



# **BLM ANNUAL REPORT**

## **2015/2016**

This Annual Report was produced from the Office of the Municipal Manager. It reviews all performance related activities and report the annual performance in accordance with the requirements of the Local Government: Municipal Systems Act (Act No. 32 of 2000) for the period 1 July 2015 to 30 June 2016. Information contained in this publication was provided by the various directorates.

Every effort was made to ensure that facts are correct.

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## I. LIST OF ABBREVIATIONS AND DEFINITIONS

### II. ABBREVIATION

<b>ABBREVIATION</b>	<b>DEFINITION</b>
<b>AFS</b>	<i>Annual Financial Statement</i>
<b>AGSA</b>	<i>Auditor General South Africa</i>
<b>APR</b>	<i>Annual Performance Report</i>
<b>BLM</b>	<i>Bushbuckridge Local Municipality</i>
<b>CIP</b>	<i>Comprehensive Infrastructure Plan</i>
<b>CDWs</b>	<i>Community Development Workers</i>
<b>COGTA</b>	<i>Department of Corporative Governance and Traditional Affairs</i>
<b>DM</b>	<i>District Municipality</i>
<b>DWAF</b>	<i>Department of Water Affairs and Forestry</i>
<b>DBSA</b>	<i>Development Bank of Southern Africa</i>
<b>EE</b>	<i>Employment Equity</i>
<b>EDPE</b>	<i>Economic Development Planning and Environment</i>
<b>ICT</b>	<i>Information and Communication Technology</i>
<b>IDP</b>	<i>Integrated Development Plan</i>
<b>IGR</b>	<i>Inter-Governmental Relations</i>
<b>ISF</b>	<i>Integrated Spatial Framework</i>
<b>ITP</b>	<i>Integrated Transport Plan</i>
<b>KPA</b>	<i>Key Performance Area</i>
<b>KPI</b>	<i>Key Performance Indicator</i>
<b>LED</b>	<i>Local Economic Development</i>
<b>LUMS</b>	<i>Land Use Management Systems</i>
<b>MEC</b>	<i>Member of The Executive Council</i>
<b>MIG</b>	<i>Municipal Infrastructure Grant</i>
<b>MPRA</b>	<i>Municipal Property Rates Act</i>
<b>MPI</b>	<i>Municipal Priority Issue</i>
<b>NKPI</b>	<i>National Key Performance Indicator</i>
<b>NSDP</b>	<i>National Spatial Development Perspective</i>
<b>PAA</b>	<i>Previously Advantaged Area</i>
<b>PDA</b>	<i>Previously Disadvantaged Area</i>
<b>PCC</b>	<i>Presidential Coordination Council</i>
<b>PCF</b>	<i>Premiers Coordinating Forum</i>
<b>PGDS</b>	<i>Provincial Growth and Development Strategy</i>
<b>RSC</b>	<i>Regional Service Council</i>
<b>SDF</b>	<i>Spatial Development Framework</i>
<b>SDBIP</b>	<i>Service Delivery Budget Implementation Plan</i>

<b>SMMEs</b>	<i>Small, Medium and Micro Enterprises</i>
<b>SALGA</b>	<i>South Africa Local Government Association</i>
<b>VIP</b>	<i>Ventilated Approved Pit Latrine</i>
<b>WSP</b>	<i>Workplace Skill Plan</i>
<b>Section 46 Report</b>	<i>Report Required in Terms of Section 46 Of The MSA</i>
<b>Section 121 Report</b>	<i>Report Required in Terms of Section 121 Of The MFMA</i>



### III. DEFINITIONS

<b>ABBREVIATION</b>	<b>DEFINITION</b>
<b>Key Performance Areas (KPA's):</b>	<i>KPA's are clear statements of intent which guide the development of the programs and projects making up the IDP. Example: To service 1000 low-cost housing project sites with basic levels of sanitation within ten years</i>
<b>Key Performance Indicator (KPIs):</b>	<i>KPIs are derived from KPA/objective statements. It is an expression of what is going to be measured and how the measurement is going to be done with a view to establish to what degree the KPA/objective has been reached Example: Accumulative number of low-cost residential stands provided with basic levels of sanitation</i>
<b>Baseline</b>	<i>The baseline explains the status quo or the current situation. Example: 5000 low-cost residential stands provided with basic levels of sanitation or the previous year's performance status.</i>
<b>Target</b>	<i>The target expresses the commitment towards performance. Example: 20000 low-cost residential stands provided with basic levels of sanitation by the end of the year. In this example the baseline at the beginning of the year was 10000 low-cost residential stands provided with basic levels of sanitation.</i>
<b>Inputs / Activities</b>	<i>Activities expected of an employee to produce a KPI.</i>
<b>Weighting</b>	<i>Percentage value of a KPA in relation to other KPA's.</i>
<b>Source Document</b>	<i>A document from which the evidence that the KPA has been performed or not.</i>
<b>Performance Contract</b>	<i>The document that records the agreements between the employee and the manager on what is expected from the employee in terms of performance for the performance cycle. This also records the employee's development plan.</i>
<b>Performance Review</b>	<i>The process where the performance of the employee is measured by checking the variance between the actual and the expected performance. This is also where their progress in terms of both the performance and development is measured.</i>
<b>Performance Assessment</b>	<i>This is a 1 to 5 numeric value scale used to assess the degree to which targets have been achieved.</i>

**THE PURPOSE OF THE ANNUAL REPORT IS:**

- i. To provide a record of the activities of the municipality during the financial year to which the report relates.
- ii. To provide a report on performance in service delivery and budget implementation for the financial year.
- iii. To promote accountability to the local community for the decisions made throughout the year by the municipality or municipal entity.
- iv. To reduce the additional reporting requirements that will otherwise arise from government departments, monitoring agencies and financial institutions.
- v. To present the Annual Financial Statement and Annual performance report which has been audited by AGSA for the attention of the members of the community of BLM.

## CONTENT OF THE ANNUAL REPORT

Sections 121(3) and (4) of the MFMA and circular 63 of treasury guidelines sets out the framework relating to the content of the annual reports for both municipalities and municipal entities. These include:

- a) The Annual financial statements of the municipality/entity and if municipality has municipal entities, consolidated annual financial statements as submitted to the Auditor-General for audit
- b) The audit report of the Auditor General in terms of both section 126(3) of MFMA and Section 45(b) of the MSA;
- c) Municipality's annual performance report as per section 46 of the MSA
- d) Assessment of any arrears on municipal taxes and service charges,
- e) Assessment of municipality's performance against measurable performance objectives for revenue collection from each revenue source and for each vote in the municipality's approved budget;
- f) Particulars of corrective action taken or to be taken on issues raised in audit reports;
- g) Explanations to clarify issues on financial statements,
- h) Any other information determined by the municipality/entity including recommendations made by the audit committee and any other information as may be prescribed.

## **FORMAT OF THE ANNUAL REPORT**

Municipalities are requested to adopt the following format for an Annual Report.

The details are described briefly below with further information.

- Chapter 1: Executive Mayor`s Foreword and Executive Summary;
- Chapter 2: Governance;
- Chapter 3: Service Delivery Performance;
- Chapter 4: Organisational Development Performance;
- Chapter 5: Financial Performance;
- Chapter 6: Auditor General`s Findings;
- Appendices; Annual performance report,
- Annual Financial Statements and AGSA report

# CHAPTER 1

## EXECUTIVE MAYOR`S FOREWORD AND EXECUTIVE SUMMARY

### 1.1 EXECUTIVE MAYOR`S FOREWORD

I would like to appreciate the community of Bushbuckridge, Municipal Council and the Political leadership of Bushbuckridge for giving me an opportunity to lead BLM as the newly elected Executive Mayor.

I would be presenting the Annual Report 2015/2016 of the municipality and hand over performance report of the municipal council as handed by the former Executive Mayor, Councillor R. E Khumalo highlighting the following areas:

- **Strategic alignment to Provincial and Growth and Development Strategy**

The highlights from the Office of the Executive Mayor include the presentation of a functional council through the various portfolio committees, Mayoral Committee and Council including section 79 committees. In terms of the delegated functions, the Executive Mayor has, in consultation with Council, ensured the approval of the Integrated Development Planning, Budget and Service Delivery Implementation Plans (SDBIPs) which determined the annual performance of the municipality for the past five years.

The work done under the previous Executive Mayor, Councillor R.E Khumalo during the past year is appreciated. The audit opinion has improved from qualified to unqualified, however emphasis is made on issues of non-compliance with SCM Regulations. The filing of vacancies in the Senior Management positions was finalized when appointing the Municipal Manager. Revenue collection for municipal services as well as property rates remains a challenge.

- **Corrective actions taken to ensure that strategic objective as stipulated in the IDP were achieved.**

Effort has been made in the 2015/16 financial year to collect more to increase the municipal fiscals and accelerate service delivery. The operating results for the year ended 30 June 2016 disclosed a surplus.

The financial year was closed off with a surplus of R 467,972,215 against a surplus of R 318,089,558 for the previous financial year. The current year provision for debt impairment amounts to R114 749,428 total revenue from exchange transactions of R 55, 521,230 and grant income realised of R1,081,238,703, detailed information has been reported on chapter 5 of this report.

- **Methods used/ implemented to improve public participation and accountability.**

During the financial year, the municipal council experienced loss of members due to death and resignations. However, the Section 79 committees remained functional and the municipal council sittings were not hampered. Four (4) Mayoral Izimbizo and 13 public participations were conducted. I believe the municipality will continue growing and achieving its financial and physical obligations as expected and improves the systems in all key performance areas of the municipality to better the lives of our people.

- **Service delivery improvement goals**

Our municipality has been constitutionally tasked with a responsibility of providing sustainable and effective services to the community. Realisation of this task is not as easy as it seems, there are many different aspects that must integrate with one another before a municipality can be able to succeed in this immense task.

To improve service delivery, continuous and long term planning should be the order of the day. Optional service delivery will be provided to all communities and they will have access to at least minimum level of basic services. Municipal services will not only be accessible but it will also be easy, safe and convenient to users. Maintenance will comply with the minimum quality standard. We will always evaluate progress against the key performance indicators.

Accountability, efficiency and responsiveness to service delivery challenges will increase and enhance public participation.

**Councillor C. S Nxumalo:  
BLM Executive Mayor**

### 1.1.1 EXECUTIVE SUMMARY

The primary functions of the municipality are to provide basic service to the community and execute its responsibilities by implementing the following key performance areas.

- **Municipal institutional transformation and organisational development**

The municipality has operated on the adopted organisational structure and 124 Employees' were appointed, 15 fire fighters absorbed and 48 EPWP temporary staff appointed during 2015/2016 financial year.

With regard to public amenities the Municipality has provided maintenance in all Sports and Recreation Facilities, the community has been utilising the facilities.

- **Local economic development (LED)**

The municipality successfully conducted both a capacity assessment and status quo report of LED capacity. To this end, the municipality has an LED strategy in place and still under implementation beside the challenges and constraints experienced. The same strategy is still under review. The municipality created 2264 jobs using local economic development programs and projects during 2015/2016 financial year.

- **Municipal financial viability and management.**

The financial year 2015/16 was closed off with a surplus of **R 467,972,215** against a surplus of **R 318,089,558** for the previous financial year 2014/15. The current year provision for debt impairment amounts to **R114 749,428** total income billed of R333, 417,076 and grant income realised of R1, 081,238,703, detailed information has been reported of chapter 5 of this report.



The municipality was allocated R 398 000 00.00 which includes a rollover of R32 million for MIG projects. The grant achieved 100% expenditure by the end of the financial year.

- **Good governance and public participation**

The municipality has conducted 13 public participation and 4 mayoral Izimbizo to keep the community of BLM informed of the business running's of the municipality. All 37 wards were visited and trained on HIV issues. The Audit Committee and Risk Management Committee have been working as a support system to monitor the performance and the financial management of the municipality.

- **Infrastructure development and basic services delivery**

During 2015/2016 in implementing infrastructure development and basic service delivery the municipality had planned 30 water projects and 16 projects were 100% by the end of June 2016 and 14 projects were at 75% progress. The total expenditure was R 238 148 259.97 against the budget of R290 000 000 for water projects. Some reasons for variance can be attributed to late allocation of funds. With regards to sanitation, the approved plan was to upgrade 2 Waste Water Treatment Works plants which are Thulamahashe and Dwarsloop, however Thulamahashe project was at 98% by end of the financial year and Dwarsloop project was at 22% due to the late appointment of the service provider. Detailed information on other key basic services executed on this key performance area have been reported on chapter 4 on this report and the annual performance report 2015/2016.

This annual report should be read together with annual financial statement and the annual performance report 2015/2016.

## 1.2 STATEMENT BY THE MUNICIPAL MANAGER

I would like to thank the Municipal Council, management team and all staff members for their support offered to me in carrying out the responsibilities as the Municipal Manager for Bushbuckridge Local Municipality.

- **Entities related to municipality and sharing of power and sector departments contributions**

The municipality appointed Rand Water as an implementing agent for water projects since 2013/14. During this financial year, Rand Water continued with implementation of projects previously allocated to them. Eighty percent of the projects were completed by end of the financial year. Challenges relating to project costing were experienced.

The strategic intervention to address the lack of water in all villages by refurbishing and drilling new boreholes is paying dividend in service delivery, concomitantly the report on purchase of new yellow fleet plant machinery has made positive impact in improving service delivery. The paving of internal streets projects in all urban areas has made street accessibility and mobility easy. The projects continue to the next financial year and mainly focusing on villages.

The electrification in the entirety of municipal jurisdiction has been overwhelmingly applauded by communities. Unfortunately, not all peri-urban areas have received full refuse removal services. Formalisation of peri-urban areas as well as some parts of villages are still on progress.

With strong political leadership, the administration focus was not lost during justified service delivery protests by the community. We all embraced the unwavering determination to turn around the corner by accepting the community grievances through political and administrative responsiveness. Indeed, it was the intension of this office to turnaround the negative environment within a period of six months. Though not completely out of the wood, there is light from a distance to face developmental challenges.

- **Previous financial year`s audit opinion**

The Annual Financial Statement and the Annual Performance Report for 2015/2016 were prepared and audited by AGSA. During 2014/15 financial year, the municipality obtained a qualified audit opinion and the action plan was developed to address the findings by Auditor General. The action plan was effectively implemented in 2015/2016, which resulted in an improved audit opinion to unqualified.

- **Financial health of the municipality**

The Municipality`s fiscal ability has improved during the financial year in question when compared to the past two financial years. The municipality was able to most of its financial obligations as they became due this includes the debts settlement agreement with Rand Water for bulk water purchase. However, challenges were on the Account Payments because the 30 days payments period was not 100% achieved.

In 2014/2015 the municipality was allocated the MIG budget of R345 million which was adjusted to R304 million due to non-transfer of R49, 5 million by National Treasury. The expenditure on MIG was at 89% by end of June 2015. In 2015/16 financial year, the MIG budget allocation was R398 million, the expenditure was at 100% by June 2016. This achievement was applauded by Provincial COGTA.

The operating results for the year ended 30 June 2016 disclosed a surplus. The financial year was closed off with a surplus of R 467,972,215 against a surplus of R 318,089,558 for the previous financial year. The current year provision for debt impairment amounts to R114 749,428 total income billed of R333,417,076 and grant income realised of R1,081,238,703, detailed information has been reported on chapter 5 of this report.

- **Revenue management**

The major income streams of the municipality can best be described as a bird's eye view of total income and disclosing the dependency of the municipality on grants and subsidies from the State, as income from grants represents 76,4% of total income of the municipality. Own income generated from the sale of water, the raising of assessment rates and other income represent 24% of the total income of the municipality. This percentage indicates an upward trend when compared to the previous year's percentage of 15%. The difference between sale of water and bulk purchase from Rand Water indicates that the municipality is not doing well in terms of water sales as it reported 52% of water lose.

The generation of own income streams will become more and more important if the current increase of investment in infrastructure continues. Collection of revenue billed continues to be a challenge which requires collective efforts. However, the municipality's revenue collection status is affected by the high number of indigents in the municipal area. Rand Water has been appointed to reticulate and install water meters in areas where there was no water provision, and in return the municipality will generate revenue collection.

- **Internal management related to section 56 managers**

The top-level management positions are filled with qualified incumbents who are running an extra mile to ensure the improvement of the organisational performance. The minimum qualifications for all section 56 managers have been reported on chapter 2 section 2.5.1.3.

Their performance makes it possible for me to play a team leader role with comfort of their undoubtable support and positive perspective in carrying the municipal mandate of achieving the five key performance areas.

It is with great privilege to report that all performance assessments were conducted with the help of members of Mayoral Committee on all key

performance areas. The performance of the municipality has been improving throughout the financial year.

- **Risk assessment**

A risk assessment was performed in May/June 2015. The Municipality's Annual Internal Audit Plan is based on the results of the Directorate's risk assessment workshops held. The results of the risk assessments were recorded and summarised in a risk matrix report in order to provide a holistic view of risk and the planned internal audit assurance to be provided by Institute of Internal Auditors to the municipality.

The output of the risk assessment process was used to develop the rolling 3 Year Strategic Internal Audit Plan. A detailed risk assessment output has been reported on chapter 6 section 6.5.1 of this report in accordance with Treasury Regulation 3.2.7.

### **In conclusion**

I would like to express my appreciation to the municipal staff who are working together with top management to achieve the mandate of Bushbuckridge Local Municipality and conclude with confidence by reflecting the improved performance and promise the community of Bushbuckridge that the best is still to come.

***C Lisa: BLM Municipal Manager***

### 1.3 REPORT OF THE BLM AUDIT COMMITTEE FOR THE YEAR ENDED 30 JUNE 2016

We are pleased to present our Annual Report for the financial year ending 30 June 2016.

#### ▪ Background Overview

The Audit Committee consisted of four (4) members. The same members also constituted the Performance Audit Committee during the year.

The Committee adopted its Terms of Reference in the year under review which sets out its fundamental roles and responsibilities as per the requirements of section 166 the Municipal Finance Management Act (MFMA) and requirements of sound corporate governance. The Committee's Terms of Reference were approved by the Council and the Committee reports that it has conducted its activities as per its Terms of Reference.

#### ▪ Membership and Meeting Attendance

All members of the Committee were external independent of the administrative and political structures of the Municipality. The Committee comprised of the members mentioned below and it has met seven (7) times during the year under review and as per the table below:

Name of member	Attended	Apologies*	Total
Mr R. Mnisi (Chairperson)	5	0	5
Mrs N. Mthembu	5	0	5
Mr A. Ngcobo*	3	0	3
Mr A. Keyser**	3	0	3
Mr V. Bhengu**	3	0	3

\* Member seconded from Ehlanzeni District Municipality from June to November 2015

\*\*member appointed in December 2015.

- **Responsibilities of the Audit Committee**

The Committee has conducted its affairs in compliance with section 166 of the MFMA and its approved Charter and has advised the municipal council, the political office-bearers, the accounting officer and the management staff of the municipality in terms of the above-mentioned requirements.

- **Effectiveness of internal controls and compliance**

The Committee has reviewed reports from Internal Audit on the adequacy and effectiveness of the internal control systems in the Municipality. From the various reports of the Internal Audit, we can report that there are some weaknesses in the internal control systems of the municipality relating to non-compliance with laws, policies and prescribed procedures. Areas of weak internal controls were mainly in the following areas:

- a) Expenditure Management;
- b) Revenue Management;
- c) Fleet Management
- d) Supply Chain Management;
- e) Leave Administration
- f) Contract Management; and
- g) Assets Management.

Action plans to implement the recommendations of Internal Audit have been developed and are being implemented.

- **Effectiveness of Internal Audit Activity**

The Committee has approved the Internal Audit Charter, the three-year rolling plan as well as the annual audit Plan for the financial year ended 30 June 2016. The Committee monitored and evaluated the implementation of the internal audit plan and provide feedback to management on the work performed by the Internal Audit unit. The Committee reports that the internal audit plan for the year ending 2015/2016 was fully implemented. The committee commends the Internal Audit Unit for its commitment and perseverance in executing their functions.

- **Review of Annual Financial Statements and Accounting Practices**

The Committee has reviewed the 2015/16 financial statements of the Municipality before submission to the Auditor-General (the AGSA) for auditing and was satisfied that they were accurate and complied with the applicable reporting framework. The Committee reports that the Municipality's unaccounted water losses and defaulting debtors remain a challenge to its financial viability.

The Committee recommended approval of the annual financial statements and the Council approve the statements for presentation to the AGSA at a Council sitting of 30 August 2016.

- **Performance Management**

The Municipality has systems in place to manage performance in line with the National Treasury Framework for Managing Programme Performance Information. Performance was reviewed periodically through the quarterly reports presented to the Committee by Management. However, the Municipality was not able to achieve all its planned objectives of service delivery due variety of reasons such as slow implementation of procurement plan, inadequate contracts management and poor performance by contracted entities. The Municipality managed to achieve overall percentage of 76%.



The Committee would like to impress upon management to pay more attention to the findings raised by the Internal Audit and Auditor General regarding performance information.

- **Risk Management**

The Risk Management Committee has been established by the Accounting Officer to review the Municipality's system of risk management. However, due to poor participation by Management, the Risk Management Committee has not been effective. The Municipality was advised to develop clear guidelines and documented procedures to incorporate risk management into the Municipality's strategic planning processes and the development of performance measurements on an operational level to promote the integration of risk management into its day-to-day operations. While noting the above, the Committee has noted the improvements by management on risk management.

- **The quality of in year management and quarterly reports**

The Committee was gravely concerned with the late submission of reports to be discussed in Audit Committee meetings. Some of the reports were not checked for quality and correctness by Directors and the Accounting Officer. Despite quarterly advice to management to quality check their reports before submitting, some reports were in poor quality and lacked relevant information to enable the Committee to discharge its oversight role.

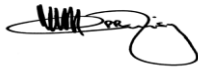
- **Auditor-General**

The Committee was satisfied that the staff members of the AGSA who conducted the audits were independent of the Municipality. The Committee concurs with and accepts the conclusion and the audit opinion of the AGSA on annual financial statements and recommends that the audited financial statements be read together with the audit report issued by the AGSA

- **Conclusion and appreciation**

We wish to express our appreciation to the Executive Mayor, the MMC Finance, the Municipal Manager, the Directors and their teams for their courtesy and kind assistance during the year.

On behalf of the Audit Committee



**PR Mnisi**

**Chairperson of the Audit Committee:**

**Bushbuckridge Local Municipality**

## CHAPTER 2

### 2. GOVERNANCE

#### 2.1. INTRODUCTION

The Bushbuckridge Local Municipality is a category B municipality that forms part of the five Local Municipalities of Ehlanzeni District Municipality. The Municipality accounts for 34% of the total population of the Ehlanzeni District Municipality and it is renowned for its Agricultural and Tourism attraction and it was declared a presidential nodal point by the president of the Republic of South Africa in 2001. It is located in the north-eastern part of the Mpumalanga Province and is bounded by Kruger National park in the east, Mbombela Local Municipality in the South and Thaba Chweu local Municipality and it covers approximately over 1 million hectares, after the recent Municipal Demarcation Board has expanded the locality by including part of the Kruger National Park. Currently the municipality consist of 37 wards.

#### 2.2. VISION

The Municipality strives for developmental and prosperous life for all.

#### 2.3. MISSION

Through accountability, transparency and responsible governance, the municipality commits itself to provide affordable and sustainable services by enhancing community participation.

#### 2.4. VALUES

The core values of the Municipality are Accountability, Transparency, and Responsible Governance and Efficient service delivery principles of Batho Pele.

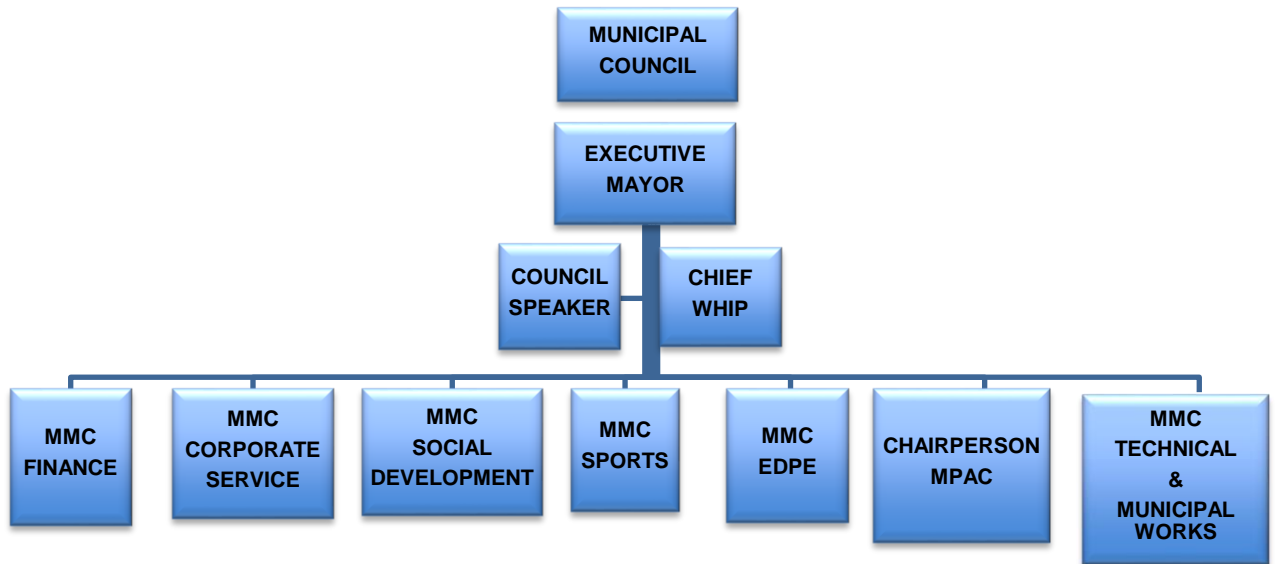
This document is divided into four sections as follows:

1. *Component A: Political Governance Structure*
2. *Component B: Socio Economic Profile*
3. *Component C: Service Delivery Performance*
4. *Component D: Organisational Development Performance*

## COMPONENT A:

### 2.5. POLITICAL GOVERNANCE STRUCTURE

#### 2.5.1. MUNICIPAL COUNCIL COMPOSITION



## 2.5.1.1 LIST OF COUNCILLORS IN 2015/2016

### 2.5.1.1.1. EXECUTIVE MAYOR: KHUMALO R E

**Speaker: Selowe PT**

**Chief Whip: Nxumalo S**

### 2.5.1.1.2. SOCIAL DEVELOPMENT COMMITTEE

**Mmc: Cllr Selowe Enas**

*Members*

**Cllr Mabunda Lydia**

**Cllr Malele Lawrence**

**Cllr Mnisi Brown**

**Cllr Bulunga Silas**

**Cllr Mashego Dinah**

**Cllr Sonnyboy Rahlano**

**Cllr Myanga Busisiwe**

*Cllr Raganya Ruth- Whip*

**Cllr Makhubele Betty**

**Cllr Mathebula Mavis**

**Cllr Khumalo Selinah**

### 2.5.1.1.3. CORPORATE SERVICES

**Mmc: Cllr Timba Flominah**

*Members*

**Cllr Tibane Christina**

**Cllr Malebe Reyneck –Whip**

**Cllr Mzimba Virginia**

**Cllr Mathebula Luckson**

**Cllr Mokoena Delta**

**Cllr Sibulelo Rodgers**

**Cllr Monareng Charles**

**Cllr Mnisi Louis**

**Cllr Malandule Bhunu**

**2.5.1.1.4. SPORTS, ARTS, CULTURE AND HERITAGE****Mmc: Cllr Mathebula Sylvia***Members***Cllr Siwela Florence – Whip****Cllr Khoza Eunice****Cllr Mbhandze Freddy****Cllr Chiloane Billy****Cllr Mthombeni Trocia****Cllr Zitha Gift****Cllr Seerane Allios****Cllr Mashaba Dories****Cllr Makaringe Million****Cllr Thobakgale Hamilton****2.5.1.1.5. FINANCE AND SUPPLY CHAIN****Mmc: Cllr Sibuyi Follies***Members:***Cllr Nxumalo Themba – Whip****Cllr Mnisi Patience****Cllr Thete Levies (Deceased in May 2016)****Cllr Mnene Filita****Cllr Phelephe Martina****Cllr Mnisi Conwell**

**2.5.1.1.6. MUNICIPAL WORKS****Mmc: Cllr Mokoena Boiky***Members***Cllr Lekhuleni Laiza****Cllr Mashabane Difani****Cllr Malibe Hannes****Cllr Hlathi Ernest****Cllr Shilakwe Cecil****Cllr Tshobede Rodgers-Whip****Cllr Nyundu Eckson****Cllr Mhaule Sydwell****Cllr Chadi Surance****Cllr Nkuna Mingasi****2.5.1.1.7. ETHICS COMMITTEE****Speaker: Cllr Selowe Phineas***Members***Cllr Khumalo Selina****Cllr Sebatane Grinos****Cllr Maphanga Thandy****Cllr Mashaba Ezekiel****Cllr Kubayi Nomsa****Cllr Mthabine Johan****Cllr Khoza Luzile – Whip****2.5.1.1.8. MPAC COMMITTEE****Chairperson: Makhubele Denty***Members***Cllr Mzimba Virgy****Cllr Mathebula Luckson****Cllr Tshobede Rodgres****Cllr Raganya Ruth****Cllr Malebe Reyneck****Cllr Godi Zodwa**

*Cllr Mashaba Dorries*

**2.5.1.1.9. WHIPERY COMMITTEE**

**Chief Whip: Cllr Nxumalo Silvia**

**Chairperson: Cllr Monareng Charles**

**Secretary: Cllr Mthisi Cudberry**

**2.5.1.1.10. AGENDA COMMITTEE**

**Cllr Raganya Ruth**

**Cllr Mthebula Girly**

**Cllr Mthisi Cudberry**

**Cllr Tshobede Rodgers**

**2.5.1.1.11. SERVICE DELIVERY COMMITTEE**

**Chairperson: Cllr Makaringe Million**

**Cllr Malibe Hainnes**

**Cllr Mnisi Patience**

**Cllr Makaringe Million**

**Cllr Mashabane Difane**

**Cllr Bongco Busisiwe**

**Cllr Nyundu Eckson**

**Cllr Khosa Luzile**

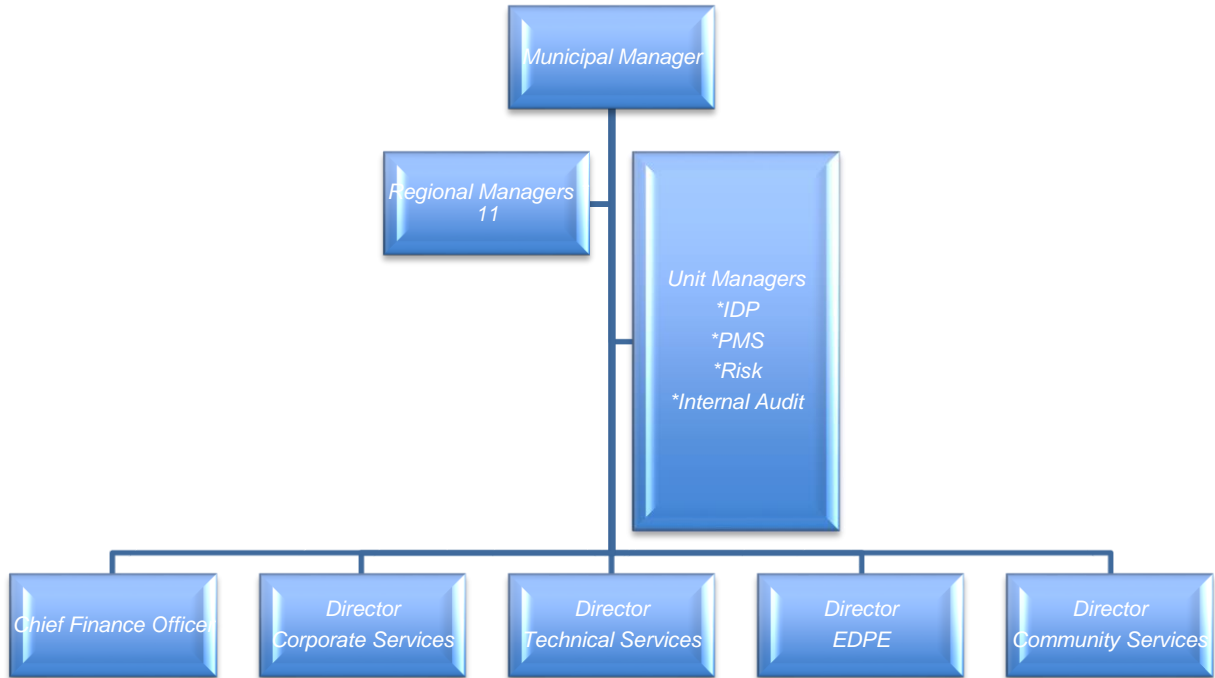
**Cllr Mashaba Ezekiel**

**Cllr Mashaba Dorries**



**2.5.1.1.12. COMPILATION OF MONTHLY REPORTS*****Cllr Mnisi Patience******Cllr Godi Zodwa******Cllr Sebatane Grinos******Cllr Malebe Reyneck*****2.5.1.1.13. COMPILATION OF MONTHLY REPORTS*****Budget And Treasury Steering Committee******Chairperson: Cllr Khumalo Renias******Cllr Selowe Phineas******Cllr Nxumalo Sylvia******Cllr Follas Sibuyi (resigned on the 4<sup>th</sup> of February 2016)*****2.5.1.1.14. LABOUR FORUM*****Cllr Selowe Enas******Cllr Makhubela Denty******Cllr Monareng Charles*****2.5.1.1.15. EDPE COMMITTEE*****Chairperson: Cllr L Malumane******Cllr Godi Zodwa******Cllr Mthisi Cudberry******Cllr Nonyane Freddy******Cllr Chiloane Florence******Cllr Bongco Busisiwe******Cllr Mmola Lucas******Cllr Mathebula Girly******Cllr Chabangu Moses******Cllr Maunye Ephson***

**2.5.1.2 ADMINISTRATIVE GOVERNANCE STRUCTURE**



**2.5.1.2 MINIMUM QUALIFICATION OF SENIOR MANAGERS**

The minimum qualification for senior and middle management has been describe by SALGA and National treasury.

The table below reflects the minimum qualification for employees appointed in terms of Section 56/54 of Local Government: Municipal System Act, Amended Act 32 of 2000:

NO.	Surname and initials	Position	Qualification
1.	Khoza R (Section 56 Employee)	Director Corporate Services	Matriculation, Master of Business Administration, Bachelor of Commerce in Informatics, Project and Contract Management Certificates, Human Resource Management Certificate Presentation, Training and Development Certificate and Information Management and Computer Literacy Certificate
2.	Mkhabelo LZ	Director Community	Matriculation, Doctor of Education (P.H.D), Masters in Curriculum, BED (Honours) and

	(Section 56 Employee)	Services	Higher Diploma in Education
3.	Mashava E (Section 56 Employee)	Director Technical Services	Matriculation, National Diploma in Civil Engineering (NGF6), Certificate in Executive Leadership Management Programme (ELMDP), Programme in Municipal Development (CPMD) and Labour intensive Construction (NQF7).
4.	Mogakane S (Section 56 Employee)	Director EDPE	Matriculation, Bachelor of Arts Degree, Bachelor of Education, Master of Management Degree and Executive Leadership Municipal Development Programme Certificate. Management development program certificate.
5.	Nkuna CA (Section 56 Employee)	CFO	Matriculation, Bachelor of commerce, Post graduate degree in executive leadership in municipal finance Management Program and South African Income Tax and Accounting 3 certificates.
6.	CJ Lisa (Section 54 Employee)	Municipal Manager	Matriculation, Higher Diploma in Development and Planning, Bachelor of Arts Degree, Master of Development Planning, Industrial Relation Certificate, Management Development Certificate, Safety and Representation Certificate and Disaster Management Certificate. Certificate for Business Studies in Administration And Commerce, Infrastructure Planning Partnership for Local Government and Project Management for Built Environmental for Professionals

## COMPONENT B\_

### 2.6 SOCIO-DEMOGRAPHIC PROFILE

The information contained in this section is to provide a good understanding of the key social, economic, physical and environmental features of the municipal area and their impact on spatial and sustainable development.

The precise Bushbuckridge population statistical information remains a challenge; information in this report rely on the information provided by “Statistics South Africa”

#### 2.6.1 SOCIAL DEVELOPMENT

##### 2.6.1.1 POPULATION SUMMARY

The population of Bushbuckridge Local municipality was **545 811** according to the Statistics South Africa 1996 Census, then the 2001 census shows that there was decrease to **500 128** in population. There was an increase in population in the 2011 census as the number rose to **541 248**.

According to Census 2011, the Bushbuckridge Local Municipality has a total population of 541 248, of which 99, 5% are black African, with the other population groups making up the remaining 0, 5%.

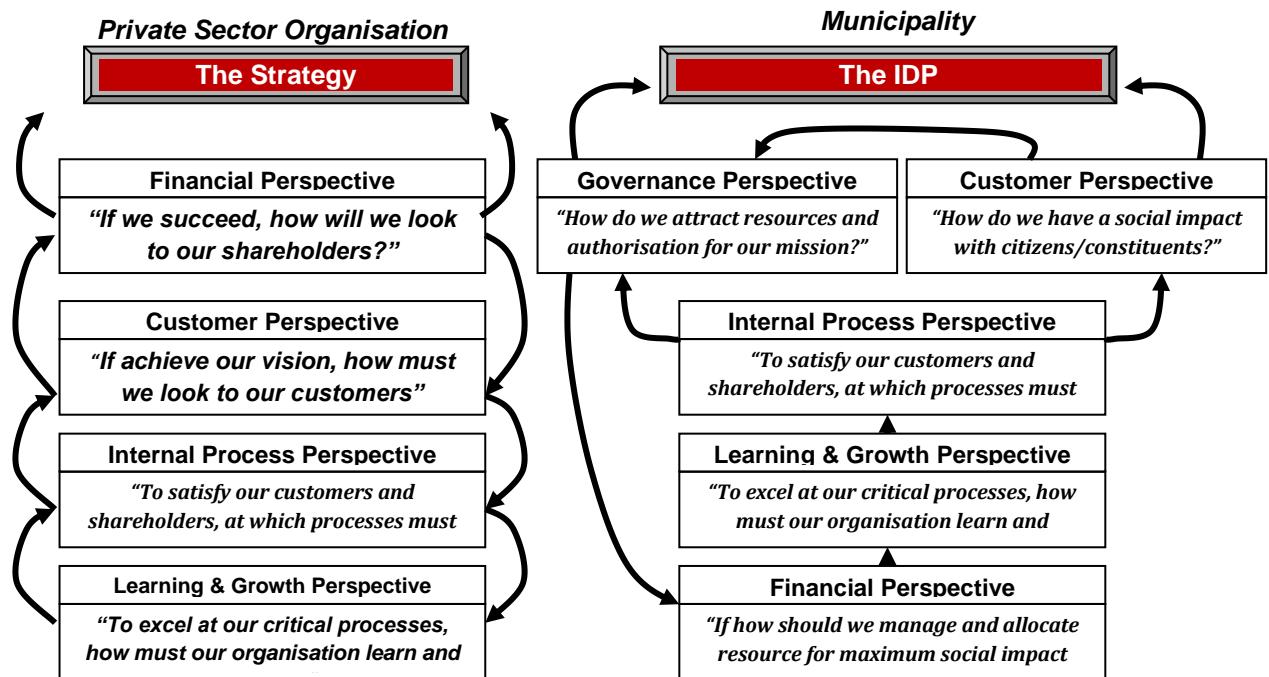
In 2016 the Statistic SA conducted a community Survey 2016. Area figures for municipalities are calculated from Geospatial data. The estimated population for Bushbuckridge Local Municipality according to the survey concluded in 2016/03/06 is **548 768**.

##### 2.6.1.2 CONCLUSION

The municipality has conducted community development awareness programmes to reduce the HIV prevalent which has been impacting the community negatively in the past 5 years. It has been anticipated that the population regression resulted from gigantic death experienced due high rate of HIV& Aids.

**2.6.2 BALANCE SCORECARD MODEL**

This section is meant to compare the organisational performances against the adopted IDP. The process followed during the financial year has been none but balance Scorecard Mode. It has been anticipated that the use of this model will be improving the monitoring and evaluation process and assist the municipality to achieve its goals and Objectives.



**2.6.2.1 THE IDP PROCESS**

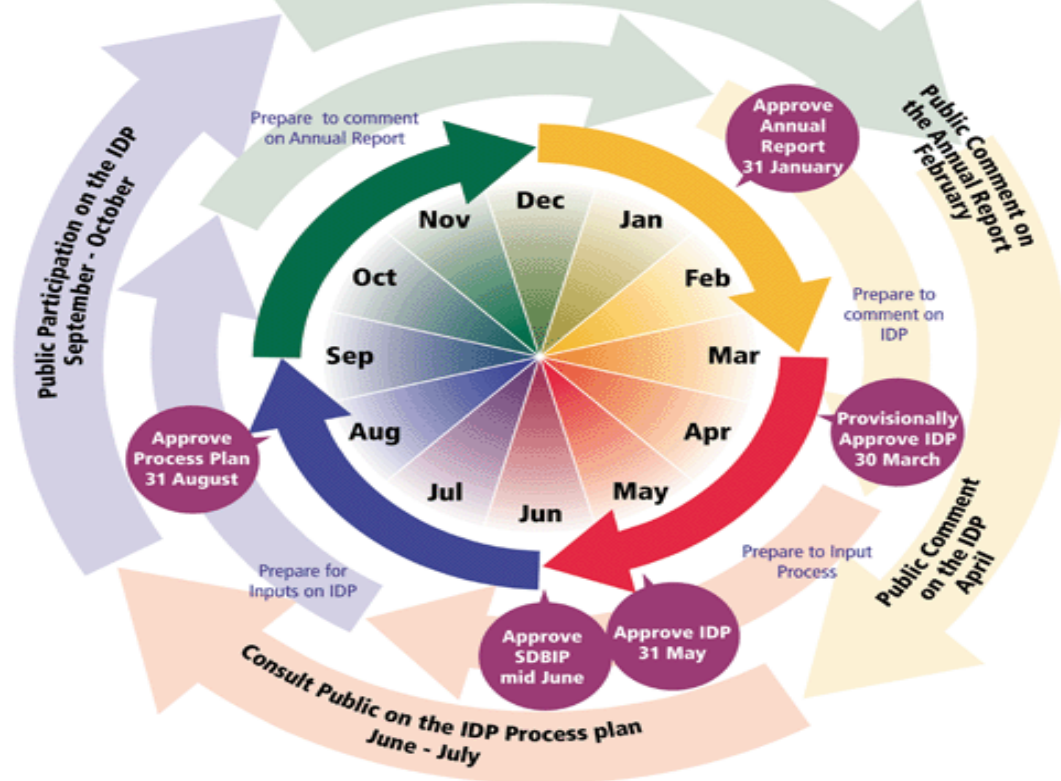
The figure below highlights the IDP 2015/2016 process that was adopted by the municipality. However, the following challenges were experienced in the IDP:

- Project costing and budgeting
- Non-availability of funds internally to fund capital projects.
- Poor revenue collection.

Figure: IDP Process



## Integrated Development Planning: how does it work?



### 2.6.3 IDP PERFORMANCE REPORT MATRIX

The Integrated development planning process during 2015/2016:

#### 2.6.3.1 APPROVAL PHASE

The 2015-2016 IDP draft was tabled on the portfolio committee on the 25<sup>th</sup> March 2015, Mayoral committee on the 26<sup>th</sup> March 2015 and Council for adoption during Council sitting on the 31<sup>st</sup> March 2015 (**Council resolution BLM/110/31/03/15/2015/16**).

After the adoption of the draft document, the municipality has started with the advertising process of the public participation dates and the draft document. The document has been placed on the municipal website and in all 11 Regional Offices of the municipality.

The final IDP document was approved by the municipal council on the 28<sup>th</sup> of May 2015. The IDP document has been posted on the municipal website.

IDP PERFORMANCE STATEMENT	YES	NO	REMARKS
IDP approved by Council and implemented	√		Adoption date 28/05/2015
Approved IDP seen as the single, inclusive and strategic plan for the municipality	√		IDP aligned with Budget and SDBIP 2015/2016
IDP prepared within set time-frames is the approved IDP seen as the single, inclusive and strategic plan for the municipality	√		IDP 2015/16 implementations to end in 2016.
IDP include All core components of (MSA)	√		MSA 2000 Chapter 5
community needs prioritised at ward level	√		Public Participation processes
SDF approved (date) prior to IDP approval By Council	√		SDF approved in 2009
Were sector plans prepared and included in the IDP	√		6 sectoral plans attached on IDP
IDP process plan	√		BLM /23/27/08/15/2015/16
IDP resolution number	√		BLM/137/28/05/15/2015/16

### 2.6.3.2 IDP AND ACHIEVEMENT

The municipal IDP has met all required target of COGTA on municipal IDP and it has been regarded as credible IDP during the financial year 2015/2016.

However, gaps have been identified and COGTA has recommended that the District Municipalities (EDM) should assist Local municipalities to close the gaps of not having sectoral plans and to review the existing sectoral plans.

The municipality has developed the CIP sectoral plans part of compliance on IDP compilation requirements: development of Comprehensive Infrastructure plan (CIP) which consist of (Water Plan, Road Plan, Sanitation plan) and reviewal of LED strategy, SDF, Disaster plan, Environmental plan and Human Resource Strategy are in place. The developed Sectoral Plans were implemented in 2015/2016 financial year.

During the planning process, all wards were represented by the Ward Committees, Councillors, and CDWs, Traditional leaders, NGOs and Sector

departmental representatives. All needs were prioritized by the Steering Committee and projects were formulated out of the identified needs.

Projects cost estimates on the IDP were done by the Technicians under Project Management Unit.

The IDP 2015/2016 document has been approved by council on the 28<sup>th</sup> of May 2015 and it was also submitted to the MEC of Cooperative Governance and Traditional Affairs for comments.

### **2.6.3.3 CHALLENGES ON IDP PROCESSES**

The municipal IDP had the following challenge in the year 2015/2016:

Lack of Intergovernmental relation forums. It is therefore recommended that the IGR officer be appointed and the forum to be active in the next financial year.

### **2.6.3.4 PERFORMANCE MANAGEMENT**

The municipality has approved the SDBIP 2015/2016 and revised it during budget adjustments. The municipality has reviewed its performance management system policy framework and it was adopted by council in May 2016. Quarterly performance reviews were conducted by the Accounting officer and the Members of the Mayoral committee on the performance of the section 56 employees.

Internal workshops were conducted to ensure that directors are capacitated to develop measurable indicators and compilation of performance portfolio of evidence.

The PMS has achieved all requirement of ensuring consistency and usefulness of the reported information as per National Treasure requirements.

### **2.6.3.5 CONCLUSION**

Municipal IDP is forward looking to feed new financial year Budget and SDBIP. The Annual Report has been aligned with the planning documents and municipal budget for the year reported on.

The above has happened because the municipality has set appropriate key performance indicators and performance targets with regards to the development of priorities and objectives in its IDP and outcomes in terms of MSA S46.

It is recommended that a municipality should ensure that the performance targets does not exceed five, for every strategic objective as identified in the IDP.



## CHAPTER 3

### COMPONENT C\_

#### 3 SERVICE DELIVER PERFORMANCE

##### 3.6.1 INFRASTRUCTURE DEVELOPMENT AND BASIC SERVICE DELIVERY

###### 3.6.1.1 INTRODUCTION

Performance Analysis reflects that the municipality has managed to carry out its mandate by ensuring that the Infrastructure Projects, as well as operation and maintenance programmes as guided by the IDP were implemented.

This section of the report addresses some of the progress made as well as the challenges experienced and interventions undertaken by the various spheres of government.

This section of the report presents the overall performance of the municipality across all the service delivery lines offered by the municipality in terms of the Key Performance Areas as discussed in the previous section:

- i. Municipal Transformation and Organizational Development
- ii. Infrastructure Development and Delivery
- iii. Local Economic Development (LED)
- iv. Municipal Financial Viability and Management
- v. Good Governance and Public Participation

In instances where appropriate departmental KPA's were not available, departments were assisted in creating them.

These sections of the report present detailed information of all the services provided by the municipality. The focus is primarily on the extent of service delivery for key functions like electricity, roads, water, and sanitation and refuses removal.

### **3.6.2 RENDERING OF FREE BASIC SERVICES**

#### **3.6.2.1 FREE BASIC ELECTRICITY**

As part of implementing government policies, 2015/2016 the municipality has provided free basic electricity to all people according to the Eskom free basic guidelines. The municipality is paying Eskom on a monthly basis according to the number of people who qualify to get free basic electricity who purchase electricity.

#### **3.6.2.2 FREE BASIC REFUSE/REFUSE COLLECTIONS**

In 2014/15 the municipality could not adequately provide this type of service to its residents due to financial constraints experienced by the municipality which has led the municipality to section 139 of MFMA. However, with limited resources it has, provided 60 skips for free basic refuse in all municipal regions. The Landfill site permits processes have been finalised.

During 2015/16 the municipality has provided free basic refuse to 34720. Number of Skip bins has increased to 77 and distributed in all regions of the municipality. The waste section is waiting for the appointment of the service provider to buy additional 50 skip bins. One Skip Truck was also purchased during 2015/16 as an addition to the two existing ones.

The Buy Back Centre is fully operational which benefits 200 beneficiaries to reduce the unemployment rate in the municipality. All landfill sites Mkhuhlu, Maviljan, Dwarsloop, Shatale, Casteel, Acornhoek and Thulamahashe have received licenses/permits for closure.

Integrated Waste Management Plan (IWMP) is in place from 2012 to 2017.

#### **3.6.2.3 HOUSING PROJECTS**

The Municipality has provided sufficient support to the Department of Human Settlement by identifying beneficiaries and providing the

department with land and other resource to ensure that needy residence of BLM are provided with shelters.

During 2015/16 there was no housing allocation for entire municipalities within the Mpumalanga Province, due to rollover housing projects of 2013/2014 and 2014/2015 financial years.

The municipality has worked hand in glove with the department of Human settlement on construction of different housing typology units such as: CRDP (PHP), Military Veterans units, Rural Subsidy and Disaster housing.

**3.6.2.4 ROADS/STREET AND CONSTRUCTION OF BRIDGES**

The municipality targeted to complete 10 roads during revised SDBIP and 4 roads were 100% completed by June 2016. The numbers of kilometre on road projects are reported on the Annual Performance Report 2015/2016.

**3.6.2.5 PROVISION OF PUBLIC ELECTRICITY**

The municipality planned to construct 75 highmast lights and at end of the financial year all 75 Highmast lights were at 80% completion.

**3.6.2.6 ELECTRIFICATION OF HOUSEHOLDS**

31367 households of Bushbuckridge local municipality have access to electricity by end of 2014/2015 financial year. In 2015/2016 the Municipality and Eskom planned to electrify 3500 households and by end of the financial year 2900 households were connected and 600 households were still waiting for Eskom to energise.

**3.6.2.7 PROVISION OF CEMETERY**

The Municipality is actively involved in the maintenance and provision of cemetery only in the R293 towns and the rural areas were still under maintenance by tribal authorities.

**Town**

**Rural areas**

**R293**

Under the service of Tribal Authorities

**3.6.2.8 PUBLIC AMENITIES**

This service has been facilitated from Technical Directorate specifically in providing maintenance plans for Municipal assets (Public Amenities) to the Regions, in consultation with Community Services Directorate. The Municipality has provided possible maintenance in all Sports and Recreation Facilities. The community has been utilising the facilities and obtaining access from Community services directorate.

**3.6.2.9 ACCESS TO WATER**

The objective of water service was to ensure the provision of clean water to the Communities. The primary functions of the municipality on water projects were supply of quality water management, Operations and Maintenance, Infrastructure development and Water reticulation for water provision to its communities.

30 water projects were planned for 2015/2016, 16 projects were at 100% by the end of June 2016 and 14 projects are at 75% progress. The total expenditure for water projects was R 238 148 259.97 against the budget of R290 000 000. The reasons for variance have been reported on the Annual performance Report 2015/16.

**3.6.2.10 SANITATION**

The Sanitation projects target was to upgrade 2 Waste Water Treatment Works plants which are Thulamahashe and Dwarsloop. The Thulamahashe project was at 98% by end of the financial year. Dwarsloop project was at 22% due to the late appointment of the service provider.

### 3.6.3 PROGRAMME GOALS AND OBJECTIVE ON MIG

The programme's goal and objectives was to ensure that the MIG grant will substantiate municipal's budget in order to implement the projects efficiently and effectively.

As the municipality is one of the rural and nodal point in the country and its revenue base is very low and with a higher backlogs the programme has been intended to assist in addressing the challenges.

In the 2014/15 financial year, the municipality was allocated the budget of R353 million but 50 million was taken by National Treasury due to poor spending and allocation was reduced to only R304 000 000.00 and this allocation was at 89% (R271 million) by the end June 2015. In the 2015/16 the municipality was allocated R366 000 000.00 plus R32 million rollover which brought the total allocation to R 398 000 00.00 for MIG projects and 100% expenditure was achieved by the end of the financial year.

#### 3.6.3.1 LIMITATIONS AND WEAKNESSES

NUMBER	LIMITATIONS AND CONSTRAINTS
1	Poor performance of Rand Water
2	Delays in the procurement processes
3.	Inadequate human capital and office space
4	Limited funding on electrification of households.
5.	Late appointment of service providers by Department of Human settlements on housing projects and non-construction of 105 VIP toilets.
6.	Insufficient staff to monitor the housing projects and building and maintenance
7.	Late appointment of service providers by BLM for building and maintenance functions

8.	Lack of equipment
9.	Lack of skilled water services staff to improve the blue drop status
10.	Insufficient construction vehicles such as Tipper trucks, Graders and Rollers for street cleaning.
11.	Accurate number of households to be electrified against the available budget
12.	Insufficient skip bins to be distributed to villages
13.	Maintenance of waste fleets
14.	Shortage of human resource under waste unit

One of the major limitations and weakness experienced by the BLM (Bushbuckridge Local Municipality) has been the delays in the procurement processes.

**3.6.3.2 REMEDIAL MEASURES**

	<b>MEASURES TO BE TAKEN BASED ON LESSON LEARNT</b>
1.	The municipality to appoint adequate staff to deal with core service delivery as per the PMU business plan
2.	Rand water to speed up the implementation of the projects.
3.	The municipality to construct new offices for PMU staff
4.	Perform water management research to determined water source before projects are approved on the municipal IDP
5.	To have bulk meter zone implemented in all new water projects
6.	Community capacity building with regards to development of the IDP and the implementation thereof
7.	Appointment of professional service providers before the commencement

	of the financial year to address project Costing challenges to be address before the commencement of each financial year.
<b>8.</b>	Early appointment of services providers for housing projects by Dept. of Human Settlement and completions of projects on time.
<b>9.</b>	Purchase of additional skip bins and improvement on the turnaround time for procurement processes.
<b>10.</b>	Improvement on turnaround time for servicing of waste fleet
<b>11.</b>	Appointment of waste staff as per the approved organogram

## COMPONENT D/ CHAPTER 4

### ORGANISATIONAL DEVELOPMENT PERFORMANCE

#### 4 BACKGROUND

#### 4.6 OVERVIEW BY PERFORMANCE MANAGEMENT SYSTEM UNIT

##### 4.6.1 THE PERFORMANCE MANAGEMENT PROCESS

The municipality have conducted performance process as per the performance policy framework adopted by council. The table below reflect the status of implementing the performance management system

Policy and framework	Performance Management Committee	PMS		Annual Performance Report				
		S56 appointees	All Staff	Performance agreements signed	Comparisons previous F/Y	Service delivery priority	Performance targets	Improvement measures
√	√	6	√	√	√	√	√	√

The planning processes were done on time however service delivery has been hampered during the financial year due to poor project costing which resulted on most of the service delivery target revision.

A template was designed based on Balance Scorecard principles and best practice. These templates set out the institutional scorecard. Once these had been developed the departmental and individual scorecards were then developed and cascaded accordingly.



#### **4.6.2 LESSONS LEARNT**

Reporting requires that the priorities of the organisation, its performance objectives, indicators, targets, measurements and analysis, are taken and presented in a simple and accessible format, relevant and useful to the specified target groups for review. While it is important that the reporting formats are relevant, useful and cater for the reader's need in reviewing performance, the existence of too many reporting formats can become both confusing and burdensome to the organisation. The ideal situation is the existence of one reporting format that contains the necessary information for all users, yet remains simple and accessible to all users.

#### **4.6.3 SUGGESTED IMPROVEMENTS**

It is a legislative requirement that all stakeholders of the Municipality get involved in the performance management of the Municipality. The municipality must set performance measurements for the Executive Mayor, Mayoral Committee and Municipal Public Account Committee. Building capacity of these stakeholders to participate meaningfully in the performance management processes is imperative.

It is therefore suggested that the public should be informed in their own preferred languages on the performance status of the municipality. Managements should prepare their monthly reports in line with the SDBIP. The PMS framework has been fully implemented in 2015/2016.

#### **4.6.4 DEVELOPMENT OF KPA PROCEDURE MANUALS**

The municipality has developed KPA procedure manuals for all indicators to clarify performance targets. The KPA procedure manual were presented to management and implemented accordingly during the financial year 2015/16.

#### 4.6.5 LOCAL ECONOMIC DEVELOPMENT AND PLANNING

##### 4.6.5.1 INTRODUCTION

This section of the report set-out to evaluate the performance of municipality in the development and implementation of LED strategies and implementation of the plan as well as in the development of structures required to meeting the challenges. It also reports on the capacity of municipalities to implement LED in their respective municipalities.

The 5-year local government strategic agenda requires that all provinces conduct LED capacity assessments of all their municipalities. The municipality successfully conducted both a capacity assessment and status quo report of LED capacity. To this end, the report reveals that the municipality has an LED strategy in place and still under implementation beside the challenges and constraints experienced. The same strategy is still under review.

The municipality has a decisive and impenitent role to play in shaping the economic destiny of the municipality which is why Local Economic Development (KPA 3) is one of the five key performance areas in the local government system. There has been recognition that investment can only take place where the potential and competitive advantages of the various local economies are mapped and harnessed, known and exploited. Bushbuckridge Local Municipality play a critical role which entails harnessing diverse stakeholders for the realisation of the economic development of the area and implementation of LED strategies and plans

#### **4.6.5.2 ECONOMIC DEVELOPMENT**

Economic development remains amongst the priority areas of the municipality due to the unacceptable levels of poverty and unemployment in the area.

Regulations of Informal Trading over the previous years, there have been a growing of informal trading within the municipal area. Although the sector contributes positively to job creation and poverty alleviation in the area, it is necessary to ensure some support and control for purposes of proper management and sustainability. Hence the municipality identified and prioritized the need to regulate this sector and the informal trading policy was developed in that regard.

#### **4.6.5.3 PROGRESS**

There has been some improvement in the implementation of LED strategy and job creation. Performance of the directorate during 2015/2016 in terms of Local Economic Development, Planning and Environmental affairs has been reported on the annual performance report 2015/2016.

**4.6.5.4 NUMBER OF JOBS CREATED THROUGH LED AND INFRASTRUCTURE PROGRAMMES**

Job creation is one of the important indicators of LED. The table below reflect the total number of jobs created in 3 financial years.



**4.6.5.5 STRUCTURE & LOCATION OF LED UNITS WITHIN EACH MUNICIPALITY**

The LED National Framework 2012 to 2016 requires that LED must be strategically located within the municipal organogram, as part of the municipal Key Performance Area (institutional development and transformation, financial viability and management, good governance and public participation and municipal service delivery). The current positioning of the LED unit is in line with the LED National Framework.

The table below reflect key functions performed by this unit during 2015/2016 financial year.

<b>Economic research</b>	√	
<b>Conducting feasibility studies</b>	√	
<b>Developing business or project concept papers for identified opportunities</b>	√	
<b>Developing business plans for certain projects</b>	√	
<b>LED planning, implementation and monitoring</b>	√	
<b>Investment and business promotions and summits</b>	√	
<b>SMME support and skills development</b>	√	
<b>Tourism sector promotion through summits</b>	√	

**4.6.5.6 PORTFOLIO COMMITTEES AND LED FORUMS**

Political leadership is very important in the implementation of LED in municipalities. Section 79 of the Municipal Structures Act require municipalities to establish committees necessary to execute oversight role. The municipality was having 6 Section 79 committees and they were all functional in 2015/2016 financial year.

*The table below represents the status quo in terms of aligning LED with relevant fundamental structures:*

**LED PORTFOLIO COMMITTEE /LED FORUM**

<b>Establishment</b>	<b>2014/2015</b>	<b>2015/2016</b>
	√	√
<b>Functionality</b>	x	√

**4.6.5.7 CHALLENGES EXPERIENCED BY EDPE**

The speedy progress in implementing the planned LED programmes was in some extent weakened by the fact that the LED forum was not functional. All planned LED forum meetings were not held due to none availability of members.

*Below table reflect the most critical challenges the municipality encountered on EDPE directorate.*

Funding by sector departments
Investors' mobilization
Credible bankable business plans
Group dynamics from stakeholders (community)
SMME development and support
Land claims and land acquisitions
Human capital under LED and waste units

*Below table reflect the mitigating factors towards the abovementioned challenges.*

**4.6.5.8 REMEDIAL MEASURES FOR EDPE**

1.	Improve stakeholder coordination (Department of land affairs and traditional authority)
2.	Seek commitment on allocated project funding and projects monitoring.

3.	Conduct investors' summit.
4.	Conduct Feasibility study (research)
5.	Fast track land claims processes by DRDLR
6.	Filling of vacant positions

## 4.7 MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

### 4.7.1 INTRODUCTION

The information in this section illustrates the programs for community support and public amenities as way of responding to the community needs.

The internal capacity of the municipality on the institutional development and administration support human capital.

#### 4.7.1.1 PUBLIC AMENITIES

The municipality has responded to the transversal needs of the citizens of the municipality by allocation budget for sports and recreations, HIV& Aids programs, youth development, elderly affairs and libraries. A detailed report on all public amenities programs have been reported under section 4.7.1.1.1 of this Annual Report.

#### 4.7.2 OCCUPATIONAL ADMINISTRATION SUPPORT

The municipality has reflected the statics for internal administration capacity to ensure the performance of the municipality in all division. This section will reflect the appointed job incumbents for all level, skill development status, employment equity status and disciplinary report as reported to Department of Labour. A details report in this regards has been reported on section 4.7.2.1 on this Annual Report.

**4.7.2.1.1 PUBLIC AMENITIES PROGRAMMES**

The table below presents a list of public amenities programs for the year 2015/2016 and their current status.

KPA	Strategic Objective As Per IDP	Weight	Objective	KPI/ Measurement	Baseline	Annual Target	APR 2015/ 2016			
							Annual Achievement	Reason for Variance	Improvement Measures	Performance Evidence
<b>SPORTS AND RECREATION</b> <b>Mayor 's Cup</b>	Ensure implementation of IDP priorities	8%	To encourage participation in sports and recreation during Mayoral 's Cup	Number of Mayoral 's Cup	-	One official opening of two gymnasium clubs	One Mayoral Cup for both boys and girls Achieved	N/A	N/A	Agenda, invitation, attendance register and photos



KPA	Strategic Objective As Per IDP	Weight	Objective	KPI/ Measurement	Baseline	Annual Target	APR 2015/ 2016			
							Annual Achievement	Reason for Variance	Improvement Measures	Performance Evidence
<b>SPORTS AND RECREATION</b>	Ensure implementation of IDP priorities		Ensure accessibility to Sports and Recreation Facilities /Programs for all inhabitants of the municipality	Number of games played	One Golden game for the elderly held in 2013/14 financial year	Two golden games for the elderly	Two golden games for the elderly achieved	N/A	N/A	Mayors cup report and picture for golden games

KPA	Strategic Objective As Per IDP	Weight	Objective	KPI/ Measurement	Baseline	Annual Target	APR 2015/ 2016			
							Annual Achievement	Reason for Variance	Improvement Measures	Performance Evidence
<b>SPORTS AND RECREATION</b>	Ensure implementation of IDP priorities		Encourage participation in sports and recreation	Number of sports indaba to be held	One sports indaba was held in 2010/11 financial year	One sports indaba by second quarter	One sports indaba implemented during third quarter	N/A	N/A	Program, report, photos and attendance register
<b>SPORTS AND RECREATION</b>	Ensure implementation of IDP priorities		Encourage participation in sports and recreation	Number of boxing tournaments to be held	No sports tournament was held in 2014/15 f/y	One Boxing tournament	One boxing tournament done in the first quarter	N/A	N/A	Agenda, attendance register, photos and minutes

KPA	Strategic Objective As Per IDP	Weight	Objective	KPI/ Measurement	Baseline	Annual Target	APR 2015/ 2016			
							Annual Achievement	Reason for Variance	Improvement Measures	Performance Evidence
<b>SPORTS AND RECREATION</b>	Ensure implementation of IDP priorities		Improve participation in athletics	Street talent identification athletics	No street marathon conducted 2014/ 2015 f/y	One street marathon by second quarter	One street marathon achieved by second quarter	N/A	N/A	Agenda, attendance register, photos and minutes
<b>ARTS, CULTURE &amp; HERITAGE</b>  <b>Moral Regeneration Movement</b>	Ensure implementation of IDP priorities		To promote our culture through Christianity and according to our tradition	Number of programmes to be implemented	One heritage celebration held in 2014/15 financial year	One heritage celebration first quarter	Heritage celebration achieved by first quarter	N/A	N/A	Minutes, invitation, programme , attendance register and photos

KPA	Strategic Objective As Per IDP	Weight	Objective	KPI/ Measurement	Baseline	Annual Target	APR 2015/ 2016			
							Annual Achievement	Reason for Variance	Improvement Measures	Performance Evidence
<b>Arts, culture and Heritage</b>  (Local Geographic Name Change)	Ensure implementation of IDP priorities		To bring the process of name change to the communities, due to other names that are not applicable to be used or European names.	Number of programmes to be implemented	1 Program on Geographical Names Change was implemented	Consultation 3 programme of Local name changes to be implemented by June 2016	Consultation 3 programme of Local name changes implemented during 1 <sup>st</sup> , 2 <sup>nd</sup> and 3 <sup>rd</sup> quarter	N/A	N/A	Minutes, invitation, programme, attendance register and photos

KPA	Strategic Objective As Per IDP	Weight	Objective	KPI/ Measurement	Baseline	Annual Target	APR 2015/ 2016			
							Annual Achievement	Reason for Variance	Improvement Measures	Performance Evidence
<b>ARTS, CULTURE &amp; HERITAGE</b>	Social & Cultural integration as well as conservation of important cultural and historical sites		To promote cultural activities within the communities.	Number of programmes to be implemented	One Cultural activities was implemented 2014/15 financial year	One cultural programme to be implemented by second quarter	One Cultural program achieved second quarter	N/A	N/A	Minutes, invitation, programme , attendance register and photos
<b>YOUTH</b>	Ensure implement		To encourage	Number of youth who	No program	300 Youth to	300 Youth participated on	N/A	N/A	Attendance register,

KPA	Strategic Objective As Per IDP	Weight	Objective	KPI/ Measurement	Baseline	Annual Target	APR 2015/ 2016			
							Annual Achievement	Reason for Variance	Improvement Measures	Performance Evidence
<b>AFFAIRS</b>	tation of IDP priorities		youth development	participated in programs	implemented in 2014/ 2015	participate on youth dialogue programmes	youth dialogue programmes			invitation and programme
<b>YOUTH AFFAIRS</b>	Ensure implementation of IDP priorities		To contribute in youth development	Number of youth summit conducted	No youth summit held on 2014/ 2015	One annual youth summit by first quarter	One annual youth summit achieved by fourth quarter	N/A	N/A	Attendance register, invitation and programme
<b>YOUTH AFFAIRS</b>	Ensure implementation of IDP priorities		To encourage our youth on the important of education	Numbers of Schools to be visited.	Three schools were visited in 2014/15 financial year.	3 School visit to conduct back to school campaign by third quarter	3 School visit to conducted for back to school campaign by third quarter	N/A	N/A	Attendance registers and programmes

KPA	Strategic Objective As Per IDP	Weight	Objective	KPI/ Measurement	Baseline	Annual Target	APR 2015/ 2016			
							Annual Achievement	Reason for Variance	Improvement Measures	Performance Evidence
<b>YOUTH AFFAIRS</b>	Ensure implementation of IDP priorities		To celebrate the youth month	Holding of youth month celebration.	Youth month celebration was not conducted due to financial constraints	1 Programme for youth month celebration by June fourth quarter	1 Programme for youth month celebration achieved by fourth quarter	N/A	N/A	Attendance register, invitation and programme
<b>YOUTH AFFAIRS</b>	Ensure implementation of IDP priorities		To provide financial support to needy student	Number of bursaries to be awarded to students. And reports for previous years	20 students were awarded the bursary by 2014/2015.	20 Young people to be awarded bursaries by first quarter	20 Young people were awarded bursaries by first quarter	N/A	N/A	List of awarded candidates

KPA	Strategic Objective As Per IDP	Weight	Objective	KPI/ Measurement	Baseline	Annual Target	APR 2015/ 2016			
							Annual Achievement	Reason for Variance	Improvement Measures	Performance Evidence
<b>HIV AND AIDS life skills</b>	Ensure implementation of IDP priorities		To establish support systems for OVC at schools	Number of Life skills programs to reach 100 OVC learners	One programme conducted in 2014/ 2015	2 Life skills programs to reach 100 OVC learners	1 life skills programme conducted and reached 140 learners	Clashed with school exams	Managers must respond on time on the availability of staff	Attendance register, invitation and programme
<b>HIV AND AIDS Campaign for community</b>	Ensure implementation of IDP priorities		To create HIV and AIDS awareness	Number of programs to be implemented	One HIV and AIDS awareness conducted in 2014/15	To conduct 1 HIV and AIDS awareness campaign	4 HIV and AIDS awareness campaign achieved	N/A	N/A	Attendance register, invitation and programme
<b>HIV AND AIDS</b>	To zero-rate on		To promote	Number of programs to	No HIV AIDS	One event to be	One event implemented by	N/A	N/A	Agenda, attendance



KPA	Strategic Objective As Per IDP	Weight	Objective	KPI/ Measurement	Baseline	Annual Target	APR 2015/ 2016			
							Annual Achievement	Reason for Variance	Improvement Measures	Performance Evidence
Indaba	new infections		the negative status and prevent newly infections	be implemented	indaba was held in BLM	implemented by First quarter	First quarter			register and pictures
<b>HIV AND AIDS Training</b>	Ensure implementation of IDP priorities		To capacitate WAC members.	Number of wards visited and trained	<b>17 wards established and trained</b>	4 Visits to 17 WAC and to conduct 4 training	4 Visits conducted and 12 WAC Training conducted	Postponed due to launching of MDCM and lack of Support from ward councillors	Commitment by ward councillors	Reports and attendance register

KPA	Strategic Objective As Per IDP	Weight	Objective	KPI/ Measurement	Baseline	Annual Target	APR 2015/ 2016			
							Annual Achievement	Reason for Variance	Improvement Measures	Performance Evidence
<b>HIV and AIDS (EDUCATION SESSION AT WORKPLACES)</b>			To promote a health and positive living at workplace.	Number of sessions to be conducted	-	To conduct 4 educational sessions at workplaces	5 Educational sessions at workplaces conducted	Availability of staff and management support	N/A	Attendance register, programme and pictures
<b>GENDER AFFAIRS visits</b>	Ensure the wellness of the employees for productive performance		To empower women including girls on life and healthcare skills	Number of visits to schools and Home base care	Three campaigns were conducted in 2014/ 2015	To conduct 9 visits	9 Visits to schools and home base care conducted	N/A	N/A	Attendance register, programs and reports

KPA	Strategic Objective As Per IDP	Weight	Objective	KPI/ Measurement	Baseline	Annual Target	APR 2015/ 2016			
							Annual Achievement	Reason for Variance	Improvement Measures	Performance Evidence
<b>GENDER AFFAIRS Women and men Councils workshops</b>	Ensure implementation of IDP priorities		To encourage men and women to contribute towards reducing gender based violence	Number of workshops held	Women council and Men council have been established	3 Workshops to be conducted	3 Workshops on gender based violence prevention conducted	N/A	N/A	Attendances register. programme and invitation
<b>GENDER AFFAIRS Children's day</b>	Ensure implementation of IDP priorities		To encourage children to participate in activities	Number children's day celebration	One children celebration was held in	One children's day celebration by second	One children's day celebration conducted by second quarter	N/A	N/A	Attendances register. programme and invitation

KPA	Strategic Objective As Per IDP	Weight	Objective	KPI/ Measurement	Baseline	Annual Target	APR 2015/ 2016			
							Annual Achievement	Reason for Variance	Improvement Measures	Performance Evidence
celebration			aimed at enhancing their lives		2014/15 financial year.	quarter				
<b>GENDER AFFAIRS</b> <b>children</b> <b>Mayoral School Visit</b>	Ensure implementation of IDP priorities		To encourage learners to learn	Number of programs and schools visit, reaching out 1 800 learners and distribution of uniform to needy learners	1 Mayoral School visit and distribution of 90 uniforms done in 2014/15	1 Mayoral school visit and distribution of 90 school uniform.	1 Mayoral school visit and 150 school uniform distributed	N/A	N/A	Delivery register and programme for distribution
<b>GENDER AFFAIRS</b> <b>Elderly affairs</b> <b>Outreach.</b>	Ensure implementation of IDP priorities		To promote healthy lifestyle of elderly people.	Number of outreach programs to be conducted	2 Outreach program were conducted in 2014/	To Conduct 2 outreach programmes and submit a report	2 Outreach programmes conducted and 1 report submitted	N/A	N/A	Attendances register. programme and invitation and report

KPA	Strategic Objective As Per IDP	Weight	Objective	KPI/ Measurement	Baseline	Annual Target	APR 2015/ 2016			
							Annual Achievement	Reason for Variance	Improvement Measures	Performance Evidence
					2015					
<b>DISABILITY AFFAIRS Awareness</b>	Ensure implementation of IDP priorities		To sensitize communities on disability issues.	Number awareness campaign held	One awareness campaign held in 2014/15 financial year.	One disability awareness campaign	One disability awareness campaign conducted	N/A	N/A	Attendances register. programme and invitation
<b>DISABILITY AFFAIRS Workshop</b>	Ensure implementation of IDP priorities		To provide basic training on sign language to officials and councillors	Number of workshops to be conducted to staff and councillors.	Understanding of sign language is very minimal in the municipals	4 Workshops to 100 staff members and 76 councillors on sign	2 Workshops to 118 staff members and 22 councillors conducted	Non-availability of councillor	To be allocated 5 days on this kind of a training	2 Attendance registers and programs

KPA	Strategic Objective As Per IDP	Weight	Objective	KPI/ Measurement	Baseline	Annual Target	APR 2015/ 2016			
							Annual Achievement	Reason for Variance	Improvement Measures	Performance Evidence
					lity	language.			g	
<b>LIBRARY SERVICES</b>	Ensure implementation of IDP priorities		Encourage people to read	Number of programs implemented	4 library programmes were conducted in 2014/15	Conduct 4 major library programmes in all libraries [one each]	Only 2 Achieved	Clashed with schools' examination	Aligning programmes with school calendar	N/A
<b>COMMUNITY DISASTER MANAGEMENT</b>	To protect community from disaster		To save the lives of our community through effective	Number of awareness campaigns on disaster management to be	6 Awareness campaigns conducted	5 Awareness campaigns for disaster management to be	6 Awareness campaigns for disaster management conducted	1 campaign requested by sector	N/A	6 Attendance registers and agendas

KPA	Strategic Objective As Per IDP	Weight	Objective	KPI/ Measurement	Baseline	Annual Target	APR 2015/ 2016			
							Annual Achievement	Reason for Variance	Improvement Measures	Performance Evidence
T			coordination and support during disaster	conducted	d in 2014/2015	conducted per annum		department (walking on fire)		
<b>INDIGENT SERVICES</b>	To ensure responsive government for all		To assist indigent families	Number of indigent families identified	10 families supported on indigent burials	To review indigent register and Give support on burial assistance to indigent families as and when required	Indigent reviewed and reports on indigent burials support provided	N/A	N/A	Indigent register and Reports for indigent burials

KPA	Strategic Objective As Per IDP	Weight	Objective	KPI/ Measurement	Baseline	Annual Target	APR 2015/ 2016			
							Annual Achievement	Reason for Variance	Improvement Measures	Performance Evidence
<b>FIRE AND RESCUE SERVICES</b>	Provide support to regional offices and Community		To provide fire fighting and rescue services	Number of incidents calls	4 quarterly reports submitted in 2014/15	4 quarterly emergency reports for incidents and fire	4 Quarterly emergency reports for incidents and fire attended.	N/A	N/A	4 Reports on fire and rescue



KPA	Strategic Objective As Per IDP	Weight	Objective	KPI/ Measurement	Baseline	Annual Target	APR 2015/ 2016			
							Annual Achievement	Reason for Variance	Improvement Measures	Performance Evidence
<b>FIRE AND RESCUE SERVICES</b>	Provide support to regional offices and Community		Improve Fire and Rescue Service Man Power	Availability of performance plans	1 Chief Fire Officer	Absorb 15 WOF fire fighters by October 2015	15 appointment letters and 15 performance plans achieved	N/A	N/A	15 appointment letters and performance plans
<b>ROAD TRAFFIC</b>	Create awareness and		Manage and promote	Number of roadblocks to be	23 roadblocks	36 roadblocks to be	26 roadblocks conducted	Community	Improving comm	Time table, photos and road blocks

KPA	Strategic Objective As Per IDP	Weight	Objective	KPI/ Measurement	Baseline	Annual Target	APR 2015/ 2016			
							Annual Achievement	Reason for Variance	Improvement Measures	Performance Evidence
<b>SERVICES</b>	buy-in to BLM strategy		road safety	conducted	conducted in 2014/15	conducted		protests	unity law enforcement understanding	reports

**4.7.1.1.2 COMMUNITY BURSARY**

The municipality has provided financial support to needy 20 Learners with bursaries in the financial year 2015 /2016 to further their studies after grade 12.

**4.7.2.1 SECTION A: WORKFORCE PROFILE AND CORE & SUPPORT FUNCTIONS**

The municipal council had played a role of ensuring capable, suitable and qualifying employees be employed to execute municipality responsibilities without fail.

**4.7.2.1.1 OCCUPATIONAL LEVELS**

The below table reports the total number of employees (including employees with disabilities) in each of the following occupational levels: Note: A=Africans, C=Coloureds, I=Indians and W=White

<b>Occupational Levels</b>	<b>Male</b>				<b>Female</b>				<b>Foreign Nationals</b>		<b>Total</b>
	<b>A</b>	<b>C</b>	<b>I</b>	<b>W</b>	<b>A</b>	<b>C</b>	<b>I</b>	<b>W</b>	<b>Male</b>	<b>Female</b>	
<i>Top management</i>	4	-	-	-	2	-	-	-	-	-	6
<i>Senior management</i>	30	-	-	1	5	•	-	-	-	-	36



<i>Professionally qualified and experienced specialists and mid-management</i>	1	-	-	-	-	-	-	-	-	-	1
<i>Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents</i>	1	-	-	-	-	-	-	-	-	-	1
<i>Semi-skilled and discretionary decision making</i>	2	-	-	-	-	-	-	-	-	-	2
<i>Unskilled and defined decision making</i>	6	-	-	-	2	-	-	-	-	-	8
<b>TOTAL PERMANENT</b>	10	-	-	-	2	-	-	-	-	-	12
<i>Temporary employees</i>	-	-	-	-	-	-	-	-	-	-	-
<b>GRAND TOTAL</b>	10	-	-	-	2	-	-	-	-	-	12

#### 4.7.2.1.2 CORE OPERATION FUNCTIONS AND SUPPORT FUNCTIONS BY OCCUPATIONAL LEVEL

A job could either be a core operation function or a support function. Core operation function positions are those that directly relate to the core business of an organization and may lead generations e.g. sales production, human resources corporate services etc.

#### 4.7.2.1.3 LEVEL

The below table indicate the total number of employees (including people with disabilities), that are involved in / **Core Operational Function positions** at each level in your organization. Note: A=African, C=Coloured, I=Indians and W=Whites.

<b>Occupational levels</b>	<b>Gender</b>	<b>Total</b>
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	Male	Female	M&F
<i>Top management</i>	0	0	0
<i>Senior management</i>	12	1	13
<i>Professionally qualified and experienced specialists and mid-management</i>	14	3	17
<i>Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents</i>	121	10	131
<i>Semi-skilled and discretionary decision making</i>	84	61	145
<i>Unskilled and defined decision making</i>	101	21	122
<b>TOTAL PERMANENT</b>	332	96	428
<i>Temporary employees</i>	1		1
<b>Grand total</b>	333	96	429

The below indicate the total number of employees (including people with disabilities), that are involve in **support function** positions at each level in your organization. Note: A=Africans, C=Coloureds, I=Indians and W=Whites

<b>Occupational Levels</b>	<b>Gender</b>		<b>Total</b>
	Male	Female	M&F
<b>Top Management</b>	4	2	6
<b>Senior Management</b>	19	4	23
<b>Professionally qualified and experienced specialists and mid-management</b>	10	8	18



<i>Semi-skilled and discretionary decision making</i>	45	-	-	-	32	-	-	-	-	-	77
<i>Unskilled and defined decision making</i>	42	-	-	-	11	-	-	-	-	-	53
<b>TOTAL PERMANENT</b>	101	-	-	-	47	-	-	-	-	-	148
<i>Temporary employees</i>	-	-	-	-	-	-	-	-	-	-	-
<b>GRAND TOTAL</b>	100	-	-	-	47	-	-	-	-	-	147

#### 4.7.2.1.4.2 TERMINATION

The below table reports the total number of terminations in each occupational level, including people with disabilities. Note: A=Africans, C=Coloured, I=Indians and W=Whites.

<b>Occupational Levels</b>	<b>Male</b>				<b>Female</b>				<b>Foreign Nationals</b>		<b>Total</b>
	<b>A</b>	<b>C</b>	<b>I</b>	<b>W</b>	<b>A</b>	<b>C</b>	<b>I</b>	<b>W</b>	<b>Male</b>	<b>Female</b>	
<i>Top management</i>	-	-	-	-	-	-	-	-	-	-	-
<i>Senior management</i>	2	-	-	-	1	-	-	-	-	-	3
<i>Professionally qualified and experienced specialists and mid-management</i>	-	-	-	-	2	-	-	-	-	-	2
<i>Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents</i>	1	-	-	-	2	-	-	-	-	-	3
<i>Semi-skilled and discretionary decision making</i>	3	-	-	-	5	-	-	-	-	-	8
<i>Unskilled and defined decision making</i>	9	-	-	-	4	-	-	-	-	-	13
<b>TOTAL PERMANENT</b>	15	-	-	-	14	-	-	-	-	-	29
<i>Temporary employees</i>	87	-	-	-	25	-	-	-	-	-	112



<i>GRAND TOTAL</i>	102	-	-	-	39	-	-	-	-	-	141
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#### 4.7.2.1.5 SECTION C: SKILLS DEVELOPMENT

##### 4.7.2.1.5.1 SKILLS DEVELOPMENT

The below report the total number of people from the designated groups, including people with disabilities, who receive training **solely** for the purpose of achieving the numerical goals. Note: A=Africans, C=Coloureds, I=Indians and W=Whites

<i>Occupational Levels</i>	<b>Gender</b>		<b>Total</b>
	<i>Male</i>	<i>Female</i>	<i>M&amp;F</i>
<i>Top Management</i>	2	2	4
<i>Senior Management</i>	30	6	36
<i>Professionally qualified and experienced specialists and mid-management</i>	10	9	19
<i>Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents</i>	26	02	28
<i>Semi-skilled and discretionary decision making</i>	39	17	56
<i>Unskilled and defined decision making</i>	37	23	60
<b>TOTAL PERMANENT</b>	144	59	203
<b>Temporary employees</b>	0	0	0
<b>GRAND TOTAL</b>	144	59	203

##### 4.7.2.1.5.2 NUMERICAL GOALS

The below table indicate the numerical goals (i.e. the workforce profile) projected to achieve for the total number of employees with **Disabilities** only at the end of your current employment equity plan in terms of occupational levels.

<i>Occupational Levels</i>	<i>Male</i>				<i>Female</i>				<i>Foreign Nationals</i>		<i>Total</i>
	<i>A</i>	<i>C</i>	<i>I</i>	<i>W</i>	<i>A</i>	<i>C</i>	<i>I</i>	<i>W</i>	<i>Male</i>	<i>Female</i>	
<i>Top management</i>	-	-	-	-	1	-	-	-	-	-	1
<i>Senior management</i>	-	1	-	1	4	1	1	1	-	-	9
<i>Professionally qualified and experienced specialists and mid-management</i>	1	-	-	-	1	-	-	-	-	-	2
<i>Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents</i>	-	-	-	1	8	1	2	2	-	-	14
<i>Semi-skilled and discretionary decision making</i>	1	1	-	1	7	1	-	-	-	-	11
<i>Unskilled and defined decision making</i>	-	1	-	1	34	2	-	1	-	-	39
<b>TOTAL PERMANENT</b>	2	3	-	4	55	5	3	4	-	-	76
<i>Temporary employees</i>	-	-	-	-	-	-	-	-	-	-	-
<b>GRAND TOTAL</b>	2	3	-	4	55	5	3	4	-	-	76

**4.7.2.1.5.3 SECTION D: MONITORING & EVALUATION (Dc)**

**4.7.2.1.6 DISCIPLINARY ACTION**

Disciplinary action: (Total number of disciplinary actions during the twelve months preceding this report). Report on formal outcomes only. Note: A=Africans, C=Coloureds, I=Indians and W=Whites

DISCIPLINARY ACTION	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
	3	0	0	0	0	0	0	0	0	0	3

**4.7.2.1.7 AWARENESS OF EMPLOYMENT EQUITY**

The below table indicate the following awareness measures of employment equity implemented by BLM:

	Yes	No	Employees Covered
<i>Formal written communication</i>		No	0
<i>Policy statement includes reference to employment equity</i>	yes		1
<i>Summary of the Act displayed</i>	yes		1
<i>Employment Equity training</i>		Yes	Forum
<i>Diversity Management programmes</i>		No	0
<i>Discrimination awareness programmes</i>		No	0
			0

**4.7.2.1.8 CONSULTATION**

The below table indicate which stakeholders were involved in the consultation process prior to the development of your employment equity plan:

	Yes	No
<i>Consultative body or employment equity forum</i>	yes	
<i>Registered trade union</i>	yes	
<i>Employees</i>	yes	

**4.7.2.1.9 STATUS ON HUMAN RESOURCE POLICIES AND PLANS:**

The following HR policies are in place to guide the Human capital affairs of BLM

<i>Policy/ Plan</i>	<i>Developed and implemented</i>	<i>Status</i>
<i>Language Policy</i>	√	<i>Not adopted</i>
<i>Recruitment and selection</i>	√	<b>Review</b>
<i>Performance management</i>	√	<i>Adopted</i>
<i>Skills development plan</i>	√	<b>Review</b>
<i>Employment equity plan</i>	√	<i>Review</i>
<i>Skills development charter</i>	√	<b>Review</b>
		<i>Review</i>
<i>Code of conduct</i>	√	<b>Review</b>
<i>Employment equity policy</i>	√	<i>Review</i>
<i>Transport Control policy</i>	√	<b>Review</b>
<i>Payroll policy and procedures</i>	√	<i>Review</i>
<i>Training and Development Policy</i>	√	<b>Review</b>

<i>Policy/ Plan</i>	<i>Developed and implemented</i>	<i>Status</i>
<i>Relocation policy</i>	√	<i>Review</i>
<i>Smoking policy</i>	√	<b>Review</b>
<i>HIV/AIDS Policy</i>	√	<i>Review</i>
<i>Bursary policy</i>	√	<b>Review</b>
<i>Retirement Policy</i>	√	<b>Review</b>
<i>Dress Code Policy</i>	√	<i>Review</i>
<i>Sexual Harassment Policy</i>	√	<b>Review</b>
<i>Probation Policy</i>	√	<i>Review</i>
<i>Induction Policy</i>	√	<b>Review</b>
<i>Internet and E-Mail Policy</i>	√	<i>Review</i>
<i>Long Service Recognition Policy</i>	√	<b>Review</b>
<i>Cell Phone Allowance Policy</i>	√	<i>Review</i>
<i>Occupational Health &amp; Safety Policy</i>	√	<b>Review</b>
<i>Human Resource Strategy</i>	√	<i>Adopted</i>

#### **2.1.1.1.1. CONCLUSION**

The Municipal council adopted the organogram to improve effective and efficient service delivery. The process of reviewing the municipal organogram was done and completed during the financial year and adopted by council in April 2016. Provision of necessary resources and conducive working environment has been a challenge during the financial year due to lack of office space and IT infrastructure ineffectiveness, however phase 1 of ICT infrastructures were done in all Regional offices and the Head office.

## 4.8 GOOD GOVERNANCE AND PUBLIC PARTICIPATION

### 4.8.2 INTRODUCTION

The Municipality is conscious to the fact that good governance is the accountability to the community and other stakeholders as well as the Municipal Council's oversight function. In order to be appropriately accountable to service users and relevant stakeholders the municipality have proper systems, procedures and processes in place to allow for maximum participation in setting both service priorities and in evaluating the level of services provided.

Effective implementation of internal systems and controls is considered to be the most effective and efficient mechanism to ensure proper and accountable use of public taxes and other resources to deliver against those priorities.

This section of the report will focus primarily in the following key outcomes, detailed information of the functionality of the municipality on good governance has been reported on the annual performance report 2015/2016.

- Ward committees and the deployment of Community Development Workers (APR refers)
- Intergovernmental relations within sectors (APR refers)
- Anti-corruption measures (APR refers)
- Presidential and Ministerial Izimbizo (APR refers)
- Standard operating procedures and delegations (APR refers)

## **4.9 PERFORMANCE MONITORING, REPORTING AND EVALUATION SUMMARY**

### **4.9.2 INTRODUCTION**

The Municipality over the past year rely on the effective engagement of the PMS Unit and PMU to monitor and report on progress made regarding service delivery. This intervention has assisted the municipality to monitor Performance management systems processes. The municipality has been challenge on conducting monitoring and evaluation to all respective units due to limited staff under PMS units.

### **4.9.3 ADDRESSING THE KEY PERFORMANCE AREAS**

The Municipality will continue to align municipal internal and external processes to the organisation to achieve its Constitutional and other legislative mandate. The municipality has created a position of Monitoring and evaluation under PMS unit to close the gap of lack of monitoring and evaluation but the position is not yet filled.

### **4.9.4 CONCLUSION**

Performance management unit is working hard to ensure that reported information is authentic by analysing the performance reports against the performance evidence on the ground. Municipal council has been constantly playing its oversight role on the performance information to ensure accountability and responsiveness to expectations of the community.

## CHAPTER 5

### 5 MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

#### 5.1 INTRODUCTION

This section will focus on the reinforcement of the municipality's finances as an objective that reports on the financial performance of the institution against all financial management plans and expenditure items.

The municipality has recovered significantly from the status of poor financial management by effectively implementing the Financial Recovery Plan approved by Treasury during the period of Section 139 Administration. The implementation thereof was reported to Treasury on a regular basis. The management of municipal finances is now sound.

BLM is one of the nodal points in the country and still depends solely on government grants in order to render services to its communities. The management of revenue is governed by policies that are directly aligned to revenue management and debt collection such as billing systems and indigent policies. Revenue collection is very low and most of the people cannot afford to pay for the services rendered by the municipality.

Highlights have been achieved in terms of reviewing indigent policies on regular intervals and the capacity to administer them. However, it should be noted that continued improvement is the key to achieving the desired result over a period of time.

In line with the Auditor General's report, there is also a concern that the increasing level of debtors may undermine the liquidity of the municipality. The municipality has developed the revenue enhancement strategy in order to curb the accumulation of debt and the enforcement of the Debt Collection and Credit Control policy. A service provider was appointed to collect the outstanding debt due to the municipality.



## 5.2 FINANCIAL PERFORMANCE STATUS

The matrix below highlights financial performance measures achieved in terms of their compliance dates within the Finance Section.

<b>Objectives</b>	<b>Performance Measure/service delivery indicator</b>	<b>Performance</b>	
		<b>Target</b>	<b>Actual</b>
<i>To develop a medium term financial framework (budget)</i>	<i>Three-year capital and operational budget approved by council</i>	<i>31 May 2015</i>	<i>28 May 2015</i>
	<i>Approval of the adjustment budget by council</i>	<i>25 Jan. 2016</i>	<i>25 Jan. 2016</i>
<i>To provide a framework for financial accountability</i>	<i>Approved Service Delivery and Budget Implementation Plan (SDBIP)</i>	<i>31 May 2015</i>	<i>28 May 2015</i>
	<i>Adoption of Tariff Structure</i>	<i>31 May 2015</i>	<i>28 May 2015</i>
<i>To manage and control revenue</i>	<i>Monthly billing</i>	<i>Monthly</i>	<i>Monthly</i>
	<i>Credit control policy enforcement</i>	<i>01/07/2015</i>	<i>Implemented</i>
<i>To manage the cash-flow of the council to ensure timely payment of creditors and Servicing of long term liabilities.</i>	<i>Creditors paid within 30 days</i>	<i>Monthly</i>	<i>Partially due to late submission of invoices for processing</i>
	<i>To prepare and submit Annual Financial Statement (AFS) to AG for 2015/16 FY</i>	<i>AFS submitted to Council, &amp; AG</i>	<i>31 August 2016</i>
<i>To monitor and control</i>	<i>Submission of monthly</i>	<i>Monthly</i>	<i>Monthly</i>

*the budget & expenditure*

*financial report to  
Provincial & National  
Treasury*

### 5.2.1 ANNUAL FINANCIAL STATEMENTS 2015/2016

The Annual Financial Statements for the year ended 30 June 2016 have been compiled in accordance with GRAP standards and submitted to the office of the Auditor General (SA) on 31 August 2016 for auditing.

The notes to the Annual Financial Statements disclose the required information in terms of section 123 of the Municipal Finance Management Act no.56 of 2003. Refer Annexure, as part of the 2015/2016 attachments.

### 5.2.2 OPERATING RESULTS

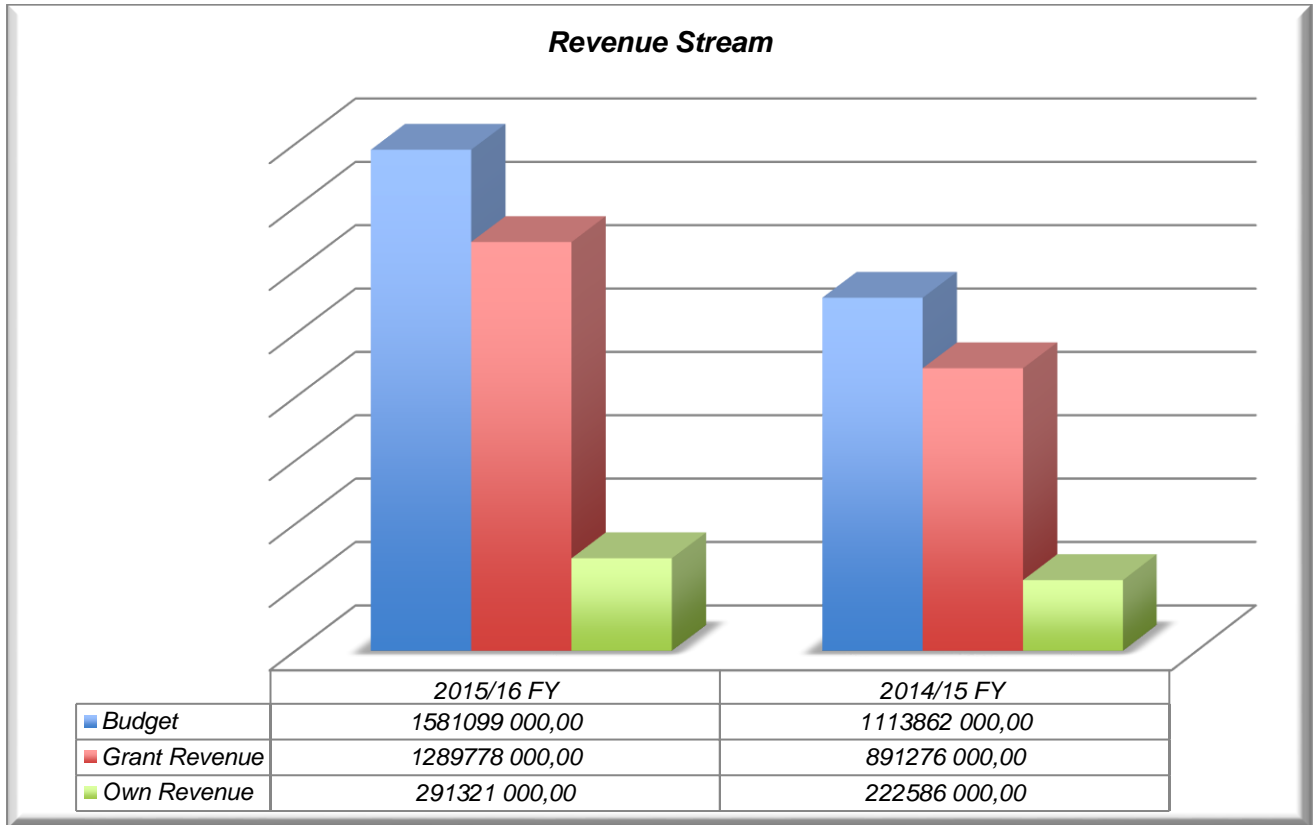
The financial year was closed off with an operating surplus of R 467,421,215 versus a surplus of R 318,089, 558 reported in the previous financial year. The current year provision for debt impairment amounts to R114 749,428 total income billed of R333, 417,076 and grant income realised of R1, 081,238,703.

### 5.2.3 INCOME

The municipality's major funding sources comes from grants represents 76.4 % of total income of the Municipality. Own income generated from the sale of water, the raising of assessment rates and other income represent 24% of the total income of the Municipality. This percentage indicates an upward trend when compared to the previous year's percentage of 15%. The difference between sale of water and bulk water purchase from Rand Water indicates that the municipality is not doing well in terms of water sales. The municipality has recorded 52% water losses for the year.

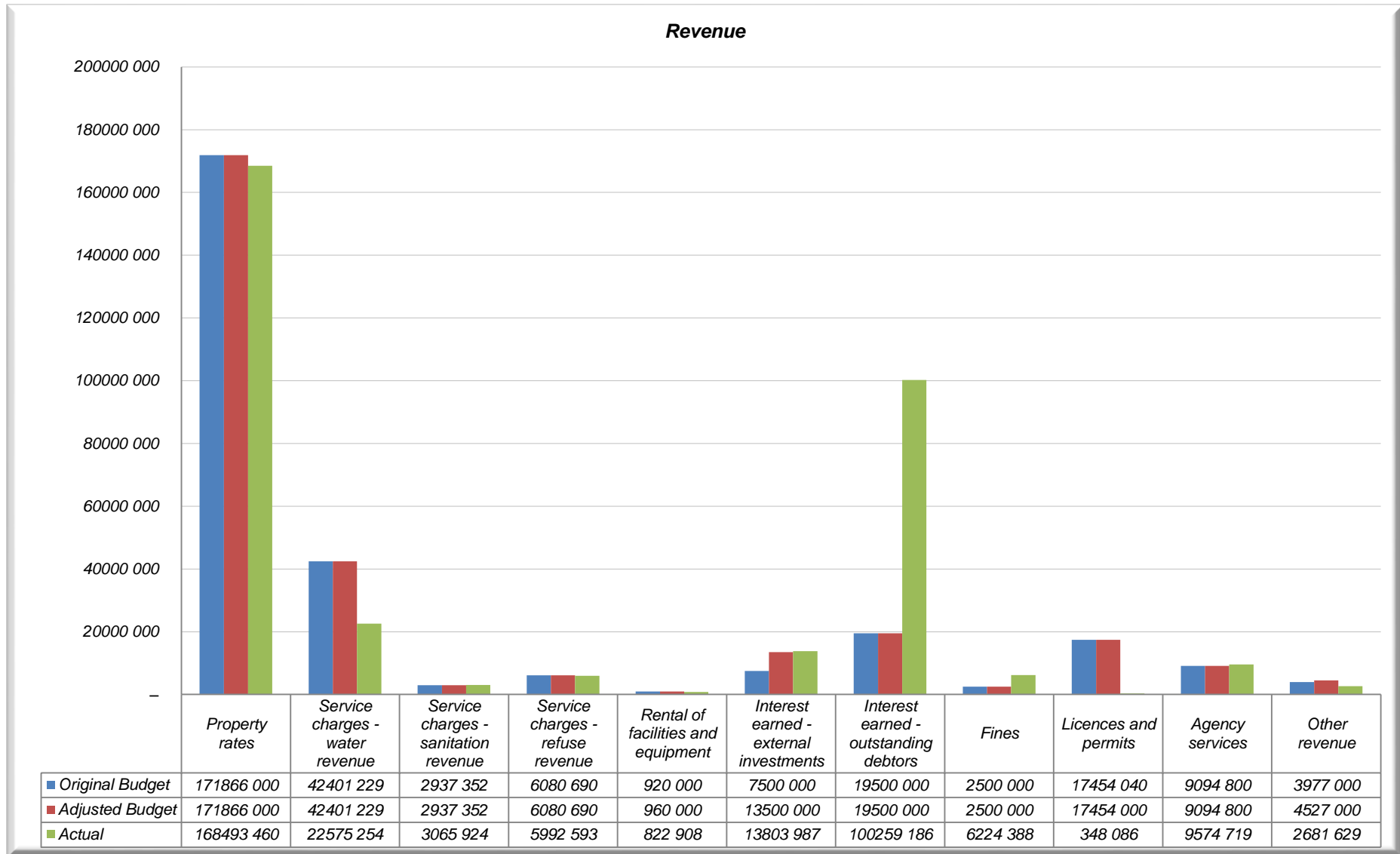
A revenue enhancement strategy and implementation plan were developed and implemented during the year to improve the revenue base of the municipality. Majority of the municipality's capital budget was allocated to develop income generating infrastructure. Rand Water has been appointed to reticulate and install water meters in areas where there was no water provision, and in return the municipality will generate revenue.

The graph below presents the summary of the income as compared with the previous year and budget:



Included in the amounts disclosed for Grants revenue includes all the grants received from National and Provincial Government.

Although it is good and fair to receive grants from Government, it can also have a negative impact, as the Municipality becomes more and more dependent on Government to fund operational and capital expenditure due to the accumulation of debt.



#### 5.2.4 OPERATING RESULTS PER CATEGORY OF EXPENDITURE

Detailed information on the operating results per category will be reflected in the Annual Financial Statements. The following could, however, be highlighted:

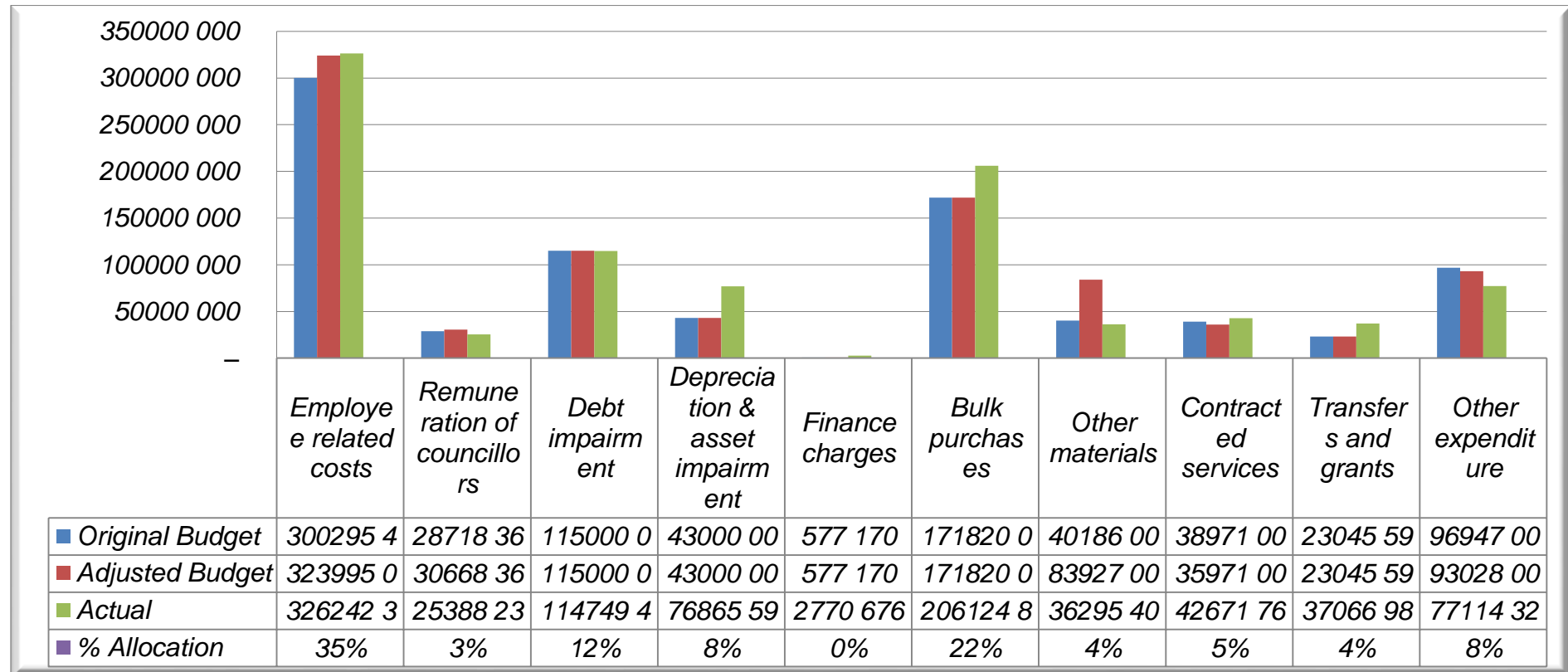
The total salary expenditure for the year amounted to R326, 242,396. The generally accepted benchmark percentage against total operating expenditure is a maximum of 39%. The Municipality is currently standing on 34% from the 33% for the previous year.

Repairs and Maintenance expenses for the financial year amounted to R36, 295,408, which is approximately 3% of the total operating expenditure, and has shown increase of R 4,414,309 as compared to the last financial year.

Bulk water purchase for the year amounted to R 206,124,842. The agreement was reached between the two parties for billing on fixed monthly volumes. The fixed monthly volumes were exceeded in some few months due to new connections during the year.

Grant funded basic services expenditure shows a drastic increase in the expenditure for 2015/16, which amounts to R 37,066,989. The main increase was mainly for the payment to ESKOM for Free Basic Electricity for qualifying indigent households. The indigent register has since been updated and submitted through to ESKOM for implementation in 2016/17 FY.

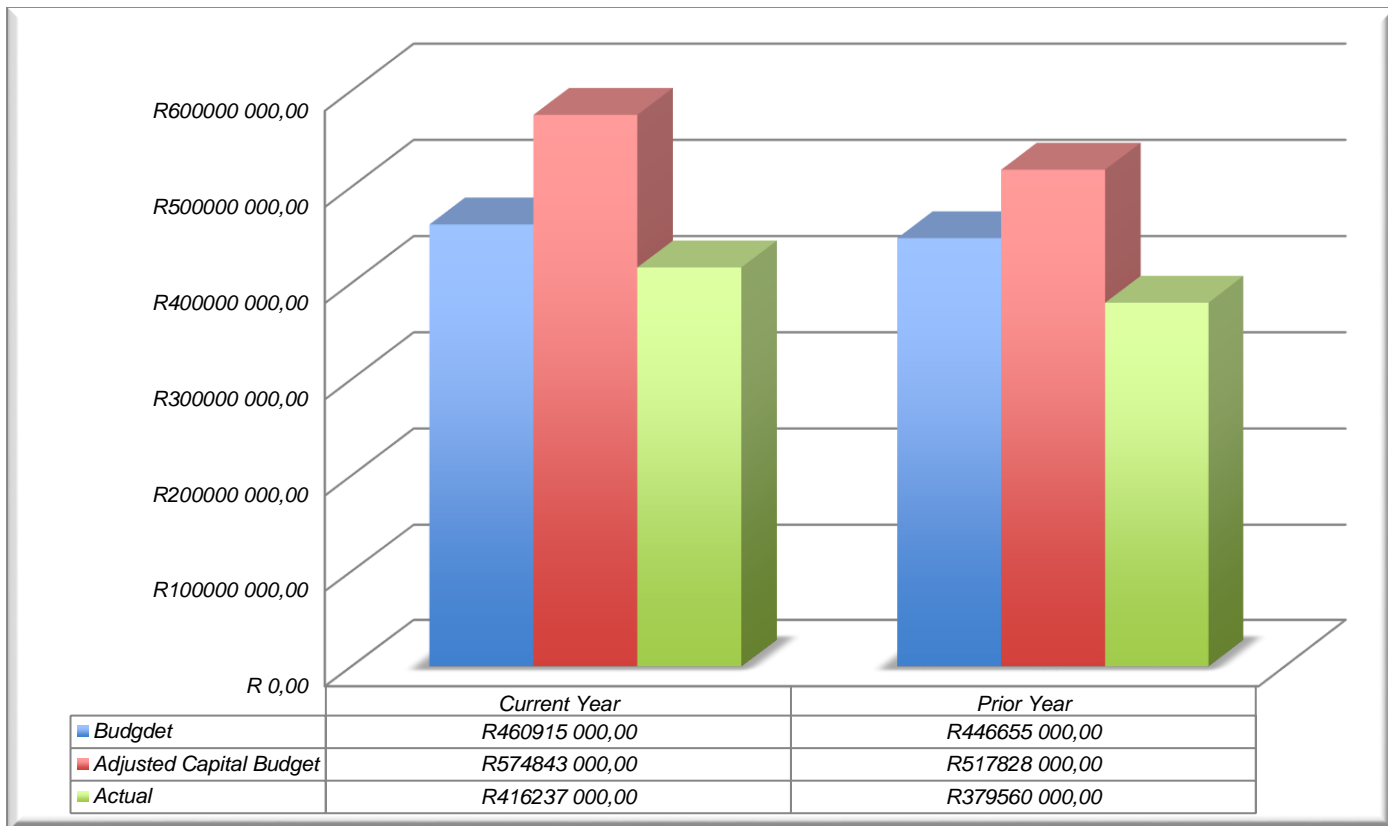
The graph below will indicate the budget allocated and actual expenditures as at year end:



**5.3 CAPITAL EXPENDITURE**

The original Capital budget amounted to R 460,915,000 and was adjusted to R574, 843,000 for capital expenditure in 2015/2016, due to the roll over approvals for MIG, INEP, DRG and HSG by the National Treasury. New allocations were received during the financial year, from DWA for MWIG for R 60 Million and Disaster Grant for R 2 635 000.

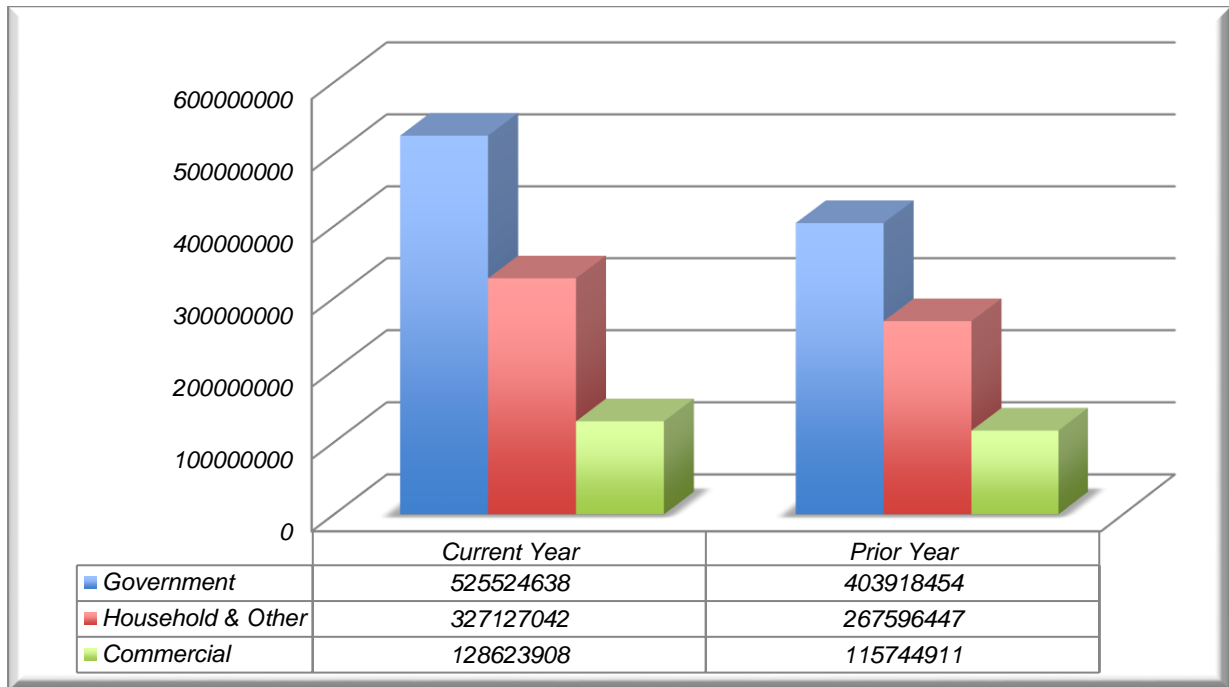
The Graph below depicts Capital expenditure spent against the budget



**5.4 DEBTORS ASSESSMENT**

The graph below depicts the comparative incremental pattern of outstanding consumer debtors between the two financial years of 2014/2015 and 2015/2016. The total outstanding debt as at 30 June 2016 amounted to R 981 275 587 as compared to R 787 259 813 for 2014/15.

The graph below represent debtors for 2015/16 financial year.



### 5.5 BILLING SYSTEMS

The Municipality has an adequate billing system in place. Data clean-up processes has been concluded and currently the data is being captured on the financial system to ensure accurate and valid data. Billing for property rates to government departments is raised in full at the beginning of the financial year. Summary of billing for the services rendered for 2015/16 is as follows:

	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
<b>Billing</b>	R 146,397,924	R 20,908,657	R 22,129,187	R 21,931,291	R 211,367,058
<b>Collection</b>	R 20,272,976	R 4,625,083	R 10,844,611	R 12,623,537	R 48,358,208

Average %  
collection

23%



## 5.6 REMEDIAL MEASURES

- a) The municipal council has appointed a service provider to assist with the recovery of the outstanding debts to curb the accumulation of debt.
- b) Provincial Treasury is currently assisting the municipality in collecting the debt due by the Government through the government debt forum that meets quarterly
- c) Council has undertaken to implement a vigorous Credit Control and Debt Collection Policy against the defaulters regarding payment and to update the indigent register

## 5.7 ABILITY TO SPEND THE CAPITAL BUDGET

The Municipality was able to spend 85% of the capital budget allocations. This was mainly due to the late transfers (March 2016) of the MWIG by the National Treasury for implementation of water projects. The expenditure pattern is monitored on a quarterly basis through the performance review of SDBIP.

Roll-over applications was made with the National Treasury for approvals of the unspent funds on the conditional grants. The letter was sent through to the National Treasury on the 31<sup>st</sup> of August 2016, clearly indicating the reasons for non-spending. All the unspent conditional grants were cash backed, with the cash available in the bank.

## 5.8 REVIEW OF AUDITOR GENERAL'S REPORTS

Section 126(1) of the Municipal Finance Management Act requires the accounting officer of a municipality to prepare and submit Annual Financial Statements of the municipality and, within two months after the end of the financial year to which those statements relate, submit the statements to the Auditor-General for auditing. This requirement was met. The AFS were submitted to the Office of the Auditor General on the 31<sup>st</sup> August 2016. The audit was concluded at the end of November 2016, with an **unqualified** audit opinion given to the municipality.

**5.9 CREDIT CONTROL AND INDIGENT POLICIES IN MUNICIPALITIES**

The table below depicts improvement in the development of credit control policies within the Municipality

Credit Control Policy		
Indigent policy	Policy	By-laws
Adopted	Adopted	Adopted

**5.10 IMPLEMENTATION OF THE MUNICIPAL PROPERTY RATES ACT**

2005-2009	2009-2013	2013 - 2017
Valuation roll	Valuation roll	Valuation roll
Yes	Yes	Yes
Yes	Yes	Yes
Yes	Yes	Yes

**5.11 FINANCIAL POLICIES**

Policy	Approved by council	Implemented	Promulgated in By-Law
Tariff policy	√	√	√
Credit control policy	√	√	√
Indigent policy	√	√	√
SCM policy	√	√	√
Property rates policy	√	√	√
Cash Management and Investment policy	√	√	√
Asset management policy	√	√	√
Financial management policy	√	√	√
Budget Policy	√	√	√

Virement Policy	√	√	√
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**5.12 CONCLUSION**

Municipal financial viability assessments revealed that debtors have been accumulating at a high rate highlighted earlier. The high debt owed to municipalities is crippling the financial viability of municipalities. Revenue Management Strategies needs to be effectively implemented and reviewed to recover outstanding debts.

## CHAPTER 6

### 6 AUDITOR GENERAL'S REPORTS

#### 6.1 BACKGROUND

The Auditor General has audited the Annual Financial Statement and the Annual Performance Report 2015/2016. The audit process was finalised in December 2016, the opinion for 2015/2016 is an unqualified audit opinion. The Audit Report 2015/2016 has been attached as an annexure of this annual report.

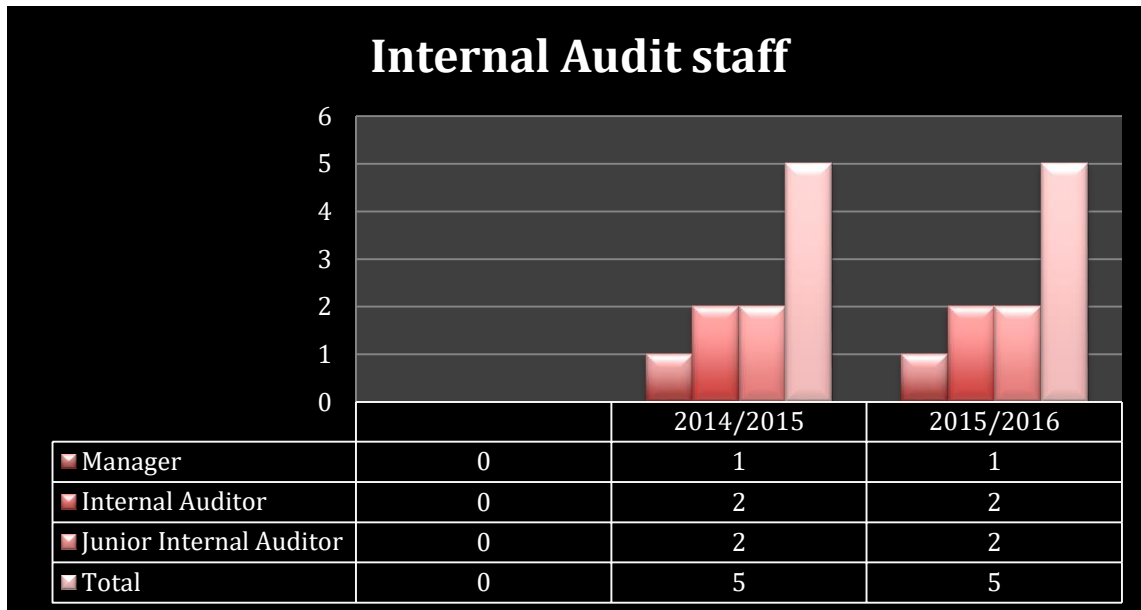
#### 6.2 INTERNAL AUDIT

The municipality has its own internal audit unit. Internal audit addresses in particular issues of governance, risk management and internal control. The Internal audit functions independently and it is headed by the Manager who reports administratively to the Municipal Manager and functionally to the Audit Committee. All Internal Audits assignments are performed in house.

#### 6.3 COMPOSITION OF INTERNAL AUDIT

In order to provide a focused and industry-specific audit service, Internal Audit section has a dedicated team of auditors that provides internal audit services. The benefit of this set up is that the Municipality receives advice from internal auditors who are well acquainted with systems and processes within the Municipality at a lower cost. Internal Audit performs its duties according to its approved charter, which is reviewed on an annual basis.

The graph below presents the staffing of Internal Audit division:



#### 6.4 INTERNAL AUDIT SCOPE OF WORK

The scope of work of the Internal Audit is to determine whether the Municipality’s network of risk management, control, and governance processes, as designed and represented by management, is adequate and functions in a manner to ensure that the following aspects are addressed:

Risks are appropriately identified and managed.

- a) Appropriate reporting and communication with the various governance groups occurs effectively.
- b) Significant financial, managerial, and operating information is accurate, reliable and timeously.
- c) Significant financial, managerial, and operating information is accurate, reliable and timeously.
- d) Employees’ actions are in compliance with policies, standards, procedures and applicable laws and regulations.
- e) Assets are safeguarded, used efficiently, adequately protected and verified.
- f) Resources are acquired economically, used efficiently and are adequately protected.
- g) Economic and efficient management of the entity’s financial, human and other resources and the effective conduct of its operations.
- h) Programs, plans and objectives are achieved.
- i) Quality and continuous improvement are fostered in the municipality’s control process.

- j) Significant legislative or regulatory issues impacting on the Municipality are recognized, addressed appropriately and timeously and compliance is ensured.

Functions and divisions within the Municipality at appropriate intervals are efficient and can effectively carry out their functions of planning, organizing, directing and controlling in accordance with management instructions, policies and procedures and in a manner, which is consistent with both Municipal objectives and its standards of administrative practice.

**6.5 INTERNAL AUDIT WORKING HOURS**

Table below reports the working hours of internal auditors during 2015/16 financial year.

<b>AUDIT PERFORMANCE ACTIVITIES</b>	<b>HOURS</b>	<b>OUTCOME</b>
<i>Re-Visiting Current Risk Profile And Priorities</i>	42	Effective
<i>Compiling Strategic Audit Plan And Annual Plan</i>	200	Effective
<b>Performance Audits (PMS/IDP/SDBIP)</b>		
<i>-First Quarter</i>	160	Effective
<i>-Second Quarter</i>	160	Effective
<i>-Third Quarter Ending March</i>	160	Effective
<i>-Fourth Quarter</i>	160	Effective
<b>Follow Up Audits</b>		
<i>Action Log</i>	360	Effective
<i>Ad-Hoc Audits</i>	250	
<b>Finance</b>		
<i>Assets Management</i>	420	Effective
<i>Supply Chain Management</i>	320	Effective
<i>Revenue Management</i>	320	Effective

<b>AUDIT PERFORMANCE ACTIVITIES</b>	<b>HOURS</b>	<b>OUTCOME</b>
<i>Cash Management</i>	320	Effective
<i>Stores Management</i>	320	Effective
<b>Corporate Services</b>		
<i>Fleet management</i>	320	Effective
<i>Human Resource</i>	320	Effective
<b>Community Services</b>		
<i>Licensing Management</i>	420	Effective
<b>Technical Services</b>		
<i>Water management</i>	420	Effective
<i>Sanitation Management</i>	420	Effective
<i>Project management Unit</i>	320	Effective
<b>Office of The Municipal Manager</b>		
<i>Governance</i>	320	Effective
<i>Administration</i>	200	Effective
<i>Training And Education</i>	300	Effective
<i>MFMA Compliance</i>	200	Effective
<i>Follow Up On AG Report</i>	320	Effective
<b>Total Hours</b>	<b>6752</b>	

## 6.6 OPERATIONAL PLAN

### 6.6.1 RISK-BASED AUDITS

The objectives of risk-based types of audits are to evaluate the adequacy and effectiveness of controls in respect of key risks and business processes (linked to the strategic objectives and prioritised organisational risks of the Department).

The Municipality's Risk-Based Audit plan is developed separately for each Directorate based on the Directorate's identified risks and risk profile as assessed by the Municipality's management team.

A risk assessment was performed in May/June 2015. The Municipality's Annual Internal Audit plan is based on the results of the Directorate's risk assessment workshops held. The results of the risk assessments were recorded and summarised in a risk matrix report in order to provide a holistic view of risk and the planned internal audit assurance to be provided to the Municipality.

The output of the risk assessment process was used to develop the Rolling 3 Year Strategic Internal Audit Plan, as required by Treasury Regulation 3.2.7, by:

- a. Identifying and allocating a priority ranking to the respective risk areas.
- b. Based on experience, establishing the need and appropriateness for the specific types of audits/reviews.
- c. Assessing the level of audit skills required and estimating resources required for each type of audit/review.
- d. Determining the timing of the respective audits/reviews.

### 6.6.2 THE RISK-BASED AUDIT PROCESS INCLUDES THE FOLLOWING:

Preparing/updating the process documentation to extend the understanding of the process. This includes the identification of the process-level objectives, risks and controls

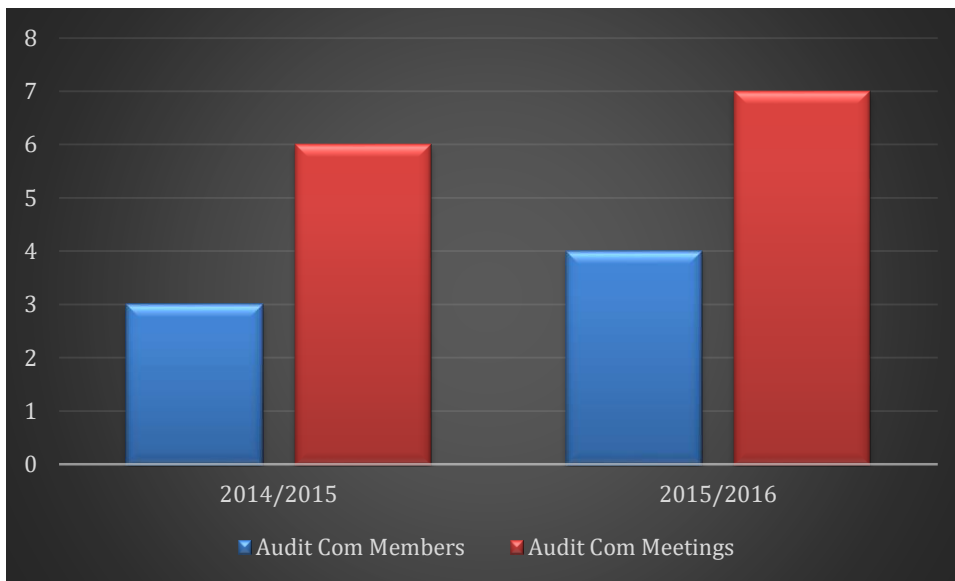
- a. Evaluating and testing the controls currently in place
- e. Confirming the factual correctness of findings with management
- f. Reporting recommendations for improvement of controls where applicable, and



- g. Assessing management’s corrective actions.
- h. The following were also done during the financial year
- i. Review of the audit committee charter
- j. Review of the internal audit charter
- k. Review of the internal audit manual.
- l. A continuous professional development plan was adopted at the beginning of the financial year and was implemented.
- m. A quality assurance review was undertaken of which the overall outcome was general compliance status.

**6.6.3 FUNCTIONING OF THE AUDIT COMMITTEE**

An Audit Committee was successfully established comprising of external members and properly functioning. An Audit Committee Charter was approved and adopted by Council and the respective number of meeting held as per graph below:



**6.6.4 AUDIT COMMITTEE MEMBERS**

Mnisi Roy (Chairperson)

Mthembu Tivetile (Member)
Keyser August (Member)
Bhengu Vincent (Member)

**6.6.5 AGSA AUDIT OPINION**

The submission of AFS and APR to AGSA and the status of the Municipal Audit opinion for three financial years as follow:

	<b>2013/2014</b>	<b>2014/2015</b>	<b>2015/2016</b>
AFS and APR finalised and Submitted 29 August 2014	Audit Opinion Qualified	AFS and APR finalised and Submitted 31 August 2015 Qualified	AFS and APR finalised and Submitted 31 August 2016 Unqualified

**7 RECOMMENDATION**

It is required by law in terms of section 127 (5) (b) that prior the printing of audit report the annual report should be submitted to AGSA. Special care should be taken with the audit report and be treated as confidential until the annual report is adopted by the municipal council.

All directors are expected to take ownership on all performance on service delivery and financial management.

The Internal audit unit is placed under the Municipal Manager`s office and it has the full support of both management and employees of the institution.

**8 CONCLUSION**

The purpose of Annual report is to make possible for the relevant stakeholder groups to evaluate progress made by the municipality towards achieving its vision and mission. This report serves as an achievement by the municipality to report progress made in terms of service delivery KPA and other related KPA discussed in the report.

It is anticipated that this report does justice to the situation on the ground and that it achieves what it purposed to achieve.

**9 APPENDIXES****9.1 ANNUAL PERFORMANCE REPORT 185 PAGES****9.2 ANNUAL FINANCIAL STATEMENT 65 PAGES****9.3 ANNUAL AUDITOR REPORT 7 PAGES**

## 10 AUTHORISATION

Title	Initials and Surname	Comments	Signature	Date
Municipal Manager				
Executive Mayor				