

ANNUAL REPORT

2017/2018



MAKHUDUTHAMAGA
LOCAL
MUNICIPALITY

Mmogo re somela diphetogo! | Together working for change!

No. 01 Groblersdal Road, Jane Furse

DRAFT 2017/18 ANNUAL REPORT



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CHAPTER 1

FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A: FOREWORD FROM THE MAYOR

1.1 Mayor's Foreword

The 2017/2018 Annual Report of Makhuduthamaga Local Municipality has been prepared in line with the provisions of various pieces of legislation namely: The Local Government: Local Government Municipal Systems Act 2000 read together with the provisions of the Local Government Municipal Finance Management Act 56 of 2003. Section 121(1) of the Local Government Municipal Finance Management Act 2003 which states that:

“Every municipality and every municipal entity must for each financial year prepare an annual report in accordance with this chapter. The council of a municipality must within nine months after the end of the financial year deal with the annual report of the municipality and of any municipal entity under the municipality's sole or shared control in accordance with section 129”

The 2017/18 municipal financial year commenced on the 1st July 2017 and ended on the 30th June 2018. It is my privilege to present the 2017/18 Draft Annual Report of Makhuduthamaga Municipality to the community of Makhuduthamaga and all its stakeholders.

The new five year term of local government provides an opportunity for Makhuduthamaga Municipality to review the previous term's performance and improve the performance.

During the 2017/18 financial year Makhuduthamaga Municipality made good progress in fulfilling its constitutional obligations of delivering basic services to the communities guided by its vision of **“a catalyst of integrated community driven service delivery”**.

1.1.1 EXECUTIVE SUMMARY

The 2017/18 Draft Annual Report presents a picture of the developmental status quo of services delivery and highlights areas of successes and areas that needs continuous improvements.



Key Policy Developments

The Municipality is proud to report that in the penultimate year of the current Council's five year mandate it has managed to make a reasonable progress of its planned targets of five years which is a clear indication that it has become efficient and effective in the past four years of its existence. The above achievements give the Municipality confidence that it would be able to surpass its set targets or mandates. The Municipality also experienced challenges of staff turnover particularly at Senior Management level and could not fill all posts in the organisational structure due to limited office space.

Despite all these challenges the Municipality continued rendering high quality services to our communities during 2017/2018 financial year. The Municipality committed itself to the principles of hard work and improved service delivery to take us forward into the future. Makhuduthamaga Municipality managed to obtain unqualified audit opinions (with matters) during the 2014/2015 2015/2016 and 2016/17 which makes it three consecutive financial years. This is one of the highest achievements since the beginning of the Municipality in 2000. This is as result of concerted and collective effort amongst all stakeholders.

Key Service Delivery Improvements

In the year under review the Municipality successfully completed the following capital projects:

1. Construction of Thabampshe Cross to Tswaing Access Road Phase 2 (Multi year) (7km)
2. Construction of Glen Cowie to Moloï access road (5km)
3. Construction of access road to Maila-Mapitsane Tribal office -Phase 04(Multiyear(2.4km)
4. Construction of access road from R579 to Mashishing Main reservoir(21km)
5. Construction of access road to Mashupye village (2.6km)
6. Construction of Manganeng access bridge
7. Maintenance of road and storm water infrastructure
8. Maintenance of electricity infrastructure
9. Provided Ward based Expanded Public Works Projects
10. Provided solid waste collection services
11. Provided protection of three(3) sensitive areas : ga-Malaka (ward 7); Dhlamini(ward 15) and Mothopong(ward 26)



12. Provided fencing of six(6) cemeteries : Phokoane-Dihlwadieme(ward 2); Matlakatle(ward 5); Mogashoa Manamane(ward 13); Stocking(ward 14) and Maila Segolo(ward 23)
13. Conducted 10 library awareness campaigns
14. Conducted 4 road safety programs
15. Provided disaster relief to affected families
16. Conducted 8 disaster awareness campaigns
17. Upgraded 2 sport facilities(Glen Cowie and Marishane)
18. Conducted 2 Sports Arts and Culture promotions
19. Conducted 4 LED forum

Due to concerted efforts of both political and administrative leadership the Municipality also achieved the following:

- The Municipality awarded 20 University bursaries to deserving students to ensure the improvement of the skills base within Makhuduthamaga.
- The Municipality also supported 8 SMMEs and Cooperatives in various sectors especially on food security and agriculture related projects.

Public Participation

The Municipality continued to develop and improve mechanisms to ensure a culture of participative governance as a priority. Cluster- Based consultation has been adopted as a form of participatory community action linked to the Annual report Integrated Development Planning (IDP) process and review of policies. The Office of the Speaker facilitated the training of all 310 Ward Committee members; Ward Committees enhances a more effective communication between the Council community and the various stakeholders.

Future Actions

The Speaker's office facilitated constant interaction with communities through quarterly Ward Committee meetings with their constituencies to identify challenges and problems encountered in their wards. The Mayor's office also embarked on the mayoral outreach programs focusing on focal groups i.e. women children(ECD) disabled persons the elderly the moral regeneration men's forum and LGBT

Comparison of the two financial years 2015/2016 and 2016/17

**1st Year (2016/17)***Mmogo re šomela diphetogo!*

KPA AND DISCRIPTION	No. of Annual targets	No. of targets attained	No. of targets not attained	Achievement %
KPA 1: Spatial Rationale	8	3	5	38
KPA 2: Basic Services and Infrastructure	43	27	16	63
KPA 3: Local Economic Development	14	2	12	14
KPA 4: Financial Viability	23	21	2	91
KPA 5: Good Governance and Public Participation	27	18	9	66
KPA 6: Municipal Transformation	28	25	3	89
TOTAL	143	96	47	67

2nd YEAR (2017/18)

KPA	Description	Directorate/Department	No. of original Annual targets	No. of adjusted Annual targets	No. of targets attained	No. of targets not attained	Achievement %
KPA 1	Spatial Rationale.	Economic Development and Planning	7	8	4	4	50%
KPA 2	Basic Service Delivery.	Infrastructure Services and Community Services	37	30	28	2	93%
KPA 3	Local Economic Development.	Economic Development and Planning	5	4	3	1	75%
KPA 4	Financial Viability.	Budget and Treasury Office	18	17	15	2	88%
KPA 5	Good Governance and Public Participation.	Municipal manager's Office and Legislative Support	30	28	24	4	86%
KPA 6	Municipal Transformation and Organizational Development.	Corporate Services	34	29	20	9	69%
Total			131	116	94	22	81 %

Conclusion

Whilst we acknowledge the progress made we are also very conscious about the fact that some segments of communities are still living in abject poverty we remain committed and determined to realising the key focus areas that Council adopted in the IDP 2018- 2019. In terms of our Vision the Municipality wants to thank the community of Makhuduthamaga as well as all other



stakeholders for their will to participate in the affairs of the Municipality. We appeal to all our stakeholders to continue to do so by joining hands with the Municipality in an effort to make Makhuduthamaga “**A catalyst of integrated community driven service delivery**”.

Although the Municipality had shown a significant improvement on its performance from **67 %** in **2016/17** financial year to **81% in 2017/18** financial year the spatial rationale had a challenge due to the disputes by some traditional leaders on the issue of land ownership that we wanted to acquire for development.

All gratitude goes to the team (Executive Committee Speaker Chief Whip and all Councillors) the Municipal Manager and Senior Managers as well as the rest of the staff. Without their determination and commitment shown Makhuduthamaga’s vision would never be realised.

(Signed by :) _____

Mayor (Maitula B.M)



COMPONENT B: MUNICIPAL MANAGER'S FOREWORD AND OVERVIEW

1.2 MUNICIPAL MANAGER FOREWORD

1.2.1 Performance information

- a. The 2017/18 annual performance report has been prepared in line with the approved adjusted SDBIP approved adjustments budget and the IDP for 2017/18 as well as the applicable legislative requirements of the Municipal Finance Management Act (MFMA). The 2017/18 annual performance report therefore reports performance against the annual revenue and expenditure projections service delivery targets and indicators and provides a detailed performance against the breakdown of the municipality's approved capital projects per ward.
- b. The Mayor and Acting Municipal Manager have tried their level best during the 2017/18 financial year to ensure in accordance with their respective MFMA responsibilities that the implementation of the SDBIP was effectively monitored notwithstanding the strategic and operational challenges experienced. The Mayor will convene a performance review Lekgotla session between the Executive Committee Speaker's Office, Chief whip's Office and Senior Managers to do an in-depth assessment of actual performance for the Annual Performance and make recommendations to Council.
- c. The municipality had **116 targets** for the 2017/18 financial year and managed to attain **94 targets** which is **81 percent** of the total annual targets. The following table shows the summary of the annual targets per KPA:

Table 1: Summary of performance against Annual Target 2017/18

KP A	Description	Directorate/Department	No. of original Annual targets	No. of adjusted Annual targets	No. of targets attained	No. of targets not attained	Achievement %
KP A 1	Spatial Rationale.	Economic Development and Planning	7	8	4	4	50%
KP A 2	Basic Service Delivery.	Infrastructure Services and Community Services	37	30	28	2	93%
KP A 3	Local Economic Development.	Economic Development and Planning	5	4	3	1	75%
KP A 4	Financial Viability.	Budget and Treasury Office	18	17	15	2	88%
KP A 5	Good Governance and Public Participation.	Municipal manager's Office and Legislative Support	30	28	24	4	86%
KP	Municipal	Corporate	34	29	20	9	69%



A 6	Transformation and Organizational Development.	Services	<i>Mimogo re somela diphetogo!</i>				
Total			131	116	94	22	81%

- d. Part 2 of this report contains the detailed performance report with targets per KPA the reasons or challenges encountered that resulted in to non-achievement of **22 targets** which were planned for the 2017/18 financial year. Management reviewed the adjusted SDBIP and the performance report to determine the root causes for non-achievement of set targets and the root causes were identified both at institutional level and departmental level.
- e. The following table summarizes the root causes identified at an institutional level and the necessary remedial actions.

Table 2: Summary of Strategic challenges and remedial actions

No.	Strategic Challenges	Remedial Action required	Responsible Person for remedial action	Time frames
1.	Senior Manager Economic Development and Planning vacant for a long time.	Appoint Senior Manager EDP.	Mayor and Municipal Manager	30 September 2018
2.	Poor records keeping	1. All information to be kept in records management on a monthly basis. 2. Develop and approve records management policy and procedure manual.	1. Senior Managers 2. Acting Senior Manager Corporate Services	01 August 2018 30 September 2018

The Municipality maintained a good financial health during the year under review. The financial ratios as presented in chapter 5 of this report shows that the municipality's financial status is still in a good condition. It is however noted with concern that the municipality provided a huge amount for doubtful debts during the year under review and the prior year resulting from poor revenue collection mainly from Property Rates which is a challenge to the municipality. The rural nature of the municipality and the non-payment of property rates by other government departments for their properties within the municipal jurisdictions contributes to the poor collection of revenue and hence the high provision for doubtful debts.

The municipality has during the year under review received qualified Audit opinion from the Auditor General South Africa. The municipality was qualified on irregular expenditure. The municipal council has appointed and strengthened the necessary governance structures such as Audit Committee MPAC and other management and council committees to ensure that a better audit outcome is achieved in the next financial year 2018/19 for both Financial Statements and the Performance information.

The municipality reviewed all Budget related policies and HR policies during the year under review to keep them up to date considering the changes in the applicable legislation and new regulations issued.

**1.2.2 Makhuduthamaga is established to perform the following functions:**

Functions	Description of function performed
1. Building regulations	Enforcing the national building regulations
2. Child care facilities	To provides support on crèches
3. Local tourism	To provide LED support and tourism enhancement support
4. Municipal Planning	Forward planning. Land use control. Policy development Environmental. GIS
5. Municipal Public transport	Provide traffic control and licensing
6. Storm water	Provide storm water system
7. Trading regulations	Regulate trading with support from LEDET
8. Billboards and the display of advertisements in public places	Regulation control and display of advertisement and billboards
9. Cemeteries funeral parlours and crematoria	Control
10. Cleansing	Sweeping streets picking litter and emptying of street bins
11. Control of public nuisance	Control of public nuisance and inspection thereof issuing of notices
12. Facilities for the accommodation care and burial of animals	Compliance
13. Fencing	Fencing of cemetery and wet land
14. Licencing and control of undertakings that sell food to the public	Quality control. Safety and hygiene regulations
15. Local sports facilities	Maintaining and provision of stadia
16. Markets	Building of stalls market to the community for revenue enhancement and growing of economy.
17. Municipal parks and recreation	Recreational areas for local communities
18. Municipal roads	Maintenance of roads upgrading roads from gravel to tar



19.Noise pollution	Control of noise pollution
20. Refuse removal refuse disposal sites and Solid waste disposal	Waste collection. Waste disposed at the landfill
21. Street trading	Regulate and control
22.Street lighting	Provide and maintain
23.Vehicle licensing and registration	Provide the vehicle licensing and registration to the community
29. Learners and Drivers licensing	Provide learners and drivers licensing
30.Disaster Management	Provide supports and coordinates the disaster within the jurisdiction of Makhuduthamaga

1.2.3 Auditor general report

The Municipality obtained a qualified audit opinion for 2017/18 and an unqualified audit opinion in the prior year 2016/17.

2015/2016	2016/2017	2017/18
Unqualified	Unqualified	Qualified

1.2.4 FINANCIAL HEALTH OVERVIEW FOR 2017/18

FINANCIAL OVERVIEW – 2017/2018			
Details	Original Budget	Adjustment Budget	Actual
Income	18 581 495.00	14 893 933.00	13 872 622.00
Grants	312 422 309	323 872 000.00	322 178 198.00
Taxes levies and tariffs	60 530 309.00	71 643 479.00	71 942 694.00
Other	0	0	0
Sub-Total	391 533 804.00	410 499 412.00	407 993 514.00
Less Expenditure	268 816 552.00	327 150 038.00	475 556 202.00
Net Total	122 717 252.00	83 349 374.00	(67 562 688.00)

1.2.5 Revenue trend by source including borrowing undertaken by the municipality

The total revenue realized by the Municipality for the financial year 2017/18 is **R 407 993 514**. The total revenue from exchange transactions is **R13 872 622**. The municipality raised this revenue as follows:

- Rental of facilities and equipment : R 149 954
- Licenses & Permits : R 4 943 493
- Actuarial Gain : R 26 207
- Other income : R 924 880
- Interest received-investment : R 7 828 088

The total revenue from non-exchange transactions stood at **R 394 120 892**. This revenue was received as follow:

- Property rates : R 37 707 750
- Interest on outstanding debtors : R 33 999 444
- Traffic fines : R 235 500



The bulk of the revenue from non-exchange transactions (R 322 178 198) is the Government grants and subsidies which clearly indicate that we are a grant dependent municipality.

The municipality never borrowed money from any institution or organization during the financial year under review.

1.2.6 Internal Management Changes in respect to s56/57 managers

Designation	Initials & Surname	Gender
Acting Municipal Manager	Mr Matlala MK	M
Senior Manager Corporate Services	Mr Matlala MK	M
Chief Financial Officer	Mr Moganedi R.M	M
Acting Senior Manager Economic Development and Planning	Ms Bapela MB	F
Acting Senior Manager Economic Development and Planning	Ms Mahlare MA	F
Senior Manager Infrastructure Services	Ms Komape S M	F
Acting Senior Manager Community Services	Mr Marishane ME	F

The vacancies were created due to expiry of contract and the passing on of a member of top management.

1.2.7 Risk assessment including the development and implementation of measures to mitigate the top 5 risks

Risk Description	Risk Consequences	Root cause	Mitigation
Inadequate revenue generated and collected to meet the municipality expenditure and service delivery requirements	>Loss of revenue >Congested municipal offices due to lack of revenue to extend municipal offices	>Inadequate basic services rendered to communities >Misunderstanding of property rates by business owners >Non accountability of debtors >Non implementation of by-laws >Land ownership (Tribal Authority)land is owned by third party	1.Conduct awareness session to stakeholders on property rates and taxes 2.Handover debt collection tasks to the appointed debt collector 3.To develop by-laws identify and consult areas to start collection of waste
Inability to manage utilisation of space	>High cost in provision of services >High exposure to	>Land is owned by third parties (Traditional Authority) >Lack of By- laws to regulate	1.Formalisation of areas within the municipality



	<p>natural disaster</p> <ul style="list-style-type: none"> >High exposure to incidents >Noncompliance with National Building Regulations 	<p>land use.</p> <ul style="list-style-type: none"> >Traditional Leaders not consulting the municipality when allocating land 	<p>2.Implementation of GIS</p> <p>3.Implementation of Spatial Development Framework</p> <p>4.Engagement with individual Tribal Authorities</p>
Inability to attract and retain investments.	<ul style="list-style-type: none"> >High crime rate and unemployment >Loss of revenue >Migration of investors 	<ul style="list-style-type: none"> >Unavailability of suitable land (ownership) >Lack of infrastructure >Inadequate strategic marketing. 	1.Workshop with individual tribal authorities
Unclean environment	Health hazard	<ul style="list-style-type: none"> >Inadequate waste collection systems >Lack of buy laws >Inadequate resources >Lack of knowledge by communities 	1.Conducting awareness campaigns in communities and business areas
Inability to attract and retain critical/scarcce skills	<ul style="list-style-type: none"> >Poor service delivery >Lack of internal capacity 	<ul style="list-style-type: none"> >Unattractive remuneration packages >Lack of amenities and recreational facilities >Geographical location. >Lack of Retention Strategy. >Poor Job Evaluation processes 	<p>1.Marketing and awareness of the municipality</p> <p>2.Implementation of recruitment and retention policy</p>

1.3 MUNICIPAL OVERVIEW

1.3.1 Relationship with political structures

The municipal Council had five (5) political parties namely: ANC APSP AZAPO DA EFF and SAMEBA. There was a harmonious relationship with these parties. Each party discharged its political mandate in the council in particular and the municipality in general. The municipality experienced a commendable stability in its affairs.

1.3.2 Relationship with Office bearers and Administration

The municipality had Political Management Team plus one that is composed of the Chief Whip the Mayor the Speaker and Municipal Manager as the fourth component. The Municipal Manager submitted reports to the three political principals to ensure synergy of information between Management and the PMT. The structure met monthly and as and when there was a need.

Over and above the PMT there was an Executive Committee established in terms of section 42(9) of the Local Government Municipal Structures Act 117 of 1998. The Executive Committee



met with management on monthly basis to process reports of administration. The Executive Committee gave feedback reports to communities through ward councillors ward committees and Executive Committee outreaches on quarterly basis and also as and when it was required.

1.3.3 Relationship with the community

The municipality engaged with its inhabitants regularly through the ward committees led by the ward councillors. There were eight special groups that municipality through the Executive Committee interacted with namely: moral regeneration people living with disabilities traditional leaders traditional healers youth older person local aids council and early childhood development. The relationship with these structures of the communities was healthy. Over and above these structures the municipality went an extra mile by engaging the communities through talk shows and news letters

1.3.4 Demographic overview

- Makhuduthamaga Municipality is a category B Municipality located within Sekhukhune District Municipality of Limpopo Province. It is comprised of 189 settlements with a population of 274 358 people and 65 217 households which amounts to more than 24% of the District 1169 762. The Municipality is characterized by a weak economic base poor infrastructure major service delivery backlogs dispersed human settlements and high poverty levels and poor revenue base.

1.3.5 Economic Growth Development and Employment profile

Natural resources

Major Natural Resources	Relevance to community
Agriculture	Wheat and Maize –Olifants river scheme Sorghum-Tshehlwaneng and Jane Furse areas.
Tourism	Hlako Tisane Manche Masemola route etc Municipality participated in the International tourism Indaba held at Durban and had its own stall that showcased tourism opportunities.

Employment Profile for Makhuduthamaga

Employed	19 534
Unemployed	32 780
Discouraged work seekers	13 657
Other not economically active	81 993
Not Applicable	126 394
Grant Total	274 358

Source: Census 2011



1.3.6 Population

Municipality	Population		As % of district population	Youth Population	
	2011	2016		2011	2016
Makhuduthamaga	274 358	283 956	24 %	88 663	107 577

Source: Census 2011 and Community Survey 2016

Table : Population by functional age group and sex – 1996 2001 and 2011

MLM	1996			2001			2011		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
0-14	60 534	60 747	121 282	54 700	55 093	109 793	52 967	51 500	104 466
15-64	51 085	77 981	129 065	53 332	81 167	134 499	61 579	86 385	147 964
65+	5 108	10 234	15 342	5 582	12 132	17 714	6 737	15 191	21 928
Total	116 727	148 962	265 689	113 614	148 392	262 005	121 283	153 076	274 358

Source : Census 2011 and Community Survey 2016

Households

Municipality	Households 2011	Households 2016	As Percentage
Makhuduthamaga	65 217	64 769	22 %

Source: Census 2011 and Community Survey 2016

- Makhuduthamaga is one of the four municipalities within Sekhukhune District. The Municipality comprises of rural settlements. There are 31 wards and 62 Councillors and 10 Magoshi serving as ex-officios.

1.3.7 Service delivery overview

The Municipality built quality and safe road infrastructure and electricity network in its communities. Water and sanitation are provided by Sekhukhune District Municipality whilst electricity is provided by Eskom.

The backlog on services

a. Water

Households	Households with Water up to RDP Standard	Backlog
65 330	29 663	36 667

b. Sanitation

Households	Households with Sanitation up to RDP Standard	Backlog	% Backlog
65 330	13 266	53 064	80%

**c. Electricity**

Households	Backlog	% Backlog
65 330	4 565	7%

d. Waste management

On this function the Municipality has taken a full responsibility and performs a partial formal refuse removal service that was started as a pilot project by LEDET. The project uses skip bins placed at several points along developmental nodes namely: Phokoane Glen Cowie Riverside Jane Furse Tshehlwaneng Schoonoord and Ga-Masemola. The municipality also extended services to other areas namely: Hlalanikahle Moratiwa Shopping Complex Vleescboom Malegale Apel Cross Setlaboswane Ga-Maila-Segolo Marulaneng and Ga-Maila-Mapitsane.

There is a permitted land fill site in Jane Furse for which a MoU is signed with the Sekhukhune District Municipality to use the landfill site officially. An assessment was done at Apel Cross sub-growth point that covers Apel Cross Marishane and Phaahla for the extension of waste removal points.

Most residents create unauthorised waste disposal sites presenting challenges to the Municipality. These sites are located within private households or properties and on the outskirts of some villages. To date two (2) waste compactor trucks two (2) skip loaders and fifty-five (55) skip bins are purchased and used. The municipality has developed a database for recyclers and established a recycling forum which meets on monthly basis. Concrete street waste bins were erected in the Jane Furse area. The refuse removal picture for households is as follows:

Removed by local authority at least once a week	1 314
Removed by local authority/private company less often	325
Communal refuse dump	661
Own refuse dump	57 975
No rubbish disposal	4 631
Other	311
Grand Total	65 217

(e) Roads; storm water; bridges and building infrastructure

Construction of access road Makgwabe to Mphane	R 15 995 000
Construction of access road Rietfontein to Eenzaam Phase 2	R 8 828 000
Construction of access road Thabampshe toTswaing Phase 2	R 26 798 000
Construction of access road Glen Cowie to Moloï	R 31 752 000
Construction of access road from R579 to Mashishing main reservoir	R 8 027 000
Construction of access road to Mashupye village	R 7 388 000
Construction of access road Maila Mapitsane Tribal Office Phase 4	R 12 854 000
Construction of Manganeng access bridge	R 5 556 000
Construction of access road from Sekhukhune traffic station to bridge	R 300 000
Construction of Cabrievie/Khayelitsha access bridge	R 704 000
Maintenance of roads and storm water infrastructure	R 29 483 000
Maintenance of Electricity Infrastructure	R 2 661 000
Repairs and maintenance of assets	R 2 590 000



Electrification of households at Mogudi/Makoshala Ext.3 Ga-Maboki Mantlhanyane Malaka Ntoane Dikatone Setebong Khayelitsha Glen Cowie	R 4 184 000
Electrification of households at Legabeng/StorkingGa-SekeleDichouengMogashoa ManamaneMmotong Ext.5 Marulaneg and Dinotji	R 1 850 000
Electrification of households at Masemola Police station Ext Mamatjekele Sekale/Apel Cross Thabampshe Serageng Kolokotela Vlakplaas and Motseleope	R 5 243 000

(f) MIG Expenditures

The percentage of MIG Expenditure for 2017/18 is **100%**.

1.4 Approved and reviewed policies

NO.	POLICY NAME	Approved	Reviewed	Resolution Number
1	Policy on Overtime worked and Overtime Rates	Approved		25 OF 2017/2018
2	Car and Travel Allowance Policy		Reviewed	25 OF 2017/2018
3	Acting Policy	Approved		25 OF 2017/2018
4	Placement Policy	Approved		25 OF 2017/2018

1.5 Committees established to strengthen human resource management

- Local Labour Forum (LLF)
- Ad-hoc Bursary Committee
- Training Committee
- Occupational Health and Safety Committee (OHS)
- Employment Equity Committee
- IT Steering Committee
- Policy development committee
- Wellness Committee

1.6 Makhuduthamaga Local Municipality Bursary holders

BURSARY INTAKE 2017/2018

Name & Surname	Institution	Degree	Duration of the course	Comments
1. Mohola M.H	University of JHB	Actuarial Science	4 yrs	1 st year
2. Maphuta D.R	University of cape Town	Bsc in Chemical	4 yrs	1 st year
3. Mashabela K	Sefoka Makgatho Univers	MBCHB	7 yrs	1 st year
4. Mokoena E.M	Wits	Bcom in Accounting	4 yrs	1 st year
5. Nkwagatse M.K	Wits	Bcom of Acc science	4 yrs	1 st year
6. Makobe M.P	University of Pretoria	Bsc in Chemical	4 yrs	1 st year
7. Mashilo B	Wits	Bsc in Chemical	4 yrs	1 st year
8. Mdluli N.D	University of Stellenbosch	MBCHB	7 yrs	1 st year
9. Ntjana M.E	University of technology	Civil Engineering	4 yrs	1 st year
10. Mashifane M.I	University of KZN	MBCHB	7 yrs	1 st year
11. Mohlahlo K.K	University of Free State	MBCHB	7 yrs	1 st year
12. Mokgabudi K	University of Pretoria	Actuarial Financial Mathematics	4 yrs	1 st year
13. Phokane C.M	Wits	Bsc in Computer Science	4 yrs	1 st year
14. Masemola M.S	Wits	Bsc in Actuarial Science	4 yrs	1 st year

1.7 Statutory Annual Report Process.

No	Activity	Timeframe
1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period	July
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
3	Finalise 4th quarter Report for previous financial year	
4	Submit draft Annual Report to Internal Audit and Auditor-General	



5	Municipal entities submit draft annual reports to MM	
6	Audit/Performance committee considers draft Annual Report of municipality and entities (where relevant)	
7	Mayor tables the unaudited Annual Report	August
8	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General.	
9	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	
10	Auditor General assesses draft Annual Report including consolidated Annual Financial Statements and Performance data	September - October
11	Municipalities receive and start to address the Auditor General's comments	November
12	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report	
13	Audited Annual Report is made public and representation is invited	
14	Oversight Committee assesses Annual Report	
15	Council adopts Oversight report	March
16	Oversight report is made public	
17	Oversight report is submitted to relevant provincial councils	
18	Commencement of draft Budget/ IDP finalisation for next financial year. Annual Report and Oversight Reports to be used as input	

**RAMPEDI MN
MUNICIPAL MANAGER**



CHAPTER 2 GOVERNANCE

COMPONENT A: GOVERNANCE STRUCTURES

Introduction to governance

Section 2 of the Local Government Municipal Systems Act 2000 (Act 32 of 2000) defines a municipality as follows;

“ a municipality is –

An organ of state within the local sphere of government exercising legislative and executive authority within an area determined in terms of the Local Government Municipal Demarcation Act 1998

Consists of –

The political structure and the administration of the municipality; and

The community of the municipality”

Section 152 of the Constitution of the Republic of South Africa provides for the following as objects of local government;

Section 152(1) the objects of local government are;

To provide democratic and accountable government for local communities

To ensure the provision of service to communities in a sustainable manner

To promote social and economic development

To promote a safe and healthy environment and;

To encourage the involvement of communities and community organisations in the matters of local government

Political and administrative governance

In terms of the Local Government Municipal Structures Act the Council of the Municipality is the highest decision making body. The council appoints Accounting Officer who runs the day to day operations of the municipality on behalf of the council.

2.1. Political Governance

In line with the provisions of the Local Government: Municipal Structures Act 117 of 1998 Makhuduthamaga Municipality has an established political component. The political component comprises of the Speaker Chiefwip Mayor and Councillors. The main role of the political component is provided for in the Structures Act. Council is responsible for policy making and oversees its implementation. Its key role in its current structure is to focus on legislative participatory and oversight roles. The municipality adopted separation of powers model marking a new dispensation in history of Makhuduthamaga municipality where the legislative arm of council being separated from executive arm. This is in line with the governance approach that



seeks to put in place an independent oversight mechanism to ensure that democracy is deepened and that effective public delivery takes place to benefit communities.

The Mayor is the political head championing the strategy of the municipality. The Mayor is assisted by the Executive Committee made up to 10 councillors of which three are full time councillors. The Executive Committee is responsible for individual portfolios and report directly to the Mayor. There are also Section 80 & 79 committees that process all the issues before they go to Council.

Councillors

Councillors are members of the council; the municipal had functional council meetings. Council adopted the Corporate Calendar which specified dates for council meetings. The meetings were held as per the schedule. Executive Committee meetings and Portfolio Committee meetings were included in the Corporate Calendar and they were convened and held as per the schedule. There were 62 councillors who served as council members during the 2017/18 financial year from 1st July 2017 to 30 June 2018 where 31 were Ward Councillors and 31 Proportional Representatives Councillors

Below is a table that categorised the Councillors within their specific political parties and wards for the 2017/2018 financial year from 1st July 2017 to 30 June 2018.

No.	Surname	Initials	Gender	Capacity	Political Party	Ward / Proportional
1	Mamushi	F	M	Ward Councillor -1	ANC	Ward
2	Shikoane	ML	M	Ward Councillor - 2	ANC	Ward
3	Leshalabe	MM	F	Ward Councillor -3	ANC	Ward
4	Nkgadima	MR	F	Ward Councillor -4	ANC	Ward
5	Ranala	ST	F	Ward Councillor -5	ANC	Ward
6	Thokwane	KZ	M	Ward Councillor -6	ANC	Ward
7	Mapitsing	TJ	M	Ward Councillor -7	ANC	Ward
8	Morodi	PE	M	Ward Councillor -8	ANC	Ward
9	Maitjie	CD	F	Ward Councillor -9	ANC	Ward
10	Madihlaba	MG	M	Ward Councillor -10	ANC	Ward
11	Maredi	HM	F	Ward Councillor -11	ANC	Ward
12	Rankoe	TP	M	Ward Councillor -12	ANC	Ward
13	Mogashoa	NA	M	Ward Councillor -13	ANC	Ward
14	Maloma	DR	F	Ward Councillor -14	ANC	Ward
15	Maduane	KA	M	Ward Councillor -15	ANC	Ward
16	Makuwa	SS	M	Ward Councillor -16	ANC	Ward



No.	Surname	Initials	Gender	Capacity	Political Party	Ward / Proportional
17	Marabele	KO	F	Ward Councillor -17	ANC	Ward
18	Motseni	NL	F	Ward Councillor -18	ANC	Ward
19	Seboane	TM	F	Ward Councillor -19	ANC	Ward
20	Mothogwane	D	F	Ward Councillor -20	ANC	Ward
21	Mabatane	MC	M	Ward Councillor -21	ANC	Ward
22	Komane	ML	F	Ward Councillor -22	ANC	Ward
23	Maila	MJ	M	Ward Councillor -23	ANC	Ward
24	Matsageng	DB	F	Ward Councillor -24	ANC	Ward
25	Diketane	SP	M	Ward Councillor -25	ANC	Ward
26	Mahlase	MM	F	Ward Councillor -26	ANC	Ward
27	Masemola	MS	M	Ward Councillor -27	ANC	Ward
28	Mosoane	EM	M	Ward Councillor -28	ANC	Ward
29	Maleka	KJ	M	Ward Councillor -29	ANC	Ward
30	Dolamo	MF	F	Ward Councillor -30	ANC	Ward
31	Matseding	ML	F	Ward Councillor -31	ANC	Ward
32	Bahula	BM	F	Mayor	ANC	Proportional
33	Tala	MA	M	Speaker	ANC	Proportional
34	Chego	DK	M	Chief whip	ANC	Proportional
35	Maisela	KR	F	PR Councillor	ANC	Proportional
36	Mankge	HN	M	PR Councillor	ANC	Proportional
37	Lerobane	MP	F	PR Councillor	ANC	Proportional
38	Phala	M	F	PR Councillor	ANC	Proportional
39	Malaka	MS	M	PR Councillor	ANC	Proportional
40	Mokomane	ML	F	PR Councillor	ANC	Proportional
41	Matjomane	NM	M	PR Councillor	ANC	Proportional
42	Diale	KP	F	PR Councillor	ANC	Proportional
43	Mohlala	MJ	M	PR Councillor	ANC	Proportional
44	Mathume	MR	F	PR Councillor	APSP	Proportional
45	Thokoane	MJ	M	PR Councillor	AZAPO	Proportional



No.	Surname	Initials	Gender	Capacity	Political Party	Ward / Proportional	
46	Mapheto	MT	M	PR Councillor	DA	Proportional	
47	Diale	MH	F	PR Councillor	DA	Proportional	
48	Monakedi	AL	M	PR Councillor	EFF	Proportional	
49	Nkadimeng	LR	F	PR Councillor	EFF	Proportional	
50	Thamaga	MR	M	PR Councillor	EFF	Proportional	
51	Leshaba	TR	F	PR Councillor	EFF	Proportional	
52	Madutlela	KK	M	PR Councillor	EFF	Proportional	
53	Magashula	ME	F	PR Councillor	EFF	Proportional	
54	Maloma	PT	M	PR Councillor	EFF	Proportional	
55	Sebesho	MS	F	PR Councillor	EFF	Proportional	
56	Phala	MM	F	PR Councillor	EFF	Proportional	
57	Shongwe	BE	M	PR Councillor	EFF	Proportional	
58	Mashifane	GM	F	PR Councillor	EFF	Proportional	
59	Phasha	LP	F	PR Councillor	EFF	Proportional	
60	Sekwati	KD	F	PR Councillor	EFF	Proportional	
61	Mogamedi	BE	F	PR Councillor	EFF	Proportional	
62	Makobe	PA	M	PR Councillor	SAMEP A	Proportional	
	TOTAL				62	Males	Females
					31	31	

However councillor No. 39 (Malaka MS) resigned as a councillor from 1 February 2018 and was subsequently replaced by Cllr Mamahlako Phokoane Michael.

Executive Committee

The Mayor of the Municipality Cllr. Bahula BM assisted by the Executive Committee heads the Executive Arm of the Municipality. Although accountable for the strategic direction and performance of the Municipality the Mayor operates in collaboration with the Executive Committee.

The name and portfolio of each Member of the Executive Committee is listed in the table below for the period 01 July 2017 – 30 June 2018.



NAME OF MEMBER	GENDER	CAPACITY
Cllr. Bahula B.M.	F	Mayor
Cllr. Mohlala MJ	M	Infrastructure Services
Cllr. Mankge HN	M	Corporate Services
Cllr. Malaka MS	M	Budget and Treasury
Cllr. Maisela KR	F	Community Services
Cllr. Lerobane MP	F	Economic Development and Planning
Cllr. Phala M	F	Deputy Head Infrastructure
Vacant	Vacant	Deputy Head Corporate services
Cllr. Mapheto MT	M	Deputy Head Budget and Treasury
Cllr. Maloma PT	M	Deputy Head Community Services
Cllr. Monakedi AL	M	Deputy Head Economic Development and Planning

Councilor Malaka MS resigned as a councilor and his position as an Executive Committee member was not yet field.

MUNICIPAL PORTFOLIO COMMITTEES AND COMMITTEE PURPOSE

MUNICIPAL COMMITTEE	PURPOSE OF COMMITTEE
Budget and Treasury	Committee plays oversight and ensures that financial resources of the municipality are managed in line with legislation and accounting policies/regulations
Corporate Services	Committee plays oversight and ensures department implements Human Resource development strategy/policy and other related policies and that staff establishment is in line with IDP objectives
Community Services	Committee plays oversight and ensures that the department functions properly and implement core mandate such as disaster management and waste management
Economic Development and Planning	Committee plays oversight and ensures that the department deliver on its mandate of economic growth job creation poverty and proper spatial planning
Infrastructure and Development Services	Committee plays oversight and ensures that the department provides basic services to communities and capital budget is spent in line with council priorities



Portfolio Committees

Section 79 & 80 Committees are permanent committees that specialise in a specific functional area of the Municipality and may in some instances make decisions on specific functional issues depending on whether delegations have been granted to them. They are appointed to advise the Mayor on policy matters and any other matters to be considered by the Mayor or any matter deferred by Council.

The Portfolio Committees for the 2017/2018 Mayoral term and their Chairpersons are as follows:

Committee	Chairperson
Chairperson of Chairpersons	Cllr. Matjomane NM
Budget and Treasury	Cllr. Leshalabe MM
Community Services	Cllr. Mabatane MC
Corporate Services	Cllr. Mokomane ML
Economic Development and Planning	Cllr. Mahlase M.M
Infrastructure Services	Cllr. Diale KE
Municipal Public Accounts Committee	Cllr. Diketane SP
Council Whippery	Cllr. Chego DK
Ethics Committee	Cllr. Tala MA
Rules and Petitions Committee	Cllr. Tala MA
Geographical Names Committee	Cllr. Tala MA

BUDGET AND TREASURY MEMBERS

Surname and Initials	Designation
Cllr. Leshalabe MM	Chairperson
Cllr. Matseding ML	Portfolio Whip
Cllr. Masemola MS	Member
Cllr. Rankoe TP	Member
Cllr. Maduana KA	Member
Cllr. Mashifane GM	Member
Cllr. Leshaba TR	Member
Cllr. Mathume MR	Member
Cllr. Kgoshi Masegoana	Member
Cllr. Kgoshigadi Ntobeng	Member

**COMMUNITY SERVICES MEMBERS**

Surname and Initials	Designation
Cllr. Mabatane MC	Chairperson
Cllr. Mosoane EM	Portfolio Whip
Cllr. Motseni NL	Member
Cllr. Mamushi F	Member
Cllr. Marabele KO	Member
Cllr. Maredi HM	Member
Cllr. Madutlela KK	Member
Cllr. Phala MM	Member
Cllr Sebesho MS	Member
Cllr. Kgoshi Thulare	Member
Cllr. Kgoshigadi Mashabela	Member

CORPORATE SERVICES MEMBERS

Surname and Initials	Designation
Cllr. Mokomane ML	Chairperson
Cllr. Komana ML	Portfolio Whip
Cllr. Maila MJ	Member
Cllr. Ranala ST	Member
Cllr. Maleka KJ	Member
Cllr. Phala LP	Member
Cllr. Shongwe BE	Member
Cllr. Kgoshi Maila	Member

ECONOMIC DEVELOPMENT AND PLANNING MEMBERS

Surname and Initials	Designation
Cllr. Mahlase MM	Chairperson
Cllr. Nkgadima MR	Portfolio Whip
Cllr. Matsageng DB	Member
Cllr. Seboane TM	Member
Cllr. Nkadimeng LR	Member



Cllr. Magashule ME	Member
Cllr. Makobe PA	Member
Cllr. Kgoshigadi Maia	Member
Cllr. Kgoshigadi Ntobeng	Member

INFRASTRUCTURE DEVELOPMENT SERVICES MEMBERS

Surname and Initials	Designation
Cllr. Dieale KE	Chairperson
Cllr. Madihlaba MG	Portfolio Whip
Cllr. Thokwane KZ	Member
Cllr. Maloma DR	Member
Cllr. Morodi PE	Member
Cllr. Mothogwane D	Member
Cllr. Makua SS	Member
Cllr. Sekwati KD	Member
Cllr. Moganedi BE	Member
Cllr. Mamahlako PM	Member (Appointed in April 2018)
Cllr. Kgoshigadi Seopela	Member
Cllr. Kgoshi Ratau	Member

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

Surname and Initials	Designation
Cllr Diketane SP	Chairperson
Cllr. Mapitsing TJ	Member
Cllr. Maitjie CD	Member
Cllr. Mogashoa NA	Member
Cllr. Shikoane ML	Member
Cllr. Diale HM	Member
Cllr. Thamaga MR	Member
Cllr. Phasha LP	Member
Cllr. Thokoane MJ	Member
Cllr. Kgoshi Maloma	Member

**RULES AND PETITIONS COMMITTEE**

Surname and Initials	Designation
Cllr. Tala MA	Chairperson
Cllr. Chego DK	Member
Cllr. Maila MJ	Member
Cllr. Motseni NL	Member
Cllr. Rankoe TP	Member
Cllr. Madutlela KK	Member
Cllr. Phasha LP	Member
Cllr. Shongwe BE	Member
Cllr. Mathume MR	Member
Cllr. Diale MH	Member
Cllr. Thokoane MJ	Member
Cllr. Makobe PA	Member
Cllr. Mabatane MC	Member
Cllr. Diketane SP	Member
Cllr. Dieale KE	Member

ETHICS COMMITTEE

Surname and Initials	Designation
Cllr. Tala MA	Chairperson
Cllr. Chego DK	Deputy Chairperson
Cllr. Leshalabe MM	Member
Cllr. Marabele NO	Member
Cllr. Thokwane KZ	Member
Cllr. Mosoane ME	Member
Cllr. Mathume MR	Member
Cllr. Diale MH	Member
Cllr. Thokoane MJ	Member
Cllr. Shongwe BE	Member
Cllr. Makobe PA	Member
Cllr. Mashifane GM	Member



Cllr. Thamaga	MR	Member
Cllr. Madhlaba	MG	Member
Cllr. Shikoane	ML	Member
Cllr. Motseni	NL	Member

MUNICIPAL GEOGRAPHIC NAMES COMMITTEE

Surname and Initials	Designation
Cllr. Tala MA	Chairperson
Cllr. Chego DK	Member
Cllr. Maisela KR	Member
Cllr. Dieale KE	Member
Cllr. Makobe PA	Member
Cllr. Shongwe BE	Member
Cllr. Diale MH	Member
Cllr. Thokoane MJ	Member
Cllr. Mathume MR	Member
Cllr. Phala M	Member
Cllr. Nkadimeng LR	Member
Cllr. Makua SS	Member
Cllr. Maitjie CD	Member
Cllr. Mokomane ML	Member
Cllr. Malaka MS	Member (Resigned on 31 January 2018)
Cllr. Kgoshigadi Maserumule	Member
Cllr. Kgoshigadi Seopela	Member

MUNICIPAL PROGRAMMING COMMITTEE

Surname and Initials	Designation
Cllr. Matjomane NM	Chairperson
Cllr. Malaka MS	LOEB (Resigned in January 31 2018)
Cllr. Chego DK	Member
Cllr. Shongwe BE	Member
Cllr. Diale MH	Member
Cllr. Makobe PA	Member



Cllr. Thokoane MJ	Member
Cllr. Mathume MR	Member

COUNCIL WHIPPERY

Surname and Initials	Designation	PARTY
Cllr .Chego DK	Chief Whip	ANC
Cllr. Shongwe BE	Party Whip	EFF
Cllr. Diale MH	Party Whip	DA
Cllr. Mathume MR	Party Whip	APSP
Cllr. Thokoane MJ	Party Whip	AZAPO
Cllr. Makobe PA	Party Whip	SAMEBA

DISTRICT REPRESENTATIVE COUNCILLORS

SURNAME AND INITIALS	PARTY
Cllr. Rankoe T.P	ANC
Cllr. Mabatane M.C	ANC
Cllr. Dolamo M.F	ANC
Cllr. Motseni N	ANC
Cllr. Thokwane M.J	AZAPO
Cllr. Diale M.H	DA
Cllr. Madutlela K.K	EFF
Cllr. Nkadimeng L.R	EFF

2.2 Administrative Governance

Makhuduthamaga Top Management

Designation	Initials & Surname	Gender
Acting Municipal Manager	Mr Matlala MK	M
Senior Manager Corporate Services	Mr Matlala MK	M
Chief Financial Officer	Mr Moganedi R.M	M
Acting Senior Manager Economic Development and Planning	Ms Bapela MB	F
Senior Manager Infrastructure Services	Ms Komape S M	F
Acting Senior Manager Community Services	Mr Marishane ME	F

The vacancies were created due to expiry of contract and the passing on of a member of top management. The structure of top management was then structured in the following order:

Designation	Surname and Initials	Gender
Acting Municipal Manager	Mr Moganedi RM	M
Acting Senior Manager Corporate Services	Mr Matsimela MJ	M
Acting Chief Financial Officer	Ms Ntswane RJ	F
Acting Director Economic Development and Planning	Ms Mahlare MA	F
Director Infrastructure Services	Ms Komape S M	F
Acting Senior Manager Community Services	Mr Marishane ME	F

The following Department positions were vacant since the financial year:

- 1) Municipal Manager from 2017 June 01
- 2) Senior Manager Community Services from July 2014.
- 3) Senior Manager Economic Development & Planning from March 2014.

COMPONENT B: INTERGOVERNMENTAL RELATIONS

2.3. Intergovernmental Structures

2.3.1 District Intergovernmental Structures

- District Monitoring and Evaluation Forum
 - Mayors' Forum
 - Speakers' Forum
 - Municipal Managers' Forum
 - Monitoring and Evaluation Forum
 - Chief Whips' Forum
 - Debt Forum
 - CFOs' Forum
 - IDPs' Forum
-



2.3.2. Provincial Intergovernmental Structures

- Provincial Monitoring and Evaluation Forum
- Premier 's Intergovernmental Forum
- Municipal Managers' Forum
- Speakers' Forum
- Monitoring and Evaluation Forum
- Debt Forum
- CFO's Forum
- Provincial Communicators Forum.
- Provincial Development Planning Forum

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

2.4 Public meetings

The Council performs the legislative functions. They focus on legislative oversight and participatory roles and have delegated its executive function to the Mayor and the Executive Committee. Their primary role is to debate issues publicly and to facilitate political debate and discussion. Apart from their functions as decision makers Councillors are also actively involved in community work and the various social development programs in the municipal area.

Communication channels that were used to engage communities include:

- Monthly Mayoral Outreach Programs
- Quarterly Exco Imbizos
- Regular interactions and stakeholders engagement such as business formations and Non-Governmental Organisation
- Quarterly newsletters (Lentšu)
- Radio-Interviews with the Mayor
- Inclusive IDP/Budget public participation program

2.5 Communication participation and forums

Local Government has a legal obligation and a political responsibility to ensure regular and effective communication with the community. The Constitution of the Republic of South Africa Act No. 106 of 1996 and other statutory enactments all impose an obligation on Local Government communicators and require high level of transparency accountability openness participatory democracy and direct communication with the communities to improve the lives of all.

The communities on the other hand have a right and a responsibility to participate in local government affairs and decision-making and ample provision is made in the above-mentioned legislation for them to exercise their right in this respect. Our democratic government is committed to the principle of Batho Pele and this means that those we elect to represent us (Councillors at the municipal level) and those who are employed to serve us (municipal administration) must always put people first in their official engagements.

South Africa has adopted a system of developmental local government which addresses the inequalities and backlogs of the past while ensuring that everyone has access to basic services



to opportunities and an improved quality of life. To be successful communications must focus on the issues that are shown to impact on the residents' perceptions quality of service and value for money and efficiency and effectiveness. They should ideally look to close the communication-consultation loop.

Good customer care is of fundamental importance to any organisation and analysis here shows that local residents view the Municipality's people relations in a negative light. A successful Communication Strategy therefore links the people to the Municipality's programme for the year.

Below is a communication checklist of the compliance with communication requirements:

Communication activity	Yes/No
Communication Unit	Yes
Communication Strategy	Yes
Communication Policy	Yes
Customer Satisfaction Surveys	Yes
Functional Complaint Management Systems	Yes
Newsletters distributed at least quarterly	No

Section 16 of the Municipal Systems Act No: 32 of (MSA) refer specifically to the development of a culture of community participation within municipalities. It states that a Municipality must develop a culture of municipal governance that complements formal representative government with a system of participatory governance. For this purpose it must encourage and create conditions for the local community to participate in the affairs of the Municipality. Such participation is required in terms of:

- Public consultation on Annual Report
- The preparation implementation and review of the IDP;
- Establishment implementation and review of the performance management system;
- Monitoring and review of the performance including the outcomes and impact of such performance; and
- Preparation of the municipal budget.

During the 2017/2018 financial year the Office of the Speaker facilitated the capacitating of Ward Committees in all of the 31 wards in Makhuduthamaga. To ensure functionality training of the Ward Committee members was provided by SALGA/LGSETA facilitators guidelines on operational matters were issued by the Speaker and oversight at Ward Committee meetings provided by personal attendances by the Speaker and/or his authorised personnel. By constant supervision from the Office of the Speaker it was ensured that Ward Committee meetings and report back at public meetings were held in each ward in addition to the IDP related meetings and budgetary consultative meetings held in clustered wards.



Public consultation program on 2016/17 Annual Report was conducted during the month of February and March 2018 while on 2017-2018 IDP/Budget was conducted in April and May 2018.

2016/17 Annual Report Consultation

Stakeholder	Date	Time	Venue
Schoonoord Cluster	15/02/2019	11H00	Mathibeng
Jane Furse Cluster	23/02/2018	11H00	New Municipal Building
Phokwane Cluster	26/02/2018	11H00	Happy Hearts Sports Ground
Social Sector	28/02/2018	09H00	MLM Council Chamber
Masemola Cluster	01/03/2018	11H00	Mohloding Village
Magoshi	02/03/2018	09H00	MLM Council Chamber

2017/18 IDP/Budget Consultation

Target Audience/wards	Date	Time	Venue
Phokwane Cluster(Ward 1-7)	10/04/2017	11H00	Malaka XI Experience Sports Ground
Schoonoord Cluster(Ward 12-17 22 & 23)	10/04/2017	11H00	Mathibeng Sports Ground
Jane Furse Cluster(Ward 8-11; 18 – 21)	10/04/2017	11H00	Seulaule Sports Ground - GaMoloi
Vulnerable Groups	18/04/2017	11H00	MLM Council Chamber
Masemola Cluster (Ward 24 – 31)	21/04/2017	11H00	Happy Boys Sports Ground(Masehlaneng)
Magoshi	02/05/2017	09H00	MLM Council Chamber
Social Sector	02/05/2017	13H00	MLM Council Chamber
IDP Steering Committee	09/05/2017	11H00	MLM Council Chamber
IDP Representative Forum	11/05/2017	11H00	MLM Council Chamber
Council : IDP/Budget Final Adoption	29/05/2017	11H00	MLM Council Chmaber

2.6 IDP Participation and Alignment

IDP Participation and Alignment Criteria*	Yes/No
Does the Municipality have impact outcome input output indicators?	Yes
Does the IDP have priorities objectives KPIs development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPIs in the strategic plan?	Yes
Do the IDP KPIs align to the Section 57 Managers	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes



COMPONENT D: CORPORATE GOVERNANCE

Overview of Corporate Governance

Makhuduthamaga Local Municipality is having an organizational structure that was approved by Council during the adoption of the IDP and budget. The structure has approved posts as follows:

- Created/ approved posts = 195
- Filled posts = 146
- Vacant posts = 49

Council has delegated its administration duties to the Municipal Manager who has five departmental heads in charge of the following departments:

- Corporate Services.
- Economic Development and Planning
- Community Services
- Infrastructure Development Services and
- Budget and Treasury

There are supportive functions that are attached to the office of the Municipal Manager whose main aim is to ensure compliance and efficiency of systems and processes. They are as follows:

Strategic Support Department

- Risk Management and Internal Audit.
- Communications Unit
- Audit and Performance Steering Committee.
- IDP and PMS

Executive Support Department

- Office of the Mayor
- Office of the Speaker
- Office of the Chief Whip

2.7 Risk Management

Makhuduthamaga Municipality is committed to the optimal management of risk in order to achieve our vision our principal tasks and key objectives and protect our core values.

The Council has committed the organization to a process of Risk Management that is aligned to the principles of the King III Report and the Municipal Finance Management Act (MFMA). The features of this process are outlined in Makhuduthamaga Municipality's Risk Management Strategy. It is expected that all directorates operations and processes will be subject to the risk management strategy.

All Risk Management efforts were focused on supporting Makhuduthamaga Municipality's objectives. Equally they must ensure compliance with relevant legislation and fulfil the expectations of employees communities and other stakeholders in terms of corporate governance.



The Municipality's Risk Management Unit works hand in hand with the Risk Management Committee which report quarterly to Audit Committee. The Risk Management Committee is chaired by an Independent person not in the employment of Council.

Note: MFMA S62 (i) (c) requires a Municipality to have and maintain an effective efficient and transparent system of Risk Management. Makhuduthamaga Local Municipality is aware of the impact of risk in service delivery; as such it has developed extensive risk mitigating measures for both strategic and operational risks which have been identified.

South Africa's codes of corporate governance have consistently identified Risk Management as one of the key pillars of good-governance practice and this as a continuous process enables constant improvement in strategy design and strategy implementation as well as an organization's systems and operations. The King III report on corporate governance has identified risk governance as one of the cornerstones that if successfully implemented can create and sustain stakeholder value.

Risks that were identified during strategic risk assessment are:

Objectives	Risk	Root cause	Inherent risk
Provision of infrastructure for Improved quality of life	Inability to maximise eradication of road infrastructure backlog	>Budget Constraints	Medium
	Inability to provide electricity to all Makhuduthamaga Community	>Limited powers and functions >Unplanned development and growth.	Medium
To provide sound and sustainable management of the financial affairs of Makhuduthamaga municipality	Inadequate revenue generated and collected to meet the municipality expenditure and service delivery requirements	>Inadequate basic services rendered to communities >Misunderstanding of property rates by business owners >Non accountability of debtors >Non implementation of by-laws >Land ownership (Tribal Authority)land is owned by third party	High
To create an environment that will develop stimulate and strengthen local economic growth	Inability to manage utilisation of space	>Land is owned by third parties (Traditional Authority) >Lack of By- laws to regulate land use. >Traditional Leaders not consulting the municipality	High



		when allocating land	
	Inability to attract and retain investments.	>Unavailability of suitable land (ownership) >Lack of infrastructure >Inadequate strategic marketing.	High
To ensure sustainable environment and conservation	Unclean environment	>Inadequate waste collection systems >Lack of buy laws >Inadequate resources >Lack of knowledge by communities	High
To successfully implement mSCOA by 01 July 2017.	Inability to execute mSCOA transition	>Poor planning >Resistance to change >Lack of skills >Lack of resources	Low
	Poor quality Annual Financial Statements	Poor/incorrect implementation of the mSCOA.	High
To build the capacity of MLM by way of raising institutional efficiency	Inability to attract and retain critical/scarce skills	>Unattractive remuneration packages >Lack of amenities and recreational facilities >Geographical location. >Lack of Retention Strategy. >Poor Job Evaluation processes	High
	Council Interference in administration	>Misunderstanding of roles and responsibilities	Low

2.8 Anti-Corruption and Fraud

Section 166(2) of the MFMA states that an Audit Committee is an independent advisory body which must- (a) advise the Municipal Council the political office-bearers the Accounting Officer and the management staff of the Municipality on matters relating to–

- Internal financial control;
- Risk management;
- Performance Management; and
- Effective governance.

In the financial year under review the Audit Committee also performed the Performance Audit Function. The Audit committee charter was approved by Municipal Council.



In terms of the Audit Committee Charter the Audit Committee is also appointed as the Performance Audit Committee and responsible for the following roles with regards to performance management:

- To advise Council on the functionality of the performance management system;
- To advise Council whether the PMS complies with the Act;
- To advise Council on the extent to which the Municipality's performance measures are reliable in measuring performance;

The Audit Committee has the following functions as prescribed in section 166(2) (a-e) of the Municipal Finance Management Act 2003 Local Government Municipal and Performance Management Regulation 2001:

- To advise the Council on all matters related to compliance and effective governance.
- To review the annual financial statements to provide Council with an authoritative and credible view of the financial position of the Municipality its efficiency and its overall level of compliance with the MFMA the annual DORA and other applicable legislation.
- Respond to the council on any issues raised by the Auditor-General in the audit report.
- Carry out such investigations into the financial affairs of the Municipality as Council may request.
- To perform such other functions as may be prescribed to it by Council.
- To review the quarterly reports submitted to it by the internal audit unit.
- To evaluate audit reports pertaining to financial administrative and technical systems.
- To evaluate the compliance to existing policies and relevant legislation.
- To evaluate audited financial statements and reports with regard to the procurement of items and services.
- The compilation of reports to Council at least twice during a financial year.
- To assess whether the performance indicators are sufficient.
- To determine possible reasons for discrepancies between performance and targets.
- To identify major risks to which Council is exposed and determine the extent to which risks have been minimised.
- To review significant transactions that does not normally form part of Council's business.
- To review the annual report of the Municipality.
- Investigating cases of fraud misbehaviour and conflict of interest involving employees
- To focus on and review changes in the accounting policies.
- Making recommendations to council and also carrying out its responsibility to implement the recommendations.
- Investigate any matter it deems necessary for the performance of its duties and the exercise of its powers.
- On a regular basis review its own effectiveness against pre-set criteria.



- Review the plans of the Internal Audit function and; ensure that the plan addresses the high-risk areas and ensure that adequate resources are available.
- Provide support to the Internal Audit Function.
- Ensure that no restrictions or limitations are placed on the Internal Audit Unit.
- Evaluate the activities of the Internal Audit function in terms of their role as prescribed by legislation.

Below is Audit Committee members appointed with effect from the 1st of July 2017

Name	Capacity	Dates of AC meetings held
Adv. Manthata HM	Chairperson	27 July 2017
Ms. Ngoetjana MS	Member	28 August 2017
Mr. Mpjane J N	Member	02 November 2017
Mr. Maeyane A K	Member	24 January 2018
		20 April 2018

Attendance of meetings by members

Name	Capacity	Number of meetings attended
Adv. Manthata HM	Chairperson	4
Ms. Ngoetjana MS	Member	5
Mr. Mpjane J N	Member	5
Mr. Maeyane A K	Member	5

Internal Audit Unit

Section 165 (2) (a) (b) (iv) of the MFMA requires that:

The internal audit unit of a Municipality must– (a) Prepare a risk based audit plan and an internal audit programme for each financial year; and (b) Advise the accounting officer and report to the audit committee on the implementation on the internal audit plan and matters relating to: (c) Risk and risk management.

Below are the activities of the Internal Audit Unit which were performed during the year under review:

Planned Activity/projects	Comment
(A) Policies and plans	
Reviewed Audit Committee Charter	Reviewed and approved 27 July 2017 Adopted by council 30 August 2017
Reviewed Internal Audit Charter	Reviewed and approved



<i>Mimogo re somela diphethogo!</i>	
Three year rolling Internal Audit Plan and annual programme	27 July 2017 Developed and approved 02 November 2017
(B) Projects – (Risk based)	
Follow up audit on AGSA report (2016-17findings)	Completed
Follow up audit on IA reports (2016-17 findings)	Completed
Enterprise Risk Management Security and Loss control	Completed
Management and maintenance infrastructure (Libraries community halls sports grounds and stadiums)	Completed
Waste Management (Management of Landfill site)	Completed
Traffic Management (Efficient DLTCs operations and revenue collection)	Completed
mSCOA project (Efficiency and effectiveness of financial management systems)	Completed
Asset Management (Safeguarding of assets; movable asset fleet and inventory)	Completed
Revenue Management (Debt collection and revenue enhancement strategies)	Completed
Supply Chain Management	Completed
Local Economic Development (SMMEs support programs)	Completed
Local Economic Development (Implementation of SPLUMA)	Completed
Infrastructure Projects	Completed
Time leave and payroll management	Completed
Information Technology (General controls and application controls)	Completed
Telecommunication and subsistence and travelling allowances	Completed
(C) Regulatory Audit	
Audit of Performance Information (First Quarter Second Quarter Third Quarter and Fourth Quarter)	Completed

2.9 Supply Chain Management

Overview of Supply Chain Management

Section 217 of the Constitution of the Republic of South Africa requires that when an organ of State contracts for goods and services it must do so in accordance with a system which is fair equitable transparent competitive and cost effective.



The Supply Chain Management Policy of the Municipality has been drawn up to give effect to these principles and the Preferential Procurement Legislation and furthermore to comply with the provisions of the Local Government: Municipal Finance Management Act and its Regulations promulgated in terms thereof.

The SCM policy has recently been reviewed and approved by Council to ensure that controls are tightened to combat fraud and corruption in procurement processes.

Supply Chain Management Unit

Chapter 11 of the MFMA compels the municipalities to establish Supply Chain Management Units and implement the SCM Policy which gives effect to all SCM functional areas. The Supply Chain Management Unit has been established and operates under a direct supervision of the Chief Financial Officer.

SCM Processes and Procedures

The following processes mentioned here under will be summarised in stages. i.e. from requisition stage up to the final stage of appointment of a service provider.

Need or a Demand

- The user department identifies a need for a particular goods and/ service.
- The need will be aligned to the SDBIP and the adopted Budget.

Requisitions

- The user department will raise a requisition on the mSCOA system
- The requisition gets approved by the Head of Department (HOD)

Bid Specification Committee

- The Committee is established in terms of sec. 27 of the Supply Chain Management regulation and the policy of the Municipality.
- The Committee performs their tasks as required in terms of sec. 27 of the Supply Chain Management regulation and the policy of the Municipality.
- An advert is then placed with the specification from the said Committee on the Municipal website and notice board.

Bid Evaluation Committee

- The Committee is established in terms of sec. 28 of the Supply Chain Management regulation and the policy of the Municipality.
- The Committee performs their tasks as required in terms of sec. 28 of the Supply Chain Management regulation and the policy of the Municipality.
- The Committee prepares a report with recommendation(s) to the Bid Adjudication committee.



Bid Adjudication Committee

Mmogo re šomela diphetogo!

- The Committee is established in terms of sec. 29 of the Supply Chain Management regulation and the policy of the Municipality.
- The Committee performs their tasks as required in terms of sec. 29 of the Supply Chain Management regulation and the policy of the Municipality.
- The committee analyse the report from the Bid evaluation committee and make recommendation(s) to the Accounting Officer

Appointment Stage

- The Accounting officer may after due consideration of the reports from the said committees accept or reject recommendations from the Bid Adjudication Committee as in terms of sec. 29 (5) (b) of the Supply Chain Management regulation and the policy of the Municipality.
- The Municipality has adopted a Supply Chain Management Policy which is in line with the Regulation. The Municipality acquires goods and services through the processes as stated in the policy. No Councillor is a member of any bid committees and the Municipality is adhering to sec. 117 of MFMA as well as circular No.40.

2.10 By-laws

No new by- laws were promulgated during the year under review.

2.11 Municipal website

The municipal website is an integral part of a Municipality's communication infrastructure and strategy. It serves as a tool for community participation improves stakeholder involvement and facilitates stakeholder monitoring and evaluation of municipal performance. Section 75 of the MFMA requires that the municipalities place key documents and information on their website including the IDP the annual budget adjustments budgets and budget related documents and policies. The Municipality has a service level agreement with State Information Technology Agency (SITA) for website maintenance.

2.12 Public Satisfaction on Municipal Services

Community satisfaction survey conducted has highlighted important challenges facing the Municipality. Among the challenges facing the Municipality is to confront the issues in certain villages which made it impossible for survey to take place. A large number of the residents' have indicated their dissatisfaction about service delivery. These residents complain about traffic control and motor vehicle licensing streets and storm water housing and libraries. These issues could results with negative image and untenable consequences to the Municipality. However they credit the Municipality and are happy with the overall performance of the Municipality as a reflection of the current government.

The results of the survey should be read in conjunction with Sekhukhune District Municipality Customer Survey. The intention should be to link the two and identify similar issues that have to be pursued by the Municipality via the District Intergovernmental Structures. Moreover the survey results link with planning instruments like IDP Ward Based Plans and Service Standards. In certain cases the results may imply revision of certain important planning documents. Addressing the issues raised will improve the rating of the Municipality as one of the top performers in local government.

2.13 Municipal Oversight Committee



The municipality has four oversight committees namely: MSA s79 portfolio committees s79 standing committee (Municipal Public Accounts Committee) MFMA s165 (Audit Committee) and Risk Management Committee. The municipal council established section 79 in terms of the Municipal Structures Act. This committee plays oversight on the work of the Executive Committee on monthly basis by engaging the reports of the executive committee and also visiting projects. The Audit Committee's role is to play oversight on the work of Council and also provide advises on the performance of the municipality on quarterly basis. The Risk Management Committee has been established to advise the municipal manger on risk management issues. The committee is chaired by a member of the Audit Committee and reports from the Risk Management Committee are then tabled to the Audit Committee. The Risk Management Committee is composed of Risk Management Unit Risk Champions and Audit Committee member.

CHAPTER 3

SERVICE DELIVERY

COMPONENT A: BASIC SERVICES PERFORMANCE

3. Introduction to Basic Services

The Municipality performs the following functions in relation to the provision of Basic Services:

*Mimogo re somela diphetogo!*

- Electricity
- Roads and storm water
- Repair and maintenance of existing infrastructure
- Provision of Free Basic electricity

3.1 Electricity

Introduction to electricity

The Municipality has entered into a Service Level Agreement (SLA) with the National Department of Energy for the provision of household connections. These are handed over for maintenance to Eskom after the completion of the projects. The Municipality is experiencing challenges with household electrification in the major part of Makhuduthamaga due to the following challenges:

- o Illegal connections to households.
- o Limited capacity.
- o New extensions of residential sites for post connections.
- o Budgetary constraints

Employees: Electricity Services

Job Level	2016/17	2017/18			
	Employees	Approved Posts	Filled posts	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	0	0	0	0	0
4 – 6	0	0	0	0	0
7 – 9	0	0	0	0	0
10 – 12	1	1	1	0	0
13 – 15	0	0	0	0	0
16 – 18	0	0	0	0	0
19 – 20	0	0	0	0	0
Total	1	1	1	0	0

Financial Performance 2017/18: Electricity Services

Details	2016/17	2017/18			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget



<i>Mmogo re Somela diphetogo!</i>					
Total Operational Revenue (excluding tariffs)	R0.00	R0.00	R0.00	R0.00	0
Expenditure:					
Employees	R0.00	R0.00	R0.00	R0.00	0
Repairs and Maintenance	R 6 000 000	R3 500 000	R3 000 000	R 3 000 000	0
Other	R 3 949 433	R3 926 381	R0.00	R3 926 381	0
Total Operational Expenditure	R 5 496 297	R5 621 000	R0	R5 621 000	0

Comment on electricity services' performance overall

The projects that were initially planned for household electrification were not implemented due to lack of capacity in their respective areas. The areas with capacity were identified and projects implemented. These reported challenges may be addressed by the building of substations in consultation with the electricity regulator and ESKOM.

3.2 Free Basic Services and Indigent Support

Introduction to Free Basic Services and Indigent Support

The Makhuduthamaga Municipality only provided Free Basic Electricity to the indigents. There is however a need to review the indigent register and policy. The Municipality has set a target of 10000 beneficiaries to receive Free Basic Electricity in the 2018/19 financial year.

Free Basic Services provided by MLM

Service provided	Number of households benefitted
1. Electricity	8102
2. Refuse removal	1 639

3.3 Roads Bridges and Storm water

Introduction to Roads Bridges and Storm water

The Municipality has developed a Road Master Plan that specifies the conditions of the roads throughout the municipal area and further proposes a priority list for intervention. The Municipality has the following related strategic objectives for the reporting period:



- To improve access to viable roads and facilitate tarring.

- To facilitate provision of storm water drainage for passable roads

These objectives were funded from the MIG and the Equitable Share; however the Municipality needs more resources both financial and human to be able to address the backlog as planned.

Gravel Road Infrastructure						
					Kilometres	
	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to asphalt		Gravel roads graded /maintained	
2015/16	310	104	12		414	
2016/17	310	105	14		380	
2017/18	310	9	23		53	
Asphalted Road Infrastructure						
Kilometres						
	Total asphalted roads	New asphalt roads	Existing asphalt roads re-asphalted	Existing asphalt roads re-sheeted	Asphalt roads maintained	
2015/16	38	12	1	1	1	
2016/17	0	0	0	0	0	
2017/18	78	23	0	0	1	
Cost of Construction/Maintenance:						
	Gravel			Asphalt		
	New	Gravel - Asphalt	Maintained	New	Re-worked	Maintained
2015/16	0	176 640 000	38 000 000	176 640 000	0	1 575 746.00
2016/17	0	110 249 403	36 000 000	70 050 000	0	0
2017/18	3.2km	131 959 599	27 300 000	104 659 599	0	0

Employees: Road Services					
Job Level	2016/17	2017/18			
	Employees	Approved Posts	Filled posts	Vacancies (fulltime equivalent)	Vacancies (as a % of total posts)



	No.	No.	No.	ents)	%
0 – 3	1	1	1	0	0
4 – 6	0	0	0	0	0
7 – 9	2	2	2	0	0
10 – 12	0	0	0	0	0
13 – 15	4	4	4	0	0
16 – 18	2	2	2	0	0
19 – 20	5	5	5	0	0
Total	12	12	12	0	0

Financial Performance 2017/18: Road Services

Details	2016/17	2017/18			Variance to Budget
	Actual	Original Budget	Adjustment Budget	Actual	
Total Operational Revenue (excluding tariffs)	R0.00	R0	R0	R0	0
Expenditure:					
Employees	R 4 380 607	R4 010 846.74	R4 010 846.74	R4 010 846.74	0
Repairs and Maintenance	R 37 973 000	R 2 000 000	R17 300 000	R17 300 000	0
Other	R 2 127 918	R2 522 271.37	R2 522 271.37	R2 522 271.37	0
Total Operational Expenditure	26 805 127	R40 142 885	R40 142 885	R40 142 885	0

Capital Expenditure 2017/18: Road Services

Capital Projects	2017/18
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	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Construction of Makgwabe to Mphane Access Road Phase 1	R 13 157 000	R4 779 000	R4 779 000	0	R4 779 000
Construction of Rietfontein to Eensaam Access Road phase 2	R 14 421 000	R21 302 000	R21 302 000	0	R21 302 000
Construction of Thabampshe to Tswaing Access Road phase 2	R14 421 000	R21 302 000	R21 302 000	0	R21 302 000
Construction Access Road from Glen Cowie to Moloji	R15 351 000	R32 104 000	R32 104 000	0	R32 104 000
Construction of Access Road from R579 to Mashishing Main Reservoir	R8 333 000	R8 333 000	R8 333 000	0	R8 333 000
Construction of Access Road to Maila Mapitsane Tribal Office Phase 4	R6 140 000	R13 140 000	R13 140 000	0	R13 140 000
Construction of Access Road to Mashupye Village	R8 771 000	R8 771 000	R8 771 000	0	R8 771 000
Construction of Manganeng Access Bridge	R5 701 000	R6 052 000	R6 052 000	0	R6 052 000
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					

3.4. Municipal Infrastructure Grant Expenditure

Municipal Infrastructure Grant (MIG)* Expenditure 2017/18 on Service backlogs R' 000						
Details	Budget	Adjustment Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustment Budget	
Construction of Thabampshe to Tswaing Access Road phase 2	R14 421 000	R21 302 000	R21 302 000	0	0	None



Construction Access Road from Glen Cowie to Molo	R15 351 000	R32 104 000	R32 104 000	0	0	None
MIG Overheads	R 1 488 000	R000	R1 488 000	0	0	None

3.5. Waste Management (this section to include: refuse collections waste disposal)

Introduction to Waste Management

The waste management function is performed by the Municipality. There is a partial formal refuse removal service rendered by the Municipality. The program was a pilot project by LEDET for which the Municipality has taken full responsibility of performing the task. The project covers the developmental nodes which are as follows; Phokoane Glen Cowie Jane Furse and Schoonoord and Ga Masemola. Skip bins are placed at Phokoane Glen Cowie Riverside Jane Furse Tshehlwaneng Schoonoord and Ga-Masemola. The municipality has extended the services to the following areas: Hlalanikahle Moratiwa Shopping Complex Vleesboom Malegale Apel Cross Setlaboswane Ga Maila Segolo Marulaneng & Ga Maila Mapitsane. There is a permitted land fill site in Jane Furse. MOU is signed between the Sekhukhune District Municipality and Makhuduthamaga Municipality where by Makhuduthamaga Municipality has been granted responsibility to render waste management on its own. An assessment was done at Apel Cross sub-growth point that covers Apel Cross Marishane and Phaahla for the extension of waste removal points. The department of environmental affairs has appointed service provider to assist Municipality with waste management at landfill side and environmental awareness which managed to appoint 16 personnel through the program called "Youth Jobs in Waste". The majority of the population creates their own waste disposal sites which is a challenge to the Municipality. These illegal dumping sites are usually located within the individual household property or on the outskirts of some villages. One waste compactor truck and two (02) skip loader and fifty five (55) skip bins were bought and distributed. Two (2) wards have recycling projects which are: ward 29 and 30. The municipality erected 30 concrete waste bins in the Jane Furse area.

The appointment of **1200** General workers according to **CWP – COMMUNITY WORKS PROGRAM** and **EPWP- EXPANDED PUBLIC WORKS PROGRAM** has been approved by Council and commenced working on the 1st September 2013 until 2017. This shall include litter-picking street cleaning house to house collection and the disposal site management.

Description	2015/16	2016/17	2017/18
	Actual No.	Actual No.	Actual No.



<u>Solid Waste Removal:</u> (Minimum level) Removed at least once a week	Twice a week Street to street collection	Twice a week Street to street collection	Daily Street to street collection (Jane Furse Phokoane Glen Cowie Mokwete Schoonoord) other identified areas collection is done as and when required
Total number of households	None	None	55 SKIPS For 23 Villages

Households - Solid Waste Service Delivery Levels below the minimum			
Description	2015/16	2016/17	2017/18
	No.	No.	No.
Formal Settlements			
Total households:			
Households below minimum service level	Entire Makhuduthamaga Municipality	Entire Makhuduthamaga Municipality	Entire Makhuduthamaga Municipality
Proportion of households below minimum service level			
Informal Settlements			
Total households			
Households below minimum service level	Entire Makhuduthamaga Municipality	Entire Makhuduthamaga Municipality	Entire Makhuduthamaga Municipality
Proportion of households below minimum service level			

Description	2015/16	2016/17	2017/18
	Actual No.	Actual No.	Actual No.



<u>Solid Waste Removal:</u> (Minimum level)	Twice a week Street to street collection	Twice a week Street to street collection	Daily Street to street collection (Jane Furse Phokoane Glen Cowie Mokwete Schoonoord) other identified areas collection is done as and when required
Removed at least once a week			
Total number of households	None	None	55 SKIPS For 23 Villages

Description	2015/16	2016/17	2017/18
	No.	No.	No.
Total households			
Households below minimum service level	Entire Makhuduthamaga Municipality	Entire Makhuduthamaga Municipality	Entire Makhuduthamaga Municipality
Proportion of households below minimum service level			

Employees: Solid Waste Management Services					
Job Level	2016/17	2017/18			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	0	0	0	0	0
4 – 6	0	0	0	0	0
7 – 9	1	0	0	0	0
10 – 12	1	0	0	0	0
13 – 15	0	0	0	1	0
16 – 18	0	0	0	0	0
19 – 20	0	0	0	0	0
Total	2	0	0	1	0

Employees and Posts numbers are as at 30 June, 2018. Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

Employees: Waste Disposal and Other Services		
Job Level	2016/17	2017/18



	Employee s	Posts	Empl oyee s	Vacancies (fulltime equivalents)	Vacancie s (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	2	0	0	8	0
4 – 6	0	0	0	0	0
7 – 9	0	0	0	0	0
Total	2	0	0	8	0

Financial Performance 2017/18: Solid Waste Management Services

Details	2016/17	2017/18			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)					
Expenditure:					
Employees	R 419051.04	152278747	152278747	1643223 11	(12043564)
Repairs and Maintenance	R0.00	0	0	0	0
Other	R 734005264	1589888705	32200000	2691451 501	52854849 9
Total Operational Expenditure	R 7759103.68	1742167452	3372278747	2855773 812	51650493 5

Employees: Solid Waste Management Services

Job Level	2016/17	2017/18			
	Employee s	Approv ed Posts No.	Filled post No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
	No.	No.	No.	No.	%
0 – 3	2	0	0	1	0
4 – 6	0	0	0	0	0
7 – 9	1	0	0	0	0
10 – 12	0	0	0	0	0
13 – 15	0	0	0	0	0
16 – 18	0	0	0	0	0
19 – 20	0	0	0	0	0
Total	3	0	0	1	0



Employees and Posts numbers are as at 30 June.2018. Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

Employees: Waste Disposal and Other Services					
Job Level	2016/17	2017/18			
	Employee s	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	2	0	0	1	0
4 – 6	0	0	0	0	0
7 – 9	0	0	0	0	0
Total	2	0	0	1	0

3.6 Traffic law enforcement and licensing service

These are the functions which were rendered by the Department of Roads and Transport but due to devolution these functions are the responsibility of the Municipality. It should also be indicated that the Services are carried out in concurrence and jointly with the provincial and national departments of transport. The Traffic service offered in Makhuduthamaga Local Municipality is a culmination of discussions and subsequent agreement between the Municipality and the Limpopo Department of Transport. The Municipality has other Devolved Functions i.e. Nebo and Sekhukhune Driving License Testing (DLTC) and Vehicle Testing Stations (VTS) services respectively.

3.7 Disaster Management

The Municipality response to Disaster incidents in terms of Disaster Management Act 52 of 2002 as amended in 2015 section 16 whereby Local Municipality has been given full responsibility to deal with Disaster within their area of jurisdiction.

The Municipality assists in terms of providing relief materials in the form of temporary shelters sponges and blankets. The following consignment has been provided during the year ending 2017/18

Disaster Incident Reported in the 2017/2018

In the 2017/2018 financial year 86 incidents were reported



No	Date	Beneficiary details	Type of incident	Ward No
01	21 August 2017	Mokgoatjane Madire Rachel ID 7309160641088	Structural Fire	23
02	04 September 2017	Mashilo Setlamorago Elias ID No 2803045304081	Structural Fire	11
03	17 September 2017	Matekola Mapheke Johanah ID No 8201160718082	Structural Fire	04
04	19 September 2017	Johanna Khomotjo Tlou ID No 8010100592089	Structural fire	19
05	27 September 2017	Ramaila Motlatso Moshidiledi ID No 7607250902082	Structural Fire	27
06	09 October 2017	Nchabeleng Mamagane ID No 5001130317087	Hail & Thunderstorm	01
07	09 October 2017	Legasa Mokweng Rosina ID No 5509030707082	Hail & Thunderstorm	28
08	09 October 2017	Sefoka Maime Jeffrey	Hail & Thunderstorm	28
09	09 October 2017	Masemola Grina ID No 7211010785083	Hail & Thunderstorm	28
10	09 October 2018	Sefoka Madihlabé Maria ID No 6204220452082	Hail & Thunderstorm	28
11	09 October 2017	Shaku Ramogohlo Betty ID No 4810250590088	Hail & Thunderstorm	28
12	09 October 2017	Nchabeleng Matau Maria ID No 6206010846084	Hail & Thunderstorm	28
13	09 October 2017	Masetwane Solomon Maredi ID No 6212175657084	Structural fire	17
14	10 October 2017	Mmamogale Ramushu ID No 5012010273084	Hail & Thunderstorm	28
15	10 October 2017	Ramushu MT ID No 8110140653089	Hail & Thunderstorm	28



16	10 October 2017	Mmamoneyeng Mahlase ID No 19500404	Hail & Thunderstorm	28
17	10 October 2017	Moela Dikankatka ID No 8608256322084	Hail & Thunderstorm	28
18	10 October 2017	Mello Madumetse ID No 5011160324085	Hail & Thunderstorm	28
19	10 October 2017	Ncahbeleng Mongatane ID No 5803160417089	Hail & Thunderstorm	28
20	10 October 2017	Mothogwane Khulou BOB	Hail & Thunderstorm	28
21	10 October 2017	Ramushu Dilasi Botsabane ID No 6205110196085	Hail & Thunderstorm	28
22	10 October 2017	Masemola madimetse Elshah ID No 5110090374085	Hail & Thunderstorm	28
23	10 October 2017	Mahlare Mokgohlwe Maria ID No 8505260654084	Hail & Thunderstorm	28
24	10 October 2017	Mametja Monane Herman ID No 5707045597080	Hail & Thunderstorm	28
25	10 October 2017	Moketse Marakabele Gladys ID No 7708200258086	Hail & Thunderstorm	28
26	10 October 2017	Mphahlele Tumisaho Philistas ID No 880825590408	Hail & Thunderstorm	28
27	10 October 2017	Moswane Linet Ramogohlo ID No 6705120517089	Hail & Thunderstorm	28
28	10 October 2017	Moswane Lilly Mapote ID No 7708060706083	Hail & Thunderstorm	28
29	10 October 2017	Lesufi Ramadimetje Lindy ID No 790990784086	Hail & Thunderstorm	28
30	10 October 2017	Legasa Moroabane Constance ID No 6805150991087	Hail & Thunderstorm	28
31	10 October 2017	Tebeila Madimetse Sarah ID No 6706100560081	Hail & Thunderstorm	28



32	10 October 2017	Sefoka Mietjie Magdalena ID No 5103300610083	Hail & Thunderstorm	28
33	10 October 2017	Lesetsa Madimetje Paulinah ID No 5203160872086	Hail & Thunderstorm	28
34	10 October 2017	Mokalapa Nes Maria ID No 4310110282083	Hail & Thunderstorm	28
35	10 October 2017	Mosoane Letsoma Grasswin	Hail & Thunderstorm	28
36	10 October 2017	Kanyane Sejato ID No 5602090752088	Hail & Thunderstorm	28
37	10 October 2017	Sebodu Maleka ID No 3106280101082	Hail & Thunderstorm	28
38	10 October 2017	Maria Sejato ID No 770202077080	Hail & Thunderstorm	28
39	10 October 2017	Monyatane Ramushu ID No 3410150151080	Hail & Thunderstorm	28
40	10 October 2017	Sethe Ntshekemane Tailer ID No 6007255661083	Hail & Thunderstorm	28
41	10 October 2017	Rapolai Adam Josiah ID No 490015373080	Hail & Thunderstorm	28
42	10 October 2017	Mokgano Mahlare ID No 52060952080	Hail & Thunderstorm	28
43	10 October 2017	Mogosoane Margaret Angelinah ID No 6811030923084	Hail & Thunderstorm	28
44	10 October 2017	Refilwe Mashaba ID No 7805160487083	Hail & Thunderstorm	28
45	10 October 2017	Ntshabeleng Sebake Richard ID No 6404165622083	Hail & Thunderstorm	28
46	10 October 2017	Masemola Mashienyane Linkie ID No 7803031266083	Hail & Thunderstorm	28
47	10 October 2017	Mojabane Nchabeleng ID No 1010240061082	Hail & Thunderstorm	28



48	10 October 2017	Mateele Matsimela ID No 6903190340082	Hail & Thunderstorm	28
49	10 October 2017	Apollos Serepo ID No 6210285490081	Hail & Thunderstorm	28
50	10 October 2017	Vinolia Talane ID No 8208260784088	Hail & Thunderstorm	28
51	10 October 2017	Mathabathe Masemola ID No 4311130174086	Hail & Thunderstorm	28
52	10 October 2017	Mokhine Tsetsewa ID No 4104175174081	Hail & Thunderstorm	28
53	10 October 2017	Mathule Talane ID No 6503275524087	Hail & Thunderstorm	28
54	10 October 2017	Zachariah Ramushu ID No 6209115433089	Hail & Thunderstorm	28
55	10 October 2017	Sefoka Kanyane ID No 4504110183081	Hail & Thunderstorm	28
56	10 October 2017	Motwa RN ID No 2904040348089	Hail & Thunderstorm	28
57	10 October 2017	Moswane mamogwane Sam ID No 6508015498088	Hail & Thunderstorm	28
58	10 October 2017	DK Sefoka ID No 7503060506082	Hail & Thunderstorm	28
59	10 October 2017	Sekgale Raesetja Patricia ID No 7802280892086	Hail & Thunderstorm	28
60	10 October 2017	Nchabeleng Motlatle Betty	Hail & Thunderstorm	28
61	10 October 2017	Masemola Flora Manchidi	Hail & Thunderstorm	28
62	10 October 2017	Sefoka MP ID No 7206075910089	Hail & Thunderstorm	28
63	10 October 2017	Marutla Makgale Hendrick ID No 7607075453089	Hail & Thunderstorm	28
64	10 October 2017	Mokhine Tsetsana	Hail & Thunderstorm	28



		ID No 4104175174081		
65	11 October 2017	Shaku Makantle Bernard ID No 5105175436080	Hail & Thunderstorm	28
66	16 October 2017	Komane Letlhogonolo Thapelo	Structural Fire	10
67	23 October 2017	Nkadimeng Maggy ID No 8704040391085	Structural Fire	17
68	31 October 2017	Tholo Thabang ID No 3808200327081	Structural Fire	07
69	01 November 2017	Ramontja Mahlodi Rosina ID No 5912252010088	Structural Fire	04
70	14 November 2017	Lebotsane Malatji ID No 760414092085	Structural Fire	24
71	14 November 2017	Magoro Gledwin Semakaleng ID No 8411043800821	Structural Fire	24
72	16 November 2017	M. Ngoato ID No 6903100943083	Structural fire	22
73	07 March 2018	Leah Mankadimeng Tshehla ID No 7812170812086	Structural Fire	31
74	15 March 2018	Mmotla Johanna	Structural fire	01
75	23 March 2018	Tshenello Revelation Mokwena ID No 9706290450082	Natural disaster	14
76	17 April 2018	Maila Phumzile Mashego ID No 8912100560083	Structural collapse	31
77	17 April 2018	Tshepo Mashirane Tladi ID No 9606265784083	Structural collapse	24
78	02 May 2018	Choma Mmabatho Paulina ID No 8202090828082	Structural fire	18
79	03 May 2018	Mogowane Nala	Structural fire	23
80	07 May 2018	Mokoena Prisca ID No 8804170765082	Sewage flow/disaster	18
81	07 May 2018	Nare Jaqualine Maleka	Sewage flow/disaster	18



		ID No 8403180410084		
82	07 may 2018	Makunyane Malope Sarah ID No 7310230548089	Sewage flow/disaster	18
83	25 May 2018	Ramatsemele Chrsistinah ID No 6806121175087	Structural fire	17
84	14 June 2018	Matjageng Dipuo ID No 7201101483086	Structural fire	24
85	14 June 2018	Phaahla Sarah Mamadise ID No 6002240766089	Structural fire	24
86	26 June 2018	Madileng Welheminah	Structural fire	24

3.8 SPORTARTS AND CULTURE PROMOTION

The sub-division is mainly responsible for promotion of Sport Art and Culture. It is also upgrades the sports and recreation facilities; this is done in conjunction with the Limpopo Department of Sport Art and Culture. This is done continuously every year

3.9 PLANNING AND DEVELOPMENT

Introduction

The Makhuduthamaga Municipality is predominantly rural and most of its communities are under the leadership of traditional authorities. The Traditional Authorities are the custodians of land and therefore for the Municipality to acquire land for development it has to negotiate with Traditional Authorities through a land acquisition process with the Department of Rural Development and Land Reform. The Municipality has a challenge of acquiring land due to unrealistic rates demanded by traditional authorities that do not match with the valuation reports. Most traditional authorities are also reluctant to release land as this is seen to be weakening their authority. A Consultation meeting with selected traditional authorities was facilitated by the Municipality to create awareness on land use management. More awareness is still needed for traditional authorities to realize that the municipality requires land for development in order to grow its economy and improve the overall standard of living of all its communities.

The Municipality has finalised and adopted its review of the Local Economic Development (LED) Strategy. The strategy mainly identifies the municipality's major economic driver and proposes how these can be streamlined in such a manner that can grow the economy and create opportunities for the communities of Makhuduthamaga. The adopted LED Strategy furthermore proposes different economic clusters for the Municipality depending on the nature of each economic cluster.

3.9.1 Planning Overview



Makhuduthamaga Municipality is predominantly rural in character and therefore faces a challenge of implementing most town planning and land use management tools. The Spatial Planning and Land use Management Act (16 of 2013) was passed to ensure that effective and standard land development and management across all spheres of government. The promulgation of the Act furthermore ensures that all municipalities should handle their own planning matters applications as opposed to forwarding them to them to CoGHSTA as it has been the case in the past. All municipalities are required to adhere and comply with provisions of the Act by effecting the following changes amongst others:

- Establishing a Municipal Planning Tribunal (MPT) to consider all development applications;
- Categorization of land development applications;
- Promulgation of a SPLUMA bylaw;
- Appointment of Member for Joint Municipal Planning Tribunal and Authorized Official
- Development of a wall-to-wall land use scheme;

Sekhukhune District Municipality has advised all its local municipalities to form a Joint Municipal Planning Tribunal (JMPT) as an interim measure to ensure sharing of resources and that there is no service delivery gaps. As such Makhuduthamaga forms a part of the district based JMPT. Land development applications have also been categorized as stipulated in the Spatial Planning and Land Use Management Regulations.

CoGHSTA and Sekhukhune District Municipality have also been assisting municipalities with the development of a standard bylaw. The bylaw will be adopted and promulgated when all phases have been fully developed. The challenge for the adoption promulgation and gazetting of the SPLUM By-Law within the municipality was consultation phase this phase was delayed due to misunderstanding of the by-law by the traditional authorities.

The municipality is also in the process of developing its wall-to-wall land use scheme. Compliance with these SPLUMA requirements will ensure that the municipality can effectively process all land development applications to speedup service delivery and grow the economy.

For the year 2017/2018 the Municipality received 62 applications for businesses of which 55 were approved and approval in principle and permission to occupy were issued. Seven (7) business applications were not determined at the end of the financial year. 20 applications for residential were received and all of them were approved and issued with P.T.Os. The Municipality also received eight (8) applications for farming of which 6 (Six) were approved an approval in principle were issued only two were outstanding by the end of the financial year. Five (5) applications for churches were received and four (4) were approved and approval in principles issued one (1) was outstanding at the end of the year. Total applications received for the year 2017/2018 were 95 85 were approved and 10 are outstanding.

The municipality has a fully SPLUMA compliant Spatial Development Framework (SDF). The development of the SDF was funded and managed by the Department of Rural Development and Land Reform and was adopted by Council. Amongst others the SDF outlines the following key priority areas:

- the need to initiate the process of formalising Jane Furse as the primary growth point;
- introduction of formal planning of settlements;
- the need to contain urban sprawl;
- conservation of protected areas;



- Development and enhancement of municipal nodes.

There are programmes that have already been initiated in an attempt to implement the proposals contained in the SDF. The municipality conducted the feasibility study for formalisation of Jane Furse as the primary node. This was done by undertaking specific studies and investigations to inform the formal township establishment process of formalizing Jane Fuse.

The municipality also identifies strategic settlements that are formally planned. For the 2017/18 financial year the following settlements were formally planned:

- Groblersvrede (Makgane);
- Korenvelden (Marishane)
- Ga-Mashabela (along R579 to Lebowakgomo)
- Ga-Madihlaba

This is done in response of the SDF to introduce formal planning and to avoid the haphazard nature of allocation of land which makes it difficult and costly to provide services such as roads electricity and water.

There are many challenges facing municipalities in South Africa challenges include the provision of basic services such as housing free basic water and electricity economic development and also being sustainable in providing basic services. Makhuduthamaga is one of the municipalities facing these challenges.

Makhuduthamaga Local Municipality has embarked on the process of trying to resolve these challenges through the developed geographic information system (GIS) strategy and implementation thereof. The strategy is intended to provide or recommend GIS solutions to the current challenges as illustrated in the Integrated Development plan (IDP) faced by the municipality. The strategy amongst others include how GIS will help the municipality raise and save substantial income and how it can assist the municipality in meeting its service delivery objectives and in a number of other areas including asset management land use management and performance monitoring.

Applications for 2017/18 financial year are listed as follows:

2017/18					
Detail	Total	Residential	Farming	Business	Churches
Planning application received	95	20	8	62	5
Determination made in year of receipt	85	20	6	55	4
Determination to be made in following year	10	0	2	7	1
Applications withdrawn	0	0	0	0	0
Applications outstanding at year end	10	0	2	7	1


Employees: Planning Services

Job Level	2016/17	2017/18			
	Employee s	Approve d Posts	Filled posts	Vacancie s (fulltime equivale nts)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	0	0	0	0	0
4 – 6	0	0	0	0	0
7 – 9	7	2	1	6	50%
10 – 12	3	0	0	0	0
13 – 15	0	0	0	0	0
16 – 18	0	0	0	0	0
19 – 20	0	0	0	0	0
Total	10	2	1	6	50%

Financial Performance 2017/18: Planning Services						
Details	2016/17	2017/18				
	Actual	Original Budget	Adjustment Budget	Actual	Commit ments	Variance to Budget
Expenditu re						
Employee s	R 4 663 756.72	R 5 296 011.47	R2 115 858.14	R 4 832 231.34		R299 402.76
Repairs and Maintenan ce	R0.00	R0.00	R0.00	R0.00	R0.00	R0.00
Other	R 1 026 702	R0.00	R0.00	R 4 046 427.38	R0.00	R 1 763 572.62
Total Operatio nal Expendit ure	R 5 690 459	R5296011.47	R2115858.14	R 8 878 658.72	-	R 1 464 169.86

Capital Projects	2017/2018				
	Budget	Adjustment Budget	Actual Expendit ure	Variance from original budget	Total Project Value
Land scarping	R2 400 000	R2 400 000	R1 906 877	0	R 493 122.80



Development of Municipal Park	0	0	0	0	0
Development Of Municipal Cemetery	R 600 000	R1 400 000	R 771 796.84	0	R 628 203.16

3.10 LOCAL ECONOMIC DEVELOPMENT

3.10.1 Comment on Local Economic Development performance overall:

The Local Economic Development (LED) Strategy forms part of Makhuduthamaga Local Municipality's overall strategic plans as outlined in the Integrated Development Planning processes in seeking to promote viable local economic activities that benefit the local population. The Strategy provides the Municipality with a guideline to create and facilitate economic development realise the underlying economic development potential encourage private sector involvement and job creation.

The local economy is highly dependent upon agriculture with vegetables grains and fruit being the key player followed by retail services taxi industry and manufacturing. Grain farming is also a major player on a subsistence basis

The Municipality finalised the development of the strategy which outlines the role of the municipality and other stakeholders in supporting SMMEs. 14 SMMEs were supported during the 2017/18 financial year in line with the LED Strategy. The LED strategy identifies various issues and strategic areas for intervention such as indicated below:

The LED strategy identifies various issues and strategic areas for intervention such as indicated below:

Thrust	LED Programmes
Economic Sector Development	<ul style="list-style-type: none"> • Agriculture cluster development • Mining development • manufacturing development • Construction development • wholesale and retail sector development • Transport storage and communications development • Tourism development • Enterprise development
Economic Infrastructure Development	<ul style="list-style-type: none"> • Roads and transport • Water supply • Electrification • Waste Management • Integrated infrastructure investment plan
Social Infrastructure Development	<ul style="list-style-type: none"> • Skills Development • Housing



	<ul style="list-style-type: none"> • Health • Education
Institutional Support	<ul style="list-style-type: none"> • Business Regulatory Environment • Financial Soundness and Management • LED Directorate Capacity Building

LED Initiatives

With a limited budget for LED projects (versus the need) and two officials to assist with LED implementation the following initiatives have been identified as shown below:

DESCRIPTION OF PROJECT	TOTAL INVESTMENT	PERFORMANCE HIGHLIGHTS
LED Strategy Review	R0.00	LED strategy reviewed and adopted by council
Developmental support for all LED sectors	R11500	14 SMMEs supported at the end of financial year

Challenges: LED

Challenge	Proposed Solution
Limited budget	To budget enough resources for the following financial year

3.11 Service Providers Strategic Performance

Section 76(b) of the Municipal Systems Act (MSA) states that KPIs should inform the indicators set for every municipal entity and service provider with whom the Municipality has entered into a service delivery agreement. According to Auditor General (AG) of South Africa:

- Service provider means a person or institution or any combination of persons and institutions which provide a municipal service;
- External service provider means an external mechanism referred to in section 76(b) which provides a municipal service for a Municipality; and
- Service delivery agreement means an agreement between a Municipality and an institution or person mentioned in section 76(b) in terms of which a municipal service is provided by that institution or person either for its own account or on behalf of the Municipality.

Section 121(b) of the MFMA and Section 46 of the MSA further state that a Municipality should include the following related to service providers in its annual report:

- The performance of each service provider;
- A Comparison of the performance with targets set for and performances in the previous financial year; and
- Measures taken to improve performance.

The following is an analysis of products and services procured by the Municipality for R 200 000 and more.

The table below indicate service providers utilised according to functional areas:



Mimogo re Samelodintshani
Corporate Services

Description of service Rendered	Term Of Contract	Performance Areas	Performance Rating	Performance comment	corrective measure
Provision for Maintenance and Support of ICT Systems and Infrastructure	3 Years	ICT Support Repairs & Maintenance of ICT Equipments	Good	Repairs & maintenance services rendered as per the SLA	None
Supply and Delivery of ICT Equipment's	3 Years	Delivery of ICT equipments	Good	ICT equipments delivered as specified	None
Installation and Maintenance of CCTV Cameras	3 Years	Delivery Installation & maintenance of CCTV cameras	Good	CCTV cameras delivered Installed & maintained as per the specification.	None
Installation and support of Service Desk System	3 Years	Fully functional service desk support	Good	Calls are being attended & resolved on time	None

Budget and Treasury

Description of service Rendered	Term Of Contract	Performance Areas	Performance Rating	Performance comment	Corrective measure
Rendering of Banking Services	5 Years	Safe & affordable primary municipal accounts	Good	Credible primary bank accounts are being properly maintained at lower bank charges.	None
Cleaning Service	3 Years	Cleaning of municipal buildings & satellite offices maintenance of municipal gardens	Good	Cleaning services are being rendered as per the specification	None
Security Service	3 Years	Guarding the municipal assets and	Fair	Some security measures are not being	The service level agreement need to be revisited



		control access to all municipal buildings		implemented as per the SLA and improvements are needed on some of the security measures that are being implemented.	and strictly applied.
Financial System	3 Years	Implementation of the mSCOA system. Transacting live on the mSCOA system.	Good	The mSCOA system is fully functional and used for financial reporting.	None
Printing Services	3 Years	Supply of the required quantity and quality of the printed items	Good	Items are being printed & supplied at the right quality & number.	None
Supply and Delivery of Vehicles	5 Years/100000 kms	Delivery and maintenance of vehicles	Good	Vehicles were delivered and well maintained as per the SLA	None

Community Services

Description of service Rendered	Term Of Contract	Performance Areas	Performance Rating	Performance comment	corrective measure
Supply and Delivery of waste collection Truck	5 Years/100 000 kms	Delivery and maintenance of a waste collection truck	Good	The waste collection truck was delivered and is being maintained properly	None
Supply and installation of CCTV cameras at DLTCs	3 Years	Delivery Installation & maintenance of CCTV cameras	Good	CCTV cameras delivered Installed & maintained as per the specification.	None

Economic Development and Planning

Description of service	Term Of Contract	Performance Areas	Performance Rating	Performance comment	Corrective measure
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Rendered					
Demarcation of sites	12 months	Situational analysis	Good	Analysis was completed on time.	None
		Stakeholder engagement	Good	Relevant stakeholders were all engaged.	None
		Specialist studies (EIA Geotech)	Good	Studies were completed on all areas of speciality	None
		Layout plans drafting	Good	Layouts draft completed	None
		Pegging	Good	Pegging completed	None
Provision of informal trading stalls	No contract	None	None	None	None

Infrastructure Services

Description of service rendered	Term of contract	Performance area	Performance rating	Performance comment	Corrective measure
Maintenance of Roads-Loge Construction	3 Years	Maintenance of the road infrastructure assets	Good	The municipal road infrastructure was maintained properly.	None
Construction Services – October jv Lilithalethu	8 Months	Construction of Mohlala Madibaneng access road	Good	Construction of Mohlala Madibaneng was successfully completed.	None
Construction services – Big Rock construction	6 months	Maila Mapitsane access road	Good	Construction of Maila Mapitsane was successfully completed.	None
Construction Services-Popopo & Sons	5 months	Manganeng access bridge	Good	Construction of Manganeng access	None



Description of service rendered	Term of contract	Performance area	Performance rating	Performance comment	Corrective measure
				bridge was successfully completed.	
Construction Services-Patrick Makgoka Construction	10 months	Rietfontein to Eenzaam access road	Good	Construction of Manganeng access bridge is still in progress.	None
Consultant Services-Stone found Consulting Engineers	10 months	Rietfontein to Eenzaam access road & Madibaneng Mohlala & Kolokotela internal road & Manganeng access bridge	Good	Constructions of Mohlala madibaneng Kolokotela internal road & Manganeng access bridge were completed successfully Rietfontein to Eenzaam access road is still in progress.	None
Construction Services-Matuludi CC	10 months	Thabampshe phase 2 access road	Good	Construction Thabampshe access road was completed successfully.	None
Consultant Services-Sejagobe Consulting Engineers	6 months	Mathibeng tribal office access road	Good	Construction of access road to Mathibeng Tribal office was completed successfully.	None
Consultant Services-Ntsako Tiyani Consulting Engineers	10 Months	Thabampshe Phase 2 access road & Glen Cowie Moloji access road	Good	Thabampshe Phase 2 & Glen Cowie Moloji access roads were completed successfully.	None



Description of service rendered	Term of contract	Performance area	Performance rating	Performance comment	Corrective measure
Consultant Services- Marumo Consulting Engineers	6 months	Mashupye access road	Good	Mashupye access road was completed successfully.	None
Consulting Services- Mapoxe Consulting Engineers	8 months	Makgwabe Mphane access road	Good	Makgwabe Mphane access road was completed successfully.	None
Construction Services- Mazaxa Construction	6 months	Mathibeng tribal office access road	Good	Mathibeng tribal office access road was completed successfully.	None
Construction Services- Sihle Civils	10 months	Makgwabe Mphane access road	Good	Makgwabe Mphane access road was completed successfully.	None
Consulting services – Marumo consulting	6 months	Mashupye access road	Good	Mashupye access road was completed successfully.	None
Consulting services – Makhoshi Consulting	6 months	Maila Mapitsane access road	Good	Maila Mapitsane access road was completed successfully.	None
Construction of Road- Kgwadi ya madiba	6 Months	Mashishing reservoir & Glen Cowie Moloji access road	Good	Mashishing reservoir & Glen Cowie Moloji access roads were completed successfully.	None
Construction of Road- Kgwadi ya madiba	8 months	Glen Cowie to Moloji access road	Good	Glen Cowie to Moloji access road was completed successfully.	None
Construction – mulalo business enterprise	8 months	Kolokotela internal road	Good	Kolokotela internal road was	None



Description of service rendered	Term of contract	Performance area	Performance rating	Performance comment	Corrective measure
				completed successfully.	
Construction of Road - Mathomomayo	6 months	Mashupye access road	Good	Mashupye access road was completed successfully.	None

3.12 Performance on National Performance Indicators

The following table indicate the Municipality's performance in terms of the National Key Performance Indicators required in terms of the Local Government: Municipal Planning and the Performance Management Regulations of 2001 and section 43 of the MSA. These Key Performance Indicators were linked to the National Key Performance Areas.

Municipal Financial Viability and Management

KPA and Indicator	Municipal Achievement	Municipal Achievement	Municipal Achievement
	2015/16	2016/17	2017/18
Debt coverage (Total operating revenue –operating grants received)/ debt service payments due within a year	0.48	0.35	0.30
Service debtors to revenue –(Total outstanding service debtors/ revenue received for services)	0	0	0
Cost coverage (Available cash +investments)/ Monthly fixed operating expenditure	2.03	1.77	1.19
The percentage of a Municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the Municipality's integrated development plan	49%	56%	58%

Employees in LED

Job Level	2017/18			
	Posts No.	Filled Posts	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts)
0 – 3	0	0	0	0
4 – 6	0	0	0	0
Total	0	0	0	0



Munqo re, somela diehetogo!

Jobs created during 2017/18 by LED Initiatives (Excluding EPWP Projects)

Total Jobs created / Top 3 initiatives	Jobs created	Jobs lost / displaced by other initiatives	Net total jobs created in year	Method of validating jobs created/lost
Total (all initiatives)	70	0	70	Cooperatives
Initiative A (12/13)	0	0	0	None
Initiative B (12/13)	0	0	0	None
Initiative C (12/13)	0	0	0	None

Job creation through EPWP projects

Year	EPWP Implemented Projects	Jobs created through EPWP projects	
	No.	No.	
2015/16	12	159	Register of projects
2016/17	8	242	Register of projects
2017/18	11	104	Register of projects

Financial Performance for LED in 2017/18

Details	2017/18				
	Original Budget	Adjustment Budget	Actual	Commitments	Variance to Budget
Total Operational Revenue (excluding tariffs)					
Expenditure:	2 200 000	2 200 000	1 425 538	0	774 461
Employees	1 150 943	1 150 943	644 545	0	506 398
Repairs and Maintenance	0	0	0	0	0
Other	0	0	0	0	0
Total Operational Expenditure	3 350 943	3 350 943	2 070 083	0	1 280 859

3.13 PERFORMANCE SCORE CARD

KPA 1: SPATIAL RATIONALE

Strategic Objective:	To ensure acquisition and sustainable use of land and promote growth and development			
Number of Original Annual Targets	Number of Targets after adjustment	Number of Achieved Targets	Number of targets not achieved	Performance percentage
7	8	4	4	50%

IDP REF No	Directorate	Project	Measurable Objective	Performance Indicator	Unit of Measurements	2017/18 Financial year						Means of verification of targets (Evidence)	2017/18 Adjusted Budget R'000	2017/18 Actual Expenditure R'000
						2017/18 Original Annual Target	2017/18 Revised Annual Target	2017/18 year Actual	Target Achieved / Not achieved	Reason for not achieved	Remedial action			
SR01	Economic Development and Planning	Identify suitable land packages for development in accordance with SDF	To control hectares of land for development.	Hectares of land acquired	Number of ha acquired.	5000 ha identified.	227 ha	227ha	Target achieved	None	None	Tribal resolution	R200	R000
SR02	Economic Development and Planning	Implementation of Land Use Management Scheme as per SPLUMA	To create coordinated and sustainable development within municipal area.	Percentage of Land Use Management Schemes completed	Scope of work completed /Total Scope of work	100% completion by 2017/18	100%	0%	Target not achieved	Service provider appointed late in June 2018	To be implemented in 2018/19 financial year	1. Appointment letter 2. Draft LUMS document 3. Council resolution	R100	R000
SR03	Economic	Implement GIS	To store integrate	Percentage of GIS	Scope of work	100% completion	100%	100%	Target achieved	None	None	1. Launching and hand	R1000	R860

IDP REF No	Directorate	Project	Measurable Objective	Performance Indicator	Unit of Measurements	2017/18 Financial year						Means of verification of targets (Evidence)	2017/18 Adjusted Budget R'000	2017/18 Actual Expenditure R'000
						2017/18 Original Annual Target	2017/18 Revised Annual Target	2017/18 year Actual	Target Achieved / Not achieved	Reason for not achieved	Remedial action			
	Development and Planning		and manage spatial or geographic data within municipal area.	implementation.	completed /Total Scope of work	n by 2017/18			d			over report 2. GIS project completion certificate		
SR04	Economic Development and Planning	Implementation of building control policies and regulations	To promote adherence to minimum standards for buildings within municipal area.	Building control policies noted by council.	Number of building control policies	100% completion by 2017/18	1	0	Target not achieved	Service provider appointed late in June 2018	To be implemented in 2018/19 financial year	1. Draft Building regulations policy. 2. Council resolution.	R100	R000
SR05	Economic Development and Planning	Formal settlement planning (site demarcation)	To have formally planned settlements according to LUMS.	Formal settlements Demarcated.	Number of settlements demarcated	3 settlements 100% completed	3	0	Target not achieved	Land claim issues	To request Land commission to engage claimants. Community resolution	Approved layout plan	R2 400	R1 907
SR06	Economic Develop	Formalize Jane Furse	To formalize Jane	Percentage of formalization	Scope of Work completed	100% completion by	100%	75%	Target achieved	None	To be approved by council	1. Progress report.	R1 800	R1 224

IDP REF No	Directorate	Project	Measurable Objective	Performance Indicator	Unit of Measurements	2017/18 Financial year						Means of verification of targets (Evidence)	2017/18 Adjusted Budget R'000	2017/18 Actual Expenditure R'000
						2017/18 Original Annual Target	2017/18 Revised Annual Target	2017/18 year Actual	Target Achieved / Not achieved	Reason for not achieved	Remedial action			
	ment and Planning	primary node as a town	Furse as a town.	on of Jane Furse completed	/Total scope of work	2017/2018			d		in the next council sitting	2. Approved Layout Plan 3. Council resolution		
SR 07	Economic Development and Planning	Cluster based Municipal cemeteries	To provide burial facilities to 4 clusters.	Sites of land allocated by Traditional Leaders for cemeteries.	Number of sites	33% completed	4	0	Target not achieved	Traditional authorities reluctant to release land. Land claim issues	To encourage the traditional authorities to release land Land Claim Commission to engage traditional authorities	1. Tribal resolution and PTO.	R000	R000
				Meetings held with Traditional Leaders	Number of Meetings	0	4	4	Target achieved	None	None	Attendance registers.		

KPA 2: BASIC SERVICE DELIVERY

Strategic Objective:	Provision of infrastructure for improved quality of life			
Number of Original Annual Targets	Number of Targets after adjustments	Number of Achieved Targets	Number of targets not achieved	Performance percentage
37	30	28	2	93%

IDP REF No	Directorate	Project	Measurable Objective	Performance Indicator	Unit of Measurements	2017/18 Financial year						Means of verification of targets (Evidence)	2017/18 Adjusted Budget R'000	2017/18 Actual Expenditure R'000
						2017/18 Original Annual Target	2017/18 Revised Annual Target	2017/18 year Actual	Target Achieved / Not achieved	Reason for not achieved	Remedial action			
BS01	Infrastructure Services	Construction of Makgwabe to Mphane Access Road (10km) (MIG) Phase 1	To upgrade gravel access road to tarred road.	Percentage (%) of road construction completed.	Scope of work activities completed /Total Scope of work activities.	5km	45%	45%	Target achieved	None	None	1. Progress report 2. Project Completion Certificate	R 4 779	R15 995
BS02	Infrastructure Services	Construction of Rietfontein to Eensaam Access Road Phase 2(10.5km) (MIG) Phase 2	To upgrade gravel access road to tarred road.	Percentage (%) of road construction completed.	Scope of work activities completed /Total Scope of work activities.	5km	25%	45%	Target achieved	None	None	1. Progress report. 2. Project Completion Certificate	R 3 134	R 8 828

IDP REF No	Directorate	Project	Measurable Objective	Performance Indicator	Unit of Measurements	2017/18 Financial year						Means of verification of targets (Evidence)	2017/18 Adjusted Budget R'000	2017/18 Actual Expenditure R'000
						2017/18 Original Annual Target	2017/18 Revised Annual Target	2017/18 year Actual	Target Achieved / Not achieved	Reason for not achieved	Remedial action			
												ate		
BS03	Infrastructure Services	Construction of Thabampshe Cross To Tswaing Access Road(MIG) Phase 2	To upgrade gravel access road to tarred road.	Percentage (%) of road construction completed.	Scope of work activities completed /Total Scope of work activities.	6.5km	100%	100%	Target achieved	None	None	1. Progress report. 2. Project Completion Certificate	R 21 302	R26 798
BS04	Infrastructure Services	Construction of Access Road from Glen Cowie to Molo (5km) (MIG)	To upgrade gravel access road to tarred road.	Percentage (%) of road construction completed.	Scope of work activities completed /Total Scope of work activities.	5km	100%	100%	Target achieved	None	None	1. Progress report 2. Project Completion Certificate	R 32 104	R31 752
BS05	Infrastructure Services	MIG Overheads	To fund Project management Unit administration	Percentage of MIG Overhead's budget used.	Expenditure to date/Total Budget allocation	100% Spending	100%	100%	Target achieved	None	None	Proof of payments and monthly reports	R 1 488	R 1 488

IDP REF No	Directorate	Project	Measurable Objective	Performance Indicator	Unit of Measurements	2017/18 Financial year						Means of verification of targets (Evidence)	2017/18 Adjusted Budget R'000	2017/18 Actual Expenditure R'000
						2017/18 Original Annual Target	2017/18 Revised Annual Target	2017/18 year Actual	Target Achieved / Not achieved	Reason for not achieved	Remedial action			
BS06	Infrastructure Services	Construction of road from Mashabela Tribal office to Mphanama(10km)(MIG)	To upgrade gravel access road to tarred road.	Percentage of road designs completed.	Scope of work activities completed /Total Scope of work activities.	Design	0%	0%	Target removed during adjustments	Not applicable	Not applicable	Not applicable	R000	R000
BS07	Infrastructure Services	Construction of Access Road from R579 to Mashishing Main Reservoir(2.1 km)	To upgrade gravel access road to tarred road.	Percentage (%) of road construction completed.	Scope of work activities completed /Total Scope of work activities	2.1km	100%	100%	Target achieved	None	None	Progress report. Project Completion Certificate	R 8333	R8 027
BS08	Infrastructure Services	Construction of Mohlala/Ngwantshwane Access Bridge	To create access from Mohlala village to Ngwanatshwane village.	Percentage (%) of road construction completed.	Scope of work activities completed /Total Scope of work activities.	Design completed	10%	10%	Target achieved	None	None	1. Progress report. 2. Appointment letter.	R 4677	R569
BS09	Infrastructure Services	Construction of Thusong Centre	To create a one Stop Government	Percentage (%) of building construction	Scope of work activities completed /Total	Detailed Designs	0%	0%	Target removed during adjustment	Not applicable	Not applicable	Not applicable	R000	R000

IDP REF No	Directorate	Project	Measurable Objective	Performance Indicator	Unit of Measurements	2017/18 Financial year						Means of verification of targets (Evidence)	2017/18 Adjusted Budget R'000	2017/18 Actual Expenditure R'000
						2017/18 Original Annual Target	2017/18 Revised Annual Target	2017/18 year Actual	Target Achieved / Not achieved	Reason for not achieved	Remedial action			
			Service Centre for the community	completed.	Scope of work activities.				ent					
BS10	Infrastructure Service	Construction of access road to MailaMapitsane Tribal Office Phase 4(2.4km)	To upgrade gravel access road to tarred road.	Percentage (%) of road construction completed.	Scope of work activities completed /Total Scope of work activities.	2.4km completed	100%	100%	Target achieved	None	None	1. Progress report. 2. Completion Certificate	R 13 140	R 12 854
BS11	Infrastructure Services	Construction of access road to Mashupy village (2.6km)	To upgrade gravel access road to tarred road.	Percentage (%) of road construction completed.	Scope of work activities completed /Total Scope of work activities.	2.6km completed	100%	100%	Target achieved	None	None	1. Progress report. 2. Completion Certificate	R 8 771	R7 388
BS12	Infrastructure Services	Construction of Manganeng Access Bridge(EQ)	To upgrade gravel access road to tarred road.	Percentage (%) of bridge construction completed.	Scope of work activities completed /Total Scope of work	Bridge Completed	100%	100%	Target achieved	None	None	1. Progress report 2. Completion Certificate	R 6 052	R5 556

IDP REF No	Directorate	Project	Measurable Objective	Performance Indicator	Unit of Measurements	2017/18 Financial year						Means of verification of targets (Evidence)	2017/18 Adjusted Budget R'000	2017/18 Actual Expenditure R'000
						2017/18 Original Annual Target	2017/18 Revised Annual Target	2017/18 year Actual	Target Achieved / Not achieved	Reason for not achieved	Remedial action			
					activities.							ate		
BS13	Infrastructure Services	Construction of Access Road from Sekhukhune Traffic Station to Bridge	To upgrade gravel access road to tarred road.	Percentage (%) of road construction completed.	Scope of work activities completed /Total Scope of work activities.	0.7 km of road completed	10%	10%	Target achieved	None	None	1. Progress report 2. Completion Certificate	R 2825	R300
BS14	Infrastructure Services	Construction of Cabrievie/Khayelicha access bridge	To create access from Cabrievie to Glen Cowie village.	Percentage (%) of road construction completed.	Scope of work activities completed /Total Scope of work activities.	Design completed	10%	10%	Target achieved	None	None	1. Progress report 2. Completion Certificates	R 1335	R704
BS15	Infrastructure Services	Construction of road from Lobethal to Tisane(3.3km)	To upgrade gravel access road to tarred road.	Percentage (%) of road designs completed.	Scope of work activities completed /Total Scope of work activities.	Design completed	0%	0%	Target removed during adjustment	Not applicable	Not applicable	Not applicable	R000	R000
BS16	Infrastructure	Construction of road from	To upgrade	Percentage (%) of	Scope of work	Design complete	0%	0%	Target removed	Not applicable	Not applicable	Not applicable	R000	R000

IDP REF No	Directorate	Project	Measurable Objective	Performance Indicator	Unit of Measurements	2017/18 Financial year						Means of verification of targets (Evidence)	2017/18 Adjusted Budget R'000	2017/18 Actual Expenditure R'000
						2017/18 Original Annual Target	2017/18 Revised Annual Target	2017/18 year Actual	Target Achieved / Not achieved	Reason for not achieved	Remedial action			
	Services	Mokwete to Molapane/Ntwane (6 km)	gravel access road to tarred road.	road designs completed.	activities completed /Total Scope of work activities.	ted			during adjustment	le	e			
BS17	Infrastructure Services	Construction of Access road to Mochadi(1.5 km)	To upgrade gravel access road to tarred road.	Percentage (%) of road designs completed.	Scope of work activities completed /Total Scope of work activities.	Design completed	0%	0%	Target removed during adjustment	Not applicable	Not applicable	Not applicable	R000	R000
BS18	Infrastructure Services	Construction of Seruteng/Marishane Access Bridge	To create access from Marishane village to Seruteng village.	Percentage (%) of road designs completed.	Scope of work activities completed /Total Scope of work activities.	Design completed	0%	0%	Target removed during adjustment	Not applicable	Not applicable	Not applicable	R000	R000
BS19	Infrastructure Services	Glen Cowie old Post Office to Phokwane Police Station(3km)	To upgrade gravel access road to tarred	Percentage (%) of road designs completed.	Scope of work activities completed /Total Scope of work	Design completed	0%	0%	Target removed during adjustment	Not applicable	Not applicable	Not applicable	R000	R000

IDP REF No	Directorate	Project	Measurable Objective	Performance Indicator	Unit of Measurements	2017/18 Financial year						Means of verification of targets (Evidence)	2017/18 Adjusted Budget R'000	2017/18 Actual Expenditure R'000
						2017/18 Original Annual Target	2017/18 Revised Annual Target	2017/18 year Actual	Target Achieved / Not achieved	Reason for not achieved	Remedial action			
			road.		activities.									
BS20	Infrastructure Services	Electrification of households at MogudiMakhoshala Ext 3Ga Maboki MantlhanyaneMalakaNtoaneDikatoneSetebong Khayelitsha/ Glen Cowie(DOE)	To provide access to electric energy for households	Percentage (%) of electrification construction completed.	Scope of work activities completed /Total Scope of work activities.	347	60%	80%	Target achieved	None	None	1. Progress report 2. Completion Certificate	R 5 032	R4 184
BS21	Infrastructure Services	Electrification of households at Legabeng/stocking.GasekeDichouengMogashwa ManamaneMotong Ext 5Marulaneng Dinotji(DOE)	To provide access to electric energy for households	Percentage (%) of electrification construction completed.	Scope of work activities completed /Total Scope of work activities.	190 households electrified	60%	85%	Target achieved	None	None	1. Progress report 2. Completion Certificate	R 2 755	R1 850
BS22	Infrastructure	Electrification of	To provide	Percentage (%) of	Scope of work	390 household	70%	92%	Target achieved	None	None	1. Progress	R 5	R5 243

IDP REF No	Directorate	Project	Measurable Objective	Performance Indicator	Unit of Measurements	2017/18 Financial year						Means of verification of targets (Evidence)	2017/18 Adjusted Budget R'000	2017/18 Actual Expenditure R'000
						2017/18 Original Annual Target	2017/18 Revised Annual Target	2017/18 year Actual	Target Achieved / Not achieved	Reason for not achieved	Remedial action			
	Services	households at Masemola Police station ExtMamatjek eleSekale /ApelCrossThabampsheSeragengKolo kotelaVlakplassMotseleope(DOE)	access to electric energy for households	electrification construction completed.	activities completed /Total Scope of work activities.	olds electrified			d			report 2. Completion Certificate	655	
BS23	Infrastructure Services	Maintenance of road and storm water infrastructure	To keep Roads & storm water infrastructure conditions at industry standards	Percentage (%) of repair and maintenance completed.	Number of repair and maintenance activities completed /Total Number of planned repair and maintenance activities	100% maintenance of roads and water	100%	100%	Target achieved	None	None	Completion reports	R17 300	R29 483
BS24	Infrastructure Services	Maintenance of electricity Infrastructure	To keep Electricity infrastructure conditions	Percentage (%) of repair and maintenance	Number of repair and maintenance activities	100% maintenance of electric	100%	100%	Target achieved	None	None	Completion reports	R 3 000	R2 661

IDP REF No	Directorate	Project	Measurable Objective	Performance Indicator	Unit of Measurements	2017/18 Financial year						Means of verification of targets (Evidence)	2017/18 Adjusted Budget R'000	2017/18 Actual Expenditure R'000
						2017/18 Original Annual Target	2017/18 Revised Annual Target	2017/18 year Actual	Target Achieved / Not achieved	Reason for not achieved	Remedial action			
			at industry standards	completed.	completed /Total Number of planned repair and maintenance activities	al infrastructure								
BS25	Infrastructure Services	Repair and Maintenance other assets	To keep all municipal assets in good conditions	Percentage (%) of repair and maintenance completed.	Number of repair and maintenance activities completed /Total Number of planned repair and maintenance activities	100% maintenance of other assets.	100%	100%	Target achieved	None	None	Completion reports	R 6 500	R2 590
BS26	Infrastructure Services	Ward based Expanded Public Works Projects 1.Segwahlen g Stone Crushing Recycling	Community Services provided through mass job creating methods	EPWP jobs created.	Number of jobs	4 EPWP projects supported	104	104	Target achieved	None	None	1. Proof of payments 2. Monthly reports	R 2 000	R2 463

IDP REF No	Directorate	Project	Measurable Objective	Performance Indicator	Unit of Measurements	2017/18 Financial year						Means of verification of targets (Evidence)	2017/18 Adjusted Budget R'000	2017/18 Actual Expenditure R'000
						2017/18 Original Annual Target	2017/18 Revised Annual Target	2017/18 year Actual	Target Achieved / Not achieved	Reason for not achieved	Remedial action			
		of waste Municipal street cleaning Maintenance of municipal sports facilities												
BS27	Community Services	Solid waste collection and management	To ensure clean and sustainable environment	Percentage of Waste disposed.	Number of waste (tons) disposed /total No. of waste (tons) received	100% (Procure refuse bags management of illegal dumping bins procured	100%	100%	Target achieved	None	None	Monthly report.	R24 600	R23 666
BS28	Community Services	Protection of Environmental Sensitive areas	To secure and preserve environmental sensitive areas	Wetlands areas fenced	Number of wetlands	4 Environmental sensitive areas	3	3	Achieved	None	None	Letter of Completion signed by User department	R600	R000

IDP REF No	Directorate	Project	Measurable Objective	Performance Indicator	Unit of Measurements	2017/18 Financial year						Means of verification of targets (Evidence)	2017/18 Adjusted Budget R'000	2017/18 Actual Expenditure R'000
						2017/18 Original Annual Target	2017/18 Revised Annual Target	2017/18 year Actual	Target Achieved / Not achieved	Reason for not achieved	Remedial action			
			within municipal area.											
BS29	Community Services	Environmental awareness and Clean-up campaigns	To increase awareness among communities on key environmental issues.	Awareness and cleanup campaigns held	Number of campaigns	4 Campaigns conducted	4	4	Target achieved	None	None	Agenda and attendance register	R300	R236
BS30	Community Services	Fencing of cemeteries	To protect cemeteries from wandering animals.	Cemeteries fenced	Number of cemeteries	10 Cemeteries fenced	6	6	Target Achieved	None	None	Completion letters.	R1 400	R602
BS31	Community Services	Library Awareness campaign	To promote Library services awareness to municipality's communities.	Awareness campaigns held	Number of campaigns	10 Campaigns held.	10	10	Target achieved	None	None	1. Attendance register 2. Awareness campaign reports	R110	R74

IDP REF No	Directorate	Project	Measurable Objective	Performance Indicator	Unit of Measurements	2017/18 Financial year						Means of verification of targets (Evidence)	2017/18 Adjusted Budget R'000	2017/18 Actual Expenditure R'000
						2017/18 Original Annual Target	2017/18 Revised Annual Target	2017/18 year Actual	Target Achieved / Not achieved	Reason for not achieved	Remedial action			
BS32	Community Services	Road safety programs	To promote road safety awareness to municipality's communities.	Awareness Campaigns held.	Number of campaigns	8 Campaign for awareness conducted	04	04	Target achieved.	None	None	1. Attendance register 2. Awareness campaign reports	R600	R645
BS33	Community Services	Disaster Relief management	To manage and respond timeously to disaster incidences.	Percentage of disaster incidences attended to.	Number of incidences attended/total number of reported incidences	Stock levels (Relief Material)	100%	100%	Target achieved	None	None	1. Disaster management Reports.	R1 000	R549
				Disaster recovery plan approved by council	Number of plans		1	1	0	Target not achieved.	1. The disaster recovery plan is still a draft	To be finalized and be presented to Council on the 29 October 2018		

IDP REF No	Directorate	Project	Measurable Objective	Performance Indicator	Unit of Measurements	2017/18 Financial year						Means of verification of targets (Evidence)	2017/18 Adjusted Budget R'000	2017/18 Actual Expenditure R'000
						2017/18 Original Annual Target	2017/18 Revised Annual Target	2017/18 year Actual	Target Achieved / Not achieved	Reason for not achieved	Remedial action			
BS34	Community Services	Disaster awareness campaign	To promote disaster management awareness to municipality's communities	Awareness Campaigns held.	Number of campaigns	8	8	8	Target achieved	None	None	1.Attendance register. 2.Awareness campaign reports	R270	R110
BS35	Community Services	Upgrading of Sport Facilities(Marishane Glen-Cowie and Jane Furse Artificial Pitch)	To keep all sports facilities in good conditions .	Sports facilities upgraded.	Number of sports facilities.	3	3	2	Target not achieved	Extension of the artificial pitch fence is delayed due land issues between tribal authorities	Engagement with Tribal authorities in progress .	Projects Completion letters.	R2 100	R979
BS36	Community Services	Sports Arts and Culture promotion.	To promote sports arts and culture	Sports tournaments played.	Number of tournaments	Sports Arts and Culture promoti	2	2	Target achieved	None	None	Attendance register.	R1 035	R847

IDP REF No	Director ate	Project	Measura ble Objective	Performa nce Indicator	Unit of Measure ments	2017/18 Financial year						Means of verificatio n of targets (Evidence)	2017/1 8 Adjust ed Budget R'000	2017/18 Actual Expenditu re R'000
						2017/1 8 Original Annual Target	2017/1 8 Revised Annual Target	2017/1 8 year Actual	Target Achieve d / Not achieve d	Reason for not achieve d	Remedi al action			
			activities.			on as per progra mme.								
				Arts and culture events held	Number of tourname nts	Sports Arts and Culture promoti on as per progra mme.	2	2	Target achieve d	None	None	Attendance register.		

KPA 3: LOCAL ECONOMIC DEVELOPMENT (LED)

Strategic Objective:	To create and manage an environment that will develop stimulate and strengthen local economic growth			
Number of Original Annual Targets	Number of Revised Annual Targets	Number of Achieved Targets	Number of targets not achieved	Performance percentage
5	4	3	1	75%

No.	Directorate	Project	Measurable Objective	Key Performance Indicators	Unit of measurement	2017/2018 Financial Year						Means of verification of targets (Evidence)	2017/18 Adjusted Budget R'000	2017/18 Adjusted Expenditure R'000
						2017/18 Original Annual Target	2017/18 Revised Annual Target	2017/18 year Actual	Target Achieved / Not achieved	Reason for not achieved	Remedial action			
LE D01	Economic Development and Planning	Economic Summit /forums	To provide support and encourage Local Economic Development.	Local Economic Development summits held.	Number of summits	1 Economic Summit	1	0	Target not attained	Inadequate Planning	To be held in 2018/19	Attendance register.	R200	R000
				Economic forums held.	Number of forums	4 LED forums	4	4	Target achieved	None	None	Attendance register.	R000	R000
LE D02	Economic Development and Planning	Developmental support for all LED Sectors	To facilitate developmental support to all LED Sectors.	Ward-based LED profiles completed.	Number of wards	-1 Updated Ward-based LED profile -1 Updated Agricultural value chain	31	31	Target achieved	None	None	1. LED profile for wards.	R000	R000

No.	Directorate	Project	Measurable Objective	Key Performance Indicators	Unit of measurement	2017/2018 Financial Year						Means of verification of targets (Evidence)	2017/18 Adjusted Budget R'000	2017/18 Adjusted Expenditure R'000
						2017/18 Original Annual Target	2017/18 Revised Annual Target	2017/18 year Actual	Target Achieved / Not achieved	Reason for not achieved	Remedial action			
				SMMEs and Cooperatives supported financially	Number of SMMEs/ Cooperatives	-15 SMMEs / cooperatives assisted (in access to business services & skills)	8	8	Target achieved	None	None	Invoices and completion letter signed by user department.	R2 000	R1 325

KPA 4: FINANCIAL VIABILITY

Strategic Objective:	To provide sound and sustainable management of the financial affairs of Makhuduthamaga Municipality			
Number of Original Annual Targets	Number of Revised Annual Targets	Number of Achieved Targets	Number of targets not achieved	Performance percentage
18	17	15	2	88%

IDP Ref No.	Directorate	Project	Measurable Objective	Key Performance Indicators	Unit of measurement	2017/2018 Financial Year						Means of verification of targets (Evidence)	2017/18 Adjusted Budget R'000	2017/18 Actual Expenditure R'000
						2017/18 Original Annual Target	2017/18 Revised Annual Target	2017/18 year Actual	Target Achieved / Not achieved	Reason for not achieved	Remedial action			
BT 01	Budget and Treasury Office	Implement mSCOA	To comply with mSCOA regulations and Circulars.	mSCOA system modules running live.	Number of modules running live.	mSCOA systems operated live.	9	9	Target achieved	None	None	General Ledger Trial Balance	R1 627	R3 445
BT 02	Budget and Treasury Office	Revenue management	To Increase own revenue and reduced dependency on government grants	Percentage of Own revenue collected	Total Revenue collected/Total revenue billed.	65% revenue collection.	55%	21%	Target not attained	Government Departments and Local businesses do not pay their property rates accounts	Engagements with Public works and Businesses owners in progress.	Revenue report	R1 119	R27

IDP Ref No.	Directorate	Project	Measurable Objective	Key Performance Indicators	Unit of measurement	2017/2018 Financial Year						Means of verification of targets (Evidence)	2017/18 Adjusted Budget R'000	2017/18 Actual Expenditure R'000
						2017/18 Original Annual Target	2017/18 Revised Annual Target	2017/18 year Actual	Target Achieved / Not achieved	Reason for not achieved	Remedial action			
				Percentage of customers billed	Number of customers billed/total number of customers as per valuation roll	12 invoices per customer.	100%	100%	Target achieved	None	None	Billing report		
				Supplementary valuation rolls completed.	Number of supplementary valuation rolls	Updated Valuation Roll	1	1	Target achieved	None	None	Supplementary valuation roll.	R000	R000
BT 03	Budget and Treasury Office	Procurement management	To ensure effectiveness and efficiency in Prudent and efficient expenditure management	Procurement plans approved	Number of procurement plans approved.	Implement all procurement plans within targeted timeframes.	1	1	Target achieved	None	None	Procurement plan.	R000	R000
BT 04	Budget and Treasury	MFMA interns hip program	To provide skills and relevant	Percentage of FMG spent.	Total FMG expenditure /Total FMG	100% completion of all FMG	100%	100%	Target achieved	None	None	1. Signed FMG report	R1 700	R1 700

IDP Ref No.	Directorate	Project	Measurable Objective	Key Performance Indicators	Unit of measurement	2017/2018 Financial Year						Means of verification of targets (Evidence)	2017/18 Adjusted Budget R'000	2017/18 Actual Expenditure R'000	
						2017/18 Original Annual Target	2017/18 Revised Annual Target	2017/18 year Actual	Target Achieved / Not achieved	Reason for not achieved	Remedial action				
	Office	m	experience to interns.		Budget	programs							s. 2.FMG Spending POE		
BT 05	Budget and Treasury Office	Budget Management	To facilitate compliant financial planning and reporting.	Tabling of annual budget.	No. of draft annual budgets tabled.	-1 Budget	1	1	Target achieved	None	None	Council resolution.	R000	R000	
				Annual Budget approved	No. Annual budgets approved	-1 Budget	1	1	Target achieved	None	None	Council resolution.	R000	R000	
				Adjustment Budgets approved	No. of adjustment budgets approved.	-1 Adjustment budget	1	1	Target achieved	None	None	Council resolution.	R000	R000	
				IYM reports submitted	No. of (IYM) Reports submitted.	12 IYM Reports	12	12	Target achieved	None	None	Council resolution.	R000	R000	
				Quarterly reports approved by council	Number of reports	4 Quarterly reports	4	4	Target achieved	None	None	Council resolution.	R000	R000	
				Annual report approved	Number of Annual reports.	1 Annual Report	1	1	Target achieved	None	None	Council resolution.	R000	R000	

IDP Ref No.	Directorate	Project	Measurable Objective	Key Performance Indicators	Unit of measurement	2017/2018 Financial Year						Means of verification of targets (Evidence)	2017/18 Adjusted Budget R'000	2017/18 Actual Expenditure R'000
						2017/18 Original Annual Target	2017/18 Revised Annual Target	2017/18 year Actual	Target Achieved / Not achieved	Reason for not achieved	Remedial action			
				by council										
BT 06	Budget and Treasury Office	Expenditure Monitoring	To ensure authorized expenditure.	Monthly reconciliation approved.	Number of reconciliations	Monthly reconciliation and reports	12	12	Target achieved	None	None	Signed monthly reconciliations.	R000	R000
BT 07	Budget and Treasury Office	Annual Financial Statements (AFS)	To comply with section 22 of the MFMA	AFS submitted	Number of AFS submitted.	AFS submitted to AGSA Provincial and National Treasury.	1	1	Target achieved	None	None	Acknowledgement of receipt	R000	R000
BT 08	Budget and Treasury Office	Asset management	To Adequately manage all municipal assets.	Office furniture acquired	Number of office furniture	Acquire furniture for new building	101	125	Target achieved	None	None	1.Delivery notes. 2.Assets register	R1 000	R783
				Plant vehicles acquired.	Number of vehicles	1 Tipper truck 1 TLB 1 Water	0	Target removed during adjustments	Not applicable	Not applicable	Not applicable	Not Applicable	R1 000	R000

IDP Ref No.	Directorate	Project	Measurable Objective	Key Performance Indicators	Unit of measurement	2017/2018 Financial Year						Means of verification of targets (Evidence)	2017/18 Adjusted Budget R'000	2017/18 Actual Expenditure R'000
						2017/18 Original Annual Target	2017/18 Revised Annual Target	2017/18 year Actual	Target Achieved / Not achieved	Reason for not achieved	Remedial action			
						Tanker								
				Air conditioners acquired and installed.	Number of Air conditioners	Acquire and install air conditioners for all office	62	0	Target not attained	Inadequate implementation of procurement plan.	Complete the project in 2018-19 financial year.	Completion certificate	R2 000	R000
BT 09	Budget and Treasury Office	Co-ordination of external audit (AGSA audit)	To facilitate clean financial management and compliance with MFMA and GRAP.	External Audit outcomes achieved	AGSA Audit opinion	Unqualified audit opinion.	Unqualified audit opinion.	Unqualified audit opinion	Target achieved	None	None	AGSA Audit Opinion	R3 500	R3 196

KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Strategic Objective:	To coordinate all general administrative governance human resources IT and legal services			
Number of Original Annual Targets	Number of Revised Annual Targets	Number of Achieved Targets	Number of targets not achieved	Performance percentage
30	28	24	4	86%

No.	Directorate	Project	Measurable Objective	Key Performance Indicators	Unit of measurement	2017/2018 Financial Year						Means of verification of targets (Evidence)	2017/18 Adjusted Budget R'000	2017/18 Actual Expenditure R'000
						2017/18 Original Annual Target	2017/18 Revised Annual Target	2017/18 year Actual	Target Achieved / Not achieved	Reason for not achieved	Remedial action			
GG 01	Municipal Manager's Office	Risk Management	To promote an effective Risk management	Operational risk Assessments conducted.	Number of Operational Risk Assessment	One Operational Risk assessments	1	1	Target achieved	None	None	Approved Risk Assessment reports	R900	R000
				Strategic risk Assessments conducted	Number of Strategic Risk Assessment	One strategic Risk assessments	1	1	Target achieved	None	None	Approved Risk Assessment reports	R000	R000
				Project risk assessments conducted	Number of Projects Risk Assessment	Number of project Risk assessments	1	1	Target achieved	None	None	Approved Risk Assessment	R000	R000

No.	Directorate	Project	Measurable Objective	Key Performance Indicators	Unit of measurement	2017/2018 Financial Year						Means of verification of targets (Evidence)	2017/18 Adjusted Budget R'000	2017/18 Actual Expenditure R'000
						2017/18 Original Annual Target	2017/18 Revised Annual Target	2017/18 year Actual	Target Achieved / Not achieved	Reason for not achieved	Remedial action			
					ts							t reports		
				Processes risk assessments conducted	Number of processes Risk assessments	Number of Processes Risk Report	1	1	Target achieved	None	None	Approved Risk Assessment reports	R000	R000
				mSCOA risk assessments conducted	Number of Mscoa Risk assessments	mSCOA risk assessment	1	1	Target achieved	None	None	Approved Risk Assessment reports	R000	R000
				Security risk assessments conducted	Number of Security Risk Assessments	Security Risk Assessment	1	1	Target achieved	None	None	Approved Risk Assessment reports	R000	R000
GG 02	Municipal Manager's office	Risk assessments programmes	To promote Knowledge on how to combat fraud and corruption activities	Anti-fraud and corruption awareness workshops conducted	Number of awareness workshops	To review anti-fraud and corruption policy and plan	1	0	Not applicable	Not applicable	Not applicable	Attendance register	R000	R000
GG 03	Municipal Manager's	Risk Management	To raise risk management	Councillors trained	Number of Councillors and official	50% Councillors trained	16	16	Target achieved	None	None	Training attendance Register	R150	R88

No.	Directorate	Project	Measurable Objective	Key Performance Indicators	Unit of measurement	2017/2018 Financial Year						Means of verification of targets (Evidence)	2017/18 Adjusted Budget R'000	2017/18 Actual Expenditure R'000
						2017/18 Original Annual Target	2017/18 Revised Annual Target	2017/18 year Actual	Target Achieved / Not achieved	Reason for not achieved	Remedial action			
	Office		awareness among staff and Councillors											
GG 04	Municipal Manager's Office	Risk management committee	To provide oversight role to risk management activities	Risk management oversight reports submitted to Audit committee	Number of reports	Four Quarterly Oversight Reports to Council	4	4	Target achieved	None	None	1.Signed Oversight report 2.Attendance register.	R450	R450
GG 05	Municipal Manager's Office	Internal Audit	To ensure the effectiveness of risk Management controls and governance processes and provision of assurance that the municipality's established objectives and goals will be achieved	Risk based Internal Audits conducted.	Number of audits	17 Risk based internal audit reports	13	13	Target achieved	None	None	Internal audit reports	R2 900	R2 297
				PMS Internal Audits conducted.	Number of audits	Four PMS audit reports	4	4	Target achieved	None	None	Internal audit reports	R000	R000

No.	Directorate	Project	Measurable Objective	Key Performance Indicators	Unit of measurement	2017/2018 Financial Year						Means of verification of targets (Evidence)	2017/18 Adjusted Budget R'000	2017/18 Actual Expenditure R'000
						2017/18 Original Annual Target	2017/18 Revised Annual Target	2017/18 year Actual	Target Achieved / Not achieved	Reason for not achieved	Remedial action			
GG 06	Municipal Manager's Office	Audit Committee Support	To exercise oversight and advisory role over audits risk management and Performance management	Audit Committee Oversight reports to Municipal council	Number of reports	Four Oversight reports to Municipal Council	4	4	Target achieved	None	None	Council resolution	R700	R478
GG 07	Corporate Services	Customer care programs	To ensure compliance with Bathopele principles.	Bathopele buildup activities held	Number of buildup activities	01 Bathopele build up activity held	1	0	Target not achieved	None	None	Attendance registers	R450	R000
				Bathopele awareness campaigns	Number of campaigns	02 awareness campaigns conducted	2	0	Target not achieved	None	None	Attendance registers	R000	R000
				Customer satisfaction surveys conducted	Number of surveys	No of satisfaction survey	1	0	Target not achieved	Budget constraints	Complete the project in 2018/19 financial year.	Customer satisfaction survey report.	R000	R000
GG 08	Corporate Services	Management of compl	To comply with Bathopele principles	Percentage % of customer complaints	Number of customer complaints attended/T	20 complaints from premiers and	100%	100%	Target achieved	None	None	Complaints register and Monitoring report	R000	R000

No.	Directorate	Project	Measurable Objective	Key Performance Indicators	Unit of measurement	2017/2018 Financial Year						Means of verification of targets (Evidence)	2017/18 Adjusted Budget R'000	2017/18 Actual Expenditure R'000
						2017/18 Original Annual Target	2017/18 Revised Annual Target	2017/18 year Actual	Target Achieved / Not achieved	Reason for not achieved	Remedial action			
	es	aints		responded to.	total number of customer complaints received.	presidential hotline 12 monitoring of suggestion boxes								
GG 09	Municipal Manager's Office	Multimedia channels	To enhance public participation in the affairs of the municipality	Mayoral outreach programs held	Number of outreach programs	4 Programs	4	7	Target achieved	None	None	1. Attendance register	R700	R723
GG 10	Municipal Manager's Office	Publications	To ensure effective involvement of and participation of all stakeholders	Lentsu newsletter booklets published	Number of booklets	04 Lentsu Newsletters	40 000	40 000	Target achieved	None	None	Delivery note and a Copy of Lentsu Newsletters	R9 000	R6 821
GG 11	Municipal Manager's Office	Municipal branding/Signage	To create signage and promote the brand Makhuduth amaga	Municipal events branded	Number of events	04	04	7	Target achieved	None	None	Attendance registers/pictures	R210	R495
GG 12	Speaker's Office	Capacity building of Councillors	To capacitate and train Councillors to play Oversight	Municipal Councillors trained	Number of councilors	62 councilors and 10 ex-officio members of council trained.	72	72	Target achieved	None	None	Attendance registers	R2 250	R1 550

No.	Directorate	Project	Measurable Objective	Key Performance Indicators	Unit of measurement	2017/2018 Financial Year						Means of verification of targets (Evidence)	2017/18 Adjusted Budget R'000	2017/18 Actual Expenditure R'000
						2017/18 Original Annual Target	2017/18 Revised Annual Target	2017/18 year Actual	Target Achieved / Not achieved	Reason for not achieved	Remedial action			
			role											
GG 13	Speaker's Office	Capacity building of Ward committees	To capacitate and train 310 Ward committees	Ward committees trained	Number of ward committees	310 Ward committees trained	310	310	Target achieved	None	None	Attendance registers	R 800	R2 639
GG 14	Speaker's Office	Speaker's Outreach programme	Fulfilled public participation deepening democracy	Speaker's outreach events held	Number of events	12 Outreach events	20	20	Target achieved	None	None	Attendance Registers	R120	R3 042
GG 15	Speaker's Office	Council Logistics	Fulfilled legislative programme	Ordinary Council meetings held	Number of meeting	4 Ordinary meetings	4	4	Target achieved	None	None	Council attendance register	R540	R465
				Special Council meetings held	Number of meetings held	8 Special meetings	9	13	Target achieved	None	None	Council attendance register		
GG 16	Mayor's office	Children's parliament	To provide support and advocacy on Children's rights & welfare	Children's parliament meetings held	Number of meetings	2 Children's parliaments hosted	0	Target was removed during adjustments	Not applicable	Not applicable	Not applicable	Not applicable	R000	R000
GG 17	Mayor's office	Mayor's outreach programme	Fulfilled public participation deepening	Public participation events held	Number of events	10 Mayoral outreach programme events held	10	11	Target achieved	None	None	Attendance registers	R50	R4 315

No.	Directorate	Project	Measurable Objective	Key Performance Indicators	Unit of measurement	2017/2018 Financial Year						Means of verification of targets (Evidence)	2017/18 Adjusted Budget R'000	2017/18 Actual Expenditure R'000
						2017/18 Original Annual Target	2017/18 Revised Annual Target	2017/18 year Actual	Target Achieved / Not achieved	Reason for not achieved	Remedial action			
		ms	democracy											
GG 18	Mayor's office	Special programs	Enhanced public participation for special programmes	Special programs events held	Number of events	20 Programme events	20	22	Target achieved	None	None	Attendance registers	R4 800	R3 925
GG 19	Mayor's office	HIV/AIDS awareness	To create awareness to Makhuduth amaga residents	HIV/AIDS awareness campaigns held	Number of events	Implementation of HIV/AIDS mainstreaming strategy 100%	2	5	Target achieved	None	None	Attendance registers		
GG 20	Speaker's Office	Whippery support	To coordinate party whips on issues as directed by Council	Whippery meetings held	Number of meetings	04 Meetings	4	4	Target achieved	None	None	Attendance registers	R000	R8

KPA 6: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

Strategic Objective:	Improve Internal and External operation of the Municipality and its stakeholders			
Number of Original Annual Targets	Number of Revised Annual Targets	Number of Achieved Targets	Number of targets not achieved	Performance percentage
34	29	20	9	69%

IDP Ref No.	Directorate	Project	Measurable Objective	Key Performance Indicators	Unit of measurement	2017/2018 Financial Year						Means of verification of targets (Evidence)	2017/18 Adjusted Budget R'000	2017/18 Actual Expenditure R'000
						2017/18 Original Annual Target	2017/18 Revised Annual Target	2017/18 year Actual	Target Achieved / Not achieved	Reason for not achieved	Remedial action			
MT OD 01	Municipal Manager's Office	2018/19 IDP/Budget review	To Improve d governance and deepen community involvement in the affairs of the municipality	IDP annual reviews approved by council	Number of IDP reviews	Process plan for 2018/19 F/Y Consolidated analysis phase Draft 2018/19 IDP/Budget 1 Final IDP/Budget for 2018/19	1	1	Target achieved	Not applicable	Not applicable	Council resolution	R000	R000
MT OD 02	Economic Development and Planning	Procurement of PMS system	Improved governance and deepen community involvement	Performance management systems	Number of systems	PMS system established	0	0	Not applicable	Not applicable	Not applicable	Delivery note	R1000	R000

IDP Ref No.	Directorate	Project	Measurable Objective	Key Performance Indicators	Unit of measurement	2017/2018 Financial Year						Means of verification of targets (Evidence)	2017/18 Adjusted Budget R'000	2017/18 Actual Expenditure R'000
						2017/18 Original Annual Target	2017/18 Revised Annual Target	2017/18 year Actual	Target Achieved / Not achieved	Reason for not achieved	Remedial action			
			in the affairs of the municipality	acquired		All Statutory reports compiled and submitted in time								
MT OD 03	Corporate Services	Compliance with OHS Act	Ensured health and safety of employees	Medical surveillance conducted	Number of medical surveillance	2 Medical surveillance reports	2	0	Target not achieved	Budget constraints	Complete the task in 2018/19	Medical surveillance reports	R750	R000
MT OD 04	Corporate Services	Compliance with OHS Act	Provided suitable PPE to qualifying employees.	PPE acquired	Number of PPE	14 Traffic officers 11 Infrastructure/ Community Services/ OHS Officials 150 EPWP	175	0	Target not achieved	Budget constraints	Complete the task in 2018/19	PPE invoices	R1 000	R000
MT OD 05	Corporate Services	Health Risk Assessment	Ensured safety of employees/clients through identification and control of hazards within the Municipality	Health risk assessments conducted.	Number of assessments.	12 Health risk assessments conducted.	12	12	Target achieved	None	None	Attendance Register' Health risk report	R300	R000
MT	Corporate	Compliance	Ensured	COVID	Number	1 Letter of	1	1	Target	None	None	Proof of	R100	R100

IDP Ref No.	Directorate	Project	Measurable Objective	Key Performance Indicators	Unit of measurement	2017/2018 Financial Year						Means of verification of targets (Evidence)	2017/18 Adjusted Budget R'000	2017/18 Actual Expenditure R'000
						2017/18 Original Annual Target	2017/18 Revised Annual Target	2017/18 year Actual	Target Achieved / Not achieved	Reason for not achieved	Remedial action			
OD 06	Services	ce with COID Act.	comprehensive compliance with COID Act	reports submitted to Department of Labour	of reports	good standing received from DoL			achieved			report submission.		
MT OD 08	Corporate Services	Maintain & implement municipal Health Plan	Employee wellbeing achieved	Wellness activities held	Number of activities	4 Wellness activities done.	4	6	Target achieved	None	None	Attendance register	R200	R299
MT OD 09	Corporate Services	Employee sporting activities	Promoted social interaction and team building of staff members through sporting activities	Municipal employee Games held	Number of games	6 Games (1 provincial 1 national games and 4 practices matches)	6	12	Target achieved	None	None	Attendance register and Report	R700	R1 000
MT OD 10	Corporate Services	Review and Implement WSP	Enhanced oversight operational and managerial skills for service delivery	Compile and lodge WSP and ATR with LGSETA	Number of WSP and ATR	WSP & ATR Submitted to LGSETA on time	1	1	Target achieved	None	None	Proof of submission/ WSP report	R000	R000
				Employee s Trained.	Number of employees	10	10	4	Target not achieved	None	None	Training report	R1 250	R000

IDP Ref No.	Directorate	Project	Measurable Objective	Key Performance Indicators	Unit of measurement	2017/2018 Financial Year						Means of verification of targets (Evidence)	2017/18 Adjusted Budget R'000	2017/18 Actual Expenditure R'000
						2017/18 Original Annual Target	2017/18 Revised Annual Target	2017/18 year Actual	Target Achieved / Not achieved	Reason for not achieved	Remedial action			
MT OD 11	Corporate Services	Management of bursary fund.	Tuition / study fees support for S	Students awarded bursary.	Number of students	20 New students intake	16	16	Target achieved	None	None	Bursary report	R2 420	R4 459
MT OD 12	Corporate Services	Review & implement Organizational structure	Organizational structure matched with IDP for service delivery	Organizational structure reviews approved.	Number of reviews	1 Council approved Organizational structure in place	1	1	Target achieved	None	None	Council resolution	R000	R000
MT OD 13	Corporate Services	Vetting of staff qualifications	All staff qualifications vetted	Employees qualifications vetted	Number of employees	60 Employees' qualifications vetted	0	0	None	None	None	Not applicable	R000	R56
MT OD 14	Corporate Services	Employment Equity	Workplace equal opportunities entrenched for service delivery	1. Employment Equity Plans developed	Number of plans	1 EE Plan developed and in place.	1	1	Target achieved	None	None	EEP report	R000	R000
				Statutory EE reports compiled	Number of reports	4 Statutory Report on EE Plan compiled	4	1	Target not achieved	None	None	EEP report	R000	R000
MT OD 15	Corporate Services	Human resource	Effective management of HR activities and systems	HR policies developed / reviewed	Number of policies	No. of applicable HR Policies developed/ reviewed.	10	10	Target achieved	None	None	HR policy review report/ Council resolution	R120	R000

IDP Ref No.	Directorate	Project	Measurable Objective	Key Performance Indicators	Unit of measurement	2017/2018 Financial Year						Means of verification of targets (Evidence)	2017/18 Adjusted Budget R'000	2017/18 Actual Expenditure R'000
						2017/18 Original Annual Target	2017/18 Revised Annual Target	2017/18 year Actual	Target Achieved / Not achieved	Reason for not achieved	Remedial action			
MT OD 16	Corporate Services	Labour relations management	Sound labour relations / workplace harmony	LLF meetings held	Number of meetings	12 Meetings	8	7	Target not achieved	Quorum	Adhere to programme	Attendance register	R000	R000
				Percentage of employee cases attended to	Number of cases resolved /Total cases submitted	100% cases	100%	75%	Target not achieved	Postponement of hearing sittings.	Effective management of cases.	Labour relations report	R000	R000
MT OD 17	Corporate Services	Establish law library	Updated law / legal reference material for compliance and cutting edge legal services	Law library booklets purchased	Number of books	100% Establish ment of law library	12	18	Target achieved	None	None	Delivery note.	R800	R000
MT OD 18	Corporate Services	Draft all municipal contracts	To regulate relations with service providers	Percentage % of Service level agreements completed	SLAs signed/Total contracts	100% of SLAs/ contracts drafted	100%	100%	Target achieved	None	None	Signed contracts	R000	R000
MT OD 19	Corporate Services	Staff contract management workshops	Employee contract management awareness to drive service delivery	Contract management workshops held	Number of workshops	4 workshops	3	0	Target not achieved	Insufficient Budget	Conduct the training internally in 2018/19	Certificate of attendance.	R1 700	R000
MT OD	Corporate Services	Implementation of	Consultative meeting by	By-Laws Working	Number of	-16 working	16	0	Target not achieved	Lack of capacity	Continuou s	Report	R000	R000

IDP Ref No.	Directorate	Project	Measurable Objective	Key Performance Indicators	Unit of measurement	2017/2018 Financial Year						Means of verification of targets (Evidence)	2017/18 Adjusted Budget R'000	2017/18 Actual Expenditure R'000
						2017/18 Original Annual Target	2017/18 Revised Annual Target	2017/18 year Actual	Target Achieved / Not achieved	Reason for not achieved	Remedial action			
20		existing by-laws	the legal units with user departments for improving implementation.	sessions held	sessions	sessions with department publicity campaigns -6 work sessions						engagement with user departments		
MT OD 21	Corporate Services	Legal costs	Ensure appropriate legal representation of municipality in all litigations	Percentage of Cases attended to.	Percentage of litigations defended/Total Number of litigations against municipality.	100% legal representation	100%	100%	Target achieved	None	None	Litigation reports	R2 700	R1 000
		Land Audit	Availability of land	land audits conducted	Number of audits	Land audit report	0	0	Target withdrawn	Not applicable	Not applicable	Not applicable	R000	R000
MT OD 22	Corporate Services	IT Infrastructure	Improved service delivery support through IT systems and infrastructure	Disaster recovery sites established	Number of sites	-1 acquisition plan	1	1	Target achieved	None	None	Completion certificate.	R5 000	R5 463
				CCTV Cameras acquired and	Number of CCTV Cameras	No. of IT items purchased	30	45	Target achieved	None	None	Completion certificate.		

IDP Ref No.	Directorate	Project	Measurable Objective	Key Performance Indicators	Unit of measurement	2017/2018 Financial Year						Means of verification of targets (Evidence)	2017/18 Adjusted Budget R'000	2017/18 Actual Expenditure R'000	
						2017/18 Original Annual Target	2017/18 Revised Annual Target	2017/18 year Actual	Target Achieved / Not achieved	Reason for not achieved	Remedial action				
				installed.											
				Percentage of network upgrades completed	Scope of work activities /Total scope of work activities	No. of IT items purchased	100%	100%	Target achieved	None	None	Completion certificate			
MT OD 23	Corporate Services	Implementation of File Plan	To ensure compliance with municipal file plan records management Policy and procedure manual	Filing cabinets purchased.	No. of filing cabinets	20 filing cabinets to be procured	0	0	Target withdrawn during adjustments	Not applicable	Not applicable	Not applicable	R000	R000	
				Records management campaigns held	Number of campaigns	01	1	0	Target not achieved	Inadequate planning	2018/2019 SDBIP	File Register.	Attendance register	R000	R000
				Records management trainings conducted	Number of trainings	01 training in records	1	0	Target achieved	None	None	Attendance register	R000	R000	
MT OD 24	Corporate Services	Implementation of Records Management Policy and Procedure manual	Improved records management for creating audit trails	Percentage of municipal documents archived.	Number of documents archived /Total number of submitted	all documents received are filed according to file plan	100%	100%	Target achieved	None	None	Archive reports	R000	R000	

IDP Ref No.	Directorate	Project	Measurable Objective	Key Performance Indicators	Unit of measurement	2017/2018 Financial Year						Means of verification of targets (Evidence)	2017/18 Adjusted Budget R'000	2017/18 Actual Expenditure R'000
						2017/18 Original Annual Target	2017/18 Revised Annual Target	2017/18 year Actual	Target Achieved / Not achieved	Reason for not achieved	Remedial action			
					d documents to registry.									
				Archived projects tender documents disposed	Number of projects	12 project will be disposed	12	0	Target not achieved	Lack of disposal authority	Provincial Archive to issue disposal authority	Disposal report		

SIGNATURES

Mogamedi R.M

Acting Municipal manager's Signature: _____

Date: _____ / _____ / 2018

Cllr Maitula B.M

Mayor's Signature: _____

Date _____ / _____

**CHAPTER 4****ORGANIZATIONAL DEVELOPMENT PERFORMANCE****COMPONENT A : INTRODUCTION TO THE MUNICIPAL WORKFORCE****4.1 Organisational Structure**

Name of Department	Number	M	F
Office of the Mayor	8	7	1
Office of the Speaker	6	3	3
Office of the Municipal Manager	13	7	6
Budget and Treasury	39	15	24
Community Services	42	24	18
Corporate Services	18	10	8
Economic Development and Planning	6	6	0
Infrastructure Development Services	14	11	3
TOTAL	146	83	63

4.2 Employee totals turnover and vacancies

As per the Organisational structure of 2017/18 195 posts were created of which 146 were filled (75 %). The vacancy as at the end of June 2018 was 25 %. All these vacant post were funded/budgeted.

Service Statistics for Human Resource Services

Human Resource Services Policy Objectives Taken From IDP			
Service Objectives	Outline Service Targets	2017/18	
Service Indicators		*Current Year	Following year
Service Objective: Human Resource Management			
	Filling of all vacant posts	Ensure realistic Human Resources planning through filling of posts and implement Employment Equity Plan effective Human Resource Management and	Ensure realistic human resources development and effective Human Resource Management
	Conduct internal survey	Ensure implementation of WSP through training and improve educational standards by providing bursary to the community.	Ensure promotion of employment equity and skills development
	Do staff reengineering	Ensure compliance to applicable legislation.	Achieved



Mmogo re šomela diphetogo!

Employees: Human Resource Services

Job Level	2017/18			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 – 3	0	0	0	0
4 – 6	0	0	0	0
7 – 9	80	40	40	20.5%
10 – 12	67	66	32	16.45%
13 – 15	0	0	0	0
16 – 18	42	35	10	5.1%
19 – 20	6	5	1	0.5%
Total	195	146	49	25.1%

Financial Performance 2017/18: Human Resource Services

Details	Original Budget	Adjustment Budget	Actual	Commitments	Variance to Budget
Total Operational Revenue (excluding tariffs)					
Expenditure:					
Employees	R10 022 742	R8 480 581	R7 669 467	-	R 811 113
Repairs and Maintenance	-	-	-	-	-
Other	R12 295 566	R12 037 394	R11 931 285	-	R 106 109
Total Operational Expenditure	R22 318 308	R20 517 974	R19 600 752	-	R 917 222

Capital Expenditure 2017/18: Human Resource Services



Capital Projects	2017/18 <i>Mmogo re šomela diphetogo!</i>				
	Budget	Adjustment Budget	Actual Expenditure	Commitments	Variance to Budget
Total All					
IT Infrastructure	R5 000 000	R5 500 000	R5 462 618	-	R 37 382

4.3 Information and Communication Technology (ICT) Services

Introduction to Information and Communication Technology (ICT) Services

Information Communication Technology (ICT) services is best positioned to promote effective administration in order to achieve service delivery targets and ultimately have an impact on socio economic development. It is therefore intergral to the fuctionality and efficiency of the Municipality. The target for the reporting period was to achieve improved ICT sytems processes compliant infrastructure and Strategies.

Service delivery priorities for ICT are to ensure that the Municipality has effecient and effective ICT Systems and Infrastructure. The Municipality has adopted and implemented Corporate Gornance of ICT Policy Framework and Related policies as per Department of Public Service and Administration.

The Municipality has during the year under review developed and Approved ICT Strategy and Disater Recovery Plan aimed at addressing the following:

- To manage municipal information and communitaction technology resources and
- To have proper proseses to follow should disaster happen.

Service Objective :	
Installation of Service Desk System	For Management of ICT Service requests.
Procurement of ICT Infrastructure	To procure ICT equipment's as and when required.
Maintenance of ICT Systems and Infrastructure	For routine maintenance of ICT Systems and Infrastructure
Renewal of Software Licenses	To renew software licenses on annual basis.



Mmogo re šomela diphetogo!

Employees: ICT Services

Job Level	2017/18			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 – 3	0	0	0	0
4 – 6	0	0	0	0
7 – 9	1	1	0	0
10 – 12	1	1	0	0
13 – 15	1	1	0	0
16 – 18	1	1	0	0
19 – 20	0	0	0	0
Total	4	4	0	0

Financial Performance 2017/18: ICT Services

Details	2017/18			
	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)	R4 745 725	R7 598 152	R8 362 760	R1 064 002
Expenditure:				
Employees	R1 845 725	R1 598 152	R1 448 455	R 149 797
Repairs and Maintenance	R2 900 000	R6 000 000	R6 914 305	R 914 305
Other	0	0	0	0
Total Operational Expenditure	R4 745 725	R7 598 152	R8 362 760	R1 064 002

Capital Expenditure 2017/18: ICT Services

Capital Projects	2017/18



	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
Installation of CCTV Cameras/maintain building/community	R2.5m	0	R2m	0	R2m
Procurement of ICT Equipment's	R1.5m	0	R1.5m	0	R1.5m
Renewal of Software Licenses	R1.5m	0	R1.5m	0	R1.5m

Comment on the Performance of ICT Services Overall:

The division has performed fairly and should be prioritised by management. The division still needs to improve.

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE LEVEL

4.4 Municipal workforce management

Makhuduthamaga Municipality has established policies and procedures for the management of the workforce in 2017/18. The Municipality is in the process of establishing Policy Development Committee to review all municipal policies.

The municipal workforce is structured as follows:

- Three (3) appointed Senior Managers (who all meet minimum qualification NQF level 6 and competency requirements). Three vacancies exist in the following departments: Municipal Manager and Economic Development & Planning
- Twenty four (24) Appointed Managers in various departments who all meet NQF level 6 Qualification. Municipality has senior officers officers and others.

Employees								
Description	2017/18	Approved posts	Variance	Variance				
	Employee s (Filled)					No.	No.	%
	No.					No.	%	
Water	0	0	0	0%				
Waste Water (Sanitation)	0	0	0	0%				
Electricity and Electricity	1	1	0	0%				
Waste Management	4	11	7	64%				
Roads Waste Water and Storm water Drainage	1	1	0	0%				



Transport	<i>Mmogo re somela diphego!</i>	0	0	0	0%
Local Economic Development and Planning		15	10	05	33%
Community & Social Services		40	64	24	37%
Environmental Protection		0	0	0	0%
Health		0	0	0	0%
Security and Safety		0	0	0	0%
Corporate Policy Offices and Other		0	0	0	0%

Vacancy Rate 2017/18

Designations	*Total Approved Posts	*Variances (Total time that vacancies exist using fulltime equivalents)	*Variances (as a proportion of total posts in each category)
	No.	No.	%
Municipal Manager	1	1 year	20 %
CFO	1	0	0 %
Other S57 Managers (excluding Finance Posts)	4	5 months	22.5 %
Other S57 Managers (Finance posts)	0	0	0 %
Municipal Police	0	0	0 %
Fire fighters	0	0	0 %
Senior management: Levels 13-15 (excluding Finance Posts)	0	0	0 %
Senior management: Levels 13-15 (Finance posts)	0	0	0 %
Highly skilled supervision: levels 9-12 (excluding Finance posts)	0	0	0 %
Highly skilled supervision: levels 9-12 (Finance posts)	0	0	0 %
Total	06	17 months	44.5 %

**Turn-over Rate**

Details	Total Appointments as of beginning of Financial Year	Terminations during the Financial Year	Turn-over Rate*
	No.	No.	
2017/18	10	9	10 %

Comment on vacancies and turnover.

Only five officials left the Municipality which amounts to low turnover. The challenge is that some of the terminations involve scarce skills like accountant and technicians. This has direct impact on service delivery.

4.5. Policies

The Municipality has developed 4 human resources policies in 2017/18 financial year.

NO.	POLICY NAME	Approved	Reviewed	Resolution Number
1	Policy on Overtime worked and Overtime Rates	Approved		25 OF 2017/2018
2	Car and Travel Allowance Policy		Reviewed	25 OF 2017/2018
3	Acting Policy	Approved		25 OF 2017/2018
4	Placement Policy	Approved		25 OF 2017/2018

4.6 Injuries sickness and suspensions

Number and Cost of Injuries on Duty					
Type of injury	Injury Leave Taken	Employees using injury leave	Average injury leave taken per employee	Average Injury Leave per employee	Total Estimated Cost
	Days	No.	%	Days	
Required basic medical attention only	0	0	0	0	0
Temporary total disablement	0	0	0	0	0
Permanent disablement	0	0	0	0	0
Fatal	0	0	0	0	0



Total	0	0	<i>Mmogo re šiqwela diphetogo!</i> 0	0	0	
Number of days and Cost of Sick Leave (excluding injuries on duty)						
Salary band	Total sick leave	Proportion of sick leave without medical certification	Employees using sick leave	Total employees in post*	*Average sick leave per Employees	Estimated cost
	Days	%	No.	No.	Days	
Lower skilled (Levels 1-2)						
Skilled (Levels 3-5)						
Highly skilled production (levels 6-8)	122	5	20	40	3 days	R31 944
Highly skilled supervision (levels 9-12)	44	2	10	66	5 days	R8 000
Senior management (Levels 13-15)	44	2	9	32	5 days	R2 661
MM and S57	0	0	0	4	0	0
Total	210	9	39	142	13 days	R42 605
* - Number of employees in post at the beginning of the year						

No cases for injury on duty were reported in the year under review.

Number and Period of Suspensions

Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken or Status of Case and Reasons why not Finalised	Date Finalised
Deputy CFO	Cross dishonesty and bringing the Municipality into disrepute	18/10/2017	Awaiting court ruling	N/A
Disciplinary Action Taken on Cases of Financial Misconduct				



Position	Nature of Alleged Misconduct and Rand value of any loss to the Municipality	Disciplinary action taken	Date Finalised	
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No case of financial misconduct was experienced during the 2017/18 financial year

Comment on suspensions and cases of financial misconduct:

No cases were received for financial misconduct and therefore there were no suspensions on any official.

COMPONENT C : CAPACITAING THE MUNICIPAL WORKFORCE

4.7 Capacitating the municipal workforce

Introduction to workforce capacity development

Makhuduthamaga Municipality has in terms of MSA 2000 S 68(1) has endeavoured to develop their human resource capacity to a level that enables them to perform their functions and exercise their powers in an economical effective efficient and accountable way by identifying training focused to improve service delivery and also fulfilling SALGA training priorities for Section 57 and Finance officials. Achievements are 33% of employees 33% of councillors and 55% of Ward Committees trained during this financial year. Challenges experienced are repeating the same people for more training and training that deviate from their skills audit. This has been addressed by the appointment of Section 57 Managers whose responsibility is to ensure that training is service focused.

Skills Development and Training

Skills Development and related expenditure and on the financial competency regulations:

The Municipality was able to prepare and submit Workplace Skills Plan for 2017/18 to LGSETA on time. The Municipality has an appointed Skills Development Facilitator who ensures that the WSP is adhered to. The following milestones were achieved to build capacity within the structures of the Municipality.

The Municipality is still in the process of complying with the minimum MFMA competency regulations requirements for its Section 57 and Finance officials.

The following are currently undergoing training:

- The Municipal Manager.
- The Senior Manager Corporate Services
- The Chief Financial Officer
- Finance officials x 16
- Finance Interns x 4
- Other x 9

However the total numbers of people who have been trained in line with the minimum MFMA competency regulations requirements are thirty four (34)



COMPONENT D : MANAGING THE MUNICIPAL WORKFORCE EXPENDITURE

4.8 Managing Municipal Workforce Expenditure:

4.8.1 Employee related costs

The municipality has spent **R 62 121 189** as salaries for 146 officials. The expenditure is summarised as follows:

Basic	: R 34 135 183
Bonus	: R 2 720 443
Medical Aid-company contribution	: R 3 405 309
UIF	: R 193 377
SDL	: R 471 251
Leave pay provision charge	: R 1 360 175
Pension Contribution	: R 6 236 899
Overtime payments	: R 533 557
Post-employment benefits costs	: R 603 000
Car allowance	: R 8 379 856
Housing benefits and allowances	: R 2 598 010
Bargaining Council	: R 103 986
Clothing allowance	: R 9 416
Cell phone allowance	: R1 370 727

4.8.2 Remuneration and allowances of councillors

The municipality has spent **R 22 111 974** as remuneration for 61 councillors. The remuneration and allowances of political office bearers and councillors are within the upper limits as determined by the framework envisaged in section 219 of the Constitution of the Republic of South Africa Act 108 of 1996. The expenditure is summarised as follows:

Mayor	: R 844 616
Council Speaker	: R 688 485
Executive Committee members	: R 4 049 505
Other councillors' basic salary	: R 8 932 337
Councillors pension contribution	: R 1 701 859



Mmogo re šomela diphetogo!

Travel allowances	: R 3 497 645
Travel claims	: R 13 745
Cell phone allowance	: R 2 095 668
Skill Development Levy (SDL)	: R 103 914
Data cards (61 councillors)	: R 184 200



CHAPTER 5

FINANCIAL PERFORMANCE

COMPONENT A : Statement of financial performance

Revenue sources

The total revenue realised by Makhuduthamaga Local Municipality for the 2017/18 financial year stood at **R 407 993 514** as compared to **R 405 317 026** for the 2016/17 financial year.

Revenue from exchange items is summarised as follows:

Service charges which are rental of facilities and equipment licenses & permits actuarial gain interest received on investments and sales of tender documents stood at **R 13 872 622**

Revenue from non-exchange items is summarised as follows:

Property rate interest on outstanding debtors traffic fines fair value adjustments (community assets) government grants & subsidies stood at **R 394 120 892**.

Expenditure

The total expenditure for the municipality in 2017/18 financial was **R475 569 285** as compared to **R 391 323 474** for the 2016/17 financial year. The expenditure was on the following : employee related costs remuneration & allowances for councillors administration depreciation & amortisation impairment loss finance costs debt impairment contracted services transfers and subsidies loss on disposal of assets general expenses Auditor's remuneration capital expenditure written-off (D-Roads) and repairs & maintenance. The capital expenditure remain the largest item of expenditure in the 2017/18 financial year at **R115 652 295** (24 %).

The top five contributors of expenditure in 2017/18 financial year were:

Capital expenditure	: 24.3 %
General expenses	: 16.3 %
Debt Impairment	: 13.9 %
Employees related costs	: 13.1 %
Repairs and Maintenance	: 8.6 %



Asset Management

The municipality has a number of assets in the form immovable and movable. The immovable assets included roads bridges storm water sports facilities libraries municipal offices and DLTCs. The movable assets included office furniture and plant & equipment.

The current assets stood at **R46 686 177** and the non-current assets stood at **R293 622 402**. The total assets amounted to **R340 308 579**.

Liabilities

The current liabilities (payables from exchange transactions unspent conditional grants & receipts and long service awards) stood at **R47 825 491** while the non-current liabilities (post-employment medical aid benefit long service awards) stood at **R4 504 106**. The total liabilities amounted to **R52 329 597**.

Net Assets = Total Assets – Total Liabilities

The net asset position of the municipality stands at **R287 978 982**. The municipality current assets are less than its current liabilities resulting in negative current ratio.

Cash flow management and investment

By the end of the financial year 2017/18 Makhuduthamaga Local Municipality closed cash and cash equivalents of **R19 277 879**.

The receipts by the closure of the financial year looking at cash flow from operating activities is **R340 032 455** that was received and total payments of **R380 917 463** were made. The net cash flow from operating activities at the close of the 2017/18 period stood at **R40 885 008**.

Cash flow from investing activities (purchase of property plant & equipment proceeds from sale of property plant & equipment) stood at **R24 041 579** at the end of the 2017/18 financial year.



CHAPTER 6

AUDITOR GENERAL FINDINGS AND OPINION

Auditor General Report 2017/2018 financial year

During the financial year 2017/2018 the Auditor General of South Africa issued Qualified Audit Opinion for Makhuduthamaga Local Municipality. This implies that the municipality has regressed in the manner in which financial management was been undertaken. The municipality has been receiving Unqualified Audit Opinion for past three consecutive financial years.

Auditor General Report 2016/2017 financial year

During the financial year 2016/2017 the Auditor General of South Africa issued an Unqualified Opinion for Makhuduthamaga Local Municipality with 41 matters of emphasis. The municipality developed an Action Plan to address all the finding. By the end of the 2017/2018 39 finding were resolved. The remaining two findings are: Performance Assessment of section 57 managers and the D-Roads.

Conclusions

The annual report for 2017/2018 financial year is hereby presented to reflect the performance of the municipality during the period under review. Challenges still remain to be resolved and it requires the collaborative efforts by all stakeholders to put their shoulders behind the wheel to ensure that service delivery is achieved whilst at the same time proper administrative systems and processes are also put in place to comply with best practice.

This annual report must be read together with the appendices stated below namely:

- Appendix A** : Councillors; Committee Allocation and Council Attendance
- Appendix B** : Committee and Committee Purpose
- Appendix C** : Third Tier Administrative Structure



Appendix D: Functions of Municipality/Entity

Appendix E: Ward Reporting

Appendix F: Ward Information

Appendix G: Recommendations of the Municipal Audit Committee

Appendix H: Long term contracts

Appendix J: Disclosure of Financial Interest

Appendix K: Revenue Collection Performance

Appendix L: Conditional Grants Received: Excluding MIG

Appendix M: Capital Expenditure – New & Upgrade/Renewal Programmes

Appendix N: Capital Expenditure by Project current year

Appendix O: Capital programme by project by Ward current year

Appendix P: Service Connection Backlogs at Schools and Clinics

Appendix Q: Service Backlogs Experienced by the Community where another Sphere of Government is responsible for Service Provision

REFER ANNEXURES:

R : AUDITOR GENERAL'S REPORT

S : FINANCIAL STATEMENTS