon receipt.

3.6.2.5 Waste Management Initiatives

In cognisance of the challenges of high rate of unemployment, the municipality initiated waste management initiatives whereby recycling receptacles were donated to Ulando Combined School and Huis Talje Children's Home.

Figure 14 Recycling Bins Donated to Ulando Combine School



Figure 15 Recycling Bins Donated to Huis -Talje Children's Home



3.6.2.6 Youth Job in Waste Management

The Youth Jobs in Waste (YJW) Programme is the result of a study that Department of Environmental Affairs (DEA) undertook in 2007, which assessed the status of waste services delivery, as well as capacity at local government level. The study presented an account of the backlog with regards to solid waste service delivery in all municipalities in the country. In order to address this backlog, and create capacity within municipalities in order to lessen the burden with regards to the provision of waste services, the department developed this initiative. It was also developed in recognition of the fact that the waste sector is now, more than ever, ready for major investment in both infrastructure development as well as capacity building programmes to create decent jobs and fuel the green economy.

In the financial year (2014/2015) the municipality in partnership with the DEA rolled out the Youth Jobs in Waste Management Programme which was subsequently extended for two months (July- August 2015) for the financial year 2015/16 aimed at jobs creation for Youth whereby 16 youth were employed, further to assist municipalities to strengthen awareness campaigns in best waste management practises, landfill and waste collection management. The municipality with DEA embarked on the awareness campaigns at schools, government institutions, businesses and communities. The 7 awareness campaigns held were aimed at advising on the best waste management practices such as Reduce, Reuse and Recycle (3RS). For the financial year 2016/17 the Youth job in waste continued for one year (June 2016-May 2017) 10 awareness campaigns were

held. Hence the donation of the Recycling three (3) drums to the Ulando Combine School and Huis Talje Children's Home. The purpose was to encourage the learners to practice three (3R's) Reuse, Reduce and Recycle.

Figure 16 Community Awareness Campaign by Youth Jobs in Waste - Ward 6 Madiba Park



3.6.3 WASTE MANAGEMENT CHALLENGES

The municipality is experiencing an increase in the number of illegal dumping areas. There is also a shortage of mass refuse containers to be used at illegal dumps and for rental to businesses and to the community.

The municipality has only 1 landfill site which has the lifespan of 6 years remaining, furthermore the landfill site is not accessible during rainy days. With regard to waste collection it should be noted that most households are using 85l waste bins which are not able to handle the amount of waste generated.

Due to the new demarcation of boundaries conducted during 2005/2006 Rapotkwane was transferred from Mpumalanga province to Limpopo Province within Bela-Bela municipal jurisdiction. Rapotkwane is a rural area situated about 80km from the Bela-Bela landfill site and is currently not serviced in terms of waste management.

Absence of a recycling infrastructure which will enable separation of waste at source and diversion of waste streams to material recovery and buy back facilities.

A growing population and economy, which means increased volumes of waste generated. This puts pressure on waste management facilities, which are already in short supply.

Table 15

Solid Waste Service Delivery Levels Households				
Description	Year -2013/14	Year -2014/15	Year -2015/16	Year 2016/2017
	Actual No.	Actual No.	Actual No.	Actual No.
Solid Waste Removal: (Minimum				
Removed at least once a week	15000	16000	16000	10 005
Minimum Service Level and Above	15000	16000	16000	10 005
Minimum Service Level and Above	100%	100%	100%	100%
Solid Waste Removal: (Below				
Removed less frequently than once a	0	0	0	0
Using communal refuse dump	0	0	0	0
Using own refuse dump	0	0	0	0
Other rubbish disposal	0	0	0	0
No rubbish disposal	0	0	0	0
Below Minimum Service Level	15000	16000	16000	10 005
Below Minimum Service Level	0%	0%	0%	0%
Total number of households	15000	16000	16000	10 005

Table 16

Households - Solid Waste Service Delivery Levels below the minimum Households					
Description	2012/13	2013/14	2014/15	2015/16	2016
	Actual No.	Actual No.	Actual No.	Actual No.	Actual No.
Formal Settlements					
Total households	0	0	0	0	0
Households below minimum service					
Proportion of households below minimum	%	%	%	%	%
Informal Settlements					
Total households					
Households below minimum service					
Proportion of households below minimum	%	%	%	%	%

3.6.4 Waste Management and Cleansing Employees

The table below depicts the staff complement or employees in the waste management and cleansing. The analysis is based on age and gender.

Table 17 Waste Management and Cleansing Employees and Age Analysis (Males)

Age	30 Years	40 Years	50 Years	60 Years	70 Years	Total
Number of Employees	0	2	6	14	7	29
Gender	Males	Males	Males	Males	Males	

Table 18 Waste Management and Cleansing Employees and Age Analysis (Females)

Age	30 Years	40 Years	50 Years	60 Years	70 Years	Total
Number of Employees	0	3	6	2	2	13
Gender	Females	females	Females	Females	Females	

COMPONENT B: ROAD TRANSPORT

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

3.7 INTRODUCTION TO ROAD TRANSPORT AND STORMWATER.

Bela- Bela Local Municipality is responsible for routine road maintenance, upgrade and rehabilitation. The roads in the municipal jurisdiction is in an appalling state. It is against this backdrop that the Technical Services Department conducted a Road Visual Assessment in order to obtain much details on work to be done over various streets. Council approved the standard Road Specification in October 2015, these Standards provide guidance on design, and specification of roads for construction as well as guidance on Routine Roads Maintenance.

3.7.1 ROADS

Table 19 Inventory of Roads within the Municipality

Settlements	Length of Roads/Street		Total
	Paved	Unpaved	
Bela- Bela Town	105.6km	72.6km	178.2km
Bela- Bela Township			
Radium (Masakhane)	1.03km	3.27km	4.3km
Piennarsrivier	5.1km	3.7km	8.8km
Rapotokwane	0	19km	19km
Total	111.73km	98.57km	210.3km

The state of the local access roads (internal roads) that require attention of the Municipality due to poor condition can be highlighted as follows:-

Table 20

Ward	Crack sealing, Slurry seal, Rejuvenation	Re- seal	Dilute Emulsion	Rehabilitation	Upgrade to pave
1	R9 690 000	R44 600 000	R1900 000	R19 500 000	R2400 000
2				R6 650 000	R2112 000
3				R600 000	R11 400 000

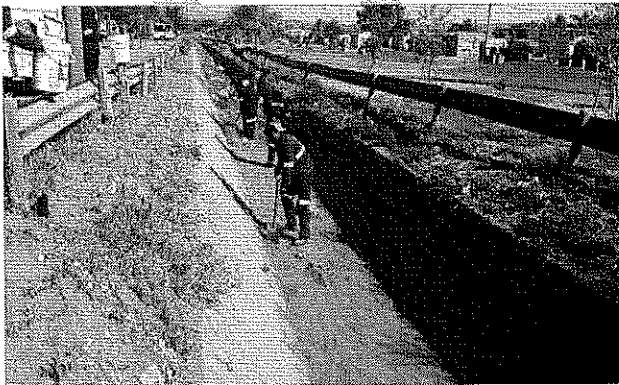
Ward	Crack sealing, Slurry seal, Rejuvenation	Re-seal	Dilute Emulsion	Rehabilitation	Upgrade to pave
4					R23 350 000
5					R1706 000
6				R1 350 000	R17 250 000
7				R1000 000	R19 400 000
8				R400 000	R29 950 000
9				R100 000	R14 100 000
Sub-Total	R 9 690 000	R44 600 000	R1900 000	R29 600 000	R121 668 000
Total	R207 458 000				

Source: 2016 BBLM Visual Road assessment report

Table 21

Gravel Roads Infrastructure			
Total Gravel roads	Re Gravel Roads	Gravel upgraded to Tar	Gravel roads maintained
98,57km	10 Km	7,8km	90,7km

Graph 16

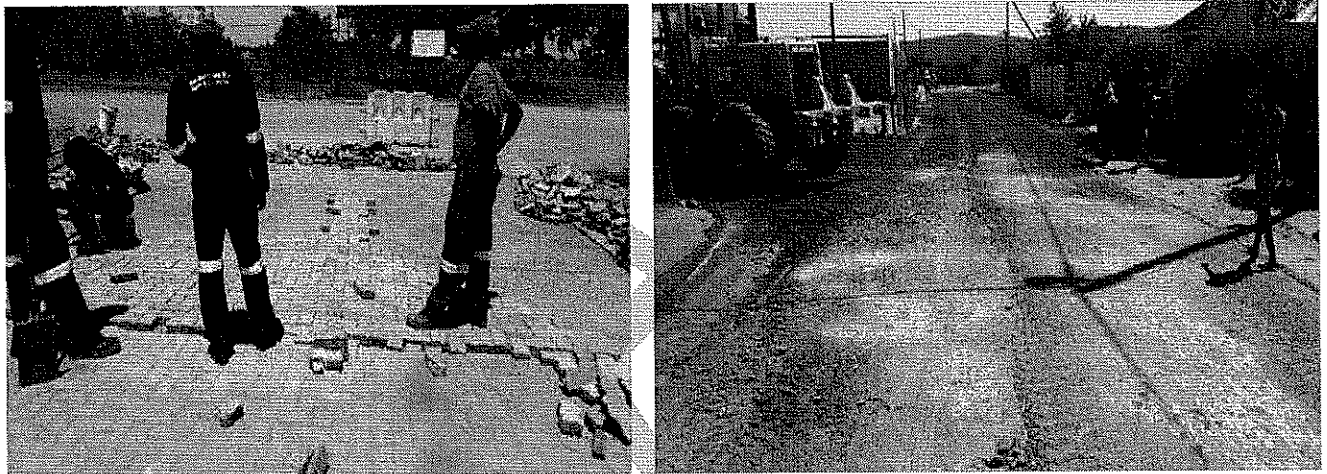


Routine Road Maintenance

Table 22

	Square meters of paved roads patched	Gravel roads graded	Square meters of asphalt roads patched	Speed humps constructed	Stormwater catch inlets cleaned/unblocked
2016/17	1 374	52km	1 693	16	167

Graph 17



Budget breakdown proposed per financial year:

Table 23

Road Works	Budget (10 years)	Financial Years						Funding Agent
		2016/17	2017/18	2018/19	2019/20	2020/21	2021-2026	
Upgrade to pave	122 000	22 000	10 000	12 200	12 200	12 200	53 400 000	MIG

Source: 2016 BBLM Visual Road assessment report

The Storm water infrastructure is distributed throughout the jurisdiction of Bela-Bela Local Municipality and forms the backbone of the stormwater network. Amongst others are Bridges and Guardrails, while others are more subdued such as borrow pits, storm water facilities and ditches. There is also infrastructure underground including inlets and pipes. Each plays an important role to Bela-Belas' stormwater network.

The table 21 below illustrate the stormwater assets in the municipality.

Table 24 Stormwater Assets

DESCRIPTION	DISTANCE/ QTY
Guardrails	15.6 KM
Underground pipes	62 KM
Catch Inlets (number)	154

Table 25

Employees: Roads and Stormwater				
Job Levels	2016/17		Vacancies	% Vacancies
	Employees	Posts		
0-3	3	2	1	33%
4-6	1	1	0	0%
7-9	3	1	2	67%
10-12	5	2	3	60%
13-15	36	19	17	47%
16-18				
19-20				
TOTAL	48	25	23	48%

Table 26

Financial Performance 2016/17 : Roads and Stormwater servives				
Details	2016/17			
	Budget		Expenditure	Variance %
	Original	Adjustment		
Total operating Revenue	0	0	0	0
Ependiture:				
Employees	6893289	6920949	5446557	79
Repairs and Maintenance	7620000	1920000	2206095	115
Other				
Total Operational Expenditure				
Net Operating Expenditure				

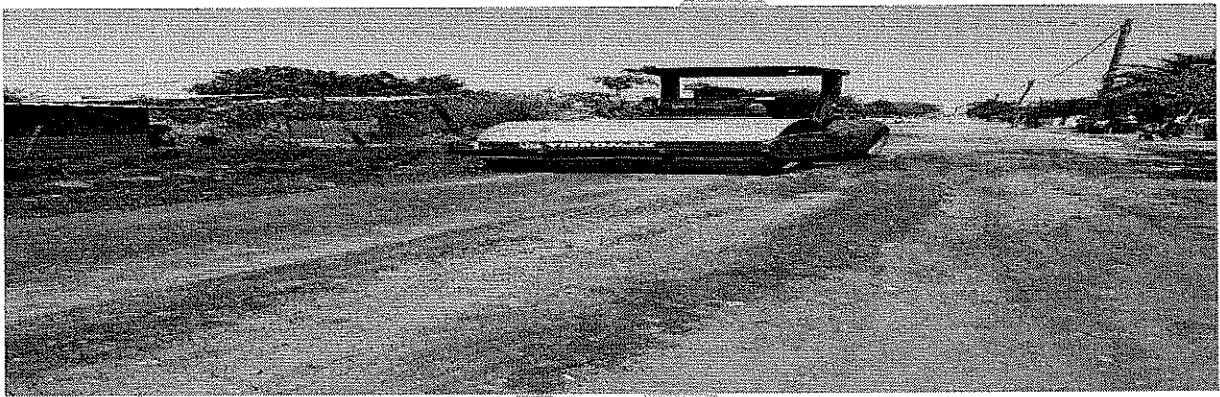
Table 27

Capital Expenditure 2016/17: Roads Construction				
Capital Projects	Budget	Adjustment Budget	Actual Expenditure	Variance from Original Budget
Bela Bela: Road paving X's 2,7 & 8 (Phase 4)	R 5 809 825,00	R 4 537 763,00	R 4 537 763,00	R 1 272 062,00
Bela Bela: Upgrade Streets - Spa Park	R 4 797 500,00	R 6 007 845,00	R 6 007 845,00	R 1 210 345,00
CBD Road Taring		R 5 000 000,00	R 5 000 000,00	0
Bela- Bela: Pave access road and fence graveyard	R 2 581 245,00	R 0,00	R 2 851 245,00	0
Bela Bela: Road paving X's 2,4 & 6	R 9 255 520,00	R 0,00	R 9 255 520,00	0
Bela Bela: Paving Bus Route - Rapotokwane	R 5 617 950,00	R 10 567 950,00	R 3 974 594,00	R 4 950 000,00
Bela Bela: Stormwater Limpopo street	R 2 600 000,00		R 2 591 095.46	R 2 600 000,00
Bela Bela: Stormwater Marikana street	R 3 354 420,00	R 8 276 000,00	R 3 500 000,00	R 4 921 580,00

3.7.2 COMMENT ON THE PERFORMANCE OF ROADS OVERALL:

The municipality had planned to construct 3.5km of roads but due to its good performance in the MIG programme, an additional funding was provided resulting in 7.8km of roads being constructed and 700m of storm water. MIG business plans has further been submitted for more roads and stormwater projects to be constructed in the coming financial years while the current multi-year projects are continuing.

Figure 18



Chapter 3

COMPONENT C: PLANNING AND DEVELOPMENT

This component includes: planning; and local economic development.

3.8 INTRODUCTION TO PLANNING AND DEVELOPMENT

Planning in South Africa operates within the Legal Framework, which strives to ensure that Municipalities deliver their developmentally-oriented Planning objectives as embraced under Sections 152 and 153 of the Constitution of South Africa. Bela-Bela Local Municipality, through the Planning and Economic Development Department is the custodian of land development and land use; and this is guided by planning policies including the Spatial Development Framework (SDF) and Land Use Management Scheme (LUMS).

- a) Ongoing revision, implementation, monitoring, and evaluation of the SDF informed by current realities and policy frameworks
- b) Monitor implementation of the LUMS, capture current and future development
- c) Development of the Land Use and other By-Laws as well as other policy guidelines to enforce the implementation of the LUMS
- d) Coordinated building control activity. (Building plans, and Certificate of Occupancies, implementation of National Building Regulations Act 103 of 1977)
- e) Coordinated/administered land development applications (township establishment, rezoning, consent uses, subdivision and consolidation and any developmental application).

Chapter 3

Table 28

Detail	Applications for Land Use Development					
	Formalisation of Township		Rezoning		Built Environment	
	2014/2015	2015/2016	2014/2015	2015/2016	2014/2015	2015/2016
Planning Applications Received	1	0	12	2	48	40
Determination made in a year of recipient	1	0	10	2	46	40
Determination made in the following year	1	0	8	4	0	5
Applications withdrawn	0	0	0	0	0	0
Applications outstanding at a year end	1	0	4		0	0

Table 29

Building Plans Applications		
Number of Building Plans received 2016/2017	Number of Building plans approved 2016/2017	Number of Building plans not approved 2016/2017
127	105	22

Table 30

Job Level	Employees services in Town Planning Division				
	2014/2015			2015/2016	
	Employees Number	Post Number	Employees Number	Vacancies(Fulltime equivalents)	Vacancies(as %of total post) %
0-3	1	0	1	0	0%
4-6	1	3	2	3	
7-9	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Total	2	3	3	3	

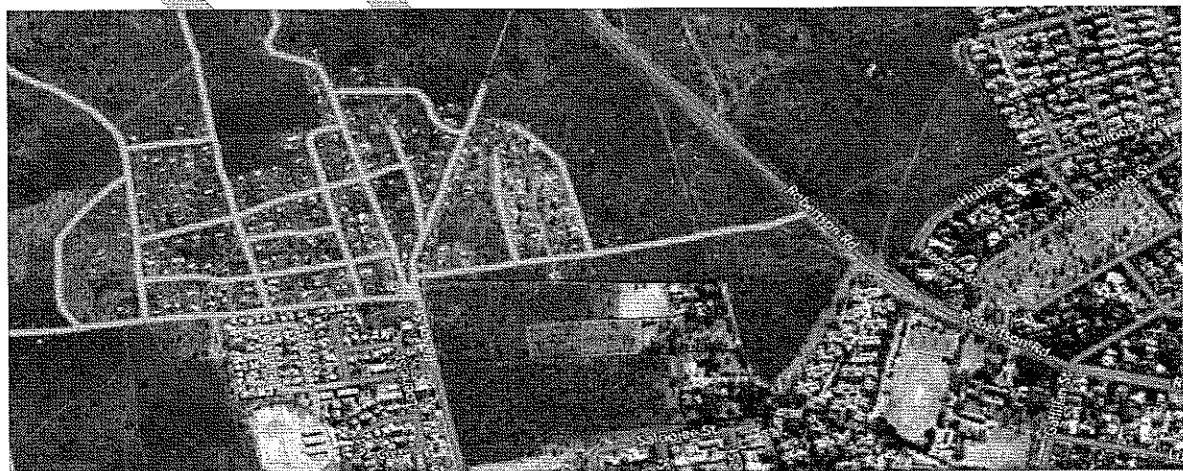
3.8.1 COMMENT ON THE PERFORMANCE OF PHYSICAL PLANNING OVERALL

Municipality has the approved Spatial Development Framework and Land Use Management Scheme which is currently implemented, however there are few challenges which were experienced during the implementation. Enforcement of LUMS is one of the challenges that Municipality face, as the result the illegal land uses is experienced within Municipality area. In order to educate communities about the negative impact of the illegal land use that affects municipal planning for provision of basic services, the Municipality conducted number of awareness campaigns regarding the compliance with Land Use Management to reduce the illegal land uses and ensuring proper planning for provision of basic services. Other major challenge identified in town planning was shortage of land for human settlement which resulted in increasing number of informal settlements. The Municipality has requested the Provincial Department of Cooperative Governance, Human Settlement and Traditional Affairs (CoGHSTA) through Housing Development Agency (HDA) to purchase the land for the Municipality to develop for human settlement with the aim of reducing the number of the informal settlements within the Municipality area.

3.8.2 Spa Park (koppewaai)

The informal settlement is located at Erven 1491 & 1492. Erven 1491 is registered under the ownership of Housing Development Agency (HAD), whereas Erf 1492 is registered under SBN Family Trust. The Map below illustrate the location of the informal Settlement.

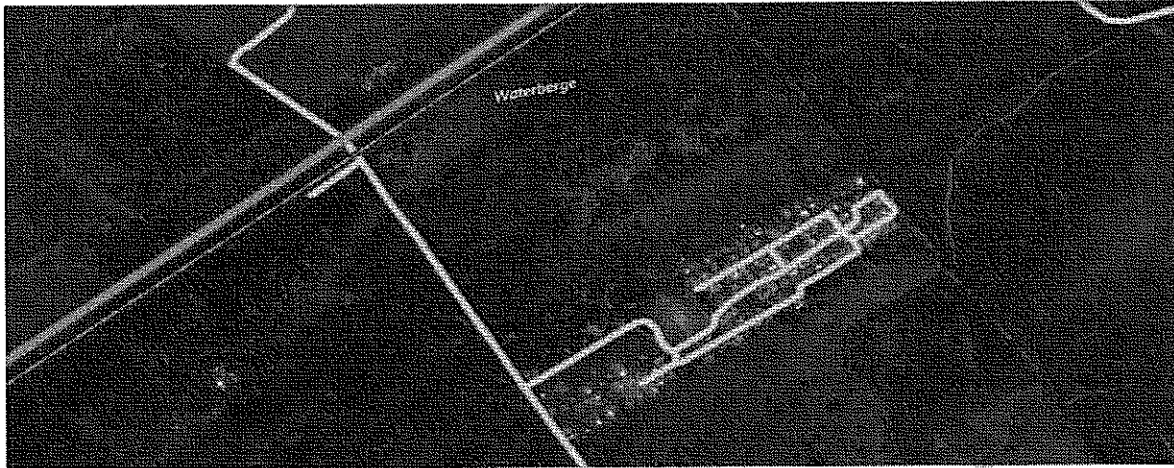
Figure 19- Spa Park Informal Settlement



3.8.3 Tsakane Informal Settlement

The informal settlement is located at portion 52 of the farm Tweefontein which is registered under Bosvel Distrikraad. The Map below illustrate the location of the settlement:

Figure 20



3.8.4 Zuma Informal Settlement

The informal Settlement is located within the Bela-Bela Township, See below Map

Figure 21



3.8.5 Hlala- Mpwa Settlement

The informal Settlement is located within Bela-Bela Township, See the Map below

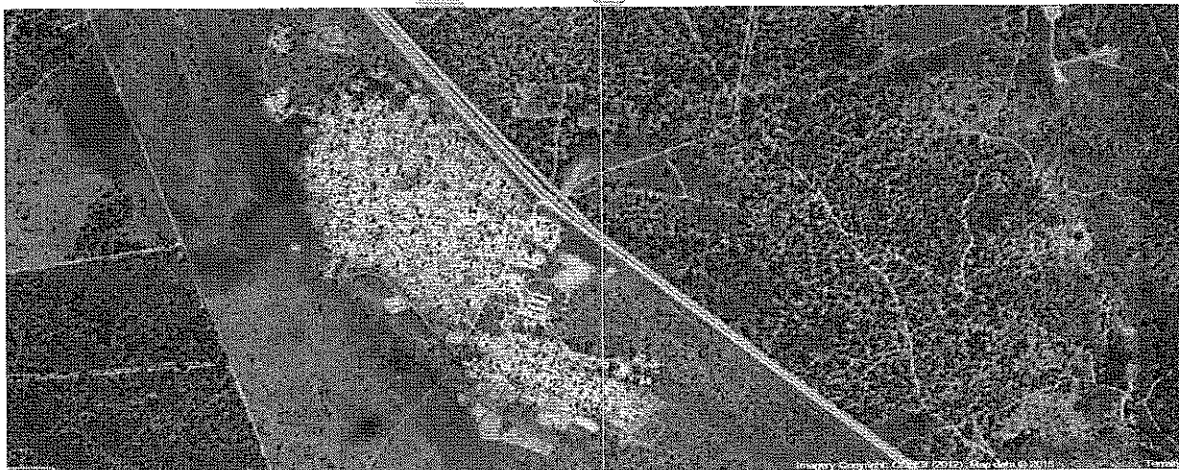
Figure 21



3.8.5 Vingerkraal Informal Settlement

The settlement is located on portion 05 of the farm Vingerkraal472-KQ the settlement is outside the Urban edge.

Figure 22 Vingerkraal Informal Settlement



Chapter 3

3.9 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

3.9.1 INTRODUCTION TO ECONOMIC DEVELOPMENT

The Bela-Bela Local Economic Development Strategy (2008) is the main document that provide a framework for economic development. This is meant to provide a guideline for further growth and development of the Bela-Bela economy. The Bela-Bela economy is dominated by Tourism and Agriculture as the main sectors. However, mining is emerging as the third sector of the economy if we consider the recent developments within the jurisdiction of the municipality. The LED Strategy (2008) is also meant for the local stakeholders, such as private sector, government, and civil society organization, to work together for the interest of the economy of municipality and its people to create the conducive environment for both big and small and emerging businesses to invest. It is with such investment that the economy can create much needed employment to defeat the three concerns of poverty, inequality, and unemployment. The support provided by encouraging youth, wopmen, people living with disability and the unemployed at large to begin to form and develop Co-operatives and SMMEs.

3.9.2 COMMENT ON LOCAL JOB OPPORTUNITIES:

According to the first table Finance property is the dominant sector. However, according to the LED Strategy we noticed that tourism is on a rise as a sector. The property that seems to be doing well is the tourist property/establishment. As an economic sector and economic employment activity the property is doing well. Casting to the future is easy to see that tourism will perform and as a labour intensive sector will absorb the unemployed in greater numbers. If the municipality could assists to market Bela-Bela as a destination of choice.

Table 31

Jobs Created during Year 0 by LED Initiatives (Excluding EPWP projects)				
Total Jobs created / Top 3 initiatives	Jobs created No.	Jobs lost/displaced by other initiatives No.	Net total jobs created in year No.	Method of validating jobs created/lost
Total (all initiatives)				
Year -2				
Year -1	372		372	Report

Year 0	390		390	Report
Initiative A (Year 0) - Tourism	40			Report
Initiative B (Year 0) - Retail	405			Report
Initiative C (Year 0) - Youth in				Report

Table 32

Job creation through EPWP* projects		
Details	EPWP Projects	Jobs created through EPWP projects
	No.	No.
Year -2	Technical	200
Year -1	CBD Rehabilitation	48
Year 0	Parks,Waste & Environment	99
* - Extended Public Works Programme		

Chapter 3

COMPONENT D: COMMUNITY & SOCIAL SERVICES

This component includes: community parks & open spaces, community halls, sports fields, grounds and courts, cemeteries & crematoria and libraries & archives.

3.10 INTRODUCTION TO COMMUNITY AND SOCIAL SERVICES

Two of the objects of local government as enshrined in Section 152 (1) (c) (d) of the Constitution of the RSA is:

- a) To promote social and economic development and
- b) To promote safe and healthy environment.

Section 24 of the Constitution of RSA Chapter 2 (b) i, ii and iii of Bill of Rights mandate municipalities to protect the environment for the benefit of present and future generations, through reasonable measures that prevent pollution and ecological degradation, promote conservation, secure ecologically sustainable development and use of natural resources. In recognition of this Constitutional obligation, National Environmental Management: Protected Areas Act No 57 of 2003 and Biodiversity Act No 10 of 2004 were promulgated to provide for the protection and conservation of ecologically viable areas and biodiversity.

Some of the local government matters listed in Part B of Schedule 4 and Part B of Schedule 5 within the Constitution of RSA are as follows:

- a) Cemeteries and crematoria
- b) Local sports facilities
- c) Municipal parks and recreation

Bela-Bela Local Municipality within Social and Community Services aim to improve the quality of life of its citizens by effectively and efficiently identifying, developing and delivering comprehensive programmes that Provide

- a. safe, sustainable and aesthetically pleasing recreational parks, municipal buildings, community facilities, streetscape locations, road reserves/verges, sports facilities and cemeteries in accordance with acceptable management practices or standards.

- b. the community with a dignified and responsive cemetery and memorialisation service and consistent maintenance in accordance with acceptable management practices or standards.
- c. promote effective sustainable “Greening initiatives.

3.10.1 CEMETERIES AND CREMATORIUM

Bela-Bela municipality has Four (4) cemeteries, however only three are maintained. Hereunder are the three (3) cemeteries that the Municipality is maintaining:

- a) Bela-Bela township cemetery which is closed and inactive.
- b) Masakhane cemetery used by the community of both Masakhane and Pienaarsrivier.
- c) The cemetery situated on the R516 road to town used by the community of Bela-Bela Township, those residing in town, Spa Park and Jinnah Park.

The fourth cemetery is in Rapotokwane used by the community of that village but the Municipality is currently not maintaining.

Figure 23 Masakhane Cemetery



Figure 24 Maintenance at the Cemetery at R516 Road

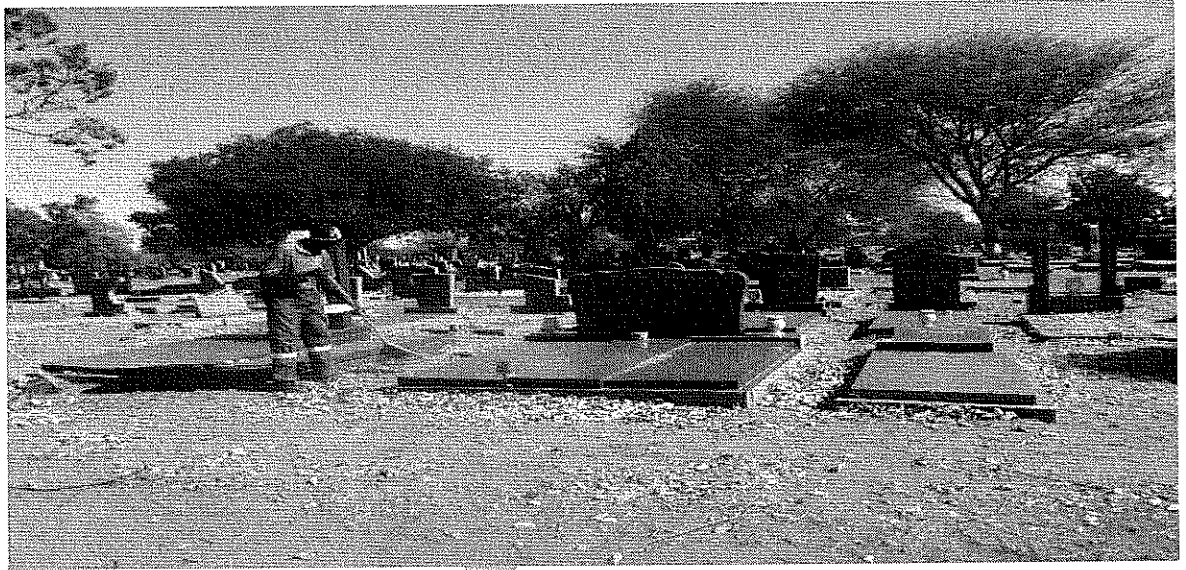


Figure 25 Ablution facility at R516 Road Cemetery



Figure 26 Ablution facility and Maintenance at Masakhane Cemetery

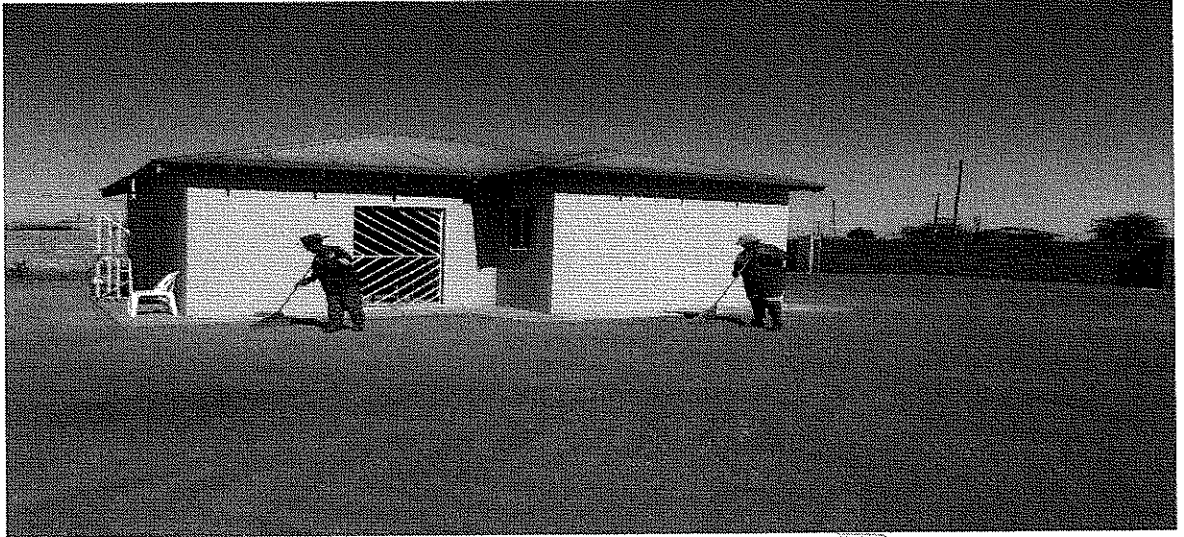


Figure 27 Old Cemetery in the Township

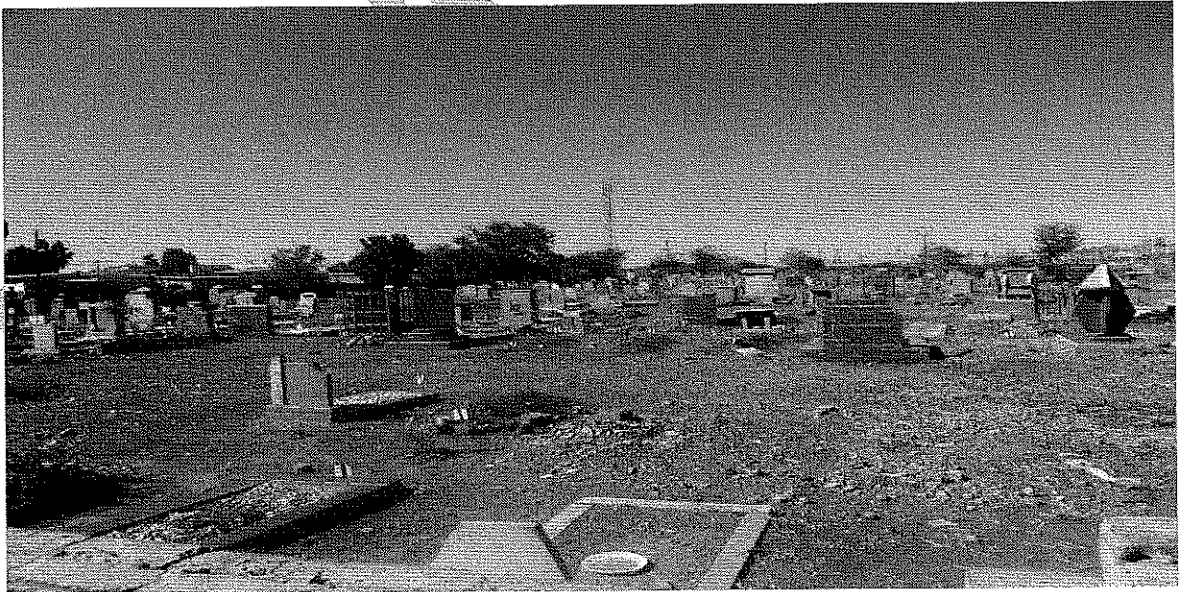


Figure 28 Entrance of the Old Cemetery in the Township



3.10.2 MAINTENANCE ACTIVITIES

Maintenance activities that takes place at the cemetery includes the following:

- Clearing of space
- Mowing/edging/ and blowing grass
- Herbicides application
- Litter picking
- Tree pruning
- Digging of graves as per bookings

Challenges

1. The cemetery in town is over busy with an interment rate of 450 burials on average per year.
2. The rise in paupers' burials is actually exacerbating the situation
3. The municipality is gradually running out of burial space,
4. This cemetery is not completely secured as a result there are incidents of vandalism of tombstones and other amenities.

Recommendations

1. Public awareness on alternative disposal of bodies or second and third burial in one grave.
2. Identification of land for the development of a new cemetery.
3. Construction of a crematorium.

3.10.3 PARKS AND RECREATION

The municipality has six parks that are situated at:

- a) Letlhabile
- b) Moloto Street.
- c) Leseding
- d) Pienaarsrivier.
- e) Town and
- f) Extension 6

The municipality had an obligation of taking care of the parks and hereunder are scheduled maintenance activities:

- a) Cutting and mowing of grass
- b) Irrigation
- c) Weeds control
- d) Litter control
- e) Pruning of trees
- f) Laying of soil/compost/fertilizers

The municipal parks were underdeveloped and inadequate, furthermore the municipality applied for funding with DEA which was approved and granted in 2014 and work commenced in November 2014. The municipality was granted funding to tune of R12m for:

- a) Development of three new parks
- b) Rehabilitation of four existing parks
- c) Development of a nursery

The project is completed and was handed over to the municipality in February 2016 however one park that was supposed to have been developed in Spa park was not done due to illegal occupation of the erf the matter could not be resolved on time as far as the time lines for the completion of the project was concerned.

Figure 29 Nursery next to Bela-Bela Sewerage Plant



Figure 30 Community Recreation Park at Leseding

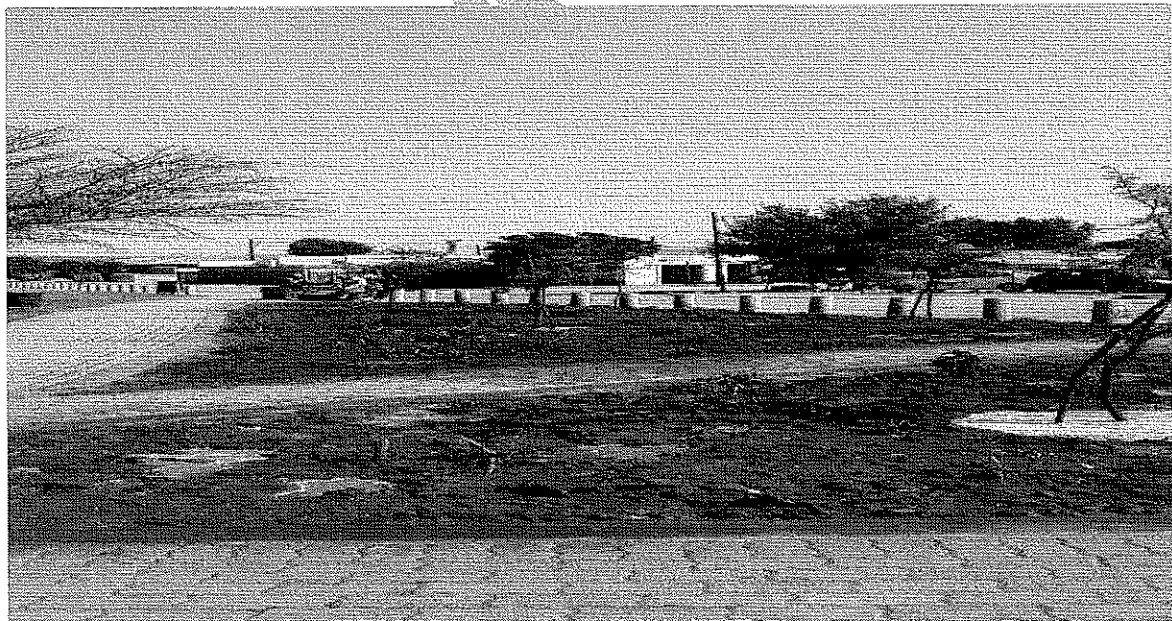


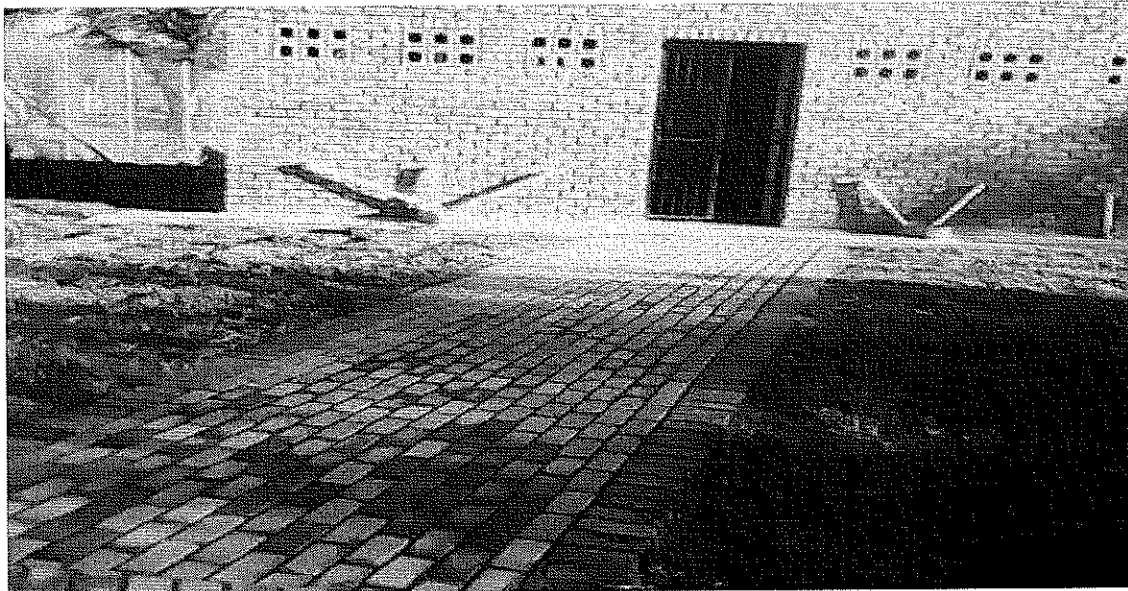
Figure 31 Community Recreation Park at Bela-Bela Town



Figure 32 Community Recreation Park at Lethabile



Figure 33 Ablution Facilities at Pienaarsrivier Community and Recreation Park



Challenges

- a) Most of our parks are not secured as a result their amenities are vandalised as people have unfettered access to the parks
- b) Trees and plants are stolen from the parks
- c) Water restrictions because of drought which leads to incapacity to irrigate

Recommendations

- a) Installation of security fence in all parks.
- b) Access control
- c) Construction of bore holes in each park

Community Halls

Bela-Bela municipality has four community halls situated at:

- a) Bela-Bela township
- b) Spa Park
- c) Jinnah Park

d) Pienaarsrivier

Scheduled maintenance activities:

- a) Cleaning of the hall
- b) Litter picking
- c) Cutting of grass outside and the surrounding

As the majority of people are found in Bela-Bela Township, the community hall there is over utilised as it is the only one and therefore it is deteriorating at a faster pace but it is also ageing.

We were fortunate that we were allocated some funds through MIG for the construction of a multi-purpose centre/hall. See the picture below:

Figure 34 Multipurpose centre community hall



3.10.3 Sports Fields, Grounds and Courts

With regard to the Bela-Bela Sports Fields, it should be noted that 8 of the 10 are just ground sports fields and the 2 with lawn pitches. Furthermore it should be noted that the Municipality has the responsibility of maintaining the sports fields, however there is a challenge of insufficient cleaning machinery such as Graders. The Municipality is currently depending on one grader to maintain both Roads and Municipal Sport Fields hence the delays and or non-adherence to the maintenance schedule which also lead to the outsourcing of the function.

Scheduled maintenance activities

- a) Cutting of lawn
- b) Cutting of grass of surrounding areas
- c) Litter control
- d) Weed control
- e) Line markings with lime
- f) Irrigation
- g) Laying of soil/compost/fertilizers
- h) Grading of sports grounds

Bela-Bela Municipality is faced with the challenge of under-developed and inadequate sport fields. In order to address under-development of the current sports fields the municipality managed to utilise portion of Municipal Infrastructure Grant (MIG) funds allocated for 2014/2015 Financial Year (FY) as guided by P-Component of the MIG Formula as described in Part 5 of Annexure W1 of the Division of Revenue Act (DoRA) No 10 of 2014.

Figure 35 Sport fields next to Bela-Bela High School.

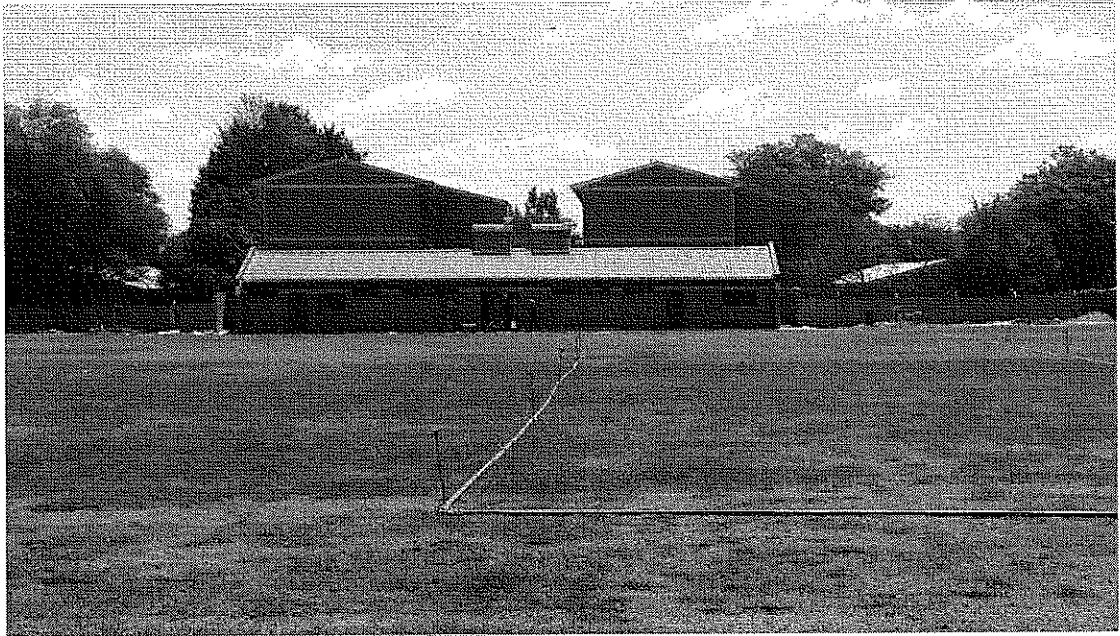


Figure 36 Bela-Bela sports fields



Table 33

Community Facilities Objectives Taken From IDP									
Service Objectives	OUTPUT	2013/13	2012/13	2013/14	2013/14	2014/15	2014/15	2015/16	2016/17
Service Indicators (i)		Target	Actual	Target	Actual	Target	Actual	Current Year	Following Year
Service Objective xxx									
Community Halls	Cleaning of 4 Com Hall	4	4	4	4	4	4	5	5
Maintenance of Parks	Maintenance of 5 Parks	5	5	5	5	5	5	5	6
Maintenance of Sports Fields	Maintain 10 sports grounds	10	10	10	10	10	10	10	10

Table 34

CEMETERIES POLICY OBJECTIVES TAKEN FROM IDP									
Service Objectives	OUTPUT	2013/13	2012/13	2013/14	2013/14	2014/15	2014/15	2015/16	
Service Indicators (i)		Target	Actual	Target	Actual	Target	Actual	Current Year	Following Year
Service Objective xxx									
Cemeteries	Maintenance of Cemeteries	2	2	3	3	3	3	3	3

Table 35 Parks, cemeteries & community facilities employees (Males)

The table below depicts the staff complement or employees in Parks, Cemeteries and Community Facilities. The analysis is also based on age and gender.

Age	30 Years	40 Years	50 Years	60 Years	70 Years	Total
Number of Employees	0	2	10	14	1	27
Gender	Males	Males	Males	Males	Males	

Table 36 Parks, cemeteries & community facilities employees (Females)

Age	30 Years	40 Years	50 Years	60 Years	70 Years	Total
Number of Employees	1	7	6	6	1	21
Gender	Females	Females	Females	Females	Females	

CHAPTER 4

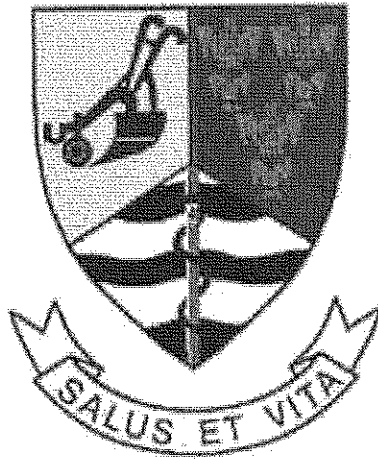
COMPONENT K: ORGANISATIONAL PERFORMANCE SCORECARD

4. ANNUAL PERFORMANCE SCORECARD REPORT FOR THE 2016/2017 FINANCIAL YEAR.

Bela-Bela Local Municipality established Performance Management Systems (PMS) as guided by Section 38 of the Local Government Municipal Systems Act, No 32 of 2000. As required by the above mentioned Act the established PMS commensurate with the resources of the municipality, its circumstances and is also in line with the priorities, objectives, indicators and targets contained in its Integrated Development Plan (IDP). Furthermore, the Municipality set appropriate key performance indicators as a yardstick for measuring the 2016/2017 performance. The set indicators also outlined the outcomes and impact with regard to the Municipality's developmental priorities and objectives as set out in the approved 2016/2017 Integrated Development Plan (IDP).

Emanating from 2016/2017 approved IDP and budget, the Municipality developed an organizational score card providing a strategic direction on how will the organization implement and account for the budget, developmental objectives and priorities approved for the financial under review. The municipality also established the process of regular reporting to Council and to communities, whereby Management, Audit Committee, and the Mayor tabled quarterly performance reports as per the approved organizational score card. The Municipality also complied with the provisions of Section 46 of Local Government Municipal Systems Act by compiling the 2016/2017 Annual Performance Report which was submitted to the Auditor General for 2016/2017 audit as required by the Section 45 of the of the Local Government Municipal Systems Act No 32 of 2000. Below is the detailed audited 2016/2017 Annual Performance Report.

BELA-BELA LOCAL MUNICIPALITY



2016/2017 ANNUAL PERFORMANCE REPORT

1. INTRODUCTION

The Annual Performance Report is hereby submitted to the Bela-Bela Municipal Council in terms of the Municipal Systems Act (MSA), 32 of 2000, section 46(1) and (2), as well as the MFMA Circular 11 on annual reporting. This report covers the performance information from 01 July 2016 to 30 June 2017 and focuses on the implementation of the Service Delivery Budget and Implementation Plan (SDBIP) as amended in conjunction with the Budget Adjustment during January 2017, in relation to the objectives as summarized in the Municipality's Integrated Development and Plan (IDP).

This Report reflects actual performance of the Municipality as measured against the performance indicators and targets in its 2016/17 Integrated Development Plan (IDP), Annual Budget and Service Delivery and Budget Implementation Plan (SDBIP).

Furthermore, this report will also endeavour to report to Council the Municipality's performance in terms of the five (5) National Government's Strategic key Performance Areas for local government, which are (1) Basic Service Delivery; (2) Local Economic Development; (3) Municipal Institutional Transformation and Development; (4) Municipal Financial Viability and Management, (5) Good Governance and Public Participation, and (6) Spatial Rationale as added.

The format of the report will reflect the Municipality's Key Performance Indicators (KPI) per Municipal Key Performance Area. Each Key Municipal KPA have number of Municipal Programmes/Key Focus Areas (KFA's) which was deliberately designed by the Bela-Bela Municipality to focus its development initiatives in a more coherent and organised manner.

2. LEGISLATIVE REQUIREMENTS

This Annual Performance Report has been compiled in compliance with the requirements of section 46 (1) of the Local Government: Municipal Systems Act, 2000; which stipulates as follows:

(1) A municipality must prepare for each financial year a performance report reflecting—

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

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

PERFORMANCE MANAGEMENT OVERVIEW AND PROCESS

In order to improve on performance planning, implementation, reporting and measurement, the institution implemented the following actions:

- There has been a reduction in the number of KPI's that the Municipality is reporting on. The reduction on the number of KPIs afforded the institution the opportunity to focus on strategic issues which were well defined, outcome based and not operational in nature. Departmental operational plans were developed for monitoring and reporting operational programmes;
- There is a column in the SDBIP for each KPI to ensure that the portfolio of evidence was populated correctly;
- During 2014/15 Financial Year after the launch of the Back to Basics approach by the President on the 18th of September 2015, the Municipality inculcated the approach into its Governance Model thereby enhancing its performance reporting and started receiving accolades from National and Provincial Departments on its performance reporting processes.
- The Municipality endeavoured during the development of the Top Layer as well as with the development of the Departmental SDBIP that the "SMART" principle was adhered to in the setting of indicators and objectives. Emphasis was placed on ensuring that targets were specific and time bound, thus making them measurable, and
- The Municipality spent 100% of its MIG which led to an additional allocation of 15 000 000 MIG from the National Treasury. Therefore this led to the amendment of Top Layer SDBIP in the IDP after the Budget Adjustments.

3. THE SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

The Organisational Performance is evaluated by means of a Municipal Scorecard (Top Layer SDBIP) at organisational level and through the Service Delivery Budget Implementation Plan (SDBIP) at departmental levels.

The SDBIP is a plan that converts the IDP and Annual Budget into measurable operational targets on how, where and when the strategies, objectives and normal business process of the municipality is implemented. It also allocates responsibility to Departments and/or Divisions to deliver the services in terms of the IDP and Budget:

- The MFMA Circular No.13 prescribes that:
- The IDP and budget must be aligned;
- The budget must address the strategic priorities;
- The SDBIP should indicate what the municipality is going to do during next 12 months; and
- The SDBIP should form the basis for measuring the performance against goals set during the Budget /IDP processes.

The SDBIP were prepared as described in the paragraphs below and approved by the Mayor.

The overall assessment of actual performance against targets set for the Key Performance Indicators as documented in the SDBIP is illustrated in terms of the following assessment methodology:

Table 1

Colour Legend	Category	Explanation
	KPI Not Yet Measured	KPIs with no Targets or Actual results for the selected period
	KPI Withdrawn	KPI withdrawn for some reasons
	KPI Not Met	Actual vs Target Less than 75%
	KPI Almost Met	Actual vs Target between 75% and 100%
	KPI Met	Actual vs Target 100% Achieved
	KPI Met Well	Actual vs Target More Than 100% and Less Than 150% Achieved
	KPI Extremely Met Well	Actual vs Target More Than 150%

4. PLANNED TARGETS VS ACTUAL RESULTS FOR THE 2016/2017 FINANCIAL YEAR

This section of the Annual Performance Report will report on the Municipality's actual performance against the planned targets as derived from the Municipality's IDP. Due to the fact that the Municipality has aligned its KPAs to the Six (6) National KPA's the Bela-Bela Local Municipality will report as such. An overview of the Municipality's actual performance in accordance with these KPA's are depicted in Table 2 below.

5. EXPLANATION ON CALCULATION OF THE ACTUAL PERFORMANCE

The calculations were done in accordance with the following six (6) Departments within the Municipality, viz:

- Office of the Municipal Manager;
 - Internal Audit Unit; and
 - Communications and Public Participation
- Budget and Treasury;
- Corporate Services; Social and Community Services;
- Planning and Economic Development; and
- Technical Services

All the percentages under the Column on 2016/2017 Actual Performance were added together per Department and divided by the number of indicator planned to be performed by that particular Department.

In instances where the 2016/2017 Annual Target was any figure other than 100%, the figure indicated as achievement under the column for Actual Performance was then divided by that under the 2016/2017 Annual Target Column and the multiplied by 100 to get the actual percentage achieved, which is indicated in a bracket in most instances.

The totals from all the Departments were then averaged to arrive at the Organizational Score.

6. ACRONYMS

MFMA	Municipal Finance Management Act No 56 of 2003
MSA	Municipal System Act No 32 of 2000
SDBIP	Service Delivery and Budget Implementation Plan
IDP	Integrated Development Plan
PMS	Performance Management System
NKPA	National Key Performance Areas
KPA	Key Performance Areas
KPI	Key Performance Indicators
S.M.A.R.T	Specific, Measurable, Attainable, Realistic and Timely
BBLM	Bela-Bela Local Municipality
DEA	Department of Environmental Affairs

LED	Local Economic Development
DWA	Department of Water Affairs
VIP	Ventilated Improved Pit
WWTW	Waste Water Treatment Works
EIA	Environmental Impact Assessment
LEDET	Limpopo Economic Development, Environment and Tourism
CDB	Central Business District
SDF	Spatial Development Framework
LUMS	Land Use Management Scheme
AG	Auditor General
RMC	Risk Management Committee
AC	Audit Committee
PAC	Performance Audit Committee
MPAC	Municipal Public Account Committee
AFS	Annual Financial Statements
CoGTA	Cooperative Governance and Traditional Affairs
LGSETA	Local Government Sector Education Training Authority
HRM	Human Resource Management
HRD	Human Resource Development
SPLUMA	Spatial Planning and Land Use Management Act No16 of 2013
OHS	Occupational Health Safety
LFF	Local Labour Forum
IGR	Intergovernmental Relations
ICT	Information Communication Technology
IT	Information Technology
MIG	Municipal Infrastructure Grant
MWIG	Municipal Water Infrastructure Grant
PMU	Project Management Grant
CCTV	Closed-Circuit Television

CSS	Community and Social Services
TSS	Technical Services
CS	Corporate Services
PED	Planning and Economic Development
BTO	Budget and Treasury Office
FY	Financial Year

DRAFT

7. SERVICE DELIVERY TARGETS AND KEY PERFORMANCE INDICATORS

Key Performance Area	Strategic Objectives	2015/2016 Annual Targets	2015/2016 Annual Actual Performance	2016/2017 Programme	KPI Code	Key Performance Indicator	Revised Key Performance Indicator	Unit of Measure	Baseline	2016-2017 Annual Target	2016/2017 Annual Performance	Corrective Measure	Evidence	Department	
Basic Service Delivery	Promote the welfare of the community	16 000	16 000	Waste Management and Cleaning	KPI 1	Percentage of households with access to basic level of Solid Waste Removal (kerbside collection once a week)	Percentage of formalized households with access to basic level of Solid Waste Removal (kerbside collection once a week)	%	100% (10 425) formalized households were provided with access to basic level of Solid Waste Removal (kerbside collection)	100% (10 425)	100% (10 425) formalized households were provided with access to basic level of Solid Waste Removal (kerbside collection) (100%)		Evidence received sufficient	Council Approved Schedule of Collection	Social & Community Services
						Percentage of informal households with access to basic level of Solid Waste Removal (kerbside collection once a week)	Percentage of informal households with access to basic level of Solid Waste Removal (kerbside collection once a week)	%	100% (6 183) informal households were provided with access to basic level of Solid Waste Removal (kerbside collection)	100% (6 183)	100% (6 183) informal households were provided with access to basic level of Solid Waste Removal (kerbside collection) (100%)		Evidence received sufficient	Council Approved Schedule of Collection	Social & Community Services

Key Performance Area	Strategic Objectives	2015/2016 Annual Targets	2015/2016 Actual Performance	2016/2017 Programme	KPI Code	Key performance Indicator	Revised Key Performance Indicator	Unit of Measure	Baseline	2016-2017 Annual Target	2016/2017 Annual Performance	Corrective Measure	Evidence	Department
Basic Service Delivery	Promote the welfare of the community	2x Initiatives	2x Waste Management initiatives were established.	Waste Management and Cleaning	KPI 3	Number of Integrated Waste Management Plan recommendations implemented through establishment of Waste minimization initiative by 30 June 2017		#	2x Waste minimization initiatives were established	2x Waste minimization initiatives	2x Waste minimization initiatives were established on the 18th of July 2016. Plus, Waste Minimization Hubs and Hubs and also on the 19th of April 2017 at Central School (Tlokoeng)		Evidence received sufficient	Social & Community Services
Basic Service Delivery	Promote the welfare of the community	4 Set of Awareness & Compliance Campaigns conducted	4x Awareness campaigns were held as follows: House and Spaza Shops 15 May 2015 Safety Awareness 21-23 December 2015 Liquid Awareness 12 August 2015 Business Awareness Campaigns on the 17 of August 2015.	Waste Management and Cleaning	KPI 4	Number of Waste Management awareness campaigns conducted by 30 June 2017		#	10 x Waste Management awareness campaigns held	10 x Waste Management awareness campaigns	10 x Waste Management awareness campaigns were held as follows: 25 August 2015 at Bala-Bala Community Hall 27 September 2015 at Mafisa 27 September 2015 at (Leribe) 27 September 2015 at Bala-Bala		Evidence received sufficient	Social & Community Services

Key Performance Area	Strategic Objectives	2015/2016 Annual Targets	2015/2016 Actual Performance	2016/2017 Programme	KPI Code	Key performance Indicator	Revised Key Performance Indicator	Unit of Measure	Baseline	2016-2017 Annual Target	2016/2017 Annual Performance	Corrective Measure	Evidence	Department
Basic Service Delivery	Promote the welfare of the community	The target was not applicable during the	The target was not applicable during the	Waste Management and Cleaning	KPI 5	Number of reports on the maintenance of the landfill site		#	4X Reports	4X Reports	Achieved 45 Reports were		Reports with Council Resolved	Social & Community Service

Key Performance Area	Strategic Objectives	2015/2016 Annual Targets	2015/2016 Actual Performance	2016/2017 Programme	KPI Code	Key performance Indicator	Revised Key Performance Indicator	Unit of Measure	Baseline	2016-2017 Annual Target	2016/2017 Actual Performance	Corrective Measure	Evidence	Department
		2015/2016 FY	2015/2016 FY			compiled and tabled to Council by 30 June 2017					<p>compiled and tabled to Council by 30 June 2017</p> <p>following resolution numbers:</p> <p>SMC 11/00/2016</p> <p>SMC 13/09/2016</p> <p>SMC 13/09/2016</p> <p>SMC 13/09/2016 and 2016 and</p> <p>SMC 13/09/2016</p> <p>2017</p> <p>7100%</p>		sufficient	es
Basic Service Delivery	Promote the welfare of the community	The target was not applicable during the 2015/2016 FY	The target was not applicable during the 2015/2016 FY	Protection and Emergency Services	KPI 6	Number of Firearms with accessories for Traffic Officers purchased by 30 June 2017		#	4x Firearms	6x Firearms with accessories		The project will be deferred to 2018/2019 FY	Advert Appointment of the Service Provider and the Delivery Note	Social & Community Services
Basic Service Delivery	Promote the welfare of the community	The target was not applicable during the 2015/2016 FY	The target was not applicable during the 2015/2016 FY	Protection and Emergency Services	KPI 7	Number of reports on activities of the Division sent to the Department of Transport by the 7th of each month		#	48 x Reports	48 x Reports	<p>48 x Reports</p> <p>completed and sent to Department of Transport</p>		Evidence received sufficient	Social & Community Services

Key Performance Area	Strategic Objectives	2015/2016 Annual Targets	2015/2016 Annual Actual Performance	2016/2017 Programme	KPI Code	Key performance Indicator	Revised Key Performance Indicator	Unit of Measure	Baseline	2016-2017 Annual Target	2016/2017 Annual Actual Performance	Corrective Measure	Evidence	Department
Basic Service Delivery	Promote the welfare of the community	The target was not applicable during the 2015/2016 FY	The target was not applicable during the 2015/2016 FY	Protection and Emergency Services	KPI 8	Number of Roadblocks held by 30 June 2017		#	96 Roadblocks were conducted	60 X Roadblocks to be conducted	60 X Roadblocks were conducted (100%)		Staff signed attendance Register and Reports	Social & Community Services
Basic Service Delivery	Promote the welfare of the community	3x Cemeteries	3x Cemeteries were maintained at Masochane (Active) Bela-Bela Town (Active) and Bela-Bela (Inactive)	Community facilities	KPI 9	Number of cemeteries maintained by 30 June 2017		#	3x Cemeteries were maintained	3x Cemeteries to be maintained	3x Cemeteries were maintained (100%)		Evidence received sufficient	Social & Community Services
Basic Service Delivery	Promote the welfare of the community	5 Parks	(100%) 5 Parks were maintained	Community facilities	KPI 10	Number of Municipal Parks maintained by June 2017		#	7x Parks were maintained	6x Parks to be maintained	6x Parks were maintained (100%)		Evidence received sufficient	Social & Community Services
Basic Service Delivery	To resource management of infrastructure and services	85.3%	12 549 HH out of 15 796 HH were provided with access to basic level of electricity which translates to 79.44%	Electricity	KPI 11	Number of households with access to basic level of electricity by 30 June 2017		#	10 894 HH were provided with access to basic level of Electricity	10 894 HH will be provided with access to basic level of Electricity	Achieved 14 244 HH were provided with access to basic level of Electricity (93.12%)		Evidence received sufficient	Technical Services
Basic Service Delivery	To resource management of	The target was not applicable	The target was not applicable	Electricity	KPI 12	Number of Electricity Meter Audit		#	1x Electricity Meter Audit	2x Electricity Meter Audit	Achieved		Evidence received	Technical Services

Key Performance Area	Strategic Objectives	2015/2016 Annual Targets	2015/2016 Annual Actual Performance	2016/2017 Programme	KPI Code	Key Performance Indicator	Revised Key Performance Indicator	Unit of Measure	Baseline	2016-2017 Annual Target	2016/2017 Annual Actual Performance	Corrective Measure	Evidence	Department
Basic Service Delivery	Infrastructure and services	during the 2015/2016 FY	during the 2015/2016 FY	Roads and Storm water	KPI 13	Number of Kilometres of roads constructed by 30 June 2017		#	0	3.5 KM of roads constructed by June 2017	0.7KM of roads constructed by June 2017		Appointment letters and Certificate	Technical Services
Basic Service Delivery	To resource management of infrastructure and services	The target was not applicable during the 2015/2016 FY	The target was not applicable during the 2015/2016 FY	Roads and Storm water	KPI 14	Number of KM of stormwater constructed by 30 June 2017		#	1KM	0.7KM of Stormwater road constructed by 30 June 2017	0.7KM of Stormwater road constructed by 30 June 2017		Appointment letters and Certificate	Technical Services
Basic Service Delivery	To resource management of infrastructure and services	9 995 HH	9 995 HH	Water	KPI 15	Number of informal households with access to basic level of water by 30 June 2017		#	7 049	7 049 HH	7 897 HH		Appointment letters and Certificate	Technical Services
Basic Service Delivery	To resource management of infrastructure and services	8,073 HH	8,077 HH	Water	KPI 16	Number of formal households with access to basic level of water by 30 June 2017		#	9477 HH	10 003 HH	7793 HH		Appointment letters and Certificate	Technical Services

Key Performance Area	Strategic Objectives	2015/2016 Annual Targets	2015/2016 Annual Actual Performance	2016/2017 Programme	KPI Code	Key Performance Indicator	Revised Key Performance Indicator	Unit of Measure	Baseline	2016-2017 Annual Target	2016/2017 Annual Actual Performance (%)	Corrective Measure	Evidence	Department	
Basic Service Delivery	To resource management of infrastructure and services	The target was not applicable during the 2015/2016 FY	The target was not applicable during the 2015/2016 FY	Water	KPI 17	Number of boreholes developed by 30 June 2017		#	6 Boreholes	Development of 9 boreholes as per MWTG Business Plan		The municipality to continue to implement the recommendations of the audit.	Evidence received sufficient	Appointed letters of the service providers, completion certificates	Technical Services
Basic Service Delivery	To resource management of infrastructure and services	The target was not applicable during the 2015/2016 FY	The target was not applicable during the 2015/2016 FY	Water	KPI 18	Number of Quarterly Water Meter Audit Conducted by 30 June 2017		#	1 Water Meter Audit	4X Water Meter Audit		The municipality to continue to implement the recommendations of the audit.	Target not met	Quarterly Reports	Technical Services

Key Performance Area	Strategic Objectives	2015/2016 Annual Targets	2015/2016 Annual Performance	2016/2017 Programme	KPI Code	Key Performance Indicator	Revised Key Performance Indicator	Unit of Measure	Baseline	2016-2017 Annual Target	2016/2017 Annual Performance	Corrective Measure	Evidence	Department
Basic Service Delivery	To resource management of infrastructure and services	The target was not applicable during the 2015/2016 FY	The target was not applicable during the 2015/2016 FY	Water & Sanitation	KPI 19	Number of Quarterly Water and Waste Water Treatment Plant performance conducted by 30 June 2017	#	4 Quarterly Assessments Reports	4 Quarterly assessments reports	4 Quarterly Water and Waste water quality reports	Quarterly assessments reports were completed (100%)	Evidence received sufficient	Quarterly reports with Council Resolutions	Technical Services
Basic Service Delivery	To resource management of infrastructure and services	The target was not applicable during the 2015/2016 FY	The target was not applicable during the 2015/2016 FY	Water & Sanitation	KPI 20	Number of Quarterly reports on Water and Waste Water Quality compiled by 30 June 2017	#	4 quarterly Reports	4 Quarterly Water and Waste water quality reports	4 Quarterly Water and Waste water quality reports were completed (100%)	Evidence received sufficient	Quarterly reports with Council Resolutions	Technical Services	
Basic Service Delivery	To resource management of infrastructure and services	9 995 HH	9 861 HH out of 9995 HH received water borne sanitation (98.65%)	Sanitation	KPI 21	Number of formal households with access to basic level of Sanitation by 30 June 2017	#	9 861 HH	11 104 formal HH provided with access to basic level of Sanitation	Not achieved 7984 formal HH were provided with access to basic level of Sanitation (73%)	Evidence received sufficient	Billing information or GIS information	Technical Services	
Basic Service Delivery	To resource management of infrastructure and services	0.7%	Rapalobekane 721	Sanitation	KPI 22	Number of formal	#	1 361 Informal	1 361 Informal		Advised	Evidence	Water and	Technical

Key Performance Area	Strategic Objectives	2015/2016 Annual Targets	2015/2016 Annual Performance	2016/2017 Programme	KPI Code	Key Performance Indicator	Revised Key Performance Indicator	Unit of Measure	Baseline	2016-2017 Annual Target	2016/2017 Actual Performance	Corrective Measure	Evidence	Department
Defurb	1 of infrastructure and services		Tsakane 100 Total 821 which translates to 10.16% (100%)			households with access to basic sanitation (VIP toilets) by 30 June 2017	households had access to basic sanitation with (VIP's Toilets)	households with access to basic sanitation	households with access to basic sanitation	1361 household with access to basic sanitation (100%)	received sufficient	Sanitation Service report and resolution	Services	
Local Economic Development	To promote and encourage sustainable economic environment	1x LED Strategies developed/ reviewed by 30 June 2016	The LED Strategy was not achieved	Local Economic Development	KPI 23	Number of LED Strategy reviewed by 30 June 2017.	Project withdrawn due to financial constraints	#	None	1x LED Strategy reviewed	Project withdrawn due to financial constraints	Zero rated	Approved LED Strategy and the Council Resolutions	Planning & Economic Development
Local Economic Development	To promote and encourage sustainable economic environment	2x reports on jobs created through Municipal LED Initiatives/ projects.	2x reports on jobs created through Municipal LED Initiatives/ projects were compiled and tabled to Council.	Local Economic Development	KPI 24	Number of reports on jobs created through municipal LED Initiatives including capital projects compiled and tabled to Council by 30 June 2017		#	2x Reports	4x reports on number of jobs created and report quarterly to Council	Reports created through Municipal LED and Capital Projects in the economic and social development of the Council following resolution passed through SMC on 27/05/2016 and 20/05/2017.	Evidence received sufficient	Reports with Council Resolutions	Planning & Economic Development

Key Performance Area	Strategic Objectives	2015/2016 Annual Targets	2015/2016 Annual Performance	2016/2017 Programme	KPI Code	Key Performance Indicator	Revised Key Performance Indicator	Unit of Measure	Baseline	2016-2017 Annual Target	2016/2017 Annual Performance	Corrective Measure	Evidence	Department
Local Economic Development	To promote and encourage sustainable economic environment	The target was not applicable during the 2015/2016 FY	The target was not applicable during the 2015/2016 FY	Local Economic Development	KPI 25	Number of LED initiatives established by 30 June 2017		#	None	2x LED initiatives established	2x LED initiatives were established (100%)		Evidence received sufficient	Planning & Economic Development
Municipal Financial Viability and Management	To improve financial viability	12x Section 71 Monthly Financial Reports with proof of Submission to Council, Provincial and National Treasury	12x Section 71 reports compiled and submitted to Council, Provincial and National Treasury (100%)	Budgeting & Reporting	KPI 26	Number of MFMA Section 71 Reports submitted to the Mayor, Provincial and National Treasury by no later than 10 days after the end of each month		#	12 Monthly Section 71 Reports for 2013/14 FY	12 Monthly Financial Reports	12x LED initiatives were established (100%)		Evidence received sufficient	Budget & Treasury
Municipal Financial Viability and Management	To improve financial viability	1x MFMA Section 72 (1)(a)(i)(ii) Mid-Year Budget and Performance Assessment Report	1x MFMA Section 72 (1)(a)(i)(ii) Mid-Year Budget and Performance Assessment Report was compiled and tabled to Council as per Council	Budgeting & Reporting	KPI 27	Number of MFMA Section 72(1)(a)(i)(ii) Mid-Year Budget and Performance Assessment Report tabled to Council, National & Provincial Treasury by 25		#	Approved 2014/2015 MFMA Section 72 (1)(a)(i)(ii) Mid-Year Budget and Performance Assessment Report	1 MFMA Section 72 (1)(a)(i)(ii) Mid-Year Budget and Performance Assessment Report	1 MFMA Section 72 (1)(a)(i)(ii) Mid-Year Budget and Performance Assessment Report		Evidence received sufficient	Budget & Treasury

Key Performance Area	Strategic Objectives	2015/2016 Annual Targets	2015/2016 Annual Performance	2016/2017 Programme	KPI Code	Key performance Indicator	Revised Key Performance Indicator	Unit of Measure	Baseline	2016-2017 Annual Target	2016/2017 Annual Performance	Corrective Measure	Evidence	Departments
Municipal Financial Viability and Management	To improve financial viability	1x 2014/15 AFS compiled and submitted to the AG on the 31st of August 2015	1x 2014/15 AFS were compiled and submitted to the AG on the 31st of August 2015	Budgeting & Reporting	KPI 28	Number of Annual Financial Statement compiled and submitted to Auditor General by 30 August 2016		#	1x AFS (2014/2015)	1x AFS (2015/2016)	1x AFS (2015/2016)	1x AFS (2015/2016)	Evidence received sufficient	Budget & Treasury
Municipal Financial Viability and Management	To improve financial viability	2016/17 approved Budget	2016/2017 Budget was approved on the 31st of May 2016 as per Council Resolution Number SMC 96/05/2016.	Budgeting & Reporting	KPI 29	Number of 2017/18 Budget compiled and approved by Council by 30 May 2017		#	2016/17 approved Budget	2017/18 approved Budget	2017/18 approved Budget	2017/18 approved Budget	Evidence received sufficient	Budget & Treasury

Key Performance Area	Strategic Objectives	2015/2016 Annual Targets	2015/2016 Annual Actual Performance	2016/2017 Programme	KPI Code	Key Performance Indicator	Revised Key Performance Indicator	Unit of Measure	Baseline	2016/2017 Annual Target	2016/2017 Annual Actual Performance	Corrective Measure	Evidence	Department	
Municipal Financial Viability and Management	To improve financial viability	14 x Budget related Policies and 4 By-Laws reviewed and approved by Council by June (Credit Control & Debt Collection, Indigent Support, Tariff By-Laws and Property Rates By-Laws)	14x Budget related Policies and 4 By-Laws reviewed and approved by Council on the 31st of May 2016 as per Council Resolution Number SWC 96/05/2016 (100%)	Budget & Treasury	KPI 30	Number of Budget related policies reviewed by 30 June 2017	#	4x SCM reports	4x SCM Reports	4x SCM Reports	14x Budget related Policies to be reviewed and approved	14x Budget related Policies reviewed and approved	Evidence received sufficient	Reports with Council Resolutions	Budget & Treasury
Municipal Financial Viability and Management	To improve financial viability	The target was not applicable during the 2015/2016 FY	The target was not applicable during the 2015/2016 FY	Supply Chain Management	KPI 31	Number of reports on the implementation of SCM Policy completed and tabled to Council by 30 June 2017	#	4x SCM reports	4x SCM Reports	4x SCM Reports	4x SCM Reports were completed and tabled to Council by 30 June 2017	4x SCM Reports were completed and tabled to Council by 30 June 2017	Evidence received sufficient	Reports with Council Resolutions	Budget & Treasury

Key Performance Area	Strategic Objectives	2015/2016 Annual Targets	2015/2016 Annual Actual Performance	2016/2017 Programme	KPI Code	Key Performance Indicator	Revised Key Performance Indicator	Unit of Measure	Baseline	2016-2017 Annual Target	2016/2017 Annual Actual Performance	Corrective Measure	Evidence	Department
Municipal Financial Viability and Management	To improve financial viability	The target was not applicable during the 2015/2016 FY	The target was not applicable during the 2015/2016 FY	Supply chain Management	KPI 32	Number of reports on Unauthorized Irregular and Fruitless Expenditure submitted to Council and National Treasury by 30 March 2017		#	1x Unauthorized Irregular and Fruitless expenditure report for 2015/2016	1x Unauthorized Irregular and Fruitless expenditure report for 2016/2017	1x Unauthorized Irregular and Fruitless expenditure report for 2016/2017	1x Unauthorized Irregular and Fruitless expenditure report for 2016/2017	Evidence received sufficient	Budget & Treasury
Municipal Financial Viability and Management	To improve financial viability	1x 2014/2015 Unqualified Audit Opinion	The Municipality obtained Unqualified Audit Opinion for the	Budgeting & Reporting	KPI 33	Maintain Unqualified Audit Outcome from AG for the 2015/2016 by 31 December		Audit opinion for the 2015/2016 FY	2014/2015 Unqualified Audit Outcome	Unqualified Audit Outcome for 2015/2016 FY	1x Unqualified Audit Outcome for 2016/2017	1x Unqualified Audit Outcome for 2016/2017	Evidence received sufficient	Office of the Municipal Manager

Key Performance Area	Strategic Objectives	2015/2016 Annual Targets	2015/2016 Annual Performance	2016/2017 Programme	KPI Code	Key performance Indicator	Revised Key Performance Indicator	Unit of Measure	Baseline	2016-2017 Annual Target	2016/2017 Annual Performance	Corrective Measure	Evidence	Department	
Municipal Financial Viability and Management	To improve financial viability	1x Action Plan for 2014/2015 AG Audit Queries	1x Action Plan for 2014/2015 AG Audit Queries was developed and approved by Council as per Council Resolution Number MC107/01/2016	Accounting Services	KPI 34	Number of Action Plan for 2015/2016 AG Audit Queries developed and submitted to Council by 30 January 2017		#	1x 2014/2015 Action Plan	1x Action Plan for 2015/2016 AG Audit Queries	Not achieved. Outcome queries for 2015/2016 resolution level (0/100%)		Evidence received sufficient	2015/2016 Action Plan with Council Resolution	Budget & Treasury
Municipal Financial Viability and Management	To improve financial viability	100% of the Audit Queries from the 2014/15 Financial Year fully addressed.	95% The Municipality queries and resolved 42 queries which translates to 95%	Accounting Services	KPI 35	Percentage of AG queries resolved as per the Action Plan by 30 June 2017		%	95%	90% (44 AG queries to be resolved)	Not Achieved (41 AG queries were resolved which translates to 93% (93%))		Target not met	Progress Report on the implementation of the Action Plan	Budget & Treasury
Municipal Financial Viability and Management	To improve financial viability	Conduct 12 Movable Asset Verifications	12x Movable Asset verification and	Asset Management	KPI 36	Number of quarterly asset verification reports		#	4x quarterly asset verification	4x quarterly asset verification	Achieved (100%)		Evidence received	Quarterly asset verification	Budget & Treasury

Key Performance Area	Strategic Objectives	2015/2016 Annual Targets	2015/2016 Annual Performance	2016/2017 Programme	KPI Code	Key performance Indicator	Revised Key Performance Indicator	Unit of Measure	Baseline	2016-2017 Annual Target	2016/2017 Annual Performance	Corrective Measure	Evidence	Department	
Management		reconciliation and	reconciliation were conducted (100%)			completed - monvables (sampling) compiled by 30 June 2017			reports for 2015/16 FY	reports	completed		sufficient	non reports	Budget & Treasury
Municipal Financial Viability and Management	To improve financial viability	The target was not applicable during the 2015/2016 FY	The target was not applicable during the 2015/2016 FY	Budget and Reporting	KPI 37	Number of Indigent Register compiled and approved by 30 June 2017		#	2015/2016 Indigent Register	1x 2016/2017 Indigent Register	1x 2016/2017 Indigent Register		Evidence received sufficient	2016/2017 Indigent Register	Budget & Treasury
Municipal Financial Viability and Management	To improve financial viability	100% of Registered Households earning less than 2860 with access to Free Basic Services	3985 indigents registered were provided with FBS by 30 June 2016	Budget and Reporting	KPI 38	Percentage of Registered Households earning less than 2860 with access to Free Basic Services		%	100%	100%	100%		Evidence received sufficient	Billing Report	Budget & Treasury
Municipal Financial Viability and Management	To improve financial viability	100%	93%	Budget and Reporting	KPI 39	Percentage capital budget actually spent on budgeted capital projects identified for 2016/2017 financial year f.t.o. IDP		%	93%	100%	100%		Evidence received sufficient	Report	Budget & Treasury

Key Performance Area	Strategic Objectives	2015/2016 Annual Targets	2015/2016 Annual Actual Performance	2016/2017 Programme	KPI Code	Key Performance Indicator	Revised Key Performance Indicator	Unit of Measure	Baseline	2016-2017 Annual Target	2016/2017 Annual Actual Performance	Contextual Measure	Evidence	Report	Department
Municipal Financial Viability and Management	To improve financial viability	100%	100% MFG Spent during the 2014/2015 FY	Budget and Reporting	KPI 40	Percentage MFG spent on MFG grants approved projects by 30 June 2017		%	To be finalised by the end of the FY	100%	Approved (100%) R 2,591,000 of R 2,591,000 approved projects by 30 June 2017		Evidence received sufficient	Report	Budget & Treasury & Technical Services
Municipal Financial Viability and Management	To improve financial viability	The target was not applicable during the	The target was not applicable during the	Budget and Reporting	KPI 41	Percentage MFG spent on MFG grants approved		%	To be finalised by the end of the FY	100%	Approved (100%) R 1,600,000 of R 1,600,000 approved projects by 30 June 2017		Evidence received	Report	Budget & Treasury & Technical Services

Key Performance Area	Strategic Objectives	2015/2016 Annual Targets	2015/2016 Annual Actual Performance	2016/2017 Programme	KPI Code	Key Performance Indicator	Revised Key Performance Indicator	Unit of Measure	Baseline	2016/2017 Annual Target	2016/2017 Annual Actual Performance	Corrective Measure	Evidence	Department
Municipal Institutional Development and Transformation	To improve, attract, develop and retain human capital	IX 2016/17 Approved Organizational Structure	IX 2016/17 Approved Organizational Structure	Human Resources	KPI 47	Number of Organizational Structure reviewed and approved by Council by 30 May 2017		#	2016/17 Approved Organizational Structure	IX 2017/18 Approved Organizational Structure	95% The 2017/2018 Approved Organizational Structure was approved by Council in February 2017.		Evidence received sufficient	Corporate Services
Municipal Institutional Development and Transformation	To improve, attract, develop and retain human capital	IX HRM & HRD Strategy reviewed and approved by Council	The HRM & HRD Strategy was not reviewed due to financial constraints	Human Resources	KPI 48	Number of HRM & HRD Strategy developed and approved by Council by 30 June 2017	KPI withdrawn due to financial constraints	#	None	IX Council approved HRM & HRD Strategy	KPI withdrawn due to financial constraints	The HRD Strategy to be developed during the 2017/2018 FY	Target not met due to financial constraints	Corporate Services
Municipal Institutional Development and Transformation	To improve, attract, develop and retain human capital	100% 1 650 000 Allocated	101% 1 780 514 Spent	Human Resources (Training & Development)	KPI 49	Percentage of municipality's budget actually spent on implementing		%	79% (1 299 150 Spent from 1 650 000)	100% (900 000)	Not achieved 77% Total of 694 091.07	Training will further be rolled out in the 2017/2018 FY	Evidence received not sufficient	Corporate Services

Key Performance Area	Strategic Objectives	2015/2016 Annual Targets	2015/2016 Annual Actual Performance	2016/2017 Programme	KPI Code	Key performance Indicator	Revised Key Performance Indicator	Unit of Measure	Baseline	2016-2017 Annual Target	2016/2017 Annual Performance	Corrob. Measure	Evidence	Department
Human Resources	To improve, attract, develop and retain human capital	1x Workplace Skills Plan was submitted to LGSETA	1x Workplace Skills Plan was submitted to LGSETA on the 5th of May 2016.	Human Resources (Training & Development)	KPI 50	Number of Workplace Skills Plan (WSP) submitted to LGSETA by 30 April 2017		#	2016/2017 WSP	1x 2017/2018 WSP to be submitted to LGSETA by 30 April 2017	1x 2017/2018 WSP submitted to LGSETA by 30 April 2017		Workplace Skills Plan and Proof of Submission to LGSETA	Corporate Services
Human Resources	To improve, attract, develop and retain human capital	The target was not applicable during the 2015/2016 FY	The target was not applicable during the 2015/2016 FY	Human Resources (Training & Development)	KPI 51	Number of Officials and Councilors trained 30 June 2017		#	96 Officials and Councilors (85 trained employees and 11 Councilors)	75 Officials and Councilors to be trained during the 2016/2017 FY	Not achieved 62 Officials and Councilors were trained during the 2016/2017 FY (82.6%)	Training will be concluded in the new financial year	Service Level Agreement and Invoices	Corporate Services
Good Governance and Public Participation	To plan for the future	2016/2017 IDP approved by 30 May 2016	1x 2016/2017 Council Approved IDP	Integrated Development Plan	KPI 52	Number of 2017/2018 IDP reviewed and approved by Council by 30 May 2017		#	2016/2010 IDP	1x Approved 2017/2018 approved IDP	1x 2017/2018 IDP was approved as per Council Resolution		2017/2018 approved IDP	Planning & Economic Development

Key Performance Area	Strategic Objectives	2015/2016 Annual Targets	2015/2016 Annual Actual Performance	2016/2017 Programme	KPI Code	Key performance Indicator	Revised Key Performance Indicator	Unit of Measure	Baseline	2016-2017 Annual Target	2016/2017 Annual Performance	Corroboration Measure	Evidence	Department
Good Governance and Public Participation	To plan for the future	The target was not applicable during the 2015/2016 FY	The target was not applicable during the 2015/2016 FY	Integrated Development Plan	KPI 53	Number of IDP Representatives forum meetings held by 30 June 2017		#	4x Rep Forum meetings during 2015/16 FY	4x Rep Forums meetings	Not Achieved 3x Rep Forum meetings were held as follows: 25 November 2016, 24 March 2017 and 23 May 2017 (75%)	The First Rep Forum couldn't be held due to late the inaugurations of new Council which took place outside quarter. In the 2017/2018 Financial Year the Representative Forums will be held as scheduled	Signed Attendance Registers	Planning & Economic Development
				Integrated Development Plan	KPI 54	Number of 2017/2018 IDP, Budget & PMS Review Process Plan approved by 30 May 2017		#	Approved 2016/2017 IDP, Budget & PMS Review Process Plan	2017/2018 IDP, Budget & PMS Review Process Plan approved	Achieved 2017/2018 IDP, Budget & PMS Review Process Plan was approved		Evidence received sufficient.	Copy of the Approved 2017/2018 IDP, Budget & PMS

Key Performance Area	Strategic Objectives	2015/2016 Annual Targets	2015/2016 Annual Actual Performance	2016/2017 Programme	KPI Code	Key Performance Indicator	Revised Key Performance Indicator	Unit of Measure	Baseline	2016-2017 Annual Target	2016/2017 Actual Performance	Corrective Measure	Evidence	Department
Good Governance and Public Participation	To plan for the future	1x 2015/16 Approved SDBIP	1x 2016/17 Approved SDBIP	Integrated Development Plan	KPI 55	Number of 2017/2018 SDBIP approved by the Mayor 28 days after the approval of the Budget by 30 June 2017		#	2016/2017 SDBIP	1x 2017/2018 SDBIP	1x 2017/2018 SDBIP was approved by the Mayor 28 days after the approval of the Budget by 30 June 2017		Evidence received sufficient	Planning & Economic Development
											1x 2017/2018 SDBIP was approved by the Mayor 28 days after the approval of the Budget by 30 June 2017			
Good Governance and Public Participation	To improve administrative and governance capacity	4x Performance Agreements for senior managers	6x Performance Agreements for the Chief Financial Officer, Managers Planning & Economic Development, Technical Services, Municipal Manager, and Acting Manager Community & Social Services as	Performance Management	KPI 56	Number of 2016/2017 Performance Agreements signed by the Municipal Manager and Senior Managers by 30 July 2016		#	4x 2015/2016 Performance Agreements signed	4x 2016/2017 Performance Agreements signed	4x 2016/2017 Performance Agreements signed		Evidence received sufficient	Planning & Economic Development
											4x 2016/2017 Performance Agreements signed			

Key Performance Area	Strategic Objectives	2015/2016 Annual Targets	2015/2016 Annual Actual Performance	2016/2017 Programme	KPI Code	Key Performance Indicator	Revised Key Performance Indicator	Unit of Measure	Baseline	2016/2017 Annual Target	2016/2017 Annual Actual Performance	Corrective Measure	Evidence	Department
Good Governance and Public Participation	To improve administrative and governance capacity	4x Performance reviews	well as for the Acting Manager Corporate were signed 1x Annual Performance reviews were conducted	Performance Management	KPI 57	Number of Performance Reviews for Senior Managers conducted by 30 June 2017		#	2x Performance Reviews	2x Performance Reviews conducted		The assessments will be conducted in the 2017/2018 FY	Assessment Reports and the signed attendance registers	Planning & Economic Development
		1 (2014/15) Annual Performance Report	1x 2014/2015 Annual Performance Report was compiled and submitted to the Auditor General by 31st of August 2015	Compliance	KPI 58	Number of Annual Performance Report compiled in terms of Section 46 of MSA and submitted to Auditor General by 30 August 2016		#	1x 2014/2015 Annual Performance Report	1x 2015/2016 Annual Performance Report		1x 2015/2016 Annual Performance Report compiled in terms of Section 46 of MSA and submitted to Auditor General by 30 August 2016	Copy of the 2015/2016 Annual Performance Report	Planning & Economic Development
Good Governance and Public Participation	To improve administrative and governance capacity	1x 2014/2015 Annual Report	1x 2014/2015 Annual Report was compiled and tabled to Council as per Council	Compliance	KPI 59	Number of Annual Reports compiled in terms of Section 127 of the MFMA and tabled to Council by 31		#	1 (2014/2015) Annual Report	1 (2015/2016) Annual Report		1 (2015/2016) Annual Report compiled in terms of Section 127 of the MFMA and tabled to Council by 31	2015/2016 Annual Report with Council Resolution	Planning & Economic Development

Key Performance Area	Strategic Objectives	2015/2016 Annual Targets	2015/2016 Annual Actual Performance	2016/2017 Programme	KPI Code	Key Performance Indicator	Revised Key Performance Indicator	Unit of Measure	Baseline	2016-2017 Annual Target	2016/2017 Actual Performance	Corrective Measure	Evidence	Department
			Resolution Number MC107/07/2016 on the 28th of January 2016			March 2017								
Good Governance and Public Participation	To improve administrative and governance capacity	1x (2014-2015) Oversight Report	Achieved 1x Oversight Report was compiled in terms of Section 129 of the MFMA and was tabled to Council on the 31st of March 2016 as per Council Resolution Number MC156/03/2016	Compliance	KPI 60	Number of Oversight Report compiled in terms of Section 129 of the MFMA and tabled to Council by 30 March 2017		#	1 (2014-2015) Oversight Report	1x (2015-2016) Oversight Report	2015/2016 Oversight Report was compiled and approved by Council on 30 March 2017		2015/2016 Oversight Report with Council Resolution	Office of the Municipal Manager
Good Governance and Public Participation	To improve administrative and governance capacity	4x Quarterly SDBIP Reports compiled and tabled to Council	4x Quarterly SDBIP Reports were compiled and tabled to Council	Compliance	KPI 61	Number of quarterly SDBIP performance reports compiled in terms of Section 52 (d) of the MFMA and tabled to Council by 30		#	4x Quarterly SDBIP Reports	4x Quarterly SDBIP Reports	4x Quarterly SDBIP Reports compiled and tabled to Council by 30		Evidence received sufficient	Planning & Economic Development

Key Performance Area	Strategic Objectives	2015/2016 Annual Targets	2015/2016 Annual Actual Performance	2016/2017 Programme	KPI Code	Key performance Indicator	Revised Key Performance Indicator	Unit of Measure	Baseline	2016-2017 Annual Target	2016/2017 Annual Actual Performance	Corrective Measure	Evidence	Department
Governance and Public Participation	To improve administrative and governance capacity	12 Back to Basics Reports and the Action Plan submitted to CoGTA	12 x Back to Basics Reports and the Action Plan were submitted to CoGTA	Compliance	KPI 62	Number of Back to Basics Reports and the Action Plan compiled and submitted to CoGTA by 30 June 2017	Number of Back to Basics Reports and the Action Plan submitted to CoGTA by 30 June 2017	#	12 Back to Basics Reports and the Action Plan	4 Back to Basics Reports and the Action Plan submitted to CoGTA	100%	100%	Back to Basics Reports	Planning & Economic Development
		4x Council meetings convened	7x (4 Ordinary & 3 Special) Council meetings were held as follows: 31 July 2015, 29 October 2015, 28 January 2016, 29 February 2016, 17 March 2016, 31 March 2016, 31 May 2016.	Council Administration	KPI 63	Number of Council meetings held by 30 June 2017	Number of Council meetings held by 30 June 2017	#	8x Council meetings (4 Ordinary & 4 Special council meetings held)	4x Council Meetings	100%	100%	Signed Attendance Registers	Corporate Services

Key Performance Area	Strategic Objectives	2015/2016 Annual Targets	2015/2016 Annual Actual Performance	2016/2017 Programme	KPI Code	Key performance Indicator	Revised Key Performance Indicator	Unit of Measure	Baseline	2016-2017 Annual Target	2016/2017 Annual Actual Performance	Corrective Measure	Evidence	Department
Good Governance and Public Participation	To improve administrative and governance capacity	The target was not applicable during the 2015/2016 FY	The target was not applicable during the 2015/2016 FY	Council Administration	KPI 64	Number of Section 79 Committee meetings held by 30 June 2017		#	18x Section 79 Committee meetings held	15x Section 79 Committee Meetings	Not achieved 12x Section 79 meetings were held. The meetings were held as follows: Planning & Economic Development - 19/10/2016 - 24/11/2016 - 19/01/2017 - 16/03/2017 - 23/05/2017 Social & Social Services - 20/10/2016 - 23/11/2016 - 19/01/2017 - 16/03/2017 - 23/05/2017	Office of the Speaker to strengthen and support attendance of meetings as scheduled in the calendar of events.	Signed Attendance Registers	Corporate Services

Key Performance Area	Strategic Objectives	2015/2016 Annual Targets	2015/2016 Annual Actual Performance	2016/2017 Programme	KPI Code	Key Performance Indicator	Revised Key Performance Indicator	Unit of Measure	Baseline	2016-2017 Annual Target	2016/2017 Annual Actual Performance	Corrective Measure	Evidence	Department
Good Governance and Public Participation	To improve administrative and governance capacity	4 MPAC meetings	5x MPAC meetings were held as follows: 17 February 2016, 23 February 2016, 26 February and 29 February 2016	Council Administration	KPI 65	Number of MPAC meetings held by 30 June 2017		#	5x MPAC meetings held	4x MPAC meetings	23/05/2017 Budget & Treasury 18/10/2016 22/11/2016 17/03/2017 and 23/05/2017 (80%)		Evidence received sufficient	Office of the Municipal Manager

Key Performance Area	Strategic Objectives	2015/2016 Annual Targets	2015/2016 Annual Actual Performance	2016/2017 Programme	KPI Code	Key Performance Indicator	Revised Key Performance Indicator	Unit of Measure	Baseline	2016-2017 Annual Target	2016/2017 Annual Actual Performance	Corrective Measure	Evidence	Department
Good Governance and Public Participation	To improve administrative and governance capacity	2 PAC meetings	2 PAC meetings	Performance Audit Committee	KPI 69	Number of Performance Audit Committee meetings held by 30 June 2017		#	2x Performance Audit Committee meeting	2x Performance Audit Committee meetings	2016/29 November 2016, 27 March 2017 and 28 June 2017 (100%) Achieved		Evidence received sufficient	Office of the Municipal Manager
											3x Performance Audit Committee meetings were held as follows: 15 August 2016, 30 January 2017 and 28 June 2017 (150%) Achieved		Signed Attendance Registers	Office of the Municipal Manager
Good Governance and Public Participation	To improve administrative and governance capacity	4x Risk Management Meetings	4x Risk Management Meetings	Risk Management	KPI 70	Number of Risk Management Meetings held by 30 June 2017		#	4x Risk Management meeting	4x Risk Management Meetings	2016/29 November 2016, 27 March 2017 and 28 June 2017 (100%) Achieved		Evidence received sufficient	Office of the Municipal Manager
											4x Risk Management Meetings were held as follows: 15 August 2016, 30 January 2017 and 28 June 2017 (150%) Achieved		Signed Attendance Registers	Office of the Municipal Manager

Key Performance Area	Strategic Objectives	2015/2016 Annual Targets	2015/2016 Annual Actual Performance	2016/2017 Programme	KPI Code	Key performance Indicator	Revised Key Performance Indicator	Unit of Measure	Baseline	2016-2017 Annual Target	2016/2017 Annual Actual Performance	Concise Measure	Evidence	Department
Government and Public Participation	To improve administrative and governance capacity	The target was not applicable during the 2015/2016 FY	The target was not applicable during the 2015/2016 FY	Risk Management	KPI 71	Number of 2017/2018 Strategic Risk Management Register compiled and approved by Council by 31 May 2017	#	1x 2016/2017 Strategic Risk Register	1x 2017/2018 Strategic Risk Register	2016/2017 Strategic Risk Management Register compiled and approved by Council by 31 May 2017	Evidence received sufficient	2017/2018 Strategic Risk Register with Council Resolution	Office of the Municipal Manager	
Government and Public Participation	To improve administrative and governance capacity	4 LLF Meetings	5x Local Labour Forum Meetings were held as follows: 18 August 2015, 23 February 2016, 31st March 2016, 06 May 2016, and 17 May 2016.	LLF	PKI 72	Number of Local Labour Forum meetings held by 30 June 2017	#	5x LLF meetings held	4x LLF meetings were held by 30 June 2017	2016/2017 Strategic Risk Management Register compiled and approved by Council by 31 May 2017	Evidence received sufficient	Signed Attendance Registers	Corporate Services	

Key Performance Area	Strategic Objectives	2015/2016 Annual Targets	2015/2016 Annual Actual Performance	2016/2017 Programme	KPI Code	Key performance Indicator	Revised Key Performance Indicator	Unit of Measure	Baseline	2016/2017 Annual Target	2016/2017 Annual Actual Performance	Corresponding Measure	Evidence	Department
Good Governance and Public Participation	To improve administrative and governance capacity	The target was not applicable during the 2015/2016 FY	The target was not applicable during the 2015/2016 FY	OHS	KPI 73	Number of OHS Committee meetings held by 30 June 2017		#	6x OHS meetings held	4x OHS meetings	4x OHS meetings were held in 2016/2017		Evidence received sufficient	Corporate Services
Good Governance and Public Participation	To improve administrative and governance capacity	15	15x ICT Policies were reviewed as follows: IT Disaster Recovery, 3G Policy Backup Policy IT Change Management, IT, Firewall, IT Governance Framework, IT Helpdesk Procedure, Information Security, Patch Management, IT Service Continuity, IT Steering Committee	ICT	KPI 74	Number of ICT policies reviewed and approved by Council by 30 June 2017		#	15 ICT Policies	2x ICT Policies Reviewed	2x ICT Policies were reviewed and approved by Council by 30 June 2017		Evidence received sufficient	Corporate Services

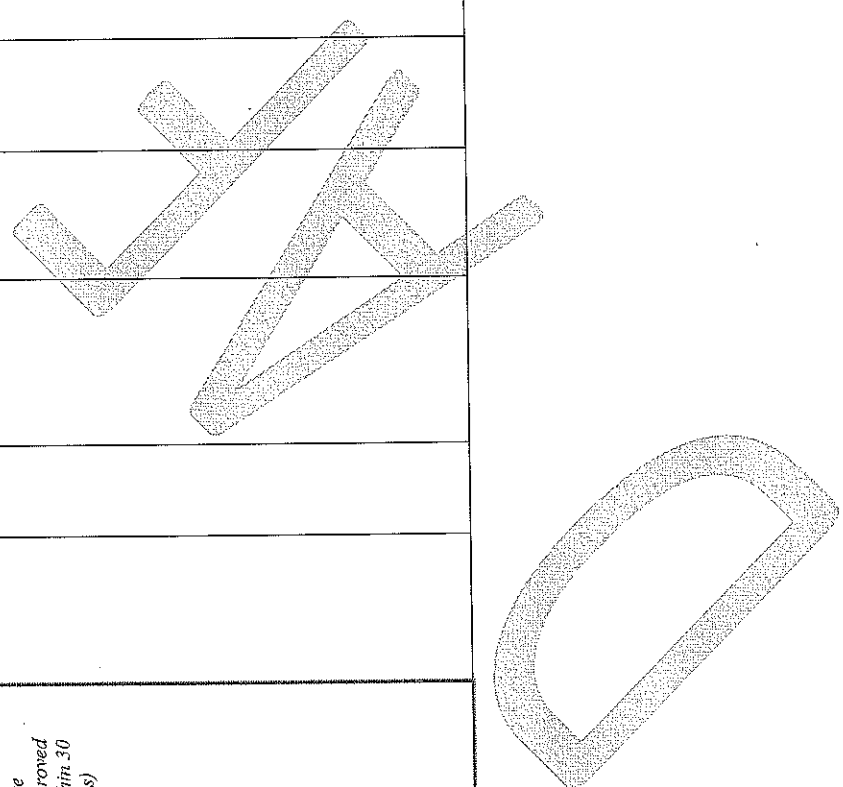
Key Performance Area	Strategic Objectives	2015/2016 Annual Targets	2015/2016 Annual Actual Performance	2016/2017 Programme	KPI Code	Key performance Indicator	Revised Key Performance Indicator	Unit of Measure	Baseline	2016-2017 Annual Target	2016/2017 Annual Performance	Corrective Measure	Evidence	Department
Governance and Public Participation	To improve administrative and governance capacity	6x By-laws	The 6 By-Laws were all reviewed however they couldn't be gazetted due to financial constraints	Legal Services	KPI 75	Number of by-laws reviewed and promulgated by 30 June 2017		#	Draft SPLUMA	1x SPLUMA by-law gazetted	Addressed SPLUMA by-law which gazetted 27/07/17 (Gazette No 2877) (100%)		Evidence received sufficient	Corporate Services
		4x Litigation Reports	4x Litigation reports were compiled however only three were tabled to Council	Legal Services	KPI 76	Number of litigations reports compiled and tabled to Council by 30 June 2017		#	6x litigations reports	4x litigations reports	Addressed litigations reports were compiled and submitted to Council (84%) Council Resolutions Numbered SUC/07/09 2016 SUC/09/05 2017		Evidence received sufficient	Corporate Services

Key Performance Area	Strategic Objectives	2015/2016 Annual Targets	2015/2016 Annual Actual Performance	2016/2017 Programme	KPI Code	Key performance Indicator	Revised Key Performance Indicator	Unit of Measure	Baseline	2016-2017 Annual Target	2016/2017 Annual Performance	Corrective Measure	Evidence	Department
Good Governance and Public Participation	To improve administrative and governance capacity	4x ICT Steering Committee meetings	4x ICT Steering Committee meetings were held as follows: 29 September 2015, 23 February 2016, 17 April 2016 and 30 June 2016.	ICT	KPI 77	Number of ICT Steering Committee meetings held by 30 June 2017		#	3x Steering Committee meetings	4x Steering Committee meetings	Achieved 100%		Evidence received sufficient	Corporate Services
Good Governance and Public Participation	To improve administrative and governance capacity	1x Communication Strategy Reviewed	1x Draft Communications Strategy is in place, however it is not yet approved by Council.	Communications	KPI 78	Number of Communications Strategy reviewed and approved by Council by 30 September 2016		#	None	1x Communication Strategy Reviewed	Achieved 100%		Evidence received sufficient	Office of the Municipal Manager
Good Governance and Public Participation	To improve administrative and governance capacity	The target was not applicable	The target was not applicable	Communications	KPI 79	Number of Community Feedback		#	0	1x Mayoral Imbizo	Achieved 100%		Evidence received	Office of the Municipal Manager

Key Performance Area	Strategic Objectives	2015/2016 Annual Targets	2015/2016 Annual Performance	2016/2017 Programme	KPI Code	Key Performance Indicator	Revised Key Performance Indicator	Unit of Measure	Baseline	2016-2017 Annual Target	2016/2017 Actual Performance	Corrective Measure	Evidence	Department
Public Participation	governance capacity	during the 2015/2016 FY	during the 2015/2016 FY			meetings held by 30 June 2017	by 30 June 2017			meeting	State of the City Report 2017		sufficient	Manager
Good Governance and Public Participation	To improve administrative and governance capacity	The target was not applicable during the 2015/2016 FY	The target was not applicable during the 2015/2016 FY	Customer Care	KPI 80	Number of Customer Care Policy and Procedure Manual developed and approved by Council by 30 September 2016		#	Draft Customer Care Policy	1x Customer Care Policy by 30 September 2016	Customer Care Policy approved by Council 25/09/2016 (Council Resolution Number: 705/2016)		Evidence received sufficient	Office of the Municipal Manager
Good Governance and Public Participation	Promote the welfare of the community	2x HIV/AIDS and TB and 1x Youth Programme Awareness Campaigns held	5 Events held 2x HIV/AIDS and TB and 3x Youth Programme Awareness Campaigns held as follows: (HIV 17 July 2015, 4 December 2015) (Youth Programmes 2x 29 June 2016 and Pietermaritzburg and IOHO and	Special Programmes	KPI 81	Number of Special Programmes Initiatives to be held by 30 June 2017 (2x HIV/AIDS and TB awareness campaigns, 1x Youth Programme)		#	1 HIV/AIDS Awareness Campaign held and 1x Youth Programme	2x HIV/AIDS Awareness Campaigns held and 1x Youth Programme	HIV/AIDS Committee (2016/17) 25/09/2016 25/09/2016 2016 1x Youth Programme Exhibition (2016/17) 25/09/2016 25/09/2016 2016 2016 2016		Evidence received sufficient	Office of the Municipal Manager

Key Performance Area	Strategic Objectives	2015/2016 Annual Targets	2015/2016 Annual Actual Performance	2016/2017 Programme	KPI Code	Key Performance Indicator	Revised Key Performance Indicator	Unit of Measure	Baseline	2016-2017 Annual Target	2016/2017 Annual Actual Performance	Corrective Measure	Evidence	Department
			Masabane at 14H00, and 30 June 2016 at Rapotohwane at 14H00)								100%			
Spacial Rationale	To plan for the future	1x Informal Settlement formalized.	Phase one of the installation of bulk infrastructure has been completed. The second phase which includes the construction of houses will commence during the 2016/2017 FY	Housing	KPI 82	Number of Informal Settlements formalised by 30 June 2017		#	None	1 X informal Settlement formalized	100%		Evidence received sufficient	Planning & Economic Development
Spacial Rationale	To plan for the future	The target was not applicable during the 2015/2016 FY	The target was not applicable during the 2015/2016 FY	Building Control	KPI 83	Number of Awareness Campaigns on requirements and procedures for having buildings plans approved held by 30 June 2017		#	2X Awareness Campaigns were held	4x Awareness Campaigns	100%	The awareness campaigns will be conducted during the 2017/2018 FY	Target not met due to financial constraints	Planning & Economic Development
Spacial Rationale	To plan for the future	100%	47% (47 Out of	Building Control	KPI 84	Percentage of building plans meeting all		%	90%	100%	100%		Evidence received	Planning & Economic

Key Performance Area	Strategic Objectives	2015/2016 Annual Targets	2015/2016 Annual Actual Performance	2016/2017 Programme	KPI Code	Key Performance Indicator	Revised Key Performance Indicator	Unit of Measure	Baseline	2016-2017 Annual Target	2016/2017 Actual Performance	Corrective Measure	Evidence	Department
			102 building plans meeting all requirements were approved within 30 days)			requirements approved within 30 days by 30 June 2017					The number of building plans of the 112 plans met the requirements of the 112 requirements were approved within 30 days of the 112 requirements		d and approved plans	mic Development



8. BELA-BELA LOCAL MUNICIPALITY: 2016/2017 PROJECTS

Number	Programme	Project Description	Allocated Budget	Adjusted Budget	Source	Source Amount/Notes	Actual Performance by 30 June 2017	Corrective Measures	Evidence Required	Plan	Department
1.	Roads	Bela Bela: Road paving X's 2, 7 & 8 (Phase 4)	5 809 825.00	4 537 763.00	MIG	4 537 763.00	Completed paving X's 2, 7 & 8 (Phase 4)		Appointment of Contractor, quarterly progress reports and completion certificates	Evidence received sufficient	Technical Services
2.	Sanitation	Bela Bela: Bulk Sewer X9	812 130.00	1 062 130.00	MIG	1 062 130.00	100% completion of the sewer line and pump station		Completion certificate	Evidence received sufficient	Technical Services
3.	Sports	Bela Bela: Upgrade sport facilities stand 752	2 850 000.00	2 849 999.37	MIG	2 849 999.37	Achieved Project complete		Appointment of Contractor, quarterly progress reports and completion certificates	Evidence received sufficient	Technical Services
4.	Sports	Bela Bela: Upgrade SUNFA stadium	7 421 000.00	7 421 137.00	MIG	7 421 000.00	80% progress of Phase 1 of Bela-Bela Upgrade SUNFA stadium		Appointment of Contractor, quarterly progress reports and completion certificates	Completion Certificate not yet available, project 90% complete	Technical Services
5.	Roads & Stormwater	Bela Bela: Stormwater Limpopo street	2 600 000.00	2 591 095.46	MIG	2 591 095.46	Achieved Project complete		Appointment of Contractor, quarterly progress reports and completion certificates	Evidence received sufficient	Technical Services
6.	Roads	Bela Bela: Upgrade Streets - Spa Park	4 797 500.00	6 007 845.00	MIG	6 007 845.00	Achieved Project complete		Appointment of Contractor, quarterly progress reports and completion certificates	Evidence received sufficient	Technical Services

Number	Programme	Project Description	Allocated Budget	Adjusted Budget	Source	2016/2017 Annual Targets	Actual Performance by 30 June 2017	Corrective Measures	Evidence Required	Unit	Department
7.	Roads	CBD Road Tarring		5 000 000.00	BBLM	-Spa Park	Complete		quarterly progress reports and completion certificates		Technical Services
8.	Cemeteries	Bela-Bela: Pave access road and fence graveyard	2 581 245.00		MIG	Complete the paving of Bela-Bela; access road to the graveyard and the fencing of graveyard	Approved Project Complete		Completion Certificate	Evidence received sufficient	Technical Services
Own Source Capital Project											
9.	Emergency and Protection services	Firearms including Ammunition and Holsters	110 000.00	0.00	BBLM	Procurement of firearms, ammunition and holsters		Ordinarily the project was supposed to be deferred to the 2017/2018 FY, however it was not done due to the report of inadequate funds which was received after the budget and IDP processes were concluded, the project will now be deferred to 2018/2019 FY	Advert, Appointment of the Service Provider and the Delivery Note	Project not done due to financial constraints	Social and Community Services
10.	Community	Furniture -	1 200 000.00		BBLM	Procurement of			Advert,	Evidence	Social and

Number	Programme	Project Description	Allocated Budget	Adjusted Budget	Source	2016/2017 Annual Targets	Actual Performance by 30 June 2017	Corrective Measures	Evidence Required	Unit	Department
	facilities	Multipurpose				furniture for the multipurpose			Appointment letters and the delivery notes	received sufficient	Community Services
INEP											
1.	Electricity	10MVA Substation	28 000.00	17 367 156.04	INEP	Delivery of HV equipment		Equipment manufactured and tested. Delivery is scheduled for August 2017.	Proof of payment to Estom. Approval of Designs, Tender Advert and appointment letter of supplier, delivery note.	Delivery note still outstanding	Technical Services
Rolled Over Projects due to the additional allocation: Municipal Infrastructure Grant (MIG)											
2.	Roads	Bela Bela: Road paving X's 2,4 & 6 (Multi-year)	9 255 520.00	9 255 520.00	MIG	50 % Project Progress (Appointment letters of the contractor and the consultant quarterly progress reports)	Approved Project Complete		Appointment letters of the contractor and the consultant quarterly progress reports	Evidence received sufficient	Technical Services
13.	Roads	Bela Bela: Paving Bus Route - Repotokwane	5 617 950.00	10 567 950.00	MIG	20% Project progress (Appointment letters of the contractor and the consultant quarterly progress reports)	Approved		MIG approval letter, tender advert for Contractor, appointment letter and quarterly progress report	Evidence received sufficient	Technical Services
14.	Water	Bela Bela: New 5 Ml Reservoir (Multi-year)	7 500 000.00	000.00	MIG	Submit Technical Report to	Approved		Technical report and proof of	Evidence received sufficient	Technical Services

Number	Programme	Project Description	Allocated Budget	Adjusted Budget	Source	2016/2017 Annual Budget	Actual Performance by 30 June 2017	Corrective Measures	Evidence Required	Final Status	Department
15.	Sports	Bela Bela: Upgrade of existing and addition of new sport facilities - stand 274	4 887 623.00		MIG	Department of Water affairs (DWS) for assessment 100% Construction of Bela Bela Upgrade of existing and addition of new sport facilities - stand 274	Approved Project Complete		Appointment letters of the Contractor, quarterly progress reports and completion certificates MIG approval letter, tender advert for Contractor, appointment letter and quarterly progress report	Evidence received sufficient	Technical Services
16.	Roads & Stormwater	Bela Bela: Stormwater Marikana street	3 354 420.00	8 276 000.00	MIG	20% Project progress of Bela Bela: Stormwater at Marikana street. (Appointment letters of the contractor and the consultant quarterly progress reports)	Approved Multi-year project 2017/18 construction complete			Evidence received sufficient	Technical Services
Municipal Water Infrastructure Grant (MWIG)											
17.	Water	Masakhane Water Supply upgrading	2 500 000.00		MWIG	100% Development of two boreholes and 700m of pumping main with associated valves	Approved Project Complete		Appointment letters of the service provider, quarterly progress reports and close-out report	Evidence received sufficient	Technical Services
18.	Water	Golf Baan Park and Renaissance Water Augmentation	2 250 000.00		MWIG	100% Development of two boreholes and hydraulic modelling.	Approved Project Complete		Appointment letters of the service provider, quarterly progress reports and	Evidence received sufficient	Technical Services

Number	Programme	Project Description	Allocated Budget	Adjusted Budget	Source	2016/2017 Annual Targets	Actual Performance by 30 June 2017	Corrective Measures	Evidence Required	Unit	Department
19.	Water	Bela-Bela WCDM Project	17 500 000.00		MWIG	100% Replacement of 7500m of AC pipes with associated valves and erf connections. Refurbishment dosing system at the WTW.	Achieved Project Complete		close-out report Appointment letters of the service provider, quarterly progress reports and close-out report	Evidence received sufficient	Technical Services
20.	Water	Bulk Water Augmentation for Bela-Bela Extension 6&7	2 050 000.00		MWIG	100% Development of boreholes in Extension 6&7 and refurbishment of pressed tank in Extension 8.	Achieved Project Complete		Appointment letters of the service provider, quarterly progress reports and close-out report	Evidence received sufficient	Technical Services
21.	Water	Rapotswane Boreholes	2 700 000.00		MWIG	100% Development of 3 boreholes, construction of 1000m pumping main with associated valves.	Achieved Project Complete		Appointment letters of the service provider, quarterly progress reports and close-out report	Evidence received sufficient	Technical Services
22.	Water	Piemaars Bulk Water Augmentation	2 800 000.00		MWIG	100% Development of 1 borehole, construction of 1000m pumping main with associated valves.	Achieved Project Complete		Appointment letters of the service provider, quarterly progress reports and close-out report	Evidence received sufficient	Technical Services
23.	Water	Completion of Vingerbaai Water Supply	200 000.00		MWIG	100% Construction of concrete borehole	Achieved Project Complete		Appointment letters of the service provider,	Evidence received sufficient	Technical Services

Number	Programme	Project Description	Allocated Budget	Adjusted Budget	Source	2016/17 Annual Outputs	Actual Performance by 30 June 2017	Corrective Measures	Evidence Required	Multi-Periods	Department
24.	IT Equipment	IT Disaster Management		300 000.00	EBLM	Procurement and installation of the IT Disaster Management equipment		The procurement and the installation of the IT Disaster Management equipment will be procured during the 2017/2018 FY	quarterly progress reports and close-out report Invoices and delivery notes	Target not met, still awaiting appointment of service provider	Corporate Services
25.	IT Equipment	Computer Equipment for the Multi-Purpose Centre		300 000.00	EBLM	Procurement of Computer Equipment for the Multi-Purpose Centre		The procurement of Computer Equipment for the Multi-Purpose Centre will be procured during the 2017/2018 FY	Invoices and delivery notes	Target not met, target deferred to 2017/18 FY	Corporate Services

9. REPORT ON THE PERFORMANCE OF EXTERNAL SERVICE PROVIDERS

This section serves to reflect and evaluate the performance of the external Service Provider's in respect of provisions of the contract and the product that the Service Provider delivered for all aspects of the project scope. The Evaluation criteria are based on a scale of 1-5 and each of aspects measured relate to the successful completion of the project. The evaluation score guide on the performance of the service providers is as follows:

4	Excellent	Completion of the project before the scheduled time and within budget
3	Good	Completion of project within time frame and budget
2	Average	Completion of project within time frame but outside the allocated budget or vice versa
1	Below Average	Failure to complete the project
	Unacceptable	Failure to commence with the project

9.1 LIST OF CAPITAL PROJECTS PER SERVICE PROVIDER

No	Service Provider	Project Name	Appointme nt Date	Contract Period	Budget Allocated	Budget Spent	Locality	Start Date	End Date	Progress by 30 June 2017	Corrective Action	Score (1-5)	Responsible Department
1	Ngwenyama Infrast/ Shile JV	Upgrading of SUNFA Stadium	12 September 2016	6 Months	6 717 430.29	6 707 805.60	Bela- Bela X5	19 September 2016	30 June 2017	90%	The project is still in progress and still within the timeframe. In order to ensure completion the Municipality is monitoring the progress through bi- weekly meetings	3	Technical Services
2	Matonza Bolelang JV	StormWater Marikana Street	10 February 2017	6 Months	7 469 747.54	4 227 657.26	Bela- Bela X6	13 March 2017	21 September 2017	30%	The project is still in progress and still within the timeframe. In order to ensure	3	Technical Services

No	Service Provider	Project Name	Appointme At Date	Contract Period	Budget Allocated	Budget Spent	Locality	Start Date	End Date	Progress by 30 June 2017	Conective Action	Score (1-5)	Responsible Department
3	Pheta Trading Enterprise/ Seebo JV	New Grand Stand: Bela-Bela High School	26 July 2016	5 Months	2 850 000.00	2 849 999.37	Bela-Bela Proper	04 August 2016	30 June 2017	100%	completion the Municipality is monitoring the progress through bi-weekly meetings	4	Technical Services
4	Edlin Civils & Logistics (Pty) Ltd	Stormwater Channels: Limpopo Street	26 July 2016	6 Months	2 600 000.00	2 591 095.46	Bela-Bela x6	05 August 2016	30 June 2017	100%		4	Technical Services
5	Nandzu Trade/ Hlulani Civils JV	Upgrade of SUNFA Stadium Phase 2	11 April 2017	8 Months	7 469 748	658 102.34	Bela-Bela X 6	09 May 2017	30 November 2017	10%		4	Technical Services
6	Matonza Construction & Projects	Upgrading of Streets: BB Ext 2-4-6-8	08 December 2016	9 Months	7 809 542.13	7 809 542.13	Bela-Bela X 2, 4, 6	23 January 2017	30 June 2017	100%		4	Technical Services
7	Edlin Civils & Logistics (Pty) Ltd	Paving of Streets: Bela-Bela Ext 8 & Cemetery Road	08 September 2016	6 Months	9 100 058.42	9 055 028.62	Bela-Bela X 8	29 September 2016	30 June 2017	100%		4	Technical Services
8	Edlin Civils & Logistics (Pty) Ltd	Paving of Streets: Bela-Bela Ext 2	26 July 2016	9 Months	3 772 88.20	3 772 388.20	Bela-Bela X 2	05 August 2016	01 February 2017	100%		4	Technical Services
9	West Bio-Water-Lab	Portable and Waste Water Sampling and Analysis	06 March 2017	3-Years	Operational Budget (Panel appointments)	0.00	Bela-Bela	06 March 2017	31 March 2020	Water and waste water samples and analysis for May and June 2017 done by			Technical Services

No	Service Provider	Project Name	Appointment Date	Contract Period	Budget Allocated	Budget Spent	Locality	Start Date	End Date	Progress by 30 June 2017	Corrective Action	Score (1-5)	Responsible Department
1	Matsapa-A-Botshelo Trading	Rehabilitation of Bela-Bela Community Hall	12 January 2017	6 Months	4 887 623.00	3 794 634.45	Bela-Bela Proper	20 January 2017	30 June 2017	Water-Lab 90%	Extension of time is granted	3	Technical Services
1	Superfecta Trading	Supply & Delivery of High Voltage Equipment	09 February 2017	8 Months	12 360 112.	3 362 171.14	Bela-Bela	13 March 2017	13 October 2017	Manufacturing and testing of the Transformer		3	Technical Services
1	Edlin Civils & Logistics (Pty) Ltd	Upgrade of Rapotokwa Bus Route	10 February 2017	8 Months	8 280 430.67	3 979 088.40	Rapotokwa	31 March 2017	12 December 2017	30%		4	Technical Services

9.2 LIST OF OPERATIONAL PROJECTS PER SERVICE PROVIDERS

No	Service Provider	Project Name	Appointment Date	Contract Period	Budget Allocated	Budget Spent	Locality	Start Date	End Date	Progress by June 2016	Reasons for any Variations	Corrective Actions	Score (1-5)	Responsible Department
1.	Cecilurus e	Furniture - Multipurpose	12 August 2016	Once-off procurement	1 200 000.00	931 854	Bela-Bela Ext 6	12 August 2016	12 November 2016	Completed	None	None		Social & Community Services

9.2016/2017 INSTITUTIONAL PERFORMANCE ANALYSIS

In the previous Financial Year the Municipality's performance was at 93.3% currently the municipality's performance is at 99.2% which culminates from the performance of the following departments: Office of the Municipal Manager which comprises of Communications, Internal Audit and Risk Management, Budget & Treasury, Corporate Services, Technical Services, Planning & Economic Development and the Community & Social Services. Detailed performance of the departments per Key Performance Areas is depicted on the table below.

Table 2

Department	TOTAL Number of KPI's	KPI's Achieved	KPI's Overachieved	KPI's not Achieved	KPI Withdrawn	Performance in Percentages
Office of the Municipal Manager	13	10	3	0	0	117.3%
Budget & Treasury	16	14	1	1	0	100.5%
Technical Services	14	9	4	1	0	105.9%
Planning & Economic Development	16	12	0	3	1	88.3%
Community & Social Services	10	9	0	1	0	90%
Corporate Services	15	8	1	5	1	93.5%
Total	84	62	9	11	2	595.5%
Averaged Total						99.2%

As depicted on the table above, all the six Departments performed above 75% of their pre-determined targets by the end of the 2016/2017 Financial Year.

This good performance can be attributed to the Management's continued Monitoring, Evaluation and directive after the Mid-Year Budget and Performance Assessment, that all the Departments should ensure drastic improvements towards attainment of their respective targets in the third and fourth quarters respectively so as to realize or even surpass the 99.2% average Annual Target for Institutional Performance.

10.1. Contributing factors to the underperformance by the municipality in some Key Performance Indicator (KPI's).

Whilst the Municipality evidently performed well, there were some indicators, although very few where the Municipality did not perform at all. Key amongst the contributing factors was that the Municipality also had financial constraints which led to the suspension of some projects which were meant to be implemented in the financial year under review. Those projects have since being planned for implementation in the subsequent Financial Year.

Chapter 4

In majority of the Indicators out of the 9 which were under performed, there was substantial work done even though not to the targeted levels. Hence they were recorded as underperformance, but the actual percentage in terms of work done contributed immensely to the institutional performance. Furthermore, the Municipality had a total of 25 projects with milestones due for implementation during the 2016/2017 Financial Year. Out of the 25 milestones the Municipality managed to fully achieve 24 milestones with only 4 milestones which were not fully met by 30 June 2017 hence the performance on projects translates to 84%.

11. CONCLUSION

Notwithstanding teething challenges experienced during the year under review, Bela-Bela Local Municipality strived to serve its constituent Community with distinction during the 2016/2017 financial year. This report clearly demonstrates the commitment of the municipality to ensure that the local community have access to their basic needs, as enshrined in the 1996 The Constitution of Republic of South.

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

Due to various challenges, only 9 of the planned targets could not be met. The Municipality has already put in place corrective actions in response to these unachieved targets for implementation in the 2017/2018 IDP. Budget and SDBIP respectively, and will duly report to Council through its Governance Structures on the progress made to address those targets. It should also be noted that the Municipality received additional MIG allocation of 15 000 000.00 million due to its excellent performance on the implementation of MIG projects.

I wish to extend my gratitude to the Municipal Council, Executive Committee, Portfolio Committees the Management Team as well as to all the employees of the Bela-Bela Local Municipality who diligently and competently assisted to ensure that our Municipality is well on its way to become "A Place of Excellence" in all its Service Delivery and Governance processes.

Our Governance approach is that of continuous learning from our experiences and those of other well performing Municipalities across the Country, as we embark on our journey of Good Corporate Governance, characterised by improved quality of livelihoods in all the neighbourhoods therein.

FR NTEKELLE

ACTING MUNICIPAL MANAGER

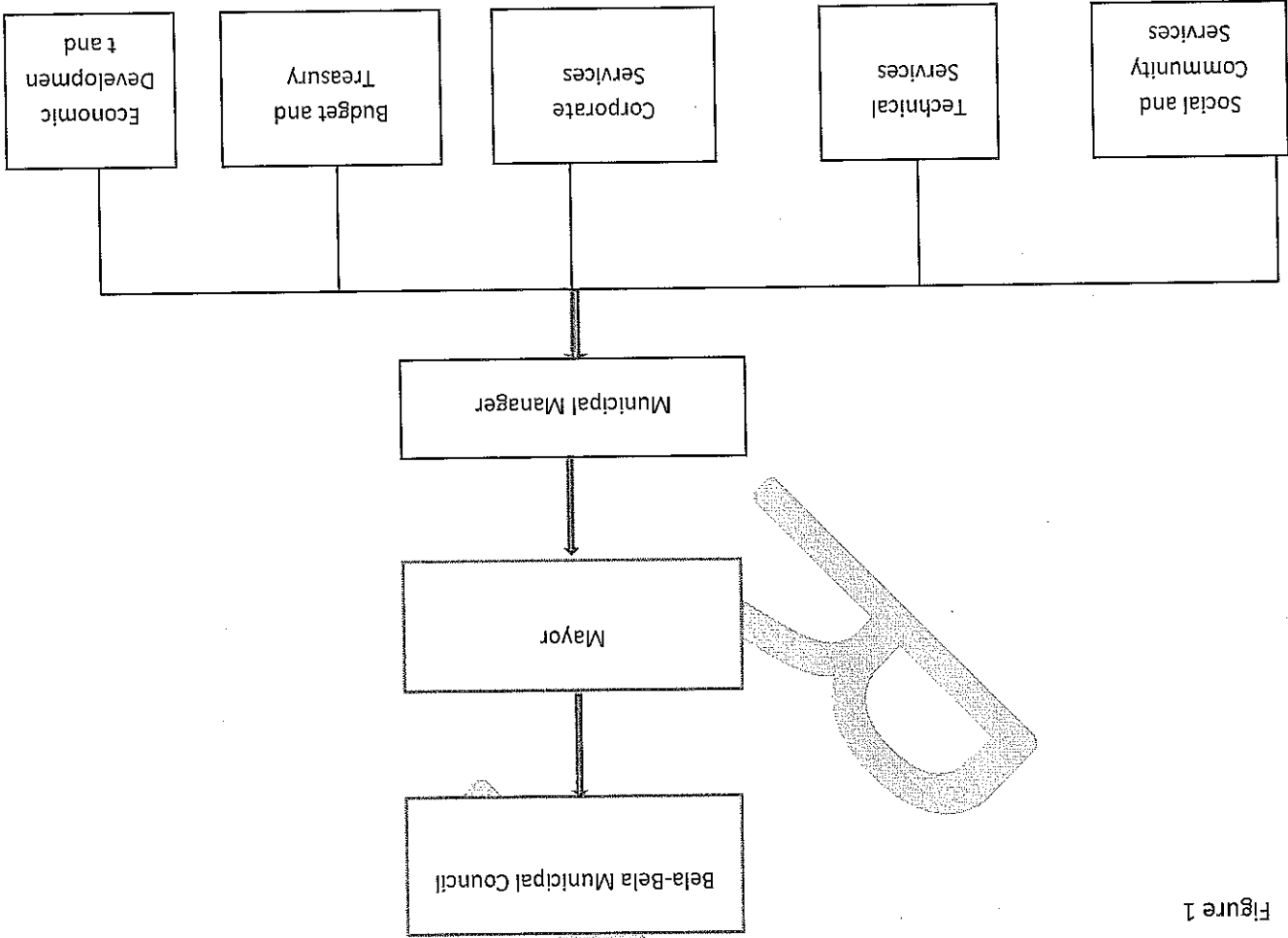
Chapter 4

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

4.1 INTRODUCTION

The municipality had a staff compliment of 394 as provided in the revised Organogram. The municipal organogram makes provision for a Municipal Manager, five Senior Managers (Head of Departments), and two additional Managers which is the Manager Legal Services and Chief Electrical Engineer which became vacant after the resignation of the former Chief Electrical Engineer during 2015/2016 Financial Year. Furthermore the organogram also make provision for 19 Middle Managers (Divisional Heads)

Figure 1



Chapter 4

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

4.2 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

The Municipality managed to appoint 1 permanent staff member during the 2016/17 financial year, although most posts were advertised they could not be filled due to financial constraints. The tables below provide details of employee totals, vacancy rate and the staff turnover.

Table 1 Employee Totals

Description	Employees			Employee No	Approved Post	Employees	Vacancies	Vacancies %
	Employee No	Approved Post	Employees					
Water	45	55	45	No	No	No	No	No
Waste Water (Sanitation)	21	34	21	No	No	No	No	No
Electricity	33	52	33	No	No	No	No	No
Waste Management	52	64	52	No	No	No	No	No
Housing	6	8	6	No	No	No	No	No
Roads	30	49	30	No	No	No	No	No
Planning	2	5	2	No	No	No	No	No
Local Economic Development	3	6	3	No	No	No	No	No
Planning (Strategic & Regulatory)	3	6	3	No	No	No	No	No
Community & Social Services	87	140	87	No	No	No	No	No
Corporate Policy Offices and Other	112	153	112	No	No	No	No	No
Totals	394	572	394	No	No	No	No	No

Headings follow the order of services as set out in chapter 3. Service totals should equate to those included in the Chapter 3 employee schedules. Employee and approved posts numbers are as at 30 June

Chapter 4

Table 2 Vacancy Rate 2016/2017 Financial Year

Designations	*Total Approved Post	*Variances (Total time that vacancies exist using full-time equivalents)	*Variances (as a proportion of total posts) - in each category - %
Municipal Manager	0		
CFO	1	250	100%
Others 57 Managers (Excluding Finance posts)	3	250	100%
Other S57 Managers (Finance Post)	0	0	0
Municipal Police	0	0	0
Fire Fighters	0	0	0
Senior Management : Levels 1-3 (excluding Finance Post)	16	15.63	16%
Senior Management : 1-3 (Finance posts)	5	50	50%
% Highly Skilled supervision : Levels 4-6 (Excluding Finance posts)	16	15.63	16%
Highly Skilled Supervision: Levels 4-6 (Finance post)	7	35.72	36%
Total			

Table 3 - 2016/2017 Staff Turn Over Rate

Turn-over Rate	
Details	Total appointments as of beginning of financial year
2016/2017	377
Turnover Rate*	Terminations during the Financial Year
	19
	05 %

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

Chapter 4

4.3 COMMENT ON VACANCIES AND TURNOVER:

During 2016/17 financial year the municipality had 19 termination of services. The Terminations were due to the following reasons: 4 retirement age, 1 transferred to the district, 2 death cases, 5 resignations, 1 dismissal, 2 contract expired.

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

4.4 INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

In order to manage the Municipal workforce the municipality ensured the development of various policies during the financial year under review. The policies are used as internal controls which provide guidance on how best can the Municipal workforce be managed. The Municipality will continue to ensure the development and review of policies. The table 4 below depicts the details of policies developed, reviewed and managing human capital within the Municipality.

Table 4 Municipal Policies

No	Policy Name	Status
1	Recruitment and Selection Policy	Approved
2	Staff Retention Policy	Approved
3	Overtime Policy	Approved
4	Training Policy	Approved
5	HIV AIDS Policy	Approved
6	Occupational Health and Safety Policy	Approved
7	Code of Conduct for Employees	Approved
8	Traveling Allowance Policy	Approved
9	Stand-by Allowance	Approved
10	Cell phone Allowance	Approved
11	Dress Code Policy	Approved
12	Funeral Assistance Policy	Approved
13	Employment Equity Policy	Approved
14	Disciplinary Code and Procedure Policy	Approved
15	Long service Recognition Policy	Approved
16	Scarce Skills Policy	Approved
17	Employee Assistance Programme Policy	Approved
18	Medical Surveillance	Approved
19	Information Communication Technology	Approved
20	Affirmative Action Policy	Approved
21	Attraction and Retention Policy	Approved
22	Essential Services Policy	Approved

Chapter 4

No	Policy Name	Status
23	Job Evaluation Policy	Approved
24	Leave Management Policy	Approved
25	Official Housing	Approved
26	Official Journeys	Approved

Table 5 Injuries, Sickness and Suspensions

Type of Injury	Injury leave taken	Employees using injury leave	Proportion employees using sick leave	Average injury leave per employee	Total Estimated Cost R'000
Required basic medical attention only	178	2	11.23%	89	
Fatal	178	2	11.23%	89	
Disablement					
Permanent Disablement					
Temporary Disablement					
Total	178	2	11.23%	89	

Table 6 -Sick Leave Excluding Injuries on Duty

Designations	Total Sick leave days	Proportion of sick leave without medical certificate %	Employees using sick leave	Total employees in post	Average sick leave per employee	Estimated cost R'000
Lower Skilled (Levels 15-13)	749	9	102	171	4.4	
Skilled (Levels 12-7)	408	4	87	110	3.7	
Highly Skilled Supervision (Levels 6-4)	306		54	65	4.7	
Senior Management (Levels 3-1)	48	1	11	29	1.6	
MM and SS7	8		2	2	0.25	
Total	1519	14	256	377	14.65	

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

Chapter 4

4.5 COMMENT ON INJURY AND SICK LEAVE

For the financial year under review 178 injury leave days were taken by 2 employees who were injured on duty. Awareness campaigns and employee wellness programmes have been initiated by the municipality to alert employees on how to avoid health hazards. The Municipality appointed its own occupational doctor from July 2015. When employees get injured they are taken to the doctor for assessment and the reports are kept in the files for future references. The total of 1519 sick leave was taken by 267 employees for the year under review.

Table 7

Number and Period of Suspensions		Details of Disciplinary Action taken and Status of Case		Position	
Date Finalised	Disciplinary Hearing	Nature of the Alleged Misconduct	Date of Suspension	Disciplinary Hearing	Position
Not yet finalised	Disciplinary Hearing commenced and we are currently awaiting a new date to be set for the matter to continue	Misconduct	30 January 2017	Disciplinary Hearing commenced and we are currently awaiting a new date to be set for the matter to continue	Council Support Officer
		Gross Insubordination			

Table 8

Disciplinary Action Taken on Cases of Financial Misconduct
NONE

Table 9

PERSONNEL MATTERS					
NO.	EMPLOYEE NAME	PERIOD OF SUSPENSION	SUMMARY OF CASE AND PROGRESS	INITIATOR	
1.	IMATU obo TI Motlane	January 2017 to date	The matter could not proceed on due to unavailability of transcripts. A new date will be arranged with all relevant parties once transcripts are available to all parties concerned by the Municipality	Mr. K Maposa	

Chapter 4

4.6 COMMENT ON SUSPENSIONS AND CASES OF FINANCIAL MISCONDUCT

The Municipality adheres strictly to the provisions of the Disciplinary Code Collective Agreement. There is one employee currently on suspension. The below table depicts the current status of all the pending personnel matters. The reported matters are being attended to and any delays are solely caused by unforeseen circumstances beyond the control of the Employer.

4.7 PERFORMANCE REWARDS

4.7.1 Comment on Performance Rewards

As already indicated in Component K under Organizational Score Card the municipality established a Performance Management Systems (PMS) as per the provisions of 38 and 41 of the Local Government Municipal Systems Act (MSA) No 32 of 2000. As guided by Section 41 (c) (i) (ii) whereby the municipality is required to monitor, measure and review performance at least once in a year. The municipality monitored its performance based on the developmental priorities and objectives as approved in the IDP, Budget and the Organizational Score Card. The monitoring of performance was also done through the compilation and submission of the quarterly reports to Council.

Furthermore, it should be noted that during the financial year under review the municipality had three fully appointed Senior Managers, the Municipal Manager, Manager for Planning & Economic Development and Technical Services. The positions of the Manager Community & Social Services, Chief Financial Officer and the Manager Corporate Services were vacant hence the appointment of acting managers. In order to comply with the provisions of Section 38 (a) (i) and 41 (c) (ii) of the MSA the Municipality made budget provisions for performance rewards for 2016/2017 Financial Year.

However it should be noted that the Municipality has not yet conducted the 2016/2017 Annual Performance Reviews for the Manager Technical Services, Manager for Planning & Economic Development and for the Municipal Manager. The performance reviews will be conducted during February 2018 during the mid-year assessments.

Chapter 4

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

4.8 INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

Section 68 (1) of the Municipal Systems Act No 32 of 2000, requires municipalities to develop their human resource capacity to a level that enables them to perform their functions and exercise their powers in an economical, effective, efficient and accountable way. In order for the Municipality to comply with the above mentioned act, the Municipality had developed the Work Skills Plan (WSP) which is submitted to the Local Government Sector Education Training Authority (LGSETA). The Municipality implements its WSP throughout the year to ensure workforce capacity development. Though the Municipality is required to train its employees and Councilors, the Municipality has also focused on initiating training of community members through different programs.

Chapter 4

4.5 SKILLS DEVELOPMENT AND TRAINING

Table 10

SKILLS MATRIX															
Management level	Gender	Employee in post as at 30 June 2017	Learnerships				Skills programmes & other short course				Other forms of training		Total		
			No.	Actual 30 June 2016	Actual 30 June 2017	Target	Actual 30 June 2016	Actual 30 June 2017	Target	Actual 30 June 2016	Actual 30 June 2017	Target	Actual 30 June 2016	Actual 30 June 2017	Target
MMM and SS7	Female	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Males	3	0	0	1	2	0	2	0	0	0	0	2	0	3
Councillor's,	Female	17	3	0	0	14	12	17	0	0	0	0	17	12	17

Chapter 4

SKILLS MATRIX																
Management level	Gender	Employee in post as at 30 June 2017	Learnships				Skills programmes & other short course				Other forms of training				Total	
			Actual 30 June 2016	Actual 30 June 2017	Target	Actual 30 June 2016	Actual 30 June 2017	Target	Actual 30 June 2016	Actual 30 June 2017	Target	Actual 30 June 2016	Actual 30 June 2017	Target		
			No.													
Senior officials and managers	Males		4	2	2	17	16	29	0	0	0	0	0	21	18	31
		Female	4	0	0	5	1	3	0	0	0	0	0	5	1	3
	Technicians and associate professionals	Males	10	0	0	5	0	6	0	0	0	0	0	5	0	6
		Female	4	0	0	5	1	3	0	0	0	0	0	5	1	3
	Professionals	Female	6	1	1	6	5	6	0	0	0	0	0	7	6	7
		Males	10	0	2	11	2	11	0	0	0	0	0	11	4	13

Chapter 4

SKILLS MATRIX

Number of skilled employees required and actual as at 30 June 2017

Management level	Gender	Employee in post as at 30 June 2017	Leaverships			Skills programmes & other short course			Other forms of training			Total		
			No.	Actual 30 June 2016	Actual 30 June 2017	Target	Actual 30 June 2016	Actual 30 June 2017	Target	Actual 30 June 2016	Actual 30 June 2017	Target	Actual 30 June 2016	Actual 30 June 2017
	Females	27	4	1	1	25	18	26	0	0	0	29	19	27
	Males	53	3	4	6	35	18	48	0	0	0	38	22	54
	Total	80	7	5	7	60	36	84	0	0	0	67	41	91

Chapter 4

4.10 DISCLOSURE OF FINANCIAL INTERESTS

During 2016/2017 Financial Year the Municipality complied with the requirements of Schedule (2) subsection (5) of the Municipal Systems Act no 32 of 2000. The table below depict the details of the disclosures.

Table 11

Disclosures of Financial Interests		
Period 1 July to 30 June of 2016/2017		
Position	Name	Description of interest
(Executive) Mayor	CIlr MJ Ngobeni	Nil
Member of MayCo / Exco	CIlr SE Maluleka	Nil
	CIlr JF Van Der Merwe	Interest in a trust
Councillor	CIlr MH Ledwaba	Directorship
	CIlr RZ Moeletsi	Nil
	CIlr FS Hlungwane	Funeral undertaker
	CIlr PM Aphane	Nil
	CIlr LR Modimola	Nil
	CIlr MA Shika	Nil
	CIlr YMS Maletse	Nil
	CIlr TR Masemola	Funeral undertaker
	CIlr KF Mothokwa	Nil
	CIlr S Seale	Nil
	CIlr Senosha	Nil
	CIlr MN Ras	Interest in a trust, Directorship
	CIlr AR Moswou	Nil
	CIlr MJ Makhubela	Directorship
Municipal Manager	MM Maluleka	Land and property, shares
Acting Chief Financial Officer	K Maposa	
Other S56 Officials	P Raputsoa	Nil
	FR Ntekele	Property
Other Managers below Section 56	MA Serote	Nil

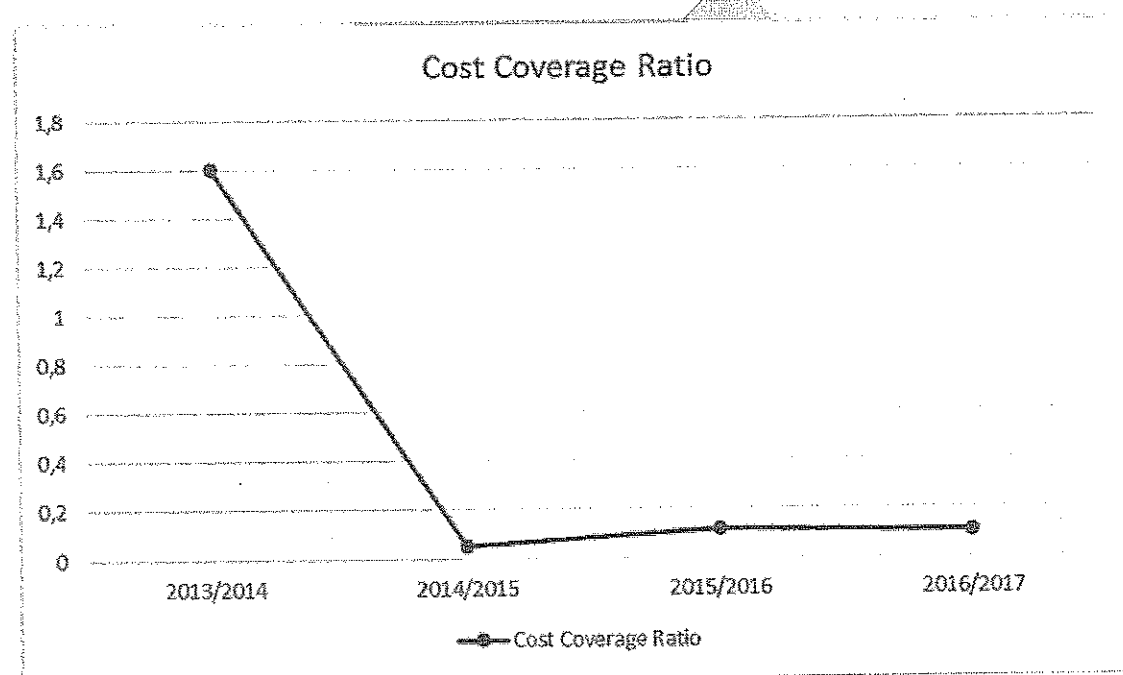
Chapter 5

CHAPTER 5 – FINANCIAL PERFORMANCE

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

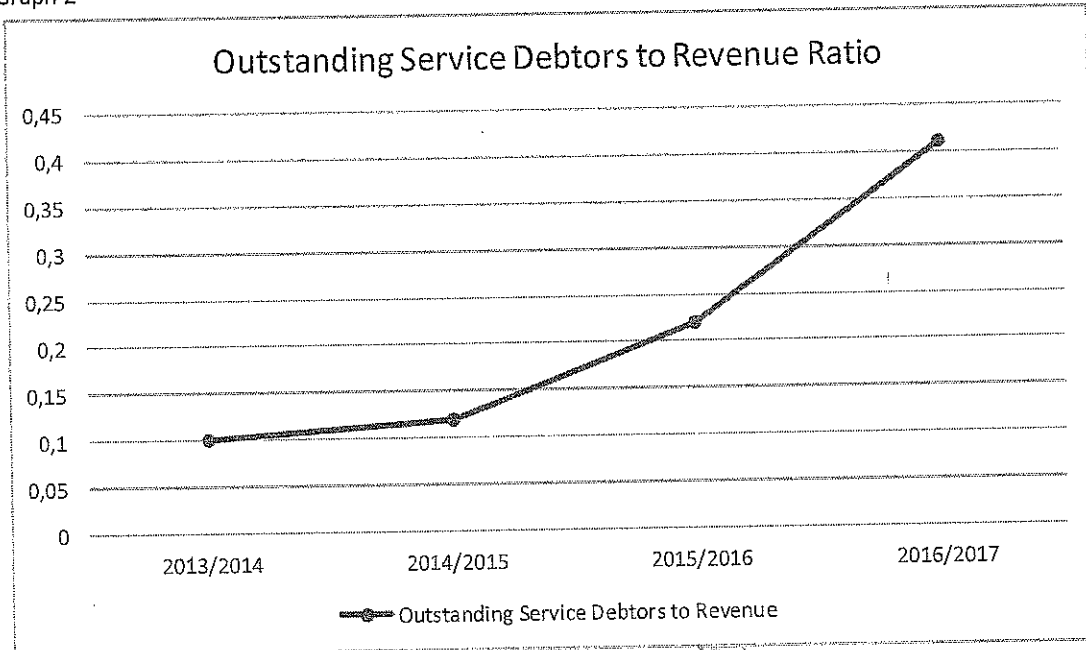
5. INTRODUCTION TO FINANCIAL STATEMENTS

Graph 1

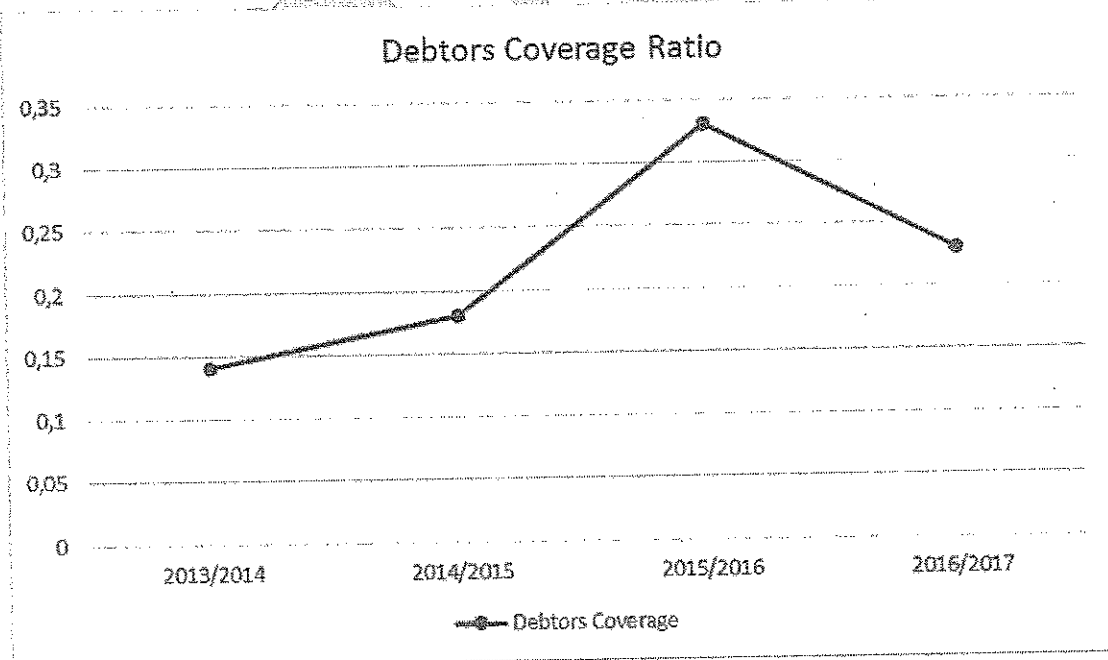


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Graph 2

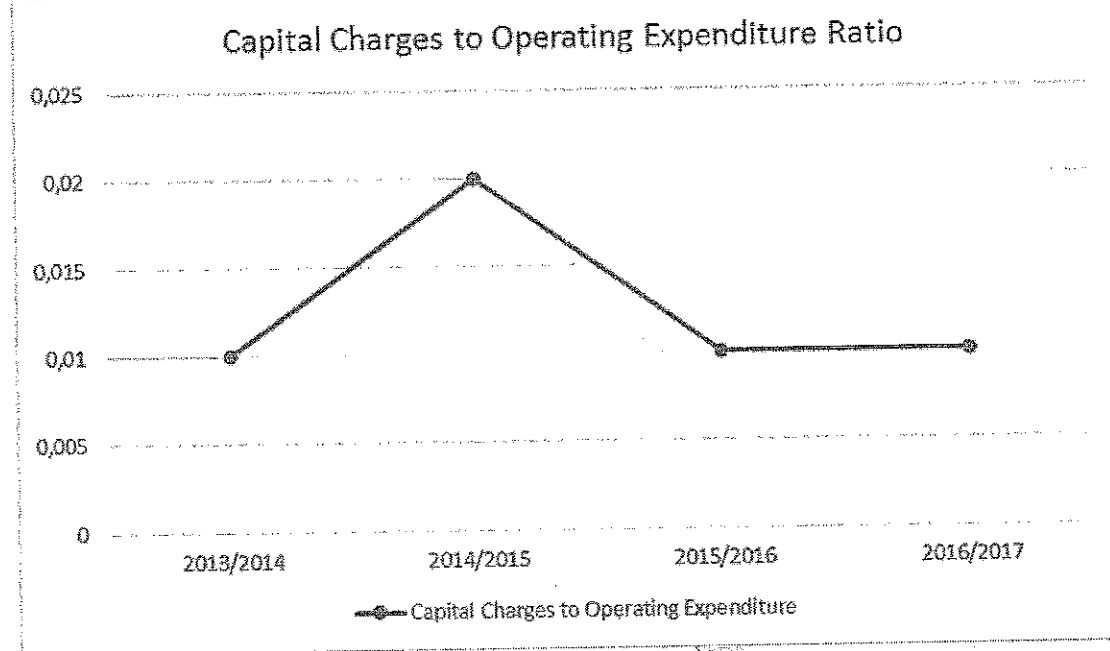


Graph 3

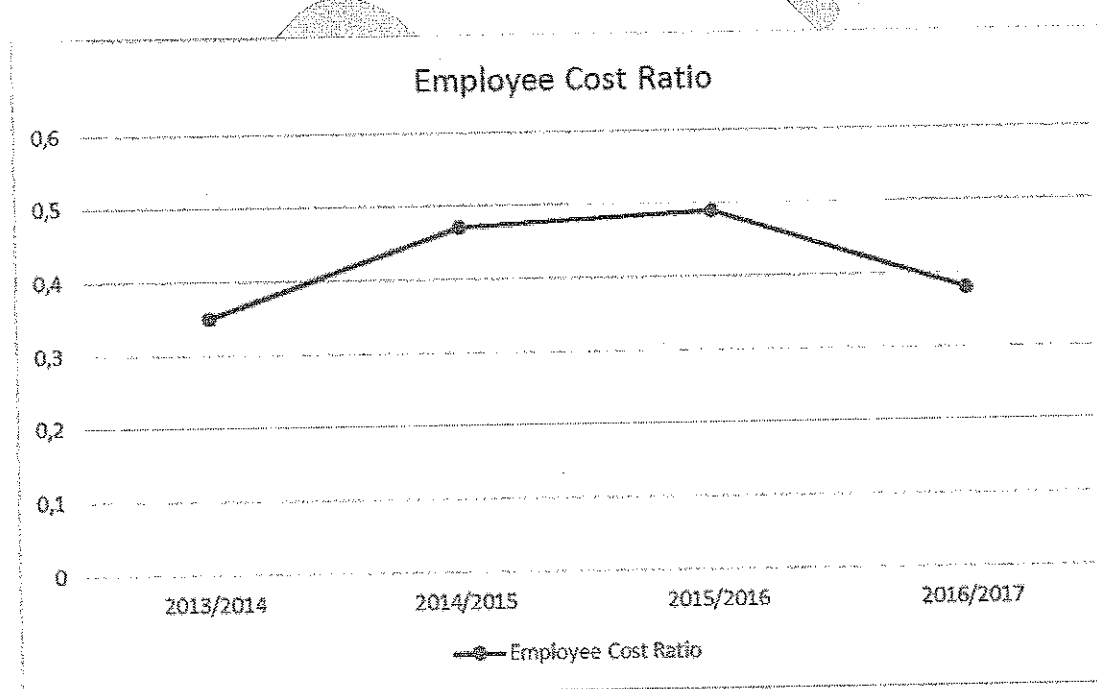


Chapter 5

Graph 4

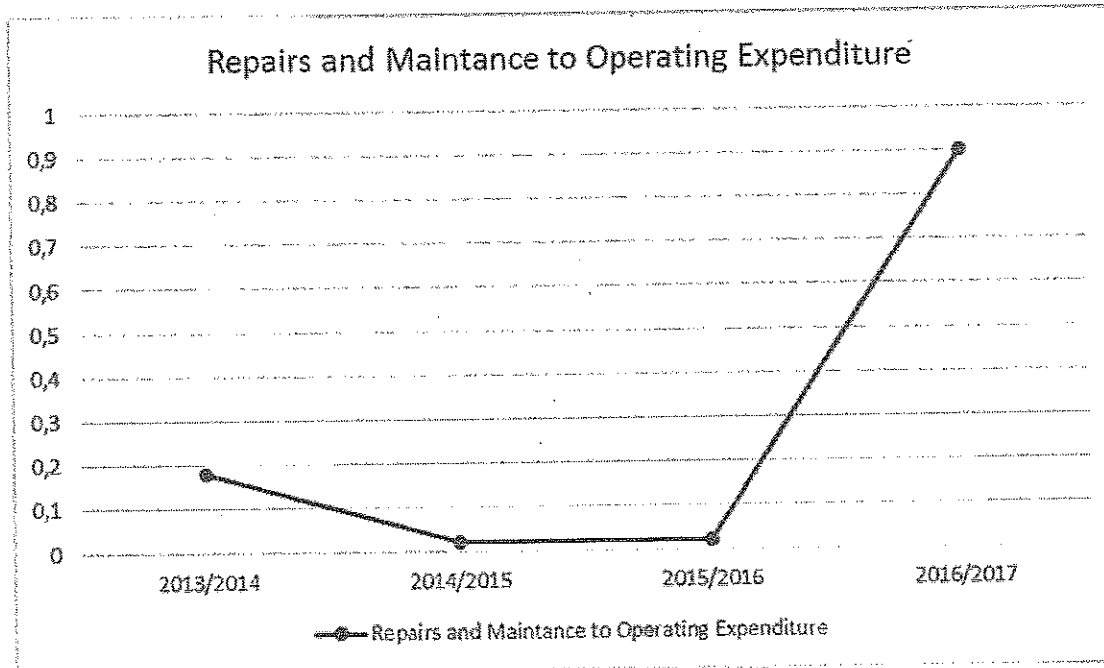


Graph 5



Chapter 5

Graph 6



Municipal Systems Act regulations and MFMA Circular 7 is to provide a set of uniform key financial ratios and norms suitable and applicable to municipalities and municipal entities. The municipality was able to stay within the norm with the Employee Cost and Repairs and Maintenance Ratios due implementation of stringent financial management. Due to implementation of cost reflective revenue tariffs, the municipality experience revenue collections challenges which had major impact on expenditure which had to be adjusted. The municipality has introduces mechanisms and strategies to ensure that all ratios are within the norms with the supervision of the Accounting Officer.

5.1 STATEMENTS OF FINANCIAL PERFORMANCE

Table 1

Chapter 5

Statement of Financial Performance									
Description	Ref	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19
R thousand	1								
Revenue By Source									
Property rates	2	46,337	94,548	79,648	79,648	41,818	80,199	84,829	91,775
Service charges - electricity revenue	2	103,327	106,469	106,469	106,469	68,550	124,567	131,667	139,040
Service charges - water revenue	2	22,625	35,584	35,584	35,584	15,982	26,979	28,811	30,768
Service charges - sanitation revenue	2	9,465	11,127	11,127	11,127	10,176	16,143	17,239	18,409
Service charges - refuse revenue	2	6,172	11,265	11,265	11,265	4,207	9,969	10,510	11,087
Service charges - other		447	8,200	8,200	8,200	166	1,123	1,188	1,255
Rental of facilities and equipment		1,107	1,550	1,550	1,550	696	1,813	1,984	2,172
Interest earned - external investments		940	300	1,300	1,300	1,428	1,510	3,011	1,265
Interest earned - outstanding debtors		5,295	3,500	7,000	7,000	5,075	9,850	9,358	8,890
Dividends received		-	-	-	-	-	-	-	-
Fines, penalties and forfeits		3,029	13,000	13,000	13,000	6,945	25,000	25,000	25,000
Licences and permits		3,201	15,000	15,000	15,000	7,933	16,500	17,441	18,417
Agency services		-	-	-	-	-	-	-	-
Transfers and subsidies		67,205	71,118	71,118	71,118	51,308	77,639	84,692	91,213
Other revenue	2	8,059	6,223	6,223	6,223	1,009	4,058	4,490	4,831
Gains on disposal of PPE		-	-	50	50	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		277,207	377,984	367,534	367,534	214,693	395,350	420,216	444,121
Expenditure By Type									
Employee related costs	2	103,669	104,758	117,549	117,549	73,594	119,752	126,937	134,554
Remuneration of councillors		6,326	6,708	6,708	6,708	4,051	6,947	7,364	7,806
Debt impairment	3	29,176	15,000	15,000	15,000	1,887	15,000	15,235	15,755
Depreciation & asset impairment	2	30,875	28,000	28,000	28,000	14,644	32,000	33,920	35,955
Finance charges		6,496	2,646	2,646	2,646	-	4,000	4,000	4,000
Bulk purchases	2	78,915	104,306	99,906	99,906	57,143	94,585	99,987	106,586
Other materials	8	12,129	29,812	15,862	15,862	4,002	30,603	26,766	28,759
Contracted services		10,181	21,222	8,833	8,833	9,141	26,188	27,721	29,350
Transfers and subsidies		-	-	-	-	-	-	-	-
Other expenditure	4, 5	73,978	63,152	71,999	71,999	34,078	64,468	68,236	72,199
Loss on disposal of PPE		102	(50)	50	50	-	100	102	106
Total Expenditure		351,877	376,153	366,552	366,552	198,540	393,653	410,268	434,071
Surplus/(Deficit)									
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		(74,670)	1,831	982	982	16,153	1,656	9,951	10,050
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	6	37,047	80,571	80,571	80,571	-	86,304	87,625	109,019
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		(37,623)	82,402	81,553	81,553	16,153	88,000	97,576	119,069
Taxation		-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		(37,623)	82,402	81,553	81,553	16,153	88,000	97,576	119,069
Attributable to minorities		-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		(37,623)	82,402	81,553	81,553	16,153	88,000	97,576	119,069
Share of surplus / (deficit) of associate	7	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year		(37,623)	82,402	81,553	81,553	16,153	88,000	97,576	119,069

Chapter 5

5.2 COMMENT ON FINANCIAL PERFORMANCE:

The municipality was able to increase its budget by 24% from the 2015/2016 (277 2017 million) financial year to 2016/2017 (367 534). The above was as a result of implementation the cost reflective revenue tariffs in order to recover costs to provide services to the community as opposed to previous financial year where services were operates at a loss which was resulted in deficits. A surplus of 81 553 million was attained in the 2016/2017. Cost containment measures as per Circular 82 implemented ensure that the limited resources and municipal funds are appropriately utilized to ensure value for money is achieved.

DRAFT

Chapter 5

5.3 GRANTS

Table 2

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Actual	Unspent
R thousand								
EXPENDITURE:	1							
Operating expenditure of Transfers and Grants								
National Government:		63,389	57,866	67,041	71,118	71,118	71,118	-
Local Government Equitable Share		59,949	54,332	63,428	68,411	68,411	68,411	-
Finance Management		1,550	1,600	1,600	1,625	1,625	1,625	-
EPWP Incentive		890	934	930	1,082	1,082	1,082	-
		1,000	1,000	1,083				
Other transfers/grants [insert description]								
Provincial Government:		-	-	-	-	-	-	-
Other transfers/grants [insert description]								
District Municipality:		-	-	-	-	-	-	-
[insert description]								
Other grant providers:		-	-	-	-	-	-	-
[insert description]								
Total operating expenditure of Transfers and Grants:		63,389	57,866	67,041	71,118	71,118	71,118	
Capital expenditure of Transfers and Grants								
National Government:		16,413	15,836	34,971	80,571	116,495	92,992	25,503
MIG		16,413	15,836	22,971	22,571	58,495	44,985	13,510
MWVG				2,000	30,000	30,000	30,000	-
INEP				10,000	28,000	28,000	18,007	11,993
Other capital transfers/grants [insert desc]								
Provincial Government:		-	-	-	-	-	-	-
Other capital transfers/grants [insert description]								
District Municipality:		-	-	-	-	-	-	-
[insert description]								
Other grant providers:		-	-	-	-	-	-	-
[insert description]								
Total capital expenditure of Transfers and Grants		16,413	15,836	34,971	80,571	116,495	92,992	25,503
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		79,802	73,702	102,012	151,689	187,613	164,110	25,503

Chapter 5

5.4 COMMENT ON OPERATING TRANSFERS AND GRANTS:

The municipality was one of the best performing municipality in the Limpopo province in terms of their MIG spending. The municipality was received and substantial increase of the conditional grants in 2016/2017 financial year with MIG at 95%, MWIG at 140% and INEP at 80%.

The unconditional grants were increased by 7% for Equitable share, 1% for Finance Management and 16% for EPWP.

5.5 COMMENT ON CONDITIONAL GRANTS AND GRANT RECEIVED FROM OTHER SOURCES:

Table 3

GRANT REGISTER 2016/17										
GRANT NAME	OPENING BALANCE	ALLOCATION AS PER DORA	ADDITIONAL ALLOCATION	TOTAL ALLOCATION FOR THE YEAR	ACTUAL AMOUNT RECEIVED	DIFFERENCE	EXPENDITURE - RECOGNISED AS REVENUE	CLOSING BALANCE	RECAL CLOSING BALANCE	
EQUITABLE SHARE	R -	R 68,411,000	R -	R 68,411,000	R 68,411,000	R -	R 68,411,000	R -	R -	
MIG	R 34,434,029	R 22,571,000	R 15,283,000	R 72,288,029	R 72,005,029	R 283,000	R 58,495,241	R 13,509,788	R 13,509,788	
MWIG	R -	R 30,000,000	R -	R 30,000,000	R 30,000,000	R -	R 30,000,000	R -	R -	
INEP	R -	R 28,000,000	R -	R 28,000,000	R 28,000,000	R -	R 17,367,156	R 10,632,844	R 10,632,844	
FMG	R -	R 1,625,000	R -	R 1,625,000	R 1,625,000	R -	R 1,625,000	R -	R -	
EPWP	R -	R 1,082,000	R -	R 1,082,000	R 1,082,000	R -	R 1,082,000	R -	R -	
TOTAL	R 34,434,029	R 151,689,000	R 15,283,000	R 201,406,029	R 201,123,029	R 283,000	R 176,980,397	R 24,142,632	R 24,142,632	

5.6 COMMENT ON CAPITAL EXPENDITURE

Capital expenditure relates mainly to construction and rehabilitation of municipal assets that will have value lasting over many years. Capital expenditure is funded from grants and own generated funds. Component C deals with capital spending indicating where the funding comes from and whether Municipalities are able to spend on its planned and approved capital project. Capital Expenditure constituted 31% of the total expenditure. We were unfortunately unspent an amount of 24 142 632 million.

Chapter 5

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

Table 4

Project Name	Directorate	Funding	2016/2017 Capital Budget	2016/2017 Adjustment Budget	June 2017 Expenditure	Expenditure as at 30 June 2017	(Unspent Budget)
Road Paving Phase X's 2,4,6,7	Technical Services	MIG	5 809 825	4 537 763		4 537 763	-
Bulk Sewer Infrastructure X9	Technical Services	MIG	812 130	1 062 130		1 061 247	883
Bela Bela High-Sports facilities	Social & Comm Services	MIG	2 850 000	2 850 000	47 510	2 331 739	518 261
Upgrade Sunfa Stadium	Social & Comm Services	MIG	1 992 250	1 803 967		1 803 965	2
Storm water - Limpopo street	Technical Services	MIG	2 660 000	2 600 000	306 320	2 378 794	221 206
Upgrade Streets: Spa Park	Technical Services	MIG	4 797 500	6 007 845	363 348	6 069 062	-61 217
Pave Access Road and Fence Bela Bela Cemetery	Technical Services	MIG	2 581 245	2 581 245		2 009 945	577 300
Water infrastructure	Technical Services	MWIG	30 000 000	30 000 000	4 050 003	30 000 000	-
Integration Electrification Programme	Technical Services	INEP	28 000 000	28 000 000	4 677 219	15 669 497	12 330 503
Fire Arms including Amunition & Holsters	Social & Comm Services	OWN	110 000	110 000		-	110 000
Furniture - Multipurpose	Social & Comm Services	OWN	1 200 000	1 200 000		953 799	246 201
Disaster Management - IT	Corporate Services	OWN		300 000		-	300 000
Multi Purpose - IT	Corporate Services	OWN		300 000		-	300 000
CBD Roads	Technical Services	OWN		5 000 000		-	5 000 000
Total			80 752 950	86 352 950	9 444 400	66 809 811	13 943 139
2015/16 ROLL OVER PROJECTS							
Project Name	Directorate	Funding	Roll-Over Budget 2015/16	June 2017 Expenditure		Expenditure as at 30 June 2017	(Unspent Budget)
Upgrade Streets: Spa Park	Technical Services	MIG	1 817 305			1 856 314	(39 009)
Road Paving Phase X's 2,7 & 8	Technical Services	MIG	2 283 291			2 242 199	41 092
Upgrade Sunfa Stadium	Technical Services	MIG	5 323 150	1 184 182		6 000 460	(677 310)
Road Paving Phase X's 2,4,6 & 8	Technical Services	MIG	14 017 500	3 228 217		11 351 105	2 666 395
Paving Bust Route: Rapotokwane	Technical Services	MIG	3 781 476	747 481		2 356 965	1 424 511
Bela Bela Stormwater: Marikana Street	Technical Services	MIG	3 500 000	158 091		1 364 940	2 135 060
Upgrade Sports Facilities: Stand 274	Social & Comm Services	MIG	3 677 278	1 787 649		1 787 649	1 889 629
Total			34 400 000	7 105 620		26 959 632	7 440 368

Chapter 5

COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

5.7 CASH FLOW

Table 5

Description	Ref	Current Year 2016/17				2017/18 Medium Term Revenue &			
		2015/16 Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates		50,626	89,915	74,915	74,915	74,915	76,189	80,588	87,186
Service charges		151,079	164,013	164,013	164,013	164,013	169,841	179,943	190,531
Other revenue		9,759	35,823	35,773	35,773	35,773	47,372	48,914	50,420
Government - operating	1	67,205	71,118	71,118	71,118	71,118	77,639	84,692	91,213
Government - capital	1	37,047	79,442	79,442	79,442	79,442	86,304	87,625	109,019
Interest		6,235	3,800	8,300	8,300	8,300	11,380	12,369	10,155
Dividends		-	-	-	-	-	-	-	-
Payments									
Suppliers and employees		(224,950)	(330,557)	(320,856)	(320,856)	(300,856)	(342,144)	(353,265)	(370,886)
Finance charges		(6,496)	(2,646)	(2,646)	(2,646)	(2,646)	(4,000)	(4,000)	(4,000)
Transfers and Grants	1	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		90,597	110,909	110,060	110,060	130,060	122,560	136,866	163,637
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE		-	50	150	100	100	100	107	113
Decrease (increase) in non-current debtors		-	-	-	-	(61,682)	-	-	-
Decrease (increase) other non-current receivables		878	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	10,000	10,000	-	-	-	-	-
Payments									
Capital assets		(61,956)	(80,752)	(86,353)	(86,353)	(86,353)	(84,989)	(86,244)	(107,568)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(61,080)	(70,702)	(76,203)	(86,253)	(147,935)	(84,889)	(86,137)	(107,455)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans		-	-	-	-	-	-	-	-
Borrowing long term/refinancing		22,043	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		(123)	2,000	2,000	5,342	5,350	(5,116)	3,844	2,017
Payments									
Repayment of borrowing		(3,279)	-	-	(28,533)	(28,533)	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		18,642	2,000	2,000	(23,191)	(23,183)	(5,116)	3,844	2,017
NET INCREASE/ (DECREASE) IN CASH HELD		48,069	42,207	35,857	616	(41,058)	32,555	54,574	58,199

Chapter 5

COMPONENT D: OTHER FINANCIAL MATTERS

5.8 SUPPLY CHAIN MANAGEMENT

Supply Chain Management have improved from the past years due to stringent mechanism in ensuring compliance with the Supply Chain and PPP regulations and Municipal Supply Chain Management Policy. The municipality had minimized non-compliance finding raised by the Auditor General. With introduction and implementation of Central Database System from National Treasury in 2017/2018 financial year and enhanced the financial system to allow implementation of the policy and amended regulations, the municipality would ensure adherence of the legislation.

5.9 GRAP COMPLIANCE

GRAP is the acronym for **Generally Recognized Accounting Practice** and it provides the rules by which municipalities are required to maintain their financial accounts. Successful GRAP compliance will ensure that municipal accounts are comparable and more informative for the municipality. It will also ensure that the municipality is more accountable to its citizens and other stakeholders. Information on GRAP compliance is needed to enable National Treasury to assess the pace of progress and consider the implications.

Chapter 6

CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS

COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS 2007/08

6.1 AUDITOR GENERAL REPORTS 2016/2017

The Municipality has compiled with the requirements of the Municipal Finance Management Act No 56 of 2003 by compiling the 2016/2017 Annual Financial Statements and submit to the Auditor General for auditing. The Municipality has received Qualified Audit Opinion. Details of the audit report is attached in chapter one.

COMMENTS ON MFMA SECTION 71 RESPONSIBILITIES: Section 71 of the MFMA requires municipalities to return a series of financial performance data to the National Treasury at specified intervals throughout the year. The Chief financial officer states that these data sets have been returned according to the reporting requirements/ with the exception of those items and for those reasons given at **Appendix S** (*delete '/...'* if not applicable).

Signed (Acting Chief financial Officer).....Dated.....

GLOSSARY

GLOSSARY

Table 1

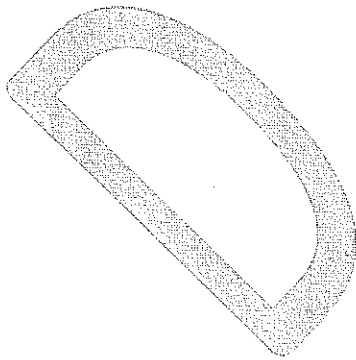
Accessibility indicators	Explore whether the intended beneficiaries are able to access services or outputs.
Accountability documents	Documents used by executive authorities to give "full and regular" reports on the matters under their control to Parliament and provincial legislatures as prescribed by the Constitution. This includes plans, budgets, in-year and Annual Reports.
Activities	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe "what we do".
Adequacy indicators	The quantity of input or output relative to the need or demand.
Annual Report	A report to be prepared and submitted annually based on the regulations set out in Section 121 of the Municipal Finance Management Act. Such a report must include annual financial statements as submitted to and approved by the Auditor-General.
Approved Budget	The annual financial statements of a municipality as audited by the Auditor General and approved by council or a provincial or national executive.
Baseline	Current level of performance that a municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period.
Basic municipal service	A municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided it may endanger the public health and safety or the environment.
Budget year	The financial year for which an annual budget is to be approved – means a year ending on 30 June.
Cost indicators	The overall cost or expenditure of producing a specified quantity of outputs.
Distribution indicators	The distribution of capacity to deliver services.
Financial Statements	Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed.

GLOSSARY

General Key performance indicators	After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally.
Impact	The results of achieving specific outcomes, such as reducing poverty and creating jobs.
Inputs	All the resources that contribute to the production and delivery of outputs. Inputs are "what we use to do the work". They include finances, personnel, equipment and buildings.
Integrated Development Plan (IDP)	Set out municipal goals and development plans.
National Key performance areas	<ul style="list-style-type: none"> • Service delivery & infrastructure • Economic development • Municipal transformation and institutional development • Financial viability and management • Good governance and community participation
Outcomes	The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve".
Outputs	The final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver". An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area.
Performance Indicator	Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered)
Performance Information	Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure.
Performance Standards:	The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe

GLOSSARY

	<p>how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor.</p>
Performance Targets:	<p>The level of performance that municipalities and its employees strive to achieve. Performance Targets relate to current baselines and express a specific level of performance that a municipality aims to achieve within a given time period.</p>
Service Delivery Budget Implementation Plan	<p>Detailed plan approved by the mayor for implementing the municipality's delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.</p>
Vote:	<p>One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area.</p> <p>Section 1 of the MFMA defines a "vote" as:</p> <p><i>a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and</i></p> <p><i>b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned</i></p>



APPENDICES

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APPENDICES

APPENDIX A : COUNCILLOR, COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE
=TABLE 2

NAME OF COUNCILLOR	FULL TIME/ PART TIME	PARTY REPRESENTED	NO OF COUNCIL MEETING SCHEDULED	NO OF COUNCIL MEETING ATTENDED	% OF ATTENDANCE	NO OF SUBCOMMITTEE MEETING SCHEDULED	NO OF SUBCOMMITTEE MEETING ATTENDED	% OF ATTENDANCE
Cllr MJ Ngobeni	Full time	ANC	9	9	100%	5	5	100%
Cllr SE Maluleka	Part time	ANC	9	7	80%	5	4	90%
Cllr JF Van Der Merwe	Part time	DA	9	6	70%	5	5	100%
Cllr MH Ledwaba	Full time	ANC	9	7	80%	5	4	90%
Cllr RZ Moeletsi	Full time	ANC	9	9	100%	8	5	70%
Cllr FS Hlungwane	Part time	ANC	9	9	100%	5	4	90%
Cllr PM Aphane	Part time	ANC	9	9	100%	5	5	100%
Cllr LR Modimola	Part time	ANC	9	9	100%	8	8	100%
Cllr MA Shika	Part time	ANC	9	7	80%	5	4	90%
Cllr YMS Maletse	Part time	ANC	9	9	100%	5	4	90%
Cllr TR Masemola	Part time	DA	9	8	90%	5	4	90%
Cllr KF Mothokwa	Part time	DA	9	8	90%	5	4	90%
Cllr S Seale	Part time	EFF	9	8	90%	5	4	90%
Cllr Senosha	Part time	DA	9	8	90%	8	6	80%
Cllr MN Ras	Part time	DA	9	7	80%	5	2	70%
Cllr AR Moswoeu	Part time	EFF	9	8	90%	5	3	80%
Cllr MJ Makhubela	Part time	BRA	9	9	100%	8	8	100%

APPENDICES

APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

Table 3

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
Social and Community Services Sub-committee	Section 79 Committee as outlined in the Municipal Structures Act no 117 of 1998
Planning/Infrastructure Sub-committee	Section 79 Committee as outlined in the Municipal Structures Act no 117 of 1998
Budget and Treasury/Governance Subcommittee	Section 79 Committee as outlined in the Municipal Structures Act no 117 of 1998
Municipal Public Account Committee (MPAC)	Oversight Committee
Integrated Development Planning (IDP) Steering Committee	Technical support through IDP Review process
IDP Rep Forum	Stakeholder participatory mechanism during the IDP Review process
Top Management	Strategic management decision making structure
Broader Management	Operational management decision making structure

APPENDICES

APPENDIX C – THIRD TIER ADMINISTRATIVE STRUCTURE

Table 4 Third tier administration structure

Third Tier Structure		
Initials & Surname	Title	Directorate/ Department
1. Ramolobeng MN	Human Resources Divisional Manager	Corporate Services
2. Nkuna D	Divisional Manager Information Technology	Corporate Services
3. Seleka GM	Divisional Manager: Council Support and Administration	Corporate Services
4. Mahlare K	Divisional Manager: Human Resources Development	Corporate Services
5. Serote A	Manager Legal Services	Corporate Services
6. Mashishi L	Divisional Manager: Integrated Development & Planning	Planning & Economic Development
7. Mogweemang L	Divisional Manager: Local Economic Development	Planning & Economic Development
8. Selapane J	Divisional Manager: Performance Management Systems	Planning & Economic Development

APPENDICES

Third Tier Structure		
Initials & Surname	Title	Directorate/ Department
9. Manzini M	Divisional Manager: Town Planning	Planning & Economic Development
10. Pilane T	Divisional Manager: Roads & Stormwater	Technical Services
11. Moloto MJ	Divisional Manager: Water & Sanitation	Technical Services
12. Mothapo TJ	Divisional Manager: Parks and Cemeteries	Community & Social Services
13. Monare I	Divisional Manager: Protection and Emergency Services	Community & Social Services
14. Mohlala AMS	Divisional Manager: Waste & Cleansing	Community & Social Services
15. Kabe KC	Divisional Manager: Internal Audit	Office of the Municipal Manager
16. Maposa K	Divisional Manager: Accounting Services	Budget & Treasury Office
17. Phasha LJ	Divisional Manager: Revenue	Budget & Treasury Office
18. Baartman V	Divisional Manager: Expenditure	Budget & Treasury Office
19. Matwalana LT	Divisional Manager: SCM	Budget & Treasury Office
20. Motshoane LJ	Divisional Manager: Assets	Budget & Treasury Office

APPENDICES

Third Tier Structure		
Initials & Surname	Title	Directorate/ Department
21. Hoffman C	Specialist Financial Statements	Budget & Treasury Office

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APPENDICES

APPENDIX D – FUNCTIONS OF MUNICIPALITY

Table 5 Functions of the Municipality

Municipal Functions	Function applicable to the Municipality (Yes/No)	
	Yes	No
Constitution Schedule 4, Part B functions		✓
Air pollution		✓
Building regulations		✓
Child care facilities	✓	
Electricity		✓
Gas reticulation		✓
Fire fighting services	✓	
Local tourism	✓	
Municipal airports / Airfield	✓	
Municipal planning		✓
Municipal health services		✓
Municipal public transport	✓	
Storm water management systems in built up areas	✓	
Trading regulations	✓	
Water and sanitation services limited to portable water supply systems	✓	
Domestic waste water and sewerage disposal systems		
Constitution Schedule 4, Part B functions	Yes	No
Beaches and amusement facilities		✓

APPENDICES

Municipal Functions	Function applicable to the Municipality (Yes/No)	
Billboards and the display of advertisements in public places	✓	
Cemeteries cleansing	✓	
Funeral parlours and crematoria cleansing		✓
Control of public nuisance	✓	
Control of undertaking that sells liquor	✓	
Facilities for care and burial of animals		✓
Fencing and fences		✓
Licensing of dogs		✓
Licensing and control of undertakings that sell food to the public		✓
Local sport facilities	✓	
Markets		✓
Municipal abattoirs		✓
Municipal parks and recreation	✓	
Municipal roads	✓	
Pounds		✓
Refuse removal	✓	
Refuse dumps	✓	
Solid waste disposal	✓	
Street trading	✓	
Street lighting	✓	
Traffic and parking	✓	

APPENDICES

APPENDIX E – WARD REPORTING

Table 6

Functionality of Ward Committees					
Ward Number	Name of Ward Councillor and elected Ward Committee members	Committee established (Yes/No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during the year
Ward 01	Cllr MN RAS D Hummond Rev TM Booysen EM Ramoroesi A Le Roux M Rainier DJ Thema JHT Mills JC Wagner RM Galane	Yes	01	01	03
Ward 02	Cllr SE Maluleka Dorah Bodiba Jane Masemola Kate Masoga Kate Ngako Tsholofelo Koadi Isaac Morele Eleck Hlongwane Lucia Mavhusha Emmanuel Moela Johnny Nobela	Yes	02	01	02
Ward 03	Cllr LR Modimola Johanna Raggabale Ivy Ramasela Mathe Hasane Mbiza Elizabeth Kgomo Betty None Shakia Aphiri Sharlot Monagregng Iris Moerane Nando Takalane Oria Mothobi	Yes	03	01	03

APPENDICES

Ward 04	<p>Cllr FS Hlungwane Peter Nkwe Cathrine Mashiane Charles Molebatsi Marikie Moloto Merriam Ntemeng Joseph Ndlovu Mandla Ndala Mbriki Mothoko Sheila Matlho Maria Ndlovu</p>	Yes	04	04	06
Ward 05	<p>Cllr MH Ledwaba Maria Dikoko Lerato Jeanever Molefe Thabo Mokwena Isaac Khabo Malekeshene Moeletsi Angelinah Lekalakala Grace Hakala Leah Maila Grace Molefe</p>	Yes	02	02	02
Ward 06	<p>Cllr MJ Ngobeni Johannes Manala Elias Modimola Maria Lekalakala Mmadira Mogashwa Angela Choene Maria Manamela Solomon Kgoedi Sibongile Nkomo Evah Matuleka</p>	Yes	04	04	04
Ward 07	<p>Cllr YSM Maletse Sonnyboy Maluleka Paulos Marima Lizzy Modiba Piet Laka Bertha Mokitane Alophina Mokhera Letta Theledi Sophy Mokonyane Jack Nawa Collen Mutini</p>	Yes	0	0	02
Ward 08	<p>Cllr MP Aphane Johanna Marema Portia Tlouyamma Dorah Mosela Soul Mahlangu Dorah Matlou Stephen Malepe Stella Ndlovu Amos Matlala</p>	Yes	02	02	04

APPENDICES

Ward 09	Clr K van der Merwe L Pahl M Phatlha S Alberts E Aschendorf P Aschendorf GP Baloyi L Gomez D Moima B Coetzer	Yes	02	02	04
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APPENDICES

APPENDIX F – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2016/2017

Table 7

Municipal Audit and Performance Committee Recommendations for 2016/2017

Date of Committee	Municipal Audit Committee Recommendations for the 2016/2017 Financial Year	Progress in the implementation of the recommendations
02 August 2016	The Audit Committee recommended that Municipality should ensure that money owed by councillors is deducted from their salaries.	Done.
	The Audit Committee recommended that report for fruitless and wasteful expenditure should be submitted to council for approval.	Done
	The Audit Committee recommended that the procurement plan should include everything to be procured in the financial year, even the monthly operating expenditure.	Done
	The Audit Committee tasked DM: Revenue and the technical team to do a detailed analysis on meter readings and give a report in the next AC meeting.	Done
	The Audit Committee recommended that the CFO should look on the SCM findings.	Done
	AC recommended that management should develop proper internal control on fuel management. Management should ensure that remaining vehicles are delivered. Management to ensure that all journals are passed and verified.	Done

APPENDICES

Date of Committee	Municipal Audit Committee Recommendations for the 2016/2017 Financial Year	Progress in the implementation of the recommendations
	The Audit Committee recommended that amounts claimed for litigations should be quantified.	Done
15 August 2016	The Audit Committee tasked Internal Audit to do a review of the advert submitted by the CFO to confirm if it is the same advert that was submitted to them for audit. If it is, then they should clear the finding.	Done
	Audit Committee proposed that Internal Audit, PMS and the Audit committee should sit and resolve issues raised in the 3 rd quarter performance audit report.	Done
	The Audit committee recommended that reasons should be provided for variances, and that the reasons provided must be valid in a sense that they can be supported and Internal Audit should verify the reasons for variances provided.	Done
	The Audit Committee recommended that Internal Audit should sit with the HOD's for Town Planning, Corporate Services and Technical Services and resolve the issues raised in the Annual Performance report by end of business on Tuesday the 16th of August 2016.	Done
	It was recommended that Ms Selepyane (DM PMS) must convince the committee that the updated version of the template for reporting is a formal one, by law.	Done
	It was recommended that everything done on the asset register must find an expression on the valuation roll.	Done

APPENDICES

Date of Committee	Municipal Audit Committee Recommendations for the 2016/2017 Financial Year	Progress in the implementation of the recommendations
	<p>It was recommended that Mr Hoffman resolves the issue before the submission of the financial statements.</p> <p>It was recommended that Internal Audit must audit the financial statements.</p>	Done
27 March 2017	Audit Committee recommended that the action date for disaster recovery plan in the IT audit report should be extended to a later date.	Done
	It was recommended that the radius of the Waterberg district is too small. The DM for IT should communicate with the district to place the servers at Mogalakwena.	In-progress
	Audit Committee further recommended that the disaster recovery plan and the surveillance system should be in the procurement plan and it should be presented in the next meeting.	Done
	It was recommended that Internal Audit provide the contract register and procurement plan in the next meeting.	Done
	It was recommended that Corporate Services should deploy people to clean the storage room. They should inform the house of the feedback in the meeting.	Done
	Audit Committee recommended that the municipality should review the cell phone policy, especially the lost and stolen cell phones.	Done
	Audit Committee recommended that the municipal councillors' accounts should be up to date.	Done
28 June 2016	Audit Committee recommended	In progress

APPENDICES

Date of Committee	Municipal Audit Committee Recommendations for the 2016/2017 Financial Year	Progress in the implementation of the recommendations
	that management should consider a scanning solutions for their records, to electronically document all records.	
	Audit Committee recommended that the broad departmental plan be submitted in the next AC meeting.	Done
	It was further recommended that management should review contracts 6 months before they expire, and enquire with user departments whether they still need services or not.	In progress
	AC recommended that management should look more into cash flow planning and management, as it has become a high risk for the municipality.	Done
	AC recommended that management needs to focus on good record-keeping. SCM is the core of service delivery and everything must be transparent and available whenever auditors need information.	Done
	AC recommended that a personnel should be allocated to deal with this matter to ensure that all properties in municipality's name be cleared.	Done
	AC recommended that we must get a fill of the percentages of the ratios between assurance services and consulting services.	
	It was further recommended that Internal Audit needs external assessments from Treasury to check if the unit is complying with legislations.	
	AC recommended that we must ensure that we stick to the annual meeting plan and to provide agendas electronically, as it saves money.	

APPENDICES

Date of Committee	Municipal Audit Committee Recommendations for the 2016/2017 Financial Year	Progress in the implementation of the recommendations
	AC recommended that there is limited capacity in the Internal Audit unit, whenever there is an opportunity, to increase the capacity in the unit.	
	AC recommended that all risks relating to fraud and corruption be identified and mitigated and Chief Risk Officer to provide the Fraud prevention Plan in the next Audit Committee meeting.	
	Audit Committee recommended that we keep to our timelines and make sure that the AFS be submitted on time.	
	AC recommended that we should make sure that we reduce payments of suppliers and contract register be managed effectively.	

VOLUME II

APPENDIX G – DISCLOSURES OF FINANCIAL INTERESTS

Table 8

Disclosures of Financial Interests		
Period 1 July to 30 June of 2016/2017		
Position	Name	Description of Interest
(Executive) Mayor	Clr MJ Ngobeni	Nil
Member of MayCo / Exco	Clr SE Maluleka	Nil
	Clr JF Van Der Merwe	Interest in a trust
Councillor	Clr MH Ledwaba	Directorship
	Clr RZ Moeletsi	Nil
	Clr FS Hlungwane	Funeral undertaker
	Clr PM Aphone	Nil
	Clr LR Modimola	Nil
	Clr MA Shika	Nil
	Clr YMS Maletse	Nil
	Clr TR Masemola	Funeral undertaker
	Clr KF Mthokwa	Nil
	Clr S Seale	Nil
	Clr Senosha	Nil
	Clr MN Ras	Interest in a trust, Directorship
	Clr AR Moswoeu	Nil
	Clr MJ Makhubela	Directorship
Municipal Manager	MM Maluleka	Land and property, shares
Acting Chief Financial Officer	K Maposa	
Other S56 Officials	P Raputsoa	Nil
	FR Ntekele	Property
Other Managers below Section 56	MA Serote	Nil

APPENDICES

VOLUME II: ANNUAL FINANCIAL STATEMENTS

2016/2017 AUDITED FINANCIAL STATEMENTS ARE ATTACHED AS ANNEXURE "A"

DATA