

MANTSOPA LOCAL MUNICIPALITY



ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2017

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FOREWORD BY THE MAYOR



Let me take this opportunity to account to Mantsopa community and other stakeholders on the work done during 2016/17 financial year through this comprehensive Annual Report. This Draft 2016/17 Annual Report will amongst others, provide a clear indication on how we performed with regard to the 5 set of Key Performance Areas of the “Back to Basics” programme of the National Executive, as led by President Jacob Zuma. These set of Key Performance Areas are as follows;

1. *Good Governance;*
2. *2. Public Participation- Putting people first;*
3. *3. Basic Services- Creating conditions for decent living;*
4. *4. Sound financial management; and*
5. *5. Building capable institutions and administrations.*

This annual report will confirm our unwavering commitment to provide basic services to our communities, create a conducive environment for economic development and tourism as well as delivering basic service to our communities, albeit within a very challenging economic environment

We advise our communities to engage our Councillors, community structures and other spheres of government to resolve disputes other than destroying the very same property aimed at improving the lives of our people, our mandate as prescribed in 2016 ANC Local Government manifesto is to serve you with excellence.

Given our unique challenges impacting on our performance in various key performance areas emanating from our low revenue base, we expect to either maintain a Qualified audit opinion with minimum paragraphs or improve to Unqualified audit opinion as a building block towards a clean audit, this Draft 2016/2017 Annual Report will cover the work done by the current term of Council (2016-2021) and we shall attend to the following key immediate challenges amongst others as a matter of urgency:

1. Purchasing and or leasing of yellow fleet as part of maintaining existing and new infrastructure;
2. Water infrastructure in Excelsior, Tweespruit and Ladybrand (high lying areas);
3. Road infrastructure;
4. Filling of funded vacant post within 90 days of the post being declared vacant;
5. Prioritise ESKOM account, Invest in Revenue Collection strategies (Operation Patala Campaign); and
6. Indigent registration campaign to be implemented regularly, indigents register monitored monthly through the support of Ward Councillors.

Finally, let me also extend my gratitude to the Speaker, all Councillors, the Municipal Manager and all staff members for their support throughout our five year journey.

Together, with the support of our residents and other stakeholders, we can do more.

I thank you.

CLLR M.E TSOENE
MAYOR

DATE:.....

FOREWORD BY THE MUNICIPAL MANAGER



It is a great honour for me to support the Mayor and Council in presenting our 2016/17 Annual Report for the work done during the year under review, this report is an indication of the work done by our colleagues in implementing the 2016/17 Municipal Integrated Development Plan and other programmes of government. I'm confident that our management team led the staff with commitment in discharging our duties, paving and gravelling of roads, housing infrastructure, creating a conducive environment for trade and investment in our municipality, and implementing sound financial discipline amongst others in order to finance infrastructure development. We are certain that, with an excellent leadership of our Council we managed to meet most of our service delivery targets as prescribed by the IDP 2016/17 and our performance agreements.

Our performance on the five key performance areas of the IDP and Budget during the 2016/2017 financial year can be briefly summarised as follows:

Some of the key highlights /achievements of the municipality's performance during 2016/2017 include the following amongst others:

1. Design and construction of 600m paved road in Platberg, Ladybrand (100% complete as at 30 June 2017)
2. Design and construction of 2km paved road in Maclasen (Dipelaneng) (30% complete as at 30 June 2017)

3. Excelsior: Bulk water supply- Installation of pipeline and pumpstation phase 2 (13% complete as at 30 June 2017)
4. Excelsior: Bulk water supply – Supply and equipping of boreholes phase 1 (100% complete, on retention as at 30 June 2017;
5. Upgrading of Arthur Pitso Stadium Phase 2 (90% complete as at 30 June 2017).

In September 2016, the Mayor, as part of the 30-August to 02 September 2016 Free State Provincial Government EXCO Lekgotla, launched Mayoral Operation Hlasela campaign, about 11km roads were re-gravelled, bladed from March to April 2017 as part of the programme with the support of the Free State Provincial Department of Police, Roads & Transport, there was also the cleaning of Storm water, painting of streets and removal of dumping sites throughout five towns of Mantsopa.

In ensuring Financial Viability & Management, about 1341 new indigents were registered as part of Mayoral Operation Hlasela during October to December 2016.

In ensuring that we adhere to Institutional Transformation & Development and also preventing unnecessary litigations against the municipality, Majavu & Associates were appointed as Municipal Attorneys from April 2017, a new Audit Committee chaired by Mr Msizi Gwala who is a registered Chartered Accountant (CA) to ensure good governance and internal control.

Some of the weaknesses / challenges experienced during 2016/2017 financial year are summarised as follows:

1. Poor monitoring of projects, especially Water Pipeline project at Loop Street (Ntsu Trading), leading to unnecessary increment of professional fees incurred by the municipality in favour of Aurecon;
2. There was also poor monitoring of Excelsior: Bulk water supply- Installation of pipeline and pump-station phase 2 (13% complete as at 30 June 2017) implemented by Ket Civils;
3. Contract employees for more than 6 months, others up to three years, exposing the municipality to unnecessary reasonable expectation for permanent employment as per Section 198B of the Labour Relations Act;
4. Excessive expenditure on overtime;
5. Poor maintenance of electricity infrastructure due to an ambiguous SLA with Centlec not reviewed since 2007;

6. Shortage of yellow plant for daily maintenance of infrastructure, leading to poor maintenance of road and storm water infrastructure, water and sanitation infrastructure and solid waste disposal sites throughout the municipality;
7. Performance Management System was not cascaded to all levels of employees, some staff members did not have signed job descriptions;
8. The Municipal Manager and Section 56 employees were not evaluated during the period under review;

We have prepared a very comprehensive audit action plan to address all the above-mentioned challenges and weaknesses, the Audit Action Plan will be fortnightly monitored and reviewed through the Clean Audit Steering Committee meetings and Management meetings.

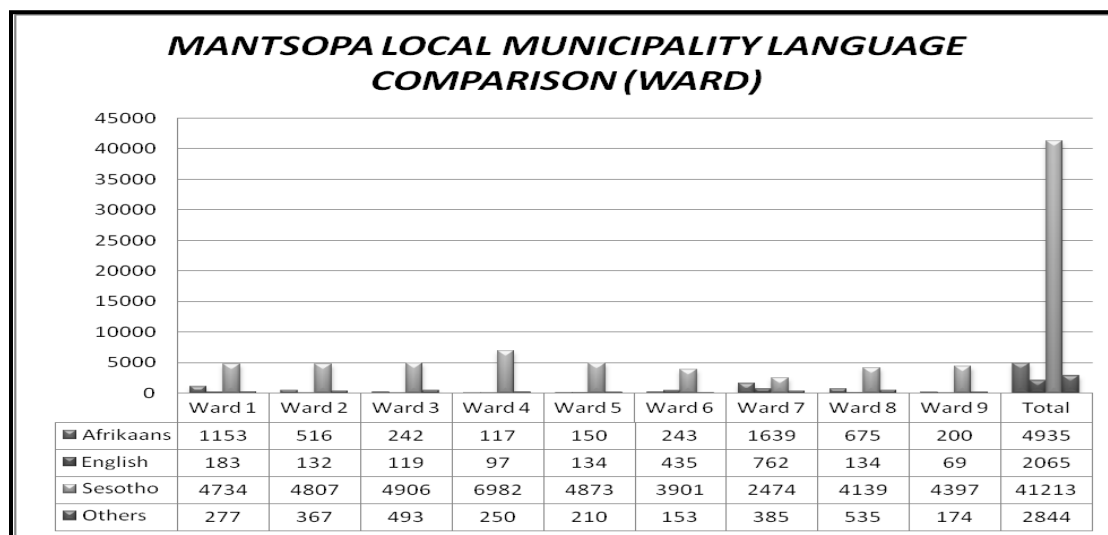
Finally, let me also take this opportunity to thank the Mayor, Speaker, all Councillors, Senior Management and staff members for their support during the year under review as part of our mission of serving our community with excellence.

Your contribution is always valued.

THAMAE PAULUS MASEJANE
MUNICIPAL MANAGER

DATE:.....

Figure 1: Languages spoken in the Municipality per ward.



Source: Statistics South Africa - Census Statistics 2011

The area is accessible via the N8 and R26 roads which transverse the area. A railway line that runs along these routes services the area. The municipal area accommodates approximately 51 056 people and covers an area of 4 290 km². It incorporates five small towns, which accommodates collectively 70.9% of the total population of Mantsopa. These small towns serve the surrounding rural community. The five main towns situated in Mantsopa are Ladybrand Head Office, Hob House, Tweespruit, Thaba-Phatchoa and Excelsior.

- **Ladybrand** is the most progressive of all towns and is the most eastern node in the municipal area. Ladybrand municipal area includes Manyatseng, Mauersnek and the surrounding municipal commonages that covered an area of 4 682 ha in size. The town accommodates 34% of the total population of Mantsopa.
- **Hobhouse** is a smaller rural town that is located southwest of Ladybrand and east of the Leeuw River along the Lesotho border. Hobhouse is the most southern node in the municipal area. It is about 2 089 ha in extent which includes Dipelaneng and municipal commonages. The town accommodates 4.6% of the total population of Mantsopa.
- **Tweespruit** is the most centrally located node along the N8 route between Bloemfontein and Ladybrand. It is about 1 534 ha in extent and included Borwa, Dawiesville and municipal commonages. The town accommodates 10.2% of the total population of Mantsopa.

- **Excelsior** is located 40 km north of Tweespruit along the R709 and forms the northern boundary of Mantsopa. It is about 1 298 ha in extent of which 243 ha was designed as an urban area, the rest were rented out to commercial farmers while some land was utilized for grazing purposes. It includes Mahlatswetsa and municipal commonages. Excelsior accommodates 10.6% of the total population of Mantsopa.
- **Thaba Patchoa** is located between Tweespruit and Hobhouse and is a small agricultural residence for about 1100 people. It is about 3 864 ha in extent and consisted of the farms Thaba Patchoa 105, Segogoana's Valley 665 and Sweet Home 667.

The municipal area has been divided into 9 wards. These wards comprise the following areas:

- **Ward 1:** Borwa, Thaba Patchoa and surrounding rural areas;
- **Ward 2:** Hobhouse, Dipelaneng, Portion of Ladybrand town and surrounding rural areas;
- **Ward 3:** Vukazenzele;Masakeng;Mekokong;Part of Los My Cherrie
- **Ward 4:** Part of Los My Cherrie, Flamingo; Part of Lusaka
- **Ward 5:** Mandela Park, Riverside, Masakeng, Thusanong, Modderpoort and surrounding rural areas;
- **Ward 6:** Lusaka, Thabong, New Platberg, and Homes 2000;
- **Ward 7:** Part of Ladybrand, Maursnek;Platberg and surrounding rural areas
- **Ward 8:** Excelsior, part of Mahlatswetsa, Tweespruit, Dawiesville, part of Motsekuoa and surrounding rural areas;
- **Ward 9:** Mahlatswetsa and surrounding rural areas.

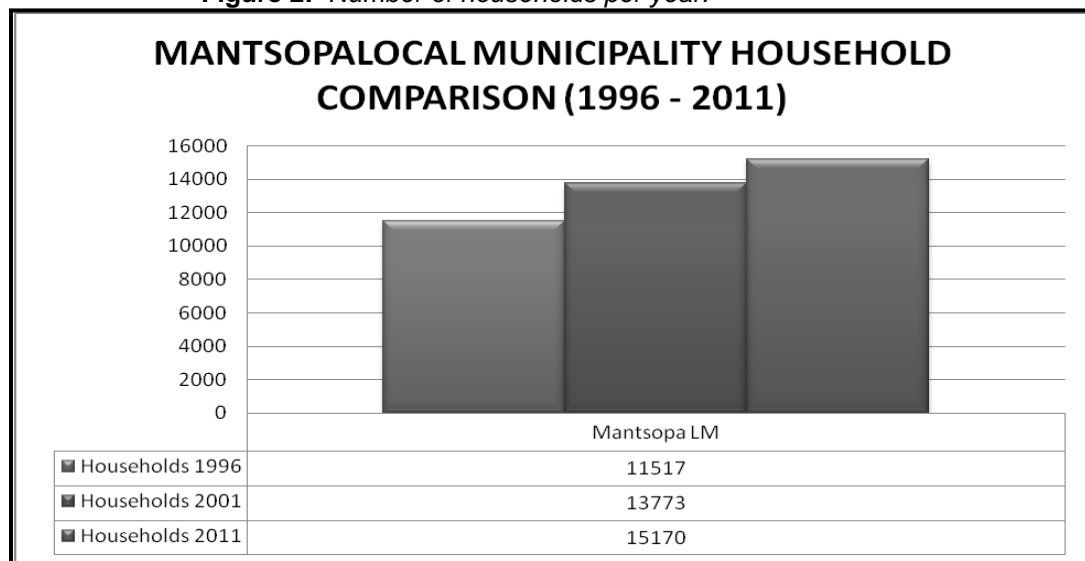
Table 1: Number of Households per ward.

Number of Households per ward – Census 2011									
Ward 1	Ward 2	Ward 3	Ward 4	Ward 5	Ward 6	Ward 7	Ward 8	Ward 9	Total of Mantsopa
1886	1865	1859	2088	1558	1363	1578	1494	1479	15170

Source: Statistics South Africa - Census 2011 Statistics

According to the database of the municipality 10627 households stay in the urban areas. The following table gives a breakdown of the number of households in the various towns as per record of the municipality:

Figure 2: *Number of households per year.*



Source: **Statistics South Africa - Census Statistics 2011**

Because limited information is available on the rural areas, the municipality undertook a rural survey in 2001 to get more information regarding the current level of service provision in the rural areas and the number of people residing on the farms. This survey indicated that an average of 2.8 households stay on those farms occupied by farmers and their workers. Where the farmer was not residing on the farm itself, 25% of all respondents indicated that an average of 2 families stayed on the farm. Only 35 farms, representing 11.4% of the respondents, had nobody that resided on the farm. A survey at the Deeds Office indicated that there are a total of 1874 farms registered in Mantsopa. If these figures are used to predict the number of households staying in the rural areas, the following is concluded:

Table 2: Estimated number of Rural Households

Survey Result	Applied to total number of farms	No of Households
73% or 223 farmers resided on the farm	$73\% \times 1874 \text{ farms} = 1368$	$1368 \times 2.8 = 3830$
35 farms had nobody residing on it (11%)	$11\% \times 1874 \text{ farms} = 206$	$206 \times 0 = 0$
48 farmers did not stay on the farm they worked (16%)	$16\% \times 1874 \text{ farms} = 300$	$300 \times 2.0 = 600$
Total	1874	4430

Source: Rural Survey (Mantsopa Local Municipality, 2001)

The rural survey conducted by the municipality also indicated that the average household size of the farm workers is 2.6 family members per household while the farmers has on average 2.1 family members. It is therefore estimated that 12 329 people are residing in the rural areas, using these average household sizes and multiplying it with the above estimated number of households.

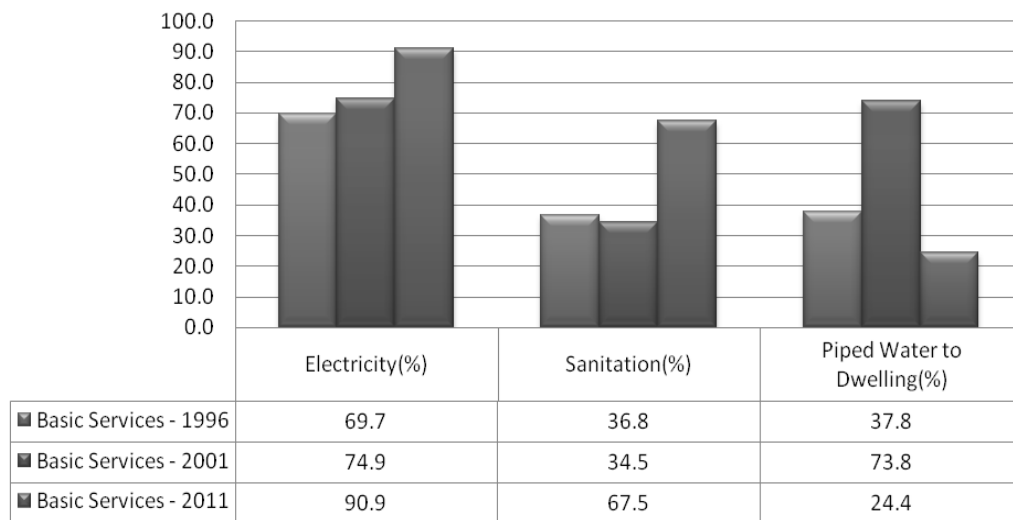
This figure is less than the rural population estimates of 21 405 people, if a compounded growth rate of 1.7% per annum is applied to the census figure of 1996. However, it is known fact that many farmers have retrenched workers since 1996 and therefore the rural population should have decreased, thus concluding the findings made by the rural survey.

The following conclusion can therefore be drawn from the above, namely that:

The estimated population of the rural survey is correct and therefore the rural population has decreased while there was an influx of people, through both migration and immigration into the urban areas. It is therefore estimated that the total number of households have increased from 11 715 to 15 057.

Mantsopa Local Municipality has had some mixed outcomes in terms of Services Provision from 1996 to 2011 as showed in the table below. Access to piped water has had a serious decrease and needs to be addressed within this IDP.

MANTSOPA LOCAL MUNICIPALITY BASIC SERVICES COMPARISON (1996 - 2011)



(a) Population

Province:	Free State
District:	Thabo Mofutsanyana
Seat:	Ladybrand
Wards:	9
Government	<ul style="list-style-type: none">• Type Municipal Council• Mayor Cllr Mmamama Tsoene
Area	<ul style="list-style-type: none">• Total 4,291 km²(1,657sq mi)
Population(2011)	<ul style="list-style-type: none">• Total 51,056• Density 11.9/km² (31/sq mi)• Households 15,170
Racial makeup(2011)	<ul style="list-style-type: none">• Black African 88.4%• Coloured 3.9%• Indian/Asian 0.6%• White 6.6%
First Languages (2011)	<ul style="list-style-type: none">• Sotho80.7%• Afrikaans 9.7%• English 4.0%• Other 5.6%
Time zone	SAST (UTC+2)
Municipal code	FS196

Source-Free State Provincial Government, 2011

(c)Household data

Table 1.3.1(a) Population growth rates - 1996, 2001 and 2011

Total Population			Total population	
1996	2001	Growth rate(1996-2001)	2011	Growth rate(2001-2011)
50 081	55342	2,0	51 057	-0,8

Table 1.3.1(b) Sex ratios by Municipality- 1996, 2001 and 2011

MALE			FEMALE			SEX RATIO		
1996	2001	2011	1996	2001	2011	1996	2001	2011
23 794	26 112	24 402	26 288	29 230	26 654	4,6:5	4,5:5	4,6:5

Table 1.3.1(c) Distribution of the population group (Black African) and sex

1996			2001			2011		
Male	Female	Total	Male	Female	Total	Male	Female	Total
20 360	22 733	43 093	22 863	26 051	48 879	21 413	23 713	45 125

Table 1.3.1(d) Distribution by population group (Coloured) – 1996, 2001 and 2011

1996			2001			2011		
Male	Female	Total	Male	Female	Total	Male	Female	Total
1 067	1 157	2 224	1 233	1 239	2 472	991	1 016	2 007

Table 1.3.1(e) Distribution by population group (Indian/Asian) – 1996, 2001 and 2011

1996			2001			2011		
Male	Female	Total	Male	Female	Total	Male	Female	Total
100	79	179	109	122	231	169	128	297

Table 1.3.1(f) Distribution by population group (White) – 1996, 2001 and 2011

1996			2001			2011		
Male	Female	Total	Male	Female	Total	Male	Female	Total
2 173	2 179	4 352	1 907	1 853	3 760	1 668	1699	3 367

Source: Census 2011 Municipal report, Free State, Report 03-01-52

(d) Socio-economic trends

Table 1.3.1.1 Dependency ratio – 1996, 2001 and 2011

0-14			65+			15-64			Dependency Ratio		
1996	2001	2011	1996	2001	2011	1996	2001	2011	1996	2001	2011
17 250	18 005	16 216	2 619	3 086	2 777	28 974	34 252	32 064	68,6	61,6	59,2

Table 1.3.1.2 Distribution of the population aged 15-64 by employment status- 1996, 2001 and 2011

Employed			Unemployed			Unemployment rate		
1996	2001	2011	1996	2001	2011	1996	2001	2011
12 002	12 838	11 725	4 957	7 094	4 864	29.2	35.6	29.0

Table 1.3.1.3 Average household size – 1996, 2001 and 2011

Total Household population			Number of households			Average household size		
1996	2001	2011	1996	2001	2011	1996	2001	2011
48 325	54 077	49 907	11 484	13 772	15 170	4.2	3.9	3.3

Table 1.3.1.4 Distribution of households by type of main dwelling 1996, 2001 and 2011

Formal			Traditional			Informal		
1996	2001	2011	1996	2001	2011	1996	2001	2011
6 904	9 421	12 407	2 061	1 667	450	2 167	2 648	2 226

Table 1.3.1.5 Distribution by tenure status - 2001 and 2011

Owned and fully paid off		Owned but not paid off		Rented		Occupied rent-free	
2001	2011	2001	2011	2001	2011	2001	2011
5 758	7 792	1 767	730	2 769	4 065	3 479	2 379

Table 1.3.1.6 Distribution of households using electricity for lighting, cooking and heating- 1996, 2001 and 2011

Lighting			Cooking			Heating		
1996	2001	2011	1996	2001	2011	1996	2001	2011
7853	10 307	13 805	4086	5281	12 028	3591	4362	5920

Table 1.3.1.7 Distribution of households having access to piped (tap) water -1996, 2001 and 2011

Piped(tap) water inside the dwelling/yard			Piped (tap) water on a communal stand			No access		
1996	2001	2011	1996	2001	2011	1996	2001	2011
9 062	10 168	14 490	1 401	3 046	503	973	559	176

Table 1.3.1.8 Distribution of households by type of refuse removal 1996, 2001 and 2011

Removal by authority/private company			Communal/own refuse dump			No rubbish disposal		
1996	2001	2011	1996	2001	2011	1996	2001	2011
6 707	9 317	11 921	4 237	2 971	2 906	406	1 484	286

Table 1.3.1.9 Distribution of households by type of toilet facility – 1996, 2001 and 2011

Flush/chemical toilets			Pit latrines			Bucket toilets			No toilets		
1996	2001	2011	1996	2001	2011	1996	2001	2011	1996	2001	2011
4 149	4 746	10 677	2 115	2 039	1 480	3 365	5 192	2 530	1 819	1 796	387

Source: Census 2011 Municipal report, Free State, Report 03-01-52

(e) Household incomes

Table 1.3.1.10 Distribution of average household income – 2001 and 2011

2001	2011
28 206	62 287

Table 1.3.1.11 Distribution of female headed household 1996, 2001 and 2011

Female headed household			Total number of households			% of female headed households		
1996	2001	2011	1996	2001	2011	1996	2001	2011
4 001	5 585	6 552	11 484	13 772	15 170	34,8	40,6	43,2

Table 1.3.1.12 Distribution of child headed households – 1996, 2001 and 2011

1996		
Households headed by children	Total households	% of child headed households
97	11 484	0,8
2001		
Households headed by children	Total households	% of child headed households
120	13 772	0,9
2011		
Households headed by children	Total households	% of child headed households
95	15 170	0,6

Source: Census 2011 Municipal report, Free State, Report 03-01-52

Chapter 2: Governance

Vision

To Communally Create Better Livelihoods and Build a Community of Mantsopa Defined by a Common Dream by 2030

Mission statement

Transform Social and Economic Development Patterns through Integrated, Accessible, Equitable and Sustainable Service

Component A: Governance Structure

In line with Chapter 7 of the Constitution of the Republic of South Africa, Mantsopa Local Municipality's executive and legislative authority is vested in its Municipal Council. In carrying out its mandate, to govern on its own initiative, the municipality must ensure consistent compliance with applicable national and provincial legislations.

The Constitution of the Republic of South Africa specifically section 152 (ss. 1) enjoins and vest the following developmental mandates on municipalities. These are;

- To provide democratic and accountable government for the local communities.
- To ensure provision of services to communities in a sustainable manner.
- Promote social and economic development.
- To promote safe and healthy environment for local communities and,
- To encourage public and community participation in matters of local government.

Mantsopa Local Municipality has both political as well as administrative structures. The political structure consists of the entire municipal Council, the Mayor, Speaker and the EXCO. The administrative structure in turn is embodiment of all municipal employees, with the Municipal Manager serving as head of administration. The senior management consists of four section 56 managers appointed on fixed contractual agreement, who also serve as heads of departments in the municipality

THE PEOPLE SHALL GOVERN!

GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Political Governance

- **Municipal Council**

The municipal council of Mantsopa Local Municipality is the highest decision making body in the area of jurisdiction of this municipality. The council consists of 17 councillors affiliated to different political parties. The mayor and the speaker also form part of this council and are both full time political office bearers.

During the period under review, Mantsopa Municipal Council was able to meet as prescribed and where necessary convene special council meetings to process matters that warranted urgent attention.

The Speaker, Councillor M J Moduka preside over all Council meetings, provide support and guidance to Section 79 Committees and Ward Committees.

Members of Mantsopa Municipal Council

SURNAME & INITIALS	PERIOD	PARTY	SEAT TYPE	GENDER
TSOENE M.E	03 AUGUST 2016	ANC	PR (MAYOR)	M
MODUKA M J	03 AUGUST 2016	ANC	PR (SPEAKER)	F
GABA SQG	03 AUGUST 2016	ANC	WARD (1)	M
NAKALEBE P N	03 AUGUST 2016	ANC	WARD (2)	M
MEYA B E	03 AUGUST 2016	ANC	WARD (3)	F
THAISI N J	03 AUGUST 2016	ANC	WARD (4)	M
MOLEFE D T	03 AUGUST 2016	ANC	WARD (5)	M
TIGELI K I	03 AUGUST 2016	ANC	WARD (6)	M
HALSE T	03 AUGUST 2016	DA	WARD (7)	F

MOLETSANE L P	03 AUGUST 2016	ANC	WARD 8	M
SEOE G M	03 AUGUST 2016	ANC	WARD 9	M
MPAKATHE R T	03 AUGUST 2016	DA	PR	M
HATTINGH D	03 AUGUST 2016	DA	PR	M
JACOBS Y J	03 AUGUST 2016	ANC	PR	F
MOSES S J	03 AUGUST 2016	EFF	PR	M
MABOZA B A	03 AUGUST 2016	EFF	PR	F
SANI B M	03 AUGUST 2016	COPE	PR	M

The EXCO members are appointed by the council and serve as political heads for some of section 79 committees. Mantsopa Local Municipality has a Plenary Executive System, this means that the executive leadership of the municipality is vested with the council as a collective, and as a result, the executive authority the municipality is exercised through the council.

The Mantsopa Local Municipality's EXCO consisted of the following members as at the end of the period under review:

Cllr M E Tsoene – Chairperson
Cllr T Halse
Cllr J Y Jacobs

Section 79 Committees

The municipality had Section 79 committees during the period under review. These committees are responsible for implementation of specific committee related programmes.

The committees were constituted as follows for the period under review:

NO	COMMITTEES	MEMBERS	NUMBER OF MEETINGS HELD BETWEEN 01 JULY 2016 – 30 JUNE 2017	COMMENTS
	Executive Committee	Cllr M E Tsoene (Mayor – Chairperson) Cllr Y J Jacobs Cllr T Halse	4	The previous EXCO had one meeting in July 2016, the current EXCO had three meetings during the year under review
1	Finance Committee	Cllr M P Nakalebe (Chairperson) Cllr B E Meya Cllr D Hattingh	4	N/A
2	Governance & Administration Committee	Cllr Seoe M.G (Chairperson) Cllr S Q G Gaba Cllr B A Maboza	2	N/A
3	Infrastructure & Urban Planning Committee	Cllr N J Thaisi (Chairperson) Cllr L P Moletsane Cllr B M Sani	3	N/A
4	Community Services	Cllr KI Tigeli (Chairperson) Cllr D T Molefe	3	N/A

		Cllr R T Mpakathe		
5	Petitions Committee	Cllr M J Moduka (Chairperson) Cllr L.P Moletsane Cllr B M Sani The Ward Councillor where petition originates	0	N/A
6	Local Labour Forum	Cllr M P Nakalebe (Chairperson) Cllr N J Thaisi Cllr B A Maboza Cllr K I Tigeli	6	N/A
7	Rules Committee	Cllr M J Moduka (Chairperson) Cllr Y J Jacobs Cllr B M Sani Cllr R T Mpakathe Cllr B A Maboza Cllr L P Moletsane	1	N/A

Administrative Governance

In line with legislative prescripts, the head of the administrative structure at Mantsopa Local Municipality is the Municipal Manager. As the Accounting Officer, the Municipal Manager provides guidance on compliance with legislation to political structures; political office bearers, and officials of the municipality.

In execution of his duties, the Municipal Manager was assisted by his senior managers, who serve as departmental heads, The Municipal Manager, together with his senior managers, constitutes the senior management team of the municipality. The following individuals were part of the senior management team of Mantsopa Local Municipality for the period under review:

Mr. SM Selepe - Municipal Manager (Contract expired on 30 June 2017 and Mr T.P Masejane, appointed as Municipal Manager effectively from 01 August 2017
Mr. KD Matsie – Chief Financial Officer (**Suspended in Sept 2016, dismissed in March 2017 & Mr A M Makoe appointed Acting CFO since 14 September 2016 to 30 June 2017**)

Me. PP Moloi - Director: Corporate Services,

Me. KB Sebolai- Director: Community Services,

Mr. NJ Raliapeng - Director: Technical Services. (**Resigned on 31 Dec 2016 and Mr E D Nana was appointed Acting Director Technical Since 31 Jan 2017.**

The above mentioned senior management team was supported by the experienced and capable middle management (Post level 01 to 03) and more than 280 workforce in the implementation of the Municipal Integrated Development Plan amongst others during the period under review.

Component B: Intergovernmental Relations

The constitution of the country requires all spheres of government to observe the fundamental principles of cooperation between spheres of government.

Concomitant to this background, Mantsopa Local Municipality see the intergovernmental relations between spheres of government as an important tool to enhance and speed up service delivery. In terms of Intergovernmental Relations Act Framework Act, 2005, the municipality has participated in provincial, district and intergovernmental technical structures such as:

- Premier's intergovernmental relations
- District's Intergovernmental Relations
- Intergovernmental Technical Support Structures

Component C: Public Accountability and Participation

Section 18 (i) (d) of Municipal Systems Act requires that a municipality must supply its community with information concerning municipal governance, management and development. The act further requires that a municipality must develop a system of municipal governance that compliments formal representative governance with a system of participatory governance.

Ward Committees:

All 9 (nine) ward committees were duly elected between October and November 2016, they were all trained by the Free State Department of Cooperative Governance & Traditional Affairs (FSCOGTA) and are able to meet and discharge their responsibilities as prescribed in terms of the Local Government: Municipal Systems Act, 32 of 2000.

Ward Committee Reports are submitted to Council by various committees through office of the Speaker. These reports are forwarded on monthly basis by wards collectively.

Individual ward committee members report to their committees during their ward committee management meetings. The ward will then consolidate a report that will be forwarded to the office of the Speaker, and at the ultimate stage the reporting will be forwarded to Council by the office of the Office of the Speaker.

Office of the Speaker is also checking through the reports/ minutes from wards; this exercise is done in order to with issues that need urgent discussions or attention to different departments within the municipality (e.g. Technical services or Community services). Normally these will be issues around service delivery.

Ward committee members are representing their different portfolios within their committees. The members are guided by the ward operational plans which set objectives and times frames towards various sector representations which members serve within their committees.

IDP PARTICIPATION

1.1 Introduction

The Integrated Development Plan (IDP) process is a process through which the municipalities prepare strategic development plans for a five-year period. An IDP is one of the key instruments for local government to cope with its new developmental role and seeks to arrive at decisions on issues such as municipal budgets, land management, promotion of local economic development and institutional transformation in a consultative, systematic and strategic manner.

In order to ensure certain minimum quality standards of the IDP Review process and proper coordination between and within spheres of government, municipalities need to prepare IDP review process plan and formulate budget to implement the IDP. The IDP and Budget Process Plan has to include the following:

- A programme specifying the timeframes for the different planning steps;
- Appropriate mechanisms, processes and procedures for consultation and participation
- of local communities, organs of state, traditional authorities and other role players in
- the IDP review and budget formulation processes; and
- Cost estimates for the review process.
- The preparation of IDP process plan is in essence the formulation of the IDP and Budget
- Processes set out in writing and require the adoption by Council.

1.2 Legal planning context

The preparation of the IDP and Budget processes are regulated by the Municipal Systems Act, No 32 of 2000 and the Municipal Finance Management Act, No 56 of 2003. This is to ensure certain minimum quality standards of the integrated development planning and budget process and proper coordination between and within the spheres of government.

As the IDP is a legislative requirement it has a legal status and it supersedes all other plans that guide development at local level.

The Municipal Systems Act, No 32 of 2000 (as amended) and the Municipal Finance Management Act, No 56 of 2003 confer the responsibility on the Mayor to provide political guidance over the budget process and the priorities that must guide the preparation of the annual budgets. In terms of section 53 of the Municipal Finance Management Act the Mayor must also coordinate the annual revision of the integrated development plan in terms of section 34 of the Municipal Systems Act and the preparation of the annual budget, and determine how the integrated development plan is to be taken into account or revised for the purpose of the budget. The Municipal Systems Act further requires the following regarding the IDP process:

Chapter 5 and Section 25 (1) of the Municipal Systems Act (2000) indicate that:

- Each municipal council must, within a prescribed period after the start of its elected term, adopt a single, all inclusive and strategic plan for the development of the municipality which-
- Links integrates and coordinates plans and takes into account proposals for the development of the municipality;
- Aligns the resources and capacity of the municipality with the implementation of the plan;
- Complies with the provisions of this Chapter; and
- Is compatible with national and provincial development plans and planning requirements binding on the municipality in terms of legislation.

In terms of the core components of the integrated development plan, Chapter 5 and Section 26 of the Municipal Systems Act (2000) indicate that:

An integrated development plan must reflect-

- The municipal council's vision for the long term development of the municipality with special emphasis on the municipality's most critical development and internal transformation needs;
- An assessment of the existing level of development in the municipality, which must include an identification of communities which do not have access to basic municipal services;
- The council's development priorities and objectives for its elected term, including its local economic development aims and its internal transformation needs;
- The council's development strategies which must be aligned with any national and provincial sectorial plans and planning requirements binding on the municipality in terms of legislation;

- A spatial development framework which must include the provision of basic guidelines for land use management system for the municipality;
- The council's operational strategies;
- Applicable disaster management plans;
- A financial plan, which must include a budget projection for at least the next three years; and
- The key performance indicators and performance targets determined in terms of section 41.

Section 27 stipulates that:

- Each district municipality, within a prescribed period after the start of its elected terms and after following a consultative process with the local municipalities within its area, must adopt a framework for integrated development planning in the area as a whole;
- A framework referred to in subsection (1) binds both the district municipality and the local municipalities in the area of the district municipalities;
- The framework must ensure proper consultation, co-ordination and alignment of the IDP Process of the district municipality and the various local municipalities.

1.3 Alignment between IDP, Budget and PMS

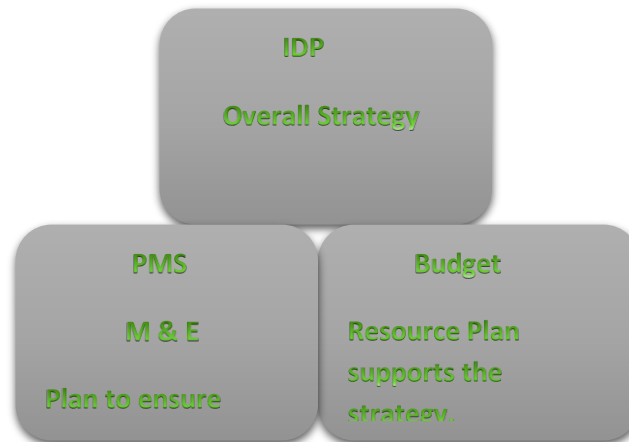
In terms of the Municipal Systems Act, municipalities are required to prepare organizational performance management system that must be linked to the IDP. Tremendous progress has been made with the process of aligning the IDP, Budget and Performance Management System (PMS).

The PMS process will address the following issues:

- Alignment of the PMS, Budget and IDP processes;

The IDP, performance management systems (PMS) and budget are all components of one overall development planning and management system. The IDP sets out what the municipality aims to accomplish, how it will do this. The PMS enables the municipality to check to what extent it is achieving its aims. The budget provides the resources that the municipality will use to achieve its aims. As indicated earlier, every attempt has been made in this process plan to align the IDP and PMS formulation and/or review, and the budget preparation process. The linkages of the three processes are summarized in the following diagram:

Fig 1: The linkages between IDP, Budget and PMS



1.4 The purpose of the process plan

Mantsopa Local Municipality needs to plan, direct and manage its capacity and resources to support the successful implementation of its integrated development planning process and the budget. The reality of limited capacity and resources in Mantsopa Local Municipality demands innovation and the need for greater intergovernmental cooperation between various spheres of government.

The Mantsopa Local Municipality process plan is seen as a document that describes how the municipality will develop and implement the integrated development plan through budget in its area of jurisdiction. Therefore, it will have a meaningful bearing on the current IDP document once completed and/or most importantly, it may lead to the process of the development of a new and all-inclusive integrated development planning methodology to plan and actualize future development in Mantsopa Local Municipality through our budgetary allocations. The process plan is thus similar to business plan and deals with the allocation of municipality capacity and resources in support of and serve as a guideline in terms of which Mantsopa Local Municipality will carry out its mandate with regard to integrated development planning.

This plan is meant to ensure the proper management of the planning process through the following:

Setting the scene to manage the planning process and legal requirements in planning for the implementation of the integrated planning system;

☐A programme specifying time schedule that guide IDP and budget planning processes and various planning steps; Outlining appropriate mechanisms, processes and procedures on how the public, stakeholders, state organs can participate in the drafting of the IDP and formulation of the budget structures that will be used to ensure this participation

Indicate necessary organizational arrangements to ensure the successful implementation of the integrated development planning process;

Binding plans and planning requirements, i.e. policy and legislation; mechanisms and procedures for vertical and horizontal alignment; and a programme specifying how will the process be monitored in order to manage the progress of the IDP and budget processes.

1.5 The annual budget

The Annual Budget and the IDP are inextricably linked to one another, something that has been formalised through the promulgation of the Municipal Finance Management Act (2004). Chapter 4 and Section 21 (1) of the Municipal Finance Management Act (MFMA) indicate that:

The Mayor of a municipality must-

a) At least 10 months before the start of the budget year, table in the municipal council a time schedule outlining key deadlines for.

I. The preparation, tabling and approval of the annual budget;

II. The annual review of-

- a. The integrated development plan in terms of section 34 of the Municipal Systems Act; and The budget related policies.*
- b. The tabling and adoption of any amendments to the integrated development plan and the budget-related policies; and*
- c. The consultative processes forming part of the processes referred to in subparagraphs (I), (ii) and (iii).*

This document constitutes the Process Plan of the IDP Review 2017-22 and Budget formulation 2017-20 for the Mantsopa Local Municipality and essentially fulfills the function of a business plan and/or operational plan for the IDP process and presents, in a simple and transparent manner **what** should happen **when**, by **whom**, with **whom** and **where** during the process of formulating an IDP for the Mantsopa Local Municipality.

SECTION TWO: IDP DEVELOPEMENT PROCESS

2.1 Key elements to be addressed in this process

The Municipality will pursue the following strategic goals during this term of local government that are informed by the 10 National Electoral Mandate, Medium-Term Strategic Framework and Municipal Turnaround Strategy and 2030 sustainable development goals:

- To ensure service excellence within and around Mantsopa Local Municipality;
- To stimulate integrated and sustainable economic development;
- To improve and sustain financial, human resource and management excellence;
- To evolve institutional excellence through a thoroughgoing institutional reengineering, effective leadership and effective long range development planning.
- The municipality will accelerate implementation to roll back existing service delivery backlog identified during the IDP review process as well as in consultation with community, and in line with the financial situation of the municipality.

The following is a summary of the main activities to be undertaken during this IDP Process:

2.1.1 Refine and/or develop the strategic elements of the IDP in terms of council's new priorities

- (a) Refine and/or develop the vision and objectives;
- (b) Refine and/or develop the strategy elements of the IDP;
- (c) Determining new programmes to achieve the strategic intent;
- (d) Refine and enhance institutional plans;
- (e) Refine and/or develop the spatial development framework;
- (f) Tightened performance management system;
- (g) Develop organizational scorecard;
- (h) The preparation and review of relevant sector plans;

SECTION THREE: HORIZONTAL AND VERTICAL ALIGNMENT

3.1. Framework plan

In terms of Chapter 5 and Section 26 of the Municipal Systems Act (2000), districts are required to prepare and adopt a Framework Plan which indicates how the District and Local Municipalities will align their IDPs. The Framework Plan provides the linkage and binding relationships to be established between the district and local municipalities in the district and in doing so, proper consultation, coordination and alignment of the review process of the district municipality and various local municipalities can be maintained.

Alignment with service providers is essential to ensure that the district and local municipality's priorities can be reflected in the service providers' project prioritization process and in turn the service providers' projects can be reflected in the IDP document. Regular meetings with service providers would be required in the course of IDP review process.

3.2. Alignment with stakeholders

Alignment with stakeholders is essential in order that the Thabo Mofutsanyana District Municipality and Mantsopa's priorities can be reflected in their project prioritization process, as well as reflecting those projects in the IDP. It is anticipated that the IDP and Budget Conference and IDP Programme Workshops which will be led by Mayor and Municipal Manager will create such a platform as well as a series of individual meetings with key organs of the state.

3.3. Stakeholders in the IDP process

Municipality

The IDP guides the development plans of the local municipality.

Councillors

The IDP gives Councillors an opportunity to make decisions based on the needs and aspirations of their constituencies.

Communities and other stakeholders

The IDP is based on community needs and priorities. Communities have the chance to participate in identifying their most important needs. The IDP process encourages all stakeholders who reside and conduct business within a municipal area to participate in the preparation and implementation of the development plan.

National and provincial sector departments

Many government services that affect communities at local level are delivered by provincial and national government departments -for example: police stations, clinics and schools.

Municipalities must take into account the programmes and policies of these departments. The departments should participate in the IDP process so that they can be guided how to use their resources to address local needs.

SECTION FOUR: PUBLIC PARTICIPATION IN THE IDP PROCESS

4.1. Community-based planning

A fundamental and statutory component of the IDP process is community engagement and the public participation. Participation in the integrated development planning process is only one of the several arenas of participatory interaction between local government and citizens. The municipality's approach in participatory interaction is based on its innovative ward based planning process or community based planning (CBP) process where all 9 wards will be involved in the confirmation of their development priorities. CBP as a form of participation in the development of Mantsopa IDP is seen within the context that it must be people-focused and empowering, led and owned by Ward Councilors and ward committee members, based on vision and strengths of the ward, and should be holistic and promote mutual accountability between elected public representatives, community and municipal administration.

Through CBP, communities and stakeholders highlight and/or confirm their development priorities that should be included in the IDP in the form of projects, services and programmes.

SECTION FIVE: ORGANISATIONAL ARRANGEMENTS

5. IDP Steering Committee

The IDP Steering Committee is a strategic, political and technical working team making political and technical decisions and inputs that must ensure a smooth compilation and implementation of the IDP. The IDP Steering Committee has been operational since the inception of the IDP preparation process. The IDP SC and the Stakeholder Forum will be reconstituted for the preparation of the IDP process. As part of the IDP review and budget formulation process, the Steering Committee which support the Municipal Manager, IDP and the Budget Office should remain as follows:

5.2. Municipal Manager

As a head administration, the Municipal Manager is responsible and accountable for the implementation of the municipality's IDP, and the monitoring of progress with implementation of the plan. He is also the responsible person for championing the integrated development planning process.

IDP Manager

Amongst others, the following responsibilities have been allocated to the IDP Manager for the IDP Process

- Ensure that the Process Plan is finalized and adopted by Council;
- Adjust the IDP according to the proposals of the MEC;
- Identify additional role-players to sit on the IDP Stakeholder Forum;
- Ensure the continuous participation of role players;
- Monitor the participation of role players;
- Ensure appropriate procedures are followed;
- Ensure documentation is prepared properly;
- Carry out the day-to-day management of the IDP process;
- Respond to comments and enquiries;
- Ensure alignment of the IDP with other IDP's within the District Municipality;
- Co-ordinate the inclusion of Sector Plans into the IDP documentation;
- Co-ordinate the inclusion of the Performance Management System (PMS) into the IDP;
- Submit the reviewed IDP to the relevant authorities.

5.2. IDP and Budget Forum

Composition of IDP and Budget Forum

The IDP and Budget Forum will facilitate and co-ordinate participation as part of the preparation phase of the IDP and will continue its functions throughout the annual IDP review processes. The proposed composition of the IDP and Budget Forum is potentially municipal stakeholders.

Terms of Reference for the IDP Representative Forum

- The terms of reference for the IDP Representative Forum are as follows:
- Represent the interest of the municipality's constituency in the IDP process;
- Form a structures link between the municipality and representatives of the public;
- Provide an organizational mechanism for discussion, negotiation and decision making between the stakeholders including municipal government;
- Ensure communication between all the stakeholder representatives including the municipal;
- Monitor the performance of the planning and implementation process
- Integrate and prioritize issues, strategies, projects and programmes and identify budget requirements; and
- Monitor the performance of planning and implementation process.

Roles and Responsibilities of Different Spheres of Government in the IDP Process

The responsibility to prepare and adopt IDPs lies with Mantsopa Local Municipality. However IDP is seen as a key measure to identify and respond timeously and effectively to local developmental challenges and priorities, in a manner that leverages involvement and responses of all stakeholders including across sectoral basis and contributions by the district, provincial and national governments. It is therefore a requisite for all stakeholders to be fully aware of their own responsibilities and of other role-players' responsibilities so that the planning process is smooth and well-organized.

In order to ensure that there is a clear understanding of all required roles and responsibilities between the three spheres, the following are highlighted:

SPHERE OF GOVERNMENT	ROLES AND RESPONSIBILITIES
Local	
Local municipality	Prepare an IDP Adopt an IDP
District municipality	Prepare an IDP Adopt an IDP Provide support to poorly capacitated local municipalities Facilitate the compilation of a framework which will ensure Coordination and alignment between local municipalities and the district.
Provincial	
CoGTA	Coordinate training Provide financial support Provide general IDP guidance Monitor the process in the province Facilitate coordination and alignment between district Municipalities. Facilitate resolution of disputes between municipalities Facilitate alignment of IDPs department policies and programmes. Assess IDPs
Sector Departments Be guided by municipal IDPs in the allocation of resources at Local level.	Provide relevant information on sector department's policies, Programmes and budgets Contribute sector expertise and technical knowledge to the Formulation of municipal policies and strategies.

<p>National</p>	<p>Issue legislation and policy in support of IDPs</p> <p>Department of Cooperative Governance And Traditional Affairs Issue Integrated Development Planning Guidelines</p> <p>Provide financial assistance</p> <p>Provide a national training framework</p> <p>Establish a planning and Implementation Management Support System programmes and budgets.</p> <p>Contribute sector expertise and technical knowledge to the Sector Departments formulation of municipal policies and strategies</p> <p>Be guided by municipal IDPs in the allocation of resources at the Local level.</p> <p>Provide relevant information on sector department's policies,</p>
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6.2.2. Key IDP and budget time schedule of events for 2017/18 cycle

PREPARATION PHASE

ACTIVITY	WHERE & WHEN	RESPONSIBILITY	PARTIES INVOLVED	ESTIMATED COSTS
Presentation of the draft IDP process Plan for 2017/2018 to the IDP Steering Committee		IDP Manager	Mayor, Speaker, Councillors, Management	R2000.00
Presentation of the IDP Process plan for 2017/2018 to the special Council meeting	Wednesday 31 August 2016 10H00 Ladybrand, Council Chambers	IDP Manager	Municipal Manager	N/A (to be covered by normal budget for council meeting)
Presentation on Constitutional obligations, powers and functions	December 2016 in consultation with Department Corporative Governance and Traditional Affairs	Municipal Manager	Council, Management & Department	R2500.00

ANALYSIS PHASE

ACTIVITY	TARGET GROUP	WHERE & WHEN	ESTIMATED COSTS
Compilation of existing information, community stakeholder level analysis on Environment, economic, institutional, spatial, WSDP, Infrastructure, and cross cutting issues	Wards 2 Ward Committees, CDW's NGO's, CBO's, Business Organisations, CPF, SGB's	19 September 2016 Dipelaneng Community Hall 10H00	R20 000.00
	Ward 8 & 9, Ward Committees, CDW's, NGO's, CBO's Business Organisations CPF's & SGB's	20 September 2016 Mahlatswetsa Community Library 10H00	R20 000.00
	Wards 1, Ward Committees, CDW's, NGO, Business Organisations, CPF's, SGB. Etc	21 September 2016 Boroa Community Hall 10H00	R20 000.00
	Ward 3,4,5,6 & 7 Ward Committees, CDW's, NGO's, CBO's, Business Organisations, CPF's, SGB, Etc.	22 September 2016 Manyatseng Itumeleng Hall 10H00 ward 3&5,12:00 ward 4&6 Library Hall and 17H00 Herman Premier Skool	R25 000.00

	Ward 1Ward Committees, CDW,s, NGO's, CBO's ,Business Organisations CPF's &SGB. Etc	23 September 2016 Paul Bergman Saal 10H00	R20 000.00
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STRATEGIES PHASE

ACTIVITIES	TARGET GROUP	WHERE & WHEN	ESTIMATED COSTS
Compile ward based strategic guidelines on SDF, WSDP, CPI, Housing Sector Plan, LED, Infrastructure development, institutional capacity, and Environmental Issues, defines resource frames (financial strategies), deciding on alternative for ward based specific issues, identify and or review projects	Ward 2 ward communities. CDW's, NGO's, CBO's, Business Organisation, CPF's, SGB', etc.	26 September 2016 Dipelaneng Hall, 10H00.	R20 000.00
	Ward 8&9 Ward Committees, CDW's NGO's, CBO, CPF's Business Organisations.	27 September 2016, Mahlatswetsa hall, 10H00.	R20 000.00
	Ward 3,4,5, 6 & 7 Ward Committees, CDW's, NGO's, CBO's Business Organizations, CPF's, SGB etc.	28 September 2016 Herman Premier Skool 17H00 and Itumeleng Hall 10H00 ward 3&5 , Library hall 4&6 12:00.	R20 000.00
	Ward 1 Ward Committees, CDW's, NGO's, CBO's, Business Organisations, CPF's, SGB.etc.	29 September 2016 community Hall, 10H00	R20 000.00
	Ward 1 Ward Committees, CDW's NGO's, CBO's Business Organisation, CPF's,SGB.etc	3 October 2016 Paul Bergman Saal,10H00	R20 000.00

PROJECT PHASE

ACTIVITIES	TARGET GROUP	WHERE & WHEN	ESTIMATED COSTS
Preliminary budget allocations per project, prioritisation of projects per ward on MTEF basis, setting of key performance indicators for each project	Ward 1ward communities. CDW's, NGO's, CBO's, Business Organisation, CPF's, SGB', etc	4 October 2016 Dipelaneng Community Hall	R20 000.00
	Ward 8&9 ward communities. CDW's, NGO's, CBO's, Business Organisation, CPF's , SGB', etc	5 October 2016, Mahlatswetsa Hall, 10H00	R20 000.00
	Ward 3,4,5, 6 & 7 Ward Committees, CDW's, NGO's, CBO's Business Organizations, CPF's, SGB etc	6 October 2016,Herman Premier Skool 17H00,Itumeleng Hall 10H00 ward3 &5,library hall ward 4&6 12:00	R20 000.00
	Ward 2 ward committees, CDW's, NGO's, CBO's, Business Organisation, CPF,s, SGB, etc	7 October 2016, Dan neethlan Hall, 10H00	R20 000.00
	Ward 2 ward committees, CDW's, NGO's, CBO's, Business Organisations, CPF's, SGB, etc	11 October 2016, Paul Bergman Saal, 10H00	R20 000.00

INTEGRATION PHASE

ACTIVITIES	PARTIES INVOLVED	WHERE & WHEN	ESTIMATED COSTS
IDP & Budget Representative Forum Meeting	Council, Management, Ward Committee members, CDW's Various stakeholders within all eight wards, District Municipality, other spheres of government, external services providers (ESKOM, Telkom)	January 2017Ladybrand Town Hall, 10H00	R100 000.00
Tabling of the draft IDP & Budget 2017/2022 at a special council meeting for consideration	Council, Members of the community, media and all interested parties	31 March 2017, venue and time to be determined by the Council	To be covered by normal Council proceedings.
Council Strategic Planning Session	Council & Management	April 2017,venue to be decided by the Mayor	R450 000.00

APPROVAL PHASE

ACTIVITIES	PARTIES INVOLVED	WHERE & WHEN	ESTIMATED COSTS
2017/2022 IDP & Budget Speech by the Mayor at the special council meeting approval	Council, members of the public, media and all parties involved parties	30 May 2017venue and time to be determined by Council	R50 000.00
Submission of the approved 2011/2012 IDP & Budget documents to the MEC: COGTA	Municipal Manager	Within 10 days of the approval	N/A
Tabling of the Service Delivery and Budget Implementation Plan 2017/2022 including Annual Performance Agreements of the Municipal Manager and Section 57 employees	Mayor	June 2017	R1000.00

Component D: Corporate governance

Corporate governance is a system by which corporations are operated and controlled. This system encompasses a set of rules, processes and laws.

In the context of our municipality, we view corporate governance as an effective system of ensuring that the community get value for money through diligence and honesty.

In the course of rendering services to the community, it is therefore important to do so within the parameters of the law, and this can be achieved by connecting corporate governance with legislative risk management as a guideline.

AUDIT COMMITTEE

During the period under review, the municipality had a functional Audit Committee headed by Mr M C Gwala with two other members, it was able to discharge its obligations, it processed all matters referred to it by Council, reported progress regularly to Council and participated at the Audit Steering Committee meetings. All Annual Reports and Annual Financial statements were reviewed by the Audit Committee prior tabling at the Council meeting.

AUDIT COMMITTEE MEMBERS

MEMBER	CAPACITY
M C Gwala	Chairperson
Mrs D S. Lebeko	Member
Ms V.C Sikaundi	Member

Risk Management

The MFMA requires that the municipality has and maintains effective, efficient and transparent systems of financial and risk management and internal control; and of internal audit operating in accordance with any prescribed norms and standards.

During the period under review the municipality had a functional risk management unit, plans are put into place to strengthen the unit.

Risk management is the process whereby the Accounting Officer, and other key members of the senior management proactively, purposefully and regularly identify and define current as well as emerging business, financial and operational risks and either simultaneously or identify appropriate and cost effective methods of obviating and managing these risks within the Municipality.

The Accounting Officer ensured that the municipality has risk management structures that are aligned to the principles of good corporate governance, as supported by the Municipal Finance Management Act (MFMA), Act no.56 of 2003.

A risk assessment was done and the risk assessment register was developed and approved by the Audit Committee. The top 10 Risks were also identified on the Risk Assessment register and they are discussed on a weekly basis in the Clean Audit Steering Committee Meetings.

The Clean Audit Steering Committee is a committee formed within the municipality to ensure that the municipality moves away from getting negative reports from the Auditor General. It consists of Management and experts who advises on the best mitigating strategies for the municipality's high risks.

The municipality also developed a Risk Management Policy which is currently in operation. The municipality has recently appointed the chairperson of the Risk Management Committee and established a Risk Management Committee. The Committee is a subcommittee appointed by the Accounting officer to help him with his responsibilities for risk management.

Anti-Fraud and Corruption

For the period under review, the municipality adopted strategies to combat fraud and corruption in the IDP. The municipality's Internal Audit also plays a pivotal role in the review of processes and adherence to process relating to segregation of duties, procurement process, efficiency of internal controls, and other measures to prevent fraud and corruption from occurring.

The Municipality has developed the Fraud Prevention Policy and Fraud Prevention Strategy. These policies must be reviewed by the Risk Management Committee and the current objective is to present them in the next council meeting. The municipality is currently using the controls on the Risk Assessment Register to mitigate fraud.

Supply Chain Management

For the period under review, the municipality had an approved supply chain management policy which is in line with the MFMA and National treasury regulations, Furthermore; the policy was reviewed to be in line with the Preferential Procurement Policy Framework Regulations of 2011.

The Supply Chain Management unit is appropriately capacitated in terms of human resources and skills. The unit is headed by a senior official who assume the duties of a Supply Chain Manager.

During the period under review, there were a number of instances where procurement procedures were not followed, which resulted in deviations from the approved policy.

The composition of the bid committees is in accordance with the provisions of the Supply Chain Management Regulations, 2005, and there is regular reporting on the implementation of the policy.

By-Laws

There were six (6) new by-laws introduced in this reporting period. To provide by-laws for Council to implement for better services and legal.

Standard Building Regulation, 2011

Standard Cemeteries and Crematoria, 2011

Standard Sporting Facilities, 2011

Standard Taxi Rank, 2011

Standard Unsightly and Neglected Building, 2011

Standard Waste Management, 2011

INFORMATION PLACED ON THE WEBSITE AND OR PUBLISHED

Documents to be published on the municipality's website	Published / Not published
Current annual and adjustments budgets and all budget-related documents	Published
All current budget-related policies	Published
The previous annual report (2015/16)	Published
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act and resulting scorecards	Published
All service delivery agreements	Published
All long-term borrowing contracts	
All supply chain management contracts above a prescribed value (R 100 000)	Published
Public-private partnership agreements referred to in section 120.	Not applicable
All quarterly reports tabled in the council in terms of section 52 (d) during 2016/17	Published

Public satisfaction of Municipal Services

1st Quarter July – September 2016

Type of service	# of reported incidents	# of attended incidents	# of incomplete incidents	% of attended incidents
Water	167	154	13	92.2%
Sanitation	160	152	8	95%
Electricity	34	31	3	91.1%
Roads and Stormwater	0	0	0	0
Refuse	10	10	0	100%

2nd Quarter October - December 2016

Type of service	# of reported incidents	# of attended incidents	# of incomplete incidents	% of attended incidents
Water	179	132	47	73.3%
Sanitation	163	140	23	85.9%
Electricity	31	20	11	65.2%
Roads and Stormwater	3	3	0	100%
Refuse	15	15	0	100%

3rd Quarter January- March 2017

Type of service	# of reported incidents	# of attended incidents	# of incomplete incidents	% of attended incidents
Water	263	157	27	60.8%
Sanitation	237	218	19	92.9%
Electricity	25	23	3	92%
Roads and Stormwater	16	16	0	100%
Refuse	6	6	0	100%

4th Quarter April – June 2017

Type of service	# of reported incidents	# of attended incidents	# of incomplete incidents	% of attended incidents
Water	247	236	11	95.5%
Sanitation	327	327	0	100%
Electricity	27	25	2	92.5%
Roads and Stormwater	23	23	0	100%
Refuse	7	5	2	71.4%

Summary for 2016/2017

Type of service	# of reported incidents	# of attended incidents	# of incomplete incidents	% of attended incidents
Water	856	679	88	79.3%
Sanitation	887	837	50	94.3%
Electricity	117	99	31	84.6%
Roads and Stormwater	64	52	12	81.2%
Refuse	16	14	2	88%

CHAPTER 3

3.1 PERFORMANCE OF SERVICE PROVIDERS

The table below summarizes the performances of external services providers as required by section 46 of the Local Government: Municipal Systems Act 32 of 2000.

Name of Service Provider	Name of Project	SLA signed		Project Starting Actual Date	Completion Date	Specs met		Status	Percentage
		Yes	No			Yes	No		
Delevex 606	Supply, Delivery and Delivery of Cold Hot Asphalt “As When and Required Basis” for 12 Months Period	Yes		11 July 2016	10 July 2017	Yes		Complete	100%
SEBATA FMS	Supply, Installation, Implementation, Support and Maintenance of SEBATA Products and Services	Yes		09 November 2016	08 November 2019	Yes		In Progress	65%
Thepa Trading 643 (Pty) Ltd	Supply and Maintenance of 15 Four In One Photocopy Machines	Yes		06 October 2016	05 October 2019	Yes		In Progress	100%
Practicon Trading	Supply, Delivery and Branding of Protective Clothing of the Municipality for Two Years Period	Yes		25 October 2016	24 October 2018	Yes		In Progress	96%
Take Five To Make Ten	Supply, Delivery and Branding of Protective Clothing for Fire Division of the Municipality for Two Years Period	Yes		25 October 2016	24 October 2018	Yes		In Progress	96%

Name of Service Provider	Name of Project	SLA signed		Project Starting Actual Date	Completion Date	Specs met		Status	Percentage
		Yes	No			Yes	No		
Metsweding/Khomanani JV	Design and Construction Monitoring of 600m Major Road (Turn-Key)	Yes		24 February 2017	31 July 2017	Yes		In Progress	65%
Barloworld SA (Pty)Ltd	Supply and Delivery of Mayoral's Car	Yes		25 October 2016	24 November 2016	Yes		Complete	100%
Majavu Attorneys	Appointment of Attorneys for Legal Matters of the Municipality	Yes		24 April 2017	23 April 2020	Yes		In Progress	Not Applicable
Max-Prof	Appointment of VAT Recovery for 12 Months Period for Mantsopa	Yes		13 January 2017	12 January 2018	Yes		In Progress	Not Applicable
Marwin Marketing	Supply, Delivery and Off-Loading of Water Treatment Chemicals for Three Years "As When and Required Basis"	Yes		13 January 2017	12 January 2020	Yes		In Progress	Not Applicable
Blendtech (Pty) Ltd	Supply, Delivery and Off-Loading of Water Treatment Chemicals for Three Years "As When and Required Basis"	Yes		13 January 2017	12 January 2020	Yes		In Progress	Not Applicable

Name of Service Provider	Name of Project	SLA signed		Project Starting Actual Date	Completion Date	Specs met		Status	Percentage
		Yes	No			Yes	No		
Engineering Solutions/Ket Civils JV	Dipelaneng : Design and Construction Monitoring of 2Km Paved Road (Turnkey)	Yes		24 April 2017	23 Sep 2017	-		In Progress	30%
Metsweding Consulting	Borooa: Construction of 1.2km Paved road and storm water	Yes		25 Jan 2016	30 Nov 2016	Yes		Retention	100%
Mofomo Construction	Borooa: Construction of 1.2km Paved road and storm water	Yes		13 May 2016	30 Nov 2016	Yes		Retention	100%
Flagg Consulting	Excelsior: Bulk Water Supply – Supply and Equipping of Boreholes (Phase 1)	Yes		18 May 2015	7 Aug 2017	Yes		Retention	100%
AJ Mining	Excelsior: Bulk Water Supply – Supply and Equipping of Boreholes (Phase 1)	Yes		04 Dec 2015	7 Aug 2017	Yes		Retention	100%
Flagg Consulting	Excelsior: Bulk Water Supply – Installation of Pipeline and Pump Station (Phase 2)	Yes		25 Oct 2016	03 Nov 2017	-		In Progress	13%
Chrilek JV Ket Civils	Excelsior: Bulk Water Supply – Installation of Pipeline and Pump Station (Phase 2)	Yes		25 Oct 2016	03 Nov 2017	-		In Progress	13%

3.2 SDBIP REPORTING FROM THE PERIOD 01 JULY 2016 TO 30 JUNE 2017

DEPARTMENT: TECHNICAL SERVICES

DIVISION: WATER

KPA: BASIC SERVICE DELIVERY

PLANNED PERFORMANCE DURING 2016/17						ACTUAL PERFORMANCE AS AT 30 JUNE 2017			
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS AS AT 30 JUNE 2017	LIMITATIONS FOR UNDER-PERFORMANCE (IF APPLICABLE)	CORRECTIVE MEASURES TAKEN TO IMPROVE ON 2015/16 A-G FINDINGS	COMMENTS ON PERFORMANCE ASSESSMENT
To ensure that all households on formal erven have access to potable water connections.	Water is constantly supplied to all Households	15 170	15170	Continuously Provide 15 170 households with access to basic water supply within RDP standards	15 170 households provided with access to basic water supply within RDP standards	Achieved		<p>Implementation of War on Leaks programme in order to reduce losses of water especially in network and households</p> <p>A new Connector pipeline direct from the reservoir to hospital is being constructed</p> <p>8 and 4 Boreholes were commission and connected to the reservoir in Tweespruit and Excelsior respectively and Thompson Borehole in Ladybrand has been rehabilitated.</p> <p>A new High pressure exerting tank completed in Mahlatswetsa and as a result, storage capacity will be increased.</p>	

To ensure that clean drinking water is provided to households without standpipes.	Water is provided to new erven at Manyatseng ext. 9. Thabong & eight farming areas	383 erven Thabong & eight farming areas	Occupied erven of 383. Thabong & eight farming areas	Provide drinking water using Communal Water tankers to occupied erven of 383 without standpipes at Manyatseng ext. 9, Thabong & eight farming areas	Occupied erven of 383 without standpipes. Thabong & eight farming area	Potable water supply using Communal Water tankers to occupied erven of 383 without standpipes at Manyatseng ext. 9, Thabong & eight farming areas JoJo tanks are placed at reasonable accessible points.	Maintenance of vehicle	A proper high capacity water tanker needs to be purchased. Refurbishment of Manyatseng pressure house.	

DEPARTMENT: TECHNICAL SERVICES
DIVISION: SANITATION
KPA: BASIC SERVICE DELIVERY

PLANNED PERFORMANCE DURING 2016/17						ACTUAL PERFORMANCE AS AT 30 JUNE 2017			
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS AS AT 30 JUNE 2017	LIMITATIONS FOR UNDER-PERFORMANCE (IF APPLICABLE)	CORRECTIVE MEASURES TAKEN TO IMPROVE ON 2015/16 A-G FINDINGS	COMMENTS ON PERFORMANCE ASSESSMENT
To ensure that all households on formal erven have access to basic level of sanitation services.	Sanitation service is constantly provided to all Households	15 553	15 553	Continuously provide 15 553 households with access to basic sanitation services.	15 553 households with access to basic sanitation services.	15 170 Households and 383 Pitlatrine toilets on households at Manyatseng ext. 9. Human settlement needs to build permanent toilet structures (383). Request for funding submitted.	383 Household	Human settlement needs to build toilet structure	

DEPARTMENT: TECHNICAL SERVICES
DIVISION: ELECTRICITY
KPA: BASIC SERVICE DELIVERY

PLANNED PERFORMANCE DURING 2016/17						ACTUAL PERFORMANCE AS AT 30 JUNE 2017			
IDP OBJECTIVE	INTENDED OUTCOME	BASLINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS AS AT 30 JUNE 2017	LIMITATIONS FOR UNDER-PERFORMANCE (IF APPLICABLE)	CORRECTIVE MEASURES TAKEN TO IMPROVE ON 2015/16 A-G FINDINGS	COMMENTS ON PERFORMANCE ASSESSMENT
To ensure that all households connected to electricity on formal erven have access to electricity services.		1993 1993 Municipality (CENTLEC) 13 177 ESKOM	15170 households	Continuously provide 15170 Households on formalised erven with access to electricity services.	15 170 Total households with access to electricity service	All 15170 households supplied with access to electricity service except during interruptions.	None	None	
To provide the reliable, and sufficient electricity supply	Reviewed and approved SLAs in compliance with Electricity Regulations	1 SLA	1 SLA	Annually Review SLA with CENTLEC to regulate electricity provision to 1993 households.	1 SLA	Not achieved	Disagreements regarding the contents of the SLA	Treasury to intervene as part of Back to Basics program.	
To minimise interruptions to electricity supply to users	Strengthening of electricity infrastructure	41 substations and 29 pole & ground transformers	Annual Maintenance of 5 substations	Maintain at least 5 substations annually	Unit of infrastructure maintained according to maintenance plan and as need arises.	All five substations maintained		Municipality to terminate its contractual agreement with Centlec	
	Strengthening of electricity infrastructure	Old cable	Upgrading of main-substation	Install MV cable from main substation to Dan Pienaar Substation	Unit of infrastructure upgraded as planned and according to the need.	Project completed	None		
To ensure provision of sufficient area lighting to the community of Mantsopa.	2013 Street lights + 150 solar street lights, 17 Medium Mast and 5 High Mast= 2185	2185	Maintain 2185 street lights in accordance with maintenance program	Annually Maintain 2185 street lights	2185 in accordance with maintenance program	Target not met, only 90 street lights were maintained	Shortage of staff, vehicles and equipment/resources for maintenance	Request was made to CENTLEC for assistance. Procurement of a Truck mounted with Cherry Picker.	

DEPARTMENT: TECHNICAL SERVICES
DIVISION: REFUSE COLLECTION, ENVIRONMENTAL AND WASTE MANAGEMENT
KPA: BASIC SERVICE DELIVERY

PLANNED PERFORMANCE DURING 2016/17						ACTUAL PERFORMANCE AS AT 30 JUNE 2017			
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS AS AT 30 JUNE 2017	LIMITATIONS FOR UNDER-PERFORMANCE (IF APPLICABLE)	CORRECTIVE MEASURES TAKEN TO IMPROVE ON 2015/16 A-G FINDINGS	COMMENTS ON PERFORMANCE ASSESSMENT
To provide Refuse collection services to all Households	Refuse removal/ collection services to all households.	15 170	15 170	Weekly Collection of refuse in all 15 170 households.	Refuse collected weekly in all 15 170	Achieved	However challenges with regards to temporal breakdowns and rain result to refuse collection delays.	Prompt response to vehicle breakdowns. Extra hours to meet the schedule where necessary. Introduced flexi hours for work.	
Domestic Waste Collection and Open Space Clearing	Collection of waste at identified areas, illegal dumping sites and Open Spaces cleared.	35	35	Weekly Clearing of 35 illegal dumping sites	35 illegal dumping sites cleared weekly	35 illegal dumping sites in Manyatseng cleared during the period under review		Education and awareness on illegal dumping and Law enforcement by applying By-laws. Rampant dumping of waste illegally by Residents Frequent breakdown of Tractor and Trailer for Skips. Budget for Waste Truck dedicated for waste management in 2017-2018 FY.	
Integrated Environmental Management and Planning	Development of Integrated Waste Management Plan (IWMPs)	Plan exists	Annual Review of the current Integrated Waste Management Plan	Annually review the Integrated Waste Management Plan	Council approved Integrated Waste Management Plan	Achieved			

DEPARTMENT: TECHNICAL SERVICES

DIVISION: INFRASTRUCTURE PROJECTS, ENGINEERING SERVICES, ROADS AND STORMWATER MAINTENANCE

KPA: BASIC SERVICE DELIVERY

PLANNED PERFORMANCE DURING 2016/17						ACTUAL PERFORMANCE AS AT 30 JUNE 2017			
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS AS AT 30 JUNE 2017	LIMITATIONS FOR UNDER-PERFORMANCE (IF APPLICABLE)	CORRECTIVE MEASURES TAKEN TO IMPROVE ON 2015/16 A-G FINDINGS	COMMENTS ON PERFORMANCE ASSESSMENT
To improve the standard of roads and storm water drainages in the municipality	Gravelled dirt roads/streets	66,3km	1km	1km of dirt roads/streets at Platberg gravelled	1km	Not achieved	Shortage of gravel, equipment (yellow plant), and frequent breakdown of existing equipment	Engagement with FS Provincial Government Dept. through Back to Basics Program particularly on accessing permission for mining of gravel.	
To maintain the existing roads infrastructure.	Kilometres of tarred roads/streets maintained	45,4km	4km	Patching of potholes on 4km damaged tarred roads/streets in all towns	4km of tarred streets/roads maintained	Not achieved, 1,09km Ladybrand: 778m Borwa: 300m Excelsior: 201m Hobhouse: 306m	Yellow fleet and other equipment and Gravel mining license	This has been achieved through support by FS DRPT particularly in Ladybrand, perched in all Towns frequently done using Soilcrete	Measures for improvement:
	Kilometres of gravel roads maintained	53km	2km	Re-gravel 2km of streets/roads in Ladybrand/Manyatseng	2km of roads/streets re-gravelled	Not achieved, only 350m Ladybrand FS DRPT provided Road Works Machinery	Shortage of gravel, equipment (yellow plant), and frequent breakdown of existing equipment	FS DRPT provided Road Works Machinery	
			2km	Reshaping (Grading) of 2km of streets in Ladybrand and Manyatseng	2km of streets reshaped (graded)	2,23km graded/reshaped With the Technical assistance from the FS	Technical assistance from the FS Department of Roads, Police and Transport,	Key Performance indicator reviewed	

PLANNED PERFORMANCE DURING 2016/17						ACTUAL PERFORMANCE AS AT 30 JUNE 2017			
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS AS AT 30 JUNE 2017	LIMITATIONS FOR UNDER-PERFORMANCE (IF APPLICABLE)	CORRECTIVE MEASURES TAKEN TO IMPROVE ON 2015/16 A-G FINDINGS	COMMENTS ON PERFORMANCE ASSESSMENT
						Department of Roads, Police and Transport, particularly in Ladybrand.	particularly in Ladybrand.		
		23,1km	1km	Re-gravel of 1km of streets/roads in Excelsior/Mahlatswetsa	1km of streets/roads re-gravelled	Not achieved, only 50m of streets/roads re-gravelled	Shortage of gravel, equipment (yellow plant), and frequent breakdown of existing equipment	Engagement with FS Provincial Government Dept. through Back to Basics Program particularly on accessing permission for mining of gravel.	
			1km	Reshaping (Grading) of 1km of streets in Excelsior and Mahlatswetsa	1km of streets/roads reshaped (graded)	Not achieved	Posts for Grader Operators are still vacant. Frequent breakdown of Grader	2 Posts have been advertised however permanent employee is often appointed as Acting Operator and a person is appointed on 3 months renewable contract.	
		12,8km	1km	Re-gravel of 1km of streets/roads in Tweespruit, Boroa and Dawiesville	1km of streets/roads re-gravelled	Not achieved, Only 200m of streets/roads re-gravelled	Shortage of gravel, equipment (yellow plant), and frequent breakdown of existing equipment	Engagement with FS Provincial Government Dept. through Back to Basics Program particularly on accessing permission for mining of gravel.	
			1km	Reshaping (Grading) of 1km of streets/roads in	1km of streets/roads reshaped (graded)	Not achieved	Grading work was put on-hold to avoid exposing	Key Performance indicator reviewed.	

PLANNED PERFORMANCE DURING 2016/17						ACTUAL PERFORMANCE AS AT 30 JUNE 2017			
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS AS AT 30 JUNE 2017	LIMITATIONS FOR UNDER-PERFORMANCE (IF APPLICABLE)	CORRECTIVE MEASURES TAKEN TO IMPROVE ON 2015/16 A-G FINDINGS	COMMENTS ON PERFORMANCE ASSESSMENT
				Tweespruit, Boroa & Dawiesville			the underground infrastructure Network.		
		26km	1km	Re-gravel 1km of streets/roads in Hobhouse and Dipelaneng	1km of streets/roads re-gravelled	Not achieved	Shortage of gravel, equipment (yellow plant), and frequent breakdown of existing equipment	Engagement with FS Provincial Government Dept. through Back to Basics Program particularly on accessing permission for mining of gravel.	
			1km	Reshaping (Grading) 1km of streets/roads in Hobhouse and Dipelaneng	1km of streets/roads reshaped (graded)	Not achieved	Grading work was put on-hold to avoid exposing the underground infrastructure Network.	Key Performance indicator reviewed.	
		6,9km	0,1km	Reshaping (Grading) 0,1km of streets/ Roads in Thaba-Phatcoa	0,1km of streets/roads reshaped (graded)	Not achieved	Grading work was put on-hold to avoid exposing the underground infrastructure Network.	Key Performance indicator to be reviewed.	
To maintain Stormwater channels.	Proper management of Stormwater channels	11,2km	5km	Maintain 5km of Stormwater channels	5km of storm water channels maintained	4,36km cleaned as part of daily maintenance work. 700m done through EPWP contract workers.	Shortage of gravel, equipment (yellow plant), and frequent breakdown of existing equipment	Through Municipal EPWP and the Mayoral Hlasela Program, substantial distance was covered.	
To construct new stormwater channels.	New stormwater channels constructed	0km	1,6km	Construct 1,6km new stormwater	1,6km new storm water channels constructed	0,6km at completed as part of Phase 1 Internal			

PLANNED PERFORMANCE DURING 2016/17						ACTUAL PERFORMANCE AS AT 30 JUNE 2017			
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS AS AT 30 JUNE 2017	LIMITATIONS FOR UNDER-PERFORMANCE (IF APPLICABLE)	CORRECTIVE MEASURES TAKEN TO IMPROVE ON 2015/16 A-G FINDINGS	COMMENTS ON PERFORMANCE ASSESSMENT
						Reticulation streets project at Boroa. Phase 2 of the Project is at Design Stage.			
Measures in place for maintenance standards of roads and Stormwater	Maintenance plan reviewed	1	1	Annually review the current Roads & storm water maintenance plan	Roads and Stormwater maintenance plan reviewed and approved by Council	Maintenance Plan developed by IMESA and received by MUNICIPALITY IN Aug 2016	Implementation will be restricted by shortage of equipment and lack of funds.	More funds need to be sourced.	
	Increase Bulk water supply to new Mantsopa Local Hospital	2,522m connector pipeline	100% project completion	2,522m Connector pipeline from reservoir to hospital completed.	Completed Projects worth R8'000 000	98% complete			
		2	Install a pipeline & build a Pumpstation	Increase Bulk Water Supply in Mantsopa by installing a pipeline from Linana river to the Pumpstation	Projects worth R15' 000 000 implemented	5% complete	The project started late	Project plan reviewed.	
		Water and Sewer Reticulation Project for new beneficiaries.	417 erven	417 erven provided with water and sewer connections	Completed Project at Mahlatswetsa	Practical Completion			
		Upgrading of electricity supply	Mains sub-station to Dan Pienaar	Install electrical cable from the main station to Dan Pienaar sub station	2,4km of electrical cable installed	Project completed			
To improve the standard of roads and storm water drainages in the municipality	Kilometres of street paved.	0km	0,6km Paved road at Platberg	0,6km Paving of road	0,6 km road paved	70% complete			

PLANNED PERFORMANCE DURING 2016/17						ACTUAL PERFORMANCE AS AT 30 JUNE 2017			
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS AS AT 30 JUNE 2017	LIMITATIONS FOR UNDER-PERFORMANCE (IF APPLICABLE)	CORRECTIVE MEASURES TAKEN TO IMPROVE ON 2015/16 A-G FINDINGS	COMMENTS ON PERFORMANCE ASSESSMENT
To ensure that all Municipal Capital Projects are properly Administered and Managed	# of fenced cemeteries	2	2	Fencing of 0,73km of cemetery fencing in Excelsior	Excelsior cemetery fenced	Project postponed			
				Fencing of 0,75 of Borwa cemetery	Borwa cemetery fenced	Project postponed			
	Kilometres of streets paved	2.2km	1,2km Boroa Access Road to R709.	1,2km of paved street	1,2km of paved street	Completed Block Paved roads at Boroa and Mahlatswetsa Internal Reticulation, 200m Beeton street and 600m Thaba Phatcoa. Completed Phase 1 of the Project. Phase 2 is at Design stage.			

COMMUNITY SERVICES

DEPARTMENT: COMMUNITY SERVICES

DIVISION: HOUSING

KPA: INSTITUTIONAL TRANSFORMATION AND DEVELOPMENT

PLANNED PERFORMANCE DURING 2016/17						ACTUAL PERFORMANCE AS AT 30 JUNE 2017			
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS AS AT 30 JUNE 2017	LIMITATIONS FOR UNDER-PERFORMANCE (IF APPLICABLE)	CORRECTIVE MEASURES TAKEN TO IMPROVE ON 2015/16 A-G FINDINGS	COMMENTS ON PERFORMANCE ASSESSMENT
Housing To facilitate access to sustainable human settlements and improved quality of household opportunities and services.	Establishment of housing needs , Addressing of housing challenges	1	1	Housing Chapter updated and submitted to Council for approval	Housing chapter reviewed and adopted	Reviewed in September 2016	Achieved	Housing Chapter to be adopted in June 2017	
	Eradication of informal houses	As per provincial allocation	As per provincial allocation	Identify beneficiaries and submit their subsidy applications to the Provincial Human Settlement department	1.Copies of application forms kept 2. Status report of approvals obtained.	Not achieve, Beneficiaries identified at Manyatseng – awaiting Provincial allocation of subsidies	Awaiting provincial allocation	To be addressed during adjustment budget	
	Security of tenure to all communities	12 ha	12 ha of land identified	12 ha of land identifies for human settlement in Tweespruit.	Correspondence for appointment of Town Planner kept.	Not achieved	Not achieved due to cash flow constraints	To be addressed during adjustment budget	
	Reduction of housing backlog	1100	1100	1100 of erven allocated to beneficiaries per town: Hobhouse (200) , Manyatseng (500) and Mahlatswetsa(400)	Approved lists kept	Hobhouse list (200) and Mahlatswetsa list (417)compiled and under verification 500 erven allocated Manyatseng	Mahlatswetsa and Hobhouse lists to be verified and approved by Council before allocation	N/A	

DEPARTMENT: COMMUNITY SERVICES

DIVISION: TRAFFIC

KPA: INSTITUTIONAL TRANSFORMATION AND DEVELOPMENT

PLANNED PERFORMANCE DURING 2016/17						ACTUAL PERFORMANCE AS AT 30 JUNE 2017			
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS AS AT 30 JUNE 2017	LIMITATIONS FOR UNDER-PERFORMANCE (IF APPLICABLE)	CORRECTIVE MEASURES TAKEN TO IMPROVE ON 2015/16 A-G FINDINGS	COMMENTS ON PERFORMANCE ASSESSMENT
Traffic To support safety and security awareness in communities and the “fight against crime” campaign in partnership with SAPS and other Key stakeholders.	Road safety instilled amongst learners & other road users	4	4	Convene 04 public transport forum meetings	Copies of minutes kept	Not achieved, No meeting took place, not achieved.	Current committee dys -functional	Committee to be structures	
	Compliance with the NRTA	3	2	Initiate 02 road traffic safety programmes in schools (“Child in traffic”)	Attendance and pictures kept	School patrol were done on Leroux School, Ladybrand Public school and Ladybrand Primary school	None	Continuous monitoring	
	Compliance with the NRTA Reduction in road traffic offences	3	3	3km road marked	Maintenance report	No road marked or maintained due to cash flow	None	To be addressed during adjustment budget	
	Compliance with the NRTA	120	120	120 check points and road blocks conducted		ATR 56 1.Licencing =101 2.Cellphone =3 3.Speed = 10 4.Stopsign = 34 5.Roadmarkings = 30 6.Others = 30 Total = 208	None	Register kept as per A.G recommendation	

DEPARTMENT: COMMUNITY SERVICES
DIVISION: DISASTER MANAGEMENT
KPA: INSTITUTIONAL TRANSFORMATION AND DEVELOPMENT

PLANNED PERFORMANCE DURING 2016/17						ACTUAL PERFORMANCE AS AT 30 JUNE 2017			
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS AS AT 30 JUNE 2017	LIMITATIONS FOR UNDER-PERFORMANCE (IF APPLICABLE)	CORRECTIVE MEASURES TAKEN TO IMPROVE ON 2015/16 A-G FINDINGS	COMMENTS ON PERFORMANCE ASSESSMENT
DISASTER MANAGEMENT	To make use of the disaster management centre according to disaster management Act	4	4	Convene 04 meetings with National, Provincial departments and District as well as NGO's to ensure their involvement in Disaster Management in Mantsopa.	Minutes and reports regarding meetings with stakeholders	07 Meetings held	Achieved	N/A	
	To ensure increased awareness by supporting and co-resourcing awareness programmes to increase preparedness of all communities	4	4	Conduct 04 awareness sessions with all disaster management disciplines.	Awareness sessions reports	51 Awareness sessions conducted	Achieved	N/A	
		1	1	Annual review of the Disaster Management Plan	Reviewed Disaster Management Plan	Disaster Management Plan reviewed.	None	Plan to be adopted by Council in the next quarter.	
		60	60	Conduct 60 fire safety inspections	Report on fire inspections	60 fire Inspections were done	Achieved	N/A	

DEPARTMENT: COMMUNITY SERVICES

DIVISION: PROPERTIES

KPA: INSTITUTIONAL TRANSFORMATION AND DEVELOPMENT

PLANNED PERFORMANCE DURING 2016/17						ACTUAL PERFORMANCE AS AT 30 JUNE 2017			
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS AS AT 30 JUNE 2017	LIMITATIONS FOR UNDER-PERFORMANCE (IF APPLICABLE)	CORRECTIVE MEASURES TAKEN TO IMPROVE ON 2015/16 A-G FINDINGS	COMMENTS ON PERFORMANCE ASSESSMENT
PROPERTIES	To ensure that all properties of Council such as municipal offices, flats and stores are properly maintained.	Number of municipal offices cleaned.	10 municipal offices	Daily cleaning of 10 municipal office space	Weekly report on cleaning and inspections	Municipal properties are being maintained on a daily basis	Achieved	Municipality need to procure more equipments such as Lawnmowers to assist in keeping the properties in good order	
		Number of community halls cleaned	9 community halls	Daily cleaning of 09 community halls	Report	Achieved	Shortage of staff Cleaning materials are not procured on time		
		Number of municipal flats maintained Municipal houses	3 houses, Beeton & Kolbe flats	Monthly cleaning of municipal flats and 3 houses	Monthly maintenance report	Not achieved, only Casa Mia No. 4 inserting new kitchen units, ceiling and tiles, No 20 Beeton roof leakage, 10 Beeton inserting ceiling.	Lack of funding Municipal flats at Tweespruit are dilapidated they are not habitable	The municipality need to put enough budget so that flats can be maintained	

DIVISION: PARKS, CEMETERIES AND RECREATION

KPA: INSTITUTIONAL TRANSFORMATION AND DEVELOPMENT

PLANNED PERFORMANCE DURING 2016/17						ACTUAL PERFORMANCE AS AT 30 JUNE 2017			
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS AS AT 30 JUNE 2017	LIMITATIONS FOR UNDER-PERFORMANCE (IF APPLICABLE)	CORRECTIVE MEASURES TAKEN TO IMPROVE ON 2015/16 A-G FINDINGS	COMMENTS ON PERFORMANCE ASSESSMENT
PARKS AND CEMETRIES	Communities in Mantsopa Local Municipality have access to proper cemeteries with enough capacity to cater for the next 20 years.	Number of cemeteries with sufficient burial space to cater for the next 20 years.	2	Procure 02 Burial spaces for Manyatseng and Borwa cemeteries	Manyatseng and Borwa cemeteries formalised.	Not achieved	Challenge is at Boroa where the residents are burying top on top without the approval of the municipality	Councillors need to educate community through public meetings about regulations when burying top on top	
		Number of cemeteries well cleaned	10 cemeteries	Weekly maintenance of 10 cemeteries	Maintenance of cemeteries	Only Ladybrand, Manyatseng and Hobhouse cemeteries are well cleaned, target is not achieved as majority of cemeteries are not cleaned/maintained	Lack of staff in all towns Shortage of equipments/resources	EPWP workers have been engaged to assist	
	To ensure that all parks, recreational facilities of Council such as community halls, sports ground and parks are properly maintained.	Number of municipal sports grounds and parks cleaned	12	Weekly cleaning of 06 sports grounds and 06 recreational parks	Cleaning and maintenance reports	Not achieved	The stadiums are monthly maintained by cutting of grass and removing unwanted weeds	Appoint more permanent staff to maintain the municipal stadium The stadium needs to be fenced so that they may not be exposed to vandalism	

DEPARTMENT
DIVISION
KPA

OFFICE OF THE MUNICIPAL MANAGER
IDP
GOOD GOVERNANCE & PUBLIC PARTICIPATION

PLANNED PERFORMANCE DURING 2016/17						ACTUAL PERFORMANCE AS AT 30 JUNE 2017			
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS AS AT 30 JUNE 2017	LIMITATIONS FOR UNDER-PERFORMANCE (IF APPLICABLE)	CORRECTIVE MEASURES TAKEN TO IMPROVE ON 2015/16 A-G FINDINGS	COMMENTS ON PERFORMANCE ASSESSMENT
Good governance	Ensured that sound governance processes are development and maintained	IDP 2016/17	1	Annual review of approved 5 year IDP conducted in terms of MSA and MFMA	Submission to Council Submission to Cogta	The final IDP has been approved by Council. IDP assessments all four were attend and reports were received for the assessment outcome The document has been submitted to Cogta	None	None	
		Council strategic plan	Previous Strategic plan (2013/14)	Coordination of Council strategic plan in Aug 2016	Agenda Invitation letters Attendance register	The strategic plan was held, but the business could not be concluded and it shall be reconvened	Budgetary constraints	None	
		Sector Plans	6	Facilitation of sectorial development plans and its incorporation in the IDP process	Proof of coordination Attendance registers	IDP Sector Plans adopted as part of the IDP process	None	None	
		Steering committee	2	Prepare Agenda invitations	Minutes Attendance	Met only once, not achieved	Non availability of stakeholders	None	1

PLANNED PERFORMANCE DURING 2016/17						ACTUAL PERFORMANCE AS AT 30 JUNE 2017			
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS AS AT 30 JUNE 2017	LIMITATIONS FOR UNDER-PERFORMANCE (IF APPLICABLE)	CORRECTIVE MEASURES TAKEN TO IMPROVE ON 2015/16 A-G FINDINGS	COMMENTS ON PERFORMANCE ASSESSMENT
Ensure that sound governance processes are developed and maintained	Ensured that sound governance processes are developed and maintained	1 (2016/17 SDBIP)	1 (2016/17 Annual SDBIP approved within 28 days after the approval of the IDP and budget)	2016/17 Annual SDBIP approved by the Mayor within 28 days of the approval of the 2016/17 IDP & Budget	2016/17 SDBIP approved by the Mayor within the prescribed period Letter sent to the Mayor Minutes of Council	SDBIP was approved by the Mayor in June 2016	None	Adjusted SDBIP prepared tabled in Council together with the Adjustment Budget in Feb 2017	
	Ensured that sound governance processes are developed and maintained	(5) 2016/17 Signed Performance Agreements	Facilitate the Signed Performance Agreements of Section 57A and Section 56, and submission to COGTA and Treasury	Signed 2016/17 Performance Agreements of Section 57A and Section 56, and submission to COGTA and Treasury	Prepare the draft Performance Agreements for Directors & MM Submit the final Performance Agreements to FS COGTA & FS PT	Performance agreements for MM and Directors were signed and submitted to COGTA and FSPT	None	None	
Ensured that sound governance processes are developed and maintained	Ensured that sound governance processes are developed and maintained	2 (2015/16 Annual Report)	2 (MSA and MFMA compliant Annual Report tabled in Council by 31 January 2017)	MSA and MFMA compliant Annual Report tabled in Council by 31 January 2017.	Proof of submission (COGTA) Council minutes Oversight Committee minutes	Annual Report was tabled in Council and submitted to COGTA	None	None	
Ensured that sound	Ensured that sound	20	20	5 Prepare and submit	Proof of submission (evidence from depts)	Quarterly reports were consolidated	None	None	

governance processes are developed and maintained	governance processes are developed and maintained	(Quarterly reports)	(Submit institutional Quarterly Performance Assessment Reports to Council)	institutional Quarterly Performance Assessment Reports to Council	Council minutes Acknowledgement from MM & Internal Auditor Performance Evaluation reports	and Performance evaluation reports for MM and Directors were done.			
Ensured that sound governance processes are developed and maintained	Ensured that sound governance processes are developed and maintained	Back to Basics reports	12 (Submit Monthly Back to Basics report to National COGTA) & 4 (Quarterly Back To Basics reports to FS COGTA & Council	Monthly & Quarterly Back To Basics reports submitted to National COGTA, FS COGTA & Council	Proof of submission	Back to Basics reports were done and submitted to COGTA	Non-attendance of District B2B Crack Team	None	

DEPARTMENT OFFICE OF THE MUNICIPAL MANAGER
DIVISION INTERNAL AUDIT
KPA GOOD GOVERNANCE AND PUBLIC PARTICIPATION

PLANNED PERFORMANCE DURING 2016/17						ACTUAL PERFORMANCE AS AT 30 JUNE 2017				POE REF PAGE
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS AS AT 30 JUNE 2017	LIMITATIONS FOR UNDER-PERFORMANCE (IF APPLICABLE)	CORRECTIVE MEASURES TAKEN TO IMPROVE ON 2015/16 A-G FINDINGS	COMMENTS ON PERFORMANCE ASSESSMENT	
Ensure that sound governance processes are developed and maintained	Ensure that sound governance processes are developed and maintained	1 (2015/16 approved annual internal audit plan)	1 (2016/17 approved annual internal audit plan)	Review annual internal audit plan for 2016/17 financial year.	Agenda Minutes of the Audit Committee Meeting 2016/17 approved annual internal audit plan.	Achieved	None	None		REF A & F

Ensured that sound governance processes are developed and maintained	Ensured that sound governance processes are developed and maintained	4 (2015/16 internal audit reports)	4 (2016/17 internal audit reports)	Implementation of 2016/17 annual internal audit plan.	Agendas Minutes of the Audit Committee Meetings Attendance Registers	Four internal audit reports were tabled before audit committee	None	Noe		REF; F REF: G
Ensured that sound governance processes are developed and maintained	Ensured that sound governance processes are developed and maintained	1 (2015/16 approved three-year rolling coverage plan)	1 (2016/17 approved three-year rolling coverage plan)	Review the three-year rolling coverage plan for 2016/17 financial year	Agenda Minutes of the Audit Committee Meeting 2016/17 approved three-year rolling coverage plan.	The three-year rolling coverage plan was approved on the 26/09/ 2016	None	Noe		REF: B and REF: F
Ensured that sound governance processes are developed and maintained	Ensured that sound governance processes are developed and maintained	4 (2015/16 number of audit committee meetings held per annum)	4 (2016/17 number of audit committee meetings held per annum)	Number of audit committee meetings held per annum.	Invitations Agendas Attendance Registers Minutes of the Audit Committee Meetings	Four internal audit committee meetings were held as follows:	None	None		REF: F
Ensured that sound governance processes are developed and maintained	Ensured that sound governance processes are developed and maintained	1 (2015/16 approved internal audit charter)	1 (2016/17 approved internal audit charter)	1 (2016/17 approved internal audit charter)	Invitation Agenda Minutes of the Audit Committee Meeting 2016/17 approved internal audit charter.	The internal audit charter was approved on the 26 th September 2016	None	None		REF: C
Ensured that sound governance processes are developed and maintained	Ensured that sound governance processes are developed and maintained	1 (2015/16 approved internal audit strategy and procedural manual)	1 (2016/17 approved internal audit strategy and procedural manual)	Review Internal Audit Strategy and Procedural manual for 2016/17 financial year	Invitation Agenda Minutes of the Audit Committee Meeting	The internal audit methodology/procedural manual was approved on the 26 th September 2016	None	Noe		REF: D

					2016/17 approved internal audit strategy and procedural manual.					
Ensured that sound governance processes are developed and maintained	Ensured that sound governance processes are developed and maintained	1 (2015/16 approved Audit Committee Charter)	1 (2016/17 approved Audit Committee Charter)	Review Audit Committee Charter for 2016/17 financial year	Invitation Minutes of the Council 2016/17 approved audit committee charter.	The audit committee charter was reviewed on the 26 th September 2016	It was not tabled before Council	None	It will be tabled before council immediately after the appointments of audit committee members	REF: E
Ensured that sound governance processes are developed and maintained	Ensured that sound governance processes are developed and maintained	4 (2015/16 number of audit committee report tabled)	4 (2016/17 number of audit committee report tabled)	Number of Audit Committee Reports Completed	Invitation Minutes of the Council Audit Committee Reports	The first report for 2016/2017 was tabled before council on the 30/08/2016	None	None		REF: H

DEPARTMENT OFFICE OF THE MUNICIPAL MANAGER
DIVISION RISK MANAGEMENT
KPA GOOD GOVERNANCE AND PUBLIC PARTICIPATION

PLANNED PERFORMANCE DURING 2016/17						ACTUAL PERFORMANCE AS AT 30 JUNE 2017			
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS AS AT 30 JUNE 2017	LIMITATIONS FOR UNDER-PERFORMANCE (IF APPLICABLE)	CORRECTIVE MEASURES TAKEN TO IMPROVE ON 2015/16 A-G FINDINGS	COMMENTS ON PERFORMANCE ASSESSMENT
ensure that sound governance processes are developed and maintained	To ensure that sound governance processes are developed and maintained	2 (Risk Management Committee Meetings held)	4 (2016/17 number of audit committee meetings held per annum)	One Risk Management Committee Meeting held per quarter	Minutes of the Risk Management Committee Meeting, Attendance Register of the Risk Management Committee Meeting,	4 Risk Management Committee Meetings have been held	None	None	None

	maintained and the municipality has an integrated risk Management system				Agenda				
Ensured that sound governance processes are developed and maintained	To ensured that sound governance processes are developed and maintained and the municipality has an integrated risk Management system	1 (Approved Risk Management Policy)	1	Review of the Risk Management Policy for the 2016/17 financial year.	Reviewed Risk Management Strategy, Minutes of the Risk Management Committee, Council minutes	Risk Management Policy has been reviewed and approved by Risk Management Committee	None	None	None
Ensured that sound governance processes are developed and maintained	To ensured that sound governance processes are developed and maintained and the municipality has an integrated risk Management system	1 (Approved Risk Management Strategy)	1	Review of the Risk Management Strategy for the 2016/17 financial year.	Reviewed Risk Management Strategy, Minutes of the Risk Management Committee, Council minutes	Risk Management Strategy has been reviewed and approved by Risk Management Committee	None	None	None
		1 (Approved Risk Management Implementation Plan)	1	Approval of the Risk Management Implementation Plan by the Risk Management Committee for	Approved Risk Management Implementation plan, Minutes of the Risk Management Committee	Risk Management Implementation Plan has been reviewed and approved by Risk Management Committee	None	None	None

				the 2016/17 financial year					
		1 (Approved Fraud Prevention Plan and Strategy)	1	Review of the Fraud Prevention by the Risk Management Committee and Council	Reviewed Fraud Prevention Plan and strategy, Minutes of the Risk Management Committee, Council minutes	Fraud Prevention Plan has been reviewed and approved by Council as part of Sector Plans	None	None	None
		1 (Conduct Institution Wide Risk Assessment)	1	Conducting of the Institution Wide Risk Assessment	Invitation Attendance register for the Risk Assessment, Risk Assessment Report	Institution Wide Risk Assessment Conducted for the 2016/2017 Financial Year	None	None	None
		1 (Approved Risk Register)	1	Approval of the Risk Register for 2016/17 financial year	Approved Risk Register, Minutes of the Risk Management Committee	Risk Register approved by the Risk Management Committee	None	None	None
		0	4 (Update Risk Register once a quarter)	Updating Risk Register on a quarterly basis	Updated Risk Register, Proof of update by the Risk Champion and Risk Management Officer	Risk Register has been updated quarterly	None	None	None
		4 (number of Risk Management Committee report tabled)	4 (number of Risk Management Committee report tabled)	Number of Risk Management Committee Reports Completed	Invitation Minutes of the Council Risk Management Committee Reports	Risk Management Committee Reports not yet tabled before Council.	None	None	None

PLANNED PERFORMANCE DURING 2016/17						ACTUAL PERFORMANCE FROM AS AT 30 JUNE 2017			
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS AS AT 30 JUNE 2017	LIMITATIONS FOR UNDER-PERFORMANCE (IF APPLICABLE)	CORRECTIVE MEASURES TAKEN TO IMPROVE ON 2015/16 A-G FINDINGS	COMMENTS ON PERFORMANCE ASSESSMENT
IT Good Governance and Public Participation	Integrated Information Technology Systems	(1) Draft IT Steering Committee Terms of Reference	(4) ICT Steering Committee Meetings	Develop risk register that is quarterly reviewed and updated	-ICT Steering committee Agenda and Minutes	Not achieved	None	None	None
		Terms of Reference of ICT Steering Committee is submitted for management review	(1)Annual Report on the review of ICT Steering committee Terms of Reference	ICT Steering Committee Meeting for review and approval of Terms of Reference for ICT Steering committee	Approved terms of reference of ICT Steering Committee	Terms of reference for ICT Steering committee was reviewed and amended in accordance to Auditor General recommendations	None	Amendment of ICT Steering Committee Terms of Reference after review	None
		(3)ICT Service Providers must gain access by authenticating to municipal server	(12)Quarterly report for Security log Access showing the details of the service provider	To monitor the municipal Service Provider in accordance to their SLA	Security Log access that show the logon detail of the service Provider	Security Logon access on municipal systems was reviewed and documented for audit purposes	None	None	None
		(1)Draft ICT Security Policy	Approved ICT Security Policy Management	ICT Security Policy is submitted for management review.	Approved ICT Security Policy and Procedures	ICT Security Policy was amended in accordance to the auditor general recommendations and Firewall procedure and antivirus procedures were developed as part of ICT Security policy	None	Amendments of ICT Security Policy to include Patch management, firewall and antivirus procedures	None

		Trial SCCM	(12)Monthly Computer generated report showing that all patches Deployed by System Configuration Centre Manager	Implemented System Centre Configuration Manager to deploy patches on the workstations on monthly basis.	System Configuration Manager is deployed on the server as six month trial version	Reports showing that all patches were deployed to the workstations were documented as per auditor general requirements	None	None	None
		Draft IT Disaster Recovery Plan	Approved IT Disaster recovery plan and Backup register	Quarterly Test Report showing the timeframes to resume IT Service in case of disaster	IT disaster recovery plan and Backup procedures is submitted to the management for review	ICT disaster recovery plan was reviewed and backup procedures were amended in accordance to auditor general recommendation	None	Backup procedures were amended after review	None
		Connection to municipal Towns Network Infrastructure and Network Diagram	(6)Complete Network connectivity to the municipal remote offices and Towns	(1)Quarterly computer generated Log file showing that remote municipal offices and towns can be access	Approved quarterly reports showing the data traffic and access log to the remote municipal offices and towns	Logon access showing data traffic to the connected remote offices were reviewed and documented	None	None	None
		Draft Server Room Register	(1)Upgraded Server Room to meet the required server standards	Physical Access and Environmental Controls	Develop server room access policy and procedure and electronic server room registers	Electronic access control for Server room was installed and server room procedures were reviewed	None	None	None

PLANNED PERFORMANCE DURING 2016/17						ACTUAL PERFORMANCE FROM 01 JULY 2016 TO 31 DECEMBER 2016			
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS AS AT 31 DECEMBER 2016	LIMITATIONS FOR UNDER-PERFORMANCE (IF APPLICABLE)	CORRECTIVE MEASURES TAKEN TO IMPROVE ON 2015/16 A-G FINDINGS	COMMENTS ON PERFORMANCE ASSESSMENT
FACILITATE DECENT EMPLOYMENT THROUGH INCLUSIVE ECONOMIC GROWTH BY STIMULATING THE GROWTH OF SMME's TO CONTRIBUTE TOWARDS THE REDUCTION OF UNEMPLOYMENT AND POVERTY	Review LED Strategy	2015/2016 LED Strategy	1	Approved 2016/17 LED strategy by Council not later than September 2016	Minutes of the IE committee meeting Attendance Register, Council resolution approving the LED Structure	No Strategy was reviewed due to the COGTA department that promised to assist the Municipality	Capacity constraints	Still awaiting the confirmation of the date from the COGTA department	No target achieved because of the assistance we are waiting for from COGTA in the Province
	Number Of employment opportunities created through the EPWP	157	300	300 jobs created through EPWP	Contracts signed by employees	197	Not achieved, municipality does not employ people for the EPWP but the Province does and the Province only employed 195 people for the year ending 2016 for Mantsopa Local Municipality.	None as the employment comes straight from the Province	No Target was met as the Municipality does not have powers over the employment of EPWP people.
	Number of employment opportunities created through CWP	127	300	300 jobs created through CWP	Contracts signed by employees	1447	None	None	Target met over limitation because the CWP employs people every month and their target for the 2016 was 1000 but have managed to employ more than that number
	Contribution towards the sustainability of SEDA offices	0	1	The operation of SEDA offices	Service Level agreement with the Municipality Attendance Register	Service Level agreement available and Ending June 2017	None	None	Target met and the service level agreement ends in June 2017
	Number of LED projects supported by the Municipality in	8	8 projects per quarter	Identify LED projects to be sup[orted by	List of identified projects	The Municipality has 10 projects on the data base of SEDA that are	None	None	10 Projects are been supported by LED and SEDA for funding applications and

	conjunction with SEDA offices			the Municipality and SEDA		been supported by SEDA by trainings and also seeking funding for these projects			trainings that are needed.
	Number of Cooperatives revamped/established	3	3	3 new cooperatives established	Copy of registration certificate	1.Katleho Farmer Construction Co-operative 2. Phahamisang Nursery Manufacture for Farming Services Agricultural Cooperative 3.Fast Track Trading and Projects Primary Co-operative Limited 4. Planet 2000(PTY)Ltd	None	None	We are trying hard not to register more projects without operations as these may hamper the interests of other projects that needs to register so we have stopped with the registration until we have managed to get some funding for other projects to start and then consider others that needs registration

DEPARTMENT: OFFICE OF THE CHIEF FINANCIAL OFFICER
DIVISION: EXPENDITURE
KPA: FINANCIAL VIABILITY & MANAGEMENT

PLANNED PERFORMANCE DURING 2016/17						ACTUAL PERFORMANCE AS AT 30 JUNE 2017			
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS AS AT 30 JUNE 2017	LIMITATIONS FOR UNDER-PERFORMANCE (IF APPLICABLE)	CORRECTIVE MEASURES TAKEN TO IMPROVE ON 2015/16 A-G FINDINGS	COMMENTS ON PERFORMANCE ASSESSMENT
To ensure full compliance with MFMA and GRAP with regard to financial management and reporting	Improved financial management and accountability.	30% Payments within 30 days	60% creditors Payment within 30 days of receipt of invoice	Monthly list of payments and reconciliations	Monthly – Creditors account reconciliation, monthly list of payments and creditors age analysis (Keep a register as proof)	24%	Insufficient revenue and high ESKOM debt	Launching of Mayoral Operation Patala campaign	
	Improved financial management and accountability.	12 reports compiled for all suspense accounts reconciled and cleared	12 reports compiled for all suspense accounts reconciled and cleared	Monthly list and report on suspense accounts	Monthly – Reports compiled each month (Keep a register as proof)	12 reports compiled for all suspense accounts reconciled and cleared	None	None	
	Improved financial management and accountability.	12 reports on all Filing of Payment vouchers	12 monthly reconciliation reports	Monthly creditors reconciliation	Monthly – Creditors reconciliation each month (Keep a register as proof)	Creditors control report updated until the end of 30 June 2017 and it is balancing with the creditors list (PV02)	None	None	
	Improved financial management and accountability.	12 reports on all Filing of Payment vouchers	12 reports on all Filing of Payment vouchers	Monthly reports on filing of Payment vouchers	Monthly – list of payments made and reports compiled each month (Keep a register as proof)	List of filing report updated until the end of 30 June 2017	None	None	

EXPENDITURE CONTINUES

PLANNED PERFORMANCE DURING 2016/17						ACTUAL PERFORMANCE AS AT 30 JUNE 2017			
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS AS AT 30 JUNE 2017	LIMITATIONS FOR UNDER-PERFORMANCE (IF APPLICABLE)	CORRECTIVE MEASURES TAKEN TO IMPROVE ON 2015/16 A-G FINDINGS	COMMENTS ON PERFORMANCE ASSESSMENT
To ensure full compliance with MFMA and GRAP with regard to financial management and reporting	Improved financial management and accountability	Submit before the 10 th working day	12 reports compiled and tabled at the Section 32 committee and Council	Monthly register on fruitless and wasteful expenditure	Monthly – Monthly register, minutes of Section 32 committee and resolutions of Council (Keep a register as proof)	Register on fruitless & wasteful expenditure updated until the end of 30 June 2017	None	None	
	Improved financial management and accountability	Salaries on 25 th each month and Wages 2 nd each month	12 monthly Salaries and Wages Certification reports	Salaries and Wages Certification report	Monthly – Salaries Certification report and proof of payments (Keep a register as proof)	The recon performed on the monthly basis	Shortage of staff	The recon will be performed on the monthly basis	
	Improved financial management and accountability	Salaries on 25 th each month and Wages 2 nd each month	12 monthly Salaries and Wages Certification reports	Salaries and Wages Certification report	Monthly – Wages Certification report and proof of payments (Keep a register as proof)	Updated up to 30 June 2017	None	None	
	Improved financial management and accountability	Submit before the 10 th working day	12 monthly reconciliation reports	Monthly payroll reconciliation	Monthly – Payroll reconciliation each month (Keep a register as proof)	Wages recon performed until 30 June 2017	None	None	
	Improved financial management and accountability	IRP5 reconciliation	Compilation of IRP5 reconciliation	Compilation of IRP5 reconciliation	Bi-Annually -Submission of IRP5 reconciliations to SARS by 31 October and 31 May (Submission report as proof)	Achieved	None	None	

EXPENDITURE CONTINUES

PLANNED PERFORMANCE DURING 2016/17						ACTUAL PERFORMANCE AS AT 30 JUNE 2017			
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS AS AT 30 JUNE 2017	LIMITATIONS FOR UNDER-PERFORMANCE (IF APPLICABLE)	CORRECTIVE MEASURES TAKEN TO IMPROVE ON 2015/16 A-G FINDINGS	COMMENTS ON PERFORMANCE ASSESSMENT
To ensure full compliance with MFMA and GRAP with regard to financial management and reporting	Improved financial management and accountability	EMP 201 Forms	EMP 201 Forms	EMP 201 Forms	Monthly - EMP 201 Forms completed and submitted not later than the 7 th each month (Keep a register as proof)	<ul style="list-style-type: none"> The report updated until 30 June 2017 	None	None	
	Improved financial management and accountability	Review and Submission of policy 1 Reviewed	Review policy	Policy review	Annually (Policy reviewed and tabled before council for adoption by 31 May) (Council resolution as proof)	<ul style="list-style-type: none"> Reviewed once a year 	None	None	
	Improved financial management and accountability	Answering of all audit queries 5 days	Response timeously to both internal and external audit queries for Expenditure and Payroll Units	Response timeously to both internal and external audit queries for Expenditure and Payroll Units	Ongoing - Answering of queries within 3 working days after receiving query with relation to Expenditure and Payroll Units (IA report/ AG) (Register with query nr, query date and date of answer as proof)	<ul style="list-style-type: none"> AG queries were all responded and were responded within three days 	None	None	
	Improved financial management and accountability	Compilation and Implementation of audit action plan	12 reports monthly on implementation and progress of audit action plan	Year-end procedures	Monthly - Report monthly on implementation and progress of audit action plan (Report as proof)	<ul style="list-style-type: none"> Audit action plan is being compiled but not yet finished. 	None	None	

DIVISION: SUPPLY CHAIN

KPA: FINANCIAL VIABILITY & MANAGEMENT

PLANNED PERFORMANCE DURING 2016/17						ACTUAL PERFORMANCE AS AT 30 JUNE 2017			
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS AS AT 30 JUNE 2017	LIMITATIONS FOR UNDER-PERFORMANCE (IF APPLICABLE)	CORRECTIVE MEASURES TAKEN TO IMPROVE ON 2015/16 A-G FINDINGS	COMMENTS ON PERFORMANCE ASSESSMENT
To implement an effective and efficient system of supply chain management and expenditure	Improved financial management and accountability.	Answering of all audit queries	Response timeously to both internal and external audit queries on supply chain management processes.	Response timeously to both internal and external audit queries on supply chain management processes.	Ongoing - Answering of queries within 5 working days after receiving query with relation to supply chain	Achieved	None	None	
	Improved financial management and accountability.	Update Supplier Database on regular basis	Advertise annually for invitation of suppliers database on the newspaper and the website of the Municipality	Advertise Update data base and, Report on new entries	Ensure compliance of SCM 14 (b) policy	Achieved	None	None	
	Improved financial management and accountability.	SCM procurement plan compiled and approved.	Compile an annual procurement plan	Approved SCM procurement plan	The signature of the MM and date of the approval procurement plan	Achieved	None	None	
	Improved financial management and accountability.	Compilation of accurate and complete irregular expenditure and deviation register in conjunction with Expenditure Division	12 reports/registers of irregular expenditure and deviation	Irregular expenditure and SCM section 36 deviation	Quarterly council resolutions for irregular expenditure and deviation	Achieved	None	None	
	Improved financial management	Appointment of bids and tenders within 90 days	Tenders and Bids evaluation must be completed within 90 days	Tenders and Bids evaluation must be completed within 90 days	Evaluation Reports must be submitted and list of bids register	Achieved	None	None	

	and accountability.								
	Improved financial management and accountability.	Updated tender register on the website of the Municipality	Updated tender register on the website of the Municipality	Updated tender register on the website of the Municipality	Updated tender register on the website of the Municipality	Achieved	None	None	
	Improved financial management and accountability.	Compilation of complete and updated commitment register	Maintained and update commitment register	Maintained and update commitment register	Maintained and update commitment register	Achieved	None	None	
	Improved financial management and accountability.	Reconciliations:	12 Reconciliation of Travel Card and Orders	Commitments order and travelling reconciliations	Reconciliations	Achieved	None	Noe	
	Improved financial management and accountability.	SCM policy review	Annual review	SCM policy review	SCM policy review	Not achieved	None	SCM Policy will be subjected to review as part of the IDP Annual Review process	
	Improved financial management and accountability.	Capturing of contracts awarded above R100,000.00 to National Treasury.	12 Reports	Capturing of contracts awarded above R100,000.00 to National Treasury on monthly basis before 10 th	Capturing of contracts awarded above R100,000.00 to National Treasury	Achieved	None	None	

DEPARTMENT: OFFICE OF THE CHIEF FINANCIAL OFFICER

DIVISION: BUDGET

KPA: FINANCIAL VIABILITY & MANAGEMENT

PLANNED PERFORMANCE DURING 2016/17						ACTUAL PERFORMANCE AS AT 30 JUNE 2017			
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS AS AT 30 JUNE 2017	LIMITATIONS FOR UNDER-PERFORMANCE (IF APPLICABLE)	CORRECTIVE MEASURES TAKEN TO IMPROVE ON 2015/16 A-G FINDINGS	COMMENTS ON PERFORMANCE ASSESSMENT
To ensure full compliance with MFMA and GRAP with regard to financial management and reporting	Improved financial management and accountability.	Submit before the 10 th working day after month end	Section 71 reports on time	Section 71 reports	1. Monthly (submissions before the 10 th working day of the next month). 2. Quarterly (submissions before the last day of the month following the end of the quarter) (Keep a register as proof)	12 sets of section 71 submitted to National and Provincial Treasury	None	None	
	Improved financial management and accountability.	Submit before the 10 th working day	Departmental / Vote Income and Expenditure Reports on time to all directors	Departmental / Vote Income and Expenditure Reports	Monthly (Not later than the 10 th day after month-end) (Keep a register as proof)	12 sets of reports were submitted	None	None	
	Improved financial management and accountability.	Timelines to be approved by council	Budget Timeliness	Budget Timeliness	Annually (Compiled and tabled before Council by 31 August) (Attached council resolution as proof)	They were tabled before Council by 31 Aug 2016	None	None	
	Improved financial management and accountability.	Submit to council not later as 25 January	Section 72 report	Section 72 report	Annually (Mid-year report to be tabled before council by 25 January) (Council resolution as proof)	The report tabled in Jan 2017	None	None	
	Improved financial management and accountability.	Adjustment budget approved by not later than 28 February by council	Adjustment budget in line MFMA and Budget regulation	Adjustment budget in line MFMA and Budget regulation	Annually (Compiled and tabled before council by 28 February) (Council resolution as proof)	The report tabled in Jan 2017	None	None	
	Improved financial	Draft budget	Draft budget	Draft budget	Annually	Letters to various departments were	None	None	

	management and accountability.	table before council 31 March			1. Discussions with departments by not later than 15 March (Minutes of discussions) 2. Compiled and tabled by 31 March (Council resolution as proof)	issued on the 6 th of January with dead line of the 29 Jan. Discussions with the Departments regarding the draft budget will be after the dead line			
	Improved financial management and accountability.	Application to Nersa by end of April	NERSA application	NERSA application	Annually (Lodge application to NERSA by 30 April) (Letter as proof)	Application to Nersa by end of April 2017	None	None	
	Improved financial management and accountability.	Table final draft budget to council by 31 May	Adoption of the draft budget	Adoption of the draft budget	Annually 1. Discussions with departments by not later than 30 April and neighbouring municipalities (Minutes of discussions) 2. Compiled and tabled by 31 May (Council resolution as proof)	The 2017/2018 IDP & Budget approved by Council in May 2017	None	None	
	Improved financial management and accountability.	Finalising AFS	Compilation of AFS	Compilation of AFS	Annually (Compilation of AFS completed and submitted to AG by 31 August) (Submission letter as proof)	To be done in August 2017	None	None	
	Improved financial management and accountability.	Submit VAT 201 forms by the 25 th of each month for the previous month	VAT 201 Forms	VAT 201 Forms	Monthly (1. VAT 201 Forms completed and submitted each month by not later than the 25 th 2. VAT Reconciliation to be done by the 25 th of each month) (Keep a register as proof)	12 sets were filled on SARS e filling	None	None	
	Improved financial management and accountability.	Reconcile registers monthly	Loans, Investment, and Funds Registers	Loans, Investment, and Funds Registers	Quarterly (Registers to be updated by the last day of the month following the end of the quarter) (Registers as proof)	Registers are updated monthly	None	None	

BUDGET CONTINUES

PLANNED PERFORMANCE DURING 2016/17						ACTUAL PERFORMANCE AS AT 30 JUNE 2017			
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS AS AT 30 JUNE 2017	LIMITATIONS FOR UNDER-PERFORMANCE (IF APPLICABLE)	CORRECTIVE MEASURES TAKEN TO IMPROVE ON 2015/16 A-G FINDINGS	COMMENTS ON PERFORMANCE ASSESSMENT
To implement an effective and efficient system of the budget division	Improved financial management and accountability	Submit all budget related policies together with budget. Review all policies	Policies	Policies	Annually (Policies to be reviewed and tabled before council by 31 March 2016 and final adoption by 31 May) (Council resolution as proof)	Policies to be reviewed and tabled before council by 31 March 2017	N/A	N/A	
	Improved financial management and accountability	Answering of all audit queries	Response timeously to both internal and external audit queries on Budget and Treasury Office	Response timeously to both internal and external audit queries on Budget and Treasury Office	Continuously (Answering of queries within 5 working days after receiving query with relation to budget office up to a maximum of 3 queries per day (IA report/ AG)) (Register with query nr, query date and date of answer as proof)	To be done in August 2017	N/A	N/A	
	Improved financial management and accountability	Implement audit action plan	Year-end procedures	Year-end procedures	Implementation by the end of January 2016 Progress on audit action plan is a continuous process	Audit Action Plan approved by Council in Feb 2017	N/A	N/A	

DIVISION: FLEET AND ASSETS MANAGEMENT

KPA: FINANCIAL VIABILITY & MANAGEMENT

PLANNED PERFORMANCE DURING 2016/17						ACTUAL PERFORMANCE AS AT 30 JUNE 2017			
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS AS AT 30 JUNE 2017	LIMITATIONS FOR UNDER-PERFORMANCE (IF APPLICABLE)	CORRECTIVE MEASURES TAKEN TO IMPROVE ON 2015/16 A-G FINDINGS	COMMENTS ON PERFORMANCE ASSESSMENT
To implement an effective and efficient system of Asset and Fleet division	Improved financial management and accountability		100%	Response timeously to both internal and external audit queries on Assets	3 working days(IA report/ AG)	Achieved	N/A	None	
	Improved financial management and accountability		Quarterly update an inventory register	Inventory register	Updated room reports placed in all offices and buildings	Achieved	None	None	
	Improved financial management and accountability		Quarterly update of Asset register	Updated additions register on quarterly base and asset register annually	Asset Register	Achieved	None	None	
	Improved financial management and accountability		Monthly reconciliations of the asset register	Monthly reconciliations of the asset register	Quarterly reconciliation register	Not achieved, it was only reconciled annually at the end of June 2017	The need to appoint an Asset Manager	Advertisement placed on newspapers for Asset Manager	
	Improved financial management and accountability		Monthly fleet expenditure report	Prepare and submit Monthly fleet expenditure report to MM	Monthly fleet expenditure report	Achieved	None	None	
	Improved financial management and accountability		Annually compile obsolete, slow and moving disposal register	Annually compile obsolete, slow and moving disposal register	Compile obsolete, slow moving and disposal register annually	Achieved	None	None iu	

DEPARTMENT: CORPORATE SERVICES
DIVISION: HUMAN RESOURCES
KPA: INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION

PLANNED PERFORMANCE DURING 2016/17						ACTUAL PERFORMANCE AS AT 30 JUNE 2017			
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS AS AT 30 JUNE 2017	LIMITATIONS FOR UNDER-PERFORMANCE (IF APPLICABLE)	CORRECTIVE MEASURES TAKEN TO IMPROVE ON 2015/16 A-G FINDINGS	COMMENTS ON PERFORMANCE ASSESSMENT
To provide sufficient and skilled human capital in order to enable all departments to function optimally in order to enhance service delivery and institutional capacity.	Improved organizational stability and sustainability.	Number of funded vacancies as per organogram	Fill all positions that become vacant during the year within 90 days of the position being created and/or vacated	Targeted and qualified individuals recruited in line with the critical posts identified within 90 days of the vacancy being vacant and/or created	Submit a monthly report of all vacant positions Advertise all vacant positions and fill them within 90 days of being vacant Create a report on a monthly basis of all appointments	47 Internal, external and political vacancies advertised	None		
	Improved organizational stability and sustainability.	2015/16 organogram structure approved	Organisational Structure reviewed and approved on a yearly basis	Organisational structure reviewed and approved annually	Organogram submitted to council for approval annually	Organogram approved by council in May 2017	Post levels not included, pending placement		
		HR manual to include new LRA changes	Human resource policies reviewed annually	Review all policies identified for a specific year and submit to council for approval	Identified policies reviewed and approved by council	No new policies approved	None		
		Number of signed job description to be confirmed after road show	Job description compiled and distributed for all employees	Job description compiled and distributed for all employees	Job descriptions kept on file	Not achieved	No placement of staff, most post level 04-16 don't have job descriptions	Finalise placement of staff; complete the job descriptions of staff, conclude job evaluation	

DEPARTMENT: CORPORATE SERVICES
DIVISION: SKILLS DEVELOPMENT
KPA: INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION

PLANNED PERFORMANCE DURING 2016/17						ACTUAL PERFORMANCE AS AT 30 JUNE 2017			
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS AS AT 30 JUNE 2017	LIMITATIONS FOR UNDER-PERFORMANCE (IF APPLICABLE)	CORRECTIVE MEASURES TAKEN TO IMPROVE ON 2015/16 A-G FINDINGS	COMMENTS ON PERFORMANCE ASSESSMENT
To Provide sufficient and skilled human capital in order to enable all departments to function optimally in order to enhance service delivery and institutional capacity	Improved organisational stability and sustainability		All identified programs as per WSP should be undertaken.	Employees trained as per the approved annual Workplace Skills Plan	Monthly reports on progress of the implementation of programs	<u>Water Process Controller Learnership NQF3 - 32 employed learners Started Jan 2017</u> <u>Water Process Controller NQF 4 12 Employed learners Started Jan 2017</u> <u>Water Process Controller 17 Unemployed Learners Started Jan 2017</u> <u>RPL Plumbing employed learners – Trade test from 25 July 2017 To be completed Aug 2017</u> <u>Plumbing Apprenticeship unemployed learners- 13 MFMP – 10 employed learners To be completed Aug 2017</u>	Lack of funds Delay on LGSETA approvals		

						<u>Environmental Practice</u> <u>Mantsopa Lead Employer –</u> <u>Setsoto 60 learners,</u> <u>Dihlabeng 19 learners,</u> <u>Mohokare 19 Learners & Maluti</u> <u>A Phofung 49 Leraners</u> <u>Challenges with the Service Provider, LGSETA is assisting for completion of the programme</u> <u>Internship</u> <u>Treasury – 5 learners</u> <u>Work Integrated Learning 17 Learners</u> <u>MISA – 2 learners</u> <u>EPWP – 1 Learner</u> <u>EE Services- 5</u> <u>Premier's Office - 9</u>			
	Skills audit conducted for Employees and Councillors		Conduct Skills audit for all Councillors and Employees Annually	Skills audit conducted for all Councillors and Employees	A yearly report produced identifying skills gap and recommendations	Conducted from 15 December 2016– 6 January 2017	Trainings		
Induction			Collect information on a monthly basis	Collect information regarding induction of employees annually	Induction report kept on file	Conducted on 30 September 2016	Reluctance of employees to sign documents due to no training despite the signed forms		

	Compliant EE Report and Plan submitted to the Dept. of Labour on time.	EE plan backlog due to none compliance	Submit the EE report to the Dept. of Labour manually on 1 Oct or electronically on 15 January every year	Compliant EE Report and Plan submitted to the Dept. of Labour on time.	Acknowledgement of receipt of the completed EE Report received from the Department of Labour	Not achieved, the municipal login details is blocked.	Plan is still to be completed and submitted to Department of Labour for approval		
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DEPARTMENT: CORPORATE SERVICES

DIVISION: EMPLOYEE WELLNESS

KPA: INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION

PLANNED PERFORMANCE DURING 2016/17						ACTUAL PERFORMANCE AS AT 30 JUNE 2017			
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS AS AT 30 JUNE 2017	LIMITATIONS FOR UNDER-PERFORMANCE (IF APPLICABLE)	CORRECTIVE MEASURES TAKEN TO IMPROVE ON 2015/16 A-G FINDINGS	COMMENTS ON PERFORMANCE ASSESSMENT
To ensure healthy working environment	Enhance health and safety at work	None	A once off biological assessment undertaken annually of areas associated with hazardous risks.	Risk assessment to be done for all areas within the Municipality and a report be submitted to the Municipal Manager for implementation of recommendations	Finalised Assessment Report produced for implementation of recommendations	Not achieved			
		Protective clothing is made available to employee	Provision of protective clothing to employees. (PPE).	Procure and provide employees with PPE's Bi-Annually	Number of employees provided with PPE.	Not achieved, Protective clothing distributed from 18 January 2017	Electricity Division still have to receive PPE		
		Require proper implementation	Number of Municipal departments/ sections inspected quarterly in line with OSHA	Ensured that Health and Safety reps are identified and trained by End of September 2015 in order for them to inspect all departments	4 Inspections Reports submitted annually	None	None		

			Quarterly reports on COIDA	Ensure compliance with COIDA by reporting all incidences in the Municipality	Injury on Duty reports created and submitted for approval	1	Submitted to department of labour		
	To ensure a working environment that enables good staff morale.	Implementation of employee wellness programme	4 Quarterly Reports submitted on Employees wellness	Conduct an employee wellness day to raise awareness	Not achieved	None	No budget		

DEPARTMENT: CORPORATE SERVICES

DIVISION: LABOUR RELATIONS

KPA: INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION

PLANNED PERFORMANCE DURING 2016/17						ACTUAL PERFORMANCE AS AT 30 JUNE 2017			
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS AS AT 30 JUNE 2017	LIMITATIONS FOR UNDER-PERFORMANCE (IF APPLICABLE)	CORRECTIVE MEASURES TAKEN TO IMPROVE ON 2015/16 A-G FINDINGS	COMMENTS ON PERFORMANCE ASSESSMENT
To facilitate stable relations at work place	Improved organisational stability and sustainability	Currently addressing two(2) disciplinary actions	Address all disputes and grievances within 90 days of receipt of such	Disputes and grievances handled in terms of the SALGBC collective agreement within 90 days.	Report of all disputes and resolutions reached produced and submitted for approval	1 finalised fraud case –results, internal / lateral transfer 2 Fraud cases pending outcomes(cashier, security guard) 1 Fraud case outcome finalised-dismissal 1 Fraud case pending outcomes 1 Fraud case finalised- outcomes, resignation with admission of debt	No dedicated / designated official handling labour and litigation issues		

DIVISION: MANAGEMENT AND COUNCIL

KPA: INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION

PLANNED PERFORMANCE DURING 2016/17						ACTUAL PERFORMANCE AS AT 30 JUNE 2017			
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS AS AT 30 JUNE 2017	LIMITATIONS FOR UNDER-PERFORMANCE (IF APPLICABLE)	CORRECTIVE MEASURES TAKEN TO IMPROVE ON 2015/16 A-G FINDINGS	COMMENTS ON PERFORMANCE ASSESSMENT
To provide efficient and effective council administrative support services	Improved organizational stability and sustainability	4	4 Ordinary Council meetings being held	Hold 4 Ordinary Council meetings annually	Minutes of meetings and attendance register	4 Ordinary 8 Special Council meetings held			
		4	Council, EXCO and Committee agendas delivered as per standard rules (Council – 48 hours, budget – 96 hours and EXCO& Committees - 48 hours).	100% of meeting agendas delivered on time as prescribed	Schedule of EXCO, Council & Standing Committee meetings Agenda, minutes & attendance registers Proof of delivery note	All agendas delivered on time. POE attached			
		4	quarterly reports to Council on the tracking of council resolutions (submitted at the end of each quarter - Sept, Dec, Mar & Apr	Follow up Monthly on Resolutions taken by Council	4 Quarterly council resolutions tracking management via email/memo	Not achieved		Quarterly follow ups to be reported to Council.	
To ensure that sound governance processes are developed and maintained	Calendar of council, standing committees and management meetings programmes developed	1	Develop annual organizational year planner.	Submit a schedule to council stipulating the dates for all committees, EXCO and Council for approval	Schedule of Council, EXCO, Council	Schedule taken to Council on 30/1/2017	None	Do yearly	

DIVISION: ADMINISTRATION
KPA: INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION

PLANNED PERFORMANCE DURING 2016/17						ACTUAL PERFORMANCE AS AT 30 JUNE 2017			
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS AS AT 30 JUNE 2017	LIMITATIONS FOR UNDER-PERFORMANCE (IF APPLICABLE)	CORRECTIVE MEASURES TAKEN TO IMPROVE ON 2015/16 A-G FINDINGS	COMMENTS ON PERFORMANCE ASSESSMENT
	Protection of municipal information	All employees who have signed confidentiality agreement.	All current employees to sign confidentiality agreement by 31 Dec 2016 and new ones prior commencement of duty	Number of employees who have signed confidentiality agreement.	Report of all employees who have signed the confidentiality and Conduct of Employees as per Schedule 2 of the Municipal Systems	No new appointments	None		

DIVISION: MANAGEMENT
KPA: INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION

PLANNED PERFORMANCE DURING 2016/17						ACTUAL PERFORMANCE AS AT 30 JUNE 2017			
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS AS AT 30 JUNE 2017	LIMITATIONS FOR UNDER-PERFORMANCE (IF APPLICABLE)	CORRECTIVE MEASURES TAKEN TO IMPROVE ON 2015/16 A-G FINDINGS	COMMENTS ON PERFORMANCE ASSESSMENT
To implement an effective and efficient system of supply chain management and expenditure	Clean Audit Outcome	2015/16 Annual Report	4 Quarterly reports deficiencies raised by AG addressed	Handle and rectify all issues raised by the Auditor General's report of 2015/16 Financial Year	Quarterly reports produced and submitted for approval	Not achieved	None	Regular department meetings to review, monitor and evaluate progress	
	Clean Audit Outcome	2015/16 Annual Report	Respond to Audit Exceptions within the maximum of 7 working days	Quality and timeously response to audit queries both from internal and external auditor within	Report on submitted responses to auditors	Audit responses done in time	None	Regular department meetings to review, monitor and evaluate progress	

				5 working days for 5 queries 7 working days for more queries					
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DIVISION: REGISTRY

KPA: INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION

PLANNED PERFORMANCE DURING 2016/17						ACTUAL PERFORMANCE AS AT 30 JUNE 2017			
IDP OBJECTIVE	INTENDED OUTCOME	BASELINE	ANNUAL TARGET	KEY PERFORMANCE INDICATOR	UNIT OF MEASURE/PERFORMANCE MEASURE	PROGRESS AS AT 30 JUNE 2017	LIMITATIONS FOR UNDER-PERFORMANCE (IF APPLICABLE)	CORRECTIVE MEASURES TAKEN TO IMPROVE ON 2015/16 A-G FINDINGS	COMMENTS ON PERFORMANCE ASSESSMENT
To implement an efficient registry system to ensure smooth running of administration	Smooth running of administration	Quarterly reports submitted	Ongoing	Effective decimation of all mail within two day of receipt	Generate Reports on all mail received and sent quarterly	324 (Mail items, faxes and emails)	None	None	
	Smooth running of administration			Number of new files opened	Generate Reports on all mail received and sent quarterly	73 New volumes of files. There were no totally new files opened	None	None	
	Smooth running of administration	0	4	Registry office to comply with archive regulations and standards	Report on compliance to regulations by creating a report on a quarterly basis	Mr Challa sent reviewer item number register for approval. Sent to DCS	Email sent to the archive department requesting information to assist the office		
	Smooth running of administration	0	1	A Records Management Policy to be drawn up and approved by Council	Policy developed and submitted to council for approval	Draft policy drawn up- Grave to DC for discussion. Previous policy still in place	Records management policy approved by council vide resolution 789 27/11/2007 still in use. New		
	Smooth running of administration	0	1	Procedure Manual submitted to council for approval	Approved Procedure Manual	Approved procedure manual is available	In process of reviewing procedures		

CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE

INTRODUCTION

Mantsopa Local Municipality is categorized in terms of the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998) as a Category B local municipality. It has an EXCO that is headed by the Mayor who is supported by two other members of the EXCO as described in Chapter 2 of this report under Political Governance.

The Accounting Officer (Municipal Manager) is appointed in accordance with the Municipal Systems and Procedures contemplated in Section 54A and is supported by a Senior Management Team as described in Chapter 2 under Administrative Governance. The functions performed and coordinated by the office of the Municipal Manager are governance related.

While national government prioritises delivery of national imperatives and other policy objectives, the delivery of basic services to communities is the primary mandate of the local authority. Mantsopa Local Municipality believes that municipal human resources forms the bedrock upon which its operational foundation is built and the cornerstone upon which its present and future success is anchored. Human resources is the most valuable asset, when optimally utilized, motivated and developed. The municipality is aiming at fully optimise the potential of its workforce in order to enhance service delivery and to achieve the overall objectives as well as the organisational performance. Human resources is the primary investment source of the municipality through the human capital and endeavour to maintain its investment by sourcing relevant talent and developing it to capacitate the Municipality further.

COMPONENT A

INTRODUCTION TO MUNICIPAL PERSONNEL

EMPLOYEE TOTALS, VACANCIES AND TURNOVER

VACANCY RATE			
DESIGNATIONS	Total Approved Posts No.	Vacancies (Total time that vacancies exist using fulltime equivalents) No.	Vacancies (as a proportion of total posts in each category) %
Municipal manager	0	0	100.00
CFO	1	1	100.00
Other S56 Managers (excluding Finance Posts)	3	1	33.33
Senior Management: Level 1-3 (excluding Finance)	11	6	66.66
Senior management : Level 1-3 (Finance Posts)	5	1	20.00
Highly skilled supervision: Level 4-5 (excluding 'finance posts)	30	13	43.33
Highly skilled supervision (Finance post) Level 4-5	6	3	50.00

Highly skilled production (level 6-8)	31	14	45.16
Skilled production (level 9-11)	35	12	34.28
Production (level 12-14)	57	30	52,63
Production (Level 15-16)	220	98	44.54

VACANCY RATE

TURNOVER RATE

<i>Details</i>	<i>Total appointments</i>	<i>Total terminations</i>	<i>Turnover rate</i>
2014/2015	6	16	0.05
2015/2016	1	18	11.04%
2016/2017	0	35	11.11%

VACANCIES AND TURNOVER

For the financial year 2016/2017, the Municipality did not make any new appointments, the structure was being reviewed and the Municipality preparing for placement of all staff currently in the employ, while also preparing for the job evaluation that will resume in the 2017/2018 financial year and finalised to enable new appointments into corrected salary levels and positions on the approved structure

1. Vacancy Rate

The municipality strives to fill vacant positions within three months once they are vacant. The process might be a little longer due to unforeseen circumstances. In terms of recruitment the municipality advertises vacant positions both internally and externally with the criteria being consistent in both cases. Generally the media that targets previously disadvantaged groups assume priority in terms of advertisements. The retention of skilled and experienced workers is an arduous task, which needs planning, time, financial resources and physical resources.

There is high vacancy rate experienced in the technical department due to attrition, death, etc. It is of course still a challenge for the municipality to attract scarce resource and skilled personnel due to the size and geographical area of the municipality. **According to the Municipal Staff Establishment there are 280 Existing Posts and 400 approved Post with a Difference of 120 Post, thus a vacancy rate of 30%.**

MUNICIPAL PERSONNEL

EMPLOYEE TOTALS, VACANCIES AND TURNOVER

DESCRIPTION	2015/16	2016/17				
	No of Employees	No of Employees	Approved Posts No	Employees No.	Vacancies No.	Vacancies %
MM's office	16	10	22	10	12	54,55
Finance Department	36	36	52	36	16	30,77
Corporate Services	23	13	27	13	14	51,85
Community Service	95	55	144	55	89	61,81
Technical Services	143	166	155	166	-11	-7,10
TOTALS	313	280	400	280	120	30

The difference in numbers on the positions in the community Services and the Technical Services is due to the movement of the refuse removal department from Community Services to Technical Services during the year before the changes to the organisational Structure to address the alignment to the institutional budget and performance management.

Employee and approved positions are as at 30 June 2017 as per the approved organogram

COMPONENT B MANAGING THE MUNICIPAL WORKFORCE

MSA 32 of 2000: 67 oblige municipalities to develop and adopt appropriate systems and processes to ensure fair, efficient, effective and transparent personnel administration in accordance with applicable laws (Constitution and Employment Equity Act etc)

No	FUNCTIONS
1. OFFICE OF THE MUNICIPAL MANAGER	
1.1	Internal Audit
1.2	Integrated Development Planning
1.3	Performance Management
1.4	Communications
1.5	Local Economic Development and Tourism
2. DEPARTMENT OF CORPORATE SERVICES	
2.1	Human Resource Management
2.2	Administration, Council and Sound Governance
2.3	Legal services
2.4 TRAINING INTERVENTIONS BY THE SKILLS DEVELOPMENT WITHIN HR DIVISION	

2.4.1	Local Government Accounting
2.4.2	Local Government Advanced Accounting
2.4.3	Municipal Finance Management Program
2.4.4	SAICA/Deloitte Municipalities Finance
2.4.5	Water & Waste Water Process Controller
2.4.6	Environmental Practice
3. DEPARTMENT OF TECHNICAL SERVICES	
3.1	Infrastructure Planning and Development
3.2	Water and Sanitation Provision
3.3	Solid Waste Management
3.4	Municipal Infrastructure Grant (MIG) funding
3.5	Technical Support
3.6	Infrastructure Operations and Maintenance
3.7	Electrical Services
4. DEPARTMENT OF COMMUNITY SERVICES	
4.1	Fire & Disaster Management Services
4.2	Waste management Services
4.3	Social Development Services

4.4	Development Planning
4.5	Geographic Information Services
5. DEPARTMENT OF FINANCIAL SERVICES	
5.1	Budgeting and Reporting
5.2	Income Control
5.3	Expenditure Control
5.4	Supply Chain Management

HR POLICIES AND PLANS

No	Name of Policy	Completed %	Reviewed date	<i>Date adopted by Council</i>
1	Human Resource Policy	100		29/05/2015
2	Sexual Harassments			27/06/2013
3.	HIV & AIDS			27/06/2013
4	Induction policy			27/06/2013
5	ICT Governance Charter			27/06/2013
6	ICT Steering Committee			27/06/2013

7	EPWP			26/02/2013
8	Land policy			9/11/2012
9	Recruitment and Selection policy			26/05/2015
10	Job Evaluation policy			26/05/2015
11	ICT Security policy			26/05/2015
12	Internet and E-mail use policy			26/05/2015
13	ICT change management procedure			26/05/2015
14	Information and Communication Technology framework			26/05/2015
15	Budget policy			29/05/2015
16	Indigent policy			29/05/2015
17	Tariff policy			29/05/2015
18	Property Rates policy			29/05/2015
19	Subsistence and travelling			31/05/2013
20	Immigration and placement policy			

21	Disclosure of interest policy		Draft	
22	Credit Control and Debt collection policy			29/05/2015
23	Cash management and investment policy			29/05/2015

INJURIES, SICKNESS AND SUSPENSION

<i>INJURY ON DUTY</i>			
<i>TYPE OF INJURY</i>	<i>INJURY LEAVE TAKEN</i>	<i>EMPLOYEES USING SICK LEAVE</i>	<i>Average injury per employee</i>
Basic medical attention	0		
Temporary / total disablement	0		
Fatal injury	0		
Total			

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

MSA: s68(1) require municipalities to develop its own human resource capacity to a level that enables it to perform its functions and exercise its powers in an economical, effective, efficient and accountable way in accordance with Skills Development Act, 1998 and Skill Development Levies Act, 1999

Financial Competency Development

Training for employed employees:

Learning Program me	Occupation al Category of Learners	Field of Study	Racial Stats				Gende r Stats		Age Group Stats			No. of People with Disabilitie s	Total No. of Learner s
			A	C	I	W	M	F	<35	35-55	>55		
MFMP	Managers	Financial Manageme nt	9	0	0	1	8	2	5	5		0	10
Artisan RPL	Elementary Workers	Plumbing	19	0	0	0	5	0	2	16	1	0	19
Plumbing	Unemploye d	Plumbing	13	0	0	0	6	7	13	0	0	0	13
Water & Waste Water Process Controllin g- NQF 3	Unemploye d	Trade & Technical	26	0	0	0	26		26	0	0	0	26

The following training was also undertaken during 2015/2016:

Unemployed trainees

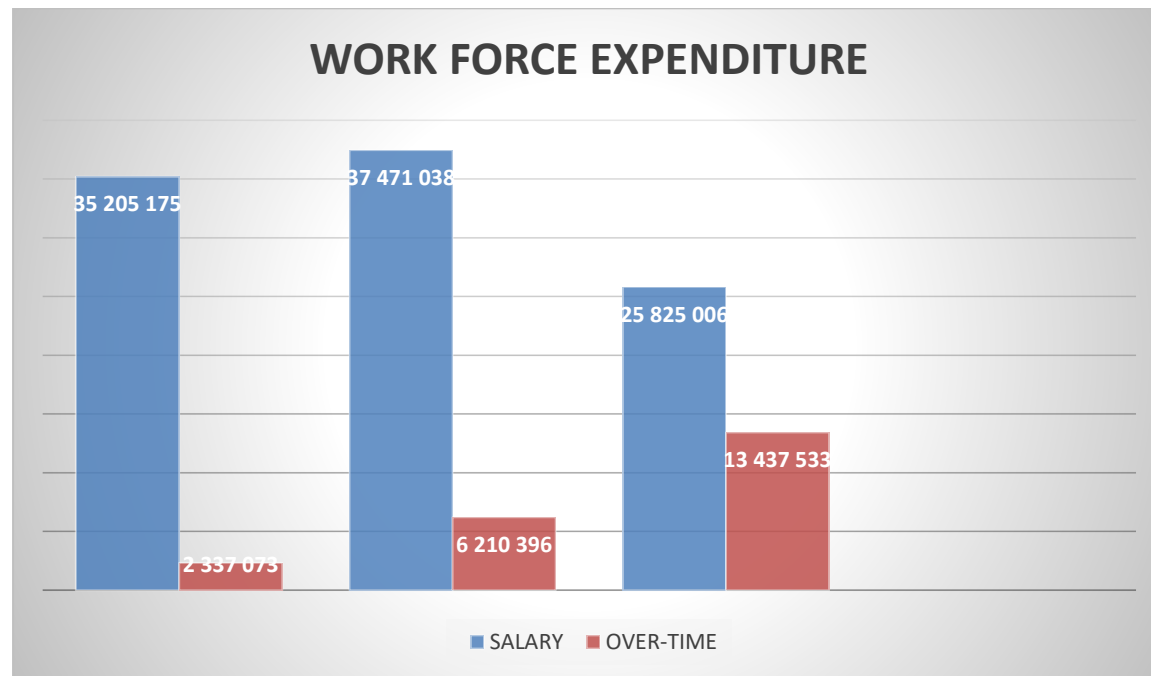
Learning Program me	Occupation al Category of Learners	Field of Study	Racial Stats				Gender Stats		Age Group Stats			No. of People with Disabilities	Total No. of Learners
			A	C	I	W	M	F	<35	35-55	>55		
Internship	Interns	Financial Management	5	0	1	1	2	3	5	0	0	0	5
WIL	Interns	HR, Electricity, Logistics, Finance, Public	17	0	0	0	10	7	17	0	0	0	17
WIL	Interns	Business Management	5	0	0	0	1	4	5	0	0	0	5
University Graduates	Interns	Legal, Language Practice, LG Management. Policing, BCom, Public Management, IT	9	0	0	0	4	5	9	0	0	0	9

COMPONENT D: MANAGING WORKFORCE EXPENDITURE

The municipality is under constant pressure to ensure that the workforce expenditure is managed with the approved budget and National Treasury benchmarks. Where feasible vacancies, which arise from turnover, is filled based on the assessment of the continued need for the post and operational requirements.

EMPLOYEE EXPENDITURE

COMMENT ON WORKFORCE EXPENDITURE



Number of employees whose salaries were increased

NUMBER OF EMPLOYEES WHOSE SALARIES WERE INCREASED TO THEIR POSITIONS BEING UPGRADED		
Beneficiaries	Gender	Total
MM and S 56	Female	0
	Male	0
Senior Management (Levels 1–3)	Female	0
	Male	0
Highly skilled supervision (Levels 4–5)	Female	0
	Male	0
Highly skilled production (Levels 6-8)	Female	0
	Male	0
TOTAL		0
Those with disability will be shown in brackets '(x)' in the total column on each category of beneficiaries at the right hand side of the column as illustrated.		

EMPLOYEES WHOSE SALARY LEVELS EXCEED GRADING

EMPLOYEE WHOSE SALARY LEVEL EXCEED THE GRADE DETERMINED BY SALGA AS A BASELINE			
Occupation	Number of employees	Remuneration level	Reasons for deviation
	0	0	

EMPLOYEES APPOINTED ON POSTS NOT APPROVED

EMPLOYEES APPOINTED ON POSTS NOT APPROVED				
DEPARTMENT	LEVEL	DATE OF APPOINTMENT	No. appointed	Reasons for appointments when no established post exist
			0	

DISCLOSURE OF FINANCIAL INTERESTS

Refer to disclosure made by officials and councillors concerning their financial interest as required by Performance management Regulations 805 of 2006

All councillors, Section 54(a) and section 56 Managers have filled in the Disclosure of interest forms that have been kept safe.

Council further decided that all employees of the Municipality should submit disclosure of interest information and submit to council to ensure credible Supply chain management, most of other Municipal Employees have also filled in the disclosure of financial interest

CHAPTER 5: REPORT OF THE AUDIT COMMITTEE FOR THE PERIOD ENDING 30 JUNE 2016

PURPOSE

The purpose of this report is to provide the Municipal Council of Mantsopa Local Municipality with the independent assurance on the activities which were evaluated by the committee during the financial year ending 30 June 2017.

BACKGROUND

Section 166 of the MFMA (Municipal Finance Management Act. No. 56 of 2003) provides for the establishment of an Audit committee by a municipality, to advise the Municipal Council, the Political Office Bearers and the Management staff on matters relating to:

- Internal financial control and internal audits;
- Risk management;
- Accounting policies;
- The adequacy, reliability and accuracy of financial reporting and information;
- Performance management;
- Effective governance;
- Compliance with legislation;
- Performance evaluation;
- Any other issues referred to it by the Municipality.

The Audit committee also has to review the Annual Financial Statements to provide the council of the Municipality with an authoritative and credible view.

The Audit Committee executes its function through close liaison and communication with management and the internal audit unit of the Municipality. To ensure its independence, the Committee has adopted appropriate formal terms of reference as its Audit Committee Charter and has regulated its affairs in compliance with this charter.

REPORT

1. REPORT OF THE AUDIT COMMITTEE

Honourable Speaker, Mayor, and Councillors, the Audit Committee (AC) takes the liberty of thanking you for this opportunity to present the Audit Committee Report for the period 1st July 2016 to 30 June 2017. The Audit Committee of Mantsopa Local Municipality consists of the members listed hereunder and the Audit Committee managed to hold five effective functional Audit Committee meetings.

2. AUDIT COMMITTEE MEMBERS AND ATTENDANCE

The Audit Committee membership and meetings related to 2016/17 financial year matters are listed below:

Name	Date of Meeting 29 August 2016	Date of Meeting 26 September 2016	Date of Meeting 04 November 2016	Date of Meeting 23 March 2017	Date of Meeting 08 June 2017
Adv. Teboho Moloi (Chairperson)	✓	✓	✓	N1	N1
Msizi Gwala (CA)SA Chairperson	N1	N1	N1	✓	✓
Ms. Selina Lebeko	✓	✓	✓	✓	x
Ms. V C Sikaundi	✓	✓	✓	✓	✓
✓	The member attended the Audit Committee meeting				
X	Member did not attend the Audit Committee meeting				
N1	Mr Gwala was appointed on 1 February 2017 as the chairperson of the committee and replaces Adv. Moloi in this position.				
	The member was not yet appointed as a member of the audit committee at this time.				

3. MATTERS CONSIDERED AND RECOMMENDED FOR CORRECTIVE ACTION BY THE AUDIT COMMITTEE

During the quarterly meetings, the following matters were dealt with and finalised by the committee during the quarters under reporting:-

- Expenditure Management
- Performance Management System
- Fraud Risk and Related Matters
- IDP (Integrated Development Plan)
- Information Computer Technology
- Asset and Fleet Management
- Occupational Health and Safety
- Division of Revenue Act (DORA)
- Payment of wages and salaries
- Overtime
- Approval of tariffs
- Receipts
- Annual, Sick, and unpaid leave
- Attendance Registers
- Fraud investigations

3.1 The effectiveness of Internal Controls.

Based on the reports presented to the Audit Committee by Internal Audit unit during audit committee meetings, the system of internal control was generally considered to require serious attention. During the year under review several deficiencies in the system of internal controls were reported by the Internal Audit Unit. The Audit Committee recommended to Management and to Council that internal controls should be adhered to without fail. That has not been done.

3.2 Compliance with applicable Laws and Regulations

The Audit Committee noted that overtime was being misused to the detriment of the municipality. It was also noted that suppliers were not being paid within 30 days as required by MFMA, resulting in the municipality incurring fruitless and wasteful expenditure due to interest charged by creditors.

The committee recommended that the Municipality consider circular 68 in dealing with expenses that will end up in the three month bracket of expenditure. Regarding non-adherence to other regulations, Management was advised to comply.

The combination of weakness in controls and incapable (or unwilling) staff has led to the misappropriation of municipal assets. The poor attitude towards controls resulting the lack of implementation of controls particularly in the expenditure management of the municipality has led to fraud being committed by employees of the municipality.

3.3 Financial Reporting

The Audit Committee reviewed the draft Annual Financial Statement for the year ended 30 June 2017 by going through the following:-

- the wording of the entire draft Annual Financial Statement for the year ended 30 June 2017;
- the opening balances were compared with the prior year audited closing balances – comparative figures;
- the amounts appearing on the statement of financial position; financial performance and cash flow were compared/cross-referenced with the figures that appear on the notes to the financial statements; and
- The accounting policies were reviewed for consistency and appropriateness with reference to the statement of financial position; financial performance and cash flow.

3.4 Performance Management

The Audit Committee has not been able to timeously review the quarterly performance reports due to the lack of timeous submission of reports to the internal audit unit as well as to the committee. Management also did not submit supporting evidence to some of the reported targets.

A late review of the annual performance report was conducted by internal audit and the audit committee before the required submission to the external auditors.

3.5 Internal Audit Unit

The Audit Committee has reviewed and approved the Internal Audit Charter, Audit Methodology, Three Year strategic plan as well as Annual Coverage Plan for 2016-2017 with some modifications. The Internal Audit Unit also presented their quarterly reports that were approved and used to assess the effectiveness of the internal controls as indicated in point 3.1.

The Audit Committee also considered and took note of the Risk Committee Report and the related Charter.

The Audit Committee also recommended that the Internal Audit Unit must ensure that the audit of assets is conducted on a timeous basis because the Municipality encountered major challenges with regard to assets in past years.

Furthermore, the Audit Committee recommended that the Municipality must act decisively **(Consequence Management must be implemented)** regarding the municipal officials who digress from municipal processes and those that do not performed their tasks as expected and they cripple the effective functioning of the municipality. Consequences should also be implemented regarding those officials who do not implement the recommendations of the internal and external auditors.

3.6 Governance matters

The Audit Committee noted that a number of investigations have been initiated by the municipality against its officials. The Audit Committee will continue to monitor progress of the investigations and cases opened and encourage the municipality to seek to recover municipal funds from those who have benefited from these acts.

The Audit Committee firmly believes that the rife fraud being uncovered is probably the tip of the iceberg and that its apparent entrenchment within the municipality is cause for concern and that decisive action should be taken to root it out. An important contribution to changing the predicament would be actual and perceived action by the Council on these particular cases but also toward consequence management and controls of the municipality.

3.7 Action plan for 2016-2017

The audit report of the auditor general for the financial year 2015-2016 forms the bases for the action plan. Management drew up the action plan that would address issues raised in the management letter of the auditor general. The action plan pertaining to the audit report was submitted and reviewed by the Audit Committee and it the action plan was a standing item on the agenda of the Audit Committee meetings.

3.8 Risk Management

The Risk Management Committee has been functioning during the financial year although the risk department was compromised due to the reallocation of the risk resource to the assets management unit. A credible risk register exists and was approved by the Committee. A chairperson was also been appointed for the committee. The municipality is addressed concerns in the risk area.

CONCLUSION

Based on the reports and documents presented before the committee, members concluded and recommended that the audit committee resolutions and the above key recommendations be accepted by Council for further expedition. The Municipality is already in the sixth month of the 2017/18 financial period and, as a matter of urgency, requires hands-on assistance to take corrective action to address the shortcomings identified before it is too late, to effectively show an improvement.

Msizi Gwala CA(SA)
Chairperson of the Audit Committee

Date_____