





# PHUMELELA

MASIPALA MUNICIPALITY MUNISIPALITEIT



		
	<p><b>DRAFT</b> <b>2016-2017</b> <b>ANNUAL</b> <b>REPORT</b></p>	
		

# **CHAPTER 1**

## **FOREWORD**

### **AND**

## **EXECUTIVE SUMMARY**

# Component A: Mayor's Foreword

## Introduction

### Public Consultation

Phumelela Municipality under my leadership continues to imbed the principles of participatory democracy with our community being the centre of our affairs. Our IDP and budget processes including our reporting processes will be incomplete without our ward committees for whom the Speaker takes political responsibility. The milestones we have set forms part of the strategic focus this institution undertook, that stretches beyond an annual or five year plan, but presents a forward outlook with a vision as equally presented in our National Development Plan.

Our participatory processes extend beyond our normal representative forums and structures as we continue to engage with all organised formations whom are dedicated to serve for a better life.

Against this background we remain committed to address the challenges we face especially in the areas of;

- Replacing ageing infrastructure
- Upgrade of electricity network and replacement of obsolete meters in collaboration with Eskom
- Long-term water development planning
- Limited resources to provide adequate infrastructure investment
- The vandalising of municipal/public resources
- Improving the basic conditions of all residents whom forms part Phumelela

### Future Actions

Our immediate future priorities to improve our services will be as follows:

- Reduce water losses
- Invest in our road infrastructure
- Provide continuous short-term employment opportunities
- Continue engaging other spheres of government for more adequate resource allocation
- Continuous sourcing of competent and resourced personnel, to improve administrative capacity
- Continue encouraging residents to pay for the services we provide
- Establish organised business chambers

### Conclusion

# Executive Summary

## 1.2 Municipal Manager's Overview

### Service Delivery performance

We are reasonably satisfied that we, as managers, have contributed positively towards Council's service delivery successes in 2016/17.

### MIG Projects 2016/17

Project	Actual Expenditure during 2016/17 Financial Year	% Complete (Construction)	Completion Date
Vrede:			
Warden:			
Memel:			

## MUNICIPAL RESPONSE TO OUTAGES

Water		ELECTRICITY		SEWERAGE Challenges/Spillages		OTHER Roads	
2015/16	2016/17	2015/16	2016/17	2015/16	2016/17	2015/16	2016/17
12%		5%		7%		46%	

## Financial Viability and Management

### Priority issues related to Financial Management

### Policies and related administrative matters

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**Municipal Manager**

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## 1.2.2 MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

### Municipal Functions

In accordance with Section 155/156 of the Constitution and Chapter 3 of the Municipal Systems Act, the broad functions and powers of the Municipality are reflected in Appendix D

Access to services such as potable water, basic sanitation, safe energy sources and refuse removal services ensures that households enjoy a decent standard of living. To satisfy these basic requirements, the municipality contributed as reflected below during 2016/17;

**Water:** Access to potable water in Phumelela was recorded at ....

**Sanitation:** An estimate of ...% of households in Phumelela has access to basic sanitation services

**Energy:** Phumelela provides an access level of ....% to electricity

**Refuse removal:** The household access level to refuse removal in Phumelela municipality was at ...%

**Housing:** ....% of households in Phumelela have access to formal housing

**Roads:** A number of road construction projects by way of paving were undertaken in Phumelela with a total of .... kilometers of road constructed / paved.

### Local Economic Development

Our municipality intended to undertake a formal local economic development program structured in accordance with a properly analyzed and mechanized Local Economic Development Strategy. Our hope to source support from FSCOGTA in this instance was not successful leaving us currently with little option but to source private support for the development of such a strategy.

This however did not hinder the municipality from undertaking a number of LED related projects that empowers individuals and groupings throughout the municipality with the support from various government departments and agencies. With the current institutional skills gap and general skills gap throughout the municipality area, numerous individuals were afforded opportunities to enhance their skills by way of training provided and or facilitated. The municipality continues to source from capacitated individuals and groups to address challenges related to;

The cleaning of side-walks in and around towns,

The repair of roads, by means of pot-hole filling,

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The paving of roads and

A number other labor intensive projects to assist the unemployed market and provide possible income for indigent households.

The municipality continues to suffer not being able to access crucial data and information pertaining the job markets, economic growth centers, growth forecasts, regional economic data that influences migration and settlement patterns.

A strong research drive is required to continuously assess local capacity, development and potential growth opportunities.

### **Phumelela, the continuous search for success**

The Phumelela municipal area stretches over 8 183 square kilometers in extend and includes the following towns –Vrede, Warden and Memel as well as part of the Riemland and Drakensberg TRCs. The municipality is home to an estimated 47,772 people approximately 7% of the Thabo Mofutsanyane District population to which it forms part. The current households registers at 12 888, consisting of both urban 75% and farming 25%.

The political and administrative centre of Phumelela Municipality is situated in the town of Vrede, though Council from time to time congregates in Warden and Memel as part of its outreach program.

Agriculture is the primary employing sector within the Phumelela area, followed retail trade, followed by catering and accommodation.

### **Economic Overview**

The highest contributing sectors to the Growth Domestic Product (GDP) are:

- Agriculture
- Retail trade, catering and accommodation (11.5%)
- Finance, insurance, real estate and business services
- Transport, storage
- Building and Construction

### **Labour Profile**

Statistics South Africa defines unemployment as those people aged between 15-65;

- who did not work during the 7 days prior to 10 October (when the census commenced);
- who want to work and are available to start work within a week of the interview; and
- who have taken active steps to look for work or to start some form of self-employment in the 7 days prior to commencement of the census.

Persons who have become discouraged from seeking work, or who no longer take active steps to find work, are not classified as unemployed. It is thus likely that unemployment figures, tabled below, are higher than that provided in these statistics. According to Statistics South Africa, the official unemployment figure for the Phumelela area is estimated at 3624.

It should be noted, however, that the “Other not economically active” participants amounts to an overwhelming 12 336 In terms of youth unemployment, 34.6% of persons aged between 15-34 years within the Phumelela area are unemployed

### Demographics within the Phumelela Municipality

The preferred languages for the people of the Phumelela area is IsiZulu 52.2%, Sesotho 32% and Afrikaans 7.4% whilst other national languages all register below 1.5%.

According to the 2011 Statistics SA census survey Phumelela demographics can be summarized as follows:

The total population size increased to 47 772 persons, to; reflecting 7% of the total population of the Thabo Mofutsanyane District municipal area.

### Population Growth

The population growth based on the 2016 Community survey indicates a positive growth in relation to the negative growth of -0.8%% recorded in 2011 census. Our current population was officially recorded at **50054** in October of 2016.

### Population Groups

### Sex by Ratio

There are more females than males across all wards except wards 5 and 7 where 49.7% and 49% is registered whereas ward 8 shows an equal total of males and females.

Table 8 Sex by Ratio of Phumelela

Province, District and Local Municipality	Gender		Total	Sex ratio (Males per 100 Females)
	Male	Female		
<b>Free State</b>	<b>1379965</b>	<b>1454749</b>	<b>2834714</b>	<b>95</b>
<b>DC19: Thabo Mofutsanyane</b>	<b>366168</b>	<b>413432</b>	<b>779600</b>	<b>89</b>
FS191: Setsoto	55537	62095	117632	89
FS192: Dihlabeng	67562	72482	140044	93
FS193: Nketoana	31142	33751	64893	92
FS194: Maluti a Phofung	161275	192177	353452	84
FS195: Phumelela	24709	25345	50054	97
FS196: Mantsopa	25943	27583	53525	94

Data source: Statistics South Africa, Community Survey 2016

## Functional Age Group

The majority of the population is made up of the functional age group in Phumelela.

Table 9 Distribution of the population by functional age group in Phumelela municipal area

Province, District and Local Municipality	0-14 Children	15-34 Youth	35-64 Adults	65+ Elderly	TOTAL	Dependency Ratio
<b>Free State</b>	<b>797265</b>	<b>1058948</b>	<b>732863</b>	<b>245638</b>	<b>2834714</b>	<b>58,2</b>
<b>Thabo Mofutsanyane</b>	<b>231918</b>	<b>310041</b>	<b>174745</b>	<b>62896</b>	<b>779600</b>	<b>60,8</b>
Setso	35790	45957	26010	9875	117632	63,5
Dihlabeng	38175	55288	35321	11259	140044	54,6
Nketoana	19557	25240	14488	5609	64893	63,3
Maluti a Phofung	107879	142635	74732	28206	353452	62,6
<b>Phumelela</b>	<b>14470</b>	<b>19619</b>	<b>11998</b>	<b>3968</b>	<b>50054</b>	<b>58,3</b>
Mantsopa	16048	21301	12198	3979	53525	59,8

Data source: Statistics South Africa, Community Survey 2016

## School attendance

Table: Indicates school attendance, non-attendance and unknown in Phumelela municipal area.

Geography	School Attendance		
	Yes	No	Do not know
<b>Free State</b>	<b>859361</b>	<b>1699444</b>	<b>2402</b>
<b>DC19: Thabo Mofutsanyane</b>	<b>268523</b>	<b>432677</b>	<b>765</b>
FS191: Setsoto	42478	62626	85
FS192: Dihlabeng	44039	82926	26
FS193: Nketoana	19784	39200	-
FS194: Maluti a Phofung	128792	188249	580
FS195: Phumelela	15083	30411	57
FS196: Mantsopa	18347	29264	18

Data source: Statistics South Africa, Community Survey 2016



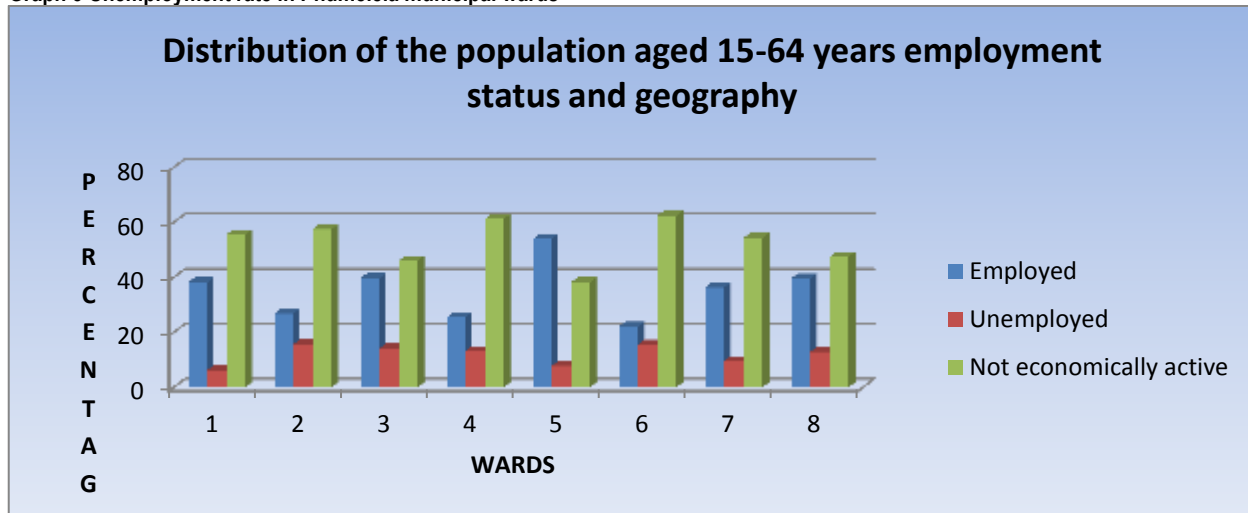
## Highest Level of Education Attained

Table: 2 Education Levels in Phumelela municipal area

Education Levels	Totals
No schooling	2320
Grade 0	1650
Grade 1/Sub A/Class 1	1465
Grade 2/Sub B/Class 2	1399
Grade 3/Standard 1/ABET 1	2468
Grade 4/Standard 2	2332
Grade 5/Standard 3/ABET 2	2166
Grade 6/Standard 4	2881
Grade 7/Standard 5/ABET 3	3508
Grade 8/Standard 6/Form 1	2911
Grade 9/Standard 7/Form 2/ABET 4/Occupational certificate NQF Level 1	4126
Grade 10/Standard 8/Form 3/Occupational certificate NQF Level 2	4183
Grade 11/Standard 9/Form 4/NCV Level 3/ Occupational certificate NQF Level 3	4691
Grade 12/Standard 10/Form 5/Matric/NCV Level 4/ Occupational certificate NQF Level 3	7474
NTC I/N1	-
NTCII/N2	-
NTCIII/N3	53
N4/NTC 4/Occupational certificate NQF Level 5	95
N5/NTC 5/Occupational certificate NQF Level 5	19
N6/NTC 6/Occupational certificate NQF Level 5	127
Certificate with less than Grade 12/Std 10	-
Diploma with less than Grade 12/Std 10	35
Higher/National/Advanced Certificate with Grade 12/Occupational certificate NQF	120
Diploma with Grade 12/Std 10/Occupational certificate NQF Level 6	320
Higher Diploma/Occupational certificate NQF Level 7	185
Post-Higher Diploma (Master's	159
Bachelor's degree/Occupational certificate NQF Level 7	285
Honours degree/Post-graduate diploma/Occupational certificate NQF Level 8	59
Master's/Professional Master's at NQF Level 9 degree	27
PHD (Doctoral degree/Professional doctoral degree at NQF Level 10)	10
Other	180

*Data source: Statistics South Africa, Community Survey 2016*

Graph 3 Unemployment rate in Phumelela municipal wards



Data source: Statistics South Africa, Census 2011

## Service Delivery Overview

### Basic Service Delivery Achievements

#### Source of water

96% of households within the Phumelela area have access to municipal or service provider water, with the rest of the households sourcing water from dams, rivers, tankers, etc. Interventions to aid water security include continuous upgrades and maintenance to water purification plants in Phumelela as well as other developments to supplement the water demand.

#### Main Source of Water

Source of Water	Thabo Mofutsanyane	Setsoto	Dihlabeng	Nketoana	Maluti a Phofung	Phumelela	Mantsopa
Piped (tap) water inside the dwelling	6 2937	5693	19757	3930	24704	4092	4761
Piped (tap) water inside yard	150376	27557	22094	14163	66994	8535	11034
Piped water on community stand	5287	263	2075	867	1606	465	11
Borehole in the yard	1959	823	302	122	370	76	267
Rain-water tank in yard	419	23	39	-	333	23	-
Neighbor's tap	4543	379	130	233	3462	331	28
Public/ Communal tap	4511	804	1304	271	1806	327	-
Water-Carrier / Tanker	9488	26	456	31	8569	313	92
Borehole outside the yard	3106	1443	383	66	415	124	674
Flowing water / stream/ river	888	35	43	-	657	107	46
Well	411	49	140	-	222	-	-
Spring	986	12	79	-	835	47	11
Other	1260	279	55	-	752	148	26
<b>Total</b>	<b>246171</b>	<b>37388</b>	<b>46857</b>	<b>19664</b>	<b>110725</b>	<b>14586</b>	<b>16951</b>

Data source: Statistics South Africa, Community Survey 2016

## Toilet Facilities

70.1% of households make use of a flush toilet that is connected to a sewerage system, while 0.14% makes use of bucket system.

Graph 5 Distribution of households by type of toilet facility in the Phumelela municipal area.

District and Local Municipality	Main type of toilet facility used										
	Flush toilet connect to public sewerage system	Flush toilet connect to septic tank or conservancy tank	Chemical toilet	Pit latrine/toilet - ventilation pipe	Pit latrine/toilet without ventilation pipe	Ecological toilet (e.g. urine diversion; envirolo; etc.)	Bucket toilet (collected by municipality)	Bucket toilet (emptied by household)	Other	None	Total
<b>Thabo Mofutsanyane</b>	<b>133785</b>	<b>7120</b>	<b>7092</b>	<b>26429</b>	<b>52141</b>	<b>885</b>	<b>8493</b>	<b>3352</b>	<b>3302</b>	<b>3572</b>	<b>246171</b>
Setsoto	23884	1881	51	562	1448	504	7097	718	684	560	37388
Dihlabeng	37778	1454	783	1190	3804	159	526	714	199	249	46857
Nketoana	15348	507	707	232	1920	30	180	264	121	354	19664
Maluti a Phofung	32893	2104	5473	23497	41646	192	26	1428	1600	1865	110725
<b>Phumelela</b>	<b>9412</b>	<b>813</b>	<b>39</b>	<b>520</b>	<b>3025</b>	<b>-</b>	<b>13</b>	<b>198</b>	<b>167</b>	<b>400</b>	<b>14586</b>
Mantsopa	14470	361	38	428	298	-	651	30	531	144	16951

Source: Statistics SA Community Survey 2016

## Energy

A total of 80% of households within the Phumelela municipal area have access to electricity for household purpose. 18% of households do not have access to electricity. The municipality has committed itself to energy efficiency within the municipal area, by focusing on the increase of capacity, upgrading of networks and replacement of outdated and faulty meters, to reduce electricity loss.

Table Distribution of households using electricity for lighting, cooking and heating in Phumelela municipal wards

Local municipality	Household access to electricity									
	In-house conventional meter	In-house prepaid meter	Connect to other source which household pays for (e.g. con	Connect to other source which household is not paying for	Generator	Solar home system	Battery	Other	No access to electricity	Total
Setsoto	2660	30401	1589	53	12	137	-	263	2272	37388
Dihlabeng	2913	37519	1714	210	38	45	-	120	4297	46857
Nketoana	1367	16285	204	66	-	130	-	21	1591	19664
Maluti a Phofung	13165	89948	1734	87	20	16	16	649	5088	110725
<b>Phumelela</b>	<b>1286</b>	<b>10263</b>	<b>74</b>	<b>13</b>	<b>54</b>	<b>46</b>	<b>22</b>	<b>151</b>	<b>2677</b>	<b>14586</b>
Mantsopa	1865	13238	838	162	-	59	-	47	742	16951

Source: Statistics Community Survey 2016

## Reduction in outages

Water		ELECTRICITY		SEWERAGE Challenges/Spillages		OTHER Roads	
2015/16	2016/17	2015/16	2016/17	2015/16	2016/17	2015/16	2016/17
12%	..%	5%	....%	7%	...%	46%	.....%

Data: Phumelela Technical Services department

## Basic Service Delivery Challenges

Electricity and water losses experienced by the municipality over the last years are contributed to a number of factors, most of these factors or reasons for losses can be alleviated some at greater cost than others, whilst generally more awareness and consciousness of the public may assist the institution to manage such losses.

An initiative in collaboration with Eskom will address some of the losses the municipality experience in terms of collections relating to electricity, of which include the replacement of old dilapidated and faulty electricity meters. This collaborative effort will also deal with issues pertaining to current Eskom debt which also hinders our ability to service the current account.

The serious shortage of staff, specifically in the Technical Services Department is not only a disadvantage but is a direct cause of our inability to respond positively to most basic services challenges. The lack of Master / Sector plans across the organisation hinders our ability to do forecast planning and effectively plan specific long-term plans with anticipated growth considerations taken into account.

## Basic Service Delivery Challenges at March 2016

Informal settlement area	Challenges	Interventions necessary/initiated
Vrede ( Thembalihle)	Unlicensed Landfill site	Registered landfill site
Warden ( Ezenzeleni)	Insufficient water supply	Construction of a Dam/Water Reservoir
Memel ( Zamani)	No water connection from HH to main storm water drainage	Connection from HH to main Storm water line – Bloem-water project

**FINANCIAL HEALTH OVERVIEW** - The municipality financial position is as reflected below

Financial Overview – Year 2016/17			
Details	Original Budget R'000	Adjustment Budget R'000	Actual R'000
Taxes, Levies and tariffs	42,364	48,489	42,726
Rental of facilities	4,593	4,480	392
Interest Income	12,172	12,301	9,493
Fines and Licences	103	75	104
Grants	62,840	61,088	112,107*
Other	3,612	3,327	2,441
Sub Total	125,686	129,759	167,263
Less Expenditure	125,635	129,698	165,810
Net Total	51	62	1,453
<b>Note surplus/deficit</b>	<b>Surplus</b>	<b>Surplus</b>	<b>Deficit</b>

Data supplied by Financial Services Department

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The following table some key financial management challenges experienced in 2016/17

Key Financial Challenges and Interventions	
Challenges	Interventions (Initiated)
Non- filling of critical positions	Revenue and SCM manager positions anticipated to be filled in 2017/18 financial year.
Low collection rate and high water and electricity distribution losses	Council approved 50% discount on settling of total debt and advertisement of debt collectors for the hand over on defaulters, electricity split meters to be installed in Warden and water meters to be installed in whole of Phumelela subject to approval by COGTA.
Unreliable financial system	New financial system procured

### Financial Health

Based on our operating ratios provided below the Municipality financial health is reflected as follows

Operating Ratios				
Details	%	Expected Norm	Variance from Norm	Comment
Employee Cost	36.9%	The norm for this ratio is between 25% and 37%	Zero	The actual employee cost expenditure is within the Norm.
Repairs & Maintenance	2.6%	3% of the total budget Expenditure	0.4%	The actual expenditure for repairs and maintenance is below the norm and raises concerns regarding the continuity of services. This is mainly due to there being no maintenance schedules, Assets are maintained on an ad-hoc basis.
Finance Charges & Impairment	7.6%			

Data Supplied by Financial Services Department 2016

### Capital Expenditure

Total Capital Expenditure				
Details	2014/15 R'000	2015/16 R'000	2016/17 R'000	Comments on variations between Actual and Adjustment Budgets
Original Budget	70 746	48 292	47 530	None
Adjustment Budget	70 746	33 720	47 530	None
Actual	25 865	26 373		

Data Supplied by Financial Services Department 2016

## Risk Assessment

The organisational risks for 2016/17 were assessed and a Risk Register was developed. The Municipality's five top risks and mitigation measures follow below:

### Five Top Risks and Mitigating Measures

Ranking	Description	Mitigation Strategies
1	Financial Viability	Strict enforcement of credit control policy, Effect cost containment measures
2	Inadequate standards of service delivery	Data cleansing, Immediate disconnections once illegal connection is discovered, Identification of arears without water, electricity and ensuring access to such services, Municipality to develop master plan for its ageing infrastructure.
3	Dissatisfaction of the community	Timely provision of municipal services to Phumelela residents.
4	Under collection of revenue	Data cleansing, Acquisition of a new system, Negotiate with approve outlets for payments of municipal accounts, Installation of speed points at municipal pay points.
5	Reliance on grants for sustainability	Management to engage other stakeholders to look into means of sourcing additional; income to enhance/ sustain service delivery

## ORGANISATIONAL DEVELOPMENT OVERVIEW

The municipality has an approved organisational structure. The organisational structure of the municipality provides for four (4) section 56 positions and one (1) section 57 positions which have two vacancies.

The overall vacancy rate of the municipality for 2016/17 was 22.7%

Senior management is capacitated and complies with the minimum requirements in terms of the National Qualifications Framework.

As required by the Skills Development Act, Act 1998 and the Sector Education Training Authorities Grant Regulations, 2012, the Municipality submitted its Workplace Skills Plan for staff training and development on 30 April 2016. The municipality has a functional Training Committee.

## AUDITOR GENERAL REPORT

The Auditor-General awarded the municipality and unqualified audit for the 2015/16 a second consecutive financial year. This audit opinion sets the institution for improved financial performance, a positive result and development for the institution..

All notes of the 2015/2016 audit opinion have been addressed to the satisfaction of the Auditor General.

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## STATUTORY ANNUAL REPORT PROCESS

**Table: Annual Report Process**

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 confirms 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 the 4th quarter Report for previous financial year	
4	Submit draft year 1 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
7	Mayor tables unaudited Annual Report	
8	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General	
9	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	
10	Auditor General audits Annual Report including consolidated Annual Financial Statements and Performance data	SEPTEMBER - OCTOBER
11	Municipalities receive and start to address the Auditor General comments	NOVEMBER
12	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor General Report	
13	Audited Annual Report is made public and representation is invited	
14	Oversight Committee assesses Annual Report	
15	Council adopts Oversight Report	DECEMBER
16	Oversight report is made public	
17	Oversight report is submitted to relevant provincial councils	
18	Commencement of draft Budget/IDP finalisation for next financial year. Annual Report and Oversight Reports to be used as input	JANUARY

It is important to achieve the above deadlines, not only to achieve legislative compliance but to ensure the smooth running of municipal planning, budgeting, service delivery implementation and reporting cycles which all feed and depend on one another. The Municipal Annual Report also informs the planning process of other spheres of government, thus influencing our equitable share of future government grants.

The table below shows to what extent the municipality complied with legislative requirements and timeframes in terms of the 2016/17 Annual Report Process.

**Table : Legislative Compliance of the 2016/17 Annual Report Process**

Activity	Applicable Legislation	Comment
Annual Report tables to Council within 7 months after end of financial year	MFMA Section 121 (1)	
Annual Report made public for public comment	MFMA Section 127 (5)	
Annual Report placed on website within 5 days after tabling in Council	MFMA Section 75	
Annual Report submitted to National Treasury	MFMA Section 127(5)	



# CHAPTER 2

## GOVERNANCE

# Governance

## INTRODUCTION TO GOVERNANCE

Phumelela Local Municipality was established in terms of Section 12 Notice of the Municipal Structures Act of 1998. In terms of Section 12 Notice, the Municipality is a Category B Municipality which operates within the Executive System combined with the Participatory Ward Governance in Phumelela Local Municipality is composed of both the Political and Administrative Governance. Governance is the process of decision-making and the process by which decisions are implemented. Governance in the Municipality takes into account legal and constitutional accountability and responsibilities. The Political wing of the Municipality exercises their executive and legislative powers and function to govern the affairs of the municipality. The Administration wing is responsible for Corporate Governance as prescribed by various legislative frameworks,

## COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

### INTRODUCTION TO POLITICAL AND ADMINISTRATIVE GOVERNANCE

*The Constitution section 151 (3) states that the council of a municipality has the right to govern on its own initiative, the local government affairs of the local community.*

Phumelela local Municipality has two management teams: a Political and an Administrative team. Together they exist to provide a wide-range of services to residents and businesses. Municipal councils exercise both legislative and executive functions. This is intended to facilitate hands-on governance and synergy between elected representatives, the executive and the administration. The proximity is meant to facilitate a more vibrant and responsive municipality that would ultimately result in efficient service delivery. The political team made up of councillors and directed by the Mayor and EXCO Members, make strategic and policy decisions for the residents and businesses. The Administrative Team, supervised by the Municipal Manager and the Departmental Directors are to ensure that the decisions are put into effect.

## POLITICAL GOVERNANCE

### INTRODUCTION TO POLITICAL GOVERNANCE

*MFMA section 52 (a): The Mayor must provide general political guidance over the fiscal and financial affairs of the municipality*

In terms of Chapter 7, section 151(2) of the Constitution of the Republic of South Africa, the legislative and executive functions of a municipality are vested within its Municipal Council. The Political leadership of the Municipality exercise their executive and legislative powers and functions to govern the affairs of the Municipality. The legislative function of the Council is vested within the full Council with the Speaker as its Chairperson. The passing of policies and By-laws remain the responsibility of Council.

**The Mayor:** Cllr Tlokotsi John Motaung has overarching strategic and political responsibility for Phumelela local Municipality and also represents the Municipality at ceremonial functions. He receives reports from the Municipal Manager and presents these along with recommendations to Council.

**The Speaker:** Cllr Topsy Zwane is the Chairperson of the Council. The Speaker presides over Council meetings ensuring that meetings are held regularly, maintaining order during Council meetings and that the rules and regulations of the meeting are adhered to.

The Section 79 committees are District shared Services namely: Municipal Public Accounts Committee and Audit Committee.

**The Audit Committee** is an independent shared committee constituted to review the control, governance and risk management within the Municipality. It is established in terms of section 166 of the Municipal Finance Management Act (MFMA). The Committee constitutes of members, who meet quarterly as per the schedule of meetings and provide recommendations on financial and nonfinancial processes of the Municipality.

**Municipal Public Accounts Committee (MPAC)** exercises oversight over the executive functionaries of Council and ensures good governance in the Municipality. Its functions include the analysis of the Annual Report, and submission of the Oversight Report on the Annual report to Council with recommendations. Once the Oversight Report has been considered and approved by Council it is published in accordance with the MFMA requirements and guidance.

## THE MAYOR AND SPEAKER OF PHUMELELA MUNICIPAL COUNCIL 2016



**Cllr TLOKOTSI.JOHN. MOTAUNG**

### **MAYOR**

#### **Functions**

To preside during the Executive meetings  
performs the duties, including any ceremonial functions, and exercises the powers delegated to the Mayor by the Council or Executive Committee




**COUNCILLOR T.R. ZWANE**

### **SPEAKER**

#### **Functions:**

To preside during the Council meeting  
performs the duties and exercises the powers delegated to the Speaker in terms of Section 59 of the Local Government: Municipal System Act, No 32 of 2000  
To ensure that Council meets quarterly  
To maintain order during the Council meetings  
ensure compliance in the Council and Council committees with the Code of Conduct set out in Schedule 1  
To ensure that Council meetings are conducted in accordance with Rules and Orders of the Council

<p><b>COUNCILLOR S.E Tshabalala</b></p>	<ol style="list-style-type: none"> <li>1. Cllr T.J. Motaung (Please see photo above)</li> <li>2. Cllr S. E. Tshabalala</li> <li>3. Cllr D.A. Wessels</li> <li>4. Cllr K. A. Sibeko (replaced by Cllr S.E Tshabalala after 2016 LG elections)</li> </ol> <p>To identify the needs of the Municipality</p> <p>To review and evaluate those needs</p> <p>recommend to the Municipal Council strategies, programmes and services to address priority needs through the INTERGRATED Development plan, and the estimates of revenue and expenditure, taking into account any applicable National and Provincial development plan</p> <p>recommend or determine the best way, including partnership and other approaches, to deliver those strategies, programmes and services to the maximum benefit of community</p> <p>To evaluate progress against the key performance indicators</p>
 <p><b>COUNCILLOR D A WESSELS</b></p>	<p>To review the performance of the Municipality in order to improve</p> <ol style="list-style-type: none"> <li>1.economy, efficiency and effectiveness of the Municipality</li> <li>2. the efficiency of credit control and revenue and debt collections services</li> <li>3. implementation of municipal by-laws</li> </ol> <p>Monitor the management of the municipality's administration in accordance with policy directions of the municipal council</p> <p>oversee the provision of services to communities in the municipality in sustainable manner</p> <p>Perform such duties and exercise such powers as the council may delegate to it in terms of section 32 annually report on the involvement of communities and community organisations in the affairs of the municipality ensure that regard is given to public views and report on the effect of consultation on the decisions of the council</p>

**PHUMELELA MUNICIPAL COUNCIL, EXECUTIVE COMMITTEE - 2016**

## 2.2 ADMINISTRATIVE GOVERNANCE

### INTRODUCTION TO ADMINISTRATIVE GOVERNANCE

*Note: MFMA section 60 (b): The Municipal Manager of a municipality is the accounting officer of the municipality for the purposes of this Act and must provide guidance on compliance with this Act to political structures; political office bearers, and officials of the municipality and any entity under the sole or shared control of the municipality*

The **Municipal Manager** as head of the administration is responsible and accountable for tasks and **functions** as provided for in, but not limited to the Local Government: **Municipal** Systems Act, No. 32 of 2000, Chapter 8 of the Local Government: **Municipal** Finance Management Act, No. 56 of 2003. The municipal manager is appointed by council. The Municipal Manager is the link between the council and the administration, of which he/she leads. The accounting officer is responsible for the municipality's income and expenditure, assets and other obligations such as proper adherence to all legislation applicable to municipalities. Subject to the municipal council's policy directions he ensures that an economically viable, effective, efficient and accountable administration is established and developed, that the IDP comes to fruition, that municipal services are delivered in a sustainable and balanced fashion, that a personnel corps is appointed, managed, developed and disciplined and that sound labour relations are maintained. The Municipal Manager has to personally provide reasons to council for the way in which the financial affairs of the departments of council had been conducted, and this will be conducted with the assistance of the Finance Department.

The IDP and PMS Manager is a key Department within the Municipal Managers' office. It is responsible for the Integrated Development Plan (IDP) and Performance Management.


Internal Audit and Risk Manager are also located in the Municipal Manager's office and ensures compliance with municipal legislation. It also monitors that all departments adhere to the IDP, the municipal strategy, policies and Risk Management in the sector.

Phumelela Local Municipality has three (4) Municipal Departments that report to the Municipal Manager. These Departments are directed by Directors who ensure that services are delivered to the people of Phumelela. However note be taken that the Position of Director Technical remains vacant.

The Municipal Manager and his team of Directors and Managers convene weekly meetings to discuss key strategic service deliverables, progress and guidance on achieving IDP goals, staff matters as well as the monitoring of the Municipal Budget and Projects

The Municipal Manager and Directors, together with key managers, meet formally on a weekly basis to discuss key strategic issues which are then formulated into action plans for execution by mandated managers. The senior management team on scheduled basis engages with ExCom to accelerate issues of importance which requires a political mandate or support.

The Macro structure of the municipality is currently as reflected below;

MACRO STRUCTURE OF PHUMELELA MUNICIPALITY 2016	
<div style="text-align: center;">  <p><b>MS N.F MALATJIE (Acting Municipal Manager from 28 February 2017), subsequently appointed</b></p> <p><b>MR. B.W. Kannemeyer (resigned February 2017)</b></p> </div>	<p><b>MUNICIPAL MANAGER</b></p> <p><b>Function</b></p> <ul style="list-style-type: none"> <li>• Provide strategic Direction to all 3 Directors</li> <li>• IDP</li> <li>• SDBIP</li> <li>• Performance Management</li> <li>• Local Economic</li> <li>• Tourism</li> <li>• Sector Plans</li> <li>• Audit Management</li> <li>• Risk Management</li> <li>• B2B</li> </ul>



**MR. S.A. NYAPHOLI**  
(Section 56)

**CHIEF FINANCIAL OFFICER**

**Functions**

- Revenue management,
- Expenditure management,
- Asset management,
- SCM management,
- Budget and Reporting



**MRS. N.F. MALATJIE**  
(Section 56)

**DIRECTOR: CORPORATE SERVICES**

**Functions**

- Human Resource Management
- Legal Services
- Admin and Records Management
- Town Planning, Land Use, Property Management
- Information and Communication Technology
- Customer relations
- Community Services
- Traffic management & Fleet Management
- Disaster management & Firefighting Services
- Sports, Arts and Culture
- Human Settlements





**MR. J.L.H. MTHEMBU**  
**(Section 56)**

**DIRECTOR: TECHNICAL SERVICES (ACTING)**

**Functions**

- Roads and Storm Water Management
- Water and Sanitation
- Refuse Removal
- Waste Management
- Electricity Management

The total number of positions on the staff establishment is for the reporting period positions the status is as follows:

<b>Positions</b>	<b>Number</b>
Number of positions in the staff establishment	286
Total Number of new positions filled	16
Total number of critical vacant positions	9
Total number of vacant positions during the period	64
Section 54A position is filled and 2x 56 Manager posts have been filled for the period under review and performance agreement and employment contract signed. The performance agreement is signed on an annual basis.	3
Vacant Section 56 Position	2

## The Municipality has Temporary appointment created

- 245 short term created through EPWP
- 18 Work integrated learning ( in –service training) – Financial Management, office admin, civil engineering, Electrical engineering

## Meeting the requirements for Political and Administrative Governance

This section reports on how the municipality met requirements of participation, rule of law, transparency, responsiveness, consensus, equity/inclusiveness, effectiveness/efficiency, accountability and sustainability with regard to handling its governance mechanisms/structures.

### Sustainability

*Sustainability is the capacity to endure. How systems remain diverse and productive over time. It is the potential for long-term improvements, which in turn also depends on the responsible use of natural resources*

### Productivity

The municipality's political and administrative governance structures remained productive throughout the 2016/2017 financial year and complied well with legislative requirements. The following meetings were held:

**Table 10: Council and ExCom Meetings held and attended in 2016/2017**

Meetings	2014/15	% Attendance	2015/16	% Attendance	2016/17	% Attendance
Executive Committee Meetings	4	100%	4	100%	4	100%
Special Executive Committee Meetings	1	100%	1	100%	2	100%
Council Meetings	4	97%	4	97%	8	97%
Special Council Meetings	4	95%	4	95%	5	97%

**Table 11 Ward Committee Meetings held in 2015/2016**

Ward Committee	Chairperson	Number of Meetings
Ward 1,	Cllr T.M Tshabalala	3
Ward 2,	Cllr V.P Mahlaba	3
Ward 3,	Cllr M.S Ntsele	3
Ward 4,	Cllr K.A Sibeko	3
Ward 5,	Cllr O.A. Mokoena	3
Ward 6,	Cllr M.M Mashinini	3
Ward 7,	Cllr T.R. Zwane	3
Ward 8	Cllr B.V Khumalo	3

**Table 12: Audit Committee Meetings and Attendance**

<b>Audit Committee Member</b>	<b>Number of Meetings 2015/16</b>	<b>Committee Members Attending</b>	<b>Audit Committee Member 2015/2016</b>	<b>Date of appointment</b>	<b>Audit Committee Meetings Held 2016/17</b>
Mr. G.A Ntsala	3	All	Mr. G A Ntsala (Till Dec 2016) Mr S Morare (From March 2017)	1 April 2017 – 31 March 2020	4
Ms. D Lebeko		All	Ms. D Lebeko: (Till Dec 2016) Mr M.R Reid (from March 2017)	1 April 2017 – 31 March 2020	
Mr K.M Mojatau		All	Mr. K. M Mojatau	1 April 2017 – 31 March 2020	
Mr. T.E Femele		All	Mr. T.E Femel	1 April 2017 – 31 March 2020	

### **MPAC Committee**

The MPAC District shared service has taken over the functions of the Oversight Committee.

The Oversight Committee met on the following dates:

9 June 2017

### **Accountability, Transparency and Rule of Law**

*Accountability is a key requirement of good governance. Accountability cannot be enforced without transparency and the rule of law. Transparency means that stakeholders are provided with information on decisions taken that directly affect them. Rule of law means that legal frameworks are enforced impartially.*

The municipality's political and administrative governance structures are held accountable through various measures all of which are adhered to by the Phumelela Municipality.

**Table 13 : Governance Structures and Accountability Measures**

Governance Structure	Measure of Accountability
Council	To approve the budget and encourage culture of community participation to community. Ensure that administration provide support to Council and also to approve policies and by-laws
Executive Committee (EXCO)	To present strategic plan to council and make recommendations to council
Ward Committees	To assist the Ward Councillors with community needs and make recommendations to Council. They also serve as link to Council and residents
Portfolio Committees	Discuss matters affecting portfolio and submit reports to EXCO
MPAC Committee	The Oversight Committee serves as an oversight committee - to determine the institutional functionality of the Municipal Council in terms of effectiveness. An Oversight Report is tabled to Council
The municipality reports its annual performance and financial statements to the Auditor General	The Auditor General delivers an AG Report and expresses an audit opinion
The municipality reports its financial status and performance to its communities annually	The approved Annual Report is made available to the public
Municipal structures, employees, operations, procedures and processes are ruled by legislation	Policies, Bylaws, Legislation, Regulations and Codes are available
Worker Representative Unions represent employees on organisational structures and observe the legality of labour practices procedures and processes	Unions serve as link between administration and labour. They assist labours in term of unfair labour practice by employer
Internal Auditing ensures the management of risk exposure and monitors adherence to legislation	The unit identifies municipal risk and generates a Municipal Risk Register Internal Auditing reports are generated and tabled to Council
The Audit Committee is responsible for the oversight of internal controls, financial reporting and Compliance with regulatory matters.	Audit Committee approves the Internal Audit Plan and reports to Council
Community participation in the development of Policies and Strategies	Participative processes are scheduled
IDP and Budgeting Participation	Participative processes are ensured with a Council approved Process Plan
Performance Management Committee	An evaluation panel, established in terms of Section 6.6 of the Performance Agreement, evaluates the performance of employees. Performance Agreements are signed on acceptance.
Organisational and Service Delivery Performance reporting to Council	Quarterly Performance Reports on the SDBIP are tabled to Council

Municipal Website promotes transparency	The Municipal website is updated as and when required. All current event news articles, as well as required legislative documents (including budgets, tenders and vacancies) are updated on the website. Around ..... unique visitors browsed the municipal website on a monthly basis during the 2016/2017.
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## **Effectiveness and Efficiency**

*Good governance means that processes and institutions produce results that meet the needs of society, while making the best use of resources at their disposal. In this instance, those governance structures and processes that ensure that the community needs are met, with the best use of resources*

**Table 14: Governance Structures and Measures of Effectiveness and Efficiency**

<b>Governance Structure</b>	<b>Measure of Effectiveness and Efficiency</b>
Portfolio Committees monitors municipal service delivery and budget implementation	Quarterly Reporting to Council on the SDBIP
Executive Committee ensures the mid-term assessment of performance, spending and budget	Mid-Term Assessment Report tabled to Council Adjustment Budget Tabled to Council if needed Adjusted SDBIP tabled to Council if needed
Audit Committee ensures oversight of internal auditing and risk management processes	Internal Audit Plan Internal Audit Reports tabled to Council Risk Register Number of fraud cases reported and losses recovered
Performance Management Committee	Performance The performance Management System is designed to reward superior performance. This linking increases overall organisational motivation and efficiency by focusing the executive management on the successful implementation of the IDP and Budget.)

## **Equity and Inclusiveness**

*Society's wellbeing depends on ensuring that all its members feel that they have a stake in it and do not feel excluded from the mainstream of society. This requires all groups to have opportunities to improve or maintain their well-being.*

The political and administrative governance structures of Phumelela Municipality reflect equitable representation of the area's population structure. Different Political Parties are well-represented in Council.

## **Consensus orientated**

*Good governance requires mediation of the different interests in society. To be consensus orientated means striving towards reaching a broad consensus on what is in the best interest of the whole community and how this can be achieved.*

Consensus on what is in the best interest of the whole community and how it can be achieved is a process that unfolds through the municipality's scheduled, consultative IDP, Budgeting and Ward Based Planning processes.

## **Responsiveness**

*Responsiveness means that institutions and processes try to serve all stakeholders within a responsible timeframe.*

The governance structures of Phumelela Municipality mainly adheres to set Council schedules, process plans approved by Council and reporting cycles determined by Provincial and National Government spheres. This is monitored through administrative compliance monitoring and oversight by the Audit Committee.

## **Participation**

*Participation can be direct and/or through legitimate intermediate institution or representatives.*

Community participation in the governance structures of the Phumelela Municipality is mainly achieved through the Ward Committees System and consultative meetings with the community and sectors in the scheduled IDP/Budget process. Community Participation in the development of Policies and Strategies has otherwise been achieved through scheduled consultation sessions and/or workshops and/or through website uploads for community review and comments.

**Table 15: Website Uploads For Community Review and Comments 2015/16**

<b>Municipal Website: Content and Currency of Material</b>		
<b>Documents published on the Municipality's Website</b>	<b>Yes/No</b>	<b>Publishing Date</b>
Current annual and adjustment budgets and all budget related documents	Yes	XXXXXX
All current budget related policies		
The previous annual report	Yes	XXXXXX
The annual report (2016) published / to be published	Yes	August 2017
All current performance agreements required in terms of section 57 (1)(b) of the MSA (2017) and resulting scorecards	Yes	
All service delivery agreements	n/a	
All long-term borrowing contracts	Yes	xxxxxxxxxx
All supply chain management contracts above a prescribed value	Yes	xxxxxxxxxx
Information statement containing a list of assets over a prescribed value that have been disposed of ito section 14(2)	No	xxxxxxxxxx

Contracts agreed in 2016 to which subsection (1) of section 33 apply, subject to subsection (3)	No	
Public private partnerships agreements referred to in section 120 made in 2017	No	
All quarterly reports tabled in the council in terms of section 52 (d) during 2017	Yes	XXXXX
<b>COMMENT MUNICIPAL WEBSITE CONTENT AND ACCESS:</b>		
The Municipality acknowledges that not all documents as prescribed by Section 75 of the MFMA were placed on the website. From hence forth the said section and the MFMA calendar will be used as a guide and checklist to ensure that the Municipality complies		

## B. INTER-GOVERNMENTAL RELATIONS

The Municipal Systems Act, Section 3 requires that municipalities exercise their executive and legislative authority within the constitutional system of co-operative governance envisaged in the Constitution Section 41.

Phumelela municipality strives to uphold its legislative authority and co-operative governance as required by the Constitution and other relevant legislation. In doing so, the Municipality maintains good co-operative and inter-governmental relations with the District municipality, neighboring municipalities, Provincial and National Government and other government agencies. Maintaining good relations with other spheres of government makes it possible to benefit from the various contributions to service delivery offered by government, by aligning municipal planning to the development objectives and targets of provincial and national sector departments. Such contributions include various grants, skills development and capacity building roll-outs which strengthen local government in its quest to improve service delivery.

### 2.3 INTER-GOVERNMENTAL RELATIONS

Phumelela Municipal staff and Management attends various engagements / sessions in - upholding good inter-governmental relations for the purpose of good governance, government - collaborated strategic direction, aligned planning, reporting, legislative compliance, accountability and Phumelela's participation in government programs and roll-outs to benefit development of our Administration, local area and communities. The table below illustrates the numbers of engagements held in the province and district to which municipal officials were invited and therefore attended to enhance institutional capacity and also access relevant dire funds or support which are sometimes offered at these engagements of government.

Table 16: IGR Engagements by Phumelela Municipality

IGR ENGAGEMENTS FOR THE OFFICE OF MUNICIPAL MANAGER			
MEETING	ATTENDED BY PHUMELELA MUNICIPALITY	HOSTED IN	DATE
Free State Municipal Manager Forum & National Municipal Manager Forum	MUNICIPAL MANAGER		
Technical MECLOGA	MUNICIPAL MANAGER		
	MUNICIPAL MANAGER		
DISTRICT IGR FORUM	MUNICIPAL MANAGER		
	MUNICIPAL MANAGER		

Meetings/Forum	Attended on behalf of Phumelela Municipality	Hosted in / Where	Date
Dialogue between foreign nationals and local SMME's	LED OFFICER		
Meeting with COGTA -LED	LED OFFICER		
W/shop- Youth Economic Participation	LED OFFICER		
Meeting with COGTA - LED	LED OFFICER		
TMDM BDF Meeting	LED OFFICER		
Master Caterers Meeting	LED OFFICER		
Interns	LED OFFICER		
Meeting woman in business	LED OFFICER		
Stakeholder roadshow meeting	LED OFFICER		
SSETA/LED Workshop	LED OFFICER		
Cross border food security month.	LED OFFICER		
Career Expo	LED OFFICER		
Community Outreach	LED OFFICER		
World Statistics Day Information	LED OFFICER		
BDF meeting	LED OFFICER		
SMME'S Training	LED OFFICER		
BDF meeting	LED OFFICER		
Red Tape with SALGA	LED OFFICER		
BDF meeting	LED OFFICER		
Prov. Tourism stakeholder W/shop	LED OFFICER		
Eskom awareness W/shop	LED OFFICER		
Tourism Indaba meeting	LED OFFICER		
FS PA incentive uptake performance report	LED OFFICER		
Founding meeting - FS Woman in Tourism	LED OFFICER		



CIS Meeting	LED OFFICER		
Meeting with DESTEA	LED OFFICER		

## C Public Accountability and Community Participation

### Sustainability

*Sustainability is the capacity to endure. How systems remain diverse and productive over time. It is the potential for long-term improvements, which in turn also depends on the responsible use of natural resources*

Ward Committees as a governance structure promotes public accountability and strengthens community participation. The Ward Committee System is fully institutionalized and capacitated within the Phumelela Municipality.

Table 17: Ward Committees and Chairperson in 2015/2016

Ward Committee	Chairperson
Ward 1,	Cllr T.M. Tshabalala
Ward 2,	Cllr V.P. Mahlaba
Ward 3,	Cllr M.S. Ntsele
Ward 4,	Cllr K.A. Sibeko
Ward 5,	Cllr O.A. Mokoena
Ward 6,	Cllr M.M. Mashinini
Ward 7,	Cllr T.R. Zwane
Ward 8	Cllr B.V. Khumalo

### Accountability

*Accountability is a key requirement of good governance. Accountability cannot be enforced without transparency and the rule of law.*

### **Community Participation in the Development of Legal Frameworks and Directives**

The table below indicates the dates on which Phumelela Municipality consulted with the community in the development of Municipal directives and documents in 2016/2017, as advertised on the municipal website.

Table 18: Website Uploads for Community Review and Comments

WEBSITE UPLOADS FOR COMMUNITY REVIEW AND COMMENTS	
MUNICIPAL DIRECTIVE & ACTION	DATE
Inspection of valuation roll	On site but can't verify date due to site
Tabling of Draft Annual Report 2015/2016	On site but can't verify date due to site
Municipal Budget, Integrated Development Plan, Policies and determination of tariffs for the financial year: 01 July 2015 to 30 June 2016	On site but can't verify date due to site change
IDP open for comment	On site but can't verify date due to site
Amendments of tariffs	June 2016

**Effectiveness and Efficiency**

*Good governance means that processes and institutions produce results that meet the needs of society, while making the best use of resources at their disposal.*

**Equity and Inclusiveness**

*Society's well-being depends on ensuring that all its members feel that they have a stake in it and do not feel excluded from the mainstream of society. This requires all groups to have opportunities to improve or maintain their well-being.*

Table 19: Ward Committee - Outreach Programs in 2016/2017

DATE	TOPIC	PURPOSE / TARGET
		○
		○
		○
		○

**Consensus orientated**

*Good governance requires mediation of the different interests in society. To be consensus orientated means striving towards reaching a broad consensus on what is in the best interest of the whole community and how this can be achieved.*

**Table 20: IDP Community Input Meetings in 2016/17**

Ward	Date	Venue	Time
1 and 8			
2			
3			
4			
5			
6			
7			

**Transparency**

*Transparency means that stakeholders are provided with information on why decisions were made that directly affect them.*

**Table 21: Ward Committee – Community (Feedback) Meetings**

Public Meetings						
Nature and Purpose of meeting	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community Members attending	Issue addressed (Yes/No)	Dates and manner of feedback given to community
Report back to the community, and give new developments. Agenda 1. 336 project 2. Illegal occupants at 336 project	August 2016	03	04	200	Not completely addressed	Those pending are still to be addressed
Report on illegal occupants from housing department						
Report back to the community, and give new developments. Agenda 1. Fire awareness	16 May 2017	4	5	150	yes	
Agenda 1. Re-election of two ward committees						
SASSA Outreach, Memel	4 April 2017	2	4	150	yes	
SASSA Outreach, Warden	30 June 2017	2	3	250	yes	
Agenda 1. ID campaign 2. Save water	6 April	3	5	230	yes	

awareness						
Nature and Purpose of meeting	Date of events	Number of Participating Municipal Councilors	Number of Participating Municipal Administrators	Number of Community Members attending	Issue addressed (Yes/No)	Dates and manner of feedback given to community
Report back to the community, and give new developments. Agenda 1. PLM LED officer presentation 2. EMS presentation 3. HEALTH presentation 4. SASSA presentation 5. Home Affairs 6. SAPS presentation Date of outreach of the above mentioned departments given to proceed to the next day.	November 2016	10	4	300	Yes some of issues	
Report back to the community, and give new developments. Agenda 1. Program of 16 days of activism	05 Dec 2016	2	03	300	Yes	
Agenda 1. Voter education	14 April 2016 19 May 2016 16 June 2016	2	3	250 300 350	yes	
Agenda 1. Prayer for elections 2. Prayer for rain fall	31 July 2016	2	2	450	Yes	

### **Rule of Law**

*Rule of law means that legal frameworks are enforced impartially.*

The internal Audit Unit is responsible to ensure impartial enforcement of legal frameworks within the municipality.

## D. Corporate Governance

### Sustainability

*Sustainability is the capacity to endure. How systems remain diverse and productive over time. It is the potential for long-term improvements, which in turn also depends on the responsible use of natural resources*

### Risk Management

*Section 62 of the Municipal Finance Management Act (MFMA), no. 56 of 2003, states that the Accounting Officer should take all reasonable steps to ensure that the municipality has and maintains effective, efficient and transparent systems of financial and risk management and internal control as well as the effective, efficient and economical use of the resources of the municipality.*

The Manager Risk Management oversees the risk management process in terms of the following as prescribed by NT Public Sector Risk Management Framework:

Of which the risk management responsibilities include:

- (a) Assisting management to develop the risk management policy, strategy and implementation plan;*
- (b) co-ordinating risk management activities;*
- (c) Facilitating identification and assessment of risks;*
- (d) Recommending risk responses to Management; and*
- (e) Developing and disseminating risk reports.*

Although the Risk management section facilitated the above, management took ownership of risks and the mitigation thereof. Phumelela Municipality is making progress with risk assessment and risk management processes over the last year. Operational risk assessments were performed on a continuous basis during the 2015/2016 financial year, by the departments, as quarterly risk reporting on, amongst others, additional risks, deleted risks, changes to risk data, risks that materialised and risks that should be escalated for intervention was implemented. The departments also discussed the risks on a continuous basis at scheduled executive management and departmental meetings

#### **a) Risk Profile**

The annual risk assessment reflected the following change in risk profile:

Table 22: Risk Profile

2015/16					
Residual %	Risk Categories	Inherent	Inherent %	Residual	Residual %
	High Rated	28	87,5%	23	71.875%
	Medium Rated	4	12,5%	6	18,75
	Low rated	0	0	3	9,375
	<b>Total</b>	32	100	32	100

### b) Top ten risks 2015/16

Top 10 Institutional Risks were reviewed and updated through a collaborative process with support from Provincial Treasury.

The updated list of Top 10 institutional risks are as follows:

Table 23: Top Ten Risks

Ranking	Description
1	Financial Viability
2	Inadequate standards of service delivery
3	Dissatisfaction of the community
4	Under collection of revenue
5	Reliance on grants for sustainability
6	Poor level of compliance
7	Weaknesses in governance and accountability
8	Deficiencies in staff skills and capacity
9	Failure and non-integration of IT systems
10	Deteriorating infrastructure

## 2.5 Anti-Corruption and anti-fraud

“ Fraud is defined as the intentional, false representation or concealment of a material fact for the purpose of inducing another to act upon it to his or her injury.”

Phumelela Local Municipality has a **ZERO TOLERANCE** to Fraud and Corruption and thus has the intent to promote consistent organizational behaviour by providing guidelines and assigning responsibilities for the development of controls and conduction of investigations relating to fraud and corruption. The fraud prevention strategy and policy are such documents designed to align Phumelela Local Municipality to the national priority of combating fraud and corruption. Anti-Corruption and Fraud

Section 62 (1) (c) (i) of the Municipal Finance Management Act (MFMA), no. 56 of 2003, states that the Accounting Officer should take all reasonable steps to ensure that the municipality has and maintains effective, efficient and transparent systems of

financial and risk management and internal control as well as the effective, efficient and economical use of the resources of the municipality. Section 83(c) of the MSA refers to the implementation of effective bidding structures to minimize the possibility of fraud and corruption and the Municipal Finance Management Act (MFMA), section 112(1) (m)(i) identify supply chain measures to be enforced to combat fraud and corruption, favouritism and unfair and irregular practices. Section 115(1) of the MFMA states that the accounting officer must take steps to ensure mechanisms and separation of duties in a supply chain management system to minimize the likelihood of corruption and fraud. In terms of fraud preventative arrangements, Phumelela Municipality has instituted:

- The promotion of an ethical culture
- Provision of training to employees
- Adoption of a policy on fraud and anti-Corruption
- Provision of physical security for municipal buildings and
- Procedures of employee vetting - executed before employees are appointed
- Procedures of employee vetting - executed before employees are appointed

a) Developed Strategies

**Table 24: Strategies: Anti-corruption and Anti-fraud**

<b>Name of Strategy</b>	<b>Developed Yes/No</b>	<b>Date Adopted/Reviewed</b>
Anti-Fraud and Anti-Corruption Policy	Yes	Review process 80% complete
Anti-Fraud and Anti-Corruption Strategy	Yes	Approval process 80% complete

The structural strategies according to the Anti-Fraud and Anti-Corruption Strategy and implementation plan include the establishment of an Anti-Fraud and Anti-Corruption Committee that will oversee the approach of the Municipality approach to fraud prevention, fraud detection strategies and response to fraud and corruption incidents reported by employees or other external parties. The Section 79 Finance Committee

**Internal Audit and Audit Committee**

Phumelela Municipality has a fully functional Internal Auditing Unit and Audit Committee instituted. The Audit Committee is responsible for the oversight of:

- Internal controls,
- financial reporting,
- compliance with regulatory matters and
- for approving the municipality's Internal Audit Plan.

During 2015/2016 the Audit Committee had (4) members and convened ... meetings for the financial year.

### **Anti-Corruption and Fraud**

In terms of fraud preventative arrangements, the Phumelela Municipality has instituted:

- The promotion of an ethical culture
- Provision of training to employees
- Adoption of a policy on fraud and anti-Corruption
- Provision of physical security for municipal buildings and
- Procedures of employee vetting - executed before employees are appointed

The following arrangements are institutionalising the detection of fraud:

- Management takes steps against fraudulent actions.
- An Audit Committee approves the Internal Audit Plan

### **Effectiveness and Efficiency**

*Good governance means that processes and institutions produce results that meet the needs of society, while making the best use of resources at their disposal.*

### **MPAC Committee**

Phumelela Municipality accesses a shared service Oversight Committee, as provided by the District Municipality. The Oversight Committee now operates as a Municipal Public Accounts Committee (MPAC), consisting of Five (5) members appointed to strengthen and provide oversight within the municipality, in terms of the provision of S79 of the Local Government Municipal Structures Act 117 of 1998. MPAC is a committee of Council and its meeting schedule is therefore developed and managed in such manner.

1. Cllr M.M. Twala(Chairperson)
2. Cllr M. Lebesa
3. Cllr T.B. Jakobo
4. Cllr M.M. Hlakane
5. Cllr L.G. Nhlapo
6. Cllr M.J. Mokoena
7. Cllr S. Mkhwanazi

The MPAC Committee primary responsibility is to serve as an oversight committee - to determine the institutional functionality of the Municipal Council in terms of effectiveness.

### **Equity and Inclusiveness**



*Society's well-being depends on ensuring that all its members feel that they have a stake in it and do not feel excluded from the mainstream of society. This requires all groups to have opportunities to improve or maintain their well-being.*

Phumelela Municipality has a fully functional Supply Chain Unit. The Phumelela Supplier Database has been updated in terms of supplier information in 2016/2017, as to minimize the risk of supplier duplication.

### **Transparency**

*Transparency means that stakeholders are provided with information on why decisions were made that directly affect them.*

### **Municipal Website**

The Municipal website is updated as and when required. All current events, as well as required legislative documents (including budgets, tenders and vacancies) are updated on the website daily. Around.... unique visitors browsed the municipal website on a monthly basis during the 2016/2017 year

### **Rule of Law**

*Rule of law means that legal frameworks are enforced impartially.*

The impartial enforcement of legal frameworks is ensured by Phumelela Municipality through the adoption and application of municipal policies and bylaws, of which the following have been adopted in 2016/2017:

**Table 25: Policies and Bylaws Adopted**

POLICY	COUNCIL RESOLUTION
<ul style="list-style-type: none"> <li>• Phumelela Municipality Fraud Prevention Police</li> <li>• Phumelela Municipality Risk Management Policy</li> <li>• Attendance and Punctuality Policy</li> <li>• Bursary Scheme for community members policy</li> <li>• Communication and strategy policy</li> <li>• Incapacity policy</li> <li>• Internal Bursary Policy</li> <li>• Leave policy</li> <li>• Occupational Health and Safety Policy</li> <li>• Recruitment and placement policy</li> <li>• Training and Development policy</li> <li>• Subsistence and travelling policy</li> <li>• HR Policy and procedure manual</li> </ul>	
BY-LAWS ADOPTED	COUNCIL RESOLUTION

<ul style="list-style-type: none"> <li>• Standard Commonage</li> <li>• Standard Delegation of powers</li> <li>• Encroachment policy</li> <li>• Fire and Emergency services</li> <li>• Ward committee</li> <li>• Waste Management</li> <li>• Water Restriction</li> <li>• By-law on Promulgation of Water Services intermediary and provision of water and sanitation services to residents on privately owned land</li> </ul>	
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By-laws Introduced during 2016/17					
Newly Developed	Revised	Public Participation (Conducted prior to Adoption of By-laws (yes/no)	Dates of Public Participation	By-laws Gazetted* (Yes/No)	Date of Publication

**COMMENT ON BY-LAWS:**

*Note: MSA 2000 s11 (3) (m) provides municipal councils with the legislative authority to pass and implement by-laws for the betterment of the community within the terms of the legislation.*

Number of consultative meetings and roadshows were conducted to both the communities and sector meetings. The intention was to invite inputs on the new bylaw and to introduce a new practise in terms of land application. The bylaw was adopted with the tariff structure and clearly defined delegations of powers. In order for the municipality to ensure fully compliance the following issues needs to be addressed:

Appointment of the Town Planner

Appointment of the Municipal Planning tribunal

Subsequent to the appointment of the above mentioned role-players. The municipality will then make a determination on the enforcement.

### **Participation**

*Participation can be direct and/or through legitimate intermediate institution or representative*

# **CHAPTER 3**

## **ORGANISATIONAL DEVELOPMENT**

### **PERFORMANCE**

## COMPONENT A: MUNICIPAL WORKFORCE

### Number of Employees

The following reflects the number of staff per category for the last three financial years:

Table 26: Staff per category

Category	No of Employees (2014/15)	No of Employees (2015/16)	No of Employees (2016/17)
Legislators, senior officials, and managers	28	26	32
Clerks	34	53	51
Technicians and associate professionals	2	1	2
Craft and related trade workers	0	0	0
Elementary occupations	233	203	201
<b>Total:</b>	<b>297</b>	<b>283</b>	<b>286</b>

**Table 27: Staff Category per Directorate**

Directorate	Total	Legislators, Senior Officials and Managers	Clerks	Technicians and Associate Professionals	Craft and related Trade Workers	Elementary Occupations
Legislators	21	16	5	0	0	0
Technical Services	177	0	1	1	0	175
Finance	34	7	27	0	0	0
Corporate Services	42	3	13	0	0	26
Municipal Manager Office	12	6	5	1	0	0
<b>Total: 2016/17</b>	<b>286</b>	<b>32</b>	<b>51</b>	<b>2</b>	<b>0</b>	<b>201</b>
<b>Total: 2015/16</b>	<b>296</b>	<b>28</b>	<b>43</b>	<b>1</b>	<b>0</b>	<b>225</b>

## Personnel Services

Personnel Services form an integral part of the Corporate Services departments and Phumelela Municipality's service delivery success. Professionalism and operational efficiency is of utmost importance, especially on the management of the department and how it functions. The department is responsible for the key areas discussed below.

## Recruitment and Selection

During the 2016/17 financial year **2** posts have been advertised, of though **16** were filled in 2016/17. The employment created for the year in question amounts to **16**.

**Table 28: Recruitment and Selection**

Category	Target	Actual	Target	Actual
	2015/16	2015/16	2016/17	2016/17

Africans	N/A	18		16
Whites	0	0	0	0
Coloured / Asian	1	1	0	0
Employees with Disabilities	0	0	1	1

### Employee Wellness

Phumelela Municipality has a Human resources section that drives the Employee Wellness Program attending to employees' social, mental, and physical health needs.

Some of the interventions by the department include:

- Free medical tests by medical fund institutions;
- Debt counseling, garnishee orders and financial planning sessions;
- Promotional Health Talk on Circumcision.

### Vacancy Rate

The vacancy rate increased to 15.7% in the 2016/17 financial year.

Table 30 Vacancies per Job Category 2016/17

Directorate	Total	Legislators senior officials managers	Clerks	Technicians associate professionals	Craft and related trade workers	Elementary occupations
Technical Services	17	2	1	3	0	11
Chief Financial Officer	19	2	6	0	0	11
Corporate Services	6	0	5	1	0	0
Municipal Manager's Office	4	2	2	0	0	0
<b>Total:2016/17</b>	<b>36</b>	<b>6</b>	<b>14</b>	<b>4</b>	<b>0</b>	<b>22</b>
<b>Total:2015/16</b>	<b>92</b>	<b>5</b>	<b>5</b>	<b>4</b>	<b>0</b>	<b>78</b>
<b>Total:2014/15</b>	<b>57</b>	<b>18</b>	<b>13</b>	<b>5</b>	<b>0</b>	<b>21</b>

## Employment Equity

The municipality's Employment Equity Policy is designed to:

- Promote equal opportunities and fair treatment to all in the workplace by eliminating unfair discrimination; and
- Implement affirmative action measures to redress the disadvantages in employment experienced by members from designated groups in the past.

The Draft Employment Equity Plan was developed, and the Employment Equity Report submitted 15 January 2016

**Table 31: Total Employment Equity Statistics per Directorate as at 30 June 2017**

Directorate	African	Coloured	Indian	White	Total	Female	Male
Technical Services	176	0	0	1	177	33	144
Chief Financial Officer	33	0	0	2	34	18	16
Corporate Services	41	0	0	1	42	16	26
Municipal Managers Office	10	2	0	0	12	6	6
Executive & Council	20	0	0	1	21	8	13
<b>Total: 2016/17</b>	<b>280</b>	<b>2</b>	<b>0</b>	<b>5</b>	<b>286</b>	<b>90</b>	<b>196</b>
<b>Total: 2015/16</b>	<b>289</b>	<b>2</b>	<b>0</b>	<b>5</b>	<b>296</b>	<b>88</b>	<b>210</b>
<b>Total:2014/15</b>	<b>289</b>	<b>2</b>	<b>0</b>	<b>6</b>	<b>297</b>	<b>83</b>	<b>214</b>

## Human Resources Policies

The following Human Resources policies have been implemented by the Phumelela Municipality:

### POLICIES

POLICY	COUNCIL RESOLUTION
Phumelela Municipality Fraud Prevention Police	
Phumelela Municipality Risk Management Policy	
Attendance and Punctuality Policy	
Bursary Scheme for community members policy	
Communication and strategy policy	
Incapacity policy	
Internal Bursary Policy	
Leave policy	
Occupational Health and Safety Policy	
Recruitment and placement policy	
Training and Development policy	
Subsistence and travelling policy	
Public Participation Policy	
HR Policy and procedure manual	

BY-LAWS ADOPTED	COUNCIL RESOLUTION
Advertising	
Impoundment of Animals	
Standard Street Trading By-Law	
Environmental Health by law	
Child care services	
Credit control and debit collection	
Indigent support bylaw	
Property rates	
Bed and breakfast and guests house	
Water Restriction	

### Promotions

The information below compares the number of employees that have been promoted during the past three financial years:

Employees at the Phumelela Municipality are not promoted automatically. All internal employees must apply for posts as advertised.

### Pension Funds

The Phumelela Municipality makes use of the following Pension and/or Retirement Funds:

- SALA Pension Fund
- Consolidated Retirement Fund
- Free State Pension Fund / Provident Fund
- SAMWU Provident Fund
- Municipal Employees Pension Fund

### Medical Aid Schemes

Employees are able to choose from the following Medical Aid Funds:

- BONITAS
- HOSMED
- Key Health
- LA Health
- SAMWUMED

### Labor Relations



This department has the function of managing labor relations matters and dealing with occupational health and safety in the municipality.

**Table 32: Labor Relations issues recorded/investigated during 2016/17**

<b>Labor Relations issue</b>	<b>Number of Cases:2014/15</b>	<b>Number of Cases: 2015/16</b>	<b>Number of Cases 2016 / 17</b>
Misconduct	0	0	3
Dismissals	0	0	0
Suspensions	0	0	1
<b>Total Cases</b>	0	0	4

### **Occupational Health and Safety**

The department is also responsible to ensure that operations and activities within the municipality comply with the provisions of the Occupational Health and Safety Act, 1993 as well as the different Regulations promulgated in terms of the said Act. Incident/accident investigations are conducted promptly in order to determine in respect of which activities work instructions and safe work procedures should be developed and implemented, to prevent the reoccurrence of incidents in the workplace. Furthermore, Health and Safety Committee Meetings are arranged on a monthly basis to address all health and safety issues raised at such meetings.

**Table 33: Incidents/accidents recorded and/or investigated during 2016/17**

<b>Directorate</b>	<b>Personal injury</b>	<b>Disease</b>	<b>Death</b>
Technical Services	0	0	0
Chief Financial Officer	0	0	0

Corporate Services	0	0	0
Municipal Manager's Office	0	0	0
<b>Total 2016/17</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total 2016/15</b>	<b>0</b>	<b>0</b>	<b>1</b>

## COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

### Section 57 Performance Evaluation

The performance evaluation for Section 57 managers forms the basis for evaluating performance in relation to set targets as outlined in the signed performance agreements of executive managers. Performance evaluation takes place on a quarterly basis and reported to the Mayor.

### Improved Performance Management

In 2016/2017 the municipality adopted a performance framework within the organisation, to date only officials appointed in terms of section 56 and section 57 are measured for performance against signed performance agreement. Implementation and monitoring thereof will be a targeted and continued focus in 2017/2018

## COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

### Skills Development

As prescribed by legislation, the combined Workplace Skills Plan (WSP) was compiled in April 2016 and approved on 30 April 2016.

For the year under review (2016/17) Phumelela Municipality has trained 54 employees.

Table 34: Training per Job Category:

Directorate	Total	Legislators, Senior Officials and Managers	Clerks	Technicians and Associate Professionals	Craft and Related Trade Workers	Elementary Occupations	Professional

Technical Services	25		1			25	
Finance	1						
Corporate Services	9	5				4	
MM Office	2	1	1				
OFFICE OF MAYOR	17	15	2				
<b>Total:2016/17</b>	<b>54</b>	<b>21</b>	<b>4</b>			<b>29</b>	
<b>Total:2015/16</b>	<b>34</b>	<b>19</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>11</b>	<b>1</b>
<b>Total:2014/15</b>	<b>81</b>	<b>6</b>	<b>12</b>	<b>2</b>	<b>-</b>	<b>56</b>	<b>5</b>

### Skills Development Budget

The information below indicates the quantum of municipal budget allocated to skills development and the percentage spent

**Table 35 Skills Development Budget against Expenditure**

<b>Financial Year</b>	<b>Budget</b>	<b>Expenditure</b>	<b>Percentage Expenditure</b>
2016/2017	R 250 000.00	R 266 498.40	106.60%1
2015/2016	R300 000 00	R222 341.25	74%

### MFMA Competencies

In terms of Section 83 (1) of the MFMA, the accounting officer, senior managers, chief financial officer, non-financial managers and other financial officials of a municipality must meet the prescribed financial management competency levels that are key to the successful implementation of the Municipal Finance Management Act. National Treasury has prescribed such financial management competencies in Government Notice 493, dated 15 June 2007.

To assist the above-mentioned officials to acquire the prescribed financial competencies, National Treasury, in collaboration with various stakeholders and role players in the local government sphere, developed an outcome-based NQF Level 6 qualification in municipal finance management. In terms of the Government Notice 493 of 15 June 2007, “(1) No municipality or municipal entity may, with effect 1 January 2013, employ a person as a financial official if that person does not meet the competency levels prescribed for the relevant position in terms of these Regulations.”

A total of 30 employees were identified to obtain the abovementioned qualification and prescribed competencies. 7 officials have already completed the training, 2 not yet competent, 11 currently waiting for statement of results to LGSETA, 8 currently waiting for statement of results to the provider and 2 still needs to undergo the training.

Table 36 below provides details of the financial competency development progress as required by the notice:

<b>Financial Competency Development: Progress Report</b>				
<b>Description</b>	<b>Total number of officials employed i.t.o. Regulation 14(4)(a) and (c)</b>	<b>Competency assessments completed i.t.o. Regulation 14(4)(b) and (d)</b>	<b>Total number of officials whose performance agreements comply with Regulation 16 Regulation 14(4)(f)</b>	<b>Total number of officials that meet prescribed competency levels i.t.o. Regulation 14(4)(e)</b>
<b>Financial Officials</b>				
Accounting Officer		Competent		

Chief Financial Officer		Competent		
Director Corporate Services		Competent		
Director Technical Services		In progress		
Senior Managers		3 Competent 3 Not yet Competent 3 not yet registered		
Any other financial officials		7Competent 9 not yet competent		
<b>Supply Chain Management Officials</b>				
Heads of Supply Chain Management Units		-	-	-
Supply Chain Management Senior Managers	-	-	-	-
<b>TOTAL</b>				

### Induction

SALGA is in a process of developing a uniform Induction framework as such newly appointed employees are only informed on the benefits and given an employment contract that entails working conditions.

### Learnership

A total of 17(employed) and 42(unemployed) learners were recorded to have received training through learnerships in 2016/2017. The decline was coursed by invoking of Section 139 of the constitution to LGSETA.

The municipality granted 0 internal bursaries in the 2016/17 financial year compared to 0 internal bursaries in 2015/16.

**Table 37: Bursaries per Directorate**

Directorate	Number of Beneficiaries 2014/15	Number of Beneficiaries 2015/16	Number of Beneficiaries 2016/17
Technical Services	0	0	0
Chief Financial Officer	0	0	0
Corporate Services	0	0	0
Municipal Manager's Office	0	0	0
Mayoral Office	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>

## COMPONENT D: MANAGING THE MUNICIPAL WORKFORCE EXPENDITURE

### Personnel Expenditure

**Table 38: Trends of Personnel Expenditure compared to Operating Expenditure:**

Financial Year	Salaries	Expenditure	Percentage
2016/2017	R 67 766 000.	R 62 839 677.83	36%
2015/2016	R	R	
2013/2014	R5158.5482M	R147.639 871	34.9%

# CHAPTER 4

## ANNUAL PERFORMANCE REPORT

**INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION**

INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION																		
KEY PERFORMANCE INDICATOR				TARGETS 2016/17									2015/16		2017/18			
Ref	Objective	Indicator	Unit of Measure	Baseline	Q1 Jul-Sept	Actual	Q2 Oct-Dec	Actual	Q3 Jan-Mrch	Actual	Q4 Apr-Jun	Actual	Annual Target	Performance Feedback	Ann Target	Actual	Object	Target
CS1		Develop and submit to Council a complete Policy and By-Law Register by the end of September	Number of Policy and By-law register approved by council	New	1	1	0	0	0	0	0	0	1	<b>Achieved</b> – The By-law and Policy Register must now be annually reviewed to include new and reviewed policies/by-laws	1 Target was not achieved and shifted to 2016/17 FY	0	Review the complete Policy and By-law register and submit to Council by the 30 June 2018	1
CS4		Review and submit to Council the SDF by end September	Number of Council Reviewed SDF	1	1	0	1	1	0	0	0	0	1	<b>Achieved</b> SDF reviewed with assistance from FSCOGTA & RDLR to align with SPLUMA	1 Target was not achieved and shifted to 2016/17 FY	0	N/A	
CS5		The number of people from employment equity target groups employed (newly appointed) in the three highest levels of management in compliance with the municipality's approved Employment Equity Plan by	Number of people employed (newly appointed)	Not defined	0	0	0	0	0	0	1	16	1	<b>Achieved</b> Though the target was not defined to numbers of persons to be appointed from designated groups, 8 women of which 1 is disabled were appointed	100%	40%	The number of people from employment equity target groups employed (newly appointed) in the three highest levels of manage	1



**GOOD GOVERNANCE AND PUBLIC PARTICIPATION**

		30 June 2017																		ment in compliance with the municipality's approved Employment Equity Plan by 30 June 2018	
<b>CS6</b>		The percentage of a municipality's budget actually spent on implementing its workplace skills plan	{{(Actual total training expenditure divided by total personnel budget)x100} by 30 June 2017	1%	0,00%	<b>0,00%</b>	0,00%	<b>0,00%</b>	0,00%	<b>0,00%</b>	1%	<b>1%</b>	1%	<b>Achieved</b>	1%	1%	The percentage of a municipality's budget actually spent on implementing its workplace skills plan measured as at 30 June 2018	0.24%			
<b>CS8</b>		Develop a Communication – Public Participation Policy and submit to Council by end June	Approved Communication – Public Participation Policy	New	0	<b>0</b>	0	<b>0</b>	0	<b>0</b>	1	<b>1</b>	1	<b>Achieved</b>	1	0	N/A				

Ref	KEY PERFORMANCE INDICATOR			Baseline	TARGETS 2016/17								Annual Target	Performance Feedback	2015/16		2017/18	
	Objective	Indicator	Unit of Measure		Q1 Jul-Sept	Actual	Q2 Oct-Dec	Actual	Q3 Jan-Mrch	Actual	Q4 Apr-Jun	Actual			Actual	Actual	Object	Target
MM1		Effective functioning of council measured in terms of the number of ordinary council meetings per annum	Number of ordinary council meetings per annum	New	3	3	2	2	2	2	3	3	10	<b>Achieved</b> One additional Special Council meeting was held	4	6	Effective functioning of council measured in terms of the number of ordinary council meetings per annum	6
MM2		Effective functioning of the committee system measured by the number of committee meetings per committee per annum	Number of Section 79 committee meetings per committee per annum	1	3	0	2	0	2	2	3	2	10	<b>Partially Achieved -</b> Council Sect 79 Committees long inactive and now systematically activated	1	0	Effective functioning of the committee system measured by the number of committee meetings per committee per annum	10
MM3		The Top Layer SDBIP is approved by the Mayor within 28 days after the Main Budget has been approved	Top Layer SDBIP approved within 28 days after the Main budget has been approved	1	0	0	0	0	0	0	1	1	1	<b>Achieved</b>	1	1	The Top Layer SDBIP is approved by the Mayor within 28 days after the Main Budget has been approved	1

MM4		Review the Risk based audit plan approved by Audit Committee for 2017	RBAP (Risk Based Audit Plan) approved by February 2017	1	1	0	1	1	0	0	0	0	1	<b>Achieved</b>	1	1	Develop a Risk-based Audit Plan and submit to MM and Audit Committee by 30 June 2018	1
MM5		Ensuring performance by the timeous development and signing of the Section 57 performance agreements in the adherence to the Performance Framework	Number of signed performance agreements of Section 57 managers within 14 days of approval of SDBIP	3	3	3	0	0	0	0	0	0	3	<b>Achieved</b>	3	4	Ensuring performance by the timeous development and signing of the Section 57 performance agreements in the adherence to the Performance Framework	3
MM6		Evaluate the performance of Section 57 managers in terms of their signed agreements	Number of formal evaluations completed per Section 57 employee	2	0	0	1	0	0	0	1	1	2	<b>Partially Achieved</b> One formal performance assessment was conducted, with required attendance register and minutes.	2	2	Conduct two formal performance evaluations of MM and directors into signed performance agreements and plans	2

MM7		Execution of Internal Plan and issuing of Internal Audit Reports based on Internal Audit Plan by end June 2017 ((Actual hours completed/Planned hours to be completed)x100)	% of target hours completed by end June 2017 {(Actual hours completed/Planned hours to be completed)x100}															<b>Not Measured</b> This KPI and target was never formally consulted nor formulated, to include the targeted and budgeted hours				
MM8		Compile draft the 4th generation IDP and submit to Council by end March	Draft 4 <sup>th</sup> Generation IDP submitted to Council by end March	1	0	0	0	0	1	1	0	0	1	<b>Achieved</b>	1	1	Compile the Draft Review IDP and submit to Council by 31 March 2018	1				
MM9		Compile the final 4th Generation IDP and submit to Council by end June	Final 4 <sup>th</sup> Generation IDP submitted to Council by end June	1	0	0	0	0	0	0	1	1	1	<b>Achieved</b>	1	1	Submit the Final Review IDP to Council by 31 May 2018	1				
MM10		Compile the IDP and Budget process plan and submit to Council by 31 August	Approved IDP/Budget Process Plan	1	1	1	0	0	0	0	0	0	1	<b>Achieved</b>	1	1	Compile the IDP and Budget Process Plan and submit to Council by 31 August 2018	1				

MM1 3	Facilitate the review of the Risk Management Policy and implementation plan and submit to Council by end March	Risk Management Policy and implementation plan submitted to Council by end March	1	0	0	0	0	1	0	0	0	1	<b>Not Achieved</b> Target shifted to first quarter in the new financial year (2017/18)	1	1	Facilitate the review of the Risk Management Policy and implementation plan and submit to Council by end March 2018	1
MM1 4	Submit final Annual Report and Oversight report of council before legislative deadline	Final Annual Report and oversight report of council completed and submitted	1	0	0	0	0	1	0	1	1	1	<b>Partially Achieved</b> Due to late start and finalisation of Audit both Annual and Oversight reports were submitted late AND target therefore shifted to last quarter	1	0	Submit Draft Annual Report to Council by 31 January 2018	1
MM1 5	Compliance with all relevant legislation tested annually	Zero findings in the Auditor General's report on non-compliance with laws and regulations	17	0	0	0	22	0	0	0	0	0	<b>Not Achieved</b> Target set was not realistic, especially against background of 17 findings issued for 2014/15 FY	17	22	Obtain an improved Audit Opinion for 2016/17 FY	1
MM1 6	Review the Performance Management Framework and submit to Council by end June	Reviewed Performance Management Framework	1	0	0	0	0	0	0	1	1	1	<b>Achieved</b>	1	0	Review the Performance Management Framework and submit to Council by end 30 June 2018	1

**LOCAL ECONOMIC DEVELOPMENT**

		Develop and submit to Council a Municipal Disaster Management Plan by the end of September	Council Approved Disaster Management Plan	0	1	0	1	1	0	0	0	0	1	<b>Partially Achieved</b> Since target was not met during 1st quarter target was shifted to 2nd Quarter	1	0	Review the Disaster Management Plan and submit for District assessment by 31 May 2018	1
		Develop and submit to Council a Municipal Employment Equity Plan by end September	Council approved Employment Equity Plan	1	1	0	0	0	0	0	0	0	1	<b>Not Achieved</b> This KPI and target must be included as activity in the HR-wide strategy which is a dire necessity and need	1	0	Develop and submit to Council a Municipal Employment Equity Plan by end October 2017	1

**BASIC SERVICES**

KEY PERFORMANCE INDICATOR				TARGETS 2016/17									Annual Target	Performance Feedback	2015/16		2017/18	
Ref	Objective	Indicator	Unit of Measure	Baseline	Q1 Jul-Sept	Actual	Q2 Oct-Dec	Actual	Q3 Jan-Mrch	Actual	Q4 Apr-Jun	Actual			Ann Target	Actual	Object	Target
		The number of temporary jobs created through the municipality's EPWP projects, measured by number of people temporary employed in the EPWP and CWP program	Number of people temporary employed in the EPWP and CWP programs	110	100	25	100	164	50	155	50	300	300	<u>Achieved</u>	110	110	The number of temporary jobs created through the municipality's EPWP programs, measured by number of temporary employees in the EPWP program	68

Ref	KEY PERFORMANCE INDICATOR			Baseline	TARGETS 2016/17								Annual Target	Performance Feedback	2015/16		2017/18	
	Objective	Indicator	Unit of Measure		Q1 Jul-Sept	Actual	Q2 Oct-Dec	Actual	Q3 Jan-Mrch	Actual	Q4 Apr-Jun	Actual			Ann Target	Actual	Objective	Target
TS1		100% of the electricity capital budget spent by 30 June 2017 {(Actual capital expenditure divided by the total approved capital budget)x100}	% of the capital budget spent by 30 June 2017 {(Actual capital expenditure divided by the total approved capital budget)x100}	New	0	0	20%	20	80%	80%	0%	0%	100%	Achieved Work done report was made available as POE - Extension of work as proof also provided	100%	100%	100% of the electricity capital budget spent by 30 June 2017 {(Actual capital expenditure divided by the total approved capital budget)x100}	100%
TS2		Provide free basic sanitation to registered indigent account holders in Phumelela	Number of indigent households receiving free basic sanitation as at 30 June 2017	1744 (This number was not verified)	2182	2182	2182	2182	2182	2182	2182	2568	2182	Achieved The revenue collection section indicates that the households on the Indigent register was increased at end of Mrch to 2568, explaining the actuals for the last quarter	1744 (This number was not verified)	1744 (This number was not verified)	Provide free basic sanitation to indigent households as at 30 June 2018	2576



TS3		Limit water network losses to less than 20% by 30 June 2017 {(Difference between water supplied and water billed) / (Number of Kiloliters Water Purchased or Purified - Number of Kiloliters Water Sold) / Number of Kiloliters Water Purchased or Purified	% Water network losses by 30 June 2017 (Difference between water supplied and water billed) / (Number of Kiloliters Water Purchased or Purified - Number of Kiloliters Water Sold) / Number of Kiloliters Water Purchased or Purified × 100}	1%	20%	20%	20%	20%	20%	20%	20%	20%	<b>Achieved</b> The ADTS indicated that the best way to address the water losses would be to install Bulk Meters from where the distribution losses can be more accurately detected.	20%		Limit water network losses to less than 20% by 30 June 2018 {(Difference between water supplied and water billed) / (Number of Kiloliters Water Purchased or Purified - Number of Kiloliters Water Sold) / Number of Kiloliters Water Purchased or Purified	20%
TS4		Provide free basic sanitation to registered indigent account holders in Phumelela	Number of indigent households receiving free basic sanitation as at 30 June 2017	1744 (This number was not verified)	2182	2182	2182	2182	2182	2182	2568	2182	<b>Achieved</b> The revenue collection section indicates that the households on the Indigent register was increased at end of Mrch to <b>2568</b> , explaining the actuals for the last quarter	1744 This number was not verified	1744 This number was not verified	Provide free basic sanitation to registered indigent account holders in Phumelela	2576

TS5	Rehabilitate and upgrade Streets And Storm water in terms of the approved capital budget by 30 June 2017 {(Actual expenditure divided by the total approved budget) x 100}	% of budget spend at 30 June 2017 {(Actual expenditure divided by the total approved budget) x 100}	100%	11.31%	<b>11.31%</b>	33.37%	<b>33.37</b>	55.32%	<b>55.32%</b>	0%	<b>0%</b>	<b>100%</b>	<b>Achieved</b> A priority list of streets due for upgrade and paving is available and was handed to motivate why specific streets were targeted and upgraded. An invoice register was provided as POE for payment to contractors whom rendered construction services	100%	100%	Rehabilitate and upgrade Streets And Storm water in terms of the approved capital budget by 30 June 2018 {(Actual expenditure divided by the total approved budget) x 100}	100%
TS6	Rehabilitate and upgrade Water - Networks in terms of the approved capital budget by 30 June 2016 {(Actual expenditure divided by the total approved budget)}	% of budget spend at 30 June 2016 {(Actual expenditure divided by the total approved budget) x 100}	100%	20%	<b>20%</b>	23%	<b>23%</b>	25%	<b>25%</b>	32%	<b>32%</b>	<b>100%</b>	<b>ACHIEVED</b> The fixing and maintenance of pumps at water networks conducted by contractors due to in-house capacity constraints within the Technical Services department	100%	100%	Rehabilitate and upgrade Water - Networks in terms of the approved capital budget by 30 June 2018 {(Actual expenditure divided by the total approved budget)}	100%

TS7	Rehabilitate and upgrade the proclaimed roads in terms of the approved capital budget by 30 June 2017 {(Actual expenditure divided by the total approved budget}	% of budget spend at 30 June 2017 {(Actual expenditure divided by the total approved budget) x 100}	3.5Km	0%	0%	30.4%	30.4%	42%	42%	28.6%	27.6%	100%	<b>ACHIEVED</b> The PMU managed expenditure into MIG payment schedule for contractors award to conduct the service. PLM will as remedial action look at reviewing its organisational structure, to build in-house capacity to render the services ourselves in all areas.	3.5Km	3.5Km	N/A	
	90% compliance to general standards with regard to waste water outflow by 30 June 2017	% compliance to general standards by 30 June 2017	No Reports	90%	0%	90%	0%	90%	0%	90%	90%	90%	<b>NOT ACHIEVED</b> The ADTS indicates that samples were taken for testing, though no formal feedback was received. Test results were only received as from May 2017 therefore indicating compliance with green-drop requirements as per certificate in accordance with permitted toxic levels	No Reports		90% compliance to general standards with regard to waste water outflow by 30 June 2017	90%

TS9	95% water quality level obtained as per SANS 241 physical and micro parameters by 30 June 2017	% water quality level by 30 June 2017	No Reports	95%	0%	95%	0%	95%	0%	95%	95%	95%	<p><b>NOT ACHIEVED</b></p> <p>The ADTS indicates that water samples were taken for testing, though no formal feedback was received from Rand Water. Test results were only received as from May 2017 therefore indicating compliance with blue-drop requirements as per certificate were only received as from May 2017. The ADTS is advised monthly testing on samples will be conducted as way forward.</p>	No Reports	No Reports	95% water quality level obtained as per SANS 241 physical and micro parameters by 30 June 2017	95%
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FS1		Number of residential properties for which refuse is removed once per week and billed for the service as at 30 June 2017	Number of residential properties which are billed for refuse removal as at 30 June 2017	8063	10923	<b>8063</b>	10923	<b>8401</b>	10923	<b>10923</b>	10923	<b>9057</b>	<b>10923</b>	<b>ACHIEVED</b> Refuse removal conducted in accordance with household-accounts registered on the municipal system, conducted at least once per week. In future the provision of service must be randomly tested by senior personnel in both Technical and Financial departments. The work schedule of employees responsible for function, undersigned by the Supervisor provides as POE	8063	8063	Number of residential properties for which refuse is removed once per week and billed for refuse removal as at 30 June 2018	8379
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FS2		Number of formal residential properties connected to the municipal waste water sanitation/sewerage network for sewerage service, irrespective of the number of water closets (toilets) and billed for the service as at 30 June 2017	Number of residential properties which are billed for sewerage as at 30 June 2017	7337	10923	<b>7337</b>	10923	<b>7691</b>	10923	<b>10923</b>	10923	<b>7964</b>	<b>10923</b>	<b>Achieved</b> All households currently registered for sanitation services are rendered the services in accordance with municipal accounts register	7337		Number of formal residential properties connected to the municipal waste water sanitation /sewerage network for sewerage service, irrespective of the number of water closets (toilets) and billed for the service as at 30 June 2018	7674
FS4		Number of formal residential properties connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)(Excluding Eskom areas) and billed for the service as at 30 June 2017	Number of residential properties which are billed for electricity or have pre-paid meters (Excluding Eskom areas) as at 30 June 2017	2941	10923	<b>2941</b>	10923	<b>2953</b>	10923	<b>10923</b>	10923	<b>460 &amp; 2850</b>	<b>10923</b>	<b>ACHIEVED</b> The differentiation into the types of services was not provided clearly, though the municipality hope to provide feedback in such manner especially against background of the roll-out of meter-system in the 2017/18 Financial Year	2941	2941	Number of formal residential properties connected to the municipal electrical infrastructure network and billed for electricity or have pre-paid meters as (Excluding Eskom areas) as at 30 June 2018	3306

**MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT**

FS5		Number of formal residential properties that receive piped water (credit and prepaid water) that is connected to the municipal water infrastructure network and billed for the service as at 30 June	Number of residential properties which are billed for water or have pre-paid meters as at 30 June 2017	8205	10923	<b>8205</b>	10923	<b>8492</b>	10923	<b>10923</b>	10923	<b>8613</b>	<b>10923</b>	<b>ACHIEVED</b> The installation of bul-meter system will allow the municipality to establish where losses are experienced and whether such losses are experienced due to tampering. Better care must be taken of our water resources especially against the background of country-wide scale drought experienced	8205	8205	Number of formal residential properties that receive piped water that is connected to the municipal water infrastructure network and billed for the water or have pre-paid meters as at 30 June 2018	8575
CS9		90% of the MIG funding for sport projects spent by 30 June 2017 {(actual expenditure/total allocation received)x100 }	% of budget spend at 30 June 2017 {(Actual expenditure divided by the total approved budget) x 100 }	90%	100%	<b>0</b>	45%	<b>45%</b>	45%	<b>26%</b>	0	<b>0</b>	<b>90%</b> <b>Partially Achieved</b> The total percentage of allocated budget spent amounts to 71%	100%	100%	90% of the MIG funding for sport projects spent by 30 June 2018 {(actual expenditure/total allocation received)x 100 }	90%	

KEY PERFORMANCE INDICATOR				TARGETS 2016/17									2015/16		2017/18			
Ref	Objective	Indicator	Unit of Measure	Baseline	Q1 Jul-Sept	Actual	Q2 Oct-Dec	Actual	Q3 Jan-Mrch	Actual	Q4 Apr-Jun	Actual	Annual Target	Performance Feedback	Ann Target	Actual	Objective	Target
FS3		Develop Long Term Financial Plan and submit to Council by 31 March 2017	Developed Long Term Financial Plan submitted to Council by 31 March 2017	0	0	0	0	0	1	0	0	0	1	<b>NOT ACHIEVED</b> The municipality is currently focusing on the roll-out of the Financial Recovery Plan, developed with assistance from FSCOGTA and National Treasury. The current KPI will be shelved until the latter part of the FRP, when the Long-term Financial Plan will then be developed, provided the municipality has sufficient in-house capacity or resources to fund the development of the Plan	1	0	Not provided for due to capacity and resource constraints	



FS6	Financial statements submitted by 31 August	Financial statements submitted to Auditor General	0	1	0	-	-	-	-	-	-	1	<b>NOT ACHIEVED</b> The municipal current financial system is cumbersome restricting timeous produce of AFS, hence the re-appointment of PKF to assist PLM to produce the AFS, though it was not produced in-time to comply with legislative deadline req's. A new FS was procured and currently in process of implementation	1	0	Financial statements submitted by 31 August	1
FS7	Main budget is approved by Council by the legislative deadline	Approval of main budget before the end of June annually	1	0	0	0	0	0	0	1	1	1	<b>ACHIEVED</b>	1	1	Submit final annual budget to council for approval by 31 May 2018	1
FS8	The adjustment budget is approved by Council by the legislative deadline	Approval of Adjustment budget before the end of February annually	1	-	-	-	-	1	1	-	-	1	<b>ACHIEVED</b>	1	1	The adjustment is approved by Council by legislative deadline	1

FS9		Compliance with GRAP to ensure effective capital asset management (PPE; Intangible; Investment Property, Biological and Heritage Assets)	Zero findings in the external Audit report on non-compliance with GRAP	0	0	0	0	0	0	0	0	-	-	<b>NOT ACHIEVED</b>	1	0	Compliance with GRAP to ensure effective capital asset management (PPE; Intangible; Investment Property, Biological and Heritage Assets)	0
FS10		Sound financial management by maintaining an acceptable Acid Test Ratio	Acid Test Ratio: Calculated as Current Assets – Inventory / Current Liabilities	New KPI	0	0	0	0	0	0	2.5	0	2.5	<b>NOT ACHIEVED</b>	New KPI		Sound financial management by maintaining an acceptable Acid Test Ratio	2.5
FS11		Improved Audit opinion from the 2015/16 financial year	Improved audit opinion achieved for the 2015/16 financial year	1	0	0	1	0	0	0	0	0	1	<b>NOT ACHIEVED</b>	1	1	Obtain an improved audit opinion for 2016/17 FY	1

FS12	Financial viability measured in terms of the available cash to cover fixed operating expenditure as at 30 June 2017 ((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets))	Cost coverage as at 30 June 2017	NEW KPI	0	0	0	0	0	0	0	45%	0	45%	<b><u>NOT ACHIEVED</u></b>	New KPI	Financial viability measured in terms of the available cash to cover fixed operating expenditure as at 30 June 2018 ((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets))	45%
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FS13	Financial viability measured in terms of the available cash to cover fixed operating expenditure as at 30 June 2017 ((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets))	Cost coverage as at 30 June 2017	New KPI	0	0	0	0	0	0	45%	45%	<b>NOT ACHIEVED</b>	New KPI	Financial viability measured in terms of the available cash to cover fixed operating expenditure as at 30 June 2017 ((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets))	45%
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FS14	The percentage of the municipal capital budget actually spent on capital projects by 30 June 2017 {{Actual amount spent on projects/Total amount budgeted for capital projects}X100} as at 30 June 2016	% of capital budget spent by 30 June 2017 {{Actual amount spent on projects/Total amount budgeted for capital projects}X100} as at 30 June 2016	New KPI	25%	<b>23%</b>	25%	<b>11%</b>	25%	<b>30%</b>	25%	<b>0%</b>	<b>100%</b>	<b>NOT ACHIEVED</b> 64% OF CAPITAL BUDGET SPENT	New KPI	The percentage of the municipal capital budget actually spent on capital projects by 30 June 2017 {{Actual amount spent on projects/Total amount budgeted for capital projects}X100} as at 30 June 2016	100%
FS15	Financial viability measured in terms of the municipality's ability to meet its service debt obligations as at 30 June 2017 (Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / Total Operating Revenue - Operating	% Debt to Revenue as at 30 June 2017	New KPI	0%	0%	0%	0%	0%	0%	45%		<b>45%</b>	<b>NOT ACHIEVED</b>	New KPI	Financial viability measured in terms of the municipality's ability to meet its service debt obligations as at 30 June 2017 (Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term	45%

		Conditional Grant)																	Lease) / Total Operating Revenue - Operating Conditional Grant)
FS16		Achieve a payment percentage of 96% {(Gross Debtors Closing Balance + Billed Revenue - Gross Debtors Opening Balance + Bad Debts Written Off)/Billed Revenue x 100}	Payment % as at 30 June 2017 {(Gross Debtors Closing Balance + Billed Revenue - Gross Debtors Opening Balance + Bad Debts Written Off)/Billed Revenue x 100}	New KPI	96%	52%	96%	56%	96%	57%	96%	0%	96%	<b><u>NOT ACHIEVED</u></b>	96%			Achieve a payment percentage of 96% {(Gross Debtors Closing Balance + Billed Revenue - Gross Debtors Opening Balance + Bad Debts Written Off)/Billed Revenue x 100}	80%

## **NOTES!**

The following key performance indicators were registered in the previous financial year, some of which targets were not achieved though it was not rolled-over or recorded in either the 2016/17 financial year or/nor in the 2017/18 financial year.

Upon completion of the audit it will be recommended that these key performance indicators be registered in the 2017/18 SDBIP, whereby the SDBIP will have to be amended by council as early as December 2017.

The KPI's and targets must be properly reviewed and allocated to relevant departments as it contributes greatly to the operations of the departments and the municipality.

### **KPI's – BASIC SERVICES FOR AMMENDMENT 2017/18 FY SDBIP**

Memel Foot - Bridge Constructed – Target 100% ; Advert placed by end Sept – 5 %, Construction 80%, Commissioning 10%, Hand-over 5%

Vrede Foot – Bridge Constructed – Target 100%; Advert [laced by end Sept – 5%, Construction 80%, Commissioning 10%, Hand-over 5%

PMU Management of projects

Maintenance of all existing sport facilities

Construction of Landfill sites; Warden, Vrede and Memel

Number of Waste Management Plans reviewed –

Zamani 2 MGL reservoir. Raising main and pump station

Adequate maintenance and implementation of Burial Register

Review organisational structure – ICT Strategy and policy

### **KPI'S – INSTITUTIONAL DEVELOPMENT FOR AMMENDMENT 2017/18 FY SDBIP**

Development and approval of Integrated Human Settlement Plan

Review organisation-wide HR Strategy;

- OHS Strategy and plan
- Employment Equity Target groups and targets
- Employee Wellness Strategy

**CHAPTER 5**  
**DRAFT ANNUAL FINANCIAL**  
**STATEMENTS 2016/17**