

LEPHALALE LOCAL MUNICIPALITY

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Annual Report 2020-21



LEPHALALE

MUNICIPALITY

TABLE OF CONTENTS

CHAPTER 1 - MAYOR'S FOREWORD AND EXECUTIVE SUMMARY	11
COMPONENT A: MAYOR'S FOREWORD	11
COMPONENT B: Foreword and EXECUTIVE SUMMARY- by municipal manager	16
MUNICIPAL MANAGER'S OVERVIEW	16
SERVICE DELIVERY OVERVIEW	23
4. 1 Key Achievements and Challenges Summary	25
Office of the Municipal Manager	27
Strategic Support Services	27
Corporate Support Services	28
Development Planning	29
Budget and Treasury	30
Social Services	30
Infrastructure Services	31
SDBIP Service Delivery and Performance Indicators	33
ORGANISATIONAL DEVELOPMENT OVERVIEW	35
FINANCIAL HEALTH OVERVIEW	35
AUDITOR GENERAL REPORT 2020	36
Basis for opinion	36
AUDITOR GENERAL REPORT 2021	36
Opinion, <i>Unqualified with matters of emphasis as per extracted paragraphs below</i>	36
Basis for opinion	37
Emphasis of matters	37
Significant uncertainties	37
Material impairments	37
Restatement of corresponding figures	37
Irregular expenditure	37
Unauthorised expenditure	38
RISK ASSESSMENT	39
CHANGE MANAGEMENT	40
CHAPTER 2 - GOVERNANCE	41
COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE	41
POLITICAL GOVERNANCE	41

ADMINISTRATIVE GOVERNANCE	44
COMPONENT B: INTERGOVERNMENTAL RELATIONS	45
INTERGOVERNMENTAL RELATIONS	45
COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION	46
OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION	46
PUBLIC MEETINGS	46
COMPONENT D: CORPORATE GOVERNANCE	51
RISK MANAGEMENT	51
SUPPLY CHAIN MANAGEMENT	53
BY-LAWS	54
WEBSITES	54
CHAPTER 3- SERVICE DELIVERY PERFORMANCE (Performance report part 1)	59
COMPONENT A: BASIC SERVICES	59
INTRODUCTION	59
WATER PROVISION	60
BULK WATER INFRASTRUCTURE	61
WATER AVAILABILITY IN RURAL AREAS.	63
WASTE WATER (SANITATION) PROVISION	64
CURRENT STATUS OF SANITATION IN RURAL AREAS.	65
SANITATION RESOURCES IN RURAL AREAS.	65
AGE, CONDITION AND REMAINING USEFUL LIFE OF SANITATION ASSETS IN THE MUNICIPALITY.	65
ELECTRICITY	67
WASTE MANAGEMENT (THIS SECTION TO INCLUDE: REFUSE COLLECTIONS, WASTE DISPOSAL, STREET CLEANING AND RECYCLING)	69
WASTE INFORMATION.	72
HUMAN SETTLEMENTS/ HOUSING	73
LEPHALALE DEVELOPMENT NODES.	73
DEVELOPMENT OUTSIDE THE URBAN CORE AREA.	75
FREE BASIC SERVICES AND INDIGENT SUPPORT	75
COMPONENT B: ROAD TRANSPORT	76
ROADS	76
TRANSPORT (INCLUDING VEHICLE LICENSING & PUBLIC BUS OPERATION)	79
WASTE WATER (STORMWATER DRAINAGE)	82
COMPONENT C: PLANNING AND DEVELOPMENT	83

THE SDF WITHIN THE CONTEXT OF MUNICIPAL PLANNING.	83
LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)	84
EPWP IMPLEMENTATION PROGRAMME, CWP, ETC.	85
 COMPONENT D: COMMUNITY & SOCIAL SERVICES	 87
LIBRARIES; ARCHIEVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES; OTHER (THEATRES, ZOOS, ETC)90	
CEMETORIES AND CREMATORIIUMS	92
CHILD CARE; AGED CARE; SOCIAL PROGRAMMES	92
 COMPONENT E: ENVIRONMENTAL PROTECTION	 93
POLLUTION CONTROL.....	93
AIR QUALITY.	93
WATER QUALITY	94
BIO-DIVERSITY; LANDSCAPE (INCL. OPEN SPACES); AND OTHER (EG. COASTAL PROTECTION)	94
 COMPONENT F: HEALTH	 95
CLINICS	96
AMBULANCE SERVICES.....	97
HEALTH INSPECTION; FOOD AND ABBATOIR LICENSING AND INSPECTION; ETC	97
 COMPONENT G: SECURITY AND SAFETY	 97
POLICE	97
FIRE	98
OTHER (DISASTER MANAGEMENT, ANIMAL LICENCING AND CONTROL, CONTROL OF PUBLIC NUISANCES AND OTHER).....	99
 COMPONENT H: SPORT AND RECREATION	 99
SPORT AND RECREATION	99
 COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES	 100
EXECUTIVE AND COUNCIL.....	100
FINANCIAL SERVICES	101
HUMAN RESOURCE SERVICES	102
INSTITUTIONAL STUDY CONDUCTED.....	103
CAREER PLANNING SUCCESSION AND RETENTION POLICY.	103
INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES	104
PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES	104
PROPERTY& LEGALSERVICES	104
RISK MANAGEMENT.	104
SUPPLY CHAIN COMMITTEES.	104

COMPONENT K: Organisational performance score card 105

SDBIP SERVICE DELIVERY AND PERFORMANCE INDICATORS.....105

4. 1 Key Achievements and Challenges Summary 108

5. Detailed Performance per Department or Vote 109

5.1 Office of the Municipal Manager 109

5.2 Strategic Support Services 116

5.3 Corporate Support Services 125

5.4 Development Planning 134

5.5 Budget and Treasury 139

5.6 Social Services 147

5.7 Infrastructure Services 153

CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE (PERFORMANCE REPORT PART II)
..... 162

COMPONENT A 162

INTRODUCTION TO THE MUNICIPAL PERSONNEL162

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE 164

PERFORMANCE REWARDS.....169

COMPONENT C 171

CAPACITATING THE MUNICIPAL WORKFORCE171

COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE 172

EMPLOYEE EXPENDITURE172

CHAPTER 5: FINANCIAL PERFORMANCE 176

COMPONENT A 176

STATEMENTS OF FINANCIAL PERFORMANCE176

GRANTS177

ASSET MANAGEMENT178

ASSET MANAGEMENT, (Repairs and maintenance.)179

FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS.....180

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET 180

CAPITAL EXPENDITURE180

SOURCES OF FINANCE.....182

CAPITAL SPENDING ON 5 LARGEST PROJECTS183

BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW	183
CASH FLOW	185
BORROWING AND INVESTMENTS	186
PUBLIC PRIVATE PARTNERSHIPS.....	186
COMPONENT D: OTHER FINANCIAL MATTERS	186
SUPPLY CHAIN MANAGEMENT	186
GRAP COMPLIANCE	186
CHAPTER 6: Auditor general audit findings.....	188
COMPONENT A	188
AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS 2020-21	188
AUDITOR-GENERAL OPINION 2018-19	189
Qualified opinion.....	189
Basis for qualified opinion	189
Context for the opinion	189
Emphasis of matters	190
Material allowance for impairment	190
Significant uncertainty	190
Restatement of corresponding figures	190
Irregular expenditure	190
Other matters	190
COMPONENT a (II)	190
Opinion (Unqualified)	190
Basis for opinion.....	191
Emphasis of matters	191
Unaudited disclosure notes	192
COMPONENT B	192
Report of the auditor-general to Limpopo Provincial Legislature and the Council on Lephalale Local Municipality	192
Opinion	192
Basis for opinion	192
Emphasis of matters	192
Significant uncertainties.....	193
Material impairments	193

Restatement of corresponding figures.....	193
Irregular expenditure	193
Unauthorised expenditure	193
Other matters 193	
Unaudited disclosure notes	193
Unaudited supplementary schedules.....	193
Responsibilities of the accounting officer for the financial statements	195
Auditor-general's responsibilities for the audit of the financial statements	195
Introduction and scope	195
Key performance area: Service delivery and Infrastructure development	197
Other matters 198	
Achievement of planned targets	198
Adjustment of material misstatements.....	198
Introduction and scope	199
Annual financial statements, performance and annual report.....	199
Procurement and contract management	199
Expenditure management.....	199
Consequence management	199
ANNEXURE – AUDITOR-GENERAL'S RESPONSIBILITY FOR THE AUDIT	201
FINANCIAL STATEMENTS	201
COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE	201
GLOSSARY APPENDICES	201
APPENDIX A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE	202
APPENDIX B COUNCIL dates	209
APPENDIX c – Third tier administration.....	210
APPENDIX D – FUNCTIONS OF MUNICIPALITY / ENTITY	211
APPENDIX E – WARD REPORTING	212
APPENDIX F – WARD INFORMATION.....	212
APPENDIX F(i) – WARD INFORMATION, seven largest Projects implemented	213
APPENDIX G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2020/21	213
APPENDIX H – LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS	218
APPENDIX I – MUNICIPAL ENTITY/ SERVICE PROVIDER PERFORMANCE SCHEDULE	218

APPENDIX J – DISCLOSURES OF FINANCIAL INTERESTS	218
APPENDIX K – REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE	218
APPENDIX K(i) – REVENUE COLLECTION PERFORMANCE BY VOTE	219
APPENDIX K(ii) – REVENUE COLLECTION PERFORMANCE BY SOURCE	220
APPENDIX L – CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG	221
APPENDIX M – CAPITAL EXPENDITURE – NEW & UPGRADE/RENEWAL PROGRAMMES	221
APPENDIX M(i) – CAPITAL EXPENDITURE - NEW ASSETS PROGRAMME	221
APPENDIX M(ii) – CAPITAL EXPENDITURE – UPGRADE/RENEWAL PROGRAMME	222
APPENDIX N – CAPITAL PROGRAMME BY PROJECT 2020/21	222
APPENDIX O – CAPITAL PROGRAMME BY PROJECT BY WARD 2020/21	222
APPENDIX P – SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS	222
APPENDIX Q – SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION	222
APPENDIX R – DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY	222
APPENDIX S – DECLARATION OF RETURNS NOT MADE IN DUE TIME UNDER MFMA S71	222
APPENDIX T – Audit action plan to address findings BY THE MUNICIPALITY	223
APPENDIX U – 2020/21 ANNUAL PERFORMANCE REPORT BY THE MUNICIPALITY	223

VOLUME 1

Annual Report for Lephalale Local Municipality (PERFORMANCE REPORT PART I)

ACCRONYMS

ACRONYM / ABBREVIATION	MEANING
AFS	Annual Financial Statements
AG	Auditor General
AVG	Average
BAC	Bid Adjudication Committee
BSC	Bid Specification Committee
BTO	Budget and Treasury Office
CDW	Community Development Workers
CoGHSTA	Department of Cooperative Governance, Human Settlements and Traditional Affairs
CSS	Corporate Support Services Department
Dec	December
DP	Development Planning Department
DWS	Department of Water and Sanitation
EAP	Employee Assistance Programme
EM	Executive Manager
EPWP	Expanded Public Works Programme
HR	Human Resources
i.t. o	In Terms Of
IDP	Integrated Development Plan
ID	Infrastructure Department
KPA	Key Performance Area
KPI	Key Performance Indicator
LED	Local Economic Development
LDF	Local Development Forum
LLF	Local Labour Forum
LLM	Lephalale Local Municipality
LUMS	Land Use Management System
MIG	Municipal Infrastructure Grant
MM	Municipal Manager
MWIG	Municipal Water Infrastructure Grant
N/A	Not applicable
PMU	Project Management Unit
POE	Portfolio of Evidence
Rep	Representative
R-value	Rand value
SCM	Supply Chain Management
SDBIP	Service Delivery and Budget Implementation Plan
Sept	September
SLA	Service Level Agreement
SS	Social Services Department

ACRONYM / ABBREVIATION	MEANING
SIP 01	Strategic
UOM	Unit of Measure, for example: # is number of, % is percentage
WSA	Water Services Authority
VIP	Ventilated Improved Pit Latrine
YTD	Year to Date
SPLUMA	Spatial Planning and Land Use Management Act

CHAPTER 1

CHAPTER 1 - MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A: MAYOR'S FOREWORD



Lephalale Local Municipality is currently one of the fastest growing municipalities in the country and governs a town that has the potential to become the future hub of power generation in South Africa. The municipality is working hand in hand with several stakeholders to build a vibrant city situated at the heart of the Waterberg coalfield. This coalfield is estimated to contain between 40 and 50% of SA's remaining coal reserves. Conventional wisdom is that the future of SA coal mining depends on the development of this extensive deposit of coal surrounding the town of Lephalale. There is no doubt that Lephalale will soon be a forerunner in the mining sector and energy production.

The global shift towards the use of renewable energy may push communities to diversify our economy to manufacturing and food production. Hospitality business is also added to the basket where the fauna and flora within the declared biosphere is well conserved. Agriculture as a pillar of economy in Limpopo has proven its sustainability in the last quarter of the financial year when the country was put under lockdown, thus identifying this sector as vital for Local Economic Growth.

It is against this background that the vision of the Lephalale Local Municipality shows our dedication to the improvement and empowerment of local communities through the many opportunities for economic growth afforded to it.

Vision

The **Vision** of Lephalale Local Municipality is:

"A vibrant city and be the energy hub"

The Mission is:

"We are committed to Integrated Development, provision of quality, sustainable and affordable services, financial viability and good governance, local economic development and job creation"

We endeavour to do this by being:

- **Community orientated:** Provide and deliver sustainable services and activities for the whole community
- **Transparent:** Invite and encourage democratic public participation in council's activities

- **Committed:** Focus and concentrate on council's core activities in a consistent manner
- **Business orientated:** Subscribe to, and comply with, the best business practices
- **Full of integrity:** Conduct council's business in a fair, responsible, flexible, equitable and honest manner
- **Accountable:** Report regularly to all stakeholders regarding council's actual performance
- **Environmentally friendly:** with all the development in Lephalale, the municipality will focus on taking care of the environment
- **Able to empower:** to be seen empowering our people economically
- **Performance Management:** Continually evaluate and monitor performance against predetermined objectives and set targets.

South Africa has just emerged from the second wave of infections since COVID-19 arrived on our shores in March 2019. Driven by a new variant of the virus, this second wave was more severe and cost many more lives than the first wave. It was discovered that one of the vaccines that had been procured, the AstraZeneca vaccine, offers minimal protection from mild to moderate infection by the new variant known as 501Y.v2.

Over the past year, South Africa has experienced a sharp decline in growth and a significant increase in unemployment. Poverty is on the rise. Inequality is deepening. In the third quarter of 2020, our economy was 6% smaller than it was in the last quarter of 2019. There were 1,7 million fewer people employed in the third quarter of 2020 than there were in the first quarter, before the pandemic struck. Unemployment rate now stands at a staggering 30,8%.

In recent years, the development of the Waterberg has been designated a priority in the National Development Plan with road, rail and water infrastructure development taking precedence to ensure that power stations in South Africa are in future supplied with enough coal. The financial year 2020-21 have come and gone with its share of triumphs and tribulations, this is a year where the serious down scaling of the Medupi project started in terms of the workforce as the projects nears its completion. The increase of job losses and failures of new mining projects to commence swiftly.

The following issues are key:

- First, we must defeat the coronavirus pandemic.
- Second, we must accelerate our economic recovery.
- Third, we must implement economic reforms to create sustainable jobs and drive inclusive growth.
- And finally, we must fight corruption and strengthen the State

Report on progress in the implementation of the **recovery plan** and the priority actions we must take to restore growth and create jobs. Since the launch of the plan, focus is on four priority interventions:

- a massive rollout of infrastructure throughout the country,
- a massive increase in local production,
- an employment stimulus to create jobs and support livelihoods, and
- the rapid expansion of our energy generation capacity.

An infrastructure investment project pipeline worth R340 billion in network industries such as energy, water, transport and telecommunications have been developed. Resources have been committed from the fiscus to support the construction and rehabilitation of the major N1, N2 and N3 highways. The R100 billion Infrastructure Fund is now in full operation. This fund will blend resources from the fiscus with financing from the private sector and development institutions.

Another approved project is SA Connect, a programme to roll out broadband to schools, hospitals, police stations and other government facilities. The second priority intervention of the recovery plan is to support a massive increase in local production and to make South African exports globally competitive. This will encourage greater investment by the private sector in productive activity. Key to this plan is a renewed commitment from government, business and

organised labour to buy local. This commitment should lead to increased local production, which will lead to the revival of our manufacturing industry.

All social partners that participated in the development of the Economic Reconstruction and Recovery Plan, as part of social compact, have agreed to work together to reduce reliance on imports by 20% over the next five years. They have identified 42 products – ranging from edible oils to furniture, fruit concentrates, personal protective equipment, steel products and green economy inputs – that can be sourced locally. If the target is achieved, there will be significant expand in productive economy, potentially returning more than R200 billion to the country's annual output.

To this end, Cabinet approved the SMME-Focused Localisation Policy Framework which identified the 1 000 products. Furthermore, the departments of Small Business Development and Trade, Industry and Competition are supporting SMMEs to access larger domestic and international markets.

Four master plans that have been completed and signed to date – which are part of the social compact between labour, business, government and communities – have already had an impact in their respective industries. Through the implementation of the Poultry Master Plan, the industry has invested R800 million to upgrade production. South Africa now produces an additional one million chickens every week. The Sugar Master Plan was signed during the lockdown, with a commitment from large users of sugar to procure at least 80% of their sugar needs from local growers.

Through the implementation of the plan, 2019 FY saw a rise in local production and a decline in imported sugar, creating stability for an industry which employs some 85 000 workers. Support for black small-scale farmers is being stepped up, with a large beverage producer committing to expand their procurement sharply. Since the signing of the Clothing, Textile, Footwear and Leather Masterplan in November 2019, the industry has invested more than half a billion rand to expand local manufacturing facilities, including SMMEs. These infrastructure projects will lead to the revival of the construction industry and the creation of much-needed jobs.

Third priority intervention is an employment stimulus to create jobs and support livelihoods. The public sector has a responsibility to stimulate job creation; both through its policies and through direct job creation opportunities. The Presidential Employment Stimulus is one of the most significant expansions of public and social employment in South Africa's history. By the end of January 2021, over 430 000 opportunities were already supported through the stimulus. A further 180 000 opportunities are currently in the recruitment process. These opportunities are in areas like education, arts and culture, global business services, early childhood development (ECD), and small-scale and subsistence farming. It involves environmental programmes such as the clearing of alien trees, wetland rehabilitation, fire prevention, and cleaning and greening across all municipalities. These programmes are about real lives and real livelihoods. Nearly half a million people are now receiving an income, developing new skills and contributing to their community and the country's economy.

The fourth priority intervention of the Economic Reconstruction and Recovery Plan is to rapidly expand energy generation capacity. Restoring Eskom to operational and financial health and accelerating its restructuring process is central to this objective. Plans are in place to working to fulfil commitments under the United Nations Framework Convention on Climate Change and its Paris Agreement which include the reduction of greenhouse gas emissions. Work on climate change will be guided by the Presidential Coordinating Commission on Climate Change. The commission will work on a plan for a just transition to a low-carbon economy and climate resilient society.

Operation Vulindlela is focusing on reforms in the electricity, water, telecommunications and transport sectors, as well as reforms to our visa and immigration regime. The completion of digital migration is vital to our ability to effectively harness the enormous opportunities presented by technological change. In the water sector there's work in progress through Operation Vulindlela to ensure that water license applications are finalised within the revised timeframe of 90 days; and to revive the Green Drop and Blue Drop programmes to strengthen water quality monitoring.

The revised list of critical skills will be published for public comment by the Department of Home Affairs, within one week, to ensure that the final version reflects the skills needed by the economy.

Efforts to strengthen the local government infrastructure and accelerate service delivery through the District Development Model are in place. The model brings all three spheres of government to focus on key priorities and implementation of critical high impact projects. Working with both public and private sector partners, government is

implementing a range of measures to support municipalities to address inadequate and inconsistent service delivery in areas such as water provision, infrastructure build and maintenance. Focus is on the appointment of properly qualified officials at a local level to ensure effective management and provision of services.

Some of the key projects are

- ❖ Mokolo Crocodile River Water Augmentation Project
- ❖ Opening of New Coal Mines - Waterberg Coal is planning to build a mine that will supply 10Mt/year to Eskom over a 30-year period. Resource Generation (Resgen) have also announced ambitious projects for the Waterberg and construction of the Boikarabelo mine started earlier this year. The mine will produce 6Mt/year when completed. Feasibility studies are ongoing
- ❖ Exxaro Expansion - Exxaro's open-cast Grooteegeluk multiproduct mine is being expanded to supply coal to Eskom's Medupi power station, to which it will eventually supply 14, 6 Mt/year. The mining company is also endeavouring to develop a new mine, Thabametsi, which could supply up to 17Mt/year to power stations and 2,8Mt/year to other markets. The group has proposed construction of a privately owned 600MW power station in partnership with independent power producer GDF Suez, which would be supplied by coal from Thabametsi.
- ❖ Agricultural Corridor – The municipality is working with several stakeholders in establishing agricultural projects which transfer skills to local farmers to create sustainable farming enterprises through the selling of produce to local markets.
- ❖ SIP 1 From National Government (Special Infrastructure Project 1)
- ❖ Rail - Transnet has committed to a phase 1 upgrade of the existing railway line from Lephalale to Mpumalanga via Thabazimbi, Rustenburg and Pyramid, from its current capacity of 4Mt/year to 23Mt/year by 2021 at a cost of around R5bn. Phase 2 calls for the construction of a new heavy-haul rail line from Thabazimbi to Orgies at a cost of around R32bn, which would eventually push coal volumes railed to more than 100Mt/year.

Key Policy Developments

Two by-laws were adopted by Council and gazetted in 2020-21 financial year namely the by-law on council standing order and rules and a by law on parks and cemeteries management. The IDP is aligned to the outcomes-based delivery approach.

Key Service Delivery Improvements

At the heart of any local municipality are the services it renders to the community. It is also by the amount and quality of these services that it is often evaluated. Looking at the Annual Performance report for 2020-21, the Lephalale Municipality is committed to providing the best possible delivery of services to all residents within Municipal boundaries. Despite many challenges, the level of service delivery is improving year by year and the number of residents who have access to basic services continues to grow.

The Annual Performance Report shows that the WSA managed to eradicate the back log on all formal settlements. About 31360 households have access to basic level of water, this amount to 66.8% of the total households in Lephalale. This means that in terms of national standards, most people residing in formal or proclaimed settlements have access to basic and high-level water supply. In some instances, the Municipality has provided tankers and boreholes to ensure that all households have water at least within 200m of each dwelling. There are however still many challenges as the town grows at a rapid pace and informal settlements mushroom around town. New extensions and farm dwellers on private land also pose a challenge when it comes to water supply.

Of the total households, 10602 urban households are receiving waste removal services on monthly basis and about 4537 households at rural villages and 8875 houses from informal settlements has access to Waste removal services. This equates to a total of 24014 households receiving basic level waste removal. To ensure that weekly refuse removal services are also rendered in rural areas the municipality acquired two Roll-on Roll-off trucks and 30 Roll on Roll off bins for 17 villages

About 38239 households have access to basic level of electricity which is 76.6%. The mandate to provide electricity in rural areas currently lies with Eskom.

A total of 21389 households has at least basic level of sanitation i.e., Ventilated Improved Pit latrines (VIP) or better. The Lephalale Municipality remains committed to rural development and the provision of quality, sustainable and affordable services and will continue to do so with the aim to more effectively serve the Lephalale community.

Public Participation: Our Municipality follows a development-communication approach, which means that our public participation programmes are responsive to the needs of the community within the context of government's mandated programme to improve lives of all community members.

Future Actions

It is estimated that Lephalale will grow between four and five times its current size by 2030, if all foreseen developments take place within the projected time frames. This has necessitated the drafting of a CBD development plan to coordinate future developments.

The CBD proposes the construction of both a northern and a southern bypass route to direct regional traffic around Lephalale town. The bypass routes are extensions of the regional road network. The bypass will likely stimulate the northwards expansion of Lephalale CBD and the Onverwacht light industrial area.

The main objective of the Lephalale CBD Development Plan is to revitalize the Central Business Districts and thereby also upgrades the living conditions of people within the Lephalale and Marapong areas, creating an integrated and functional urban environment and rehabilitating the dysfunctional components of the CBD areas with economic development

The municipality is embarking on consultation process with communities about their needs and Ward committees are to be closely monitored. The municipal planning processes always involve the communities in accordance with chapter 4 of the Municipal Systems Act. The Municipality has plans to involve the local communities to build the new city and the first city to be built in the democratic dispensation.

Agreements and Partnerships

Under the banner of Local Economic Development, the Lephalale Municipality, Exxaro, Anglo and Shanduka Black Umbrellas launched an Enterprise Development Incubator and Hub with the aim to accelerate the development, sustainability and ultimate independence of Small, Medium, and Micro suppliers and enterprises in Lephalale. The aim is to collaborate with partners in the private sector, government, and civil society to address low levels of entrepreneurship and high failure rate of black owned and emerging businesses. The Municipality continues to partner with Exxaro, Eskom, Waterberg coal, Temo coal and Lephalale coal in improving infrastructure in Lephalale. Through the Lephalale Development Forum, the Municipality in partnership with strategic stakeholders coordinates infrastructure related initiatives. Enel solar power producers pledged to construct sports facilities for the villages close to it. Furthermore, there has been a major agreement between Roads Agency Limpopo, Exxaro mining company and Lephalale Municipality for construction of 2 roads through the rural villages, from Sefitlhogo to Letlora and a road from Tshetlthong to Motswedeng. The Project for Sefitlhogo /Letlora has been completed whereas the Tshetlthong /Motswedeng is under construction.

Conclusion

The negative effects of the global pandemic and economic downturn affected the country adversely, Lephalale municipality was not spared as we halted most of the service delivery projects, Businesses scaled down and job losses spiked with the revenue base reduced drastically. These calls for changes and shifts in paradigm to move LLM into sustainable economic hub, thus the shift to renewable energy sources, manufacturing, Agriculture and tourism as economic drivers of development.

Growing a town into a major city and eventually into South Africa's energy hub, takes a collective effort and in Lephalale major role-players are working together to do just that. The year 2020-21 has been a year of improvement and lives have been bettered through this collective effort. We have seen economic growth projects improve the GDP and the earning ability of the community however delays in operationalizing Lephalale mine and the down scaling of Medupi are turning in a negative direction. The social standards have improved, and infrastructure development has improved. Lephalale Municipality will continue its mandate of delivering quality services to its community. This financial year has a share of challenges as compared to previous years the down scaling of Medupi increased the levels of unemployment

(Signed by :) Cllr A THULARE

MAYOR

COMPONENT B: FOREWORD AND EXECUTIVE SUMMARY- BY MUNICIPAL MANAGER

MUNICIPAL MANAGER'S OVERVIEW

Section 152 (1) of the Constitution sets out the objectives of Local Government as follows:

- (a) To provide democratic and accountable local government for local communities.
- (b) To ensure the provision of services to communities in a sustainable manner.
- (c) To promote social and economic development.
- (d) To promote a safe and healthy environment; and
- (e) To encourage the involvement of communities and community organizations in the matters of local government.

Section 152 (2) states that a municipality must strive, within its financial and administrative capacity, to achieve the objects set out in subsection (1).

Section 153 of the Constitution sets out the Developmental duties of municipalities as follows:

A Municipality – must:

- (a) Structure and manage its administrative and budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community, and
- (b) Participate in national and provincial development programs.

The constitution requires us to prioritize the delivery of basic services. It is widely accepted that basic needs and basic services refer to the same set of functions/services being water, electricity, sanitation and refuse removal.

Our municipality is one of the fastest economically growing Municipality in the country, if not in the continent. The economic boom brought some challenges to us. Administratively, we oiled our service delivery machinery to meet both the infrastructure and human resources challenges. The report will outline projects undertaken to meet water, sanitation, and other infrastructure challenges. There has been better strides and successes achieved in the delivery of electricity and refuse removal.

This report will reflect on our actual performance, identifies our key successes and some of the challenges faced during the 2020/21 financial year in terms of the strategic (SDBIP and IDP) performance.

The five-year long-term plan is contained in the Integrated Development Plan (IDP) which is the Master Plan for service delivery within local government sphere. From the IDP we derive the Service Delivery and Budget Implementation Plan (SDBIP) and similarly the Performance Plans for Management are derived from the SDBIP. These strategic documents are fully aligned. The annual report looks back at the SDBIP and IDP for a period of one year and the outcomes help with the Annual Planning and results in the review of the five-year Master Plan (IDP).

This annual report provides feedback in terms of our actual performance against the milestones and targets as set for the period under review, being the 2020/21 financial year.

The current national government measures itself against the following priority areas in terms of the National Development Plan:

- Transition to a low-carbon economy
- An inclusive and integrated rural economy
- Reversing the spatial effects of apartheid
- Improving the quality of education, training, and innovation
- Quality health care for all
- Social protection
- Building safer communities
- Reforming the public services
- Fighting corruption
- Transforming society and uniting the country

As a Municipality, we acknowledge the National priorities and as far as it applies to the mandate of the Municipality, our priorities are aligned thereto.

The following tabular matrix plots how the strategic objectives of the municipality align to the different objectives and priorities developed from various spheres of government:

Table 1: Alignment of Lephalale Strategic Objectives to National and Provincial development plans.

NATIONAL DEVELOPMENT PLAN	NATIONAL OUTCOMES	OUTCOME 9 OUTPUTS	LIMPOPO ECONOMIC AND GROWTH DEVELOPMENT PLAN	LEPHALALE STRATEGIC OBJECTIVES	LEPHALALE DESIRED IMPACTS
Improving infrastructure	6 An efficient, competitive, and responsive economic infrastructure network	Improved access to Basic Services	Public infrastructure investment programme Water Resource Development and Demand Management	Provide quality and well-maintained infrastructural services in all municipal areas	Satisfied community members
An economy that will create more jobs	4 Decent employment through inclusive economic growth	Implement the Community work programme and Co-operatives supported	Regional economic development and integration programme	Create a conducive environment for businesses to invest and prosper	Sustainable economy
		Deepen democracy through a refined ward committee model	Enterprise development (SMMEs and cooperatives development)		
An inclusive and integrated rural economy	7 Vibrant, equitable and sustainable rural communities with food security for all		Agriculture and rural development Industrial development programme		
Reversing the spatial effect of apartheid	8 Sustainable human settlements and improved quality of household life	Actions supportive of the Human Settlement outcomes		Rational planning to bridge first and second economies and provide adequate land for development	Sustainable development
Transition to a low-carbon economy	10 Environment assets and natural resources that are well protected and continually enhanced		Environmental and natural resources development programme Green economy and creation of green jobs	Protect the environment and improve community well-being	Safe, healthy, and clean-living conditions

NATIONAL DEVELOPMENT PLAN	NATIONAL OUTCOMES	OUTCOME 9	LIMPOPO ECONOMIC GROWTH AND DEVELOPMENT PLAN	LEPHALALE STRATEGIC OBJECTIVES	LEPHALALE DESIRED IMPACTS
Quality health care for all	2 A long and healthy life for all South Africans		Health care development programme		
Social protection	11 Create a better South Africa and contribute to a better and safer Africa and World		Safety and security	Capacitate disadvantaged groups	Quality life for disadvantaged groups
Transforming society and uniting the country					
Building safer communities	3 All people in South Africa feel and are safe		Education and skills development programme		
Improving quality of education, training, and innovation	1 Improved quality of basic education				
Fighting corruption		Implement a differentiated approach to municipal financing, planning and support	Corporate Governance	Enhance revenue and financial management	Financial Viability and Prosperous institution
	9 - A responsive, accountable, effective, and efficient local government system	Single Window of co-ordination	Corporate Governance	Responsible, accountable, effective, and efficient corporate governance	Public confidence
Reforming the public service	12 - An efficient, effective and development oriented public service and an empowered, fair, and inclusive citizenship	Improved municipal financial and administrative capacity	Corporate Governance	Improve functionality, performance, and professionalism	Best Governance ethos
	5- Skilled and capable workforce to support an inclusive growth path	Improved municipal financial and administrative capacity	Corporate Governance	Improve functionality, performance, and professionalism	Best Governance ethos

During the Financial Year 2020/21, standard operating procedures, and management resolutions as well as recommendations by the Audit Committee were applied. Employee Performance Management Policy was adopted by Council to regulate Municipal employee performance aimed to achieve the outcomes and strategies on table above.

MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

1. Background:

Lephalale Municipality is authorized to exercise and perform the following powers and functions as set out in schedule 4, part A and B of the Constitution of the Republic of South Africa, act 108 of 1996:

Table 2: Assessment of powers and functions

Service	Authority for the service		Description of function performed by Municipality
	Local Municipality	District Municipality	
Air pollution	Yes		Air pollution control by monitoring the institutions that are more likely to pollute the air
Building regulation	Yes		Enforcing the national building regulations
Bulk supply of Electricity	Yes		Supply maintains all electricity functions
Fire fighting		Yes	Provide firefighting services
Local tourism & LED	Yes		Provide LED and Tourism enhancement support
Municipal planning	Yes		Forward planning; Land use control; Policy development; GIS
Municipal health services		Yes	Provision of municipal health services through inspections, investigations, and control
Municipal public transport	Yes		Ensure that accessible, safe, adequate, and affordable public transport is provided
Municipal roads and storm water	Yes		Provision, upgrading and maintenance of roads and storm water systems
Trading regulation	Yes		By-law and regulation enforcement
Bulk supply of water	Yes		Provision of potable water
Sanitation	Yes		Provision of hygienic sanitation systems
Billboards & the display	Yes		Regulation, control and display of advertisement and billboards
Cemetery, funeral parlours & crematoria	Yes		Provision of graves to the community for internment of deceased
Street cleansing	Yes		Sweeping streets, picking litter, and emptying of street bins
Noise pollution	Yes		Control of noise pollution
Control of public nuisance	Yes		Control of public nuisance and inspection thereof issuing of notices
Control of undertakings that sell liquor to the public		Yes	Regulated by liquor Act – custodian SAPS and liquor board
Street trading	Yes		By-law and regulation enforcement
Licensing & undertakings to sell food to the public	Yes		Quality control, Safety, and hygiene regulation
Refuse removal, refuse dump & solid waste disposal	Yes		Waste collection; waste transport and Landfill management
Public places	Yes		Maintaining and provision of sports facilities
Traffic and parking	Yes		Enforcement of Road Traffic Act
Occupational health & safety	No		Competency of the Department of labour
Municipal parks & recreation	Yes		Establishment and maintenance of parks
Additional Functions Performed			
Housing	No	No	Department of Cooperative Governance, Housing and Traditional Affairs as per agreement with the Municipality
Library, Arts & Culture	No	No	Department of Sports, Arts and Culture with the Municipality as per agreement
Registering Authority	No	No	Department of Transport with the Municipality as per agreement

This section describes the geographical area within which Lephalale Municipality is located within Waterberg District and Limpopo Province at large. In addition, this section provides information on demographic profile and the status of service delivery covering the following key performance areas: Spatial Development, Environmental issues, Infrastructure investment (service delivery) Local Economic Development, Financial Management, Institutional Management and Public Participation.

2. Executive Summary:

The Municipality is in the North Western part of Waterberg District of Limpopo Province of the Republic of South Africa. It borders with four local municipalities (Blouberg, Modimolle, Mogalakwena and Thabazimbi). Its north-western border is also part of the International Border between South Africa and Botswana. The Lephalale Municipality is the biggest Municipality in the Limpopo province (covering 14 000km²). The town of Lephalale is located 280 km from Tshwane and a recognized gateway to Botswana and other Southern African Countries.

The town Lephalale (Ellisras/Onverwacht/Marapong) is located approximately 40 km from the border of Botswana. It is situated between 23°30' and 24°00' South latitude 27°30' and 28°00' East longitude. Lephalale Municipal area's contribution of mining to GDP is significant at 59.21%. Electricity contributes 11.33% to the GDP and its contribution to the Waterberg electricity sector is at 69.65%. Other sectors that have a significant contribution to the Waterberg GDP per sector include Agriculture, Mining, and Manufacturing. Agriculture (38.85%) is the sector that employs the largest part of the workforce and is followed by community services (15.71%).

Nestled at the spur of the Waterberg Mountains, Lephalale is a place of peace and breath-taking beauty. Discover why Lephalale is called "the heartland of the Waterberg bushveld". As part of the Waterberg biosphere, Lephalale area is richly blessed with pristine natural beauty and an abundance of fauna and flora. Lephalale offers an infinite variety of scenic contrasts and encompass the unique Waterberg wilderness with its extraordinary beauty which boasts superb vistas, mountain gorges, clear streams and rolling hills. Rich in geological sites and rock art is a strong drawcard for the region, suggesting its links to many previous generations.

Hence, the importance of tourism industry to the economy of the area is likely to continue to grow into the future. This is likely to be related to the hunting and ecotourism industries but could also be linked to any expansion of the industrial operations and the related business tourism. Agriculture especially red meat is one the potential economic activity which is likely to grow in the municipal area. Lephalale Local Municipality has been blessed with natural resources that give it a competitive and comparative advantage in Mining, Energy, Tourism and Agriculture. Both social infrastructure and economic infrastructure indicators show that much must still be done to improve the quality of life of the people of Lephalale.

Figure 1: Lephalale Municipality geographic location



3. Demographics

The community survey of 2016 projected a 21.8% in male population compared to 13.5% of females with the overall increase of 18% against 35.8% in 2011. The increase in population may be linked to the skills development centres and job opportunities in the Municipality because of the Waterberg coalfield. The community survey suggested a population increase, considerably higher than the provincial growth rate of 0.84% per year for the last five years. The household size has declined from 3.9 in 2011 census to 3.2 in the 2016 community survey. Almost 58.4% of the population is economically active in terms of age. The youth represent 40.7% of the population.

Table 3: Age and gender profile.

Age	0-4	5-9	10-14	15-19	20-24	25-29	30-	35-	40-	45-	50-54	55-	60-64	65-69	70-74	75+	Total
Male	851	585	5991	6618	8389	12019	786	585	444	419	3013	223	1494	847	399	500	78320
Fem	793	612	5948	5288	6920	6357	536	413	293	266	2200	177	1355	918	834	118	61919
Total	164	119	11939	11906	15308	18376	132	998	737	685	5213	400	2849	1765	1233	168	14024
%	11.9 %	8.7	8.6%	8.7%	10.9%	11.4%	9.7	7.2	5.3	4.9	3.8%	3.0	2.2%	1.3%	1.0%	1.2	100%

Source: Statssa

. Population Trends

Table 4: Key population statistics

Total Household	43 002	100%
Total Population	140 240	100%
Young (0 – 14)	40 358	29.2%
Working Age	95 103	54.8%
Elderly (65+)	5 403	3.5%
Dependency ratio	35 136	33.2%
Sex ratio	121 -5. 6	21-1
Growth rate	2011 - 2016	13.5%
Population density	8 people per km ²	
Unemployment rate	2016	22.2%
Youth unemployment rate	2016	27%
No schooling aged 20+	3 769	6.2%
Higher education aged 20+	12 615	16.4%
Matric aged 20+	16 579	23.5%
Number of households	43 0002	
Number of agricultural households	6 757	22.6%
Average household size	3.2	
Female headed households	16 443	39.1%
Formal dwellings	34 610	82.3%
Flush toilet connected to sewer	17 536	41.6%
Piped water inside dwelling	17 390	41.3%
Electricity for lighting	37 602	89.4%

Source: Stats SA 2016 survey

4. Education profile.

The table below depicts the number of people who had reached each level of education as presented in the 2011 census. Over the years there has been a remarkable decline in the number of people who have not received formal education.

Table 5: Levels of educational attainment.

YEAR	1996	2001	2011
No schooling	10 479	10 905	6 684
Some Primary	6 860	9 661	8 650
Completed Primary	2 666	3 228	3 391
Some Secondary	10 063	12 111	24 951
Grade12/Grade 10	4 477	6 159	16 579
Higher	2 059	2 764	7 160

Source: Statssa

Table 6: People with disability

State of health	Number
No difficulty	116 584
Some difficulty	6 500
A lot of difficulty	774
Cannot do at all	251
Do not know	69
Cannot yet be determined	4 651
Unspecified	3 166
Not applicable	8 245
Total	140 240

5. Income Categories.

To determine the people's living standards as well as their ability to pay for basic services such as water and sanitation, the income levels of the population are analysed and compared to the income level in the province in general. The table below presents distribution of the household income per household group within the Municipality.

Table 7: Annual Household Income (2011).

Income category in R'	Mid-point of income	No of households	Cum no of households	Cum no of HH as % of total HH	Total income in category	Cumulative income
No income	0	3 745	3 745	12.53%	0	0
1 – 4800	2400.5	958	4 703	15.74%	2299679	2299679
4801 -9600	7200.5	1 876	6 579	22.02%	13508138	15807817
9601 – 19600	14600.5	4 876	11 455	38.34%	71192038	86999855
19601 – 38200	28900.5	6 046	17 501	58.58%	174732423	261732278
38201 – 76400	57300.5	4 608	22 109	74.00%	264040704	525772982
76401 – 153800	115100.5	3 354	25 463	85.23%	386047077	911820059

153801 – 307600	230700.5	2 358	27 821	93.12%	543991779	1455811838
307601 – 614400	461000.5	1 417	29238	97.86%	6532377085	2109049547
614401– 1 228800	921400.5	445	29 683	99.35%	4100232225	2519072769
1228801–2 457600	1843200.5	126	29809	99.77%	232243263	2751316032
2 457601 or more	3686401.0	68	29877	100.00%	250675268	3001991300
Unspecified		3				

Source: Statssa

SERVICE DELIVERY OVERVIEW

During the Financial Year 2020/21, standard operating procedures and management resolutions as well as recommendations by the Audit committee were applied. Employee Performance Management Policy was adopted by Council to regulate municipal employee performance.

There are one hundred and thirty-seven (137) indicators in the adjusted 2020-21 higher level SDBIP, seven (7) indicators are not applicable because of departments doing well to avoid audit findings, internal audit findings and the fact that no department applied for by-law formulation by corporate support services.

The Overall SDBIP achievement is forty-nine (49) indicators achieved target as predetermined, seventeen (17) six (6) indicators over exceeded target, fifty-six (56) indicators had a below average performance and two (2) indicators performed unsatisfactory by standards set for good performance. The total performance is 2.6, which is a fair Performance for the institution as a whole; the institutional performance is at 2.8 for key performance indicators and 2, 1 for project implementation.

The institution is experiencing challenges on timeous implementation of capital projects, and it is slightly behind schedule on project implementation.

Most operational predetermined objectives are achieved as scheduled except for the few which the budget was insufficient and had to be moved to future dates.

A table of summary on indicator performance briefly in the fourth quarter.

Table 8

Total Indicators	Achieved Indicators	Indicators exceeded Target	Indicators Over exceeded Target	Indicators Below target	Indicators with Unsatisfactory Performance	Non-Applicable	Total Percentage
137	49	17	6	56	2	7	57%

The institutional performance score is at 2,8 on Key Performance Indicators and 2.1 for project implementation, with the overall average scoring of 2,6 as per Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Manager, Regulation 805 of 2006, adapted to comply with the Lephalale Local Municipality's performance management requirements.

Summary of SDBIP KPAs and Indicators 2020/21 Table 9

Overall SDBIP	Total Number of KPIs	Indicator Performance 2020/21FY				
		Target Achieved	Target Not Achieved	Target Overachieved	N/A	%
SDBIP Departments (Votes)						
Office of the Municipal Manager	17 Indicators	6	5	5	1	68, %
Strategic Services	25 Indicators	13	11	1	0	56%
Corporate and Support Services	23 Indicators	8	9	5	1	59, %
Development Planning	11 Indicators	2	1	4	4	86%
Budget and Treasury	23 Indicators	12	8	3	0	65%
Social Services	18 Indicators	5	8	4	1	47, %
Infrastructure Services	20 Indicators	3	16	0	0	20, %
Total Indicators	137	49	58	23	7	57,2%
Infrastructure Services & other Municipal Projects	23 projects	9	12	0	2	43%

Summary of SDBIP KPAs and Indicators 2019/20

INDICATOR PERFORMANCE 2019/20 FY					
Overall SDBIP	Total Number of KPIs	Indicator Performance 2019/20 FY			
		Target Achieved	Target Not Achieved	Target Overachieved	%
SDBIP Departments (Votes)					
Office of the Municipal Manager	11 Indicators	6	1	4	90%
Strategic Services	21 Indicators	13	5	3	76%
Corporate and Support Services	18 Indicators	10	7	1	61%
Development Planning	9 Indicators	3	3	3	66%
Budget and Treasury	18 Indicators	8	7	3	61%
Social Services	13 Indicators	5	7	1	46%
Infrastructure Services	15 Indicators	2	10	3	33%
Total Indicators	105	47	40	18	62%
Infrastructure Services Projects	14 projects	5	9	0	35%

Summary of SDBIP Votes and Indicator performance for the current Financial Year and the previous financial for a comparison

The comparisons of key performance indicator scores on the two tables above depicts a 5% drop in performance from the previous financial year scores, and this could be attributed to impact of the pandemic on projects and other inherent challenges.

Project performance shows an improvement as compared to previous financial year as a result the increased number of projects reported.

Table 10

Overall Municipal Performance as audited by Internal Audit

Overall SDBIP	Total Number of KPIs	Indicator Performance 2020/21FY for the 2020/21 Financial year.				
		Target Achieved	Target Not Achieved	Target Overachieved	N/A	%
SDBIP Departments (Votes)						
Office of the Municipal Manager	17 Indicators	6	5	5	1	68%
Strategic Services	25 Indicators	12	12	1	0	52%
Corporate and Support Services	23 Indicators	8	9	5	1	59%
Development Planning	11 Indicators	2	1	4	4	86%
Budget and Treasury	23 Indicators	12	8	3	0	65%
Social Services	18 Indicators	4	9	4	1	47%
Infrastructure Services	20 Indicators	3	16	1	0	20%
Total Indicators	137	47	60	23	7	56%
Infrastructure Services & other Municipal Projects	23 projects	9	12	0	2	43%

4. 1 KEY ACHIEVEMENTS AND CHALLENGES SUMMARY

Good governance and Public Participation.

- Audit Committee and Risk Committee functional and impacting positively to Management of the Municipality.
- MPAC is functional- Accountability and oversight.
- Constant Mayoral community engagement.
- IDP credible and process plan adopted and implemented.
- MĠG spending at 100 %.

Municipal Challenges Summary

- Ageing assets/infrastructure
- Vandalism and theft – Municipal Assets
- Climate change (Drying boreholes)

- Water and electrical loss
- Growth (node 1 and node 2): land invasion in node one and unplanned extension in node 2 and now we are to react by diverting resources to provide for basic services.
- Vandalism and theft – Municipal assets
- Natural disasters e.g., Floods affected the area
- Mushrooming of Informal rental businesses
- Economic Migration leads to Influx of people to the area/ Informal settlement
- Illegal connections for services water and electricity.
- Shortage of bulk electricity supply in Marapong and Leseding
- Impact of COVID-19 impaction revenue collection and provision of services.
- Uncertainty of the local economy
- Total annual employee costs on average 216m against a budget of 550m (39%)-This is against the normal Treasury norms
- Lack of office space and record keeping space.
- Shortage of land- especially in Node 2 (Town, Onverwacht and Marapong)
- Land invasion – lack of land affecting the implementation of human settlements and spatial planning policies-
- Environmental pollution due Industrialisation
- Shortage of water to unlock development
- Completion of Medupi construction which led to increase of unemployment
- Community unrest/protests
- High prevalence rate of HIV/AIDS pandemic

4. 2 Framework for Managing Program performance information

- Providing public access to government-held information
- Providing public access to government-held information A wide range of information collected by government can help decision-making in the private sector, civil society and the public if placed in the public domain. Much of this information is already published by, for example, Stats SA, the Reserve Bank, and the National Treasury, reported information on KPA 2 in this report sourced data from this sectors and constitutional chapter 9 institutions.
- Stats SA publications provided statistics disaggregated at municipal level based on the 2016 municipal boundaries. All indicators where CS 2016 data has been compared with Census 2011, data for the latter were aligned to the 2016 municipal boundaries. The publication profile's various themes, including population demographics, education, disability prevalence, parental survival status, access to basic services and how households rate services, food security, crime, and safety.

OFFICE OF THE MUNICIPAL MANAGER

Office of the Municipal Manager. The Municipal Manager is equally responsible for all the indicators in other Departments.

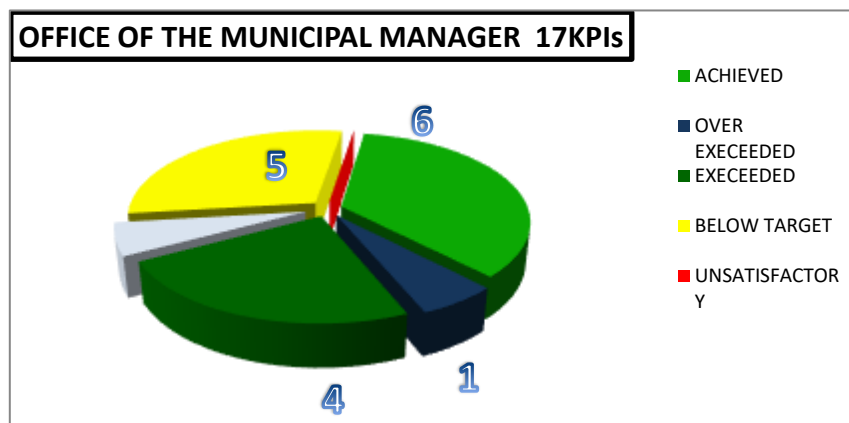
All performance Indicators directly linked to the Municipal Manager's office are applicable for the quarter.

Office of Municipal Manager is responsible for the following units

- Risk
- Management Unit
- Internal Audit Unit
- Security Unit

Indicators	Total number 17
Achieved Target	6
Exceeded Target	4
Over exceeded Target	1
Below Target	5
Unsatisfactory	0
Not Applicable	1

The Departmental performance is depicted on the below color-coded pie chart:



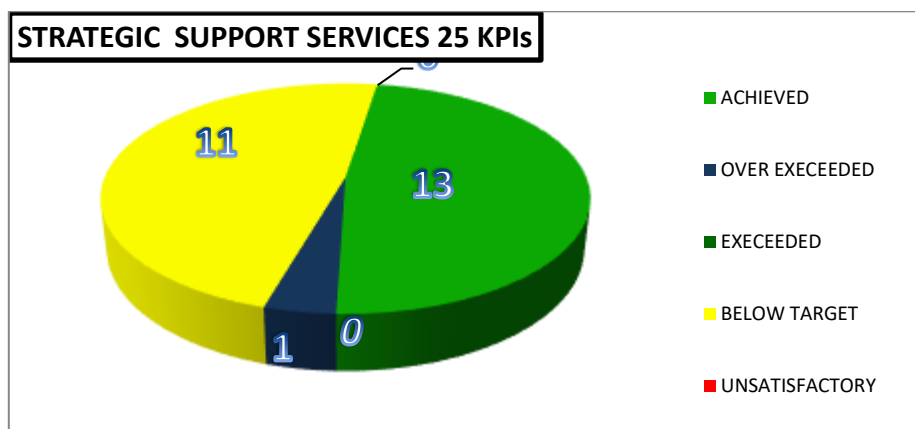
STRATEGIC SUPPORT SERVICES

The Department comprises of the following Units:

- IDP
- PMS
- Public Participation
- Communication
- LED

Indicators	Total number 25
Achieved Target	13
Exceeded Target	0
Over Exceeded Target	1
Below Target	11
Unsatisfactory	0
Not Applicable	0

The Departmental performance is depicted on the below color-coded pie chart:



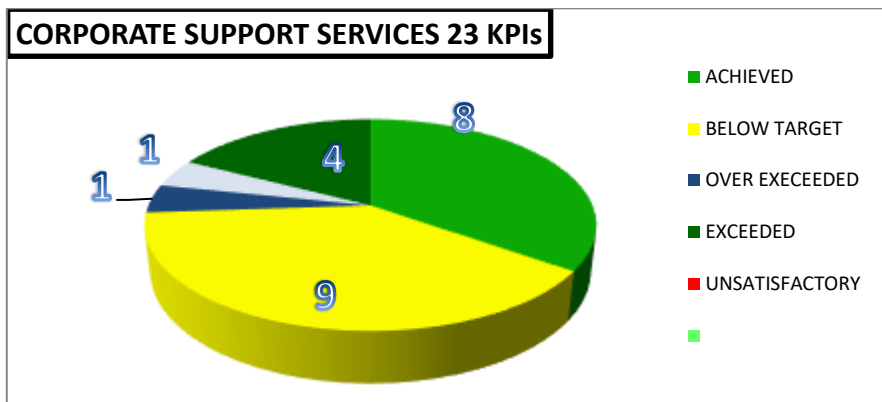
CORPORATE SUPPORT SERVICES

The department comprises of the following Units:

- Administration and Secretariats
- Human Resources
- Legal Services
- ICT Services

Indicators	Total number 23
Achieve Target	8
Exceeded Target	4
Over exceeded Target	1
Below Target	9
Unsatisfactory	0
Not Applicable	1

The Departmental performance is depicted on the below color-coded pie chart:



The first bylaw is deferred to next financial year. The second Bylaw which was due for review has been cancelled for review by the end user department.

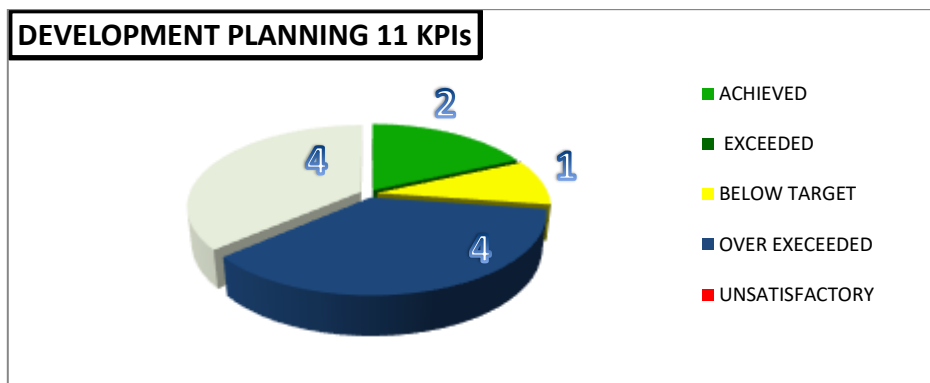
DEVELOPMENT PLANNING

The department comprises of the following units:

- Building Control
- Land Use Management
- Human Settlements

Indicators	Total number 11
Achieved Target	2
Exceeded	0
Over exceeded Target	4
Below Target	1
Unsatisfactory	0
Not Applicable	4

The Departmental performance is depicted on the below color-coded pie chart:



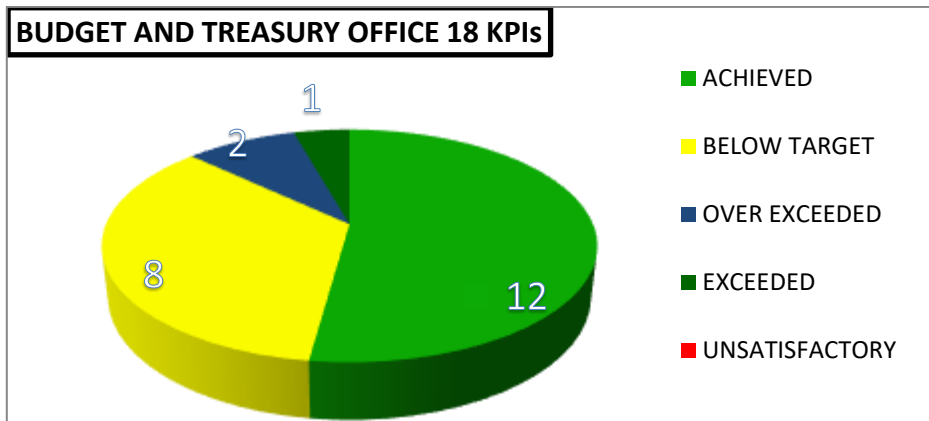
BUDGET AND TREASURY

The Department comprises of the following units:

- Budget and Reporting
- Expenditure
- Income
- Supply Chain Management

Indicators	Total number 23
Achieved Target	12
Exceeded Target	1
Over exceeded Target	2
Below Target	8
Unsatisfactory	0
Not Applicable	

The Departmental performance is depicted on the below color coded pie chart:



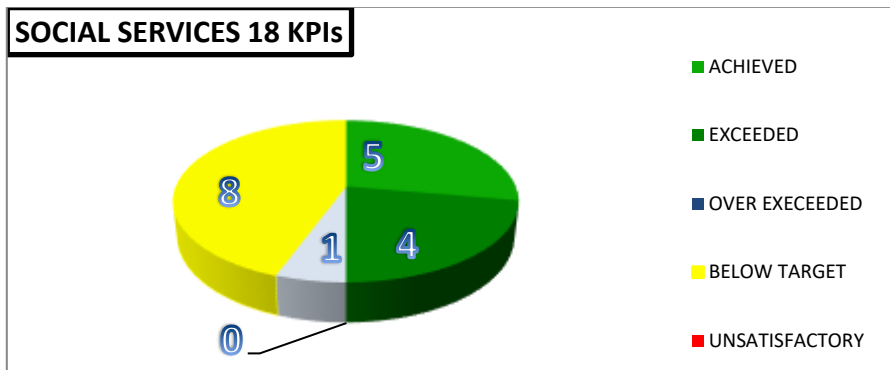
SOCIAL SERVICES

The department comprises of the following units:

- Traffic
- Registration
- Waste Management
- Parks
- Libraries

Indicators	Total number 18
Achieved Target	5
Exceeded Target	4
Over Exceeded Target	0
Below Target	8
Unsatisfactory	0
Not Applicable	1

The Departmental performance is depicted on the below color coded pie chart:



INFRASTRUCTURE SERVICES

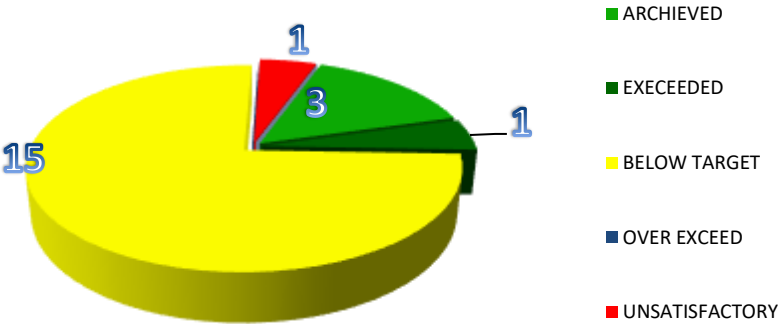
The department comprises of the following units:

- Water
- Sanitation
- Project Management Unit
- Electrical
- Roads and Storm water

Indicators	Total number 20
Achieved Target	3
Exceeded Target	1
Over Exceeded Target	0
Below Target	15
Unsatisfactory	1
Not Applicable	0

The Departmental performance is depicted on the below color coded pie chart:

INFRASTRUCTURE SERVICES 20 KPIs



During Adjustment of the Budget in Mid -Year there were two indicators under the division of Electricity which were adjusted as follows

Indicator ID	INDICATOR	UOM	Updater	Original Annual Target	Adjusted Annual Target
M_401A	Percentage households with access to basic level of electricity connected by Eskom*YTD	%	Lep-MElec	70%	90,50%
M_401B	Percentage households with access to basic level of electricity connected by Municipality *YTD	%	Lep-MElec	17%	95%

SDBIP SERVICE DELIVERY AND PERFORMANCE INDICATORS

There are one hundred and thirty-seven (137) indicators in the adjusted 2020-21 higher level SDBIP, seven (7) indicators are not applicable because of departments doing well to avoid audit findings, internal audit findings and the fact that no department applied for by-law formulation by corporate support services.

The Overall SDBIP achievement is forty-nine (49) indicators achieved target as predetermined, seventeen (17) six (6) indicators over exceeded target, fifty-six (56) indicators had a below average performance and two (2) indicators performed unsatisfactory by standards set for good performance. The total performance is 2.6, which is a fair Performance for the institution as a whole; the institutional performance is at 2.8 for key performance indicators and 2, 1 for project implementation as per Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Manager, Regulation 805 of 2006, adapted to comply with the Lephalale Local Municipality's performance management requirements.

The baseline for access to services in the adjusted SDBIP is informed by number of households with access to basic services as confirmed by the previous Annual Performance Report.

For service delivery performance statistics, the total number of households in Lephalale municipality is 47685 as verified by the municipality in response to Auditors general's findings. The 43002 from the STATS SA 2016 Community Survey was previously used and during verification the total changed to 47685 households. For this report, some of the indicators were non-cumulative in nature during the in-year reporting; however, in the last quarter aggregated cumulative achievements were reported.

Summary of SDBIP KPAs and Indicators 2020/21

Overall SDBIP	Total Number of KPIs	Indicator Performance 2020/21FY				
		Target Achieved	Target Not Achieved	Target Overachieved	N/A	%
SDBIP Departments (Votes)						
Office of the Municipal Manager	17 Indicators	6	5	5	1	68, %
Strategic Services	25 Indicators	13	11	1	0	56%
Corporate and Support Services	23 Indicators	8	9	5	1	59, %
Development Planning	11 Indicators	2	1	4	4	86%
Budget and Treasury	23 Indicators	12	8	3	0	65%
Social Services	18 Indicators	5	8	4	1	47, %
Infrastructure Services	20 Indicators	3	16	0	0	20, %
Total Indicators	137	49	58	23	7	57,2%
Infrastructure Services & other Municipal Projects	23 projects	9	12	0	2	43%

The outcomes of the average performance per department and per KPA for 2019/20 FY are indicated in the table below

Table: 10

Overall SDBIP	Number of KPIs	Qtr. 1			Overall Score	Qtr. 2			Overall Score	Qtr. 3			Overall Score	Qtr. 4			Overall Score
		KPI	PRJ	AVG		KPI	PRJ	AVG		KPI	PRJ	AVG		KPI	PRJ	AVG	
SDBIP Overall Average Percentage Achieved		90%	76%	83%	83%	64%	68%	66%	66%	75%	70%	72,5%	72,5%	81%	59%	70, %	70%
Office of the Municipal Manager	11	5	3.0	5	100%	4.0		4.0	80%	3.5	3.5	3.5	87%	72			90%
Strategic Services	21	4		4	92%	3		3	80%	3.6		3.6	76%	3.8		3.8	79%
Corporate and Support Services	18	4		4	90%	4.2		4.2	85%	4.4		4.4	88%	3.6		3.6	76%
Development Planning	9	5		5	100%	4		4	85%	3		3	92%	4.8		4.8	83%
Budget and Treasury	18	4		4	80%	1,96		1,96	78%	2.8		2.8	88%	4	3.8	4.1	80%
Social Services	13	4.7		4.7	92%	3.1		3.1	80%	3.1		3.1	82%	4.2		4.2	65%
Infrastructure Services	15	4.3		4,3	76%	1.64		1,64	76%			2.7	70%			2.6	64%
Overall Capital Projects	13	3		3	78%	2.7		2.7	68	3		3	70%	2.6		2,6	59%

The scoring method utilised is in line with the assessment rating calculator prescribed by the Local Government: Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers, Regulation 805 of 2006 (Table 1)

The comparisons of key performance indicator scores on the two tables above depicts a 5% drop in performance from the previous financial year scores, and this could be attributed to impact of the pandemic on projects and other inherent challenges.

Project performance shows an improvement as compared to previous financial year as a result the increased number of projects reported.

ORGANISATIONAL DEVELOPMENT OVERVIEW

In the light of the actual and potential development challenges the Municipality reviews its organizational structure in order that the structure should reflect how the municipality has organized its resources and competencies for the purpose of delivering on core responsibilities. The political structure consists of Council and the Executive Committee. The administration consists of the office of the Municipal Manager and six Departments: Corporate Service, Budget & Treasury Office, Development Planning, Infrastructure Services, Social Services and Strategic Support Services,

Current institutional capacity constraints within Lephalale municipality will impede the achievement of development targets for the Limpopo Coal and Petrochemical cluster. The most critical constraints in the context of the cluster are in planning and technical services.

The turnover rate is 13 % from an organizational structure of 524; the total number of filled posts was 433 which include interns. 97;7% of the total budget was spent on work skills development. All HR policies were reviewed and updated for council to adopt in the financial year.

The Lephalale Local Municipality has successfully conducted the Annual Individual Performance Evaluations for the financial years of 2019/20:

The result of the calculations concludes that all executive managers evaluated, and municipal manager does not qualify for a bonus for the financial year 2019/20.

FINANCIAL HEALTH OVERVIEW

The excellent performance in relation to the main financial ratios that measures the financial viability of a municipality shows that the municipality's is not financially healthy. The Municipality's liquidity ratio stood at 284%, cost coverage at 267%, debt coverage at 2249% as well the debt collection rate declined to 81% in 2020/21 as compared to the 83% collection rate from 2019/20. FY

We closed the year with outstanding service debtors to revenue at 19%.

Table 12: Operating Ratios

Operating Ratios	
Detail	%
Employee cost	36%
Repairs & maintenance	2%
Finance charge & impairment	3%

COMMENT ON OPERATING RATIOS:

Employee cost is inclusive of Councillors remunerations is equal to R223 236 823 from the total operating expenditure of R614 673 262. Repairs and maintenance total cost is R13 671 694, and the finances charges are R 19 516 753 from the total operating expenditure of R 614 673 262.

Table 13: Total Capital Expenditure

Total Capital Expenditure: Year-2 To Year		2020/21	2019/20	2018/19
			R'000	
Detail	Year-2	Year-1	Year0	
Original budget	109 092 000	R 81 461 000	R 56 523000	
Adjustment budget	193 231 00	R 109 161 000	R 117 840 000	
Actual	139 950 224	R 69 413 106	R 53 438 000	

AUDITOR GENERAL REPORT 2020

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

UNQUALIFIED AUDIT OPINION

I have audited the financial statements of the Lephalale Local Municipality set out on pages ... to ..., which comprise the statement of financial position as of 30 June 2020, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the financial statements present fairly, in all material respects, the financial position of the municipality as at 30 June 2020, and its financial performance and cash flows for the year then ended in accordance with Standards of Generally Recognised Accounting Practice (Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2019 (Act No.16 of 2019) (DoRA).

BASIS FOR OPINION

I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of this auditor's report.

I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

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

AUDITOR GENERAL REPORT 2021

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION, UNQUALIFIED WITH MATTERS OF EMPHASIS AS PER EXTRACTED PARAGRAPHS BELOW

1. I have audited the financial statements of the Lephalale Local Municipality set out on pages ... to ..., which comprise the statement of financial position as at 30 June 2021, the statement of financial performance, statement of changes in net assets, and cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Lephalale Local Municipality as at 30 June 2021, and its financial performance and cash flows for the year then

ended in accordance with Standards of Generally Recognised Accounting Practise (Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2020 (Act No. 4 of 2020) (Dora).

BASIS FOR OPINION

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of my report.
4. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

EMPHASIS OF MATTERS

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

SIGNIFICANT UNCERTAINTIES

7. With reference to note 41 of the financial statements, the municipality is the defendant in multiple lawsuits. The ultimate outcomes of these matters cannot presently be determined and no provision for any liability that may result have been made in the financial statements.

MATERIAL IMPAIRMENTS

8. As disclosed in note 32 to the financial statements, debt impairment of R16 508 747 was incurred as a result of debt of which recoverability is doubtful.

RESTATEMENT OF CORRESPONDING FIGURES

9. As disclosed in note 44 of the financial statements, the corresponding figures for 30 June 2020 were restated as a result of errors in the financial statements of the municipality at, and for the year ended 30 June 2020.

IRREGULAR EXPENDITURE

10. As disclosed in note 49 to the financial statements, the municipality incurred irregular expenditure of R376 929 369, as it did not follow a proper tender processes.

UNAUTHORISED EXPENDITURE

11. As disclosed in note 47 to the financial statements, the municipality incurred unauthorised expenditure of R45 346 276, due to the overspending on the approved budget.

STATUTORY ANNUAL REPORT PROCESS

Table 14:

No.	Activity	Timeframe
1	Council adopts Oversight report	March
2	Oversight report is made public	
3	Oversight report is submitted to relevant provincial Council s	
4	Annual Performance Evaluation	April
5	Commencement of draft Budget/ IDP finalisation for next financial year. Annual Report and Oversight Reports to be used as input	April/ May
6	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
8	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
9	Finalise the 4th quarter Report for previous financial year	
10	Submit draft year 0 Annual Report to Internal Audit and Auditor-General	
11	Municipal Manager tables the unaudited Annual Performance Report	
12	Municipality submits draft Annual Performance Report including consolidated annual financial statements and performance report to Auditor General	
13	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	
14	Auditor General audits Annual Performance Report including consolidated Annual Financial Statements and Performance data	September - October
15	Municipalities receive and start to address the Auditor General's comments	November
16		
17	Audited Annual Report is made public, and representation is invited	
18	Oversight Committee assesses Annual Report	December
19	Municipal entities submit draft annual reports to MM	
20	Audit/Performance committee considers draft Annual Report of municipality and entities (where relevant)	
21	Municipal entities submit draft annual reports to MM	January
22	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report Mayor tables the unaudited Annual Report	

RISK ASSESSMENT

Table 15: Risk Assessment

RISKS	ROOT CAUSES	TREATMENT PLANS
Failure to comply with the required regulation	1. New regulation 2. Resistance from employee changes in system and the whole Municipal operation.	1. Conducted awareness on MSCOA implementation.
	3. Improper monitoring of project implementation plan.	3.1. Appointed the MSCOA steering committee members and the Project Manager. 3.2. Monthly MSCOA meetings are being held.
	4. Possible errors in the migration of the current financial information to the new chart.	4.1. Key officials were offered a training on MSCOA implementation 4.2 Developed and updating the MSCOA risk register monthly.
		5. Currently running the parallel system • Conducted awareness on MSCOA implementation.
Financial unsustainability	1. Non collection of revenue 2. Poor implementation of credit control and debt collection policy, Inaccurate billing of accounts.	Effective Budget control and monitoring. A debt collector has been appointed to assist with the collection of long outstanding debtors
	3. Lack of skills and capacity.	Training of key finance officials on GRAP.
	4. Unauthorised expenditure.	Developed and implement the compliance checklist.
	5. Non-compliance to laws and regulations (statutory controls).	Enforcement of consequence management Performing monthly/quarterly budget meetings and reconciliations
	6. Poor costing modelling.	
	7. Lack of budget control.	
Fraud and corruption	1. Mal administration	Implementation of Human resource Policy.
	2. Lack of awareness and campaigns on fraud and corruption policies and code of conduct. 3. Ignorance	Conduct workshops on code of conduct and HR policy to all employees.
	4. Non-compliance to laws and regulations	Continue with regular audits to review the effectiveness and efficiency of existing Internal controls. Implementation of Fraud Policy and prevention strategy and investigation of all fraud allegations
	5. Ill-discipline. 6. Unethical behaviour.	Functional Anti-corruption hotline Enforcement of disciplinary actions and consequence management
Ineffective implementation of performance management system (refined)	1. Inaccurate and Inconsistence Reporting	Quarterly performance review meetings
	2. Performance Management System not cascaded to lower-level officials	3. Performance management evaluation for only executive managers.
		4. One official was assigned to assist the PMS Manager on a full-time basis and the PAs of the executive managers were trained to assist with the gathering of POE' of Executive Managers.
	3. Lack staff capacity 4. Lack of verification of evidence due to late submission of information	5. Performance information is projected manually on excel spread sheet.
	1. Sewer system capacity is not responsive to population growth.	1. Implementation of phase 2 (sewerage engineering)

RISKS	ROOT CAUSES	TREATMENT PLANS
Unreliable provision of sanitation services.	2. Improper maintenance of sanitation infrastructure.	2. Monitoring and repairs of the existing sewer system.
	3. Outdated technology to monitor and detect faults in the sewer system.	1. Regular maintenance of Paarl wastewater treatment plant and sewer pump station 1.
	4. Aging infrastructure.	4. Improve mentation of Sewer network at the villages.

CHANGE MANAGEMENT

The 2020/21 Annual Performance Report represents the overall non-financial performance of the municipality. The data provided was because of the collaboration of various departments within the institution and informed by the Key Performance Indicators and targets as set in the Service Delivery and Budget Implementation Plan of 2020/21 Financial Year and the Integrated Development Plan of the Municipality.

Achievements reflected in this Annual Report are a symbol of good governance and administration as displayed by both the Council and Administration Management. Both the Annual Performance Report and Annual Financial Statement were prepared in-house by the Performance Management and Budget and Treasury Teams and the arrangement contributed on costs saving that would have been incurred in outsourcing the Annual Financial Statement preparations. APR and AFS were reviewed by Internal Audit, Audit and Performance Committee and an Independent Reviewer

The management team of Lephalale Municipality has been realigned to achieve the municipal vision and provide an outcome-based service delivery mission.

CHAPTER 2

CHAPTER 2 - GOVERNANCE

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

POLITICAL GOVERNANCE

The Constitution S151 (3) states that the Council of a municipality has the right to govern on its own initiative, the local government affairs of its community subject to national and provincial legislation.

The Municipality complies with the Municipal Structures Act, in terms of category B. The municipality has established its Executive Committee chaired by the Mayor, section 79 and 80 committees to ensure effective execution of its functions. The municipal Council has political clusters with chairpersons. The head of administration is the Municipal Manager as an Accounting Officer.

MFMA S52 (a) states: The Mayor must provide general political guidance over the fiscal and financial affairs of the Municipality.

The EXCO is established to assist Mayor with his/her functions. Each member of the EXCO is also a chairperson of a cluster committee. The following are the different clusters: Finance and Economic Development, Administration and Governance, Municipal Services and Community Development.

The Municipal Public Accounts Committee (MPAC) has been established and held regular meetings. MPAC held (5) five meetings and (2) two site visits in the 2020/21 financial year.

Four Portfolio committees have been established; Governance, Administration and BTO, Development Planning services, and Infrastructure services, Social Services all this committees are functional and considered reports before council.

A committee on Geographical names change, Radical Socio and Economic Transformation and the Ethics Committee for Council were established and functional in the financial year under review.

Figure 2: Political Structure

Photos

POLITICAL STRUCTURE
MAYOR MJ Maeko



SPEAKER
KR Molokomme



CHIEF WHIP
A THULARE



Executive Committee:

Cllr. MJ Maeko (Mayor), Chairperson, EXCO

Cllr. M. M Semanya (Portfolio: Social Services)

Cllr. W. M Motlokwa (Portfolio: Governance, Administration and BTO)

Cllr. R.M Shongwe (Portfolio: Municipal Infrastructure Services)

Cllr. A.E Basson (Portfolio: Planning and Development)

Table 16: Councillors

<u>Ward Councillors:</u>	<u>PR Councillors:</u>
Ward 1 Mr WM MOTLOKWA (ANC)	PR1 Mr MJ MAEKO(ANC)
Ward 2 Mr FL MONARE(ANC)	PR 2Ms KR MOLOKOMME (ANC)
Ward 3 Mr F PIENAAR (DA)	PR 3Ms MM MADIBANA (ANC)
Ward 4 Ms S.M NIEWOUDT (DA)	PR 4 Ms SHONGWE LM(ANC)
Ward 5 Mr K MOGOHLOANA(ANC)	PR 5Mr MJ MARAKALALA (ANC)
Ward 6 Mr MM Makgae (ANC)	PR 6Ms R T MODISE (ANC)
Ward 7 Ms ME MAISELA(ANC)	PR 7Ms SL SEABI(ANC)
Ward 8 Ms MJ SELOKELA(ANC)	PR 8 MR MM SEMENYA(EFF)
Ward 9 A. THULARE (ANC)	PR 9Ms MF MABASO (EFF)
Ward 10 Ms M R MODIBA (ANC)	PR 10 Ms MF MASHITA(EFF)
Ward 11 Mr NJ MOTEBELE(ANC)	PR 11 Mr N G MBHEDZI(EFF)
Ward 12 Ms P MOLEKWA(ANC)	PR 12 Mr R MAROPENG/Ms R RANGATA (EFF)
Ward 13 Ms AE BASSON(DA)	PR 13 Mr LS MANAMELA (DA)

COUNCILLORS:

The total number of Councillors is 26, half of whom are ward Councillors and the others are party proportional representatives. The names and distinctions are mentioned in the above table 15. The speaker Ms KR Molokomme is the chairperson of Council. Elections were held on the 03rd of August 2016 and the constitution of council changed to a 26-seat council and a new political party in the form of Economic Freedom Fighters (EFF) formed part of the new council, the allocation of seats per political party were 17 for ANC, 5 for EFF and 4 for the DA.

POLITICAL DECISION- MAKING

Council is scheduled to meet at least four times per year, and it is the highest decision-making body in terms of governance in the municipal area. In this financial year 16 Council meetings were held of which 7 were ordinary and 9 were special Council meetings. The executive committee meets on monthly basis and its delegates' part of its authority to certain committees and to the Accounting Officer.

The Council has established section 79 and 80 committees, for the effective and efficient functioning of the Council.

A functional Mayoral Planning Committee was established by the Council, four executive clusters were established namely, Budget and Economic Development, Governance and Administration; Planning and development; Municipal Infrastructure Services and Social Services.

Lephalale Municipality has established municipal oversight committees such the Municipal Public Accounts committee (MPAC), Audit and Performance Committee, and the Executive Committee (EXCO), this committees are fully functional and meet as scheduled or on ad-hoc basis. Reports from this committees are processed to council for considerations.

Table17: EXCO and Council meetings

Dates for 2020/21 Financial Year	Ordinary EXCO	Ordinary Council Meeting	Special EXCO	Special Council
16 JUL 2020	0	0	1	1
28 JUL 2020	1	1	0	0
31 AUG 2020	0	0	1	1
28 SEPT 2020	0	0	1	1
15 OCT 2020	0	0	1	1
27 OCT 2020	1	1	0	0
23 NOV 2020	0	0	1	1
14 DEC 2020	0	0	1	1
25 JAN 2021	1	1	0	0
23 FEB 2021	1	1	0	0
26 MAR 2021	0	0	1	1
30 MAR 2021	1	1	0	0
29 APR 2021	1	1	0	0
26 MAY 2021	0	0	1	1
27 MAY 2021	1	1	0	0
30 JUN 2021	1	1	0	0
Total	8	8	8	8

ADMINISTRATIVE GOVERNANCE

The table below illustrates the Senior Management and the summary of their function as per their Departments:

Table 18: **Top Administrative Structure**

TIERS	FUNCTION
TIER 1	
MUNICIPAL MANAGER (Ms M.M COCQUYT)	Strategic Support Liaise and advice Political Structures, Internal Audit, risk management and manage Administration.
TIER 2	
STRATEGIC SERVICES (M G MAKGAMATHA)	Overall management of offices for Mayor, Speaker and Chief whip, Responsible for correspondences from these offices. Deals with Public participation, intergovernmental co-operative governance, IDP, Communication and Performance Management
CHIEF FINANCIAL OFFICER Ms LESEGO MATLWA	Budget compilation and control, Debtor management (Credit Control, Debt collection), Accounting Services (Cash flow management, Cost, etc.), Treasury management (Loans, Investments), Inventory (Procurement & Provisioning).
EXECUTIVE MANAGER: SOCIAL SERVICES Mr (vacant)	Recreational facilities; Solid Waste Management; Environmental Management; Library, Arts and Culture; Safety and Security; Fire and Rescue Services; Disaster Management; Traffic Control; Licensing Authority.
EXECUTIVE MANAGER: CORPORATE SUPPORT SERVICES (vacant)	Administrative Support; Legal and Secretariat; Human Resources and ICT.

EXECUTIVE MANAGER: INFRASTRUCTURE SERVICES (MATEU MASOGA)	Water services; Electrical services; Sanitation services; Public Works; Roads and Storm water; Municipal Workshop and Project Management Unit.
EXECUTIVE MANAGER: DEVELOPMENT PLANNING SERVICES MS. B.C. RADIPABE	LED, Spatial and Land Use Management; Human Settlements Tourism, Marketing and International Relations and Building Control.

COMPONENT B: INTERGOVERNMENTAL RELATIONS

INTERGOVERNMENTAL RELATIONS

INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

Lephalale Local Municipality participates in the following forums for intergovernmental relations, the Premier/ Mayor's forum and the Municipal Manager's forum. The IDP and PMS Units are participating in the Provincial forum and District municipality's forum, these forums include sector departments operating at the grass roots and at community level.

NATIONAL INTERGOVERNMENTAL STRUCTURES

Besides Provincial forums attended by both officials and politicians, there are formal intergovernmental structures dealing directly with the National Government. Interaction between National Government and Municipality is done through the Provincial forums. These are: The Provincial IDP forum, Premier's *Lekgotla*, Premier's Monitoring and Evaluation forum and the Monitoring and Evaluation Forum by CoGHSTA Department.

PROVINCIAL INTERGOVERNMENTAL STRUCTURE

The Provincial IDP forum, Premier's *Lekgotla*, Premier's Monitoring and Evaluation forum and the Monitoring and Evaluation Forum by CoGHSTA Department. The department assisted the municipality with the implementation of the PMS at municipal level and the establishment of credible IDP and SDBIP. The department further established municipal manager's forum and cascaded to district level.

Provincial Treasury established a forum for Chief Financial Officers (CFO's Forum) where budgeting and financial reporting is streamlined hence developments such as MSCOA for the future.

The Internal Auditor and Risk Officers' forum are also platforms where spheres of government interact to improve and align services.

DISTRICT INTERGOVERNMENTAL STRUCTURES

The Waterberg District Municipality co-ordinates service delivery in local municipalities the similar forums attended at provincial level are hosted at district level. Lephalale municipality is benefitting from attending the District Monitoring and Evaluation forum. The Mayor's forum and the Municipal Managers forum are also beneficial in terms of planning and execution of the functions of the municipality.

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

The MSA S17 (2) requires a municipality to establish and organise its administration to facilitate and a culture of accountability amongst its staff. S16 (i): states that a municipality must develop a system of municipal governance that compliments formal representative governance with a system of participatory governance. S18 (i) (d): requires a municipality to supply its community with information concerning municipal governance, management, and development.

The municipality has established the Municipal Public Accounts Committee (MPAC) and this committee meets regularly to scrutinize reports and make recommendations to Council. The Committee reviews the annual report, AG action plan; oversee the implementation of the projects and matters referred by Council.

PUBLIC MEETINGS

COMMUNICATION, PARTICIPATION AND FORUMS

Lephalale Local Municipality has an internal newsletter which is published from the Office of the Municipal Manager. In the 2020-21 financial year the Communication strategy was adopted by Council. The Office of the Mayor through the communications and public participation units outlined how communication and dissemination of government information is to be accomplished.

Apart from the formal administrative meetings like the IDP/PMS forums, the Mayor and Councillors engagements on community outreach programs, like Imbizo and commemoration of significant dates on the calendar.

The table below shows the list of the public participation engagements throughout the 2020-21 financial year.

Table 19: Public Meetings

Public Meetings							
Nature and purpose of meeting	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending	Issues raised by community	Issue addressed (Yes/No)	Dates and manner of feedback given to community
Mayoral Stakeholders Engagement	20 September 2020	13	14	200	Involvement of Stakeholders in decision making	Yes	N/A
Mayoral Traditional House Indaba	22 September 2020	18	6	300	Strengthen the role of traditional leaders in Government	Yes	N/A
Community consultation meeting (Marapong)	04 August 2020	16	10	1250	Service delivery issues	Yes	N/A
Community consultative Meeting (Shongoane)	01 August 2020	14	12	1100	Access to housing and basis services	Yes	N/A

Public Meetings							
Nature and purpose of meeting	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending	Issues raised by community	Issue addressed (Yes/No)	Dates and manner of feedback given to community
Handing over of electrification	02 February 2021	18	16	1400	Water and Roads services	No	N/A
Handing over of electrification	13 February 2020	16	14	800	Access to housing and basis services	Not All issues	N/A
Handing over of contractor	14 February 2021	19	16	700	Electricity and Water Services	Yes	N/A
Handing over of electrification	15 February 2021	16	20	1050	Water and roads	Yes	N/A
Handing over of electrification	23 February 2021	13	6	780	Access to housing and basis services	Yes	N/A
Handing over of contractor at Kgobagodimo	23 February 2021	22	10	180	Access to housing and basis services	Yes	N/A
Handing over of contractor Magadimela	23 February 2021	Handing over of contractor	Handing over of contractor	Handing over of contractor	Handing over of contractor	Yes	N/A
Community consultation at Lebu	05 March 2021	18	5	1200	Access to housing and basis services	Yes	N/A
Community consultation at Letlora village	24 March 2021	16	10	300	Access to housing and basis services	No	N/A

From the entire public participation engagement held, the municipality was able to identify and prioritize the projects to address the identified community needs which led to the development of key performance strategies and objectives with targets. This was also done through the IDP/Budget, PMS forums and road shows.

WARD COMMITTEES

Ward committees are community coordinating structures and are assisting the ward Councillors in their functions in their respective wards. Ward committees are the key structures to community participation and representation. These are legislatively chaired by the ward Councillors and serves as the link between Councillors and Community.

Thirteen Ward committees were established in the financial year 2015/16 at the beginning of the 5year political circle of Council and for previous financial year **2020/21**. All the 13 ward committees were functional. Most of the committees managed to hold monthly meetings every month and quarterly public meetings were held successfully.

IDP PARTICIPATION AND ALIGNMENT

The Lephalale Municipality process plan is seen as a document that describes how the institution will develop and implement the integrated development plan through budget in its area of jurisdiction. Therefore, it will have meaningful bearing on the current IDP document once completed and/ or most importantly, it may lead to the process of the

development of a new and all-inclusive integrated development planning methodology to plan and actualize future development in Lephalale through our budgetary allocations. The process plan is thus like business plan and deals with the allocation of Municipality capacity and resources in support of and serve as a guideline in terms of which council will carry out its mandate through integrated development planning.

Table 208:

IDP/Budget process plan for 2021/22 Financial Year IDP Process Review)

IDP Phase	Deliverables	Coordinating/Responsible Department	Output	Legislative Requirement	Time Frame
Preparati on phase	Develop draft 2021/22 IDP, Budget and PMS process plan	Strategic Support Services	Approved IDP, Budget and PMS process plan	MSA NO. 32 of 2000 (s27,28,29 and 41) MFMA NO, 56 of 2003(s21)	01-31 July 2020
	Alignment with WDM framework for IDP	Waterberg District Municipality		MSA NO. 32 of 2000 (s27) MFMA NO. 56 of 2003 (s21)	15-31 July 2020
	Advertise draft IDP, Budget & PMS process plan for public comments	Strategic Support Service		MSA NO. 32 of 2000 (s28)	01-25 Aug 2020
	First IDP Steering Committee Meeting	Strategic Support Services		MSA NO. 32 of 2000 (s17 & 28)	04- 07 Aug20 Target 07 August 20
	First IDP Rep Forum Meeting	Strategic Support Services		MSA NO. 32 of 2000 (s16,17and 18) MFMA NO, 56 of 2003(s21)	11-14 Aug 2020 Target 12 August 2020
	Table draft IDP 2021/22 IDP, Budget and PMS process plan to council	Mayor and Municipal Manager		MSA NO. 32 of 2000 (s28)	25-31 Aug 2020 Target 25 Aug 2020
Analysis phase	Provincial District engagement session	CoGHSTA, OTP and WDM	Assessment of existing level of development Priority issues/problems	MFMA NO, 56 of 2003(s21) MSA NO. 32 of 2000 (s29)	Sep 2020
Analysis phase	Public engagement/Community based planning session	Strategic Support Services	Understanding of courses of priority issues/problems Information on available resources	MSA NO. 32 of 2000 (s16 & 17)	01-30 Sept 2020
	2 nd IDP Steering committee meeting	Municipal Manager		MSA NO. 32 of 2000 (s17 & 28)	20-23 Oct 2020 Target 22 Oct 2020
	2 nd IDP Rep Forum	Strategic Support Services		MSA NO. 32 of 2000 (s16,17and 28) MFMA NO, 56 of 2003(s21)	26-30 Oct 2020 Target 29 Oct 2020

IDP Phase	Deliverables	Coordinating/Responsible Department	Output	Legislative Requirement	Time Frame
Strategies phase	Provincial District engagement session	CoGHSTA, OTP and WDM	Vision (for Municipality)	MFMA NO, 56 of 2003(s21) MSA NO. 32 of 2000 (s29)	Nov 2020
	Strategic planning session (technical Steering committee)	Strategic Support Services	Objective for each priority issue	MSA NO. 32 of 2000 (s26)	17-27 Nov 2020 Target 19-20 Nov 2020
	Consolidation and alignment with national, provincial and district strategies	Strategic Support Services	Strategic options and choice of strategy	MSA NO. 32 of 2000 (s26)	1 – 18 Dec 2020
Project phase	Project identification	Strategic Support Services	Tentative financial framework for projects Identification of projects	N/A	5-29 Jan 2021
Project phase	Project identification	Strategic Support Services	Projects output, targets and location	N/A	6-29 Jan 2021
	Task team consultation	Strategic Support Services		N/A	6-29 Jan 2021
	Report on the mid-term performance of the SDBIP	Office of the MM	Project related activities and time schedule	MFMA NO, 56 of 2003(s72)	25 Jan 2021
	Table draft annual report to council	Office of the MM	Cost and budget estimates	MFMA NO, 56 of 2003(s127)	25-29 Jan 2021
	Strategic planning session	Office of the MM	Performance indicators	MSA NO. 32 of 2000 (s26)	26 Jan- 5 Feb 2021 Target 03-05 February 2021
	Mid-year performance	Office of MM		MFMA NO 56 (s72)	21-29 Jan 2021
	Publicize annual report for public comments	Office of the MM		MFMA NO, 56 of 2003(s127)	25 Feb - 10 Mar 2021
	Provincial District engagement session	CoGHSTA, OTP and WDM		MFMA NO, 56 of 2003(s21) MSA NO. 32 of 2000 (s29)	Feb 2021
	Community consultation forums on proposed 2021/22 tariffs, indigent credit, credit control and free basic services	BTO	Information on available resources	MFMA NO, 56 of 2003(s21 & 24)	05 -30 Feb 2021
	IDP Steering committee	Municipal Manager		MSA NO. 32 of 2000 (s17 & 28)	23-31 March 2021 Target 10 March 2021

IDP Phase	Deliverables	Coordinating/Responsible Department	Output	Legislative Requirement	Time Frame
	Third IDP Rep Forum	Mayor & Municipal Manager		MSA NO. 32 of 2000 (s 16, 17 & 28) MFMA NO, 56 of 2003(s21)	10-19 March 2021 Target 16 March 2021
	Budget steering committee for draft 2021/22 Budget	BTO		MFMA NO, 56 of 2003(s53)	10 Mar 2021
	Table draft IDP & Budget 2021/22 to council	Mayor		MSA NO. 32 of 2000 (s30)	25-31 March 2021
Project phase	Approval of Oversight Report	Municipal Manager		MFMA NO, 56 of 2003(s127)	23-31 March 2021
Integration phase	Advertise draft 2021/22 IDP & Budget for public comments	Strategic Support Services	Five-year financial plan	MSA NO. 32 of 2000 (s25)	1-30 Apr 2021
	Final alignment with WDM, Provincial and National programmes	Strategic Support Services	Five-year capital investment plan	MSA NO. 32 of 2000 (s21) MFMA NO, 56 of 2003(s29)	8-15 Mar 2021
	IDP&Budget road shows 2021/22	Mayor and Steering committee	Institutional plan	MSA NO. 32 of 2000 (s16 & 17) MFMA NO, 56 of 2003(s23)	1-30 Apr 2021
	District IDP, SDBIP and Budget assessment	Strategic Support Services	Reference to sector plans Integrated sector plans		19-30 Apr 2021
	Screening, alignment and consolidation of inputs from communities	Strategic Support Services		MFMA NO, 56 of 2003(s23)	9-30 Apr – 2021
	Fourth IDP steering committee	Strategic Support Services		MFMA NO, 56 of 2003(s23)	3-7 May 2021
Approval phase	Consolidation and alignment	Strategic Support Services		N/A	
	Fourth IDP Rep forum	Mayor & Municipal Manager		MSA NO. 32 of 2000 (s 16, 17 & 28) MFMA NO, 56 of 2003(s21)	11-18 May 2021 Target 12 May 2021
	Budget steering committee for final 2021/22 budget	BTO		MFMA NO, 56 of 2003(s53)	17-20May 2021
	Table the 2021/22 IDP & Budget to council	Mayor & Municipal Manager		MSA NO. 32 of 2000 (s 30)	25-28 May 2021 Target 25 May 2021
Approval phase	Submission of approved IDP& Budget to CoGHSTA and Provincial Treasury	Municipal Manager		MSA NO. 32 of 2000 (s 32)	1-11 Jun 2021
	Publish approved 2021/22 IDP & Budget	Strategic Support Services		MSA NO. 32 of 2000 (s 25)	1-15 Jun 2021

IDP Phase	Deliverables	Coordinating/Responsible Department	Output	Legislative Requirement	Time Frame
	Approval of SDBIP	Municipal Manager		MSA NO. 32 of 2000 (s 38)	8-12 7-11 Jun 2021

Source: Lephalale municipality

The current IDP document, which reviewed for the next financial year 2021/22, is aligned to strategic objectives towards the vision of Lephalale Municipality. The SDBIP is derived from the IDP and all the Performance plans for Sec 57 contracts with Key Performance Indicators.

The final IDP 2020/21 and the budget was approved by Council on the 30th of May 2020.

Table 21: IDP Participation

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
* Section 26 Municipal Systems Act 2000	

COMPONENT D: CORPORATE GOVERNANCE

RISK MANAGEMENT

Municipality Finance Management Act, SECTION 62(1) (c) (i) states that the Accounting Officer must ensure that department has and maintains effective, efficient and transparent systems of financial and risk management and internal control and that risk assessment are conducted regularly to identify emerging risks of the institution.

The Municipality has established the Risk Management Committee as per the King III Report on corporate governance and the Public Sector Risk Management framework to adequately review, assess and monitor the effectiveness of controls managing the risks involved in both strategic and operational directions. The Committee held 4 quarterly meetings as per its roles and responsibilities and one special meeting to review and recommend for the approval of the Risk Management policies and strategy in the 2017/18 financial year.

The following are the top identified 5 risks for Lephalale for Lephalale Municipality. The table below illustrates the top 5 risks, the root causes, and mitigating factors.

Table 22: Top 5 Risks

RISKS	ROOT CAUSES	TREATMENT PLANS
Failure to comply with the required regulation	1. New regulation 2. Resistance from employee changes in system and the whole Municipal operation.	1. Conducted awareness on MSCOA implementation.
	3. Improper monitoring of project implementation plan.	3.1. Appointed the MSCOA steering committee members and the Project Manager. 3.2. Monthly MSCOA meetings are being held.
	4. Possible errors in the migration of the current financial information to the new chart.	4.1. Key officials were offered a training on MSCOA implementation 4.2 Developed and updating the MSCOA risk register monthly.
		5. Currently running the parallel system
		<ul style="list-style-type: none"> Conducted awareness on MSCOA implementation.
Financial unsustainability	1. Non collection of revenue, 2. Poor implementation of credit control and debt collection policy, Inaccurate billing of accounts.	Effective Budget control and monitoring. A debt collector has been appointed to assist with the collection of long outstanding debtors
	3. Lack of skills and capacity.	Training of key finance officials on GRAP.
	4. Unauthorised expenditure.	Developed and implement the compliance checklist.
	5. Non-compliance to laws and regulations (statutory controls).	Enforcement of consequence management Performing monthly/quarterly budget meetings and reconciliations
	6. Poor costing modelling.	
	7. Lack of budget control.	
Fraud and corruption	1. Mal administration	Implementation of Human resource Policy.
	2. Lack of awareness and campaigns on fraud and corruption policies and code of conduct. 3. Ignorance	Conduct workshops on code of conduct and HR policy to all employees.
	4. Non-compliance to laws and regulations	Continue with regular audits to review the effectiveness and efficiency of existing Internal controls. Implementation of Fraud Policy and prevention strategy and investigation of all fraud allegations
	5. ill-discipline. 6. Unethical behaviour.	Functional Anti-corruption hotline Enforcement of disciplinary actions and consequence management
Ineffective implementation of performance management system (refined)	1. Inaccurate and Inconsistence Reporting	Quarterly performance review meetings
	2. Performance Management System not cascaded to lower-level officials	3. Performance management evaluation for only executive managers.
		4. One official was assigned to assist the PMS Manager on a full-time basis and the PAs of the executive managers were trained to assist with the gathering of POE' of Executive Managers.
	3. Lack staff capacity 4. Lack of verification of evidence due to late submission of information	5. Performance information is projected manually on excel spread sheet.

RISKS	ROOT CAUSES	TREATMENT PLANS
Unreliable provision of sanitation services.	1. Sewer system capacity is not responsive to population growth.	1. Implementation of phase 2(sewerage engineering)
	2. Improper maintenance of sanitation infrastructure.	2. Monitoring and repairs of the existing sewer system.
	3. Outdated technology to monitor and detect faults in the sewer system.	2. Regular maintenance of Paarl wastewater treatment plant and sewer pump station 1.
	4. Aging infrastructure.	4. Improve mentation of Sewer network at the villages.

ANTI-CORRUPTION AND FRAUD

The Local Municipality has adopted the Fraud Prevention Plan and the Fraud Prevention Policy as the strategies to prevent fraud and corruption.

The Fraud/corruption risk areas include:

FRAUD AND ANTI-CORRUPTION STRATEGY

- Procurement, including urgent/emergency matters, sole suppliers and
- Vetting of suppliers and other trading partners.
- Travel claims.
- Conflicts of interest and private work declarations.
- Compliance to delegations of authority.
- Payroll; and
- Revenue collection –both from individuals and businesses

The Municipality has implemented the following controls measures to prevent fraud and corruption:

- Anti-corruption hotline
- Fraud awareness and campaigns
- Financial policies and procedures.
- Human Resources policies and procedures.
- Segregation of duties.
- Code of Conduct for Municipal Officials and Councillors
- Physical and Information Security; and
- Exclusion of Councillors from the procurement processes.

The Municipality has also implemented controls to detect fraud and corruption:

- Periodic Internal Audit reviews.
- Annual External Audit reviews; and
- Regular management reviews.

All employees and other stakeholders are expected to comply with the applicable policies and procedures. A fundamental risk in this area is the lack of knowledge, awareness, effective communication, and training relating to Fraud, Theft and Corruption. The Municipality has several systems, policies and procedures designed to ensure compliance with specific laws and regulations and basic internal control.

Notes: See Chapter 4 of these report details of Disciplinary Action taken on cases of financial mismanagement.

SUPPLY CHAIN MANAGEMENT

OVERVIEW OF SUPPLY CHAIN MANAGEMENT

The Bid Specification, Bid Evaluation and Bid Adjudication Committees have been established. Advertised tenders are being evaluated, adjudicated and appointments are made for tenders in terms of the Supply Chain Management Policy. It takes an average of 87 days to make adjudication on a tender from a date of closing. Quarterly reports on the tenders are submitted to Council.

BY-LAWS

MSA S11 (3) (m) provides municipal Council s with the legislative authority to pass and implement by-laws for the betterment of the community within the terms of the legislation.

The table below outlines the by-laws processed during the financial year 2018/19 FY, no new by laws were processed in the 2019/20 and 2021 financial years.

Table 23: By-laws

By-laws Adopted in 2018/19				
Newly Developed	Date Revised	Public Participation Conducted Prior to Adoption of By-Laws (Yes/No)	Dates of Public Participation	Date of Publication
Parks & Public Open Spaces By-Law	September 2018	Yes	October 2018	Gazetted 08 March 2019
Standing Orders By-Law	September 2018	Yes	October 2018	Gazetted 08 March 2019

COMMENT ON BY-LAWS: No new by – laws gazetted since.

MSA S11 (3) (m) provides Municipal Council s with the legislative authority to pass and implement by-laws for the betterment of the community within the terms of the legislation.

The by-laws for Lephalale Municipality were adopted in the 2018-19 financial year, 3 by-laws were established during the 2017-18 financial year, out of the 3 established two by-laws were not gazetted in the 2018/19 financial year but only one SPLUMA by –law was gazetted.

WEBSITES

Table 24: web site updates

Municipal Website: Content and Currency of Material		
Documents published on the Municipal website	<Yes / No>	Publishing Date
Current annual and adjustments budgets and all budget-related policies	Yes	16/01/2020 17/06/2020
All current budget-related policies	Yes	04/05/ 2019 18/06/2019
The annual report (2017/18) published/to be published	Yes	31/03/ 2019
<i>The annual report (2018/19) published/to be published</i>	Yes	31/03/ 2020
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (2019/20) and resulting scorecards	Yes	28 /07/20
All service delivery agreements (2018/19)	Yes	27/06/2018
All long-term borrowing contracts (2018/19)	Yes	13/01/2019
All supply chain management contracts above a prescribed value (give value) for 2017/18	Yes	22/11/2019

An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during 2018/19	Yes	22/03/2019
Contracts agreed in 2017/18 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	Yes	29/7/2018
Public-private partnership agreements referred to in section 120 made in 2017/18	Yes	29/7/2018
Two quarterly reports tabled in the Council in terms of section 52 (d) during 2019-20 (Mid- Year and APR 2019/20)	Yes	23/4/2020

COMMENT ON MUNICIPAL WEBSITE CONTENT AND ACCESS:

The table above depicts the dates and the types of municipal documents posted on the website for the public to view. The Lephalale Municipality has established a web site. The website is maintained by SITA.

PUBLIC SATISFACTION ON MUNICIPAL SERVICES

Customer satisfaction survey was not conducted for the financial 2020/21 due to lack of capacity and budget; there were sporadic incidences of service delivery protests from communities in rural villages. There were engagements between WDM, Stats SA and Lephalale Municipality for possible assistance on the customer satisfaction survey by the district and provincial government.

OVERSIGHT COMMITTEES/ COMMITTEES OF COUNCIL AND THEIR FUNCTIONS

Lephalale Municipality has established municipal oversight committees such the Municipal Public Accounts committee (MPAC), Audit and Performance Committee, and the Executive Committee (EXCO), this committees are fully functional and meet as scheduled or on ad-hoc basis. Reports from this committees are processed to council for considerations. All the committees were functional in the 2020 /21 financial year.

The Oversight committee and the Performance Audit Committee have also been established. This committee is highly functional and held (5) five meetings (2) two project visits were done in the previous financial year 2020/21, the details of the functions are outlined in the report of audit committee chairperson which is appendix G of this report.

SECTION 80 PORTFOLIO COMMITTEES	COUNCILLORS	Duties
MAYOR	Clr M J Maeko	Political Management Team
SPEAKER	Clr K R Molokomme	
CHIEF WHIP	Clr A Thulare	
PORTFOLIO CHAIRPERSON: GOVERNANCE AND ADMINISTRATION AND BUDGET AND TREASURY OFFICE	Clr W M Motlokwa	Management of good governance, administration, and financial management of the institution
Portfolio: Communication & Special Projects	Clr M F Mashita	
Portfolio: Land, Agriculture and Tourism	Clr R T Modise	
Portfolio: Transformation, Labour, Sports, Arts & Culture	Clr L F Monare	
Portfolio: Income and Expenditure	Clr S M Nieuwoudt	
Member of EXCO	Clr A E Basson	
Member of EXCO	Clr M L Shongwe	

Member of EXCO	Clr M M Semanya	Oversight on issues on Planning and Development of the town and basic service delivery
PORTFOLIO CHAIRPERSON: PLANNING & ECONOMIC DEVELOPMENT SERVICES	Clr A E Basson	
Member of EXCO	Clr W M Motlokwa	
Member of EXCO	Clr M L Shongwe	
Member of EXCO	Clr M M Semanya	
Portfolio: Planning and Human Settlement	Clr M J Selokela	
Portfolio: Mining and Industries & Transformation	Clr A Thulare	
Portfolio: Land, Agriculture and Tourism	Clr R T Modise	Oversight on issues on Infrastructure Development and basic service delivery
PORTFOLIO CHAIRPERSON: MUNICIPAL INFRASTRUCTURE SERVICES	Clr M L Shongwe	
Member of EXCO	Clr A E Basson	
Member of EXO	Clr W M Motlokwa	
Member of EXCO	Clr M M Semanya	
Portfolio: Public Transport, EPWP and Public Works	Clr S L Seabi	
Portfolio: Water, Sanitation & Electricity	Clr M E Maisela	Oversight on issues on c
PORTFOLIO CHAIRPERSON: SOCIAL SERVICES	Clr M M Semanya	
Member of EXCO	Clr A E Basson	
Member of EXCO	Clr W M Motlokwa	
Members of EXCO	Clr M L Shongwe	
Portfolio: Health and Social Development, and Traditional, Home Affairs, Security and Liaison	Clr M M Makgae	
Portfolio: Waste, Environmental Affairs, Parks & Cemetery	Clr P Molekwa	
Portfolio: Education & Early Childhood Development	Clr F M Mabasa	
Portfolio: Public Transport, EPWP and Public Works	Clr S L Seabi	The audit Committee is responsible for Oversight on compliance to Regulations on Financial Management and Performance Management
MEMBERS OF AUDIT COMMITTEE FOR LEPHALALE		
Chairperson	Mr T A Lekoloane	
Member	Mr K Maeyane	
Member	Ms N Maake	

THE LEPHALALE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE 2016-2021

1. The MPAC shall be composed of - Councillors appointed by Council, Municipal Manager, Manager Internal Audit, Secretary to the Council and any other Official so nominated by MPAC, on a permanent basis or for a specific matter.
2. The Chairperson shall convene meetings in accordance with the dates on a program prepared annually according to the guidelines set by CoGHSTA.
3. The meetings shall be held in accordance with the approved Annual Work Plan and visit Projects.
4. The Chairperson of the MPAC shall preside all meetings.

5. The Chairperson of the MPAC shall nominate an Acting Chairperson amongst the Councillors in the Committee and by failing to nominate an Acting Chairperson; Councillors will elect an Acting Chairperson amongst themselves in the absence of the Chairperson.
6. The MPAC members shall participate fully on best practices to the benefit of the Municipality.
7. The MPAC shall report back to the Council on the functionality, developments and progress within the Committee.
8. The MPAC will ensure that they are capacitated and skilled to discharge their functions.
9. The MPAC shall perform any other functions assigned to it through a resolution of the Council.
10. The MPAC shall refer matters or advice to Council for resolutions and advices on issues of good Governance, Accountability, Oversight and Transparency.
11. The MPAC shall be in Office for a period corresponding with the term of Council.
12. The MPAC shall track the implementation of the past recommendations or resolutions.
13. The MPAC shall ensure to promote good Governance, Transparency and Accountability on the use of Municipal resources.
14. The MPAC shall recommend or undertake investigations in its area of responsibility.
15. The MPAC shall invite other Municipal Oversight bodies to share information on how to function better and improve on the Municipal performance.
16. The MPAC shall ensure good practice on the road towards Operation Clean Audit.

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE 2016-2021 Members

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE MEMBERS Name & Surname	Designation/ Organisation	Contacts No.
Clr M J Marakalala	MPAC Chairperson	072 615 7678/ 073 256 1379
Clr M R Modiba	MPAC Member	072 616 1268/073 747 9834/ 076 577 1493
Clr K M Mogohloana	MPAC Member	076 064 5625
Clr AE Basson	MPAC Member	082 822 9027
Clr KG Mbedzi	MPAC Member	076 535 7016/071 607 4560
Clr M M Madibana	MPAC Member	073 249 6771

THE ETHICS OF LEPHALALE 2016-2021

17. The Committee shall be composed of - Councillors appointed by Council, Executive Manager: Strategic Support Services and/or Manager: Legal Services and any other Official so nominated by Ethics Committee, on a permanent basis or for a specific matter.
18. The Chairperson shall convene meetings in accordance with the dates on a program prepared annually according to the guidelines set by CoGHSTA.
19. The meetings shall be held in accordance with the approved Annual Work Plan and visit Projects.
20. The Chairperson of the Ethics Committee shall preside all meetings.
21. The Chairperson of the Ethics Committee shall nominate an Acting Chairperson amongst the Councillors in the Committee and by failing to nominate an Acting Chairperson; Councillors will elect an Acting Chairperson amongst themselves in the absence of the Chairperson.
22. The Ethics Committee members shall participate fully on best practices to the benefit of the Municipality.
23. The Ethics Committee shall report back to the Council on the functionality, developments and progress within the Committee.
24. The Ethics Committee will ensure that they are capacitated and skilled to discharge their functions.
25. The Ethics Committee shall perform any other functions assigned to it through a resolution of the Council.
26. The Ethics Committee shall refer matters or advice to Council for resolutions and advices on issues of good Governance, Accountability, Oversight and Transparency.
27. The Ethics Committee shall be in Office for a period corresponding with the term of Council.
28. The Ethics Committee shall track the implementation of the past recommendations or resolutions.
29. The Ethics Committee shall ensure to promote good Governance, Transparency and Accountability on the use of Municipal resources.
30. The Ethics Committee shall recommend or undertake investigations in its area of responsibility.
31. The Ethics Committee shall invite other Municipal Oversight bodies to share information on how to function better and improve on the Municipal performance.
32. The Ethics Committee shall ensure good practice on the road towards Operation Clean Audit.

CHAPTER 3

CHAPTER 3- SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART 1)

COMPONENT A: BASIC SERVICES

INTRODUCTION

This chapter in the annual report is following section 46 of the Municipal Systems Act No 32 of 2003. The information contained within this report will be used to populate the annual report. Section 46 of the Municipal Systems Act requires reporting on the following in the annual performance report:

- Performance of the Municipality and each external service provider
 - External Service Provider is defined in Section 1 of the Municipal Systems Act as: an external mechanism referred to in section 76 (b) which provides a municipal service on behalf of a Municipality. The meaning of 'external service provider' is synonymous as Entity. Lephalale Local Municipality does not currently have any entity that provides municipal services on behalf of the Municipality; therefore, it is not required to include such a report in the report.
- Section 41(2) of MSA states: *The system applied by a Municipality in compliance with subsection (1) (c) must be devised in such a way that it may serve as an early warning indicator of under-performance.*
 Each institution needs to collect a wide range of performance information for management purposes, however not all information is relevant in accountability documents. The institution should specify in its planning documents a set of performance targets it will report against in its accountability documents.
 The set of indicators selected for accountability reporting ought to provide a holistic view of the institution's performance.
 In the case of concurrent functions, national departments need to identify a core set of indicators that need to be reported by provincial and local governments to ensure comparability.
- Performance information is only useful if it is consolidated and reported back into planning, budgeting, and implementation processes where it can be used for management decisions, particularly for taking corrective action.
 This means getting the right information in the right format to the right people at the right time. Institutions need to find out what information the various users of performance information need, and develop formats and systems
- Comparison of performance against set targets and performance in previous financial year
 - Quarterly and annual performance against quarterly and annual targets as per the Adjustment Service Delivery and Budget Implementation Plan (SDBIP) is reported on. The Adjusted SDBIP contains the objectives and indicators as per the Municipal Integrated Development Plan (IDP) as well as General Key Performance Indicators as prescribed in terms of Section 43 of the Municipal Systems Act and Regulation 796 of 2001. The SDBIP for 2017/18 was developed to reflect **cumulative performance**, therefore the **status of indicators is also cumulative**, and reflection of the overall performance level achieved year to date.
 - The format to calculate the variance between actual annual performance and annual targets are included for each Key Performance Indicator (KPI).
 - The baseline (previous financial year) performance is included for each KPI to reflect progress made from the previous financial year to the reporting financial year.
 - Comparisons of performance against targets are highlighted in the form of colours based on scores which were calculated using Municipal Performance Regulations for Municipal Managers and Managers directly accountable Municipal Managers, Regulation 805 of 2006, adapted to comply with the Lephalale Local Municipality's performance management requirements. The scoring method utilised is in line with the assessment rating calculator prescribed by the Local Government: Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers, Regulation 805 of 2006.

An explanation is as per the table below:

Table 25: Rating Scales

Colour code	Scoring	% Target achieved	
Rating	Score	Low	High
Unsatisfactory	1-1.99	0.0%	49.99%
Below target	2 -2.99	50%	69.9%
Achieved target	3 -3.99	70%	79.99%
Exceeded target	4 -4.99	80%	99.9%
Over exceeded target	5+	100.0%	+

- Measures taken to improve performance
 - Corrective action is included for underperforming targets

Section on improvement from challenges in previous financial year's Annual Report as per the Annual Performance Report from the previous financial year

WATER PROVISION

Lephalale Municipality as Water Service Authority has a duty to all customers and potential customers within its area of jurisdiction to progressively ensure efficient, affordable, economic, and sustainable access to water in terms of section 11 [Water Services Act of 1997]. The Municipality has a duty to provide water to a population estimated at 140 240 living within urban, peri-urban, and rural areas of jurisdiction.

The Lephalale Municipality is designated as Water Service Authority and Water Service Provider. All the water for the urban area of the Lephalale Municipality originates from Mokolo Dam. Grootegeluk Coal Mine originally built the main supply lines, pump station, balancing dam and water purification works in the urban area. The supply, as well as maintenance of the dam (as agent of DWA) is still done by Grootegeluk coal mine. In the case of Marapong township, which is situated near the mine/power station, purified water to the Municipality is supplied by Matimba Power Station. Even though the municipality has benefited to date from the investments made by Exxaro and Matimba in the past there is a concern that as water service authority, and considering long term development implications, the Municipality should have ownership of infrastructure required to provide water and sanitation services to Marapong area.

The Department of Water Affairs (DWA) appointed consultants to investigate alternative solutions for provision of water to the Lephalale node area 1 because of the development potential of the Municipality.

Based on water infrastructure, the current water availability and water use allows only limited spare yield existing for future allocations for the anticipated surge in economic development in the area. DWA commissioned the Mokolo- Crocodile (West) Water Augmentation project (MCWAP) to analyse the options for transferring water from the Crocodile River (West) with the intention to implement the project in two phases.

Augmentation of the supply from Mokolo Dam, and transfer of water from the Crocodile River (West) to the Lephalale area. The Department of Water Affairs (DWAF) has allocated 2.1 billion for the past financial year to phase in the project on a three-year basis. It is imperative to note that the outcome of the MCWAP project need to be implemented to address expected water shortages before any development in node area 1 will be viable, as currently the area does not have sufficient water resources to sustain any new development. Furthermore, the municipality will need to obtain an appropriate license to abstract water from MCWAP scheme to provide water to node area 1.

BULK WATER INFRASTRUCTURE.

Water is pumped from the Mokolo dam to the Wolfontein storage dam, from where it gravitates down to Zeeland water purification plant and the purification plant at Matimba power station. Bulk raw water gravitates down to the Grootegeluk mine and Eskom's Matimba power station.

Lephalale and Onverwacht are supplied with water that gets purified at the Zeeland Water Treatment Works (owned and operated by Exxaro resources). The effluent gets treated at Paarl Wastewater Treatment Works. Currently, the Matimba Power Station at 7.1 million m³/a, Grootegeluk Mine at 10.1 million m³/a, (Lephalale Municipality at 5.0 million m³/a of the Exxaro/Matimba allocation) and the Irrigation Sector at 10.4 million m³/a account for the 27.6 million m³/a of water allocated from the Mokolo Dam. Based on the estimated current water use, the catchment yield versus demand is in balance; however, this makes no allowance for the Ecological Reserve. Future expansions for power generation as well as the coal requirement for such development require additional volume of water which cannot be supplied from the resources within the Mokolo Water Management Area.

Table 26: Water Infrastructure.

Asset Type	Unit Measured	Quantity	Remarks
Boreholes	Number	138	
Reticulation Pipelines	Length(m)	424,973	286,311m of uPVC pipes and 136,702m of AC pipes 1,960m of HDPE pipes
Bulk pipelines	Length(m)	34,693	28,593m of uPVC pipes and 6,046m of AC pipes
Reservoirs	Number	121	
Water Treatment works	Number	2	Witpoort and Maletswai
Pump Stations	Number	38	

Source: Lephalale Municipality

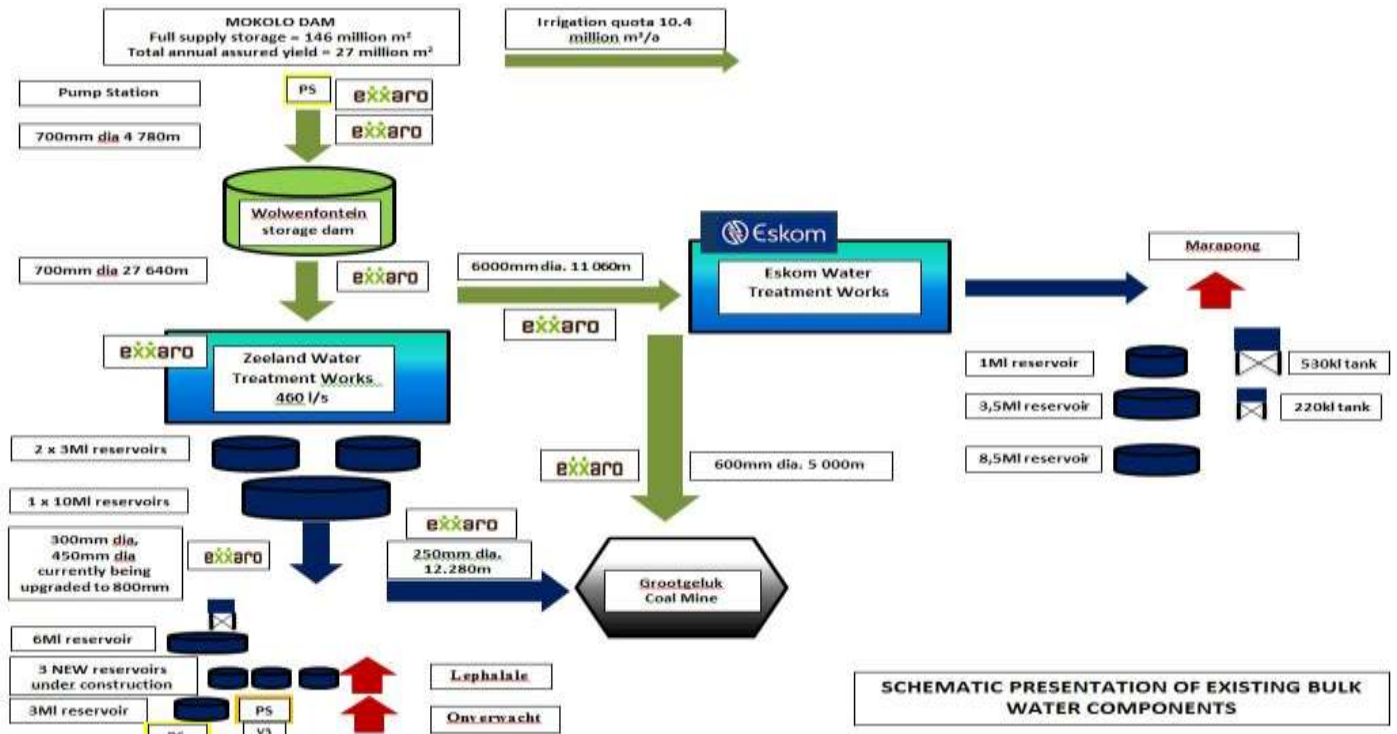
Current and envisaged water and sanitation infrastructure plan in the urban nodal area because of anticipated economic development.

Potential Bulk water supply abstracted from boreholes for scheme areas.

Table 27: Water Infrastructure.

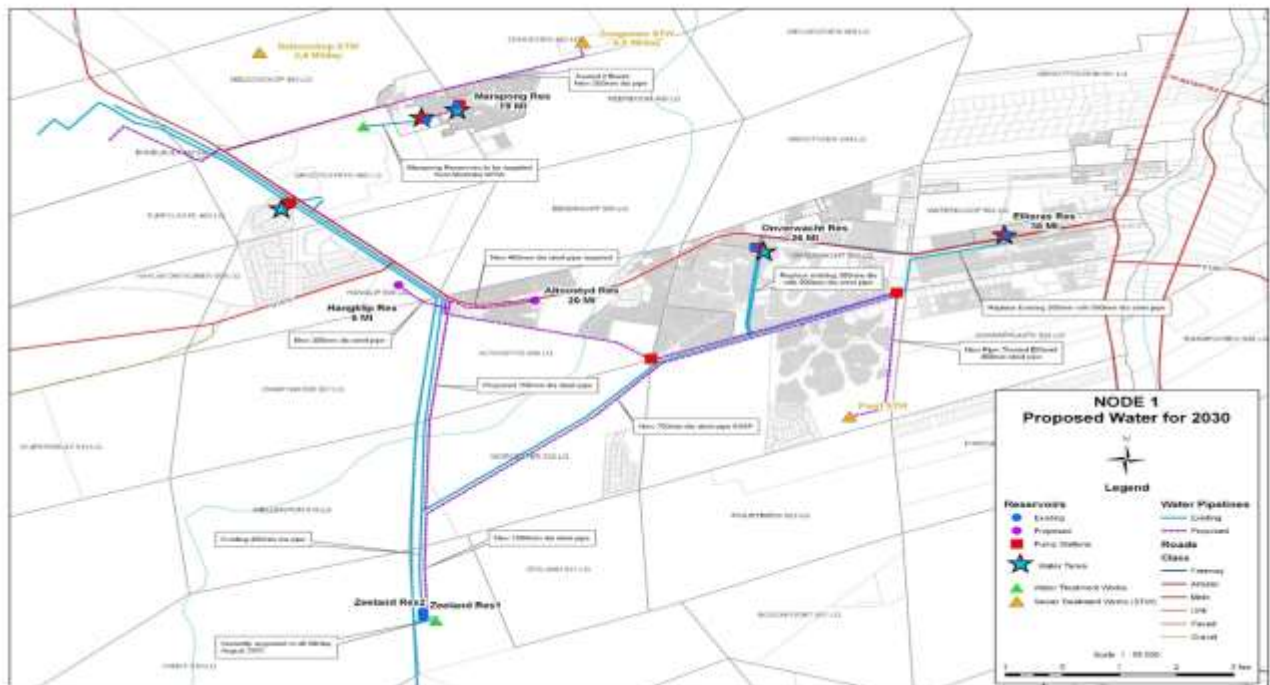
Scheme Number	Supply Area	Potential Supply
NW 100	Mokuruanyane RWS	1.950Ml/day
NW 114	Witpoort RWS	0.930Ml/day
NW 115	Ga-Seleka WS	0.820Ml/day
NW 116	Ga-Shongoane WS	0.300Ml/day
Total		4.00Ml/day

Figure 3: Bulk water infrastructure linked to Mokolo dam as ground source



Bulk water infrastructure services within the municipal urban node

Figure 4: Water infrastructure in the urban area



Source: Municipal scoping report

Current and envisaged water and sanitation infrastructure plan in the urban nodal area as a result of anticipated economic development.

Table28: Potential Bulk water supply abstracted from boreholes for scheme areas.

Scheme Number	Supply Area	Potential Supply
NW 100	Mokuruanyane RWS	1.950MI/day
NW 114	Witpoort RWS	0.930MI/day
NW 115	Ga-Seleka WS	0.820MI/day
NW 116	Ga-Shongoane WS	0.300MI/day
Total		4.00MI/day

The rural area is currently divided into four different water services schemes.

The potential bulk water supply, according to DWS, abstracted from boreholes in the Lephalale rural area for the four water schemes is as indicated above.

WATER AVAILABILITY IN RURAL AREAS.

The rural areas all obtain their water from groundwater sources (about 85% from boreholes and 15% from well field type boreholes in the riverbed alluvium). The four water sub schemes serve approximately 38 villages through a network of approximately 138 boreholes, which are all owned and operated by the Municipality. The water is pumped to storage reservoirs and then distributed to the consumers. Chlorine dosing tanks were installed in the storage reservoir, but the Municipality is having trouble in maintaining the dosing equipment due to budgetary constraints and not enough resources. The ground water from the boreholes is generally low due to poor yields and unacceptable water quality (class 3 or 4); however, this does not necessarily pose a health risk to communities. Water from the well field type boreholes has however higher yields and acceptable quality. The surety of the current water supply from boreholes is not known. It is also not known what the actual volume of water is provided to the community. The Municipality has commissioned a study on water volumes provided to rural villages.

Based on an RDP level of service for the existing community, an allocated water uses of an average of 9kl/month per household in the rural areas and 36kl/month per household for Thabo-Mbeki & Thabo-Mbeki Ext 1 is proposed, the total theoretical current water demand calculated for development focus area 2 amounts to 5,992kl/d and 1,692kl/d for Thabo-Mbeki and Thabo-Mbeki Ext 1, all inclusive of a water loss of 15%.

A detailed study is required to determine if the current supply from boreholes and wells are sufficient to meet this demand. According to data on the sizes of the reservoirs collected in the Municipality water asset register, the existing reservoirs have a capacity of 8,317kl/d but it is not clear whether the groundwater sources meet demand. The available groundwater yield and quality and storage capacity needs to be investigated as it is unsure if this resource can be expanded and to what degree.

According to the water service development plan “starter requirements” approximately 22.6% of the rural population has access to water that must be carried/carted 0-200m, while 20.5% of the population has access to water that is 200-500m away from the point of use. This implies that 35.6% of the rural population does not have water that falls within RDP standard of maximum cartage distance of 200m from point of use (i.e., resident/house).

In Lephalale, one-third of households do not have access to water in the dwelling or yard but have to make use of community standpipes. In Marapong this figure is somewhat lower (20% of households make use of community standpipes) more than half of the households have access to water inside their dwelling. In ward 3 and town Lephalale, approximately 75% of households have access to water inside their dwelling, while 20% have a tap in the yard. The remainder makes use of community standpipes.

Table 99: Household by level of access to water

Piped water inside dwelling	Piped water inside yard	Piped water on community stand	Borehole in the yard	Rainwater tank in yard	Neighbour's tap	Public /communal tap	Watercarrier /tanker	Borehole outside yard	Flowing water / stream /river	Other
18390	3868	770	1801	15	672	10229	4185	546	2075	451

Table 30: EMPLOYEE STATISTICS FOR WATER SERVICES

Employees: Water Services					
Job Level	2019/20	2020/21			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
1 - 3	5	5	5	0	0%
4 - 6	9	10	10	1	10%
7 - 9	2	3	3	1	33%
10 - 12	6	7	7	1	14%
13 - 14	24	27	27	3	11%
Total	46	52	52	6	12%
Employees and Posts numbers are as of 30 June 2021.					

Table 101: Financial Performance Water Services

Financial Performance 2020/21: Water Services					
R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)	93 834 000	98 386 755	133 586 755	93 834 000	39 752 755
Expenditure:					0
Employees	20 694 461	19 604 049	20 604 049	20 694 461	-90 412
Repairs and Maintenance	2 233 612	4 182 550	6 832 550	2 233 612	4 598 938
Other	53 590 933	56 889 872	51 859 872	53 590 933	-1 731 061
Total Operational Expenditure	76 519 006	80 676 471	79 296 471	76 519 006	2 777 465
Net Operational (Service) Expenditure	17 314 994	17 710 284	54 290 284	17 314 994	36 975 290

WASTE WATER (SANITATION) PROVISION

Sanitation is about dignity. The availability of sanitation facilities does not only improve the dignity of people, but also promotes their health. Areas without proper sanitation systems give rise to water borne diseases like cholera, diarrhoea, typhoid etc.

It is therefore important that as a Municipality, priority should be given to this service, particularly considering the backlog (rural sanitation) and the national target.

The land on which Lephalale town situated is relatively flat. Sewers are installed at slopes exceeding the slope of the natural ground level and over relatively short distances, become so deep that it must be pumped. Presently there are 38 pump stations in Onverwacht and Town. All land around the developed areas is privately owned. The township layouts will be prepared by or on behalf of the landowners and the design of sewerage infrastructure will be carried out by their consultants. The requirements regarding the placement and sizing of pump stations will be the product of the planning and design work undertaken by these developers. For these reasons it is believed that each developer should be responsible for the installation of any sewage pump station(s) and pump line(s) that he may require.

Where feasible, when developments take place at the same time in the same area, these developers should be encouraged, if practical to construct infrastructure that they share. Sewage discharged from Onverwacht/Ellisras area is treated at the Paarl sewage treatment works. The treatment works has been expanded to treat 7.25ML sewage per day and presently has spare capacity of 3ML.

Sewage from Marapong is discharged to an oxidation pond system with a reported capacity of 300kl/day. Theoretically the volume of sewage discharged to this treatment works exceeds its capacity and immediate upgrading of this treatment works is also required. The municipality is currently busy with the upgrading to a 1.5 ML/day for a conventional wastewater treatment plant. A capacity of 4.5ML will be required by 2026. An oxidation pond will no longer suffice. Resgen and its BEE partners, through its operating company Ledjadja coal (PTY) LTD which is currently developing Boikarabelo mine about 60km west of Lephalale town has offered the Municipality a phase-in expansion of the oxidation pond to a 16ML/d wastewater treatment plant for Marapong area on a 30 year; built, maintain and transfer contract. An agreement has been reached and a consulting engineering firm was appointed to do feasibility study.

Table311: Sanitation Infrastructure in municipal area.

Number of treatments works	Capacity of treatment works	Capacity currently utilized	Length of bulk sewer pipelines	Number of pump stations	Length of reticulation pipelines
3	10,73m/l	6,73m/l	105km	38	66,4km

CURRENT STATUS OF SANITATION IN RURAL AREAS.

Sanitation in the rural areas consists of informal pit latrine structures or Ventilated Improved Pit Latrine. It is estimated that 5% of the households have no sanitation service. There is no waterborne sanitation in the rural area. The sanitation level of service varies from no service to basic level of service.

Approximately 15381 households will require an improved sanitation system. The sanitation in Thabo-Mbeki and Thabo-Mbeki Ext 1 is mostly septic tanks with French drains. The Central Business District has access to full waterborne sanitation system that drains into oxidation ponds which has currently reached maximum capacity.

SANITATION RESOURCES IN RURAL AREAS.

As indicated in the section covering the water infrastructure, the area does not have sufficient water resources to accommodate a waterborne sanitation system for the entire nodal area 2. The pit latrines and VIPs in the rural area will need to be replaced with a more appropriate environmentally acceptable sanitation system once a more detailed study on what the most suitable technical solution for the existing ground conditions has been completed.

Based on RDP level of service for the existing community, an allocated sanitation demand of an average 30kl/month per household for Thabo-Mbeki and Thabo-Mbeki Ext 1 is used. The total theoretical current wastewater treatment capacity requirement calculated for population concentration point amounts to 1,424kl/d inclusive of a factor of 15% for infiltration. The estimated capacity of the oxidation ponds is 297kl/d. The oxidation ponds have therefore insufficient capacity to receive all the wastewater from Thabo-Mbeki town. It is estimated that the capacity requirements will increase to 1,715kl/d by 2030 thus an additional 287kl/d.

The development nodal area 2 is a relatively large area characterized by mostly informal settlements with a current population estimated at 76 300 people. Approximately 50.4% of the households are below the basic RDP level of service. The scenario is premised on the provision of more appropriate sanitation system in the rural areas and full level service to residential areas of Thabo-Mbeki and Thabo-Mbeki Ext 1 and the business area in Thabo-Mbeki.

AGE, CONDITION AND REMAINING USEFUL LIFE OF SANITATION ASSETS IN THE MUNICIPALITY.

Most of the waterborne sanitation infrastructure in the Municipality is over 20 years old (94%). Approximately 15% of the sanitation network has been identified as being in a poor to very poor condition. These assets will have experienced significant deterioration and may be experiencing impairment in functionality and will require renewal or upgrading.

Table 31: Household access to sanitation

Flush toilet connected to public sewer system	Flush toilet connected to a septic tank or conservancy tank	Chemical toilet	Pit latrine toilet with ventilation pipe	Pit latrine/toilet without ventilation pipe	Ecological toilet (e.g., urine diversion; enviroloo; ect)	Bucket toilet	Bucket toilet (emptied by household)	Other	None
18536	859	952	8326	10054	99	-	74	520	3582

Table 3212: Water Service Authority: Lephalale Municipality.

Assessment Areas	Paarl	Witpoort	Zongesien
Technology	NI	NI	NI
Design Capacity (Ml/d)	4	0.37	0.5
Operational % i.t.o. Design Capacity	NI	NI	NI
xxv) Microbiological Compliance	NI	NI	NI
xxvi) Chemical Compliance	NI	NI	NI
xxvii) Physical Compliance	NI	NI	NI
Annual Average Effluent Quality Compliance	NI	NI	NI
Wastewater Risk Rating (%CRR/CRRmax)	88.2% (↓)	82.4% (↑)	76.5% (↓)
Highest Risk Area	No monitoring	No monitoring, technical	No monitoring
Risk Abatement Process	Draft W ₂ RAP	Draft W ₂ RAP	Draft W ₂ RAP
Capital & Refurbishment expenditure in 2010/2011	NI	NI	NI
Description of Projects' Expenditure	NI	NI	NI
Wastewater Risk Abatement planning	CRR-based W ₂ RAP is in place, although its potential is limited by the lack of information pertaining to the plant		
Additional Notes	Green Drop Improvement Plan (GDIP) in place – well compiled to present practical tasks, responsible persons, and timeframes with intention to improve the Green Drop 2013/14 score		

Source: DWA

Table 3313: Employees: Sanitation Services

Employees: Sanitation Services					
Job Level	2019/20	2020/21			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
1 – 3	1	2	1	1	50%
4 – 6	1	7	6	1	14%
7 – 9	3	6	3	3	50%
10 – 12					
13 – 14	4	30	26	4	7%
Total	9	45	36	9	20%
Employees and Posts numbers are as of 30 June 2021.					

Table 34: Financial Performance sanitation

Financial Performance 2020/21: Sanitation					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)	43 827 892	61 654 844	61 654 844	43 827 892	17 826 952
Expenditure:					0
Employees	14 672 473	15 453 735	16 453 735	14 672 473	1 781 262
Repairs and Maintenance	907 458	6 138 255	6 138 255	907 458	5 230 797
Other	1 778 490	7 703 150	7 703 150	1 778 490	5 924 660
Total Operational Expenditure	17 358 421	29 295 140	30 295 140	17 358 421	12 936 719
Net Operational (Service) Expenditure	26 469 471	32 359 704	31 359 704	26 469 471	4 890 233

Table 3514: Capital projects for Sanitation

Capital Expenditure 2020/21			
Project	Annual Budget	Actual Expenditure	Variance from Annual Budget
Thabo Mbeki sewer network sanitation	1275230	0	1217937
Provide VIP toilet for indigents	2 500 000	2124272	000
Replace existing AC pipes with u PVC pipes	10000 000	8489029	000

ELECTRICITY

Lephalale Municipality is an electricity provider and has an electrical reticulation network supplying electricity to Onverwacht and the eastern region of Lephalale. The Lephalale electricity network is supplied from Eskom at 11kV via the Lephalale Main Substation next to the Onverwacht area. The Eskom supply is generated at Matimba Power Station and fed via the Matimba Substation at 132kV. The Matimba Substation feeds the Eskom Waterberg Substation (Lephalale) where it is stepped down from 132kV to 33kV. Waterberg Substation has two 20 MVA 132kV/33kV transformers. From Waterberg Substation the power is fed via two Wolf conductor lines (approximately 8km each) to the main substation, at Lephalale. The substation has both an Eskom section with three 33kV/11kV 10MVA transformers and a 5 MVA substation from where the primary feeders are fed into the Lephalale network. The long-awaited allocation of 120 MVA to make a firm supply has been received from Eskom.

Due to the current maximum demand and load growth in the town and surrounding areas, the distribution network has been upgraded to allow for expansion. The load growth from 2008 to date is about 200%.

For the area surrounding Lephalale town for which Eskom holds the supply license the load growth could be as high as 20 MVA per year for the next few years at current demand. In line with the expected load growth different scenarios have been put in place to upgrade the network. The rural villages, farm areas and Marapong are Eskom distribution area. The Villa Nora and Tomburke substations have been upgraded to 60MVA capacity for the rural network.

Table 156: Electricity Infrastructure.

Asset Type	Units	Number
CTVT Metering Unit	Number	22
Ground Mounted Transformer	Number	22
Mini Substation	Number	252
Medium Voltage Substation	Number	43
Medium Substation Buildings	Area (m ²)	3735m ²
Asset Type	Units	Number
Pole Mounted Transformer	Number	49
Ring Main Unit	Number	92
High Voltage Substation	Number	3

Source: Municipality

NETWORK OVERVIEW.

ECONOMIC ACTIVITIES AND BACKGROUND.

The current economic activities are dominated by the general growth pattern in South Africa, the new power stations, coal supply, SIP 1 projects and Sasol. This has resulted in an influx of new business and residential customers. Major new developments to the extent of 120MVA into the future have been negotiated with Eskom. These developments will surround Lephalale town and some fall within the Eskom supply area.

It will be possible for Lephalale to apply to the NER to take over the supply licence from Eskom for the surrounding areas. Whether these developments will be included within the Lephalale electrical supply network or not, the Lephalale electricity supply and network have been extended to accommodate current growth. The current network configuration as is will be able to accommodate growth to 120MVA if the Eskom supply network is strengthened. It must also be mentioned that whether the electrical distribution is within the Lephalale or Eskom distribution areas, the other services e.g., roads, storm water, sanitation and streetlights is part of the services rendered by Lephalale Municipality.

Table 37: Household access to electricity

In-house conventional meter	In-house prepaid meter	Connected to another which household pays for	Connected to other source which household is not paying for	Generator	Solar home system	Battery	Other	No access to electricity
18536	16798	393	1174	199	22	-	1855	4418

Table 38: Free basic services

NUMBER OF HOUSEHOLDS PROVIDED WITH FREE BASIC SERVICES					
Water	Sewerage and Sanitation	Electricity	Refuse Removal	Total households	Total H/H served as %
14 102	660	3 429	14 102	43 002	12.5%

Table 39: Employee Electricity Services

Employees: Electricity Services					
Job Level	2019/20	2020/21			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
1 – 3	3	3	3	0	0%
4 – 6	16	16	16	0	0%
7 – 9	3	3	3	0	0%
10 – 12	1	1	1	0	0%
13 – 14	22	25	22	3	12%
Total	45	48	45	3	%

Employees and Posts numbers are as of 30 June 2021.

Table 160: Financial Performance Electricity

Financial Performance 2020/21: Electricity					
R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)	184 783 327	256 228 450	253 228 450	184 783 327	68 445 123
Expenditure:					0
Employees	19 483 828	19 621 949	20 621 949	19 483 828	1 138 121
Repairs and Maintenance	2 963 796	3 646 282	4 446 282	2 963 796	1 482 486
Other	100 137 667	139 770 270	139 770 270	100 137 667	39 632 603
Total Operational Expenditure	122 585 290	163 038 501	164 838 501	122 585 290	42 253 211
Net Operational (Service) Expenditure	62 198 037	93 189 949	88 389 949	62 198 037	26 191 912

COMMENT ON ELECTRICITY SERVICES PERFORMANCE OVERALL:

Over 97% of the population of Lephalale has access to Electricity at any given time; The Municipality directly is responsible for distribution at the urban area and townships, whereas the rural villages and the farming community get distribution from ESKOM.

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

Waste Management Division has a total of 15 x street cleaners, 22 x refuse removers, 10 x truck operators, 2 x landfill spotters, 2 x Landfill operators, 1 x Waste Management Officer, 2 x Supervisors and 1 x Manager. Lephalale Local Municipality collects general non-hazardous waste in line with the national norms and standards for refuse removal.

The municipality provides daily refuse removal in both commercial and industrial areas due to the organic nature of waste generated in the mentioned areas. Weekly refuse removal services are provided in the residential areas including informal settlements and villages.

The collected waste is consigned to the registered waste disposal facility in Onverwacht for final disposal. The municipality is operating one registered landfill site (Groothoek Landfill site). The division has a total of 7 compactor trucks, 3 four tons trucks, 2 x Roll-on Roll-off trucks and 2 x LDVs for refuse removal. To ensure compliance to minimum requirements for waste disposal, the following equipment and machineries are utilized 1 x bulldozer, 2 x front-end loaders and 1 x tipper truck. Labour intensive method of litter picking is currently implemented in all villages through EPWP. 45 beneficiaries are recruited and selected to remove waste, clean streets, and clear illegal dumping in all villages. All formalized townships have access to weekly refuse removal services. Formal refuse removal services are introduced in 10 pilot villages whereby roll-on roll-off bins are utilised from strategic positions along the selected villages.

The division is implementing waste recycling and minimization strategy by establishing community waste recovery projects, source separation of recyclables, waste avoidance programs such as sustainable packaging, design for environment, consumer-based waste reduction program and designing out construction and demolition waste program as a way of avoiding and reducing generation of waste. The division is currently implementing sector-based waste recycling programs for the residential, commercial, and industrial areas through the redesigning and reformulation of waste management system. A total of 22 community-based waste recycling programs are established as a way of meeting the targets of the National Waste management strategy.

The municipality has no waste material recovery facilities and buy-centre facilities supporting circular economy in waste management. There is a great reliance on private companies and community-based waste recovery cooperatives for recovery of the recyclables. The waste processing and converting companies such as Nampak, Consol, and M pact, Transpaco, Collect-a-can and Consol have contracted various waste brokers for the recovery of K4 box, cans, plastic bottles, clear and mixed plastics, white paper, and glass bottles. There are informal waste pickers in the landfill site recovering recyclables for further processing.

Various waste education and awareness programs are currently implemented throughout the municipality for attitude change and adoption of pro-environmental behaviour. Different approaches are used to create awareness on waste management and the approaches are aligned to the behaviour change theories such as the social cognitive theory, Theory of Planned Behaviour, Ecological theory, and the health believe model. Both cooperatives and threatening messages are used to increase severity and susceptibility for behaviour reinforcement and maintenance.

The awareness campaigns on waste management are specifically focussing on promoting reduction, reuse, and recycling of waste. Norm salience and priming in waste management is taking the direction of recycling of general waste.

The division has a serious challenge of littering and illegal dumping of waste in Marapong, villages and informal settlements. The available resources are also not adequate to deal with population growth. The available street cleaners are not enough to deal with the generated street litter. There are no waste drop-off facilities for temporary storage of green and general waste and as well as promoting reverse logistics in sustainable consumption and production. There are no waste disposal or storage facilities in the rural areas and as well as inadequate waste storage receptacles in both rural and urban areas. We are also having a challenge of collecting solid waste in heavy industries and hazardous waste due to lack of resources. This has a negative impact in revenue generation. The municipality has a challenge of providing refuse removal service to the rural community. The challenges range from unavailability of land to inadequate funds to provide the service. Indiscriminate dumping of garden waste in areas such as Marapong and Onverwacht is still a challenge, in that garden waste drop-off facilities are needed.

Table 41: Employees: Solid Waste Management Services

Employees: Solid Waste Management Services					
Job Level	2019/20	2020/21			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
1 - 3	1	1	1	0	100%
4 - 6	2	3	2	1	33%
7 - 9					
10 - 12	10	11	10	1	9%
13 - 14	34	40	34	6	15%
Total	47	55	47	8	15%
Employees and Posts numbers are as of 30 June 2021.					

The Municipality developed a Draft Waste Management Plan as required by NEMA: Waste Act and determined by its powers and function. The Municipality is allocated the function of solid waste management. The function involves determination of waste disposal strategy, regulation, establishment, operation and control of waste disposal sites or facilities, refuse removal, waste minimization through recycling, re-use and waste education and awareness. In implementing its function, the Municipality has a role to ensure that waste management systems are in place and the systems should be in line with the hierarchy of waste management according to the national waste management strategy. The implementation of the function is dependent on the function that is allocated to the Municipality i.e., refuse removal. Currently most of the waste is collected from household followed by commercial industries.

REFUSE REMOVAL.

The Municipality has no drop-off, garden sites, transfer station, material recovery facilities and buy-back centres for recycling. The Municipality is relying on private companies and community programmes for recovery of the recyclables. The companies such as Nampak, CONSOL, Mondi, Transpaco, Collect-a-can and Consol have contracted a service provider for the recovery of K4 box, cans, plastic bottles, clear and mixed plastics, white paper, and glass bottles. There are also informal recyclers in the landfill, collecting K4 box, plastics, papers, and steel. The municipality has a challenge of providing refuse removal service to the rural community. A pilot project has been initiated by the municipality to provide for refuse removal services in certain areas within the rural villages. The challenges range from unavailability of land and inadequate funds to provide the service. The municipality has a serious challenge of illegal dumping of garden waste in areas such as Marapong and Onverwacht, in that garden sites are needed in the mentioned areas.

WASTE TRANSPORT AND TRANSFER.

The Municipality has five 12 cubic meter, three 20.6 or HC250 compactor trucks and three canter trucks for refuse removal and street cleaning, servicing four collection routes on Monday and Tuesday and five collection routes on Wednesday, Thursday, and Friday in the urban area. Most of the 12 cubic meter compactor trucks were bought in 1991 and 1992 and are no longer reliable. The Municipality has no transfer station and Roll-on-Roll-off system in areas that are situated at 30 to 35 kilometres from the landfill site. The areas such as Steenbokpan, Ga-Seleka, Shongoane, and Mokuruanyane are in a pilot programme for refuse collection in rural areas. Skip bins are being placed at specific central collection point and collected on a weekly basis.

WASTE STORAGE.

The Municipality has in-adequate refuse receptacles for refuse storage. The municipality is using 1, 75 cubic meters bins and is on the process of rolling out 6 cubic meter skip bins for waste storage. In the central business district about seven to ten shops are sharing one or two 1, 75 cubic meter bins and the capacity is not enough. There are in-adequate refuse receptacles on the streets of Lephalale town. The community and other businesses are not provided with 240 litre wheeled bins for waste storage.

WASTE EDUCATION.

The Municipality has a formal waste education programme called waste wise education competition and school recycling competition. The Municipality initiated environmental clubs in both rural and urban areas that are educating the community about good waste management practices in line with the National Waste Management Strategy, Municipal Waste Management by-law, NEMA: Waste Act and other waste legislations. The municipality is also supporting the provincial eco-school and Limpopo schools state of environment report competition.

WASTE DISPOSAL.

The Municipality has one permitted waste disposal facility. The life expectancy of the landfill is 5 years without waste minimization programmes but with such programmes the life expectancy can go as far as more than ten years. The Municipality has appointed a service provider to conduct the feasibility studies for the development of new landfill site. The

municipality has no garden sites for temporary storage of garden waste, material recovery facility such as convenient transfer station for recycling and composting.

WASTE INFORMATION.

The Municipality has no data base of waste management companies operating within its area of jurisdiction and statistics for the recovered waste for recycling and disposed waste.

Table 42: Household access to refuse removal

Removed by local authority/ private company /community members once a week	Removed by local authority /private company/ community members less often than a week	Communal refuse dump	Communal container/ central collection point	Own refuse dump	Dump or leave rubbish anywhere (no rubbish disposal)	Other	Total H/H
18 779	349	1575	7135	9 806	4335	1023	43 002

Only 62.4% of the households in Lephalale Municipality have access to acceptable refuse removal service level. The Municipality is still faced with the challenge of illegal waste dumping in Marapong more especially next to illegal settlement areas and parts of Onverwacht as well rural areas.

Generally, waste collected is domestic or household mostly in urban areas especially Marapong, Onverwacht and Town. The provision of the service in rural areas is limited to 9 villages along D3110 road. Communities depend mainly on backyard dumping sites.

table 17: Employees: Solid Waste Management Services

Employees: Solid Waste Management Services					
Job Level	2019/20	2020/21			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
1 - 3	1	1	1	0	100%
4 - 6	2	3	2	1	33%
7 - 9					
10 - 12	10	11	10	1	9%
13 - 14	34	40	34	6	15%
Total	47	55	47	8	15%

Employees and Posts numbers are as of 30 June 2020.

Table 44: Employees: Solid Waste Management Services (land fill)

Table 45: Financial Performance Waste Services

Employees: Solid Waste Management Services (Land fill)					
Job Level	2019/20	2020/21			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.		
1 - 3					
4 - 6					
7 - 9	2	2	2	0	0%
10 - 12	2	2	2	0	0%
13 - 15	3	3	3	0	0%
Total	7	7	7	0	0%

Employees and Posts numbers are as of 30 June 2020.

HUMAN SETTLEMENTS/ HOUSING

The provision of socio- economic perspective of the local Municipality as whole, as well as the three-priority nodal area is essential to attain sustainable human settlement initiative. The elements of demography, economic production, employment, and economic development potential is of cardinal importance and as such need to be dealt with properly.

Financial Performance 2020/21: Waste Services					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)	63 114 766	51 363 146	51 363 146	63 114 766	-11 751 620
Expenditure:					0
Employees	14 487 142	14 407 086	15 407 086	14 487 142	919 944
Repairs and Maintenance	1 073 662	1 871 718	2 871 718	1 073 662	1 798 056
Other	3 544 921	3 005 464	3 275 464	3 544 921	-269 457
Total Operational Expenditure	19 105 725	19 284 268	21 554 268	19 105 725	2 448 543
Net Operational (Service) Expenditure	44 009 041	32 078 878	29 808 878	44 009 041	-14 200 163

Most houses in the municipal area are good quality brick structures. They are uniformly distributed across municipal settlement areas. One should have expected more traditional dwellings but are only a few of them in the settlements. There is no specific pattern regarding backyard dwelling detectable. These apply to both urban core and the rural outlying areas. Land tenure and ownership is currently very difficult to assess.

In rural areas the land is tribal, and household have free ownership. This is as a result of the fact that land ownership in tribal areas is a sensitive issue and very complicated. However, a significant number of households in rural areas own the houses they live in. Rented housing occurs only in Onverwacht, Marapong and Lephalale town. Hostel accommodation type exists for Exxaro and contractors for Medupi project.

The Municipality needs to provide a spatial perspective that deal with the actual land use development trends and tendencies within the three focus areas as reflected on the projected focus area map page 49 to inform the development of planning scenarios and provision of bulk infrastructure. There are informal settlements in Steenbokpan, Marapong and Ellisras town. The Municipality adopted the housing chapter in 2009 and has reviewed the chapter under Lephalale integrated scoping report in 2011. The housing chapter is reviewed in 2017/18 financial year.

Table 46: Employees: Housing Services

Employees: Housing Services					
Job Level	2019/20	2020/21			
	Employee	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
1 – 3	1	1	1	0	0%
4 – 6	3	3	3	0	0%
7 – 9	1	1	1	0	0%
10 – 12	1	1	1	0	0%
13 – 14		-			0%
Total	6	6	6	0	0%

Employees and Posts numbers are as of 30 June 2021.

LEPHALALE DEVELOPMENT NODES.

The Lephalale proclaimed township area which includes Onverwacht and Ellisras town has 4831 erven covering an area of 9761540 m² that is fully serviced. Marapong has 2147 fully serviced erven including Extension 1 to 4 residential areas

which covers 165638 m². Only 3, 8% of the total land proclaimed has not been developed. The township extension has increased from 49 to 103 with the number of erven increasing from 6978 to 19591, this represents an increase of 12613 erven on a land scale of 1858 hectares.

Most of these township extensions have services been installed and or are waiting for bulk infrastructure availability to proceed with top-up structural building. 37.5% have already been proclaimed and 61.0% have been approved. 62.5% require municipal services. A total of 28935 residential units for Marapong, Onverwacht and Ellisras town has been approved and proclaimed. The area covered by this development is 15936338m².

The estimated residential units can accommodate potential population of 38815. Looking at the projected population growth these figures present an oversupply of units in Lephalale, especially on the upper market housing segment. There is an element of lower supply of housing units on rental and low-income level. The estate agents have confirmed that the existing available residential erven far exceeds current demand. Exxaro is in a process to establish approximately 3000 residential erven. Eskom is having a two-fold approach which includes the purchase of erven from private sector and establishment of housing for Marapong Extension 5 on their own land which is still in a process. The Provincial Government has allocated 1.2 billion on a three-year basis for the establishment of 5000 erven in Altoostyd farm. The project will result in the provision of housing for middle income and other designated groups within the spatial development area 1 which forms natural extension of the existing development. The scattered nature of the township development area has prompted the municipality to follow an infill approach for integrated human settlement.

Table 47 Total Housing backlog.

Rural Units	Project Linked	BNG/IRPD	Individual	Social	Backyard rental	Informal Settlements	CRU	GAP	Total
3452	-	8369	-	936	2098	8 631	524	1584	24 008

Table 48: Types of dwellings

YEAR	2001	2011	2016
House on separate stand	14459	22816	28647
Traditional dwelling	2296	408	422
Flat in block of flats	203	849	1309
Town/cluster/semi-detached house	126	271	428
House/flat/room in back yard	510	340	558
Informal dwelling/shack in back yard	893	2098	3032
Informal dwelling/ shack elsewhere	1428	2456	6768
Room/ flat let on shared property	275	321	408
Caravan/ tent	87	74	64
None/homeless	4	-	-
Other	24	246	418
Total no of dwelling	20305	29879	42054

Source: Statssa

Table 49: Residential erven.

Zoning	Ellisras/Onverwacht		Marapong		Lephalale town	Total
Proclaimed & approved	Erven	Area(m ²)	Erven	Area(m ²)	Erven	Area(m ²)
Residential 1	14560	11510394	3984	1282002	18549	12792396
Residential 2	169	1244143	6	15410	175	1259553
Residential 3	82	1259510	0	0	82	1259510
Residential 4	24	392599	2	155032	26	547631
Eskom Ext 71	142	77248	-	-	142	77248
Total	14977	14483894	3997	1452444	18974	15936338

Source: Lephalale Municipality

Table 50: Land approved and proclaimed for residential units.

Residential Units	Lephalale	Marapong	Total
Residential Units Proclaimed	8490	2275	10765
Residential Units Approved	15805	2365	18170
Residential Units Submitted	700	-	700

Residential Units Planned to Submit	74	-	74
Total	25069	4640	29709

Source: Lephalale Municipality

DEVELOPMENT OUTSIDE THE URBAN CORE AREA.

Based on the situational analysis done, development outside the urban core is approached on a minimum intervention basis. Given the low growth potential and general activities in rural areas, the main approach is to sustain current levels of development and to meet general health and welfare requirements as contained in various policies and strategies of government. The approach to allocated land for preferred uses is to strengthen the uses that will maximize the potential of the area.

The distribution density of households is usually a good indication of development activities and more importantly development potential. In developing a SDF one would use this as an indication of where to direct development and establish pressure points in development.

The only real limiting factor is proclaimed nature reserves that are protected and governed under Protected Areas Act. The general implication is that none of these areas are for any exclusive use, but that council will give preference and support the preferred uses in an area.

Some settlements are located within the 1: 100-year flood line and will be subject to flooding and the most affected will be Thabo Mbeki including the hospital and school and some households along the river at Ga-Seleka. There are 38 scattered rural settlements which are situated on traditional land with an average population of 1600 people. Other villages also affected to a lesser degree are Ditlounge, Martinique, Mokuruanyane, Ga-Monyeki and Setateng.

During the floods in 2008 water reached the 1:100-year flood line level and 300 houses were destroyed in Thabo Mbeki Ext. The hospital was evacuated. District road D3110 is the only paved main route which traverses through the villages from R572 at Ga-seleka to R518 at Shongoane village.

The provision of infrastructure services is hampered by the sparsely scattered settlements. The Municipality is currently providing basic level of service to the communities. The total average basic service backlog is about 18%.

The current Hospital is servicing a population of 66 300. Three clinics which are operating on a 24-hour service are in the three population concentration points of Ga-seleka, Mokuruanyane and Setateng villages. There are 75 schools which cater for primary and secondary school learners.

FREE BASIC SERVICES AND INDIGENT SUPPORT

The primary intention of the policy is to ensure that no one is completely denied access to basic services for reasons of inability to pay for such a service. Underlying this policy is the recognition that the supply of 'basic' services assists in alleviating poverty and improves level of the communities within the area. Free basic services will be implemented progressively in accordance with the ability of council to render any of the specific services in various areas within its jurisdiction, in accordance with the levels of services which are appropriate and affordable.

Section 74.2(c) of Municipal Systems Act, 32 of 2000 states that poor households must have access to at least basic services through:

- Tariffs that cover only operating and maintenance costs.
- Special tariffs or lifeline tariffs for low levels of use or consumption of services or for basic levels of services; and
- Any other direct or indirect method of subsidization of tariffs for poor household.

Section 97 (c) of the Municipal Systems Act, 2000 states that a Municipality must make provision for indigent debtors that is consistent with its rates and tariff policies and any national policy on indigents.

The Municipality adopted its indigent policy in 2001 and it is reviewed as and when it is necessary for council to do so

Table 51: Households provided with free basic services

NUMBER OF HOUSEHOLDS PROVIDED WITH FREE BASIC SERVICES.					
Water	Sewerage & Sanitation	Electricity	Refuse removal	Total households served	Total households served as %
1590	1590	Configuration 1 777 (3,652)	660	34249	4,8%

INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

The municipality has updated their Indigent Register at the end of the financial year under review. All of registered indigents received free basic water and electricity during the year under review.

COMPONENT B: ROAD TRANSPORT

ROADS

The roads in Lephalale are adequately connected to National, Provincial and District roads. The issue being experienced in terms of the roads in the municipal area is two-fold in nature. The first are the primary roads and related issues. These include the poor state of the roads due to limited maintenance of the roads. The poor state of these primary routes is having a detrimental effect on the distribution of goods, services, and people in and through the Municipality. Possible causes of this are lack of funds, human resources, equipment, and capacity to maintain the existing infrastructure. The second element of this issue is the poor state of the internal circulation routes in the area (especially in the rural area).

The causes of the poor state of these roads can be attributed to lack of appropriate road maintenance policies and funds, the category/type of the roads i.e., gravel roads carrying high volumes of traffic. The R33 road serve as a link between Lephalale and Modimolle Municipality more especially for the delivery of machinery and equipment for construction of Medupi power station, expansion of Grootegeeluk coal mine and future developments. This road needs special attention from Department of Roads and Transport and Road Agency Limpopo (RAL). Between Vaalwater and Lephalale the road gradient is too steep for abnormal heavy-duty loads, therefore R510 and R517 are recommended for heavy goods vehicles (freight).

The southern by-pass provincial road P198-1 linking R510 to Medupi has been identified as one of the main critical roads. The Lephalale municipality will be responsible for bulk road infrastructure and individual developers of townships will have to provide all internal roads. There is concern on the rapidly degrading of many roads due to the increasing economic activities.

Of the total length of municipal roads, some are paved, and these are mainly in Marapong, Onverwacht and Ellisras, respectively. The unpaved roads vary from dirt tracks to graded gravel surfaces which are mainly located in the rural areas of the Municipality. The current policy for improving municipal roads, as stated in the 2010/2011 IDP is to ultimately pave all municipal roads. Given limited resources and finances, interim 3-to-5-year programmes are prepared and updated annually to maintain existing assets to address serious problems, to improve access roads between villages and the higher order roads in conjunction with programmes of WDM, DOR&T, RAL and SANRAL. In the medium term, improved access to Lephalale will become a top priority, in terms of road, rail and air.

It is unlikely that the coal and petrochemical cluster will reach its full potential without the upgrading of the R33 which needs rehabilitation from Vaalwater to Lephalale, the construction of a southern bypass from the R33 to the coal mine and power stations and the upgrading of the road in a westerly direction from Lephalale town to Steenbokpan and beyond to the Botswana border.

FUNCTIONAL ROAD HIERARCHY.

Road classification refers to the process where different types of roads are classified in a framework and placed in relation to each other. A functional road classification refers to the process of classifying roads according to the characteristics of traffic service and function that they are intended to provide. The local municipality could have the following benefits from a functionally classified road network:

- A suitable balance between mobility roads and activity/ access streets, it is possible to provide a high level of connectivity, while maintaining a high level of road safety and accessibility.
- Orderly grouping of roads in a framework around which national, provincial, and local government can plan and implement various construction maintenance and environmental schemes and projects.
- A sound basis for traffic management, transport, and land use management planning.
- Assistance to consider the effect of local government decisions on surrounding areas and streets.
- Helps clarify policies concerning roads within a local government district and precinct.
- Ensures the necessary facilities for commercial vehicles to traverse the area and allows for orderly planning of heavy goods vehicle (freight) routes.
- Assist planners in the zoning of land for various uses and the restriction of activities which are compatible with mobility (traffic flow) or accessibility functions designated routes.

ROAD NETWORK AT REGIONAL LEVEL.

The road network is the principal means of travel in Lephalale and the greater Waterberg district Municipality. On a district scale, several provincial roads provide inter-provincial and inter-municipal connectivity for the wider district, they also serve as linkage roads that provide local connectivity and form key components of the supply chain of the local economy. Intensive road network and infrastructure planning did not precede, nor has it kept pace with the significant industrial and population growth within the municipal area. To date few of the unchecked development effects visible in road transport include:

- Increased traffic through Lephalale without extended road infrastructure
- Significantly high freight truck traffic,
- High levels of road congestion during peak traffic periods.

The description of this roads is summarized below, and it is important to note that this is a regional classification of the main roads and some of these road classifications will change where the roads run through an urban area such as small towns and villages along the route.

Table 52: Roads and storm water status quo.

Municipality	Total road network length	Road kilometres tarred	Road infrastructure backlog
Lephalale Local Municipality	1 054. 84km	233. 02km	821. 82km

Table 53: Provincial and District Roads classification.

Roads	Description	Functional Hierarchy Classification
N11	From Ladysmith (Kwa Zulu Natal) via Middleburg in Mpumalanga linking N1 at Mokopane via Lephalale to Botswana Border.	R1
P19/2 (R518)	East-West corridor, from Lebowakgomo, in the South-East link, linking with N1 in Mokopane and ending at Lephalale CBD.	R2
R510	North-South corridor stretching from N4 highway in Rustenburg, via Thabazimbi and the Lephalale CBD to the Botswana Border.	R2
P198/1 (R33)	North-South corridor passing via N1, linking Vaalwater to Lephalale CBD	R2
R516	East-West from Bela-Bela connecting N1 and R33 traffic to R511 and R510	R2
R517	East- West from Vaalwater provides a link between R33 towards R510	R2
R572	North-East from Tomburke to Stockpoort, it provides the link between N11 to R33	R2
D1675	West from Lephalale town provides a link from R33 to Steenbokpan	R3

D175	North-West it extends from the R572 to provide a link to Buffels-Drift.	R3
D3110	Serves as a district collector and links the R518 and R572	R3

In general, the lower order roads in Lephalale are unpaved and would mostly be classified as R4 and the remaining local access roads as R5. The Lephalale town development nodal area 1 consists mainly of the CBD and residential areas in the direct vicinity. This is the most densely populated area in Lephalale and therefore the road planning and functional classification should be done in a more detailed level.

Table54: Employees: Road Services and Storm Water

Employees: Road Services and Storm Water					
Job Level	2019/20	2020/21			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	3	3	3	0	0%
4 - 6	1	2	1	1	50%
7 - 9	3	3	3	0	0%
10 - 12	8	10	8	2	20%
13 - 14	26	29	26	3	10%
Total	41	47	41	6	13%

Employees and Posts numbers are as of 30 June 2021.

Table 55: Financial Performance Public Works

Financial Performance 2020/21: Public Works					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)	504 054	671 891	671 893	504 054	167 839
Expenditure:					0
Employees	10 773 401	12 250 898	12 370 898	10 773 401	1 597 497
Repairs and Maintenance	1 612 380	4 977 106	9 267 106	1 612 380	7 654 726
Other	20 286 975	37 609 993	38 609 993	20 286 975	18 323 018
Total Operational Expenditure	32 672 756	54 837 997	60 247 997	32 672 756	27 575 241
Net Operational (Service) Expenditure	-32 168 702	-54 166 106	-59 576 104	-32 168 702	-27 407 402

Table 56: Employees: Road Services and Storm Water

Employees: Road Services and Storm Water					
Job Level	2019/20	2020/21			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	3	3	3	0	0%
4 - 6	1	2	1	1	50%
7 - 9	3	3	3	0	0%
10 - 12	8	10	8	2	20%
13 - 14	26	29	26	3	10%
Total	41	47	41	6	13%

Employees and Posts numbers are as of 30 June 2021.

Table 57: Capital Projects Public Works

Capital Expenditure 2020/21						
Project	% Actual Progress	YTD Expenditure	Annual Budget	Variance from Budget	Annual	
Upgrading of Melvel Access road	100%	7 672 872	12 874 854		000	
Upgrading of Steve Biko Access road	100%	6 876 676	9 559 761		000	

TRANSPORT (INCLUDING VEHICLE LICENSING & PUBLIC BUS OPERATION)

The Municipality has a constitutional obligation to ensure that accessible, safe, efficient, adequate and affordable public transport is provided to the community. In rendering this function, the Municipality is guided by the prescripts of the Integrated Transport Plan (ITP). The Municipality's ITP which was adopted by Council in 2012 expired in 2017. In November 2018, the National Department of Transport appointed a company called SMEC Engineering to develop a new Comprehensive Integrated Transport Plan for Lephalale. It was envisaged that the ITP will be finalized before the end of 2019. The development of the CIP was finalized in February 2020. The CIP will be valid until 2025.

The geographical location of the villages and work opportunities in Lephalale is one of the determining factors in understanding transport demand problems. There are 39 rural villages in Lephalale, many of them located 40 km or more from the CBD of Lephalale. The CBD and town are located close to the coal mines and power stations, whereas the villages developed historically along Lephalale River. Approximately 65% or more of the Lephalale population live on farms or rural villages. This results in low residential densities, which makes the cost of effective transport provision high. The coal reserves, estimated up to 300 years of reserves, are the main driver of economic activity in the area.

If the planned and envisaged additional power stations and potential coal mining materialized, it will be a large stimulus for development in the area. Depending on what developments materialize in the area, between 16 000 and 37 000 additional housing units will be required for the next 20 years or so. In the development of future coal mines and power stations, care should be taken that residential settlements are located as close as possible to these work opportunities, to reduce travel time and cost of transport.

There are four (4) formal taxi ranks in Lephalale, five (5) informal taxi ranks and one bus rank. Bus shelters provided by the Municipality at some of the villages are only able to accommodate five people. Public Transport facilities are inadequate and, in some cases, far from the people they are supposed to serve.

LICENSING

The municipality performs licensing function on agency basis for the Department of Transport. A total amount of R25644152-36 was collected during 2019/20 financial year by our Registering Authority and was apportioned as follows:

Table 58: Collections from Licensing

ENTITY	AMOUNT
Department of transport	R20 721 428-00
Municipality	R8 357 034-00
Road traffic Management corporation	R1 767 096-00
Prodiba	R710 210-00
TOTAL	R31 555 768-00

The decline in revenue collection by Licencing division was due to the fact that the Municipality was under COVID 19 lockdown from 27/03/2020 until 31/05/2020.

The municipality has got one Grade A Driving Licenses Testing Centre, one Vehicle Testing Station and satellite office at Mokuruanyane Thusong Centre that caters for registration and licensing of motor vehicles.

To maintain social distance as required in terms of COVID 19 regulations, a decision was taken to separate the Registering Authority and Driving Licence Testing Centre. Driving licence related transactions are performed at the civic centre while registration and licensing of motor vehicles is done at the Provincial Traffic department.

INTEGRATED TRANSPORT PLANNING

The municipality has a constitutional obligation to ensure that accessible, safe, efficient, adequate, and affordable public transport is provided to the community. In Lephalale, although most people rely on walking, quite a significant percentage of people make use of public transport to access different destination such as work, school, and health services, social and recreational facilities at different times.

The following table shows a breakdown of different modes of transport utilized by people in Lephalale.

Table 59: Transport Modes

MODE	NO. OF PEOPLE	PERCENTAGE
Foot/bicycle	51084	45%
Private vehicle	12525	11%
Bus	7800	7%
Taxis	10380	10%
Not applicable	30806	27%

Public Transport State

Public transport in Lephalale comprises mainly privately owned and operated taxis and buses. There is only one subsidized bus company which transport commuters to different destinations within Lephalale on daily basis. Other private operators are contracted to big companies such as Exxaro and Eskom for transportation of their workers. There are four taxi associations with a fleet of more than four hundred taxis mostly with a carrying capacity of 16 passengers operating on different routes in Lephalale.

Table 60: Taxi Transport Status quo

TAXI ASSOCIATION	FLEET	SERVICE
Kudu Taxi Association	70	Local, Long & cross- border
Ellisras Local Taxi Association	150	Local
Steilooop Taxi Association	76	Local
Lephalale Taxi Association	140	Long distance & cross-border

Currently there is only one metered taxis transport service available in Lephalale. The Municipality has recommended eight new applications for metered taxi permits which are currently under consideration by the Department of Transport. The use of animals drawn vehicles and air-transport constitutes a less significant percentage. The Department of Education has contracted private bus operators for provision of scholar transport to 16 schools falling under Ellisras', Palala South and Palala North circuit.

Public Transport Facilities

There are four formal, and three informal taxi ranks in Lephalale, two bus terminals and several lay byes built along D3110 road. One landing strip is available for chartered light passenger planes.

Cost of Public Transport

The Government's goal is that no commuter should spend more than 10% of his/her disposable income on transport. The cost of public transport in some cases amount to 40% of the commuter's disposable income.

Challenges

- Problems faced by the municipality regarding provision of public transport are multi-faceted.
- Problems include among others the following:
- Poor road surface and infrastructure.
- Inadequate facilities such as taxi ranks, bus terminals, laybys etc. Our facilities are also not user-friendly to people with disability.
- Poor customer service on the part of taxi and bus operators.
- Disintegrated and unscheduled public transport system impact negatively on the kind of services offered.
- Too many pick-up points along the route increase the travel time.
- Limited subsidy from Government result in people having to spend a significant percentage of their income on transport. The situation is further compounded by the fact that public transport is in the hands of private owners and that makes it difficult to regulate, especially when it comes to tariffs charged.

Integrated Transport Plan for Lephalale

In terms of section 36(1) of the National Land Transport Act no 5 of 2009, the Municipality as a Planning Authority must prepare and submit to the MEC of Transport, an Integrated Transport Plan (ITP) which must formulate the municipality's official vision, policy, and objectives on transport.

The Lephalale ITP which was developed in 2012 by the appointed service provider (ITS Engineers) has expired. The national Department of Transport has appointed a company called SMEC Engineers to develop a new Comprehensive Integrated transport Plan for the Municipality which was completed in February 2020. The Integrated Transport Plan which was conceived through consultation with relevant stakeholders encompasses among others the Objectives, Transport Status quo Analysis, Transport Improvements proposals, Rationalization Plan, Transport Needs Assessment, Current Public Transport Record, Operating License Strategy and Transport Register which will guide the municipality in regulation of public transport.

FREIGHT/CARGO TRANSPORTATION

Rail Transport

The existing rail lines is an important "branch line" but with a mainline standard. It serves the coal, iron ore and chrome mines in the North West and Limpopo Province. Beginning at Pretoria North, the line was extended 112km to Lephalale to exploit coal resources in 1980. On average three trains operate daily in Lephalale. These are long air-braked trains, usually 80 wagons in length utilized mainly by Exxaro and Eskom for transportation of freight.

In Lephalale movement of freight or cargo is on land and mainly through major routes i.e., R33 and N11. This is due to the basic ability of the road transport industry to move a variety of cargoes quickly, efficiently, and economically. This

arrangement has got an adverse and damaging effect on our road surface and infrastructure and must be discouraged in favour of rail transportation.

Law-enforcement on freight transport

Many heavy vehicles are potentially overloaded and not roadworthy. Law-enforcement is lacking in this regard. There is one boarder post to Botswana to combat overloading by heavy vehicles. The municipality also has got a small weighbridge which is currently dysfunctional. Upgrading the municipal weighbridge and conducting overload programs will assist in enhancing the lifespan of the municipality's road infrastructure.

Transportation of abnormal loads and hazardous materials

The current economic development in Lephalale places an increase responsibility on the municipality in as far as regulation of transportation of abnormal loads and hazardous materials are concerned. There is no specific abnormal load route plan available for the municipality. Equally there are no by-laws that regulate movement of dangerous or hazardous materials.

Consultation with relevant stakeholders

No formal consultation takes place between the municipality and stakeholders in the road freight industry. Establishment of a freight transport consultative body (FTCB) is necessary to promote more efficient and cost-effective freight transport in Lephalale.

Table 61: Capital Expenditure Transport

Capital Expenditure 2020/21				
Project	% Actual Progress	YTD Expenditure	Annual Budget	Variance from Annual Budget
Purchasing of speed camera	100%	239 500	240 000	500

WASTE WATER (STORMWATER DRAINAGE)

Just as the municipal road network is mainly rural in character, so are the related storm water drainage facilities. Except for most of the paved residential streets in Onverwacht and Ellisras which have kerbs, side channels, inlets and sub-surface drainpipe or open collector channels network. Most municipal roads in and between the rural villages carry storm water drainage at surface level in open lateral channels, in and across the roadways and occasionally in culverts under the road. The residential streets in Marapong and Thabo-Mbeki & Thabo-Mbeki Ext 1 do not have storm water drainage infrastructure system.

Urban development in a catchment changes the runoff characteristics therein, increasing the impervious areas and resulting in an increased quantity of storm water runoff as well as more rapid and frequent concentration thereof. The developer of a township is required to accept the potential storm water flow from the area of catchment upstream of the township and to manage this as well as the runoff generated within the development, through a well-planned and designed drainage system. Conventional drainage system should cater for frequent or minor storms. The guidelines for human settlement and design recommend the following design frequencies for minor system.

Table 618: Flood Design Frequency.

Land use	Design flood recurrence interval
Residential	1-5 years
Institutional (e.g., school)	2-5 years
General commercial and industrial	5 years
High value central business district	5-10 years

In many instances in Lephalale minor storm drainage systems will serve more than one land use, and it is proposed that the Municipality should generally require that these systems be designed to accommodate the five-year recurrence interval storm. A watershed is located along the western boundary of the development area of Onverwacht. Sections of the major storm infrastructure have been installed where it traverses the existing Ellisras extensions in close proximity to Mokolo river. This is necessitated by existing developments and restricted space.

Two rivers drain Lephalale municipality, the Mokolo River which parallels on the east side of the R510 through Ellisras town and the Palala River which parallels on the west side of the D3110. Both rivers drain northwards to the Limpopo River. Storm water is the most source of damage to roads. The damage can extend from destruction of a bridge or culvert crossing to damage shoulders, road edges and destabilization of sub-grade and base course layers. Where roads are unpaved washing away of the wearing course results in rapid road degeneration and use of the road by motorized transport rapidly becomes impossible. Uncontrolled storm water and free drainage systems are therefore to be avoided. Lephalale municipality has road graders and related equipment for road maintenance. The Limpopo DOR&T also has a maintenance depot in Lephalale town from which maintenance of Provincial, District and some Municipal roads is conducted.

Budget is continuously provided, where possible for development of a road maintenance programme for Municipal Roads that are unpaved. Due attention needs to be given in this programme to the related storm water drainage facilities to maintain the accessibility not only of vehicular travel but also of non-motorized travel. There is storm water channel backlog of 15518m in length and a bottom width of between 0,9m and 1,6m specifically around Onverwacht and Ellisras. Storm water backlog in the rural area is unknown but the area on the Southern part of Thabo Mbeki and Seleka Wyk 2 (Mmatshwana) is frequently flooded during heavy rainy seasons by Palala river when it overflows. Storm water backlog in Marapong is still under investigation. The appointed service provider estimates the costs to be around R2.6 billion.

COMPONENT C: PLANNING AND DEVELOPMENT

This section provides information on demographic profile and the status of service delivery covering the following areas: spatial development, environmental issues, infrastructure development, local economic development, financial management, institutional management, and public participation.

Promotion of Local Economic Development is a constitutional mandate which reads as follows: "A Municipality must structure and manage its administration, and budgeting and planning process to give priority to the basic needs of the community and to promote the social and economic development of the community". LED is a participatory process which requires inputs from various stakeholders. LED encourages the private, public, and civil society sectors to work together to create an enabling environment for economic development. As the elected entity, the municipality has the role to facilitate the economic growth and development within its boundaries and therefore acts as a driver for Local Economic Development.

THE SDF WITHIN THE CONTEXT OF MUNICIPAL PLANNING.

All human activities have a spatial dimension. Human action impact on space and space helps to shape and direct human action. This dynamic relationship is addressed in a spatial development framework. It is critical that the SDF recognize both the integrated and dynamic nature of development. The need to integrate spatial planning and delivery with other core activities in the Municipality is critical in implementing a sustainable spatial development framework.

The focus area includes among others a dual approach on the total area and emphasis is on determining and assessing Municipal wide trends and tendencies with the aim of:

- i. Improved spatial functionality across the whole municipal area.
- ii. Integration with the district and provincial SDFs.
- iii. Identifying and developing a settlement typology for more detailed spatial planning.

The second focus area is more detailed and localized planning of the agreed settlement typology. This might imply a broad distinction between spatial frameworks for urban and rural components of the Municipality, but the focus remains integration and improved functionality in the local and broader spatial development system.

Spatial Planning refers to planning that considers the location and connection of people and interventions in space. Spatial planning stimulates a more rational organization and use of urban space and is important in promoting sustainable development and improving the quality of life. It enables the community to benefit from development, by guiding investments and encouraging prudent use of land and natural resources for development. Effective spatial planning results in:

- stable and predictable conditions for investment that is sequenced for optimal impact.
- clarity for each government sphere and sector of the investment requirements to maximize the opportunities for transforming people's lives for the better.
- efficient development approval process to facilitate economic development and spatial transformation to reverse undesirable settlement patterns emanating from past practices

Table 63: Employees Planning Services

Employees: Planning Services					
Job Level	2019/20	2020/21			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	4	6	4	2	33%
4 - 6	7	7	7	0	0%
7 - 9	1	1	1	0	0%
10 - 12					
13 - 14					
Total	12	14	12	2	14%
Employees and Posts numbers are as of 30 June 2021. *.					

Table 64: Financial Performance: Planning Services

Financial Performance 2020/21: Planning Services					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)	353 847	888 666	888 666	353 847	534 819
Expenditure:					0
Employees	14 291 214	13 753 878	14 476 877	14 291 214	185 663
Repairs and Maintenance	14 583	28 167	17 397	14 583	2 814
Other	2 407 910	3 871 390	4 371 389	2 407 910	1 963 480
Total Operational Expenditure	16 713 706	17 653 435	18 865 663	16 713 706	2 151 957
Net Operational (Service) Expenditure	-16 359 860	-16 764 769	-17 976 997	-16 359 860	-1 617 137

LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

Lephalale is defined by Limpopo Growth and Development Strategy as a coal mining and petrochemical cluster. The area is currently experiencing growth driven by mining expansion and construction of Medupi power station. Medupi project has already started demobilising staff on completed projects. The coal to liquid project that was investigated by Sasol and

currently placed on hold could broaden the opportunities for cluster formation. The local economy is dominated by the coal mine and the power station. Three clusters that are most relevant to Lephalale are firstly Coal & Petrochemical, secondly red meat and thirdly Tourism. Lephalale is currently in the final stage of considerable public sector investment, estimated at R140 billion over six years, for the construction of Medupi power station. One of government's key priorities is to increase economic growth and to promote social inclusion.

The National Development Plan (NDP) is a plan to unite South Africans, unleash the energies of its citizens, grow inclusive economy, build capabilities, and enhance capacity of the state and leaders working together to solve complex problems. Given government's objectives of growing the economy, creating jobs, addressing poverty, and promoting social cohesion, the NDP assists government in confronting three fundamental planning questions: -

- Where should government direct its investment and development initiatives to ensure sustainable and maximum impact.
- What kind of spatial forms and arrangements are most conducive to the achievements of the objectives of democratic nation-building and social and economic inclusion?
- How can government capitalize on complementarities and facilitate consistent decision making and move beyond focusing on integration and coordination procedures to establishing processes and mechanism that will bring about strategic coordination, interaction, and alignment?

Rapid economic growth that is sustained and inclusive is a pre-requisite for the achievement of other policy objectives, among which poverty alleviation is key. Beyond the constitutional obligation identified above, government spending on fixed investment should be focused on localities of economic growth and/or economic potential to gear up private sector investment, to stimulate sustainable economic activities and to create long-term employment opportunities.

To overcome the spatial distortion of the past, future settlement and economic development opportunities should be channelled into activity corridors and nodes that are adjacent to or that link the main growth centre.

Unemployment in Lephalale at 22.9% is below the provincial average, due to all the local developments relating to the new Eskom (Medupi) power station and the expansion of coal production from the mine. The labour force participation rate in Lephalale is above the provincial average, which indicates the high incidence of workers who originates from other places.

EPWP IMPLEMENTATION PROGRAMME, CWP, ETC.

Over the years Lephalale Municipality has been implementing projects through labour intensive programme aligned to the Extended Public Works Programme (EPWP). The EPWP involves creating temporary work opportunities for the unemployed, using public sector expenditure. It builds on existing best-practice government infrastructure and social programmes either by deepening their labour absorption or extending them. The EPWP is a programme that cuts across all departments and spheres of government. Under EPWP, all government bodies and parastatals are required to make systematic effort to target the unskilled unemployed.

Enabling Economic Infrastructure Development.

Community services and infrastructure play a vital role in the development of the local economy in the region. The level of service in both categories directly and indirectly affects the ability of a region to attract and retain talented individuals and to compete for business.

The following factors should be considered when assessing the readiness, or enabling environment of an area:

The quality and extent of hard infrastructure such as road and rail networks, airports, and harbours. The sophistication of local telecommunications, banking and finance services similarly impact on the input and operational costs of doing business. The extent to which spatial and land planning policies and documents are flexible to the needs of businesses and the relative ease of following land planning processes, such as rezoning applications.

The sophistication of the public sector, quantity and quality of available labour and training programmes, in relation to specific human resource requirements of investors. Quality of life factors, such as the supply of housing and personal lifestyle facilities (such as educational, cultural, and recreational services) also have impact on the attraction of a particular investment.

TOURISM

The importance of tourism industry to the economy of the area is likely to continue to grow into the future. This is likely to be related to the hunting and ecotourism industries but could also be linked to any expansion of the industrial operations and the related business tourism. The existing importance of the business tourism sector, and its strong links to the mine and power station are also viewed as important. The challenge faced by the tourism industry in the area is to increase leisure/ecotourism visitors in the summer seasons. This would relate to ecotourism rather than hunting. There is the opportunity to increase tourism in the area through tours to the power station (s) and/or mine.

The location of the Lephalale Municipality provides unique opportunities for economic development and tourism. The area is renowned for hunting, wildlife and scenic beauty and nature reserves, sports, and adventure. Five routes have been developed in the municipal area and include the following:

- The Mokolo route R510
- Marula route D1675
- Limpopo route R572
- Waterberg route; and R33
- Heritage route. D3110

The Waterberg Savannah Biosphere, a UNESCO declared Biosphere covers the large portion of the Waterberg District Municipality namely, Lephalale, Mkgalakwena, Thabazimbi and Modimolle Municipalities.

The biggest part of the Waterberg Biosphere is located within the Lephalale Municipality and the entire biosphere measures 15 000 square meters. The central vision of the Waterberg Biosphere reserve is to maximise the area's potential for conservation, sustainable development, and social upliftment.

The Waterberg plateau has an overall character that despite the development of numerous lodges and disturbances such as landing strips still maintains a wilderness character. Similarly, the wide-open bushveld plains of the Limpopo Pen plain represent a special South African bushveld character.

This area of pristine bushveld and small sleepy towns makes for a special character not found elsewhere in South Africa. This character is one of key selling points that the tourism sector employs in their marketing strategy.

Table 65: Employees: Local Economic Development

Employees: Local Economic Development Services					
Job Level	2019/20	2020/21			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
1 - 3	1	1	1	0	0%
4 - 6	1	2	1	1	50%
7 - 9	0	0	0	0	0%
10 - 12	0	0	0	0	0%
13 - 14	0	1	0	1	100%
Total	2	4	2	2	50%
Employees and Posts numbers are as of 30 June 2021.					

The valleys from which the escarpment can be viewed as well as the escarpment itself should be protected in some way to ensure that no development takes place there that could affect the character or sense of the place in a negative fashion. The maintenance of these landscape features is as important from a conservation perspective as sensitive biological features that should be maintained to ensure the long-term ability of the landscape to attract tourists to the area.

Table 6196: Financial Performance: Local Economic Development Services

Financial Performance 2020/21: LED					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)		0	0		
Expenditure:					
Employees	1 714 910	1 489 607	1 492 068	1 714 910	-222 842
Repairs and Maintenance	0	0	0	0	0
Other	147 578	1 113 651	1 113 651	147 578	966 073
Total Operational Expenditure	1 862 488	2 603 258	2 605 719	1 862 488	743 231
Net Operational (Service) Expenditure	-1 862 488	-2 603 258	-2 605 719	-1 862 488	-743 231

Table 67: B & B and Accommodation facilities.

Holiday resorts	Game/Nature reserve	Guest farms	Guest houses	Hotels	Camping	Fishing	Total number of beds
6	45	63	218	3	5	7	4254

Source: Lephalale Municipality

Tourism and especially eco-tourism have shown considerable growth in the recent years. It is a good example of sustainable use of opportunities and resources and offers the benefit of a range of employment options for local people. A negative factor in the Lephalale economy is the lack of economic activity in the rural village area.

This is where most of the current population lives. The very high rate of unemployment implies that opportunities for the establishment of small industries or businesses which are labour intensive should be pursued to make use of the potential workforce.

COMPONENT D: COMMUNITY & SOCIAL SERVICES

This component includes libraries and archives; museums arts and galleries; community halls; cemeteries and crematoria; childcare; aged care; social programmes, theatres.

The quality of education for the majority of black learners remains poor. Poor-quality education not only denies many learners access to employment, it also affects the earnings potential and career mobility of those who do get jobs, and reduces the dynamism of South African businesses.

Table 68: Library Performance

ANNUAL REPORT: 1/7/2020 30/6/2021 FUNCTION: SOCIAL SERVICES SUB FUNCTION: LIBRARY DIVISION			
FUNCTIONS	DETAIL	2019/2020	2020/2021
LENDING SERVICES: -	It deals with the Library circulation materials borrowed by users.	Books 10564	5006
		Periodicals: None	None
PHOTOCOPIES:	Users make photocopies out of Library materials and their private documents.	Copies made by customers: 70116	4102
FAXES: -	Users receive and send own documents.	Sent: 50	115
		Received:	10
INTERNET: -	Users rely on this service for recent and factual information. Library users apply for employment, bursary applications complete research and school projects	Users requested Internet:	102
			15
		8000	150
FUNCTIONS	DETAIL	2019/2020	2020/2021
MEMBERSHIP: -	Library users apply for membership to loan Library materials.	New members: 125	20
		Renewals: 300	117
		Withdrawals: 45	20
		Current: 800	600
COLLECTION DEVELOPMENT: -	Library collection is acquired through purchase of new Library materials and donations from the community	Book purchased: 0	0
		Periodicals 0	0
		donated: 20	79
FREE SERVICES: -	Customers receive free services		

	through books, magazines, film-video and DVD, musical CD, reference materials, studying & reading as well as general queries		
	Telephone & desk enquiries	Enquiries : 5 000	1001
	Books are renewed after 2 weeks	Books renewed: 10 000	506
	Books requested are reserved	Books reserved: 650	45
LIBRARY VISITS: -	Pre-Schools, Primary & High	Primary visits: Closed due to Lock down	Closed due to Lock down
	Schools pay visits at the Library on appointment	Pre-school visit: Closed due to Lockdown	Closed due to Lockdown
	Library staff visit schools on Library promotion programmes	Pre-school visited by personnel: 0	0
	Students from local schools visit the Library for study purposes on daily basis	0	0
FUNCTIONS	DETAIL	2019/2020	2020/2021
LIBRARY VISITS	Library visits by potential users	2161	160
REMINDERS: -	Library patrons are reminded about the borrowed books to be returned and also about the payments of lost, damaged and late materials	Sent: 250	115
		Returned: 100 121	1056
ANALYSIS OF THE FUNCTION	NATURE AND EXTENT OF FACILITIES PROVIDED:	FACILITIES	USERS
LIBRARY SERVICES: -	Number of Libraries at different locations	3 (Three) Libraries and 1 (one) which belongs to (DSAC) Provincial in Shongoane	Serve all Communities including Primary and Secondary Schools Private sectors and Churches at large
STAFF MEMBERS: -	Number of employees cost to employer of all personnel in the Library Division	13 (fifteen) employees appointed by LLM	1 x Div. Manager 3 x Librarians 2 x Ass. Librarians 4 x Lib. Assistants

			2 x Library helpers 1 x Lib. Cleaner
	DSAC Library in Shongoane	2x employees appointed by DSAC in Shongoane Library	1 X Librarian 1 x Library Assistant
OBJECTIVES	IMPROVED PLANNED	CURRENT	TARGET
Library and Information services	Library promotions and campaigns.	Free Internet Services, photocopies, Faxes, and study facilities	Primary and high schools within Lephalale area.

The key issues achieved for 2020/2021:

Managed to comply with the regulations of risk management against COVID-19 to protect the community.

LIBRARY SERVICES AND THUSONG CENTRES ANNUAL REPORT

Library Performance

Library Division - offers access to reading, listening, viewing, study facilities and information services to the community to promote a culture of reading and lifelong learning.

The division comprises of four fully functional libraries of which the fourth one belongs to the Department of Sport, Arts and Culture. These libraries acquire, develop, and preserve collections and published records, and selection of variety of information materials according to the community needs

Library patrons/users are allowed borrow library materials (fiction and non-fiction) for two weeks and renew the loaning period.

Have access to study facilities, reference sources internet services, photocopies, faxes, and printing

Staff Compliment

The division has a total of thirteen (13) municipal employees and two (2) employees from the Department of Sport, Arts and Culture. One employee (library cleaner) resigned, and one Library Assistant relocated to Corporate Support Services.

Library and information service means a service that ensures free access to reading and information sources.

LIBRARIES; ARCHIEVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES; OTHER (THEATRES, ZOOS, ETC)

Library Division - offers access to reading, listening, viewing, study facilities and information services to the community to promote a culture of reading and lifelong learning.

The division comprises of four fully functional libraries of which the fourth one belongs to the Department of Sport, Arts and Culture. These libraries acquire, develop, and preserve collections and published records, and selection of variety of information materials according to the community needs

Library patrons/users are allowed borrow library materials (fiction and non-fiction) for a certain period.

Have access to study facilities, reference sources internet services, photocopies, fax, and printing

SUMMARY

Library and information service means a service that ensures free access to reading and information sources:

The library encourages the free flow and exchange of information and ideas in a democratic society

Provide reading and information services freely available and accessible to the community.

Provide resources/services to communities.

To maintain, acquire, develop, and preserve collections and published records

Library and information service means a service that ensures free access to reading and information sources:

THUSONG CENTRES

STAFF COMPONENT

The division has a total of four (4) municipal employees.

Thusong Centre is one stop service centre providing information and services to communities through development communication approach in an integrated manner.

The objective of this programme is to empower communities by providing relevant information and services relevant to their needs.

This process also allows two-way interactions between the government and the people through events like Imbizos in order to address historical socio-economic challenges.

Thusong Centre is a program initiated by the Government in 1999 and is coordinated by the Office of the Premier in collaboration with Government Communication and Information Systems (GCIS). The aim is to empower the poor and disadvantaged by providing access to government information and services as well as resources from NGOs and parastatals. Each District should have established at least one Thusong Centre by 2004 and each Municipality should have established at least one Thusong centre by 2014.

Lephalale Municipality has overachieved in this regard because we managed to establish two Thusong Centres by 2014. The first Centre is situated in Mokuruanyane Village which was completed in 2013 and it is currently fully operational. The centre consists of 11x offices, 2x boardrooms and 1x function hall.

The second Thusong Centre is at Leseding informal settlement. Lesedi Tshukudu Centre has been funded by SASOL and was officially opened on 6 December 2014. The Centre consists of 5 x offices, 1x Community Hall, 1 x Boardroom 1 x kitchen and a reception area. The offices are not yet occupied due to the delay in the connection of the electricity from Eskom. The connection of the electricity was completed last week. The Department of Primary Health Care, Department of Justice and Social Development have already shown interest in occupying the offices by submitting their applications.

Table 69: Financial Performance: Library

Financial Performance 2020/21: Library					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)	27 557	34 111	34 111	27 557	6 554
Expenditure:					0
Employees	7 485 611	8 166 947	8 166 947	7 485 611	681 336
Repairs and Maintenance	6 969	9 275	9 275	6 969	2 306
Other	66 195	381 836	381 836	66 195	315 641
Total Operational Expenditure	7 558 775	8 558 058	8 558 058	7 558 775	999 283
Net Operational (Service) Expenditure	-7 531 218	-8 523 947	-8 523 947	-7 531 218	-992 729

CEMETORIES AND CREMATORIIUMS

There are only five zoned public burial sites in the whole Municipal area. The Municipality is providing services at Onverwacht, Rupert, Marapong, Steenbokpan and Thabo-Mbeki.

The demarcated burial site in Marapong is nearly reaching its capacity and will probably close soon. The municipality is in a process to establishing new cemetery at Nelsonskop farm. The municipality is planning to conduct feasibility study for the whole Lephalale municipality with the intension to establish regional cemetery.

The municipality is not providing any burial service in the rural villages and the area is communal land controlled by traditional authorities.

CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

The department of social and security service is responsible for childcare and old age social grants provision.

Table 70: Social and Security Services – Child Care and old age social grants

ECD's Identified	Unregistered	Unqualified	Registered	Funded	Not funded	Basic service availability
89	9	31	76	43	42	Water, toilets & electricity available. Most structures not meeting EHP criteria while others are conditional in the sense that they have to improve in order to comply
Drop-in Centre			8	5	3	Shared services with service center for the Aged
Home Community Based Care			1	1	0	Shared services
Victim Empowerment Programme			4	4	0	Shared services with SAPS
Service Centre for Elderly People			4	4	0	Basic services
Child and family			1	1	0	Basic service

COMPONENT E: ENVIRONMENTAL PROTECTION

POLLUTION CONTROL

Lephalale Municipality has an environmental function to execute and ensure that the fundamental environmental rights of the community as enshrined in the constitution are realized. The fundamental rights as stated in the constitution are: -

- To prevent pollution and ecological degradation.
- To promote conservation.
- To secure ecologically sustainable development and use of the natural resources while promoting justifiable economic and social development.

The Municipality has sensitive and conservation worthy areas within its jurisdiction, such as the wetlands, river systems, cultural sites, rare and endangered species, and part of the Waterberg biosphere. There are also many areas that require remedial attention. i.e., the eradication of alien vegetation, soil erosion control and aspects that require special management, such as pollution control and land use management. The Municipality has the capacity to perform duties that enhance sound environmental management practices which include EIA related issues.

AIR QUALITY.

Air quality legislation comprises primary standards which protect human health and secondary standards which protect property, vegetation, climate, and aesthetic values.

Particulate and gaseous emissions from industrial operations, domestic fuel burning, and vehicle tailpipe emissions were quantified for this assessment, due to the availability of data for these sources. Power generation was identified to be the main contributing source to emissions (99%) in the Local Municipality. With the quantification of all mines in the District, mining sources are likely to be the main contributor to PM10 emissions in the District. Power generation is the main contributing source to SO2 and NO2 emissions in the Lephalale LM, contributing to 99%.

The environmental features that are found in the municipal area are affected by natural environmental challenges inter alia, ozone depletion, global warming, solid and hazardous wastes, the endangerment of biological diversity and land degradation. Environmental degradation in the form of soil erosion, overgrazing, deforestation, over exploitation and habitat destruction should be prevented to effect economic development negatively. Air quality management by-laws should be developed for non-compliance to the air quality standards. There should be capacity in terms of human resources for the execution of related duties.

The table below denotes the air quality analysis within the Waterberg District Municipality:

Table 71: Air Quality analysis within the Waterberg District Municipality.

Municipality	Industrial emission	Domestic fuel	Vehicle emissions	PM10	SO2	NO2
Lephalale	95.9%	19.1%	24.1%	86.2%	95.4%	94.3%
Bela-Bela	0.0%	4.8%	17.0%	0.4%	0.02%	1.0%
Mookgopong	0.0%	3.5%	6.1%	0.2%	0.01%	0.3%
Thabazimbi	3.6%	10.9%	28.1%	0.8%	4.5%	1.6%
Mogalakwena	0.4%	52.0%	13.2%	11.7%	0.05%	2.2%
Modimolle	0.0%	9.6%	11.4%	0.6%	1.8%	0.6%

Source: WDM Air Quality Management Plan

WATER QUALITY

Water is a scarce resource in Lephalale Municipality. Water quality legislation seeks to achieve water quality consistent with protection of aquatic life, wildlife and safe conditions for human recreation and consumption. It therefore aims to eliminate discharges of pollutants into navigable waters which include rivers and streams. The water resources are exposed to excessive contamination of rivers/streams. One of the main contributors to water pollution is the discharge of industrial wastes into the rivers and streams and cholera outbreaks.

To curb the challenge business can improve water quality by regulating their non-point source water pollution- a situation where runoff from streets, construction sites, farmlands and animal feedlots which cause significant nutrient and toxic substances that build up in the bodies water receiving the pollutants thereby damaging the usability of the resources for plants, animals, and humans alike. There is a need for ad-hoc water sampling of water sources. The Municipality should respond to the challenges in one way or another by doing cost benefit analysis, risk management or strategic environmental management.

BIO-DIVERSITY; LANDSCAPE (INCL. OPEN SPACES); AND OTHER (EG. COASTAL PROTECTION)

D’Nyala Nature reserve.

The roughly 8 281 ha Reserve is in the northern Waterberg range nearby the town of Lephalale. Government acquired the Reserve in 1986 to allow for the construction of the Vaalwater Lephalale road (R33). Lephalale is the last end route to Botswana from South Africa along the (shorter) alternative route leading to four border control posts. The R33 provincial road Vaalwater and Lephalale traverses the reserve, dividing it into a western and eastern portion. The reserve’s bushveld plains and broad floodplain areas afford excellent game viewing opportunities, and large specimens of trees including massive baobabs and nyalas add to the scenic value and recreation/tourism resource. Apart from various management tracks, a 37km gravelled game drive route has been developed on the eastern portion of the reserve (east of R33 provincial road), along with two game viewing hides on the floodplain.

Mokolo Nature Reserve.

The Mokolo Dam situated 50km from Lephalale on the Thabazimbi road (R510) offers excellent boating and fishing opportunities, but visitors are warned that hippos and crocodiles occur in the dam. The Mokolo Dam lies in a picturesque setting within the Provincial Mokolo Dam Nature Reserve and is a popular recreational resort for anglers and the boating fraternity. The Dam has a full supply capacity of 145.4 million cubic metres and currently provides the only formal water storage facility in the Mokolo Catchment. The Dam is characterised by dense wooded mountains and surrounding cliffs. The mountains mainly comprise sandstone. The reserve covers an area of 4 600 hectares which includes the dam surface area of 914 hectares and plays an important role in providing outdoor or recreation, including both land and water orientated activities. The dam supplies water to the town of Lephalale, Matimba power station, Exxaro Colliery, and downstream irrigation farmers

Parks Division

Lephalale Municipality has a holding nursery where we keep the plants. There are also other local nurseries in the Lephalale area where trees can be purchased. Lephalale Municipality has eight (12) natural parks and four (4) green parks.

Biodiversity

A safe, healthy, and sustainably managed environmental and natural resource base provides critical eco-system services that are a foundation for economic and social development.

Our rich species, ecosystems and natural heritage which form the very foundation of our economy and society, providing eco-system services such as food security, clean and secure water provision, flood attenuation, biomass energy and building material. A well as a resource base for the sustainable development and growth of the tourism, agriculture, forestry, of the economy are threatened by growing human population and their increasing demands on the environment, climate change and invasive alien species.

The focus of the biodiversity and conservation programme is on the planting of indigenous tree species, protection of listed tree species and eradication of alien invasive species project.

Eradication of alien invasive species

Bush encroachment is the suppression of palatable grasses, small plants, and herbs by encroaching woody species (trees & shrubs) which are unpalatable to domestic livestock. This encroachment is prevalent in eco-regions where woodlands are converted into shrubs. The impacts of bush encroachment include the reduction of arable land & threatening of livestock production.

- Small scale removal of invasive shrubs and weeds

Tree planting project

Projects implemented in this focus area aim at promoting the transition to sustainable and integrated management of land resources. The deliverables in this category include:

- Greening by tree planting
- Education and awareness

The Department social services have a parks division which deals with landscaping; however, this is an added function on the normal parks work and a new development in terms of the functions of the division. Statically most the empty land space is privately owned and cannot be dealt with without the concerned of the owner.

The Department social services have a parks division which deals with landscaping; however, this is an added function on the normal parks work and a new development in terms of the functions of the division. Statically most the empty land space is privately owned and cannot be dealt with without the concerned of the owner.

Table 72: Financial Performance Parks

Financial Performance 2020/21: Parks					R000
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)	87 337	173 135	173 135	87 337	85 798
Expenditure:					0
Employees	11 832 286	11 661 448	11 861 448	11 832 286	29 162
Repairs and Maintenance	243 822	405 460	450 460	243 822	206 638
Other	277 000	679 746	1 034 746	277 000	757 746
Total Operational Expenditure	12 353 108	12 746 654	13 346 654	12 353 108	993 546
Net Operational (Service) Expenditure	-12 265 770	-12 573 519	-13 173 519	-12 265 770	-907 749

COMPONENT F: HEALTH

This is a function rendered to municipality by the district and the Provincial department and as result much cannot be said around health from the municipal side.

Clinics in Lephalale offer the Primary health care. There are five main clinics, equipped with mobile unit for the scattered villages and farms. Services rendered by this clinic include distribution of medicine for chronic diseases, pre-natal care for pregnant woman, and testing for chronic diseases. Primary Health is not a function of Lephalale Local Municipality.

There are two hospitals within the boundaries of Lephalale local municipality

Long-term health outcomes are shaped by factors largely outside the health system: lifestyle, nutrition, education, diet, sexual behaviour, exercise, road accidents and the level of violence. Good health is essential for a productive and fulfilling life. The Diagnostic Report demonstrates the starkly interrelated challenges posed by crumbling health system and a rising disease burden. The public health system must be fixed. While greater use of private care, paid for either by users or health insurance, is part of the solution, it is no substitute for improvement of the public health system. Given the systemic weaknesses in that system today, a root-and-branch effort to improve the quality of care is needed, especially at primary level.

Effective social protection and welfare services are an integral part of our programme for inclusive economic growth and central to the elimination of poverty and reduction of inequality. Social protection plays several roles in a society. Firstly, it sets a floor through which, social solidarity, we deem that no person should live below. At present given, South Africa's extremes of unemployment and working poverty, many people regularly experience hunger and find it difficult to meet the basic needs of their families. Progressively and through multiple avenues, we seek a society where every one is lifted above this floor. Secondly, it plays an important role in helping households and families

manage life's risks. It also helps ease labour market transitions, thereby contributing towards a more flexible labour market and economic dynamism.

When people feel unsafe it makes it harder for them to develop their capabilities, pursue their personal goals and to take part in social and economic activity. To achieve the goals set out in this plan, South Africans need to feel safe everywhere and have confidence in the criminal justice system to protect them and to act speedily and effectively when required to do so. By 2030, people living in South Africa should feel safe and have no fear of crime. Women, children and all vulnerable groups should feel protected. They should have confidence in the criminal justice system to effectively apprehend and prosecute criminals who violate individual and community safety.

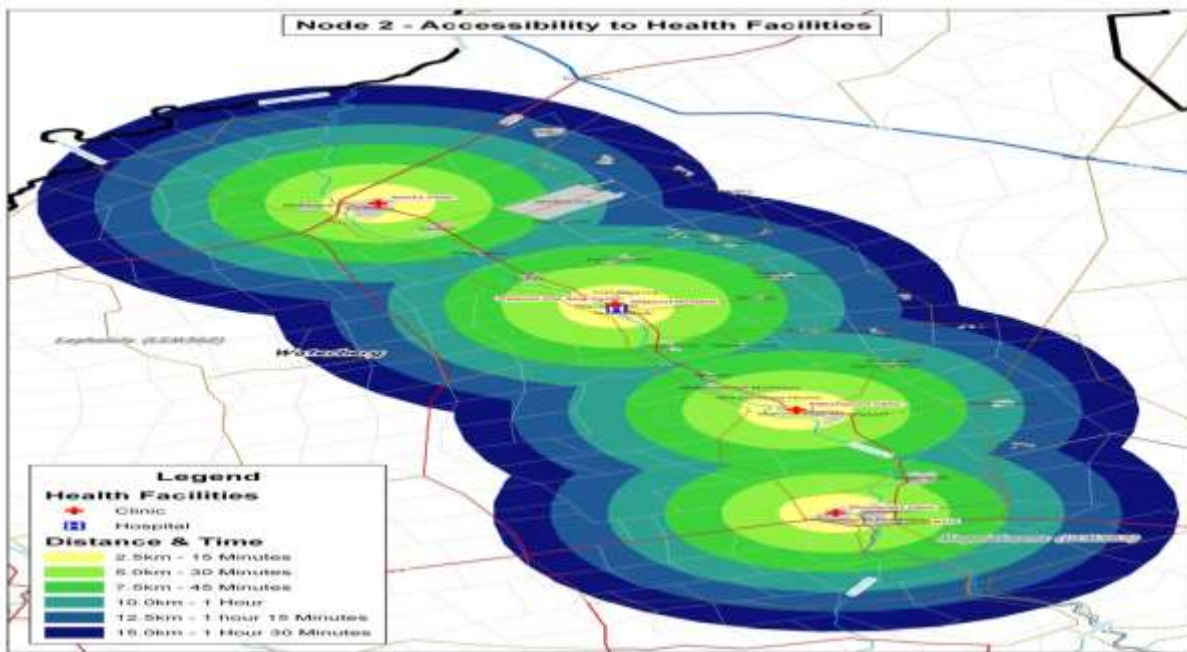
In many countries plans fail because they are not implemented or because implementation is uneven. There needs to be a uniformity of effort and competence across the entire public service. There is a real risk that South Africa's national plan could fail because the state is incapable of implementation.

There must be a mechanism to remedy the uneven and often poor performance of the public service. A capable state does not materialise by decree, nor can it be legislated or created from conference resolutions. It has to be painstakingly built, brick by brick, institution by institution and sustained and rejuvenated over time. It requires leadership, sound policies, skilled managers and workers, clear lines of accountability, appropriate systems, and consistent and fair application of rules.

CLINICS

Clinics in Lephalale offer the Primary health care. There are five main clinics, equipped with mobile unit for the scattered villages and farms. Services rendered by this clinic include distribution of medicine for chronic diseases, pre-natal care for pregnant woman, and testing for chronic diseases.

Figure 5: Locality of Health Facilities in Rural Areas and distances of accessibility to health facilities.



AMBULANCE SERVICES

The ambulance service within the municipality is rendered by the Provincial Department of Health and Social Development and it is co-coordinated at the District. There are two Ambulance centres in the municipality, located and based at the two hospitals within the municipal boundaries. The service centres are in Onverwacht at the Lephalale hospital and satellite service centre at Witpoort Hospital

HEALTH INSPECTION; FOOD AND ABBATOIR LICENSING AND INSPECTION; ETC

This is function performed by the District municipality, however the deployed members to municipalities. In Lephalale municipality there four members from the district deployed to service the local municipality with monitoring of water quality, food control, waste management, health surveillance of premises, chemical safety, disposal of the deceased and environmental pollution.

COMPONENT G: SECURITY AND SAFETY

POLICE

The vision of the South African Police Service is to “create a safe and secure environment for all people in South Africa” In doing so the SAPS will endeavour to prevent anything that may threaten the safety or security of any community, investigate any crimes that threatens the safety or security of any community, ensure criminals are brought to justice, and participate in efforts to address the causes of crime.

There are six police stations around Lephalale Municipality, a mobile station in Marapong and two border policing points at Stockpoort and Groblersbrug. Crime in general is showing trends of increment, this is because of more people flocking to Lephalale to look for economic opportunities. In our view this has potential to lead into more serious and or organized crime. The South African Police Service (SAPS), with the input of various stakeholders, are working hard to combat crime in and around to make Lephalale a safe place for the community. Some of the joint efforts relate to the combined operations that the police, private security and traffic departments often conduct to combat crime and to maximize the outputs and outcomes of the available scarce resources. Community policing and crime prevention human resource is equivalent to 1:350 per officer, which depicts a well spread ratio across the Municipal area. The sparsely located settlements create a major challenge for resources to be deployed evenly to cover all areas of the municipality during specific times.

Traffic division's core business is to ensure safer road environment, free flow of traffic, accident-free road environment and promote self-compliance. The division is comprised of five Traffic Officers, two Assistant Superintendent, one Superintendent, one traffic administrator and the Manager. The division also has four road markers whose responsibility is to do road marking of Municipal road network. There is one protection officer who provides oversight on security management and one crime risk officer whose responsibility is security analysis.

There has been alarming number of fatal and serious road accidents within the Lephalale Local Municipality which amongst others were triggered by lack of traffic policing due to insufficient Traffic personnel. Nonetheless Municipal Traffic Police and Provincial Traffic Police continuously conduct joint operations with a view of mitigating the causal factor of fatal road accidents.

FIRE

Over the past 15 years Lephalale Municipality experienced a serious heavy rain and Disaster which resulted to floods. This was followed by drought which has negative impact to the Local Community.

This has inflicted a heavy cost on human, materials, physical resources, and degradation to environment. It had also a negative physical impact (which includes casualties and property damage) and social impacts (which includes socio-economic).

Although we have a Local Disaster Management centre, that is funded by District and managed by Local Municipality, we believe with the current resources we will not be able to manage all challenges that will be come as results of industrialization and natural disasters.

We believe more resources should be directed to Municipality to assist in upgrading the Local Disaster Management centre. Municipality need more development strategies an effective communication system. We need fully equipped management centre.

Rather than taking any possible disaster into consideration, one has to focus on risks which are very likely, and which justify the efforts of preparedness. Lephalale Municipality is prone to disasters that emanate from veldt and informal settlements fires, floods, drought epidemics and crime.

Hereunder is the risk profile of the municipality: -

Table 7320: Risk profile

Hazards	Low risk (LR)	Medium risk (MR)	High risk (HR)	Priority
Fires Veldt Informal settlement			√	1
Floods 2.1 Flash Floods 2.2 Dam/River Floods		√		5
Epidemics		√		2
Draughts			√	3
Crime/Lawlessness		√		4

Table 74: Fire services.

Number of Fire stations	Number of permanent staff in disaster management unit	Kilometres to the farthest location that is serviced
Number of Vehicles	Number of permanent staff in disaster management unit	Kilometres to the farthest location that is serviced
3	11	125km

OTHER (DISASTER MANAGEMENT, ANIMAL LICENCING AND CONTROL, CONTROL OF PUBLIC NUISANCES AND OTHER)

The local authority does not have the resource capacity to act as sole responsible agent for the implementation of the different disaster management strategies and it is therefore crucial that the district and provincial authorities be involved during the planning of the strategies. This will ensure that the role and responsibilities of the different spheres of government and local role-players are adequately delineated and clear. This will ensure a smooth implementation of the disaster management strategy when the time requires it.

Disaster management is a cross-sectorial task which relates to a wide range of sectors and aspects such as avoiding settlements or investment in high-risk locations, construction technologies, water management, health services etc. It is therefore not an issue that can be dealt with by a special project, but it requires compliance of any development's measures with basic principles of disaster prevention and mitigation. Rather than taking any possible disaster into consideration, one has to focus on risks which are very likely, and which justify the efforts of preparedness. Lephalale Municipality is prone to disasters that emanate from veldt and informal settlements fires, floods, drought epidemics and crime.

The following are regarded as Disaster Management challenges:

- Potential risk of some households in rural villages which are in the flood line area.
- State of readiness by the Municipal disaster Centre in case of any large-scale disaster occurrence.
- Level of training for the current personnel to deal with disaster occurrence of high magnitude.
- Lack of machinery and equipment to deal with disaster incidents up to an acceptable standard

Table 215: Disaster Management Services.

Number of Vehicles	Number of permanent staff in disaster management unit	Kilometres to the farthest location that is serviced
3	11	125km

Table 76: Financial Performance: Capital Projects – Disaster Management Services

Capital Expenditure 2020/21				
Project	% Actual Progress	YTD Expenditure	Annual Budget	Variance from Annual Budget
Installation of Security Camera systems on Municipal buildings	100%	480 000	480 000	0 000

COMPONENT H: SPORT AND RECREATION

SPORT AND RECREATION

PURPOSE

The development of strategies and programme by the municipality to ensure optimum utilization of sport and recreation facilities.

- Adequate resources allocation and maintenance plans.
- Contribution to a range of municipal objectives which include improved health, community development and crime prevention outcomes.

FACILITY DEVELOPMENT AND MAINTENANCE

This component deals with the provision and building of new facilities and the proper maintenance of our facilities to expand their lifespans.

SPORTS DEVELOPMENT

The municipality seeks to undertake activities to strengthen club structures and to improve the technical abilities of players in different sporting codes. As our role in sport is facilitative one, the municipality provides formal sport participation opportunities to enlarge the pool of talent identification amongst our youth from various sporting codes.

Some of the key objectives will be:

- To promote the level of participation in sport and recreation, e.g., Mayoral tournament
- To promote leadership, sport management and life skills.
- To promote the culture of healthy lifestyles and good social behavior.
- To promote more inclusive sport and recreation activities in our communities.

The municipality must seek all possible means to promote both active and passive recreation.

SPORTS & RECREATIONAL FACILITIES

The Municipality is paying an annual grant to Mogol club as a contribution towards recreational facilities in the urban area. Mogol sport center and Marapong stadium are the two facilities which are available to the community in the urban area.

Municipal Stadiums

- Captain Thulare stadium
- Thabo Mbeki stadium
- Shongoane stadium

Exxaro stadiums

- Mogol multi-purpose sport Centre
- Marapong stadium

Municipal Community hall

- Thabo Mbeki hall

Municipal Gym

- Thabo Mbeki

Tribal Community halls

- Seleka community hall
- Shongoane community hall
- Martinique community hall
- Motlhasedi community hall

COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

EXECUTIVE AND COUNCIL

This component includes: Executive Office (Mayor; Councillors; and Municipal Manager).

The **Office of the Municipal Manager** is responsible for ensuring the smooth running of the municipality. It provides guidance and advice on compliance with certain Legislative Acts that govern the Municipality to the political structures,

political office-bearers, and officials. The Office of the Municipal Manager consists of the following administrative units, namely Internal Audit and Risk Management

The key functions of the Office of the Municipal Manager are:

- The formation and development of an economical, effective, efficient, and accountable administration that is equipped to carry out the task of implementing the municipality Integrated Development Plan (IDP) and responsible to the needs of the local community
- As Accounting Officer, the cost-effective management of the municipality's budget and the timely implementation of resolutions
- The implementation of the municipality's IDP and monitoring the progress with the implementation of the plan
- The management and monitoring of Municipal services provided to local community in a sustainable and equitable manner
- The administration and implementation of the Municipality's by-laws and other legislation, including the implementation of National and Provincial directives, policies, and legislation
- Exercising powers delegated to the Municipal Manager by the Municipal Council and other authorities of the Municipality
- Rendering administrative and strategic support to the Mayor and other political structures in Council

The Mayor must provide general political guidance over the fiscal and financial affairs of the Municipality.

The EXCO is established to assist Mayor with his/her functions. Each member of the EXCO is also a chairperson of a cluster committee. The following are the different clusters: Finance and Economic Development, Administration and Governance, Municipal Services and Community Development.

The Oversight committee and the Performance Audit Committee have also been established. This committee is highly functional and held 8 eight meetings in the previous financial year 2020/21, the details of the functions are outlined in the report of audit committee chairperson which is appendix G of this report.

The Municipal Public Accounts Committee (MPAC) has been established and held regular meetings. MPAC held 5 meeting and two projects visit in the 2020/21 financial year,

A development forum (Lephalale Development Forum) has been established for leverage between big business and the municipality.

FINANCIAL SERVICES

The Municipality currently has limited financial resource capacity. The sources of income vary from the income generated through the sale of municipal services i.e., water, electricity, sewerage, refuse removal, bulk contribution, vehicle licenses and tax levies, through to intergovernmental grants (IGG) and external loans. The narrow tax base of the Municipality is a constraint on municipal income.

There is however a need to develop a revenue generation strategy and to focus more on the viability part of this KPA as engendered in the national key performance indicators. Currently 46% of the total budget is made up of government grants. The major contributing factor to lack of revenue is that only ±20% of the total household is paying for rates and services. This seriously hampers our service delivery effort as we have the capacity but no funds to implement. The broad financial challenges are sources of revenue and effective implementation of IDP and SDBIP.

There is uncertainty about some of the major projects which were announced by other investors in 2006; however, the Municipality has drawn a financial model based on anticipated development scenario until 2030. It is speculated that by then Lephalale will be the second biggest town in Limpopo and ultimately attain the status of a city ten years later.

Table 722: Employees: Financial Services

Employees: Financial Services					
Job Level	2019/20	2020/21			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	6	6	6	0	6%
4 - 6	10	13	10	3	23%
7 - 9	19	22	19	3	14%
10 - 12					
13 - 14	5	5	5	0	0%
Total	40	46	40	6	13%
Employees and Posts numbers are as of 30 June 2021.					

Table 23: Financial performance for financial services

Financial Performance 2020/21: BTO					
///R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)	15 586 822	101 295 130	128 105 887	15 586 822	112 519 065
Expenditure:					0
Employees	19 607 620	23 714 435	24 204 435	19 607 620	4 596 815
Repairs and Maintenance	418 889	8 326 298	10 126 298	418 889	9 707 409
Other	8 909 402	9 178 289	9 089 769	8 909 402	180 367
Total Operational Expenditure	28 935 910	41 219 022	43 420 502	28 935 910	14 484 592
Net Operational (Service) Expenditure	-13 349 088	60 076 108	84 685 385	-13 349 088	98 034 473

HUMAN RESOURCE SERVICES

The Human Resource Division provides administration of employee's personal information, ensures there is good working relations with employees' representatives, training and development of the employees is given priorities in order to fully capacitate the organisation ability to implement the IDP

The Municipality has employment equity plan which was adopted by council. The employment equity plan intends to achieve equity in the workplace, to make the Municipal workforce more representative and ensuring fair and equitable employment practices for employees. It further intends to create an organisational culture that is non-discriminatory, values diversity and legitimizes the input of employees. The objective of the policy is to address under-representation of designated groups in all occupational categories and levels in the workforce. It has not been easy to implement the employment equity plan for Lephalale Municipality. The institutional plan is reflected in the table below.

Table 79: Institutional profile.

Occupational level	Male		Female		Disabled	
	Black	White	Black	White	Male	Female
Senior Management	3		2			
Professionally qualified & experienced specialists and mid-management (divisional head)	14	1	6	1		

Skilled technical and academically qualified, junior management, supervisors, foremen and superintendent	64	4	27	3		
Semi-skilled and discretionary decision making	50	1	49	6		
Unskilled and defined decision making	177	1	65	0		
Total Permanent	308	7	149	10		
Temporary Employees						
Grand total	308	7	149	10		

Source: Lephale Municipality

INSTITUTIONAL STUDY CONDUCTED.

In pursuing and operationalizing the Lephale institutional plan, in consultation with relevant stakeholders within the Municipality aurecon assisted the Municipality with the aim to identify an approach that best enables the institution to attract and retain people who have or may attain, the required competency/skills level and standards. An institutional status quo report was compiled during August 2010 in which a desktop study was done of the institutional arrangement within the Municipality.

Various previous studies were considered during this exercise and an assessment was made on the current capacity of the Municipality to deal with its service delivery mandate. The purpose of this plan is to determine how best the municipality must execute its powers and functions aligned to the IDP with the resources which are at its disposal. The skills development plan has been approved and is reviewed annually.

The projected staffing figures for the Infrastructure Department are contained in the table below.

Table 80: Current and projected future staffing requirement within infrastructure department

Infrastructure Services	SQ	2010	2015	2020	2025	2030
Water and Sanitation	98	122	189	280	360	395
Solid Waste	46	57	61	73	73	73
Public Works	56	72	74	108	136	144
Electricity (N1 and N3)	69	81	104	60	119	125
Projects Division	3	9	17	17	17	17
Infrastructure Head	1	1	1	1	1	1
Total	273	342	446	539	706	755

Source: Lephale municipality

Staffing projections were developed, based on scientific norms for the number of engineers required for a municipality. The increase in the number of households between 2010 and 2030 was utilized as a basis for projecting the increase in infrastructure capacity required by Lephale Municipality. Subsequently a supporting structure was developed to provide the necessary support in terms of financial, human resources, administrative, planning, and social development.

CAREER PLANNING SUCCESSION AND RETENTION POLICY.

The municipality has a career planning succession and retention policy which was adopted by council in 2010. The objective of the policy is to ensure a conducive and harmonious working environment for employees throughout the municipality and retain key staff members whose services are regarded as mission "critical"; and identify individual employees with potential for assuming a higher degree of responsibility and ensure career development of staff for skills base for succession planning. Projected staffing figures for support departments are contained.

Table 8124: Current and future support staff requirement within the municipality

	SQ	2010	2015	2020	2025	2030
Municipal Manager Office	16	16	26	28	29	31
Corporate Services	32	32	50	53	56	59
Planning & Development	11	11	18	19	20	21
Budget & Treasury	30	30	49	52	55	58
Social Development Services	84	84	140	149	156	165
Total	173	173	283	301	316	334

Source: Lephalale Municipality

Institutional practices within Lephalale Municipality must undergo significant alteration if the Municipality is to keep up with the projected increase in service delivery demand. The projected increase in staffing level suggests that the Municipality will require large-scale institutional interventions to ensure that it has the correct staff with sufficient capacity when needed. The complexity of the institutional capacitation model and the current staffing shortages within the Municipality does pose a concern regarding capacity to implement the institutional capacitation model. It is against this background that the Municipality appointed service provider to conduct institutional study considering the aurecon study to assist Municipality with the institutional arrangement to respond to the future challenges on the Municipal capacity to provide basic services.

INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

ICT is an integral part of enterprise governance and consists of the leadership and organisational structures and processes that ensure that the organisation's ICT [the infrastructure as well as the capabilities and organisation that is established to support ICT] sustain and extends the organisation's strategies and objectives

ICT is there to make sure that organizations achieve sustainable success through the use of their ICT and pro-actively recognises potential efficiencies and guides municipalities in timeous adoption of appropriate technology and also ensuring that optimum Municipal value is realised from ICT-related investment, services, and assets.

The introduction of Municipal Standard Charter of Accounts to as requirements for municipal transactions prompted the municipality to increase the ICT capacity.

PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

This component includes property; legal; risk management and procurement services.

PROPERTY& LEGALSERVICES

The municipality has a dedicated Legal Services unit under Corporate Support Services and the team is responsible for property management and procurement. It also deals with litigations for and against the municipality.

RISK MANAGEMENT.

The risk unit and the risk committee were established, and risks assessments conducted whereby the risk committee is chaired by external independent person. The Municipality has conducted the Risk Assessment and compiled a Risk Register with mitigation factors and time frames. The risk Register is updated quarterly by the Risk Management Office.

SUPPLY CHAIN COMMITTEES.

The Municipality has supply chain committees which are responsible for the implementation of good business practice transaction in dealing with sourcing of goods and services from the service providers. The Bid Specification, Bid Evaluation and Bid Adjudication Committees have been established. Advertised tenders are being evaluated, adjudicated and appointments are made for tenders in terms of the Supply Chain Management Policy. It takes an average of 87 days to make adjudication on a tender from a date of closing. Quarterly reports on the tenders are submitted to Council.

COMPONENT J: MISCELLANEOUS

This component includes: the provision of Airports, Abattoirs, Municipal Courts and Forestry as municipal enterprises.

The municipality does not have any abattoirs under its property management; however, the private business does not own abattoirs within the municipal borders. There is not a distinctive airport available in the municipality, however the airfield belonging to SANDF is used by the local community. There are two magistrates' courts within the boundaries of the municipality, the Phalala District Magistrates' Court and Lephalale Regional Magistrates' court.

Lephalale airfield is an uncertified and unmanned aerodrome posing high risk to passengers and aircraft currently utilizing the aerodrome. The reality is that the situation is paramount to an accident or major disaster waiting to happen if no immediate intervention is found.

The airfield is currently processing more than 5 scheduled flights per day and up to 20 movements a day making it busier than Polokwane International Airport on aircraft and helicopter movements. Some of the problems identified include, unmonitored and uncontrolled non-aviation use of the landing strip by the public and unregulated use of the airport. Subsequently initiation of a detailed thorough long term road transport needs analysis and airport plan will be outlined through the provincial sponsored Integrated Transport Plan and Lephalale Airport feasibility study.

COMPONENT K: ORGANISATIONAL PERFORMANCE SCORE CARD

SDBIP SERVICE DELIVERY AND PERFORMANCE INDICATORS

During the Financial Year 2020/21, standard operating procedures and management resolutions as well as recommendations by the Audit committee were applied. Employee Performance Management Policy was adopted by Council to regulate municipal employee performance.

There are one hundred and thirty-seven (137) indicators in the adjusted 2020-21 higher level SDBIP, seven (7) indicators are not applicable because of departments doing well to avoid audit findings, internal audit findings and the fact that no department applied for by-law formulation by corporate support services.

There are one hundred and thirty-seven (137) indicators in the adjusted 2020-21 higher level SDBIP, seven (7) indicators are not applicable because of departments doing well to avoid audit findings, internal audit findings and the fact that no department applied for by-law formulation by corporate support services.

The Overall SDBIP achievement is forty-nine (49) indicators achieved target as predetermined, seventeen (17) six (6) indicators over exceeded target, fifty-six (56) indicators had a below average performance and two (2) indicators performed unsatisfactory by standards set for good performance. The total performance is 2.6, which is a fair Performance for the institution as a whole; the institutional performance is at 2.8 for key performance indicators and 2, 1 for project implementation.

The institution is experiencing challenges on timeous implementation of capital projects, and it is slightly behind schedule on project implementation.

Most operational predetermined objectives are achieved as scheduled except for the few which the budget was insufficient and had to be moved to future dates.

A table of summary on indicator performance briefly in the fourth quarter.

	Total Indicators	Achieved Indicators	Indicators exceeded Target	Indicators Over exceeded Target	Indicators Below target	Indicators with Unsatisfactory Performance	Non-Applicable	Total Percentage
	137	49	17	6	56	2	7	57%

The institutional performance score is at 2,8 on Key Performance Indicators and 2.1 for project implementation, with the overall average scoring of 2,6 as per Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Manager, Regulation 805 of 2006, adapted to comply with the Lephalale Local Municipality's performance management requirements.

Summary of SDBIP Votes and Indicator performance for the current Financial Year and the previous financial for a comparison

Table 2

Summary of SDBIP KPAs and Indicators 2020/21

Overall SDBIP	Total Number of KPIs	Indicator Performance 2020/21FY				
		Target Achieved	Target Not Achieved	Target Overachieved	N/A	%
SDBIP Departments (Votes)						
Office of the Municipal Manager	17 Indicators	6	5	5	1	68, %
Strategic Services	25 Indicators	13	11	1	0	56%
Corporate and Support Services	23 Indicators	8	9	5	1	59, %
Development Planning	11 Indicators	2	1	4	4	86%
Budget and Treasury	23 Indicators	12	8	3	0	65%
Social Services	18 Indicators	5	8	4	1	47, %
Infrastructure Services	20 Indicators	3	16	0	0	20, %
Total Indicators	137	49	58	23	7	57,2%
Infrastructure Services& other Municipal Projects	23projects	9	12	0	2	43%

Summary of SDBIP KPAs and Indicators 2019/20

INDICATOR PERFORMANCE 2019/20 FY					
Overall SDBIP	Total Number of KPIs	Indicator Performance 2019/20 FY			
		Target Achieved	Target Not Achieved	Target Overachieved	%
SDBIP Departments (Votes)					

Office of the Municipal Manager	11 Indicators	6	1	4	90%
Strategic Services	21 Indicators	13	5	3	76%
Corporate and Support Services	18 Indicators	10	7	1	61%
Development Planning	9 Indicators	3	3	3	66%
Budget and Treasury	18 Indicators	8	7	3	61%
Social Services	13 Indicators	5	7	1	46%
Infrastructure Services	15 Indicators	2	10	3	33%
Total Indicators	105	47	40	18	62%
Infrastructure Services Projects	14 projects	5	9	0	35%

The comparisons of key performance indicator scores on the two tables above depicts a 5% drop in performance from the previous financial year scores, and this could be attributed to impact of the pandemic on projects and other inherent challenges.

Project performance shows an improvement as compared to previous financial year as a result the increased number of projects reported.

Overall Municipal Performance as audited by Internal Audit

Overall SDBIP	Total Number of KPIs	Indicator Performance 2020/21FY for the 2020/21 Financial year.				
		Target Achieved	Target Not Achieved	Target Overachieved	N/A	%
SDBIP Departments (Votes)						
Office of the Municipal Manager	17 Indicators	6	5	5	1	68%
Strategic Services	25 Indicators	12	12	1	0	52%
Corporate and Support Services	23 Indicators	8	9	5	1	59%
Development Planning	11 Indicators	2	1	4	4	86%
Budget and Treasury	23 Indicators	12	8	3	0	65%
Social Services	18 Indicators	4	9	4	1	47%
Infrastructure Services	20 Indicators	3	16	1	0	20%
Total Indicators	137	47	60	23	7	56%
Infrastructure Services & other Municipal Projects	23 projects	9	12	0	2	43%

4. 1 KEY ACHIEVEMENTS AND CHALLENGES SUMMARY

- Good governance and Public Participation.
- Audit Committee and Risk Committee functional and impacting positively to Management of the Municipality.
- MPAC is functional- Accountability and oversight.
- Constant Mayoral community engagement.
- IDP credible and process plan adopted and implemented.
- MiG spending at 100 %.

Municipal Challenges Summary

- Ageing assets/infrastructure
- Vandalism and theft – Municipal Assets
- Climate change (Drying boreholes)
- Water and electrical loss
- Growth (node 1 and node 2): land invasion in node one and unplanned extension in node 2 and now we are to react by diverting resources to provide for basic services.
- Vandalism and theft – Municipal assets
- Natural disasters e.g., Floods affected the area
- Mushrooming of Informal rental businesses
- Economic Migration leads to Influx of people to the area/ Informal settlement
- Illegal connections for services water and electricity.
- Shortage of bulk electricity supply in Marapong and Leseding
- Impact of COVID-19 impaction revenue collection and provision of services.
- Uncertainty of the local economy
- Total annual employee costs on average 216m against a budget of 550m (39%)-This is against the normal Treasury norms
- Lack of office space and record keeping space.
- Shortage of land- especially in Node 2 (Town, Onverwacht and Marapong)
- Land invasion – lack of land affecting the implementation of human settlements and spatial planning policies-
- Environmental pollution due Industrialisation
- Shortage of water to unlock development

- Completion of Medupi construction which led to increase of unemployment
- Community unrest/protests
- High prevalence rate of HIV/AIDS pandemic

4. 2 Framework for Managing Program performance information

- Providing public access to government-held information
- Providing public access to government-held information A wide range of information collected by government can help decision-making in the private sector, civil society and the public if placed in the public domain. Much of this information is already published by, for example, Stats SA, the Reserve Bank, and the National Treasury, reported information on KPA 2 in this report sourced data from this sectors and constitutional chapter 9 institutions.
- Stats SA publications provided statistics disaggregated at municipal level based on the 2016 municipal boundaries. All indicators where CS 2016 data has been compared with Census 2011, data for the latter were aligned to the 2016 municipal boundaries. The publication profile's various themes, including population demographics, education, disability prevalence, parental survival status, access to basic services and how households rate services, food security, crime, and safety.

5. DETAILED PERFORMANCE PER DEPARTMENT OR VOTE

5.1 OFFICE OF THE MUNICIPAL MANAGER

Office of the Municipal Manager. The Municipal Manager is equally responsible for all the indicators in other Departments.

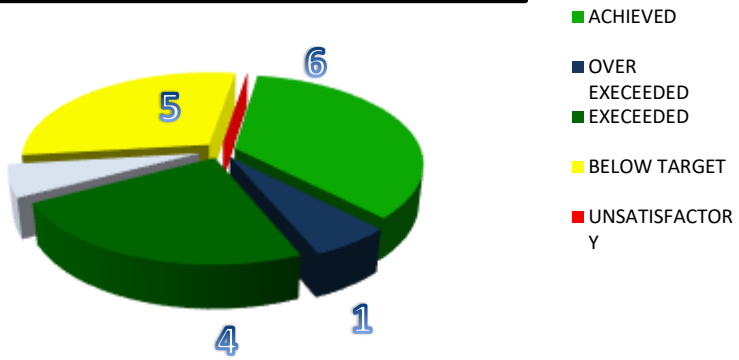
All performance Indicators directly linked to the Municipal Manager's office are applicable for the quarter.

Office of Municipal Manager is responsible for the following units

- Risk
- Management Unit
- Internal Audit Unit
- Security Unit

Indicators	Total number 17
Achieved Target	6
Exceeded Target	4
Over exceeded Target	1
Below Target	5
Unsatisfactory	0
Not Applicable	1

The Departmental performance is depicted on the below color-coded pie chart:

OFFICE OF THE MUNICIPAL MANAGER 17KPIs

The detailed performance of the Strategic Scorecard for Office of Municipal Manager is as follows

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Program)	ID	INDICATOR	UOM	Update	Baseline 2019/20 Actuals	Qtr. 1 Target	Actual	Qtr. 2 Target	Actual	Qtr. 3 Target	Actual	Qtr. 4 Target	Actual	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual Target 2020/21	Annual Actual	Annual Target 2021/22	Annual budget (Annual Expenditure)	Portfolio of evidence
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Anti-corruption	M-24	Number of fraud and corruption cases referred for investigation YTD*	#	Le p - M R i s k	0	0	0	0	0	0	0	0	0	No fraud and corruption cases referred for investigation YTD	None	None	0	0	0	OPEX	Investigation Report
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Risk Management	M-001	Number of fraud and corruption awareness conducted YTD*	#	Le p - M R i s k	0	1	0	N/A	N/A	2	1	N/A	N/A	Fraud awareness was conducted on the 10th & 11th of March 2021	One planned campaign not done due pandemic restrictions	Apply virtual meetings for future campaigns where there is restriction.	2	1	2	OPEX	Invitation , Attendance register & Presentation
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Risk Management	M-002	Number of Risk registers developed and monitored per quarter YTD	#	Le p - M R i s k	6	5	7	5	7	5	5	5	6	Six Risk Registers were developed and monitored during Q4	COVID-19 -19 is an emerging risk that is being monitored	None	5	6	5	OPEX	Risk registers (Strategic Operational, Fraud, Project, ICT, COVID-19)
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate	M-003	Number of Risk Committee Meeting facilitated and held per quarter YTD	#	Le p - M R i s k	5	1	1	2	2	3	3	4	5	Risk Management Committee meeting was held on 20th April 2021 and on the 10th of June 2021	There was a Special meeting convened to approve the Risk Management Policies and Year Plan	None	4	5	4	OPEX	Invitation , Minutes & attendance register

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Program)	ID	INDICATOR	UOM	Update	Baseline 2019/20 Actuals	Qtr. 1 Target	Actual	Qtr. 2 Target	Actual	Qtr. 3 Target	Actual	Qtr. 4 Target	Actual	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual Target 2020/21	Annual Actual	Annual Target 2021/22	Annual budget (Annual Expenditure)	Portfolio of evidence
governance\ Risk Management																					
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Audit Committee	M-648	Number of Audit committee meetings held YTD*	#	Leap - MIA	6	1	1	2	3	3	5	4	8	3 Meetings were held in the 4th quarter. 2 of the meetings were special meetings	Special Audit Committee meetings led to the over achievement	None	4	8	4	OPEX	Invitation , Minutes and Attendance register
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Audit Committee	M-004	Number of Audit committee Report served to Council YTD*	#	Leap - MIA	5	1	1	2	2	3	3	4	6	3 Reports were submitted to Council in the 4th quarter	Additional reports were because of Special Audit Committee meetings	None	4	6	4	OPEX	Audit Committee Report submitted to Council
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Audit Committee	M-005	Number of AG Action Plan developed and monitored YTD	#	Leap - MIA	1	1	1	1	0	1	1	1	1	AG Action Plan was developed	None	None	1	1	1	OPEX	AG Action Plan
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Audit Committee	M-652	Number of audit reviews conducted per quarter YTD	#	Leap - MIA	2	1	1	1	3	1	1	1	2	2 Audits conducted; Audits are conducted in line with the approved plan	Audits are conducted in line with the approved IA Plan	We will investigate revising the KPI to align to the IA Plan in future	4	5	0	OPEX	Internal Audit Reports served to Audit Committee in the quarter
KPA6: Good Governance and	M	Number of internal audit	#	Leap	1	1	1	1	1	1	1	1	1	Plan was developed	None	None	1	1	1	OPEX	Internal Audit

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Program)	ID	INDICATOR	UOM	Updated	Baseline 2019/20 Actuals	Qtr. 1 Target	Actual	Qtr. 2 Target	Actual	Qtr. 3 Target	Actual	Qtr. 4 Target	Actual	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual Target 2020/21	Annual Actual	Annual Target 2021/22	Annual budget (Annual Expenditure)	Portfolio of evidence
Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Internal Audit	0006	Action Plan developed and monitored YTD		p - M I A										ed and is followed up							Action Plan/Query Register served at Audit Committee during the quarter
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Auditor General	M - 651	Number of Unqualified Performance Opinion per annum YTD*	#	L e p - M I A	0	N/A	N/A	1	0	1	0	1	0	APO did not achieve an unqualified Audit opinion as planned	The use of Statistic SA numbers during reporting	Conduct Data verification in rural wards for numbers reported	1	0	1	OPEX	AG Audit Report
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Auditor General	M - 650	Number of Unqualified Audit Opinion received from AG YTD	#	L e p - C F O	0	N/A	N/A	1	0	N/A	0	N/A	1	The Municipality received unqualified audit opinion	None	None	1	1	1	OPEX	Audit report
KPA2: Service Delivery and Infrastructure Development\ Protect the environment and improve community well-being\ Safety and Security	M - 706	Number of safety and security forum meetings held per quarter YTD	#	L e p - M M s e c	3	1	0	1	1	1	1	1	1	Only one Safety Forum Meeting were held in Qtr3, no meeting held in Qtr4	COVID-19 19 pandemic restrictions	Forum will commence once the restrictions are lifted	1	1	1	OPEX	Invitations, agenda, attendance register, minutes

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Program)	ID	INDICATOR	UOM	Update	Baseline 2019/20 Actuals	Qtr. 1 Target	Actual	Qtr. 2 Target	Actual	Qtr. 3 Target	Actual	Qtr. 4 Target	Actual	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual Target 2020/21	Annual Actual	Annual Target 2021/22	Annual budget (Annual Expenditure)	Portfolio of evidence
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Auditor General	M-26	Percentage of AG queries resolved.	%	Le p - M I A	96	N/A	N/A	15%	0%	50%	N/A	100%	23%	Only 23% of the AG findings were addressed	AG Audit was finalised around April 2021 and as a result the Municipality could only start with the Action Plan very late in the year.	We will continue to address the remaining audit findings	100%	23%	100%	OPEX	AG Action Plan.
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Auditor General	M-27	Percentage of Internal audit findings resolved.	%	Le p - M I A	0	25%	10%	50%	0%	75%	N/A	100%	N/A	There are no IA findings in the office of the MM	None	None	100%	N/A	100%	OPEX	Internal Audit Queries register
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Audit Committee	M-28	Percentage of Performance and Audit Committees resolutions implemented per quarter.	%	Le p - M I A	0	100%	80%	100%	50%	100%	64%	100%	74%	74% of the resolutions were implemented	Positions of Executive Manager: Social Services and Corporate Services failed Security Clearance and must therefore be re-advertised	HR need to speed up the process of appointment	100%	74%	100%	OPEX	Resolution Register

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Program)	ID	INDICATOR	UOM	Update	Baseline 2019/20 Actuals	Qtr. 1 Target	Actual	Qtr. 2 Target	Actual	Qtr. 3 Target	Actual	Qtr. 4 Target	Actual	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual Target 2020/21	Annual Actual	Annual Target 2021/22	Annual budget (Annual Expenditure)	Portfolio of evidence
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Risk Management	M-667	Percentage of risks resolved within timeframe as specified in the risk register YTD	%	Le p - M R i s k	0	25%	0%	50%	0%	75%	77%	100%	77%	31 out of 40 risks were addressed	Installation of security and safety measures not fully completed. Establishment of Anti-Corruption hotline not yet finalised.	all risks will be mitigated by end of December 2021	100%	77%	100%	OPEX	Risk register
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Audit Committee	M-691	Percentage of Implementation of council resolutions per quarter, YTD	%	Le p M A d m i n	0	100%	69%	100%	50%	100%	53%	100%	100%	21 out of 21 resolutions were implemented	None	None	100%	100%	100%	OPEX	Council Resolution Register

5.2 STRATEGIC SUPPORT SERVICES

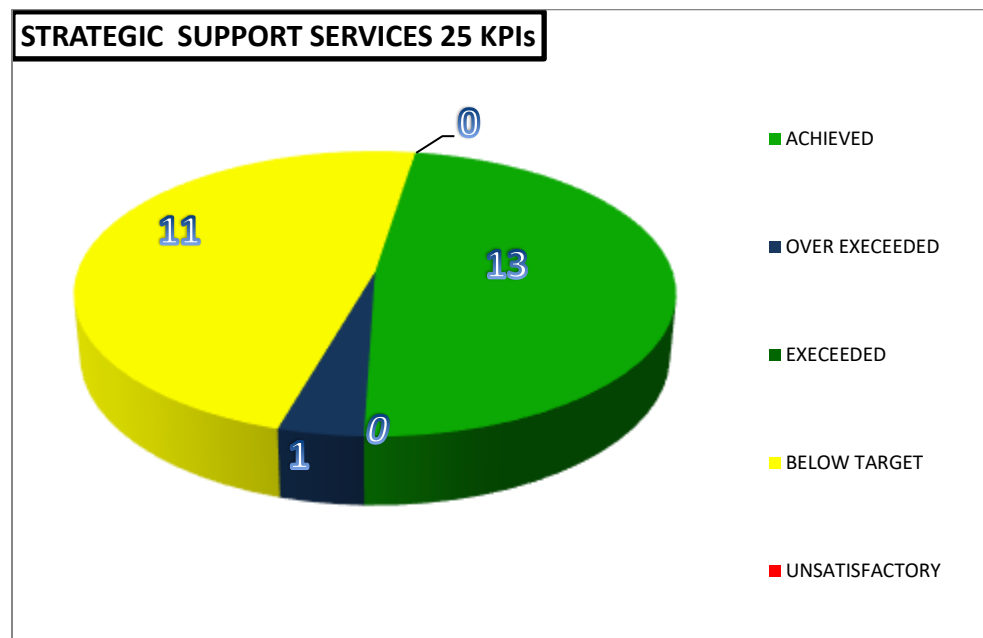
The Department comprises of the following Units:

- IDP
- PMS
- Public Participation
- Communication
- LED

Table 4

Indicators	Total number 25
Achieved Target	13
Exceeded Target	0
Over Exceeded Target	1
Below Target	11
Unsatisfactory	0
Not Applicable	0

The Departmental performance is depicted on the below color coded pie chart:



Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Program)	ID	INDICATOR	UOM	U p d a t e r	Baseline 2019/20 Actuals	Qtr. 1 Target	Actual	Qtr. 2 Target	Actual	Qtr. 3 Target	Actual	Qtr. 4 Target	Actual	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual Target 2020/21	Annual Actuals	Annual Target 2021/22	Annual budget (Annual Expenditure)	Portfolio of evidence
KPA6: Good Governance and Public Participation\ Capacitate disadvantaged groups\ Special Projects	M 3 2 2	Number of HIV/Aids campaigns held YTD*	#	L e p - M P P	1	1	0	2	2	3	3	4	3	No campaign held in last quarter however three campaigns	COVID-19 19 pandemic and Restrictions deprived us of health official to hold campaigns	Move campaigns to media platforms in the future	4	3	5	89 000 (56 988)	Adverts/Notices/ Invitations Presentations Attendance Registers
KPA6: Good Governance and Public Participation\ Capacitate disadvantaged groups\ Special Projects	M 6 4 1	Number of special programs awareness campaigns held YTD*	#	L e p - M P P	4	3	4	6	6	9	9	12	11	Launching of sports council meeting held on the 30th of April 2021. Mayoral Initiative Skills Development Programme held on the 25th of May 2021. thus 2 programs done in 4 th quarter	Disability Forum meeting cancelled due to the lockdown Alert Level 4.	Move some of the Campaigns to virtual platforms	12	11	12	OPEX	Invitations, attendance registers, delivery receipts (Where applicable)
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Communication	M 3 3 5	Number of media releases published YTD*	#	L e p - C o m	21	5	5	10	11	15	15	20	19	Four press releases were done and shared with the media.	Activities are minimal due to covid-19.	Will only be able to have more activities as and when restrictions are lifted.	20	19	20	89 000 (56 988)	Copy of publication
KPA6: Good Governance and Public Participation\	M 6	Percentage of Legislated Publications published on	#	L e p -	92%	100%	100%	100%	100%	100%	100%	100%	100%	All the legislated publication were placed	None	None	100%	100%	100%	OPEX	A register/list /calendar of

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Program)	ID	INDICATOR	UOM	Update	Baseline 2019/20 Actuals	Qtr. 1 Target	Actual	Qtr. 2 Target	Actual	Qtr. 3 Target	Actual	Qtr. 4 Target	Actual	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual Target 2020/21	Annual Actuals	Annual Target 2021/22	Annual budget (Annual Expenditure)	Portfolio of evidence
Responsible, accountable, effective and efficient corporate governance\ Communication	54	Municipal website YTD		MC										on the website							legislated publications Screenshots of the website published within the prescribed time Copies of published legislations /publications
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Integrated Development Planning	M-262	Number of IDP Rep forums meetings successfully held YTD*	#	Le p - MIDP	4	1	1	2	2	3	3	4	3	3 rep forums done in 2021	Final rep forum not done as road shows were scheduled on its planned dates.	Implementation of process plan without compromises	4	3	4	600000 (3 196 101)	Invitations Minutes Attendance Registers
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Integrated Development Planning	M-325	Number of IDP road shows successfully held YTD*	#	Le p - MIDP	1	N/A	N/A	N/A	N/A	N/A	N/A	3	3	Three road shows held	None	None	3	3	3	600000 (3 196 101)	Invitations Attendance Register Resolutions/ Minutes

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Program)	ID	INDICATOR	UOM	Udpdater	Baseline 2019/20 Actuals	Qtr. 1 Target	Actual	Qtr. 2 Target	Actual	Qtr. 3 Target	Actual	Qtr. 4 Target	Actual	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual Target 2020/21	Annual Actuals	Annual Target 2021/22	Annual budget (Annual Expenditure)	Portfolio of evidence
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Integrated Development Planning	M-657	Percentage of IDP credibility rating by MEC in Financial Year YTD*	%	Lepl-MIDP	100%	N/A	N/A	N/A	N/A	N/A	N/A	100%	100%	IDP Credible	None	None	100%	100%	100%	OPEX	MECs credibility report
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Integrated Development Planning	M-658	Final IDP approved by Council by end May YTD*	#	Lepl-MIDP	1	N/A	N/A	N/A	N/A	N/A	N/A	1	1	IDP approved by Council	None	None	1	1	1	OPEX	Process Plan Copy of Council resolution Copy of approved IDP Proof that it was published within prescribed timeframe
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Performance Management	M-06	Final Annual Report approved by Council by end of March YTD*	#	Lepl-PMIS	1	N/A	N/A	N/A	N/A	1	N/A	N/A	0	The Draft Annual Report was noted by council and the Report is distributed for public comments	Adoption of oversight moved to end of July 2021	Process of soliciting comments from public done and oversight to be tabled at the end July	1	0	1	OPEX	Council resolution, process plan, scheduled timelines
KPA6: Good Governance and Public	M-09	Draft Annual Reports tabled to Council by	#	Lepl-	1	N/A	N/A	N/A	N/A	1	1	N/A	1	The Draft Annual Report was noted by	None	None	1	1	1	OPEX	Council resolution, process plan,

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Program)	ID	INDICATOR	UOM	U p d a t e r	Baseline 2019/20 Actuals	Qtr. 1 Target	Actual	Qtr. 2 Target	Actual	Qtr. 3 Target	Actual	Qtr. 4 Target	Actual	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual Target 2020/21	Annual Actuals	Annual Target 2021/22	Annual budget (Annual Expenditure)	Portfolio of evidence
Participation\ Responsible, accountable, effective and efficient corporate governance\ Performance Management		31 st of January YTD*		PMS										council at the end of March and the Report is distributed for public comments							scheduled timelines
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Performance Management	M - 4 3	SDBIP signed by the mayor within 28 days after the approval of budget and the IDP YTD	#	L e p - P M S	1	N/A	N/A	N/A	N/A	N/A	N/A	1	1	The SDBIP was signed by Mayor 22 June 2021	None	None	1	1	1	OPEX	Process plan Copy of Final SDBIP Proof that it was approved/signed within the prescribed time
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Performance Management	M - 4 8	Annual Performance Report submitted to auditor general by August 30th YTD	#	L e p - P M S	1	1	1	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1	1	1	OPEX	Process plan Copy of AR Proof of submission to AG/Stakeholders Proof that it was published within prescribed time
KPA6: Good Governance and Public Participation\ Responsible, accountable,	M - 3 1 5	Number of quarterly performance assessments performed YTD*	#	L e p - P M S	4	1	0	2	2	3	3	4	4	All Quarterly Performance assessments done	None	None	4	4	4	OPEX	Schedule for assessments Proof that Performan

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Program)	ID	INDICATOR	UOM	U p d a t e r	Baseline 2019/20 Actuals	Qtr. 1 Target	Actual	Qtr. 2 Target	Actual	Qtr. 3 Target	Actual	Qtr. 4 Target	Actual	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual Target 2020/21	Annual Actuals	Annual Target 2021/22	Annual budget (Annual Expenditure)	Portfolio of evidence
effective and efficient corporate governance\ Performance Management																					ce agreements were published in July on the website Assessment Reports
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Performance Management	M - 4 0	Number of Quarterly Performance Reports submitted to Audit Committee YTD*	#	L e p - P M S	4	1	1	2	2	3	3	4	4	Quarterly Performance Report Submitted to Audit Committed	None	None	4	4	4	OPEX	Signed quarterly reports submitted to Audit Committee
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Performance Management	M - 4 4	Number of Section 72 (mid-year performance reports) submitted to MM by 25th of January and to council by 31st January YTD*	#	L e p - P M S	1	N/A	N/A	N/A	N/A	1	1	N/A	N/A	Mid- year Performance submitted to council in January 2021	None	None	1	1	1		Council resolution, Mid-Year Report.
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and	M - 2 0 8	Number of ward committees that are functional and having meetings at least once	#		13	13	13	13	13	13	13	13	13	All ward committees are functional	None	None	13	13	13	OPEX	Minutes of the meetings held, attendance register, schedule

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Program)	ID	INDICATOR	UOM	U p d a t e r	Baseline 2019/20 Actuals	Qtr. 1 Target	Actual	Qtr. 2 Target	Actual	Qtr. 3 Target	Actual	Qtr. 4 Target	Actual	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual Target 2020/21	Annual Actuals	Annual Target 2021/22	Annual budget (Annual Expenditure)	Portfolio of evidence
efficient corporate governance\ Ward Committees		per quarter and submit reports of such meetings YTD																			of meetings
KPA4: Local Economic Development\ Create a conducive environment for businesses to invest and prosper\ Job Creation	M-688	Number of jobs created through municipal LED initiatives and capital projects (from municipal budget) YTD*	#	LED	1658	200	18	400	18	640	57	840	75	10 jobs created through Amawakawa ka projects, 3 through bloc and 5 through LLM EPWP	Few municipal projects didn't materialize and as result jobs were not created as envisaged	LED together with PMU to make sure that projects continue to completion and sustain employment	840	75	1000	MIG 41 181 850 (41 181 850) LLM-FDS 22 410 000	List of beneficiaries Contracts/ID Numbers
KPA4: Local Economic Development\ Create a conducive environment for businesses to invest and prosper\ Job Creation	M-51	Number of jobs created through strategic partners (energy generation, new mines and other business proposals) YTD*	#	LED	1220	300	72	450	132	650	956	850	1397	441 job opportunities created through Kaefer project	Unplanned outages at Medupi power station. This increases the levels of employment.	none	850	1397	1000	0	Numbers as reported from employing companies List of beneficiaries Contracts/ID Numbers
KPA4: Local Economic Development\ Create a conducive environment for businesses to invest and prosper\ Marketing and Branding	M-695	Number of Public Private Partnerships established YTD*	#	LED	0	1	0	N/A	1	2	1	N/A	1	One SLA signed with Exxaro about the new roles of Municipal LED	LED Strategies outdated and made it difficult for agreements to be completed on time.	Develop a new updated LED strategy for LLM	2	1	2	OPEX	MOU/ Minutes

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Program)	ID	INDICATOR	UOM	U p d a t e r	Baseline 2019/20 Actuals	Qtr. 1 Target	Actual	Qtr. 2 Target	Actual	Qtr. 3 Target	Actual	Qtr. 4 Target	Actual	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual Target 2020/21	Annual Actuals	Annual Target 2021/22	Annual budget (Annual Expenditure)	Portfolio of evidence
KPA4: Local Economic Development\ Create a conducive environment for businesses to invest and prosper\ Marketing and Branding	M – 696	Number of meetings held with strategic partners YTD*	#	L e p - M L E D	14	N/A	N/A	1	3	N/A	N/A	2	4	Meeting held with Road Span / Romh/ Sanral in the fourth quarter	Overachievement is caused by unplanned special meetings for the department. With local businesses	Revive the local development forum for business and local government	2	4	8	OPEX	Invitations Minutes Agenda & Attendance registers
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Auditor General	M – 26	Percentage of AG queries resolved.	%	L e p - M I A	83%	N/A	N/A	15%	0%	50%	N/A	100%	60%	3/5 AOPO findings Addressed	AG report was issued in April which gave the municipality only 2 months address the issues and therefore the Municipality did not have enough time and adequate resources to address all the findings	Strategic Services will continue to Address the remaining finding until resolved	100%	60%	100%	OPEX	AG action Plan. Audit Report
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Auditor General	M – 27	Percentage of Internal audit findings resolved.	%	L e p - M I A	0	25%	66%	50%	0%	75%	46,5%	100%	38%	5 out 13 internal Findings resolved	No ample time to review reported information	Create additional time for reviews	100%	38%	100%	OPEX	Internal Audit Queries register
KPA6: Good Governance and Public Participation\ Responsible,	M – 28	Percentage of Audit and performance Committee's resolutions	%	L e p - M	0	100%	83%	100%	25%	100%	73%	100%	84%	Not all Audit Committee resolution are implemented	Non implementation of resolution is due late	Continuous engagement with Department for	100%	84%	100%	OPEX	Resolution Register

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Program)	ID	INDICATOR	UOM	Update	Baseline 2019/20 Actuals	Qtr. 1 Target	Actual	Qtr. 2 Target	Actual	Qtr. 3 Target	Actual	Qtr. 4 Target	Actual	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual Target 2020/21	Annual Actuals	Annual Target 2021/22	Annual budget (Annual Expenditure)	Portfolio of evidence
accountable, effective and efficient corporate governance\ Auditor General		implemented		IA											submissions by departments	implementation process plan					
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Risk Management	M – 667	Percentage of risks resolved within timeframe as specified in the risk register YTD	%	Le p – MRisk	0	25%	0%	50%	30%	75%	N/A	100%	50%	3 out 6 risks resolved	Time taken to complete mitigating the risks	mitigation of risks ongoing	100%	50%	100%	OPEX	Risk register
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Audit Committee	M – 691	Percentage of Implementation of council resolutions per quarter	%	Le p MAdm in	0	100%	100%	100%	100%	100%	100%	100%	100%	All Resolution Implemented	None	None	100%	100%	100%	OPEX	Council Resolution Register

5.3 CORPORATE SUPPORT SERVICES

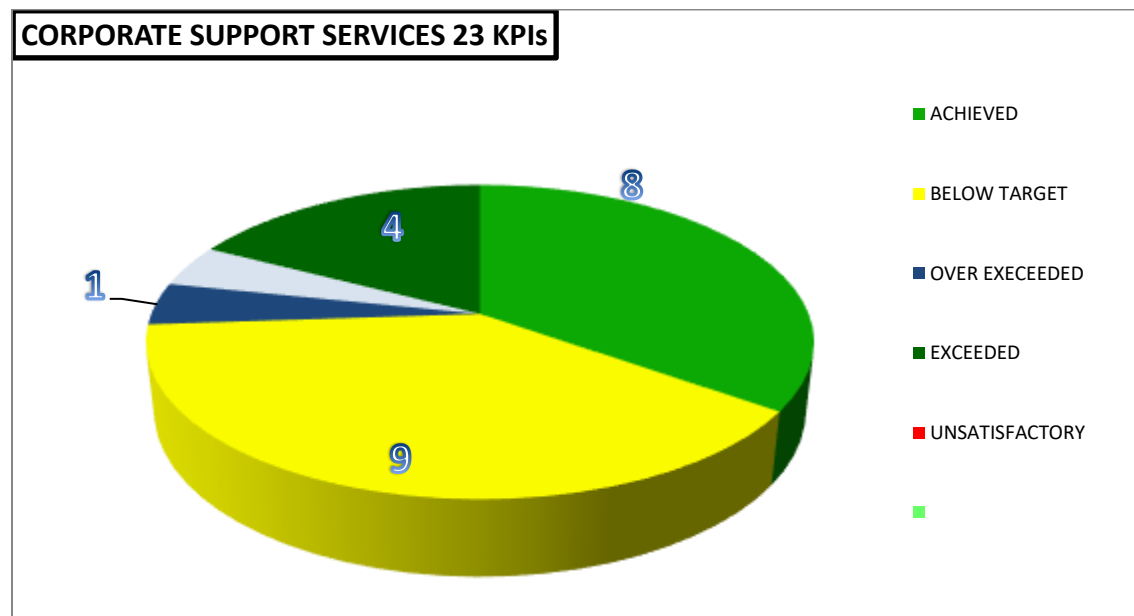
The department comprises of the following Units:

- Administration and Secretariats
- Human Resources
- Legal Services
- ICT Services

Table 4

Indicators	Total number 23
Achieve Target	8
Exceeded Target	4
Over exceeded Target	1
Below Target	9
Unsatisfactory	0
Not Applicable	1

The Departmental performance is depicted on the below color coded pie chart:



The first bylaw is deferred to next financial year. The second Bylaw which was due for review has been cancelled for review by the end user department.

Hierarchy (KPA/ STRATEGIC OBJECTIVE \ Programme)	ID	INDICATOR	U O M	U p d a t e r	Baseline 2019/20 Actuals	Qtr. 1 Targ et	Actu al	Qtr. 2 Targ et	Actu al	Qtr. 3 Targ et	Actu al	Qtr. 4 Targ et	Actua l	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual Target 2020/21	Annual Actual	Annual Target 2021/22	Annual budget (Annual Expendit ure)	Portfolio of evidence
KPA5: Transformation and Organisational Development\ Improve functionality, performance, and professionalism\ Human Resource Management	M 4 04	Number of people from employment equity groups employed in the three highest levels of management YTD*	#	L e p - M H R	30	26	26	27	31	28	31	28	29	Out of 34 positions 29 are filled and only 5 are vacant.	The Municipality was able to retain a majority of employee in the 3 highest positions.	None	28	29	28	OPEX	Appointm ent letter, org structure, advert, council resolution (sec,57
KPA5: Transformation and Organisational Development\ Improve functionality, performance, and professionalism\ Labour Relations and EAP	M 6 72	Percentage of Employee Satisfaction rating YTD	%	L e p - M H R	53%	N/A	N/A	N/A	N/A	N/A	N/A	55%	54%	Target not Achieved	Employees do not see the need to participate in the survey From 433 employees survey were only 154 employees participated	Conduct awareness on the importance of surveys to employees.	55%	54%	55%	OPEX	Question naire, calculated scores, participati on list, rating report
KPA5: Transformation and Organisational Development\ Improve functionality, performance, and professionalism\ Labour Relations and EAP	M 6 73	Nu Number of EAP policies Developed/ Reviewed and approved by Council YTD	#	L e p - M H R	4	N/A	N/A	N/A	N/A	N/A	N/A	4	0	4 EAP policies were due for review and approval by Council and none of them were approved	Process of approval of policies is long because of the back and forth between Management and Union.	The 4 policies will be submitted to Council for approval in July 2021	4	0	4	OPEX	Approved policy document . Council resolution
KPA5: Transformation and Organisational Development\ Improve functionality, performance, and	M 6 78	Number of LLF meetings held YTD*	#	L e p - M H R	4	3	3	5	5	5	9	6	12	There were 3 special meetings and 1 Ordinary meeting held in	Meetings were increased by changes in COVID-19 19 regulations and changes on alert levels where	None	6	12	6	OPEX	Invite, attendanc e register, minutes, year schedule, resolution register

Hierarchy (KPA) \ STRATEGIC OBJECTIVE \ Programme)	ID	INDICATOR	U O M	U p d a t e r	Baseline 2019/20 Actuals	Qtr. 1 Targ et	Actu al	Qtr. 2 Targ et	Actu al	Qtr. 3 Targ et	Actu al	Qtr. 4 Targ et	Actua l	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual Target 2020/21	Annual Actual	Annual Target 2021/22	Annual budget (Annual Expendit ure)	Portfolio of evidence
professionalism\ Labour Relations and EAP														fourth quarter	meetings were held to discuss the changes.						
KPA5: Transformation and Organisational Development\ Improve functionality, performance and professionalism\ Occupational health and Safety	M_680	Number of OHS audits conducted quarterly YTD	#	L e p – M H R	1	N/A	N/A	N/A	N/A	N/A	N/A	1	1	OHS audits conducted in all satellite offices and main office.	None	None	1	1	1	OPEX	Quarterly audit reports (observati on sheets and contractor s inspection checklists) signed off by EMCSSS,
KPA5: Transformation and Organisational Development\ Improve functionality, performance, and professionalism\ Training and Development	M_212	Percentage of total municipality' s budget spent on implementin g its workplace skills plan YTD*	%	L e p – M H R	0,84%	N/A	N/A	0.50 %	0,34 %	0.75 %	0.35 %	1%	0, 59%	0.59% Achieved From the budget of R1 403 442.00 we spend R820 820.16	Because of Covid-19 restrictions, there were fewer contact courses attended and arranged.	To take advantage of online courses and register students for online learning.	1%	0, 59%	1%	1 403 442 (769 823)	Quarterly training register, budget statement Approved WSP training Register Budget Statemen t Expenditu re Report
KPA5: Transformation and Organisational Development\ Improve functionality, performance, and professionalism\	M_18	Percentage of municipal new personnel appointed and enrolled to meet the financial minimum	#	L e p – M H R	83%	100 %	100%	100%	100%	100%	100%	100%	100%	For this quarter there were no employees appointed however all employees who	None	None	100%	100%	100%	OPEX	MFMP proof of enrolment

Hierarchy (KPA/ STRATEGIC OBJECTIVE \ Programme)	ID	INDICATOR	U O M	U p d a t e r	Baseline 2019/20 Actuals	Qtr. 1 Targ et	Actu al	Qtr. 2 Targ et	Actu al	Qtr. 3 Targ et	Actu al	Qtr. 4 Targ et	Actua l	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual Target 2020/21	Annual Actual	Annual Target 2021/22	Annual budget (Annual Expendit ure)	Portfolio of evidence
Training and Development		competency requirements YTD*												require MFMP have been registered for MFMP							
KPA5: Transformation and Organisational Development\ Improve functionality, performance, and professionalism\ Training and Development	M-19	Number of municipal personnel with technical skills/ capacity (engineering technicians and technicians) YTD*	#	L e p - M H R	15	15	16	15	16	15	16	15	15	Out of 16 positions 15 are filled and 1 is vacant	None	None	15	15	15	OPEX	Org structure indicating vacant and filled positions
KPA5: Transformation and Organisational Development\ Improve functionality, performance, and professionalism\ Training and Development	M-0032	Percentage of vacancy rate YTD	%	L e p - M H R	10%	N/A	8%	8%	10%	7%	11%	6%	13%	Out of 497 positions ,433 are filled and 64 are vacant.	For the financial year 2020/2021 only service delivery positions were prioritized for filling hence the high vacancy rate	Draft schedule of all vacant position and fill them within 12 months for the coming financial year	6%	13%	5%	OPEX	Adverts, appointment letters, updated organisational structure Organogram Recruitment Plan Adverts Appointment letters Calculation Summary of the vacancy Rate percentage

Hierarchy (KPA/ STRATEGIC OBJECTIVE \ Programme)	ID	INDICATOR	U O M	U p d a t e r	Baseline 2019/20 Actuals	Qtr. 1 Targ et	Actu al	Qtr. 2 Targ et	Actu al	Qtr. 3 Targ et	Actu al	Qtr. 4 Targ et	Actua l	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual Target 2020/21	Annual Actual	Annual Target 2021/22	Annual budget (Annual Expendit ure)	Portfolio of evidence
KPA5: Transformation and Organisational Development\ Improve functionality, performance, and professionalism\ Training and Development	M_21	Percentage of municipal personnel budget spent YTD*	%	L e p - M H R	91%	23%	6%	46%	40%	72%	69%	97%	97.7%	Out of R141 822 192 budgetedR 138 661 038 is spent	None	None	97%	97.7%	98%	141822192 (138661038)	Report from BTO Percentage of municipal personnel budget spent (signed off by BTO and EMCSSS)
Transformation and Organisational Development\ Improve functionality, performance, and professionalism\ Training and Development	M-HR1	Percentage of newly appointed managers who have gone through the competency assessment YTD*	%	L e p - M H R	100%	100%	100%	100%	100%	100%	100%	100%	100%	Before any senior Manager is appointed, they go for competency assessment, but for this quarter there is no new appointments.	None	None	100%	100%	100%	OPEX	Appointment letter, competency results
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ By-laws	M_653	Number of by-laws Drafted/or reviewed, taken for public participation concluded and Adopted by Council YTD*	#	L e p - M L e g a l	0	N/A	N/A	N/A	N/A	N/A	N/A	1	N/A	No request for review/drafting was requested	No request for review/drafting was requested	Review indicator during Planning	1	N/A	0	OPEX	Council resolution, copy of the By-law, advert
KPA6: Good Governance and Public Participation\ Responsible, accountable,	M_136	Percentage of Service Level Agreements (SLAs) drafted/or	%	L e p - M L	100%	90%	100%	90%	100%	90%	100%	90%	100%	All requests for review/drafting of by-laws were	The indicator was under targeted for the financial year 2020/2021	The indicator has been rectified in the 2021/22 SDBIP to change the	90%	100%	100%	OPEX	Contract register, Register indicating the date

Hierarchy (KPA) STRATEGIC OBJECTIVE \ Programme)	ID	INDICATOR	U O M	U p d a t e r	Baseline 2019/20 Actuals	Qtr. 1 Targ et	Actu al	Qtr. 2 Targ et	Actu al	Qtr. 3 Targ et	Actu al	Qtr. 4 Targ et	Actua l	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual Target 2020/21	Annual Actual	Annual Target 2021/22	Annual budget (Annual Expendit ure)	Portfolio of evidence
effective, and efficient corporate governance\ Legal Services		reviewed within 7 working days of receipt of notice of appointment from Municipal Manager YTD*		e g a l										concluded within seven days		target to 100 %					of appointm ent letter receipt to date of SLA completio n Copies of Signed SLAs
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Legal Services	M 6 53 A	Number of By-laws Gazette by end of Financial Year. YTD	#	L e p - M L e g a l	0	N/A	N/A	N/A	N/A	N/A	N/A	1	0	Cemetery by-laws were reviewed and adopted by Council, but they are however still not gazetted	By-laws are still in COGHSTA for vetting	A follow up email will be written to the responsible official in COGHSTA to Fastrack the vetting process and the by-laws will be gazetted in 21/22	1	0	1	OPEX	Copy of a gazetted by-law
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Governance and Administration	M 6 55	Number of Council meetings held YTD*	#	L e p - M A d m i n	16	1	3	2	6	5	8	8	11	3 Council meetings held,2 Ordinary meetings held on 27 May 2021 and 29 April 2021 and 30 June 2021	The meeting of 30 June was not planned but due to compliance issues, the meeting was scheduled and attended.	None	8	11	4	OPEX	Invitations . Attendanc e register, Meeting Schedule/ Calendar Invitations Minutes/R esolution Register Attendanc e register
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Governance and Administration	M 1 35	Number of ICT related policies and plans	#	L e p -	13	N/A	N/A	N/A	N/A	13	13	13	13	The Item served in Council in on the 29th	None	None	13	13	13	OPEX	Council resolution

Hierarchy (KPA/ STRATEGIC OBJECTIVE \ Programme)	ID	INDICATOR	UOM	Updated	Baseline 2019/20 Actuals	Qtr. 1 Target	Actual	Qtr. 2 Target	Actual	Qtr. 3 Target	Actual	Qtr. 4 Target	Actual	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual Target 2020/21	Annual Actual	Annual Target 2021/22	Annual budget (Annual Expenditure)	Portfolio of evidence
Responsible, accountable, effective and efficient corporate governance\ IT and Support		Developed/ Reviewed and adopted by Council YTD*		M I T										of April 2021							
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ IT and Support	M - 0034	Number of ICT Steering committee meetings held YTD	#	L e p - M I T	3	1	1	2	2	3	3	4	4	1 Meeting held on 21 June 2021	None	None	4	4	4	OPEX	Invitations , minutes, attendance registers, resolution register
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ IT and Support	M 23	Percentage of complaints received on the electronic system and successfully attended to by customer care unit YTD*	%	L e p - M a d - m i n	100%	80%	100%	80%	100%	85%	100%	85%	100%	All complains received are attended.	complains are resolved as and when they are received	None	85%	100%	100%	OPEX	System generated quarterly Report signed off by EMCSSS
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Auditor General	M 26	Percentage of AG queries resolved.	%	L e p - M I A	83%	N/A	N/A	15%	0%	50%	N/A	100%	75%	3 out 4 finding resolved	One finding relating to disaster recovery site is still not resolved due to Time taken to migrate data to a backup server	Work overtime to complete the process for Data migration	100%	75%	100%	OPEX	AG action Plan. Audit Report
KPA6: Good Governance and Public Participation\ Responsible, accountable,	M 27	Percentage of Internal audit findings resolved.	%	L e p - M	0	25%	36%	50%	0%	75%	63.16	100%	65%	13 out 20 Internal Audit findings resolved	1 Approval of the overtime policy was delayed. 2 Migration of data from the	1 Overtime policy was approved on 30 June 20. Work overtime to	100%	65%	100%	OPEX	Internal Audit Queries register

Hierarchy (KPA/ STRATEGIC OBJECTIVE \ Programme)	ID	INDICATOR	UOM	Update	Baseline 2019/20 Actuals	Qtr. 1 Target	Actual	Qtr. 2 Target	Actual	Qtr. 3 Target	Actual	Qtr. 4 Target	Actual	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual Target 2020/21	Annual Actual	Annual Target 2021/22	Annual budget (Annual Expenditure)	Portfolio of evidence
effective and efficient corporate governance\ Auditor General				IA											back up servers to cloud took more time. 3 Job evaluation not yet finalised.	complete the process for Data migration 3. Job evaluation processes depends on the district d and is beyond our control.					
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Auditor General	M_28	Percentage of Audit and performance Committees resolutions implemented .	%	Le p _ M l A	0	100%	77%	100%	50%	100%	75%	100%	86%	6 out 7 resolutions implemented	Departments submits their disclosure forms late	Follow ups emails will be sent to respective directorates	100%	86%	100%	OPEX	Resolutio n Register
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Risk Management	M_667	Percentage of risks resolved within timeframe as specified in the risk register YTD	%	Le p _ M R i s k O f f i c e r	0	25%	36%	50%	20%	75%	20%	100%	33%	5 out of 15 risks were fully mitigated year to date. The remaining 10 Risks are partially addressed.	Majority of the risks are partially addressed and are ongoing.	Fastrack the acquisition of laptop and establishment t or the DRS and Conduct all the awareness.	100%	33%	100%	OPEX	Risk register
KPA6: Good Governance and Public Participation\	M_691	Percentage of Implementati on of council	%	Le p M	0	100%	100%	100%	100%	100%	100%	100%	100%	All resolutions are	N/A	N/A	100%	100%	100%	OPEX	Council Resolutio n Register

Hierarchy (KPA/ STRATEGIC OBJECTIVE \ Programme)	ID	INDICATOR	U O M	U p d a t e r	Baseline 2019/20 Actuals	Qtr. 1 Targ et		Qtr. 2		Qtr. 3		Qtr. 4			Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual Target 2020/21	Annual Actual	Annual Target 2021/22	Annual budget (Annual Expendit ure)	Portfolio of evidence
							Actu al	Targ et	Actu al	Targ et	Actu al	Targ et	Actua l	Actual Notes							
Responsible, accountable, effective and efficient corporate governance\ Audit Committee		resolutions per quarter		A d m i n										implemente d							

5.4 DEVELOPMENT PLANNING

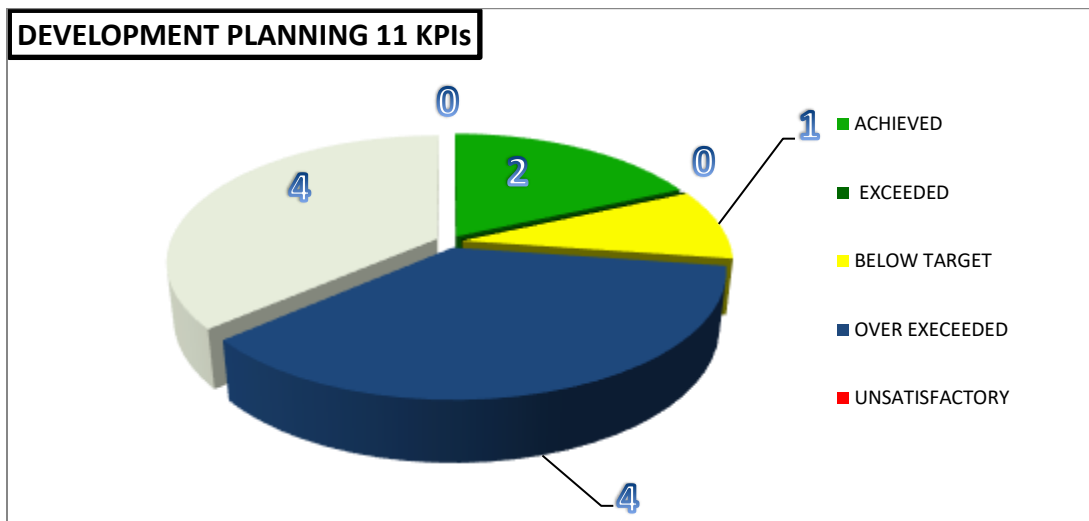
The department comprises of the following units:

- Building Control
- Land Use Management
- Human Settlements

Table 6

Indicators	Total number 11
Achieved Target	2
Exceeded	0
Over exceeded Target	4
Below Target	1
Unsatisfactory	0
Not Applicable	4

The Departmental performance is depicted on the below color coded pie chart:



Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Program)	ID	INDICATOR	UOM	Updater	Baseline 2019/20 Actuals	Qtr. 1 Target	Actual	Qtr. 2 Target	Actual	Qtr. 3 Target	Actual	Qtr. 4 Target	Actual	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual Target 2020/21	Annual Actual	Annual Target 2021/22	Annual budget (Annual Expenditure)	Portfolio of evidence
KPA1: Spatial Rationale\ Rational planning to bridge first and second economies and provide adequate land for development\ Socio Economic Surges	M-186	Percentage of enquiries attended monthly, YTD.	#	MHS	100%	100%	100%	100%	100%	100%	100%	100%	100%	All the 285 enquires were attended in the financial Year	none	none	100%	100%	100%	OPEX	Query register
KPA1: Spatial Rationale\ Rational planning to bridge first and second economies and provide adequate land for development\ Building Plans Administration and Inspectorate	M-114	Average turnaround time of building contraventions detected and attended to, within 10 working days, YTD. *	#	MBC	4 working days	10 working days	1 day	10 working days	1,5 working day	10 working days	1 day	10 working days	1.3 days	51 notices were issued upon detection (April - June 2021)	Joint inspection by all building inspectors was conducted.	none	10 working days	1.45 working days	5 working days	OPEX	A register indicated when contraventions were detected, notices were issued and attended to
KPA1: Spatial Rationale\ Rational planning to bridge first and second economies and provide adequate land for development\ Building Plans Administration and Inspectorate	M-759	Average turnaround time for assessment of building plans within 30 working days YTD	#	MBC	27 working days	30 working days	17 working days	30 working days	27,6 working days	30 working days	19,47 days	30 working days	37 working days	16 building plans were received and assessed in the last quarter	Unavailability of plan assessors.	Manager BC to overrule where the plan assessors are not available for two weeks.	30 working days	25.11 working days	30 working days	OPEX	A register indicating the date in which Building plans were received to assess

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Program)	ID	INDICATOR	UOM	Updater	Baseline 2019/20 Actuals	Qtr. 1 Target	Actual	Qtr. 2 Target	Actual	Qtr. 3 Target	Actual	Qtr. 4 Target	Actual	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual Target 2020/21	Annual Actual	Annual Target 2021/22	Annual budget (Annual Expenditure)	Portfolio of evidence
																					ment conclusion
KPA1: Spatial Rationale\ Rational planning to bridge first and second economies and provide adequate land for development\ Land use	M-760	Average turnaround time (weeks) for assessment and finalization of land use and development applications from the date of receipt as delegated to the Executive Manager	# weeks	MLU	10 weeks	14 weeks	Seven (7) weeks (6,8 weeks)	Fourteen (14) weeks	8,3 weeks	16 weeks	13,35 weeks	16 weeks	11 weeks	20 applications were assessed and concluded during Q4	Satisfactory compliance with the prescribed general application procedure by the applicants	None	16 weeks	11 weeks	16weeks	OPEX	Assesment Register
KPA1: Spatial Rationale\ Rational planning to bridge first and second economies and provide adequate land for development\ Land use	M-755	Average turnaround time (weeks) for assessment and finalization of land use and development applications from date of receipt as delegated to the Municipal Planning Tribunal	# weeks	MLU	0 weeks	16 weeks	0	16 weeks	0	26 weeks	NON E	26 weeks	0	No application was pursuing for Municipal Planning Tribunal's attention	None	None	26 weeks	0 weeks	16 weeks	OPEX	Assesment Register Tribunal Meeting Minutes
KPA1: Spatial Rationale\ Rational planning to bridge first and second economies and provide adequate land for	M-761	Average turnaround time of land use contraventions detected and attended to within 30	# weeks	MLU	2,3 working days,	10 working days,	2,5 working days	10 working days,	1 working day	10 working days,	2DAY S	10 working days,	3,5 working days	4 notices issued within average of 3,5 days	Notices are issued as and when they are detected, and contraveners accept the charges without delays.	The target is reviewed to be realistic with times for issuing notices.	10 working days,	2,2 working days	5 working days	OPEX	Notice issued A register of recording all

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Program)	ID	INDICATOR	UOM	Upt a t e r	Baseline 2019/20 Actuals	Qtr. 1 Targ et	Actual	Qtr. 2 Targ et	Actual	Qtr. 3 Targ et	Actual	Qtr. 4 Targ et	Actual	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual Target 2020/21	Annual Actual	Annual Target 2021/22	Annual budget (Annual Expenditure)	Portfolio of evidence
development\ Land use		working days.																			land contraventions date of detection/reported to date of notice issued
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Auditor General	M-26	Percentage of AG queries resolved.	%	Le p - M I A	83%	N/A	N/A	15%	0%	50%	None	100%	No AG findings for Development Planning	None	None	N/A	100%	100%	100%	OPEX	AG action Plan. Audit Report
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Auditor General	M-27	Percentage of Internal audit findings resolved.	%	Le p - M I A	0	25%	0%	50%	0%	75%	100%	100%	No Internal Audit findings for Development Planning	N/A	N/A	N/A	100%	100%	100%	OPEX	Internal Audit Queries register
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Auditor General	M-28	Percentage of Audit and performance Committee's resolutions implemented.	%	Le p - M I A	0	100%	100%	100%	0%	100%	N/A	100%	No Audit Committee resolutions for Development Planning	N/A	N/A	N/A	100%	100%	100%	OPEX	Resolution Register

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Program)	I D	INDICATOR	U O M	U p d a t e r	Baseline 2019/20 Actuals	Qtr. 1 Targ et	Actu al	Qtr. 2 Targ et	Actual	Qtr. 3 Targ et		Qtr. 4 Targ et	Actual	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual Target 2020/21	Annual Actual	Annual Target 2021/2 2	Annual budget (Annual Expendi ture)	Portfo lio of eviden ce
											Actu al										
KPA6: Good Governance and Public Participation)\ Responsible, accountable, effective and efficient corporate governance\ Risk Management	M – 6 6 7	Percentage of risks resolved within timeframe as specified in the risk register YTD	%	L e p – M R i s k	0	25%	0%	50%	0%	75%	16%	100%	20%	Out 5 risks only 1 is completely mitigated and thus resolved	The lack of municipal land for settlement development impact on the department mitigating the remaining risks and non-compliance to land use &building regulations	Municipality identified land for purchasing and has budgeted to Purchase the land. Contraventi on Notices issued daily to defaulters	100%	20%	100%	OPEX	Risk registe r
KPA6: Good Governance and Public Participation)\ Responsible, accountable, effective and efficient corporate governance\ Audit Committee	M – 6 9 1	Percentage of Implementati on of council resolutions per quarter	%	L e p M A d m i n	0	100%	100 %	100%	71%	100%	23%	100%	100%	All the 23 council resolutions are implemented from Development Planning	None	None	100%	100%	100%	OPEX	Counci l Resolu tion Regist er

5.5 BUDGET AND TREASURY

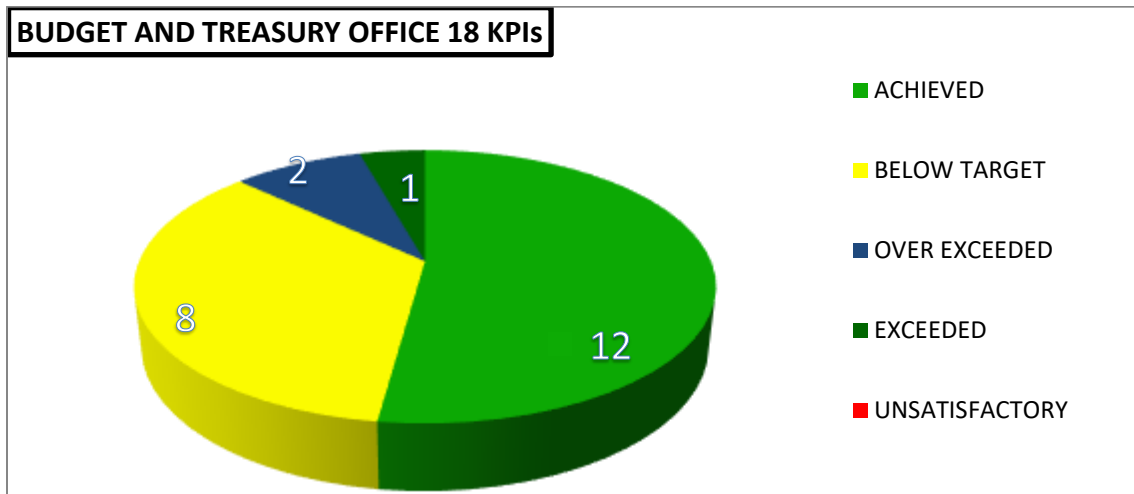
The Department comprises of the following units:

- Budget and Reporting
- Expenditure
- Income
- Supply Chain Management

Table 7

Indicators	Total number 23
Achieved Target	12
Exceeded Target	1
Over exceeded Target	2
Below Target	8
Unsatisfactory	0
Not Applicable	

The Departmental performance is depicted on the below color coded pie chart:



Hierarchy (K+A1:W16PA)\ STRATEGIC OBJECTIVE \ Program)	ID	updater	INDICATOR	Baseline 2019/20 Actuals	Qtr. 1 Target	Actual	Qtr. 2 Target	Actual	Qtr. 3 Target	Actual	Qtr4. Target	Actual	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual Target 2020/21	Annual Target Actual	Annual Target 2021/22	Annual budget (Annual Expenditure)	Portfolio of evidence
KPA3: Financial Viability and Financial Management\ Enhance revenue and financial management\ Asset Management	M - 1 7	Lepp-MB&R	Number of Asset Verification conducted YTD	1	N/A	N/A	N/A	N/A	N/A	N/A	1	1	None	None	None	1	1	1	3229306 (2676607)	SLA of Appointed Service Provider
KPA3: Financial Viability and Financial Management\ Enhance revenue and financial management\ Asset Management	M - 6 3 0	Lepp-MB&R	Percentage Liquidity ratio (R-value current assets / R-value current liabilities as percentage) YTD	247%	200 %	599 %	200 %	359 %	200 %	426%	200%	559%	Current Assets 443 572 322/Current Liabilities 79 291 885	Majority of creditors are paid on time, and we have a lower debt ratio	None	200%	559%	200%	OPEX	Financial report
KPA3: Financial Viability and Financial Management\ Enhance revenue and financial management\ Budget and Reporting	M - 2 5	Lepp-MB&R	Number of quarterly financial reports submitted to Council YTD*	4	1	1	2	2	3	3	4	4	4 Quarterly Report submitted to council	NONE	None	4	4	4	OPEX	Financial report, Quarterly reports to Council Council resolution
KPA3: Financial Viability and Financial Management\ Enhance revenue and financial management\ Budget and Reporting	M - 7 5 6	Lepp-MB&R	Number of Interim financial statements prepared and submitted to Audit Committee YTD	1	N/A	N/A	1	0	N/A	N/A	1	0	The interim FS were not done.	The audit Process for 20219/20 was only finalised in April 2021 instead of 30 Nov 2020 in line with legislated time frames, as a result we could not prepare the interim FS.	Timeous preparation of the interim financials' despite of the delays in the audit process. Process plan to be developed and implemented for the interim financials.	1	0	1	OPEX	Interim Financial Statements

Hierarchy (K+A1:W16PA)\ STRATEGIC OBJECTIVE \ Program)	ID	u p d a t e r	INDICATOR	Baseline 2019/20 Actuals	Qtr. 1 Targ et	Actu al	Qtr. 2 Targ et	Actu al	Qtr. 3 Targ et	Actual	Qtr4. Targ et	Actual	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual Target 2020/21	Annual Target Actual	Annual Target 2021/22	Annual budget (Annual Expenditu re)	Portfoli o of evidenc e
KPA3: Financial Viability and Financial Management\ Enhance revenue and financial management\ Budget and Reporting	M - 2 8 - 1	L e p - M B & R	Number of Annual Financial Statements submitted to the Auditor General on time (by end August) YTD	1	1	0	1	1	N/A	N/A	N/A	1	The AFS were submitted on time in line with the revised AG timelines	None	None	1	1	1	OPEX	Set of Financia l State ments (AFS)', Proof of submissi on
KPA3: Financial Viability and Financial Management\ Enhance revenue and financial management\ Budget and Reporting	M - 3 9 - 7	L e p - M B & R	Percentage Cost coverage (R-value all cash at a particular time plus R-value investments, divided by R- value monthly fixed operating expenditure) YTD	267%	200 %	253 %	200 %	454 %	200 %	419%	200%	210%	Total Cash R78 002 720/Fixed Monthly Expenses R37 095 000	Underspending on Capital Projects which lead to high cash Balance	Acceleration of Projects to fast-track Capex Expenditure	200%	210%	200%	OPEX	Financia l Report
KPA3: Financial Viability and Financial Management\ Enhance revenue and financial management\ Expenditure Management	M - 1 1	L e p - M o p	Percentage of municipal Financial Management Grant spent YTD*	100%	20%	8%	50%	51%	75%	81%	100%	100%	Expenditure on target and within budget.	None	None	100%	100%	100%	OPEX	Creditor s register Expendit ure Report
KPA3: Financial Viability and Financial Management\ Enhance revenue and financial management\ Expenditure Management	M - 2 0 5	L e p - M E x p	Percentage Debt coverage (total R-value operating revenue received minus R-value Operating grants, divided by R-value debt service payments (i.e.,	2249%	200 %	490 %	200 %	1092 %	200 %	1563%	200%	2632%	Debt coverage higher than expected due to low borrowings	Municipality is not highly indebted	None	200%	2632%	200%	OPEX	Financia l Report

Hierarchy (K+A1:W16PA) STRATEGIC OBJECTIVE \ Program)	ID	u p d a t e r	INDICATOR	Baseline 2019/20 Actuals	Qtr. 1 Target	Actual	Qtr. 2 Target	Actual	Qtr. 3 Target	Actual	Qtr4. Target	Actual	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual Target 2020/21	Annual Target Actual	Annual Target 2021/22	Annual budget (Annual Expenditu re)	Portfoli o of evidenc e
			interest + redemption) due within financial year) YTD																	
KPA3: Financial Viability and Financial Management\ Enhance revenue and financial management\ Supply Chain management	M - s c m 1	L e p - M S C M	Number of tender reports submitted to council per quarter YTD	4	1	1	2	2	3	3	4	4	4 Quarterly submissions done	None	None	4	4	4	OPEX	Tender reports
KPA3: Financial Viability and Financial Management\ Enhance revenue and financial management\ Supply Chain management	M - s c m 2	L e p - M S C M	Number of Deviation reports submitted to council per quarter YTD	4	1	1	2	2	3	3	4	4	4 Quarterly submissions done for the year.	None	None	4	4	4	OPEX	Deviation report
KPA3: Financial Viability and Financial Management\ Enhance revenue and financial management\ Supply Chain management	M - s c m 3	L e p - M S C M	Number of stock count done per annum	1	N/A	N/A	N/A	N/A	N/A	N/A	1	1	Stock count was done at the end of June 2021.	NONE	NONE	1	1	1	OPEX	Stock taking report
KPA3: Financial Viability and Financial Management\ Enhance revenue and financial management\ Revenue Management	M - 3 3	L e p - M R e v	Percentage debt collected YTD	83%	90%	73%	95%	84%	95%	84%	95%	81%	The municipality collected an average of 81% of revenue billed from July 2020 to June 2021	The collection is lower than the prescribed NT rate because of among others loss of jobs due to Covid-19	The Municipality is disconnecting electricity monthly and allows consumers to make arrangement	95%	81%	95%	OPEX	Revenue collection report

Hierarchy (K+A1:W16PA)\ STRATEGIC OBJECTIVE \ Program)	ID	u p d a t e r	INDICATOR	Baseline 2019/20 Actuals	Qtr. 1 Target	Actual	Qtr. 2 Target	Actual	Qtr. 3 Target	Actual	Qtr4. Target	Actual	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual Target 2020/21	Annual Target Actual	Annual Target 2021/22	Annual budget (Annual Expenditure)	Portfolio of evidence
															and pay 20% down payment instead of the 50% as on the policy. This serves to help and stimulate the clients to make payments					
KPA3: Financial Viability and Financial Management\ Enhance revenue and financial management\ Revenue Management	M-396	Lepp-MREV	Percentage outstanding service debtors to revenue (R-value total outstanding service debtors divided by R-value annual revenue actually received for services) YTD	17%	10%	27%	5%	16%	5%	16%	5%	19%	The 19% of revenue billed during period July 2020 to May 2021	The collection is lower than the prescribed NT rate because of among others loss of jobs due to Covid-19	The Municipality is disconnecting electricity monthly and allows consumers to make arrangement and pay 20% down payment instead of the 50% as on the policy. This serves to help and stimulate the clients to make payments	5%	19%	5%	OPEX	Revenue collection report
KPA3: Financial Viability and Financial Management\ Enhance revenue and financial management\ Revenue Management	M-637	Lepp-MREV	Number of credit control policies reviewed and approved by Council YTD*	1	N/A	N/A	N/A	N/A	N/A	N/A	1	1	The policy was submitted to Council in May 2020 for 2020/2021 FY	NONE	NONE	1	1	1	OPEX	Council resolution

Hierarchy (K+A1:W16PA)\ STRATEGIC OBJECTIVE \ Program)	ID	u p d a t e r	INDICATOR	Baseline 2019/20 Actuals	Qtr. 1 Targ et	Actual	Qtr. 2 Targ et	Actual	Qtr. 3 Targ et	Actual	Qtr4. Targ et	Actual	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual Target 2020/21	Annual Target Actual	Annual Target 2021/22	Annual budget (Annual Expenditu re)	Portfoli o of evidenc e
KPA3: Financial Viability and Financial Management\ Enhance revenue and financial management\ Revenue Management	M - 6 3 - 6	L e p - M R e v	Number of awareness campaign on payment of services and registration of indigent consumers YTD	2	N/A	N/A	1	1	1	1	3	3	The clients are sent statements via email monthly, and there is a message included on the statement that reminds clients to make payments by the due date.	None	None	3	3	3	OPEX	Attenda nce registers
KPA3: Financial Viability and Financial Management\ Enhance revenue and financial management\ Free Basic Services	M - 6 3 - 8	L e p - M R e v	Number of updated and credible indigents register in place YTD	1	N/A	N/A	1	0	1	0	1	0	Indigent Register not updated	The compiled indigent register was referred by council for correction	New indigent registration will be updated in 2021/22 financial year	1	0	1	OPEX	Indigent register
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Auditor General	M - 6 5 - 0	L e p - C F O	Number of Unqualified Audit Opinion received from AG YTD	0	N/A	N/A	1	0	N/A	N/A	N/A	1	The municipality received an Unqualified Audit Opinion	Change in reporting timelines due to COVID Impact	Timeous submission of two AG despite the extension	1	1	1	OPEX	Audit report
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Auditor General	M - 7 4 - 0	L e p - C F O	Number of material audit findings against the municipality regarding financial statements YTD	2	N/A	N/A	1	0	N/A	N/A	N/A	N/	No Material Finding were reported during Audit. Municipality achieved an unqualified Audit Opinion	None	None	1	0	0	OPEX	Audit report

Hierarchy (K+A1:W16PA)\ STRATEGIC OBJECTIVE \ Program)	ID	u p d a t e r	INDICATOR	Baseline 2019/20 Actuals	Qtr. 1 Target	Actual	Qtr. 2 Target	Actual	Qtr. 3 Target	Actual	Qtr4. Target	Actual	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual Target 2020/21	Annual Target Actual	Annual Target 2021/22	Annual budget (Annual Expenditure)	Portfolio of evidence
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Auditor General	M - 2 6	L e p - M I A	Percentage of AG queries resolved.	96%	N/A	N/A	15%	0%	50%	N/A	N/A	30%	30% of the findings were resolved as of 30 June 2021	AG report was issued in April which gave the municipality only 2 months to address the issues and therefore the Municipality did not have enough time to address all the findings and 36 Audit findings can be resolved during compilation of AFS	BTO will continue to address all findings until they are fully Resolved	100%	30%	100%	OPEX	Audit report
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Auditor General	M - 2 7	L e p - M I A	Percentage of Internal audit findings resolved.	0	25%	50%	50%	0%	N/A	N/A	100%	44%	11 out of 25 internal audit findings are resolved	Some Internal audit findings are taking longer times to resolve due to their sensitivity nature and some findings are from previous years.	Management is currently deliberating on the findings and will be resolved in the next financial year and some of the finding will be removed as per AC resolution	100%	44%	100%	OPEX	Internal Audit report
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Auditor General	M - 2 8	L e p - M I A	Percentage of Audit and performance Committee's resolutions implemented.	0	100%	100%	100%	86%	100%	100%	100%	100%	All AC resolutions are implemented	None	None	100%	100%	100%	OPEX	Audit report

Hierarchy (K+A1:W16PA)\ STRATEGIC OBJECTIVE \ Program)	ID	u p d a t e r	INDICATOR	Baseline 2019/20 Actuals	Qtr. 1 Target	Actual	Qtr. 2 Target	Actual	Qtr. 3 Target	Actual	Qtr4. Target	Actual	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual Target 2020/21	Annual Target Actual	Annual Target 2021/22	Annual budget (Annual Expenditure)	Portfolio of evidence
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Risk Management	M 6 6 7	L e p - M R i s k	Percentage of risks resolved within timeframe as specified in the risk register YTD	0	25%	25%	50%	83%	75%	97%	100%	93%	11 out 12 risks were resolved	COVID-19 19 impacted negatively on revenue collection	Full implementation of Credit Control and Debt collection Policy	100%	93%	100%	OPEX	Risk Registers
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Audit Committee	M 6 9 1	L e p - M I A	Percentage of Implementation of council resolutions per quarter	0	100%	100%	100%	100%	100%	100%	100%	100%	All Council resolution are implemented	None	None	100%	100%	100%	OPEX	Council resolution

5.6 SOCIAL SERVICES

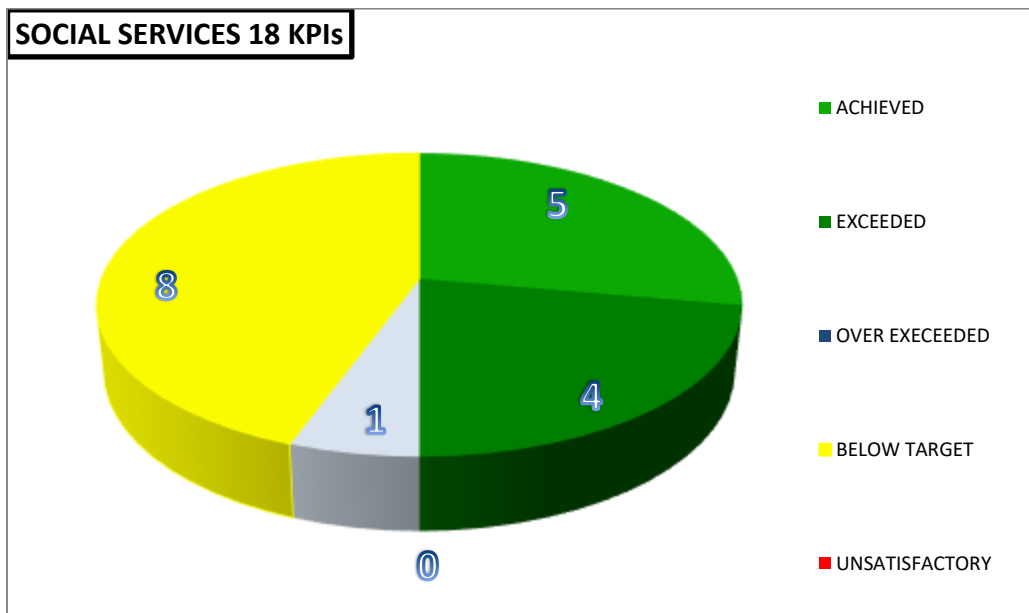
The department comprises of the following units:

- Traffic
- Registration
- Waste Management
- Parks
- Libraries

Table 8

Indicators	Total number 18
Achieved Target	5
Exceeded Target	4
Over Exceeded Target	0
Below Target	8
Unsatisfactory	0
Not Applicable	1

The Departmental performance is depicted on the below color coded pie chart:



The detailed performance for the department follows:

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Program)	ID	INDICATOR	UOM	Update	Baseline 2019/20 Actuals	Qtr. 1 Target	Actual	Qtr. 2 Target	Actual	Qtr. 3 Target	Actual	Qtr. 4 Target	Actual	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual Target 2020/21	Annual Actual	Annual Target 2020/21	Annual budget (Annual Expenditure)	Portfolio of evidence
KPA2: Service Delivery and Infrastructure Development\ Protect the environment and improve community well-being\ Environmental Management	M-170	Number of trees planted per quarter, year to date (operational budget) *YTD	#	Lepp - MParks	610	0	0	200	250	350	490	500	490	490 trees were planted in the second 2 quarter.	10 trees were damaged and not suitable for planting.	Avoid storing trees for longer times before actual planting	500	490	500	48 401 (43 000)	Purchase Order/Letter for request of donation Delivery Note Invoice Nursery Inventory Register Beneficiary list
KPA2: Service Delivery and Infrastructure Development\ Protect the environment and improve community well-being\ Environmental Management	M-702	Number of waste awareness campaigns implemented quarterly per year. YTD	#	Lepp - MWaste	43	12	12	24	24	36	36	48	48	12 Waste Education and Awareness campaigns were conducted in quarter 4	None	None	48	48	48	OPEX	Activity Plan Notice/letter to stakeholders Presentations Attendance register Pictures
KPA2: Service Delivery and Infrastructure Development\ Protect the environment and improve community well-being\ Library Services	M-172	Number of library campaigns held quarterly per year. YTD	#	Lepp - MLib	3	1	0	2	0	3	0	4	3	1 Library campaigns was held in fourth quarter	No library campaigns were conducted due to Covid-19 restrictions.	Campaigns will continue as normal after the Covid-19 restrictions are lifted.	4	3	4	OPEX	Notices /Letter, themes/presentations, att register
KPA2: Service Delivery and Infrastructure Development\ Protect the	M-Li	Number of Thusong Centre services campaigns	#	Lepp - M	3	1	0	2	0	3	0	4	2	2 Thusong Centre services campaigns were	No campaigns were conducted in Q1 and Q2 due	Campaigns will continue as normal after the Covid-19	4	2	4	OPEX	Notices /Letter, themes/presentations, att register

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Program)	ID	INDICATOR	UOM	Update	Baseline 2019/20 Actuals	Qtr. 1 Target	Actual	Qtr. 2 Target	Actual	Qtr. 3 Target	Actual	Qtr. 4 Target	Actual	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual Target 2020/21	Annual Actual	Annual Target 2020/21	Annual budget (Annual Expenditure)	Portfolio of evidence
environment and improve community well-being\ Library Services	B1	held quarterly per YearTD		Lib										conducted in fourth quarter	to Covid-19 restrictions.	restrictions are lifted.					
KPA2: Service Delivery and Infrastructure Development\ Protect the environment and improve community well-being\ Library Services	M-LIB2	Number of reports on education activities per quarter, YTD.	#	Lepl-M Lib	3	1	0	2	0	3	1	4	4	1 x Report on education activities	None	None	4	4	4	OPEX	Invitations, agenda, att register, minutes, program Reports served at Council Resolution of Council
KPA2: Service Delivery and Infrastructure Development\ Protect the environment and improve community well-being\ Registry	M-395	Average turnaround time between application and testing of applicants for license YTD	# weeks	Lepl-M Reg	1 week	2 weeks	2 weeks	2 weeks	1	2 weeks	1 week	2 weeks	1 week	1-week average turnaround time between application and testing of applicants for learner's license	The economic meltdown brought about by the effect of Coronavirus and the downscaling at Medupi resulted in decline in demand for learner's license service	None	2weeks	1week	2 weeks	OPEX	Weekly print out from NATIS, register
KPA2: Service Delivery and Infrastructure Development\ Protect the environment and improve community well-being\ Registry	M-RG1	Average turnaround time between application for driver's license and actual testing YTD	# weeks	Lepl-M Reg	1 week	2 weeks	1 week	2 weeks	1	2 weeks	1 week	2 weeks	1 week	1-week average turnaround time between application and testing of applicants for driver's license	The economic meltdown brought about by the effect of Coronavirus and the downscaling at Medupi resulted in decline in demand for driver's license service	None	2weeks	1week	2weeks	OPEX	Print outs from NATIS, registers.

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Program)	I D	INDICATOR	U O M	U p d a t e r	Baselin e 2019/20 Actuals	Qtr. 1 Targ et	Actu al	Qtr. 2 Targ et	Actu al	Qtr. 3 Targ et	Actu al	Qtr. 4 Targ et	Actu al	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual Target 2020/21	Annual Actual	Annual Target 2020/21	Annual budget (Annual Expenditu re)	Portfolio of evidence
KPA2: Service Delivery and Infrastructure Development\ Protect the environment and improve community well-being\ Registry	M _ R G 2	Number of stakeholder's engagement meetings on public transport activities YTD.	#	L e p - M R e g	2	1	0	2	1	3	2	4	3	1 x stakeholde rs engageme nt meeting on public transport	Meeting in Q3 not held due to Taxi associations conflicts.	Taxi associations conflicts are beyond the control of the municipality, As a result, municipality does not have corrective measures	4	3	4	OPEX	Invitations, agenda, att register, minutes, year program, stakeholder data base
KPA2: Service Delivery and Infrastructure Development\ Protect the environment and improve community well-being\ Road Safety / Law Enforcement	M _ 7 0 3	Number of speed checks held YTD	#	L e p - M T r a f	91	36	10	72	48	98	48	134	87	39 speed checks conducted in Quarter 4	speed checks were not conducted in Q3 due to non-calibration of the speed machine.	Speed machines are now calibrated and working well. Speed checks will now be conducted as planned.	134	87	120	OPEX	Speed checks register Activity Plan/Schedul e Speed checks register Register/list of Fines/tickets issued
KPA2: Service Delivery and Infrastructure Development\ Protect the environment and improve community well-being\ Road Safety / Law Enforcement	M _ 7 0 4	Number of joint law enforcement operations with other law enforcement agencies undertaken held YTD.	#	L e p - M T r a f	7	1	1	2	3	3	3	4	5	2 x Joint law enforceme nt operations with other law enforceme nt agencies undertake n	One addition joint operation was conducted.	None	4	5	4	OPEX	Invitations, stop& check register, attendance register

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Program)	ID	INDICATOR	UOM	Update	Baseline 2019/20 Actuals	Qtr. 1 Target	Actual	Qtr. 2 Target	Actual	Qtr. 3 Target	Actual	Qtr. 4 Target	Actual	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual Target 2020/21	Annual Actual	Annual Target 2020/21	Annual budget (Annual Expenditure)	Portfolio of evidence
KPA2: Service Delivery and Infrastructure Development\ Protect the environment and improve community well-being\ Waste Management	M-250	Number of urban households provided with weekly refuse removal, YTD	#	Lepp - MWaste	8231	8800	8231	8800	10602	8231	10602	8231	10602	10602 urban households have access to refuse removal services	the target of 8231 was not correct as the municipality is having 10602 households.	The target of 8231 was amended to 10602 in the next financial year.	8231	10602	10652	OPEX	Billing list
KPA2: Service Delivery and Infrastructure Development\ Protect the environment and improve community well-being\ Waste Management	M-402	Percentage households with access to basic level of solid waste removal, YTD	%	Lepp - MWaste	45%	55%	48%	55%	50%	55%	50%	55%	50%	50% of households in Lephalale have access to refuse removal	Limited number skip bins to cater for all villages	We have ordered 5 additional skip bins and waiting for delivery	55%	50%	55%	OPEX	Calculation sheet, list of urban, rural, and Informal settlements.
KPA2: Service Delivery and Infrastructure Development\ Protect the environment and improve community well-being\ Waste Management	M-708	Number of rural villages with access to weekly refuse removal services through roll-on, roll-off system	#	Lepp - MWaste	17	17	17	17	17	17	17	17	17	17 villages have access to refuse removal services	None	None	17	17	17	OPEX	Weekly Activity Plan List of Villages Bin Numbers Coordinates List of Households/ Beneficiaries Log sheets
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Auditor General	M-26	Percentage of AG queries resolved.	%	Lepp - MIA	83%	N/A	N/A	15%	0%	50%	N/A	100%	0%	Two findings in the directorate are not addressed	AG Audit was finalised around April 2021 and as a result the Municipality could only start with the Action Plan very late in the year.	We will continue to address the remaining audit findings	100%	0%	100%	OPEX	AG action Plan. Audit Report

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Program)	ID	INDICATOR	UOM	Update	Baseline 2019/20 Actuals	Qtr. 1 Target	Actual	Qtr. 2 Target	Actual	Qtr. 3 Target	Actual	Qtr. 4 Target	Actual	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual Target 2020/21	Annual Actual	Annual Target 2020/21	Annual budget (Annual Expenditure)	Portfolio of evidence
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Auditor General	M-27	Percentage of Internal audit findings resolved.	%	Le p - M I A	0	25%	N/A	50%	0	75%	0%	100%	100%	2 out 2 Internal audit findings resolved	None	None	100%	100%	100%	OPEX	Internal Audit Queries register
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Auditor General	M-28	Percentage of Audit and performance Committee's resolutions implemented.	%	Le p - M I A	0	100%	N/A	N/A	0%	100%	N/A	100%	100%	No AC resolutions for the directorate .	None	None	100%	100%	100%	OPEX	Resolution Register
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Risk Management	M-667	Percentage of risks resolved within timeframe as specified in the risk register YTD	%	Le p - M R i s k O r	0	25%	50%	50%	14%	75%	50%	100%	57%	4 out of 7 Risks were mitigated.	Some of the risks are taking longer to mitigate.	Management will continue to address the risk in the next financial year.	100%	100%	100%	OPEX	Risk register
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Audit Committee	M-691	Percentage of Implementation of council resolutions per quarter	%	Le p M A d m i n	0	100%	78%	100%	100%	100%	50%	100%	100%	All council resolutions were implemented.	None	None	100%	100%	100%	OPEX	Council Resolution Register

5.7 INFRASTRUCTURE SERVICES

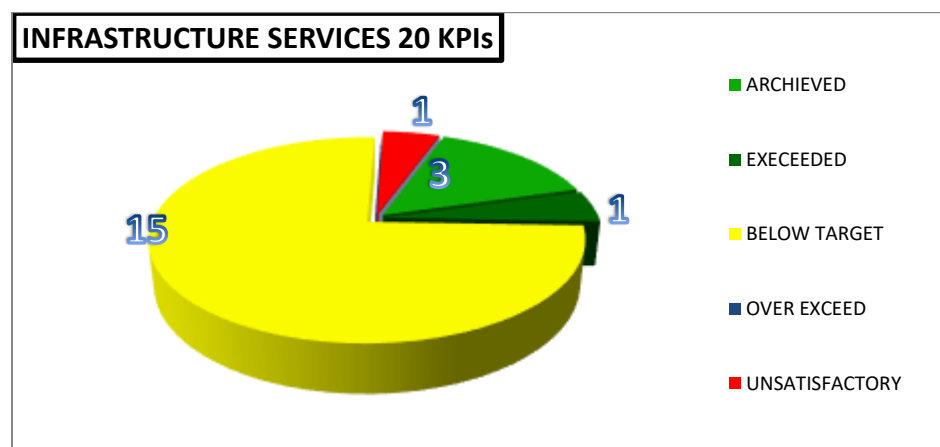
The department comprises of the following units:

- Water
- Sanitation
- Project Management Unit
- Electrical
- Roads and Storm water

Table 9

Indicators	Total number 20
Achieved Target	3
Exceeded Target	1
Over Exceeded Target	0
Below Target	15
Unsatisfactory	1
Not Applicable	0

The Departmental performance is depicted on the below color coded pie chart:



During Adjustment of the Budget in Mid -Year there were two indicators under the division of Electricity which were adjusted as follows

Indicator ID	INDICATOR	UOM	Updater	Original Annual Target	Adjusted Annual Target	comments
M_401A	Percentage households with access to basic level of electricity connected by Eskom*YTD	%	Lep-MElec	70%	90,50%	
M_401B	Percentage households with access to basic level of electricity connected by Municipality *YTD	%	Lep-MElec	17%	95%	

The detailed performance for the department follows:

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Program)	ID	INDICATOR	UOM	Updater	Baseline 2019/20 Actuals	Qtr. 1 Target	Actual	Qtr. 2 Target	Actual	Qtr. 3 Target	Actual	Qtr. 4 Target	Actual	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual Target 2020/21	Annual Actual	Annual Target 2021/22	Annual budget (Annual Expenditure)	Portfolio of evidence
KPA2: Service Delivery and Infrastructure Development\ Provide quality and well-maintained infrastructural services in all municipal areas\ Electrical Network (Electricity – Maintenance and Upgrading)	M – 3 4 0	Percentage of Electrical losses YTD*	%	Lepp - M E l e c	0%	12%	0%	12%	4%	10%	7%	10%	The calculated loss 0f - 2,9 is erratic	Target not achieved	Calculations done with incorrect billing from Eskom	Continuous Engageme nt with Eskom to rectify the billing	10%	The calculated loss 0f - 2,9 is erratic	8%	OPEX	Electrical loss report Loss report should indicate all factors that are a contribution to the loss
KPA2: Service Delivery and Infrastructure Development\ Provide quality and well-maintained infrastructural services in all municipal areas\ Electrical Network (New Infrastructure)	M – 4 0 1 A	Percentage households with access to basic level of electricity connected by Eskom*YTD	%	Lepp - M E l e c	76.6%	65%	77%	65%	77%	90%	77%	90,50%	76,00%	76% connected by Eskom in the fourth quarter. Target not achieved	Contractor still on site.	Contractor to complete the project at the end of July 2021	90,50%	76%	90,50%	OPEX	List of serviced households List and summary of calculation for the reported percentage
KPA2: Service Delivery and Infrastructure Development\ Provide quality and well-	M – 4 0 1 B	Percentage households with access to basic level of electricity connected by Municipality *YTD	%	Lepp - M E l	100%	15%	100%	15%	100%	95%	100%	95%	100%	Target achieved. 100% was connected in the fourth quarter	All applications for electricity connections are connected as and when they received	No corrective measures	95%	100%	100%	OPEX	List of serviced households List and summary of calculation for

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Program)	ID	INDICATOR	UOM	Update	Baseline 2019/20 Actuals	Qtr. 1 Target	Actual	Qtr. 2 Target	Actual	Qtr. 3 Target	Actual	Qtr. 4 Target	Actual	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual Target 2020/21	Annual Actual	Annual Target 2021/22	Annual budget (Annual Expenditure)	Portfolio of evidence
maintained infrastructural services in all municipal areas\ Electrical Network (New Infrastructure)				ec																	the reported percentage
KPA2: Service Delivery and Infrastructure Development\ Provide quality and well-maintained infrastructural services in all municipal areas\ Free Basic Services	M 7 5 3	Percentage households without access to basic level of Electricity YTD*(Backlog)	%	Le p - M E l e c	19.8%	16.5%	20%	16%	20%	16%	20%	15%	24%	24% Target not achieved	Contractor still on site.	Contractor to complete the project at the end of July 2021	15%	24%	10%	OPEX	List of households not serviced
KPA2: Service Delivery and Infrastructure Development\ Provide quality and well-maintained infrastructural services in all municipal areas\ Infrastructure Planning	M 7 5 7	Number of infrastructure master plans reviewed YTD	#	Le p - P M U / E M I S	0	N/A	N/A	N/A	N/A	1	0	1	0	Target not achieved The master plan is at a draft stage	The draft was only completed in June and must still presented to council	Service provider to present the draft document to Council at the by end of September 2021	1	0	0	4 500 000 (3782608)	Approved Integrated Infrastructure Master Plan
KPA2: Service Delivery and Infrastructure Development\ Provide quality and well-	M 2 1 8	Number of villages in which access roads are bladed YTD*	#	Le p - M P W	19	7	13	14	20	29	35	39	39	39 Villages graded	None	None	39	39	39	OPEX	1, Grader Log sheet Road;

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Program)	ID	INDICATOR	UOM	Updater	Baseline 2019/20 Actuals	Qtr. 1 Target	Actual	Qtr. 2 Target	Actual	Qtr. 3 Target	Actual	Qtr. 4 Target	Actual	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual Target 2020/21	Annual Actual	Annual Target 2021/22	Annual budget (Annual Expenditure)	Portfolio of evidence
maintained infrastructural services in all municipal areas\ Roads and Storm water – Maintenance and Upgrading																					
KPA2: Service Delivery and Infrastructure Development\ Provide quality and well-maintained infrastructural services in all municipal areas\ Roads and Storm water – Maintenance and Upgrading	M - 7 4	Total length of kilometres upgraded from gravel road to surfaced road YTD*	# km	Le p - M P W	0km	N/A	N/A	N/A	N/A	N/A	N/A	6 km	3 Km	Steve Biko access road is at Practical completion and Melvel access road is at 99% and due for completion at the end of July 2021	Inclement weather conditions & delay in approval of a variation order.	Grant the service provider extension of time & Approve VO application	6km	3 Km	0Km	OPEX	Progress Minutes Approved Budget Spec report SLA Progress reports & Minutes Completion Certificate upon completion of the Road
KPA2: Service Delivery and Infrastructure Development\ Provide quality and well-maintained infrastructural services in all municipal areas\ Roads and Storm water – Maintenance	N M - 1	Total Percentage of maintenance budget spent on infrastructure maintenance by public works unit YTD*	%	Le p - M P W	84%	15%	15%	45%	20%	70%	45%	90%	93%	R 6 896 455 out of R 7 399 242 was spent on Infrastructure Maintenance	We Managed to implement the maintenance plan and paid all invoices on time	None	90%	93%	90%	7 399 242 (R 6896 455)	Expenditure report Maintenance Plan Logbook/register recording maintained activities Expenditure Report

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Program)	ID	INDICATOR	UOM	Update	Baseline 2019/20 Actuals	Qtr. 1 Target	Actual	Qtr. 2 Target	Actual	Qtr. 3 Target	Actual	Qtr. 4 Target	Actual	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual Target 2020/21	Annual Actual	Annual Target 2021/22	Annual budget (Annual Expenditure)	Portfolio of evidence
and Upgrading																					
KPA2: Service Delivery and Infrastructure Development\ Provide quality and well-maintained infrastructural services in all municipal areas\ Sanitation - New Infrastructure	M - 400	Percentage households with access to basic level of sanitation YTD*	%	Le p - M S a n i t	45%	46%	45%	47%	46%	47%	46%	47%	46%	Only 4 new connections in urban areas were done in this fourth quarter	Lack funds to address backlog in rural areas	Develop business plan to acquire MIG funding to address backlog	47%	46%	100%	OPEX	List of serviced households Calculation Summary of the percentage
KPA2: Service Delivery and Infrastructure Development\ Provide quality and well-maintained infrastructural services in all municipal areas\ Wastewater Quality (Green Drop)	M - 758	Number of Green drop assessment report conducted by DWS for green drop risk rating YTD	#	Le p - M S a n i t	0	N/A	N/A	N/A	N/A	N/A	N/A	1	0	The green drop assessment was not done by DWS	DWS could not conduct assessment due to malfunctioning of the system	DWS planned to conduct the green drop assessment in the 2021/22 FY	1	0	1	OPEX	Sewerage analysis report
KPA2: Service Delivery and Infrastructure Development\ Provide quality and well-maintained infrastructural services in all municipal	M - 752	Percentage households without access to basic level of Sanitation YTD*(Backlog)	%	Le p - M S a n i t	55%	54%	55%	53%	54%	53%	54%	53%	54%	No new connection was done in the rural areas to reduce backlog	Lack of funding to implements VIP projects in rural villages	Develop business plan to acquire MIG funding to address backlog	53%	54%	0	OPEX	List of households not serviced

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Program)	ID	INDICATOR	UOM	Updater	Baseline 2019/20 Actuals	Qtr. 1 Target	Actual	Qtr. 2 Target	Actual	Qtr. 3 Target	Actual	Qtr. 4 Target	Actual	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual Target 2020/21	Annual Actual	Annual Target 2021/22	Annual budget (Annual Expenditure)	Portfolio of evidence
areas\ Sanitation \ Free Basic Services																					
KPA2: Service Delivery and Infrastructure Development\ Provide quality and well-maintained infrastructural services in all municipal areas\ Water – Supply	M – 399A	Percentage households with access to basic level of Water YTD	%	Lepp - M Water	66%	74%	66%	74%	66%	74%	66%	75%	66%	Target Not Achieved, 31388H/H Serviced with baseline of 47704 H/H	The Municipality In process to complete Stalled Water Extension Projects. Mokuruanyan e RWS and Witpoort RWS Phase 4 projects in progress	Complete outstanding works on Water Extensions Projects	75%	66%	75%	OPEX	List of billed consumers/H ouseholds
KPA2: Service Delivery and Infrastructure Development\ Provide quality and well-maintained infrastructural services in all municipal areas\ Water – Supply	M – 399B	Percentage households without access to basic level of Water YTD*(Backlog)	%	Lepp - M Water	34%	27%	34%	26%	34%	26%	34%	25%	34%	Target Not Achieved, 16316H/H Not Serviced with baseline of 47704 H/H	Water Extension Projects not yet Completed	Complete outstanding works on Water Extensions Projects	25%	34%	25%	OPEX	List of households not serviced
KPA2: Service Delivery and Infrastructure Development\ Provide quality and well-maintained infrastructural services in all municipal areas\ Water loss	M – 81	Percentage of water losses YTD*	%	Lepp - M Water	37,49%	14%	30.24%	14%	30.80%	14%	34%	14%	48.43%	Target Not Achieved, Water loss results for three months (April-June)	Ageing Infrastructure. Water Loss due to dilapidated infrastructure, illegal connections, burst pipes and Leaks, Malfunctioning of Water Meters. Damaging of	Implement ation of Water Conservati on and Water Demand Managemen t Programmes. Replaceme nt of old AC Pipes.	14%	48,4%	14%	OPEX	Water Loss Report

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Program)	ID	INDICATOR	UOM	U p d a t e r	Baseline 2019/20 Actuals	Qtr. 1 Target	Actual	Qtr. 2 Target	Actual	Qtr. 3 Target	Actual	Qtr. 4 Target	Actual	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual Target 2020/21	Annual Actual	Annual Target 2021/22	Annual budget (Annual Expenditure)	Portfolio of evidence
(unaccounted water)															pipes due to installation of fibre cables.	Leak detection programmes.					
KPA2: Service Delivery and Infrastructure Development\ Provide quality and well-maintained infrastructural services in all municipal areas\ Water Quality (Blue Drop)	M 7 2 8	Number of Blue drop assessment reports conducted per quarter,	#	L e p - M W a t e r	10	2	2	5	5	8	8	10	10	Target Achieved, Submitted (10) water quality analysis results to DWS on the Iris system	The blue drop assessment report was not completed by DWS	Blue drop assessment report is planned for 2021/22 and the indicator to be revised to "analysis report uploaded on the systems"	10	10	10	OPEX	Water analysis Report
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Auditor General	M 2 6	Percentage of AG queries resolved.	%	L e p - M I A	83%	N/A	N/A	15%	0%	50%	N/A	100%	25%	1 out 4 findings resolved	AG report was issued in April which gave the municipality only 2 months address the issues and therefore the Municipality did not have enough time and resources address all the findings	The Municipality will continue to address the findings until they are resolved	100%	25%	100%	OPEX	AG action Plan. Audit Report
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Auditor General	M 2 7	Percentage of Internal audit findings resolved.	%	L e p - M I A	0	25%	0%	50%	0%	75%	46.97%	100%	14%	6 out 43 findings resolved	Some of the findings take long to address. Due to lack of budget and late approval overtime policy	Avail budget to address audit findings and fast track the approval of overtime policy	100%	14%	100%	OPEX	Internal Audit Queries register

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Program)	ID	INDICATOR	UOM	U p d a t e r	Baseline 2019/20 Actuals	Qtr. 1 Target	Actual	Qtr. 2 Target	Actual	Qtr. 3 Target	Actual	Qtr. 4 Target	Actual	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual Target 2020/21	Annual Actual	Annual Target 2021/22	Annual budget (Annual Expenditure)	Portfolio of evidence
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Auditor General	M – 28	Percentage of Audit and performance Committee's resolutions implemented.	%	L e p – M I A	0	100%	0%	100%	100%	100%	100%	100%	100%	4 out 4 resolutions completed	None	None	100%	100%	100%	OPEX	Resolution Register
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Risk Management	M – 667	Percentage of risks resolved within timeframe as specified in the risk register YTD	%	L e p – M R i s k	0	25%	0%	50%	42%	75%	58%	100%	68%	Target not Achieved ,13 risks out of 19 were addressed in this 4 th Quarter	Some of the risks take long to address. Due to lack of capital injection.	Avail budget to address risks	100%	68%	100%	OPEX	Risk register
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Audit Committee	M – 691	Percentage of Implementation of council resolutions per quarter	%	L e p M A d m i n	0	100%	100%	100%	100%	100%	50%	100%	73%	73% of the Council Resolution already implemented and 27% on progress	The remaining Council resolutions are taking longer times to resolve and are on progress.	Remaining Council resolutions are ongoing and will be continually addressed	100%	73%	100%	OPEX	Council Resolution Register

CHAPTER 4
ORGANISATIONAL
DEVELOPMENT
PERFORMANCE
(PERFORMANCE REPORT PART II)

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

COMPONENT A

INTRODUCTION TO THE MUNICIPAL PERSONNEL

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Table 1: Employee Totals, Turnover and Vacancies

EMPLOYEES					
Description	2020/21	2020/21			
	Employees No.	Approved Posts	No.	Employees No.	Variance No. Variance %
Water	46	49		46	3 6.1%
Wastewater (Sanitation)	42	43		42	1 2.3%
Electricity	44	46		44	2 4.3%
Waste Management	51	56		51	5 8.9%
Housing	6	6		6	0 0%
Wastewater (Storm water Drainage)	37	44		37	5 11.3%
PMU	3	4		3	1 2.5%
Transport					
Planning	13	14		13	1 7.1%
Local Economic Development	2	3		2	1 33.33%
Community & Social Services (not including Waste and sports and Recreation Division)	56	58		56	2 3.4%
Environmental Protection					
Health					
Sport and Recreation	47	49		47	2 4%
Corporate Policy Offices and Other	101	125		101	24 19.2%
Totals	448	497		448	47 9.45%
Headings follow the order of services as set out in chapter 3. Service totals should equate to those included in the Chapter 3 employee schedules. Employee and Approved Posts numbers are as of 30 June 2020. Also take note that executive managers Infrastructure and his Admin. Assistant is not included as he/she head Directorates not Divisions.					

New organizational structure with 524 (Number of positions) was approved in May 2019 to be in line with new developmental demands with municipal area. Critical positions were filled except for the position of Executive Manager: Social services which became vacant on 1 November 2019 because of the appointment of the incumbent to the Municipal manager's position, Executive Manager: Corporate Support Services because of the appointment of the incumbent to the Executive Manager Strategic Services.

Table 2: Number of Positions per department in 2020/21 financial year.

Department	Number of Positions 2019/20						
	Management	Technical	Labour	Support	Total	Vacant	%Vacant
Infrastructure Services	5	63	100	4	188	16	8.5%
Social Services	5	1	97	52	164	6	10%
Corporate Support Services	3	3	12	19	46	9	17%
Budget and Treasury	5		1	30	43	8	18.6%
Planning and Development	4	8		7	20	1	5%
Strategic Support Service	7			13	24	4	16.7%
Office of Municipal Manager	2			9	12	3	17.6%
Total Positions	31	75	210	134	497	47	9.45%

Department	Number of Positions 2019/20						
	Management	Technical	Labour	Support	Total	Vacant	%Vacant
Infrastructure Services	5	63	100	4	188	16	8.5%
Social Services	6	1	97	52	164	6	10%
Corporate Support Services	3	3	12	19	46	9	17%
Budget and Treasury	4		1	30	43	8	18.6%
Planning and Development	4	8		7	20	1	5%
Strategic Support Service	7			13	24	4	16.7%
Office of Municipal Manager	2			9	12	3	17.6%
Total Positions	31	75	210	134	497	47	9.45%

Table 3: Vacancy Rate per level of employment in 2019/20 financial year

Vacancy Rate per level of employment in 2019/20 Financial year

Vacancy Rate 2019/20			
Designations	*Total Approved Posts No.	*Variances (Total time that vacancies exist using fulltime equivalents) No.	*Variances (as a proportion of total posts in each category) %
Municipal Manager	1	1 month	0
CFO	1	1 month	0
Other S57 Managers (excluding Finance Posts)	5	31 months	0
Other S57 Managers (Finance posts)	0	0	0
Municipal Police	0	0	0
Fire fighters	0	0	0
Senior management: Levels 13-15 (1-2) (excluding Finance Posts)	24	45 months	0
Senior management: Levels 13-15 (1-2) (Finance posts)	4	0	0
Highly skilled supervision: levels 9-12 (3-5) (excluding Finance posts)	68	108 months	0
Highly skilled supervision: levels 9-12 (3-5) (Finance posts)	10	5 months	0
Total	113	191 Months	

Note: *For posts which are established and funded in the approved budget or adjustments budget (where changes in employee provision have been made). 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.

Table 4: Turnover Rate

Turn-over Rate				
Details		Total Appointments as of beginning of Financial Year No.	Terminations during the Financial Year No.	Turn-over Rate*
Nature of Termination	No.	497	9	1.8%
Death 3	1			
Resignation	4			
End of contract	3			
Dismissal	1			
Pension	0			
* Divide the number of employees who have left the organisation within a year, by total number of employees who occupied posts at the beginning of the year				

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

Table 5: Policies

HR Policies and Plans				
	Name of Policy	Completed %	Reviewed %	Date adopted by Council or comment on failure to adopt
1	Bereavement	100 %	X	Feb 2017
2	Career Planning, Succession & Retention	100 %	x	Feb 2017
3	Workplace, HIV/AIDS	100 %	x	Feb 2017
4	Employment Assistance Program		X	Feb 2017
5	Leave	100 %	X	Feb 2017
6	Recruitment, Selection and Appointments	100 %	X	Feb 2017
7	Workplace Sports and recreation policy	100 %	x	Feb 2017
8	Personal Protective Equipment	100 %	x	July 2018
9	SHE Policy	100 %	x	July 2018
10	Overtime Policy	100 %	x	July 2018

Table 6: Injuries on Duty

Number and Cost of Injuries on Duty					
Type of injury	Injury Leave Taken Days	Employees using injury leave No.	Proportion employees using sick leave %	Average Injury Leave per employee Days	Total Estimated Cost R'000
Required basic medical attention only	25	3	66.7%	8.3	R 16 964
Temporary total disablement	0	0	0	0	0
Permanent disablement	0	0	0	0	0
Fatal					
Total	77	3	0%	39	R 16 964

Table 7: Sick leave

Number of days and Cost of Sick Leave (excluding injuries on duty)						
Salary band/ level	Total sick leave Days	Proportion of sick leave without medical certification %	Employees using sick leave No.	Total employee s in post* No.	*Average sick leave per Employees Days	Estimated cost R' 000
L1- L14	3864	40	445	445	9.27	
* - Number of employees in post at the beginning of the year						

Table 8: Disciplinary Action – Misconduct, General

Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken, or Status of Case and Reasons why not Finalised	Date Finalised
1.Street Cleaner: Waste	Driving municipal vehicle without authorisation and bumped into another vehicle belonging to a member of public.	N/A	Final Written Warning	12 July 2018
2.Machine Operator: Parks	Assault of a fellow employee and insulting of other employees	N/A	Dismissal	10 August 2018
3.Manager: Electrical & Mechanical	Charged with misconduct for changing the scope of work for projects without following the proper approval processes in terms of the Municipal Finance Act no 56 of 2003 in the capital projects	11April 2014	Employee not found guilty on all charges.	02 October 2018
4.Creditors Clerk: Income	Fraud of journals.	N/A	Final written warning and paying back all the monies lost due to his failure to apply due diligence in executing his duties with effect from 1 August 2018 until the 31st of July 2019.	8 August 2019
5.Financial Clerk: Expenditure	Fraud of journals.	N/A	Final written warning	8 August 2019
6.Engineering Technician: Electrical/Mechanical	Employee was a partner in TJMH KIAROS Energy CC, and the company conducted business with the municipality.	N/A	Final written warning and employee to refund the sum of R9800.00.	08 August 2018
7.Admin Officer: Licensing & Registration Authority	Registration of new vehicles with registration number YFY622W with date of liability	N/A	Dismissal	15 April 2019

Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken, or Status of Case and Reasons why not Finalised	Date Finalised
	for registration as 17/01/2018 instead of 23/11/2017.			
8.Municipal Manager	Contravention of Section 61 (i) of MFMA, gross dishonesty and material misrepresentation.	10 December 2018	Dismissal	21 May 2019
9.CFO	Gross dishonesty, failure to advice, derelict of duties and gross negligence.	10 December 2018	Dismissal	27 May 2019
11.Manager: Human Resource	Gross dishonesty, failure to advice, derelict of duties and gross negligence.	19 December 2018	Dismissal	13 September 2019
12.Senior Creditors Clerk: Income	She was charged with an act of misconduct for taking instruction of performing duties and responsibilities beyond your core roles.	N/A	Written Warning	07 November 2018
13.Manager: Income	<p>Changing the scope of work on projects without following the proper procedure. R 179 970.54.</p> <p>He was charged with an act of misconduct of negligence in that he failed to ensure that all conditions and procedures applicable to the application of section 32 are complied with:</p> <p>Failing to provide evidence that the adoption of section 32 was duly approved by the Acting Municipal Manager.</p> <p>Failing to involve the division in the appointment process of Big Time Strategic Consultants as the Co end –users.</p> <p>Failing to thoroughly assess and evaluate the documentation received from Moses Kotane Municipality.</p> <p>Failing to ensure that fruitless, irregular, and wasteful expenditure is minimized and avoided in the municipality.</p> <p>Failure to ensure that the entire scope of work was performed by Big Time Strategic Consultants prior to the processing of payment and</p> <p>Failing to take corrective actions as indicated in the report prepared by Big Time</p>	N/A		07 November 2018

Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken, or Status of Case and Reasons why not Finalised	Date Finalised
	Consultants were appointed on emergency basis.			
10. Labourer: Parks Division	Mr DA Mahwiting was charged with dereliction of duties between the period of June and July 2019 for deserting his post and not doing his work diligently and absented himself from work without permission.	N/A	Dismissal	06 July 2020
Artisan Assistant: Electrical Division	Mr M Madibana misused Municipal Petrol Card on numerous occasions for his private matters.	N/A	Resigned on 12 September 2019	12 September 2019
Artisan Assistant: Water Division	Mr J Ngoepe on 09 th day of May 2019 misused or drove the employer's vehicle for private use, white Toyota Hilux Bakkie BHT 937 L 2007 model and drove it outside the borders of the Lephalale Local Municipality without the employer's consent or authorisation. That he travelled excessive kilometres estimated at 159KM.	N/A	Resigned on 29 October 2019	29 October 2019
Labour: Waste Division	Misuse of Municipal Petrol Card for his private matter.	N/A	Resigned before his scheduled disciplinary hearing....	

Table 9: Disciplinary Action on Financial Misconduct

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
Manager: Electrical/Mechanical	Changing the scope of work on projects without following the proper procedure. R 179 970.54.	Not found guilty	24 September 2018
Creditors Clerk: Income	Charged to have processed journals 12770, 11933 and 13223 without approval from his Supervisor and without the signature. R 59 847.84.	Yes	08 August 2018
Data Capturer: Expenditure	Charged to have captured journals 12770, 11933 and 13223 without approval from his Supervisor and without the signature. R 59 847.84.	Yes	08 August 2018
CFO	Gross dishonesty, failure to advice, derelict of duties and gross negligence. R 52 100.04	Yes	27 May 2019
Municipal Manager	Contravention of Section 61 (i) of MFMA, gross dishonesty and material misrepresentation. R 60 135.90	Yes	21 May 2019
Labourer: Parks Division	Absenteeism	Yes	06 July 2020
Artisan Assistant: Electrical Division	Mr M Madibana misused Municipal Petrol Card on numerous occasions for his private matters.	Resigned before Disciplinary Hearing sitting.	

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
Artisan Assistant: Water Division	Mr J Ngoepe on 09 th day of May 2019 misused or drove the employer's vehicle for private use, white Toyota Hilux Bakkie BHT 937 L 2007 model and drove it outside the borders of the Lephalale Local Municipality without the employer's consent or authorisation. That he travelled excessive kilometres estimated at 159KM.	Resigned before Disciplinary Hearing sitting.	
Labour: Waste Division	Misuse of Municipal Petrol Card for his private matter.	Resigned before Disciplinary Hearing sitting	

PERFORMANCE REWARDS

Regulation 805, section 32 states the following in this regard:

- (1) The evaluation of the employee's performance will form the basis for rewarding outstanding performance or correcting unacceptable performance.
- (2) A performance bonus ranging from 5% to 14% of the all-inclusive remuneration package may be paid to an employee in recognition of outstanding performance. In determining the performance bonus the relevant percentage is based on the overall rating, calculated by using the applicable assessment-rating calculator; provided that -
 - (a) A score of 130% to 149% is awarded a performance bonus ranging from 5% to 9%; and
 - (b) A score of 150% and above is awarded a performance bonus ranging from 10% to 14%.
- (3) In the case of unacceptable performance, the employer shall –
 - (a) provide systematic remedial or developmental support to assist the employee to improve his or her performance; and
 - (b) After appropriate performance counselling and having provided the necessary guidance and/or support and reasonable time for improvement in performance, and performance does not improve, the employer may consider steps to terminate the contract of employment of the employee on grounds of unfitness or incapacity to carry out his or her duties.

In order to narrow the gap of 5% to 9% and of 10% to 14% bonuses, the following sliding scale are applying in terms of the rating scales set out in the Performance Agreements:

% Rating Over Performance	% Bonus
130 - 133.8	5%
133.9 – 137.6	6%
137.7 – 141.4	7%
141.5 - 145.2	8%
145.3 – 149	9%
150 – 153.4	10%
153.5 – 156.8	11%
156.9 – 160.2	12%
160.2 – 163.6	13%
163.7 – 167	14%

Therefore, bonuses can only come into consideration once an employee achieves an overall score of at least 130%, any overall performance scores below that will not be in line for any bonuses.

In terms of the Municipal Systems Act, 32 of 2000, section 57 (4B) Bonuses based on performance may be awarded to a municipal manager or a manager directly accountable to the municipal manager after the end of the financial year and only after an evaluation of performance and approval of such evaluation by the municipal council concerned.

The results of the evaluations as calculated are as follows:

NAME	POSITION	OVERALL SCORE	APPLICABLE % BONUS
Ms. M M Cocquyt	Municipal Manager	105,63	0%

CONSLUSION

The Lephalale Local Municipality has successfully conducted the Annual Individual Performance Evaluations for the financial years of 2019/20:

The result of the calculations concludes that all executive managers evaluated, and municipal manager does not qualify for a bonus for the financial year 2019/20.

COMPONENT C

CAPACITATING THE MUNICIPAL WORKFORCE

SKILLS DEVELOPMENT AND TRAINING

Table 10: Skills Development Matrix

Skills Matrix														
Management Level	Gender	Employees in post as of 30 June 2019	Number of skilled employees required and actual as of 30 June 2020											
			Learner ships			Skills programmes & other short courses			Other forms of training			Total		
		No.	Actual 30 June 2019	Actual 30 June 2020	Target	Actual 30 June 2019	Actual 30 June 2020	Target	Actual 30 June 2019	Actual 30 June 2020	Target	Actual 30 June 2019	Actual 30 June 2020	Target
01 00	Female	02	01	01	01	02	00	01	01	01	01	01	01	02
	Male	02	00	00	00	03	00	00	00	00	00	04	04	02
04 06	Female	22	04	00	05	10	01	12	03	02	12	04	04	22
	Male	30	06	00	03	12	02	15	06	00	13	10	08	30
00 00	Female	22	00	00	00	13	04	08	00	04	10	06	08	22
	Male	29	00	02	00	11	16	10	00	01	13	09	19	29
01 02	Female	04	01	00	01	04	03	09	02	06	07	04	10	04
	Male	19	02	00	02	09	07	15	05	05	12	12	17	19
06 08	Female	50	06	01	07	29	08	30	06	13	30	20	23	50
	Male	80	08	00	05	31	25	35	11	06	38	32	48	80
14		130	14	01	12	60	33	65	17	19	68	62	71	130

The following categories of employees are not included: 49 females & 49 Males from Semi-skilled and discretionary decision making, 18 Female & 154 Males from Unskilled.

Table 11: Financial Competencies

Financial Competency Development: Progress Report*						
Description	A. Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	B. Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c))	Consolidated: Total of A and B	Consolidated: Competency assessments completed for A and B (Regulation 14(4)(b) and (d))	Consolidated: Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Consolidated: Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
Financial Officials						
<i>Accounting officer</i>	1	1	1	1	1	1
<i>Chief financial officer</i>	1	1	1	1	1	1
<i>Senior managers</i>	2	2	2	2	2	2
<i>Any other financial officials</i>	3	3	3	0	0	0
Supply Chain Management Officials						
<i>Heads of supply chain management units</i>		0		0	0	0
<i>Supply chain management senior managers</i>	1	1	1	0	0	0
TOTAL	8	8	8	4	4	4
* This is a statutory report under the National Treasury: Local Government: MFMA Competency Regulations (June 2007)						

COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

EMPLOYEE EXPENDITURE

Table 12: Skills Development Expenditure

Skills Development Expenditure R'000										
Management level	Gender	Employees as at the beginning of the financial year No.	Original Budget and Actual Expenditure on skills development 2019 -20							
			Learner ships		Skills programmes & other short courses		Other forms of training		Total	
			Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual - R-value
MM and S57	Female	02	01	01	00	00	01	00		
	Male	02	00	00	00	00	00	00		

Skills Development Expenditure R'000

Management level	Gender	Employees as at the beginning of the financial year No.	Original Budget and Actual Expenditure on skills development 2019 -20							
			Learner ships		Skills programmes & other short courses		Other forms of training		Total	
			Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual - R-value
Legislators, senior officials and managers	Female	22	05	03	12	12	13	13		
	Male	30	03	01	15	15	13	13		
Professionals	Female	04	01	01	5	05	02	02		
	Male	19	02	01	14	14	02	02		
Technicians and associate professionals	Female	22	00	00	06	06	02	02		
	Male	29	01	00	15	15	19	01		
Clerks	Female	56	00	00	15	15	02	07		
	Male	99	00	00	17	17	03	04		
Service and sales workers	Female	3	00	00	03	03	02	02		
	Male	5	00	00	06	06	10	03		
Plant and machine operators and assemblers	Female	7	00	00	00	00	01	00		
	Male	14	00	00	00	00	02	02		
Elementary occupations	Female	53	00	00	03	03	00	00		
	Male	96	00	00	09	09	00	00		
Sub total	Female	169	05	01	37	37	23	26		
	Male	294	03	03	104	104	49	23		
Total		463								R 769 823.16
*% and *R value of municipal salaries (original budget) allocated for workplace skills plan.									1%*	*R 1 403 442.00
*% and *R value of municipal salaries (original budget) allocated for workplace skills plan. R 1 403 442 000.00										0.55%*

. Table 13: Upgrading of positions

Number of Employees Whose Salaries Were Increased Due to Their Positions Being Upgraded		
Beneficiaries	Gender	Total
Lower skilled (Levels 1-2)	Female	00
	Male	00
Skilled (Levels 3-5)	Female	00
	Male	00
Highly skilled production (Levels 6-8)	Female	00
	Male	00
Highly skilled supervision (Levels9-12)	Female	00
	Male	00
Senior management (Levels13-16)	Female	00
	Male	00
MM and S 57	Female	00
	Male	00
Total		00
Those with disability are shown in brackets '(x)' in the 'Number of beneficiaries' column as well as in the numbers at the right-hand side of the column (as illustrated above).		

CHAPTER 5

FINANCIAL

PERFORMANCE

CHAPTER 5: FINANCIAL PERFORMANCE

Chapter 5 contains information regarding financial performance and highlights specific accomplishments. The chapter comprises of four components:

- Component A: Statement of Financial Performance
- Component B: Spending Against Capital Budget
- Component C: Cash Flow Management and Investment.
- Component D: Other Financial Matters

COMPONENT A

STATEMENTS OF FINANCIAL PERFORMANCE

Table 25: Financial Performance

Choose name from list - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M12 June										
Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
Revenue by Source										
Property rates		–	64790000	102000999	8592800	103308207	102000999	1307208	1%	102000999
Service charges - electricity revenue		–	208267265	207125265	17549269	175939793	207125265	-31185472	-15%	207125265
Service charges - water revenue		–	47461905	47716905	4019492	34787952	47716905	-12928953	-27%	47716905
Service charges - sanitation revenue		–	22900931	23471931	2328899	18208229	23471931	-5263702	-22%	23471931
Service charges - refuse revenue		–	19408625	18651625	1242929	15443732	18651625	-3207893	-17%	18651625
Rental of facilities and equipment		–	305046	305046	60345	438826	305046	133780	44%	305046
Interest earned - external investments		–	3510500	3510500	554960	5427678	3510500	1917178	55%	3510500
Interest earned - outstanding debtors		–	32102112	31961112	4577097	41616041	31961112	9654929	30%	31961112
Dividends received		–	0	0	0	0	0	0		0
Fines, penalties and forfeits		–	657721	657721	247580	504644	657721	-153077	-23%	657721
Licences and permits		–	10218473	9779473	729476	9283242	9779473	-496231	-5%	9779473
Agency services		–	0	0	0	0	0	0		0
Transfers and subsidies		–	169761149	196936149	1204481	195722191	196936149	-1213958	-1%	196936149
Other revenue		–	14031955	3631712	1658837	5165744	3631712	1534032	42%	3631712
Gains		–	0	0	0	0	0	0		0
Total Revenue (excluding capital transfers and contributions)		–	593415682	645748438	42766165	605846279	645748438	-39902159	-6%	645748438

OPERATIONAL EXPENDITURE

Choose name from list - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M12 June										
Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
Expenditure by Type										
Employee related costs		–	212191182	215256901	17857665	207490815	215319353	-7828538	-4%	215256901
Remuneration of councillors		–	10875409	11747621	920208	12581484	11747608	833876	7%	11747621
Debt impairment		–	8260725	8260725	8200000	8200000	8260725	-60725	-1%	8260725
Depreciation & asset impairment		–	89381282	89202282	15131514	87330550	89202278	-1871728	-2%	89202282
Finance charges		–	18492487	18492487	-1057883	7900326	18492487	-10592161	-57%	18492487
Bulk purchases		–	137311851	138811851	12103985	134154671	138443076	-4288405	-3%	138811851
Other materials		–	5050191	6515755	1691018	4852703	6927465	-2074762	-30%	6515755

Choose name from list - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M12 June										
Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
Contracted services		–	52642769	65088814	5807914	46352715	66145994	-19793279	-30%	65088814
Transfers and subsidies		–	1394149	940500	28564	333355	940500	-607145	-65%	940500
Other expenditure		–	63072245	86126170	5963560	59081451	85343643	-26262192	-31%	86126170
Losses		–	0	0	0	0	0	0		0
Total Expenditure		–	598672290	640443106	66646545	568278070	640823129	-72545059	-11%	640443106
Surplus/(Deficit)		–	-5256608	5305332	-23880380	37568209	4925309	32642900	0	5305332
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		–	86381850	125113850	54985335	143745679	125113850	18631829	0	125113850
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		–	0	0	0	0	0	0		0
Transfers and subsidies - capital (in-kind - all)		–	0	0	0	0	0	0		0
Surplus/(Deficit) after capital transfers & contributions		–	81125242	130419182	31104955	181313888	130039159			130419182
Taxation		–	0	0	0	0	0	0		0
Surplus/(Deficit) after taxation		–	81125242	130419182	31104955	181313888	130039159			130419182
Attributable to minorities		–	0	0	0	0	0			0
Surplus/(Deficit) attributable to municipality		–	81125242	130419182	31104955	181313888	130039159			130419182
Share of surplus/ (deficit) of associate		–	0	0	0	0	0			0
Surplus/ (Deficit) for the year		–	81125242	130419182	31104955	181313888	130039159			130419182

GRANTS

Table 26: Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M12 June

Choose name from list - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M12 June										
Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		–	169761149	196936149	1204481	195722191	196936149	-1213958	-0,6%	196936149
Other transfers and grants [insert description]		–	169761149	196936149	1204481	195722191	196936149	-1213958	-0,6%	196936149
Provincial Government:		–	0	0	0	0	0	0		0
Other transfers and grants [insert description]								0		
District Municipality:		–	0	0	0	0	0	0		0
[insert description]		–	0	0	0	0	0	0		0
Other grant providers:		–	0	0	0	0	0	0		0
[insert description]		–	0	0	0	0	0	0		0
Total Operating Transfers and Grants	5	–	169761149	196936149	1204481	195722191	196936149	-1213958	-0,6%	196936149
Capital Transfers and Grants										
National Government:		–	86381850	125113850	54985335	143745679	125113850	18631829	14,9%	125113850
Other capital transfers [insert description]		–	86381850	125113850	54985335	143745679	125113850	18631829	14,9%	125113850
Provincial Government:		–	0	0	0	0	0	0		0

[insert description]		-	0	0	0	0	0	0	0	0
District Municipality:		-	0	0	0	0	0	0	0	0
[insert description]		-	0	0	0	0	0	0	0	0
								0		
Other grant providers:		-	0	0	0	0	0	0	0	0
Total Capital Transfers and Grants	5	-	86381850	125113850	54985335	143745679	125113850	18631829	14,9%	125113850
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	-	256142999	322049999	56189816	339467870	322049999	17417871	5,4%	322049999

COMMENT ON OPERATING TRANSFERS AND GRANTS:

The YE revenue is below the YE budget by 6% and is at 94% of the YE Budget. The YE operating expenditure is below the YE budget by 11% and the actual is 89% of the YE budget. The YE expenditure of the capital budget reflects 77 % against the YE budget at the end of June 2021.

Key drivers Revenue and Expenditure

- Municipality has implemented a new valuation roll effective from 1 July 2021. The collection rate as of 31 June 2021 was at 81%.
- The Impact of COVID-19 19 Lock down the reduction of the consumption rate and resulted in reduction on the revenue, delays on the implementation of Projects including the decrease on operational costs.
- Municipality has revised the implementation plan and accelerating Projects to improve on capital spending.

ASSET MANAGEMENT

Lephalale municipality has an audited asset register for the financial 2020/21. The asset register is compiled in terms of GRAP 17. The asset management unit is reviewing and updating the register on annual basis to ensure all assets are safeguarded and accounted for.

Table 27: Three largest assets acquired

Three LARGEST ASSETS ACQUIRED 2020/2021 YEAR END			
Asset 1			
Name	Steve biko access road		
Description	Construction of Steve Biko Access Road		
Asset type	Immovable		
Expenditure 2020/2021	28 423 716,01		
Key staff involved	Public works		
Asset 2			
Name	Thabo Mbeki sewer network		
Description	Construction Thabo Mbeki Sewer Network		
Asset type	Immovable		
Expenditure 2020/2021	27 510 462,55		
Key staff involved	Sanitation		
Asset 3			
Name	Melvel access road		
Description	Construction of Melvel Access Road		
Asset type	Immovable		

Expenditure 2020/2021	25 248 122,71		
Key staff involved	Public works		

ASSET MANAGEMENT, (REPAIRS AND MAINTANANCE.)

Table 28: Repairs and Maintenance

Choose name from list - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M12 June										
Description	Ref	Budget Year 2020/21								
		2019/20 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		–	169105563	175782855	26119938	95231514	180485335	85253821	47,2%	175782855
Roads Infrastructure		–	33452769	37286120	5211979	29009569	37286110	8276541	22,2%	37286120
Roads		–	33452769	37286120	5211979	29009569	37286110	8276541	22,2%	37286120
Road Structures		–	0	0	0	0	0	0		0
Electrical Infrastructure		–	21478522	29812313	4049186	14642169	32413592	17771423	54,8%	29812313
Power Plants		–	0	0	0	0	0	0		0
HV Substations		–	1315248	0	0	0	0	0		0
MV Networks		–	10163274	13812313	1440490	6288966	16413592	10124626	61,7%	13812313
LV Networks		–	10000000	16000000	2608696	8353203	16000000	7646797	47,8%	16000000
Capital Spares		–	0	0	0	0	0	0		0
Water Supply Infrastructure		–	86527080	81377230	15590814	42938828	83478442	40539614	48,6%	81377230
Dams and Weirs		–	0	0	0	0	0	0		0
Boreholes		–	9966363	2558956	0	1111909	2558954	1447045	56,5%	2558956
Reservoirs		–	0	0	0	0	0	0		0
Pump Stations		–	0	0	0	0	0	0		0
Water Treatment Works		–	14135257	14135258	2227596	8258608	14135256	5876648	41,6%	14135258
Bulk Mains		–	49510327	53971799	11620726	29642439	55662296	26019857	46,7%	53971799
Distribution		–	12915133	10711217	1742492	3925872	11121936	7196064	64,7%	10711217
Sanitation Infrastructure		–	8101081	7761081	818220	3178288	7761080	4582792	59,0%	7761081
Pump Station		–	8101081	7601081	818220	3178288	7601080	4422792	58,2%	7601081
Reticulation		–	0	160000	0	0	160000	160000	100,0%	160000
Solid Waste Infrastructure		–	19546111	19546111	449739	5462660	19546111	14083451	72,1%	19546111
Landfill Sites		–	0	0	0	0	0	0		0
Waste Transfer Stations		–	15246111	15246111	238671	5128284	15246111	10117827	66,4%	15246111
Waste Processing Facilities		–	4300000	4300000	211068	334376	4300000	3965624	92,2%	4300000
Waste Drop-off Points		–	0	0	0	0	0	0		0
Community Assets		–	9509607	14360568	1719526	5334896	14763022	9428126	63,9%	14360568
Community Facilities		–	9509607	14360568	1719526	5334896	14763022	9428126	63,9%	14360568
Halls		–	0	0	0	0	0	0		0
Libraries		–	0	0	0	0	0	0		0
Cemeteries/Crematoria		–	8848107	13699068	1719526	4759679	14101522	9341843	66,2%	13699068
Stalls		–	661500	661500	0	575217	661500	86283	13,0%	661500
Other assets		5 862	3000000	3000000	0	6750804	3000000	-3750804	-125,0%	3000000
Operational Buildings		5 862	3000000	3000000	0	6750804	3000000	-3750804	-125,0%	3000000
Municipal Offices		–	1000000	1000000	0	864640	1000000	135360	13,5%	1000000
Pay/Enquiry Points		–	0	0	0	0	0	0		0
Building Plan Offices		–	0	0	0	0	0	0		0
Workshops		–	0	0	0	0	0	0		0
Yards		5 862	2000000	2000000	0	5886164	2000000	-3886164	-194,3%	2000000
Biological or Cultivated Assets		–	0	0	0	0	0	0		0
Biological or Cultivated Assets		–	0	0	0	0	0	0		0
Intangible Assets		–	0	846000	0	0	1057500	1057500	100,0%	846000
Servitudes		–	0	0	0	0	0	0		0
Licences and Rights		–	0	846000	0	0	1057500	1057500	100,0%	846000
Unspecified		–	0	846000	0	0	1057500	1057500	100,0%	846000
Computer Equipment		–	2903724	1751862	0	796934	1751862	954928	54,5%	1751862
Computer Equipment		–	2903724	1751862	0	796934	1751862	954928	54,5%	1751862

Choose name from list - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M12 June										
Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Furniture and Office Equipment		–	941979	941979	323419	411021	941979	530958	56,4%	941979
Furniture and Office Equipment		–	941979	941979	323419	411021	941979	530958	56,4%	941979
Machinery and Equipment		–	72067471	15804871	1503555	7532138	15804871	8272733	52,3%	15804871
Machinery and Equipment		–	72067471	15804871	1503555	7532138	15804871	8272733	52,3%	15804871
Transport Assets		–	10700000	15200000	338335	6835313	15200000	8364687	55,0%	15200000
Transport Assets		–	10700000	15200000	338335	6835313	15200000	8364687	55,0%	15200000
Land		–	896416	896416	0	0	896416	896416	100,0%	896416
Land		–	896416	896416	0	0	896416	896416	100,0%	896416
Zoo's, Marine and Non-biological Animals		–	0	0	0	0	0	0		0
Zoo's, Marine and Non-biological Animals		–	0	0	0	0	0	0		0
Total Capital Expenditure on new assets	1	5861939	269124760	228584551	30004773	122892620	233900985	111008365	47,5%	228584551

COMMENT ON REPAIR AND MAINTENANCE EXPENDITURE

The municipal infrastructure asset has reached the useful lives, which requires replacement and high maintenance. The infrastructure master plan master plan has been developed to address the same.

FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

Liquidity Ratios

Current Ratio

2.85:1

Acid Test Ratio

2,83 :1

Debtors Collection Period

90 Days

COMMENT ON FINANCIAL RATIOS:

The municipality is confidentially positive with the status of a going concern. The municipality has neither the intention to cease operations nor are there conditions that point to any necessity for a liquidation or cessation of the trading. Accordingly, asset and liabilities of Lephalale Local Municipality are recorded on the basis that the entity will be able to realise its assets and discharge its liabilities in the normal course of the business.

Overall, the liquidity ratio is within the acceptable norm. This is an indication that municipality will be able to pay its creditors /Liabilities when they become due

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

COMMENT ON SOURCES OF FUNDING AND CAPITAL EXPENDITURE:

The spending on capital projects has significantly improved from 60% expenditure in 2019/20 on total capital projects to 77 % expenditure in 2020/21

CAPITAL EXPENDITURE

Table 100: Capital Expenditure

Choose name from list - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M12 June										
Vote Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									

Choose name from list - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M12 June

Vote Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
Vote 1 - Office of Municipal Manager		–	–	–	–	–	–	–		–
Vote 2 - Budget and Treasury		0	0	0	0	0	0	0		–
Vote 3 - Corporate Services		0	300000	300000	0	0	300000	-300000	-100%	300000
Vote 4 - Social Service		0	19794218	24645179	1719526	9649292	25047633	-15398341	-61%	24645179
Vote 5 - Technical and Engineering Services		0	68431453	69899557	7564785	40190297	71060272	-30869975	-43%	69899557
Vote 6 - Property, Planning & Development		0	0	0	0	0	0	0		0
Vote 7 - Office of the Mayor/Strategic Office		0	0	0	0	0	0	0		0
Vote 8 - COMMUNITY & SOCIAL SERVICES		0	0	0	0	0	0	0		0
Total Capital Multi-year expenditure	4,7	0	88525671	94844736	9284311	49839589	96407905	-46568316	-48%	94844736
Single Year expenditure appropriation	2									
Vote 1 - Office of Municipal Manager		0	480000	480000	270584	270584	480000	-209416	-44%	480000
Vote 2 - Budget and Treasury		0	0	846000	0	0	1057500	-1057500	-100%	846000
Vote 3 - Corporate Services		0	15477574	14325712	323419	8734242	14325712	-5591470	-39%	14325712
Vote 4 - Social Service		5861939	22256416	26756416	1395226	11124859	26756416	-15631557	-58%	26756416
Vote 5 - Technical and Engineering Services		0	141855476	92048310	18731232	53087703	95590072	-42502369	-44%	92048310
Vote 6 - Property, Planning & Development		0	50000	50000	0	24153	50000	-25847	-52%	50000
Vote 7 - Office of the Mayor/Strategic Office		0	731500	731500	0	630967	731500	-100533	-14%	731500
Vote 8 - COMMUNITY & SOCIAL SERVICES		0	0	0	0	0	0	0		0
Total Capital single-year expenditure	4	5861939	180850966	135237938	20720461	73872508	138991200	-65118692	-47%	135237938
Total Capital Expenditure		5861939	269376637	230082674	30004772	123712097	235399105	-111687008	-47%	230082674
Capital Expenditure - Functional Classification										
Governance and administration		5861939	18989074	18683212	594003	9660018	18894712	-9234694	-49%	18683212
Executive and council		0	1141500	1141500	270584	845801	1141500	-295699	-26%	1141500
Finance and administration		5861939	17847574	17541712	323419	8814217	17753212	-8938995	-50%	17541712
Internal audit		0	0	0	0	0	0	0		0
Community and public safety		0	10008107	19359068	2057861	6413415	19761522	-13348107	-68%	19359068
Community and social services		0	9418107	18769068	2057861	5957014	19171522	-13214508	-69%	18769068
Sport and recreation		0	0	0	0	0	0	0		0
Public safety		0	590000	590000	0	456401	590000	-133599	-23%	590000
Housing		0	0	0	0	0	0	0		0
Health		0	0	0	0	0	0	0		0
Economic and environmental services		0	95010369	44281120	6444950	34326985	44281110	-9954125	-22%	44281120
Planning and development		0	50000	50000	0	24153	50000	-25847	-52%	50000
Road transport		0	94960369	44231120	6444950	34302832	44231110	-9928278	-22%	44231120
Environmental protection		0	0	0	0	0	0	0		0
Trading services		0	145369087	147759274	20907958	67449739	152461761	-85012022	-56%	147759274
Energy sources		0	21478522	29812313	4049185	14642169	32413592	-17771423	-55%	29812313
Water management		0	86852209	80152359	15590814	41750822	81842851	-40092029	-49%	80152359
Wastewater management		0	15795829	16552075	1029288	5760464	16962791	-11202327	-66%	16552075
Waste management		0	21242527	21242527	238671	5296284	21242527	-15946243	-75%	21242527
Other		0	0	0	0	0	0	0		0
Total Capital Expenditure - Functional Classification	3	5861939	269376637	230082674	30004772	117850157	235399105	-117548948	-50%	230082674

Choose name from list - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M12 June

Vote Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
Funded by:										
National Government		0	144868849	145425453	23320554	88705566	150127940	-61422374	-41%	145425453
Provincial Government		0	0	0	0	0	0	0		0
District Municipality		0	0	0	0	0	0	0		0
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		0	0	0	0	0	0	0		0
Transfers recognised - capital		0	144868849	145425453	23320554	88705566	150127940	-61422374	-41%	145425453
Borrowing	6	0	0	0	0	0	0	0		0
Internally generated funds		5861939	124507788	84657221	6684218	29144590	85271165	-56126575	-66%	84657221
Total Capital Funding		5861939	269376637	230082674	30004772	117850156	235399105	-117548949	-50%	230082674

SOURCES OF FINANCE

Table 29: Financial Performance

Choose name from list - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M12 June

Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
Revenue by Source										
Property rates		0	64790000	102000999	8592800	103308207	102000999	1307208	1%	102000999
Service charges - electricity revenue		0	208267265	207125265	17549269	175939793	207125265	-31185472	-15%	207125265
Service charges - water revenue		0	47461905	47716905	4019492	34787952	47716905	-12928953	-27%	47716905
Service charges - sanitation revenue		0	22900931	23471931	2328899	18208229	23471931	-5263702	-22%	23471931
Service charges - refuse revenue		0	19408625	18651625	1242929	15443732	18651625	-3207893	-17%	18651625
Rental of facilities and equipment		0	305046	305046	60345	438826	305046	133780	44%	305046
Interest earned - external investments		0	3510500	3510500	554960	5427678	3510500	1917178	55%	3510500
Interest earned - outstanding debtors		0	32102112	31961112	4577097	41616041	31961112	9654929	30%	31961112
Dividends received		0	0	0	0	0	0	0		0
Fines, penalties and forfeits		0	657721	657721	247580	504644	657721	-153077	-23%	657721
Licences and permits		0	10218473	9779473	729476	9283242	9779473	-496231	-5%	9779473
Agency services		0	0	0	0	0	0	0		0
Transfers and subsidies		0	169761149	196936149	1204481	195722191	196936149	-1213958	-1%	196936149
Other revenue		0	14031955	3631712	1658837	5165744	3631712	1534032	42%	3631712
Gains		0	0	0	0	0	0	0		0
Total Revenue (excluding capital transfers and contributions)		0	593415682	645748438	42766165	605846279	645748438	-39902159	-6%	645748438
Expenditure by Type										
Employee related costs		0	212191182	215256901	17857665	207490815	215319353	-7828538	-4%	215256901
Remuneration of councillors		0	10875409	11747621	920208	12581484	11747608	833876	7%	11747621
Debt impairment		0	8260725	8260725	8200000	8200000	8260725	-60725	-1%	8260725
Depreciation & asset impairment		0	89381282	89202282	15131514	87330550	89202278	-1871728	-2%	89202282
Finance charges		0	18492487	18492487	-1057883	7900326	18492487	-10592161	-57%	18492487
Bulk purchases		0	137311851	138811851	12103985	134154671	138443076	-4288405	-3%	138811851
Other materials		0	5050191	6515755	1691018	4852703	6927465	-2074762	-30%	6515755
Contracted services		0	52642769	65088814	5807914	46352715	66145994	-19793279	-30%	65088814
Transfers and subsidies		0	1394149	940500	28564	333355	940500	-607145	-65%	940500
Other expenditure		0	63072245	86126170	5963560	59081451	85343643	-26262192	-31%	86126170
Losses		0	0	0	0	0	0	0		0
Total Expenditure		0	598672290	640443106	66646545	568278070	640823129	-72545059	-11%	640443106
Surplus/(Deficit)		0	-5256608	5305332	-23880380	37568209	4925309	32642900	0	5305332

Choose name from list - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M12 June										
Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		0	86381850	125113850	54985335	143745679	125113850	18631829	0	125113850
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		0	0	0	0	0	0	0		0
Transfers and subsidies - capital (in-kind - all)		0	0	0	0	0	0	0		0
Surplus/(Deficit) after capital transfers & contributions		0	81125242	130419182	31104955	181313888	130039159			130419182
Taxation		0	0	0	0	0	0	0		0
Surplus/(Deficit) after taxation		0	81125242	130419182	31104955	181313888	130039159			130419182
Attributable to minorities		0	0	0	0	0	0			0
Surplus/(Deficit) attributable to municipality		0	81125242	130419182	31104955	181313888	130039159			130419182
Share of surplus/ (deficit) of associate		0	0	0	0	0	0			0
Surplus/ (Deficit) for the year		0	81125242	130419182	31104955	181313888	130039159			130419182

COMMENT ON SOURCES OF FUNDING:

The spending on capital projects was as follows:

Grant's funding Projects: 81%

Own Funding Projects 55%

CAPITAL SPENDING ON 5 LARGEST PROJECTS

Table 30: Capital Expenditure – 5 largest projects

Capital Expenditure of 5 largest projects*R' 000						
Name of Project	Current Year		Variance Current Year		Adjustment variance (%)	
	Original Budget (Vat Inc.)	Awarded Amount (Vat Inc.)	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
Completion of Steve Biko Access road Phase 1	R 13 927 535,24	R 13 927 535,24	22 455 449,00	R 7414847,36	R000	R000
Construction Thabo Mbeki Sewer Network	R 27 510 462,55	R 27 510 462,55	R 27 510 462,55	R 27 510 462,55	R 27 510 462,55	
Completion of Melville Access road at Shongoane 1	R 24 278 200,00	R 24 278 200,00	7 658 586,00	R23161265,99	R 000	
Connection of Marapong Raw Construction of Marapong bulk water supply	R 16 034 605,29	R 11 400 000,00	R 11 400 000,00	R 760742,71	R000	R000
Construction of Shongoane & Mokuruanyane RWS Phase 5	R 15 735 664,78	R 15 735 664,78	R 15 735 664,78	R 15 735 664,78		
* Projects with the highest capital expenditure in 2020/21						

COMMENT ON CAPITAL PROJECTS:

The total expenditure on capital projects, including MIG was at better and higher level as compared to the previous financial years. The total percentage of expenditure is 77% of the total capital budget, MIG funding expenditure is at 97%

BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

COMMENT ON BACKLOGS:

The backlogs on the basic services are based on the RDP level of standard and the expression of percentage is based on the household number of 47 671 within Lephalale local municipality including farms and rural homes

Municipality is comprised of 39 scattered rural settlements, 3 informal settlements and farms. Provision of basic infrastructure services remains a challenge. There additions of challenges as the informal settlements are on the rise.

Provision of basic services at farms is the discretion of the owner. There is no strategy in place yet to guide the municipality regarding the provision of services to farm dwellers and farming community in general.

Provision of basic services within the formalized town is on target.

Sanitation backlog of 54 %

Water backlog of 34%

Electricity backlog of 4,2%

Refuse Removal 50%

Table 103

SERVICE DELIVERY STATUS QUO			
	Total HH	Access	Backlog
Electricity	47 671	7 281 – Urban 38 136 – Eskom	2 254
		45 417	
Water	47 671	31 296	16 375
Sanitation	47 671	22 389	25 282
Refuse removal	47 671	10652 - urban 4 640 – rural 8 865 informal settlements	23 514
		24 157	

OMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

CASH FLOW

Table 104: Cash flow

Choose name from list - Table C7 Monthly Budget Statement - Cash Flow - M12 June										
Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		0	80870145	86700845	4660960	42129872	86700845	-44570973	-51%	86700845
Service charges		0	267269394	252420250	17584011	123536823	252420250	-128883427	-51%	252420250
Other revenue		0	22503336	33114336	8779820	25767752	33114336	-7346584	-22%	33114336
Transfers and Subsidies - Operational		0	169461150	175860000	0	194368859	175860000	18508859	11%	175860000
Transfers and Subsidies - Capital		0	172763700	146194850	0	62894342	146194850	-83300508	-57%	146194850
Interest		0	0	3510000	564808	9586006	3510000	6076006	173%	3510000
Dividends		0	0	0	0	0	0	0		0
Payments										
Suppliers and employees		0	0	-453704000	-44344350	-464513838	-453704000	10809838	-2%	-453704000
Finance charges		0	0	-18492487	1057883	-7900326	-18492487	10592160,96	57%	-18492487
Transfers and Grants		0	0	-940499,88	-28564	-333355	-940499,88	-607144,88	65%	-940499,88
NET CASH FROM/(USED) OPERATING ACTIVITIES		0	712867725	224663294,2	-11725432	-14463865	224663294,2	239127159,2	106%	224663294,2
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		0	0	0	0	0	0	0		0
Decrease (increase) in non-current receivables		0	12000	12000	0	0	12000	-12000	-100%	12000
Decrease (increase) in non-current investments		0	0	0	0	0	0	0		0
Payments										
Capital assets		0	-148774641	-198031624	-34333169	-140819357	-198031624	-57212267	29%	-198031624
NET CASH FROM/(USED) INVESTING ACTIVITIES		0	-148762641	-198019624	-34333169	-140819357	-198019624	-57200267	29%	-198019624
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		0	0	0	0	0	0	0		0
Borrowing long term/refinancing		0	0	0	0	0	0	0		0
Increase (decrease) in consumer deposits		-	10660856	11921360	123414	-9391681	-11921360	2529679	-21%	-11921360
Payments										
Repayment of borrowing		0	37558950	37558950	0	0	37558950	37558950	100%	37558950
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	10660856	49480310	123414	-9391681	25637590	35029271	137%	25637590
NET INCREASE/ (DECREASE) IN CASH HELD		-	10660856	613585394	76123980,16	-45935187	-164674903	52281260,16		52281260,16
Cash/cash equivalents at beginning:		84516211	733061140	84516000		-84516211	84516000			-84516211
Cash/cash equivalents at month/year end:		73855355	1346646534	160639980,2		-249191114	136797260,2			-32234950,8

COMMENT ON CASH FLOW OUTCOMES:

The municipality ended the financial year with a bank balance of R84 516 211. from 2019/20 financial year and cash with cash equivalent to R 94 824 641.

BORROWING AND INVESTMENTS

COMMENT ON BORROWING AND INVESTMENTS:

The long-term loans which the municipality has are from Development Bank of South Africa (DBSA), and EXXARO.

	2017/18	2018/19	2019/20	2020/21
Long-term loans	R 76 007 812	R 67 772 067	R 62 688 351	R 69 760 162
Investments	R 0	R 0	R 0	R 0

PUBLIC PRIVATE PARTNERSHIPS

PUBLIC PRIVATE PARTNERSHIPS

A total of four strategic economic partnerships have been established, with Libsa (LEDA, Lephalale Tourism Association, Small Business Development and LEDET). Also, with Waterberg Coal, Limpopo RAL, EXXARO and Boikarabelo mine.

COMPONENT D: OTHER FINANCIAL MATTERS

SUPPLY CHAIN MANAGEMENT

SUPPLY CHAIN MANAGEMENT

The Bid Specification Committee, Bid Evaluation and Bid Adjudication Committees have been established, these committees were all functional in the financial year 2020-21. Advertised tenders are being evaluated, adjudicated and appointments are made for tenders in terms of the Supply Chain Management Policy. Quarterly reports on the tenders are submitted to Council.

GRAP COMPLIANCE

GRAP COMPLIANCE

GRAP is the acronym for **G**enerally **R**ecognized **A**ccounting **P**ractice, and it provides the rules by which municipalities are required to prepare their financial statements. Successful GRAP compliance will ensure that municipal accounts are comparable and more informative for the municipality. It will also ensure that the municipality is more accountable to its citizens and other stakeholders. Information on GRAP compliance is needed to enable National Treasury to assess the pace of progress and consider the implications. Sect 8 & 19 of MFMA require National Treasury & provincial treasuries to and to prepare consolidated financial statements in accordance with GRAP for each year.

Submit those financial statements to the AG for audit within 3 months after year end. The AG must audit the AFS and submit a report to the relevant Treasury within 3 months of receipts of the statements.

The accounting policies are attached with the audited financial statements as Volume II of this document.

CHAPTER 6

AUDITOR GENERAL

AUDIT OPINION AND AUDIT FINDINGS

CHAPTER 6: AUDITOR GENERAL AUDIT FINDINGS**COMPONENT A(I)****AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS 2020-21****AUDITOR GENERAL REPORT ON THE FINANCIAL STATEMENTS: YEAR 2020-21**

Material misstatements in the financial statements were identified during the audit. These misstatements were not prevented or detected by the Municipal's system of internal control. These material misstatements also constitute non-compliance with the section 122 of the MFMA.

The misstatements were corrected, and the municipality obtained unqualified opinion on the financial statements.

COMMENTS ON AUDITOR-GENERAL'S OPINION YEAR 2020-21

All the matters raised in the Auditors report and management letter are being addressed monthly. The Accounting Officer arranges a monthly meeting following the responses to raised matter from the Auditor Report.

Audit action plan has been established and raised are to address by end of March in the next financial year

COMMENTS ON MFMA SECTION 71 RESPONSIBILITIES:

All the section 71 reports were sent treasury on time each month

Section 71 of the MFMA requires municipalities to return a series of financial performance data to the National Treasury at specified intervals throughout the year. The Chief Financial Officer states that these data sets have been returned according to the reporting requirements.

Signed (Chief Financial Officer) Dated.....

AUDITOR-GENERAL OPINION 2018-19**QUALIFIED OPINION**

I have audited the financial statements of the Lephalale Local Municipality set out on pages 168 to 181, which comprise the statement of financial position as of 30 June 2019, the statement of financial performance, statement of changes in net assets, and cash flow statement and the statement of comparison of budget and actual amounts for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.

In my opinion, except for the effects of the matter described in the basis for qualified opinion section of this report, the financial statements present fairly, in all material respects, the financial position of Lephalale Local Municipality as at 30 June 2019 and its financial performance and cash flows for the year then ended, in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2018 (Act No.1 of 2018) (DoRA).

BASIS FOR QUALIFIED OPINION

PROVISION FOR LANDFILL SITE

I was unable to determine the present value for the rehabilitation of landfill site due to status of accounting records. I was unable to confirm the provision of landfill site by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to the provision for landfill site as stated at R18 210 844 (2018: 17 620 555) and the carrying value of property, plant and equipment stated as at R 1 471 851 131 (2018: R1 507 824 963) in the financial statements, respectively.

IMPAIRMENT LOSS

I was unable to obtain sufficient appropriate audit evidence for impairment loss, due to the status of the accounting record. I was unable to confirm the impairment loss by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to impairment loss and the carrying value of property, plant and equipment as stated at R5 323 392 (2018: R295 740) and R1 471 851 131 (2018: R1 507 824 963) in the financial statements, respectively.

CONTEXT FOR THE OPINION

I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of this auditor's report.

I am independent of the municipality in accordance with sections 290 and 291 of the International Ethics Standards Board for Accountants' *Code of ethics for professional accountants* and, parts 1 and 3 of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA codes) as well as the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA codes.

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

EMPHASIS OF MATTERS

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

Material allowance for impairment

As disclosed in note 10 and 11 to the financial statements, the municipality made an allowance for impairment for consumer debtors from non-exchange transactions and exchange transactions of R28 198 278 and R57 480 817, respectively, due to inadequate collection practises.

Significant uncertainty

With reference to note 42 to the financial statements, the municipality is the defendant in several lawsuits. The municipality is opposing the claims amounting to R63 492 441. The ultimate outcome of these matters cannot presently be determined.

Restatement of corresponding figures

As disclosed in note 44 to the financial statements, the corresponding figures for 30 June 2018 were restated because of an error in the financial statements of the municipality at, and for the year ended, 30 June 2019.

Irregular expenditure

As disclosed in note 48 to the financial statements, the municipality incurred irregular expenditure of R65 440 095 due to non-compliance with applicable laws and regulations.

OTHER MATTERS

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

The following other matter paragraphs will be included in our auditor's report to draw the users' attention to matters regarding the audit, the auditor's responsibilities, and the auditor's report:

COMPONENT A (II)

AUDITOR-GENERAL OPINION 2019-20

OPINION (UNQUALIFIED)

I have audited the financial statements of the Lephalale Local Municipality set out on pages 210 to 280, which comprise the statement of financial position as of 30 June 2020, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the financial statements present fairly, in all material respects, the financial position of the municipality as at 30 June 2020, and its financial performance and cash flows for the year then ended in accordance with Standards of Generally Recognised Accounting Practice (Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act

No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2019 (Act No.16 of 2019) (DoRA).

BASIS FOR OPINION

I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of this auditor's report.

I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

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

EMPHASIS OF MATTERS

I draw attention to the matters below. Not modified in respect of these matters.

SIGNIFICANT UNCERTAINTIES

With reference to note 41 to the financial statements, the municipality is the defendant in multiple lawsuits. The ultimate outcomes of these matters cannot presently be determined and no provision for any liability that may result have been made in the financial statements.

Material impairments

As disclosed in note 32 to the financial statements, debt impairment of R21 368 383 was incurred because of debt of which recovery is doubtful and due to inadequate collecting systems.

Restatement of corresponding figures

As disclosed in note 44 to the financial statements, the corresponding figures for 30 June 2019 were restated because of errors in the financial statements of the municipality at, and for the year ended 30 June 2020.

Events after the reporting date

I draw attention to note 45 in the financial statements, which deals with subsequent events and specifically possible effects of the future implications of Covid-19 on the municipality's prospects, performance, and cash flows. Management have also described how they planned to deal with these events and circumstances.

Unaudited disclosure notes

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

COMPONENT B
**REPORT OF THE AUDITOR-GENERAL TO LIMPOPO PROVINCIAL LEGISLATURE AND
THE COUNCIL ON LEPHALALE LOCAL MUNICIPALITY**
Report on the audit of the financial statements
OPINION

1. I have audited the financial statements of the Lephalale Local Municipality set out on pages ... to ..., which comprise the statement of financial position as at 30 June 2021, the statement of financial performance, statement of changes in net assets, and cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Lephalale Local Municipality as at 30 June 2021, and its financial performance and cash flows for the year then ended in accordance with Standards of Generally Recognised Accounting Practise (Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2020 (Act No. 4 of 2020) (Dora).

BASIS FOR OPINION

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of my report.
4. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

EMPHASIS OF MATTERS

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

SIGNIFICANT UNCERTAINTIES

7. With reference to note 41 of the financial statements, the municipality is the defendant in multiple lawsuits. The ultimate outcomes of these matters cannot presently be determined and no provision for any liability that may result have been made in the financial statements.

MATERIAL IMPAIRMENTS

8. As disclosed in note 32 to the financial statements, debt impairment of R16 508 747 was incurred as a result of debt of which recoverability is doubtful.

RESTATEMENT OF CORRESPONDING FIGURES

9. As disclosed in note 44 of the financial statements, the corresponding figures for 30 June 2020 were restated as a result of errors in the financial statements of the municipality at, and for the year ended 30 June 2020.

IRREGULAR EXPENDITURE

10. As disclosed in note 49 to the financial statements, the municipality incurred irregular expenditure of R376 929 369, as it did not follow a proper tender processes.

UNAUTHORISED EXPENDITURE

11. As disclosed in note 47 to the financial statements, the municipality incurred unauthorised expenditure of R45 346 276, due to the overspending on the approved budget.

OTHER MATTERS

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

UNAUDITED DISCLOSURE NOTES

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

UNAUDITED SUPPLEMENTARY SCHEDULES

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

RESPONSIBILITIES OF THE ACCOUNTING OFFICER FOR THE FINANCIAL STATEMENTS

15. The accounting officer is responsible for the preparation and fair presentation of the separate financial statements in accordance with the standards of GRAP and the requirements of the MFMA and DORA, and for such internal control as the accounting officer determines is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.
16. In preparing the separate financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

AUDITOR-GENERAL'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

17. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
18. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

INTRODUCTION AND SCOPE

19. In accordance with the Public Audit Act, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected key performance areas presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.
20. My procedures address the usefulness and reliability of the reported performance information, which must be based on the municipality's approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the municipality enabled service delivery. My procedures do not extend to any disclosures or assertions relating to the extent of

achievements in the current year or planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

21. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected key performance areas presented in the municipality's annual performance report for the year ended 30 June 2021:

Key performance area	Pages in the annual performance report
Key performance area – Service delivery and Infrastructure development	106 – 161

22. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

23. The material findings on the usefulness and reliability of the performance information of the selected key performance area are as follows:

KEY PERFORMANCE AREA: SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

Various indicators

Reported achievement not supported by sufficient, appropriate evidence i.e. not valid, accurate and complete

24. I was unable to obtain appropriate audit evidence for the reported achievements of the twenty five selected indicators relating to this key performance area, due to the lack of accurate, valid and complete records, I was unable to determine whether any adjustments were required to the reported achievements in the annual performance report of the indicators listed below:

Key performance area	Reported Achievement
M-401A Percentage households with access to basic level of electricity connected by Eskom YTD	76%
M-401B Percentage households with access to basic level of electricity connected by municipality YTD	100%
M-7 53 Percentage households without access to basic level of Electricity YTD (Backlog)	24%
M-218 Number of villages in which access roads are bladed YTD	39
M-74 Total length of kilometres upgraded from gravel road to surfaced road YTD	3km
Nm-1 Total percentage of maintenance budget spent on *infrastructure maintenance by public works unit YTD	93%
M-400 Percentage households with access to basic level of sanitation.	46%
M-752 Percentage households without access to basic level of sanitation YTD (backlog)	54%
M-399A Percentage household with access to basic level of water YTD	76%
M-399B Percentage household without access to basic level of water YTD	34%
M-250 Number of urban households provided with weekly refuse removal YTD	10 602
M-402 Percentage house with access to basic level of solid waste removal YTD	50%

Key performance area	Reported Achievement
M-708 Number of rural villages with access to weekly refuse removal services through roll on, roll off system.	17
P-15 Purchasing of water tankers	100%
P-19 Addition of water reticulation pipes in Ga seleka and Witpoort RWS phase 4.	68%
P-20 Addition of water reticulation pipes and reservoirs in Mokuruanyaane and Songoane RWS phase 4 and 5.	83%
P-21 Construction of an Asphalt Road in Steve Biko.	100%
P-25 Construction of an Asphalt Road in Melvel.	85%
P-13 Construction of a cemetery	85%
P-22 Establishment of 2 transfer stations in the rural areas Seleka and Moong.	25%
P-23 Installation of high mast lights at Segale, Botsalanong, Senoela, Morwe, Botshabelo, Mong and Sefifithing	0%
P-26 Installation of high mast lights at various villages.	92,80%
P-24 Extension of augmentation of water supply in Witpoort RWS 6.	0%
P-27 Installation of marapong bulk water pipeline	24%
P-28 Construction of Mokuruanyaane regional water scheme Bulk pipeline phase 1 and 2.	46%

OTHER MATTERS

25. I draw attention to the matters below.

ACHIEVEMENT OF PLANNED TARGETS

26. Refer to the annual performance report on pages ... to ... for information on the achievement of planned targets for the year and management's explanations provided for the under/over achievement of targets. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information in paragraphs 23 to 24 of this report.

ADJUSTMENT OF MATERIAL MISSTATEMENTS

27. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information of key performance area KPA2: Service delivery and infrastructure development. As management subsequently corrected only some of the misstatements, I raised material findings on the usefulness and reliability of the reported performance information. Those that were not corrected are reported above.

INTRODUCTION AND SCOPE

28. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the municipality's compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
29. The material findings on compliance with specific matters in key legislation are as follows:

ANNUAL FINANCIAL STATEMENTS, PERFORMANCE AND ANNUAL REPORT

30. The financial statements submitted for audit were not prepared in all material respects in accordance with the requirements of section 122 of the MFMA.
31. Material misstatements of non-current assets, current assets, cash flow statement and contingent liabilities identified by the auditors in the submitted financial statements were subsequently corrected and the supporting documents were provided subsequently.

PROCUREMENT AND CONTRACT MANAGEMENT

32. Awards were made to providers who were in the service of other state institutions or whose directors/ principal shareholders were in the service of other state institutions, in contravention of section 112(1)(j) of the MFMA and supply chain management (SCM) Regulation 44. Similar awards were identified in the previous year and no effective steps were taken to prevent or combat the abuse of the SCM process, as required by SCM Regulation 38(1).
33. Persons in the service of the municipality who had a private or business interest in contracts awarded by the municipality failed to disclose such interest, in contravention of SCM Regulation 46(2)(e) the code of conduct for councillors issued in terms of the Municipal Systems Act, 2000 (Act No. 32 of 2000) (MSA) the code of conduct for staff members issued in terms of the MSA.

EXPENDITURE MANAGEMENT

34. Reasonable steps were not taken to prevent irregular expenditure amounting to R23 083 684 as disclosed in note 49 to the annual financial statements, as required by section 62(1)(d) of the MFMA.

CONSEQUENCE MANAGEMENT

35. Irregular expenditure incurred by the municipality were not investigated to determine whether any person is liable for the expenditure, as required by section 32(2)(b) of the MFMA.
36. Unauthorised expenditure incurred by the municipality was not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(a) of the MFMA.
37. Fruitless and wasteful expenditure incurred by the municipality was not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(b) of the MFMA.

Other information

38. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report, which includes the audit committee's report. The other information does not include the financial statements, the auditor's report and those selected key performance area presented in the annual performance report that have been specifically reported in this auditor's report.
39. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion on it.
40. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected key performance areas presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

Internal control deficiencies

41. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the opinion.
42. The financial statements contained misstatements. This is mainly due to insufficient reviews performed on the annual financial statements.
43. The municipality did not have a proper management system to maintain information that supported the reported performance in the annual performance report. This included information that related to the collection, collation, verification, storing and reporting of actual performance information, as a result, some of the reported performance information were not adequately supported, resulting in findings on performance information.
44. Non-compliance with legislation could have been prevented had compliance been properly reviewed and monitored. The municipality did not take reasonable steps to prevent irregular expenditure.
45. Management did not formulate and implement record management policies and procedures to ensure all supporting documentation is properly controlled, readily available and easily accessible to facilitate timely retrieval on request.
46. The municipality developed a plan to address internal and external audit findings, but the plan was not adhered to and/or timeously implemented to address matters reported in the prior year. This resulted in inadequate implementation and repeat internal control deficiencies being reported.

AUDITOR - GENERAL

Polokwane

4 February 2022



AUDITOR - GENERAL
SOUTH AFRICA
Auditing to build public confidence

ANNEXURE – AUDITOR-GENERAL'S RESPONSIBILITY FOR THE AUDIT

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements, and the procedures performed on reported performance information for selected key performance area and on the municipality's compliance with respect to the selected subject matters.

FINANCIAL STATEMENTS

2. In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:
 - Identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
 - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality's internal control
 - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer
 - Conclude on the appropriateness of the accounting officer's use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Lephalale Local Municipality's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a municipality to cease continuing as a going concern
 - evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also confirm to the accounting officer that I have complied with relevant ethical requirements regarding independence and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and, where applicable, related safeguards.

APPENDIX A – COUNCILLORS; COMMITTEES ALLOCATION AND COUNCIL ATTENDANCE

Table 31 Attendance of Committees

Council Members	Full/Part Time (FT/PT)	Committees Allocated	*Ward and/or Party represented	% Council meetings attendance	% Apologies for non-attendance
Executive Leadership					
Cllr. MJ Maeko	FULL TIME	Mayor: Chairperson EXCO	ANC PR	92%	1
Cllr. KR Molokomme	FULL TIME	Speaker, Public Participation	ANC PR	80%	3
Executive Committee Members					
Cllr. AE Basson	PART TIME	Head of Cluster: Planning and Development	DA PR	85%	2
Cllr. MJ Maeko	FULL TIME	Chairperson EXCO	ANC PR	92%	1
Cllr. W.M Motlokwa	FULL TIME	Head of Cluster: Governance, Administration, Budget and Financial Management.	ANC PR	100%	0
Cllr M L Shongwe	PART TIME	Head of Cluster: Municipal Infrastructure Services.	ANC PR	100%	0
Cllr MM Semanya	PART TIME	Head of cluster: Social Services	EFF PR	92%	
Portfolio Council Chairpersons					
Cllr. A Thulare	PART TIME	Mining and Industry, LED/SMME.	ANC WARD	92%	1
Cllr. ME Maisela	PART TIME	Water, Sanitation & Electricity	ANC WARD	92%	1
Cllr. SL Seabi	PART TIME	Public Transport, EPWP and Public works	ANC PR	92%	1
Cllr. RT Modise	PART TIME	Land, Agriculture and Tourism.	ANC PR	100%	0
Cllr F Monare	PART TIME	Transformation, Labor, sports Arts and Culture	ANC WARD	100%	0
Cllr. M J Selokela	PART TIME	Planning and Human Settlements	ANC WARD	100%	0
Cllr. MM Makgae	PART TIME	Health and Social Development. Traditional and home affairs, Security & Liaison	ANC PR	92%	1
Cllr. P Molekwa	PART TIME	Waste, Environmental Affairs, Parks and Cemetery	ANC WARD	100%	0
Cllr. SM Nieuwoudt	PART TIME	Income and Expenditure.	DA WARD	85%	2
Cllr. NH Pienaar	PART TIME	MPAC	DA WARD	85%	2
Cllr.KM Mogohloana	PART TIME	MPAC	ANC WARD	100%	0
Cllr. MM Madibana	PART TIME	MPAC	ANC PR	92%	1
Cllr. RM Modiba	PART TIME	MPAC	ANC WARD	92%	1
R Rangata	PART TIME	MPAC	EFF PR	92%	1
Cllr. MJ Marakalala	PART TIME	MPAC Chairperson	ANC PR	92%	1

Council Members	Full/Part Time (FT/PT)	Committees Allocated	*Ward and/or Party represented	% Council meetings attendance	% Apologies for non-attendance
Cllr. N J Motebele	PART TIME	MPAC	ANC Ward	85%	2
Cllr. LS Manamela	PART TIME	MPAC	DA PR	92%	1
Cllr M F Mashita	PART TIME	Communication & Special projects	EFF PR	85%	2
Cllr N G Mbhedzi	PART TIME	MPAC	EFF PR	85%	2
Cllr FM Mabasa	PART TIME	Education and Early Childhood Development	EFF PR	85%	2
Councilors directly elected to the WDM					
R Rangata	PART TIME	Member	EFF PR	100%	0
Cllr. M.P. Molekwa	PART TIME	Ward Cllr	ANC	100%	0
Cllr M. J Selokela	PART TIME	Ward Cllr	ANC	100%	0
Traditional Leaders					
Kgoshigadi ML Laka	PART TIME	Mokuruanyane, Langa, Traditional Authority		09	4
Kgoshi P D Seleka	PART TIME	Ga-Seleka Traditional Authority		08	5
Kgoshi R J Shongoane	PART TIME	Ga-Shongoane Traditional Authority		09	4
Note: * Councilors appointed on a proportional basis do not have wards allocated to them					



LEPHALALE MUNICIPALITY
Develop, Sustain, Prosper
ITEM A44/2017[3]



SECTION 80 PORTFOLIO COMMITTEES	COUNCILLORS	CONTACT NO
MAYOR	Clr M J Maeko	071 271 7326
SPEAKER	Clr K R Molokomme	078 398 8511
PORTFOLIO CHAIRPERSON: GOVERNANCE AND ADMINISTRATION AND BUDGET AND TREASURY OFFICE	Clr W M Motlokwa	071 271 7326
Portfolio: Communication & Special Projects	Clr M F Mashita	083 929 1612
Portfolio: Land, Agriculture and Tourism	Clr R T Modise	072 782 6044
Portfolio: Transformation, Labour, Sports, Arts & Culture	Clr L F Monare	076 885 9869
Portfolio: Income and Expenditure	Clr N H Pienaar	082 927 2399
Member of EXCO	Clr A E Basson	082 822 9027
Member of EXCO	Clr M L Shongwe	072 111 4033
Member of EXCO	Clr M M Semanya	078 298 8437
PORTFOLIO CHAIRPERSON: PLANNING & ECONOMIC DEVELOPMENT SERVICES	Clr A E Basson	082 822 9027
Member of EXCO	Clr W M Motlokwa	076 998 9508
Member of EXCO	Clr M L Shongwe	072 111 4033
Member of EXCO	Clr M M Semanya	078 298 8437
Portfolio: Planning and Human Settlement	Clr M J Selokela	076 395 5619
Portfolio: Land, Agriculture and Tourism	Clr R T Modise	072 782 6044
Portfolio: Mining and Industries & Transformation	Clr A Thulare	073 588 6105
PORTFOLIO CHAIRPERSON: MUNICIPAL INFRASTRUCTURE SERVICES	Clr M L Shongwe	072 111 4033
Member of EXCO	Clr A E Basson	082 822 9027
Member of EXCO	Clr W M Motlokwa	076 998 9508
Member of EXCO	Clr M M Semanya	078 298 8437
Portfolio: Public Transport, EPWP and Public Works	Clr S L Seabi	072 770 3395 078 735 0210
Portfolio: Water, Sanitation & Electricity	Clr M E Maisela	079 299 8996
PORTFOLIO CHAIRPERSON: SOCIAL SERVICES	Clr M M Semanya	078 298 8437
Member of EXCO	Clr A E Basson	082 822 9027
Member of EXCO	Clr W M Motlokwa	076 998 9508
Members of EXCO	Clr M L Shongwe	072 111 4033
Portfolio: Health and Social Development, and Traditional, Home Affairs, Security and Liaison	Clr M M Makgae	084 706 9775
Portfolio: Waste, Environmental Affairs, Parks & Cemetery	Clr P Molekwa	072 122 7651 079 594 0806
Portfolio: Education & Early Childhood Development	Clr F M Mabasa	078 436 0561
Portfolio: Public Transport, EPWP and Public Works	Clr S L Seabi	072 770 3395 078 735 0210
Portfolio: Planning and Human Settlement	Clr M J Selokela	076 395 5619

SECTION 79 COMMITTEES	COUNCILLOR	CONTACT NO.
MPAC (A107/2016[9])		
Clr M J Marakalala	Chairperson	073 256 1379
Clr M R Modiba	Member	073 747 9834
Clr M M Madibana	Member	073 249 6771
Clr N J Motebele	Member	072 264 4754
Clr K M Mogohloana	Member	076 064 5625
Clr R Maropeng	Member	063 635 0733
Clr N G Mbhedzi	Member	079 968 8893
Clr L S Manamela	Member	071 842 6475
Clr N H Pienaar	Member	082 927 2399

COMMITTEES OF COUNCIL AND THE PURPOSE OF EACH COMMITTEE

SECTION 80 PORTFOLIO COMMITTEES	COUNCILLORS	Duties
MAYOR	Clr M J Maeko	Political Management Team
SPEAKER	Clr K R Molokomme	
CHIEF WHIP	Clr A Thulare	
PORTFOLIO CHAIRPERSON: GOVERNANCE AND ADMINISTRATION AND BUDGET AND TREASURY OFFICE	Clr W M Motlokwa	Management of good governance, administration and financial management of the institution
Portfolio: Communication & Special Projects	Clr M F Mashita	
Portfolio: Land, Agriculture and Tourism	Clr R T Modise	
Portfolio: Transformation, Labour, Sports, Arts & Culture	Clr L F Monare	
Portfolio: Income and Expenditure	Clr S M Nieuwoudt	
Member of EXCO	Clr A E Basson	
Member of EXCO	Clr M L Shongwe	
Member of EXCO	Clr M M Semanya	
PORTFOLIO CHAIRPERSON: PLANNING & ECONOMIC DEVELOPMENT SERVICES	Clr A E Basson	Oversight on issues on Planning and Development of the town and basic service delivery
Member of EXCO	Clr W M Motlokwa	
Member of EXCO	Clr M L Shongwe	
Member of EXCO	Clr M M Semanya	
Portfolio: Planning and Human Settlement	Clr M J Selokela	
Portfolio: Mining and Industries & Transformation	Clr A Thulare	
Portfolio: Land, Agriculture and Tourism	Clr R T Modise	
PORTFOLIO CHAIRPERSON: MUNICIPAL INFRASTRUCTURE SERVICES	Clr M L Shongwe	Oversight on issues on Infrastructure Development and basic service delivery
Member of EXCO	Clr A E Basson	
Member of EXCO	Clr W M Motlokwa	
Member of EXCO	Clr M M Semanya	
Portfolio: Public Transport, EPWP and Public Works	Clr S L Seabi	
Portfolio: Water, Sanitation & Electricity	Clr M E Maisela	
PORTFOLIO CHAIRPERSON: SOCIAL SERVICES	Clr M M Semanya	Oversight on issues on social and environmental issues and basic service delivery
Member of EXCO	Clr A E Basson	
Member of EXCO	Clr W M Motlokwa	
Members of EXCO	Clr M L Shongwe	
Portfolio: Health and Social Development, and Traditional, Home Affairs, Security and Liaison	Clr M M Makgae	
Portfolio: Waste, Environmental Affairs, Parks & Cemetery	Clr P Molekwa	
Portfolio: Education & Early Childhood Development	Clr F M Mabasa	
Portfolio: Public Transport, EPWP and Public Works	Clr S L Seabi	
		The audit Committee is responsible for Oversight on compliance to Regulations on Financial Management and Performance Management
MEMBERS OF AUDIT COMMITTEE FOR LEPHALALE		
Chairperson	Mr T A Lekoloane	
Member	Mr K Maeyane	
Member	Ms N Maake	

THE LEPHALALE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE 2016-2021

33. The MPAC shall be composed of - Councillors appointed by Council, Municipal Manager, Manager Internal Audit, Secretary to the Council and any other Official so nominated by MPAC, on a permanent basis or for a specific matter.

34. The Chairperson shall convene meetings in accordance with the dates on a program prepared annually according to the guidelines set by CoGHSTA.
35. The meetings shall be held in accordance with the approved Annual Work Plan and visit Projects.
36. The Chairperson of the MPAC shall preside all meetings.
37. The Chairperson of the MPAC shall nominate an Acting Chairperson amongst the Councillors in the Committee and by failing to nominate an Acting Chairperson; Councillors will elect an Acting Chairperson amongst themselves in the absence of the Chairperson.
38. The MPAC members shall participate fully on best practices to the benefit of the Municipality.
39. The MPAC shall report back to the Council on the functionality, developments and progress within the Committee.
40. The MPAC will ensure that they are capacitated and skilled to discharge their functions.
41. The MPAC shall perform any other functions assigned to it through a resolution of the Council.
42. The MPAC shall refer matters or advice to Council for resolutions and advices on issues of good Governance, Accountability, Oversight and Transparency.
43. The MPAC shall be in Office for a period corresponding with the term of Council.
44. The MPAC shall track the implementation of the past recommendations or resolutions.
45. The MPAC shall ensure to promote good Governance, Transparency and Accountability on the use of Municipal resources.
46. The MPAC shall recommend or undertake investigations in its area of responsibility.
47. The MPAC shall invite other Municipal Oversight bodies to share information on how to function better and improve on the Municipal performance.
48. The MPAC shall ensure good practice on the road towards Operation Clean Audit.

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE 2016-2021 Members

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE MEMBERS Name & Surname	Designation/ Organisation	Contacts No.
Clr M J Marakalala	MPAC Chairperson	072 615 7678/ 073 256 1379
Clr M R Modiba	MPAC Member	072 616 1268/073 747 9834/ 076 577 1493
Clr K M Mogohloana	MPAC Member	076 064 5625
Clr AE Basson	MPAC Member	082 822 9027
Clr KG Mbedzi	MPAC Member	076 535 7016/071 607 4560
Clr M M Madibana	MPAC Member	073 249 6771

THE ETHICS OF LEPHALALE 2016-2021

49. The Committee shall be composed of - Councillors appointed by Council, Executive Manager: Strategic Support Services and/or Manager: Legal Services and any other Official so nominated by Ethics Committee, on a permanent basis or for a specific matter.
50. The Chairperson shall convene meetings in accordance with the dates on a program prepared annually according to the guidelines set by CoGHSTA.
51. The meetings shall be held in accordance with the approved Annual Work Plan and visit Projects.
52. The Chairperson of the Ethics Committee shall preside all meetings.
53. The Chairperson of the Ethics Committee shall nominate an Acting Chairperson amongst the Councillors in the Committee and by failing to nominate an Acting Chairperson; Councillors will elect an Acting Chairperson amongst themselves in the absence of the Chairperson.
54. The Ethics Committee members shall participate fully on best practices to the benefit of the Municipality.
55. The Ethics Committee shall report back to the Council on the functionality, developments and progress within the Committee.
56. The Ethics Committee will ensure that they are capacitated and skilled to discharge their functions.
57. The Ethics Committee shall perform any other functions assigned to it through a resolution of the Council.
58. The Ethics Committee shall refer matters or advice to Council for resolutions and advices on issues of good Governance, Accountability, Oversight and Transparency.
59. The Ethics Committee shall be in Office for a period corresponding with the term of Council.
60. The Ethics Committee shall track the implementation of the past recommendations or resolutions.
61. The Ethics Committee shall ensure to promote good Governance, Transparency and Accountability on the use of Municipal resources.
62. The Ethics Committee shall recommend or undertake investigations in its area of responsibility.
63. The Ethics Committee shall invite other Municipal Oversight bodies to share information on how to function better and improve on the Municipal performance.
64. The Ethics Committee shall ensure good practice on the road towards Operation Clean Audit.

APPENDIX B COUNCIL DATES

Total Number of Meetings is 8 Ordinary and 8 Special council meetings.

Dates for 2020/21 Financial Year	Ordinary EXCO	Ordinary Council Meeting	Special EXCO	Special Council
16 JUL 2020	0	0	1	1
28 JUL 2020	1	1	0	0
31 AUG 2020	0	0	1	1
28 SEPT 2020	0	0	1	1
15 OCT 2020	0	0	1	1
27 OCT 2020	1	1	0	0
23 NOV 2020	0	0	1	1
14 DEC 2020	0	0	1	1
25 JAN 2021	1	1	0	0
23 FEB 2021	1	1	0	0
26 MAR 2021	0	0	1	1
30 MAR 2021	1	1	0	0
29 APR 2021	1	1	0	0
26 MAY 2021	0	0	1	1
27 MAY 2021	1	1	0	0
30 JUN 2021	1	1	0	0
Total	8	8	8	8

APPENDIX C – THIRD TIER ADMINISTRATION

OFFICE OF THE MUNICIPAL MANAGER			
	Manager: Internal Auditor	Mathebula	GE
	Risk Officer	Malahlela	J
SECTION: STRATEGIC SERVICES			
	Manager: Communication	Chiloane	SC
	Manager: Public Participation	Monyepao	N. V
	SNR Manager IDP/PMS	Kgomo	D. L
	PMS Manager	Matsoma	D.E
	IDP Manager	Mabotja	M.F
	Manager LED	Seanego	M. C
SECTION: BUDGET AND TREASURY SERVICES			
	Manager: Income	Marope	A E
	Manager: Reporting	Ntwampe	S.M
	Manager: SCM	Manaka	M.J
	Manager: Expenditure	Jooste	C.J
SECTION: CORPORATE SERVICES			
	Manager: Admin and Secretarial (Acting)	Sethole	MF
	Manager: Legal	Moaloshi	P. J
	Manager: HR	Makgolwa	K
	Manager: IT	Seboya	T. A
SECTION: DEVELOPMENT PLANNING			
	Manager: Human Settlements.	Dankuru	M
	Manager: Town Planning	Mutshavi	H.C
	Manager: Building Control	Mabale	T.O. B
SECTION: SOCIAL SERVICES			
	Manager: Library	Ndoweni	B. J
	Manager: Parks	Tshivhandekano	T
	Manager: Waste Management	Hlapa	P. J
	Manager: Licensing	Tefo	J. R
	Manager: Traffic	Maloba	P
SECTION: INFRASTRUCTURE SERVICES			
	Manager: Water	Shiko	M.A
	Manager: Sanitation	Mtileni	D
	Manager: Public Works	Ngobeli	R. J
	Manager: Electricity	Jacobs	E
	PMU Manager	Phekonyane	P

APPENDIX D – FUNCTIONS OF MUNICIPALITY / ENTITY

Function	Authority	Capacity	Personnel	Department	Budget	Comments
Air pollution	No	Limited	0	Social services	No	District function.
Building regulation	Yes	Yes	5	Development Planning	Yes	Municipality has capacity and budget, function performed by building control & LED
Bulk supply of electricity	Yes	Yes	39	Infrastructure services	Yes	Municipality provides electricity in urban area and eastern part of Lephalale town
Fire fighting	No	No	11	Social services	Yes	District function performed by the municipality as agent of WDM.
Local tourism & LED	Yes	Yes	2	Development planning	Yes	Perform function in collaboration with local tourism association
Municipal planning	Yes	Yes	6	Development planning	Yes	With spatial development and land use and building control
Municipal health services	No	No	N/A	Department of health & social development	N/A	District function.
Municipal public transport	Yes	Limited	1	Social services	No	Municipality is currently responsible for coordination of transport related activities.
Municipal roads and storm water	Yes	Yes	42	Infrastructure services	Yes	Municipality only responsible for access roads and still waiting for road classification
Trading regulation	Yes	No	No	Function not performed	No	No service level agreement (not clear who is responsible to perform function)
Bulk supply of water	Yes	Yes	44	Infrastructure services	Yes	Municipality only provides water for residential areas and small, medium business
Sanitation	Yes	Yes	36	Infrastructure services	Yes	Function performed through infrastructure services
Billboards & the display	Yes	Yes	12	Development planning	Yes	No service level agreement in place
Cemetery, funeral parlours & crematoria	Yes	Yes	9	Social services	Yes	Rendered through social services in urban areas and Steenbokpan
Street cleansing	Yes	Yes	18	Social services	Yes	Rendered through social services
Control of public nuisance	Yes	Yes	11	Social services	Yes	Function performed in collaboration with SAPS
Control of undertakings that sell liquor to the public	Yes	No	N/A	Liquor board (social services)	No	Social service has authority but no budget and service level agreement. SAPS are currently responsible for law enforcement.
Licensing & undertakings to sell food to the public	Yes	No	N/A	WDM function	No	No service level agreement and district not performing the function
Local sport facilities	Yes	Limited	No	Social services	Yes	Municipality paying grant to implementing agent around urban area and adhoc staff at rural areas.
Municipal parks & recreation	Yes	Yes	40	Social services	Yes	Function performed through social services
Noise pollution	Yes	No	0	Social services	No	No service level agreement in place
Refuse removal, refuse dump & solid waste disposal	Yes	Yes	35	Social service	Yes	Service available in urban areas only. In rural areas only cleaning campaigns embarked upon on interval.
Street trading	Yes	Yes	11	Social services	Yes	No service level agreement in place, Development planning should also play a role
Traffic and parking	Yes	Yes	11	Social services	Yes	Performed by social services
Occupational health & safety	Yes	Yes	1	Social services	Yes	Performed by social services
Additional Functions Performed						

Housing	No	Yes	6	Social services& DPLG&H	Yes	Department of local government & housing as per agreement with the municipality
Library, Arts & Culture	No	Yes	13	Social services& DSAC	Yes	Department of sport, arts & culture with the municipality as per agreement.
Registering Authority	No	Yes	11	Department of Transport & Social service	Yes	Department of Transport with the municipality as per agreement.

APPENDIX E – WARD REPORTING

Component v (five) of the SDBIP is not fully included in Lephalale 2020/21 SDBIP and as results the information for capital projects is covered in chapter 3 of this annual report

APPENDIX F – WARD INFORMATION

Functionality of ward committees					
Nam of ward (number)	Name of ward Councillor and elected ward committee member	Ward committee established (Yes/No)	Number of monthly committee meetings held during the year	Number of monthly reports submitted to Speaker's office on time	Number of quarterly public ward meetings held during the year
1	CLLR W M MOTLOKWA	Yes	1	12	4
2	CLLR LF MONARE	Yes	1	12	3
3	MR F PIENAAR (DA)	Yes	1	12	3
4	MS S.M NIEWOUDT (DA)	Yes	1	12	2
5	MR K M MOGOHLOANA(ANC)	Yes	1	12	3
6	MR MM MAKGAE (ANC)	Yes	1	12	3
7	Ms ME MAISELA(ANC)	Yes	1	12	2
8	Ms MJ SELOKELA(ANC)	Yes	1	12	4
9	A. THULARE (ANC)	Yes	1	12	3
10	Ms M R MODIBA (ANC)	Yes	1	12	3
11	Mr. NJ MOTEBELE(ANC)	Yes	1	12	4
12	Ms P MOLEKWA(ANC)	Yes	1	12	4
13	Ms AE BASSON(DA)	Yes	1	12	4

APPENDIX F(I) – WARD INFORMATION, SEVEN LARGEST PROJECTS IMPLEMENTED

SEVEN LARGEST PROJECTS FOR 2019/20							
Project	Description of deliverables			Expenditure	Budget	Funder	Ward
Start date							
Thabo Mbeki Sewer Network Sanitation	P 0 8	Completion of Thabo Mbeki Sewer Network Phase	Jul-19	R 0,00	0	MIG	10
Steve Biko Access road	P 0 9	Completion of Steve Biko Access Road Phase 1	Jul-19	7414847,36	R 13 927 535,24	MIG	5
Melvell Access Road	P 1 2	Completion of Melvel Access Road at Shongoane 1	30-Sep-19	23161265,99	R 24 278 200,00	MIG	6
Steve Biko Water Source and Connector Pipelines development.	P 1 3	Connection of Steve Biko Water reticulation network to Water tanker and connecting pipelines	Jul-19	760742,71	R 11 400 000,00	WSIG	5
Mokuruanyane water scheme bulk pipeline phase 1 and Phase 2 design	P 1 4	Design pipeline on the mokuruanyane water reticulation network Phase 1&2	Jul-19	0	R2 500,00	WSIG	8
Mokuruanyane water scheme bulk pipeline phase 1 and Phase 2 (construction)	P 1 5	Connect a bulk pipeline on the mokuruanyane water reticulation network Phase1&2	Jul-19	3574698,53	R20 000,00	WSIG	8 & 9
Construction of VIP'S: Sanitation projects in various villages, Shongoane scheme	P 1 6	Completion of VIP toilets at various villages at Shongoane	Jul-19	R 6 957 129,28	R 8 754 513,00	DWS	7; 10 & 11

APPENDIX G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2020/21

REPORT OF THE AUDIT AND PERFORMANCE COMMITTEE (AC)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021



AUDIT COMMITTEE ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2021

1. INTRODUCTION

On behalf of the Audit Committee, I have a pleasure in submitting herewith the annual report of the Audit Committee for the financial year ended 30 June 2021.

2. AUDIT COMMITTEE MEMBERS

AC met six (6) times during the financial year under review as per the approved terms of reference. The members of the committee during the period under review were as follows:

Name	Position
Mr. T.A.Lekoloane	Chairperson
Mr. K.Maeyane	Member
Ms. N.Maake	Member

3. AUDIT COMMITTEE RESPONSIBILITIES

AC reports that it has complied with its responsibilities arising from section 166 of Municipal Finance Management Act, 2003, (Act 56 of 2003), and paragraph 14 (2) (a) of the Local Government: Municipal Planning and Performance Management Regulations, 2001 and the King IV Report on the Best Practices on Corporate Governance for South Africa.

AC further reports that it has adopted appropriate formal terms of reference as its audit committee charter, and regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

4. EFFECTIVENESS OF INTERNAL CONTROL

Our review of the findings of the internal audit work, which was based on the risk assessment conducted in the municipality revealed certain weaknesses, which were then raised with the management.

Overall, the system of internal controls has been adequately designed to identify and mitigate risks. However, management has not been able to consistently implement the internal controls to provide reasonable assurance that the objectives of the municipality are achieved.

The following areas of concerns which negatively affects the internal control environment were raised with the municipality:

- High rate of vacancies at the Executive management level which compromises the tone at the top;
- Lack of consequence management for transgression.

5. INTERNAL AUDIT

AC is satisfied with the independence of the internal audit unit for the year under review. However, from the resource point of view, the unit is understaffed. The understaffing of the Unit impacts negatively on its ability to ensure more coverage and satisfactorily execute its annual audit plan.

However, management's commitment to improve capacity in the Unit through employment of additional Internal Auditors and co-sourcing of some of internal audit projects is noted.

6. IN-YEAR MANAGEMENT AND MONTHLY/ QUARTERLY REPORTS

Based on the quarterly review of in-year monitoring systems and reports, AC is somewhat satisfied with the quality, accuracy, usefulness, reliability of these reports.

AC has recommended that management improve on completeness, validity, accuracy and reliability of the reports, to ensure that decisions are made based on reliable information.

7. PERFORMANCE MANAGEMENT

AC has reviewed the functionality of the performance management system and it appears not to be functional. Management was advised to implement an appropriate corrective action to address the following areas of concerns which impacts negatively on performance and service delivery of the municipality:

- Material number of planned targets were not achieved, thereby compromising service delivery and accountability.
- The reasons for under-achievements of targets and related corrective actions were not satisfactory.
- Some of the reported achievements in the quarterly performance reports were not supported by portfolio of evidences.
- Lack of consequence management for departments which consistently do not submit portfolio of evidences for audit.

8. RISK MANAGEMENT

Based on the review of the quarterly risk management committee reports, the AC is of the opinion that municipality's risk management maturity level has improved.

Thus, AC advised management to continue to embed risk management throughout all business processes of the municipality to further enhance the performance of the municipality.

9. COMPLIANCE WITH LAWS AND REGULATIONS

A number of non-compliance with the enabling laws and regulations were revealed by AC, Internal Audit and AGSA during the year. Thus, there is a room for improvement in so far as establishing an effective system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) of any instances of non-compliance.

AC has recommended development and implementation of compliance management system and framework in order to addresses the issues of non-compliance.

10. EVALUATION OF FINANCIAL STATEMENTS

AC has reviewed the annual financial statements prior to submission to AGSA for annual regulatory audit and is of the view that, in all material respects, the management has implemented a reasonable corrective action to consider and implement the Audit Committee recommendations.

11. PROGRESS ON IMPLEMENTATION OF AGSA's AUDIT ACTION PLAN

AC has reviewed the municipality's audit action plan for audit issues raised in the previous year and we are somewhat satisfied that the matters have been adequately resolved except for the following where there is still much scope for improvement:

- Usefulness and reliability of performance information;
- Investigation of Unauthorised, Irregular and Fruitless expenditure.

12. CONCLUSION

AC acknowledges the positive role played by all assurance providers.



Mr. Thabang Lekoloane

Chairperson of the Audit Committee

Lephalale Municipality

Date: 12 January 2022

APPENDIX H – LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

Long term contracts (20 Largest Contracts Entered into 2015/16)					
Name of Service provider (Entity or Municipal Department)	The service provider	Start date of contract	Expiry date of contract	Project Manager	Contract value
ESKOM	ESKOM	01 July 2020	30 June 2021	MUNICIPAL MANAGER	
EXXARO	EXXARO	01 July 2020	30 June 2021	MUNICIPAL MANAGER	

Public Private Partnerships Entered into 2015/16					
Name and description of project	Name of Partner(s)	Initiation Date	Expiry date	Project Manager	Value
Development Altoostyd	CoGHSTA	July 2012	2020	EXECUTIVE MANAGER DEVELOPMENT PLANNING	

APPENDIX I – MUNICIPAL ENTITY/ SERVICE PROVIDER PERFORMANCE SCHEDULE

No Services were outsourced to Entities or Agencies. Lephalale is water services authority, and it supplies electricity to its residence however Eskom is licensed to connect Marapong township and the rural villages

APPENDIX J – DISCLOSURES OF FINANCIAL INTERESTS

80% OF STAFF MEMBERS HAS DISCLOSED BUSINESS INTERESTS FOR FINANCIAL YEAR 2020/21 TO ACCOUNTING OFFICER THROUGH A DISCLOSURE PROGRAM ENFORCED BY COUNCIL. EXECUTIVE MANAGERS HAS DISCLOSED WHEN SIGNING THEIR PERFORMANCE AGREEMENTS IN TERMS OF SECTION 57.

APPENDIX K – REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE

Choose name from list - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M12 June										
Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									%	
Revenue by Source										
Property rates		83 322	57 093	62 000	11 073	147 323	62 000	85 323	138%	62 000
Service charges - electricity revenue		68 200	194 058	198 206	7 999	126 565	198 206	(71 641)	-36%	198 206
Service charges - water revenue		18 360	44 232	45 661	5 583	47 886	45 661	2 225	5%	45 661
Service charges - sanitation revenue		7 681	19 873	21 983	2 121	20 780	21 983	(1 203)	-5%	21 983
Service charges - refuse revenue		6 107	15 510	18 652	1 170	14 016	18 652	(4 636)	-25%	18 652
Rental of facilities and equipment		98	294	294	11	137	294	(156)	-53%	294
Interest earned - external investments		301	1 511	3 511	135	1 203	3 511	(2 308)	-66%	3 511
Interest earned - outstanding debtors		9 319	31 052	31 052	4 300	66 364	31 052	35 312	114%	31 052
Dividends received		-	-	-	-	-	-	-		-
Fines, penalties, and forfeits		61	453	653	17	191	653	(461)	-71%	653
Licences and permits		5 644	9 778	9 778	2 919	7 982	9 778	(1 797)	-18%	9 778
Agency services		-	-	-	-	-	-	-		-
Transfers and subsidies		101 054	152 983	153 579	140	236 219	153 579	82 640	54%	153 579
Other revenue		5 526	13 926	13 926	448	2 826	13 926	(11 100)	-80%	13 926
Gains on disposal of PPE		-	-	-	-	-	-	-		-
Total Revenue (excluding capital transfers and contributions)		305 671	540 764	559 295	35 917	671 491	559 295	112 196	20%	559 295
Expenditure by Type										

Choose name from list - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M12 June										
Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Employee related costs		72 637	199 908	192 928	16 724	190 234	192 928	(2 694)	-1%	192 928
Remuneration of councillors		4 166	10 390	10 390	847	10 544	10 390	154	1%	10 390
Debt impairment		–	7 905	7 905	–	–	7 905	(7 905)	-100%	7 905
Depreciation & asset impairment		2 346	85 535	85 535	23	834	85 535	(84 701)	-99%	85 535
Finance charges		3 740	17 707	17 707	(123)	10 561	17 707	(7 146)	-40%	17 707
Bulk purchases		44 905	153 318	128 318	15 269	106 867	128 318	(21 452)	-17%	128 318
Other materials		1 397	1 608	5 494	1 538	4 026	5 494	(1 468)	-27%	5 494
Contracted services		4 193	24 871	28 785	1 435	23 339	28 336	(4 997)	-18%	28 785
Transfers and subsidies		233	900	1 100	8	184	1 100	(916)	-83%	1 100
Other expenditure		26 549	72 118	77 460	10 822	69 046	77 669	(8 623)	-11%	77 460
Loss on disposal of PPE		–	–	–	–	–	–	–	–	–
Total Expenditure		160 166	574 261	555 621	46 543	415 633	555 381	(139 748)	-25%	555 621
Surplus/(Deficit)		145 505	(33 497)	3 674	(10 626)	255 858	3 914	251 944	0	3 674
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		17 193	81 461	81 461	–	24 325	81 461	(57 136)	(0)	81 461
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (in-kind - all)		–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		162 698	47 964	85 134	(10 626)	280 183	85 375			85 134
Taxation		–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation		162 698	47 964	85 134	(10 626)	280 183	85 375			85 134
Attributable to minorities		–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality		162 698	47 964	85 134	(10 626)	280 183	85 375			85 134
Share of surplus/ (deficit) of associate		–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year		162 698	47 964	85 134	(10 626)	280 183	85 375			85 134

APPENDIX K(I) – REVENUE COLLECTION PERFORMANCE BY VOTE

Choose name from list - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M03 September										
Vote Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 1 - Office of Municipal Manager		190414962	567041	567041	374775	745182	141800	603382	425,5%	567041
Vote 2 - Budget and Treasury		119417346	340904847	427297933	82223464	105746952	106824567	-1077615	-1,0%	427297933
Vote 3 - Corporate Services		0	1	1	0	0	1	-1	-100,0%	1
Vote 4 - Social Service		30835627	32992921	32992921	8696154	14200054	8248267	5951787	72,2%	32992921
Vote 5 - Technical and Engineering Services		384734986	382436953	382436953	29837269	94340935	95609329	-1268394	-1,3%	382436953
Vote 6 - Property, Planning & Development		770281	923325	923325	26875	125435	230856	-105421	-45,7%	923325
Vote 7 - Office of the Mayor/Strategic Office		0	0	0	0	0	0	0		0
Vote 8 - COMMUNITY & SOCIAL SERVICES		0	0	0	0	0	0	0		0
Total Revenue by Vote	2	726173202	757825088	844218174	121158537	215158558	211054820	4103738	1,9%	844218174
Expenditure by Vote	1									
Vote 1 - Office of Municipal Manager		156722609	54116073	58142267	10443388	27719391	14368274	13351117	92,9%	58142267
Vote 2 - Budget and Treasury		53679328	62767064	86237428	6529692	12260332	21559830	-9299498	-43,1%	86237428
Vote 3 - Corporate Services		34115121	36029089	40710766	4208764	9774659	9681312	93347	1,0%	40710766
Vote 4 - Social Service		76488193	97324697	98252013	6391694	19065019	24520382	-5455363	-22,2%	98252013
Vote 5 - Technical and Engineering Services		264605256	377150870	389768491	51263189	64890620	96602331	-3,2E+07	-32,8%	389768491
Vote 6 - Property, Planning & Development		15433910	16659003	20688278	1120718	3221196	5172466	-1951270	-37,7%	20688278
Vote 7 - Office of the Mayor/Strategic Office		22884253	19066564	20595625	1311300	3871611	5149267	-1277656	-24,8%	20595625
Vote 8 - COMMUNITY & SOCIAL SERVICES		0	0	0	0	0	0	0		0
Total Expenditure by Vote	2	623928670	663113360	714394868	81268745	140802828	177053862	-3,6E+07	-20,5%	714394868
Surplus/ (Deficit) for the year	2	102244532	94711728	129823306	39889792	74355730	34000958	40354772	118,7%	129823306

APPENDIX K(II) – REVENUE COLLECTION PERFORMANCE BY SOURCE

Choose name from list - Table C1 Monthly Budget Statement Summary - M03 September

Description	2020/21	Budget Year 2021/22							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Financial Performance									
Property rates	101682966	106591056	191404110	8977655	24862034	47851068	-22989034	-48%	191404110
Service charges	266138388	330663870	330663870	24673155	81466847	82666008	-1199161	-1%	330663870
Investment revenue	4550785	2168475	3748527	365281	683336	937143	-253807	-27%	3748527
Transfers and subsidies	190086687	179916700	179916700	73428290	76330219	44979187	31351032	70%	179916700
Other own revenue	51629242	47616687	47616667	7481957	19274449	11904336	7370113	62%	47616667
Total Revenue (excluding capital transfers and contributions)	614088068	666956788	753349874	114926338	202616885	188337742	14279143	8%	753349874
Employee costs	221456457	228865302	235504472	17013756	50894881	58877654	-7982773	-14%	235504472
Remuneration of Councillors	10912367	11686653	11686654	913078	2742473	2921707	-179234	-6%	11686654
Depreciation & asset impairment	83253653	92704836	92704886	7839379	15678759	23176263	-7497504	-32%	92704886
Finance charges	19517203	19213294	31213293	1382014	1382965	7803330	-6420365	-82%	31213293
Inventory consumed and bulk purchases	162909185	171802714	181686709	41891358	42610257	44682994	-2072737	-5%	181686709
Transfers and subsidies	681126	976879	1407071	-418010	121612	296156	-174544	-59%	1407071
Other expenditure	125198679	137863683	160191791	11725670	26475855	39295766	-12819911	-33%	160191791
Total Expenditure	623928670	663113361	714394876	80347245	139906802	177053870	-37147068	-21%	714394876
Surplus/(Deficit)	-9840602	3843427	38954998	34579093	62710083	11283872	51426211	456%	38954998
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	112085136	90868301	90868301	6232199	12536004	22717079	-10181075	-45%	90868301
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	0	0	0	0	0	0	0		0
Surplus/(Deficit) after capital transfers & contributions	102244534	94711728	129823299	40811292	75246087	34000951	41245136	121%	129823299
Share of surplus/ (deficit) of associate	0	0	0	0	0	0	0		0
Surplus/ (Deficit) for the year	102244534	94711728	129823299	40811292	75246087	34000951	41245136	121%	129823299
Capital expenditure & funds sources									
Capital expenditure	145388189	113661306	244414860	6318018	101559271	60769307	40789964	67%	244414860
Capital transfers recognised	116001359	90868303	177507303	6170559	10281798	44083140	-33801342	-77%	177507303
Borrowing	0	0	0	0	0	0	0		0
Internally generated funds	29309015	22793003	66907557	147459	275098	16686167	-16411069	-98%	66907557
Total sources of capital funds	145310374	113661306	244414860	6318018	10556896	60769307	-50212411	-83%	244414860
Financial position									
Total current assets	596639791	354003861	558990617		553933811				558990617
Total non-current assets	5229231649	1652799640	3365425226		1478129471				3365425226
Total current liabilities	145066947	56006776	223688648		190357892				223688648
Total non-current liabilities	198771116	176556839	342114725		198771116				342114725
Community wealth/Equity	1456024942	1776746902	3270546645		1567772549				3270546645
Cash flows									
Net cash from (used) operating	253350567	101824167	-318414195	61294399	278397611	-46604610	-325002221	697%	-318414195
Net cash from (used) investing	0	-113649298	-112876300	-8905523	-14360283	-28219069	-13858786	49%	-112876300
Net cash from (used) financing	0	18213592	30134952	106109	243787	1995743	1751956	88%	7982948
Cash/cash equivalents at the month/year end	385525100	154952714	-319702570	0	191777805	8625037	-183152768	-2124%	-495810857
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total by Income Source	51377304	24889842	13559047	14189379	12700527	10802993	10806550	338 618	476943456
Creditors Age Analysis									
Total Creditors	568665,73	25303929,76	454748,74	102540,15	63307,5	0	0	46	26539081,48

APPENDIX L – CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

Choose name from list - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M03 September										
Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		726007382	839869313	962884981	16710825	45057240	237312219	192254979	-81,0%	962884981
Local Government Equitable Share		691803374	813130555	936146223	15401368	42631800	230627297	187995497	-81,5%	936146223
Finance Management		0	104500	104500	0	0	26128	-26128	-100,0%	104500
EPWP Incentive		21008052	20249148	20249148	1142624	1930469	5062377	-3131908	-61,9%	20249148
Municipal Infrastructure Grant		13195956	6385110	6385110	166833	494971	1596417	-1101446	-69,0%	6385110
0								0		
0								0		
Other transfers and grants [insert description]								0		
Provincial Government:		0	0	0	0	0	0	0		0
Other transfers and grants [insert description]								0		
District Municipality:		0	0	0	0	0	0	0		0
[insert description]								0		
Other grant providers:		0	0	0	0	0	0	0		0
[insert description]								0		
Total operating expenditure of Transfers and Grants:		726007382	839869313	962884981	16710825	45057240	237312219	192254979	-81,0%	962884981
Capital expenditure of Transfers and Grants										
National Government:		379280526	263318209	571474212	6170559	89099693	571474212	482374519	-84,4%	141693783
Municipal Infrastructure Grant (MIG)		8353203	26500001	39300000	0	0	39300000	-39300000	-100,0%	9825009
0		191931411	174853208	470209212	2796329	56152739	470209212	414056473	-88,1%	116377524
0		178995912	61965000	61965000	3374230	32946954	61965000	-29018046	-46,8%	15491250
Other capital transfers [insert description]								0		
Provincial Government:		0	0	0	0	0	0	0		0
District Municipality:		0	0	0	0	0	0	0		0
Other grant providers:		0	0	0	0	0	0	0		0
Total capital expenditure of Transfers and Grants		379280526	263318209	571474212	6170559	89099693	571474212	482374519	-84,4%	141693783
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		1105287908	1103187522	1534359193	22881384	134156933	808786431	674629498	-83,4%	1104578764

APPENDIX M – CAPITAL EXPENDITURE – NEW & UPGRADE/RENEWAL PROGRAMMES

Replaced with audited schedule from AFS on volume II

APPENDIX M(I) – CAPITAL EXPENDITURE - NEW ASSETS PROGRAMME

Replaced with audited schedule from AFS on volume II

APPENDIX M(II) – CAPITAL EXPENDITURE – UPGRADE/RENEWAL PROGRAMME

Replaced with audited schedule from AFS on volume II

APPENDIX N – CAPITAL PROGRAMME BY PROJECT 2020/21

Replaced with audited schedule from AFS on volume II

APPENDIX O – CAPITAL PROGRAMME BY PROJECT BY WARD 2020/21

Replaced with audited schedule from AFS on volume II

APPENDIX P – SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS

No Service connection backlogs on schools and clinics in Lephalale Municipality

APPENDIX Q – SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION

1. Upgrading of Infrastructure of schools is the responsibility of the department of Education
2. Access of Primary health care services by farming community is a huge challenge.
3. Construction of Library and Information centres to enable farming community to access services
4. Construction of a new driver's licence testing station at Mokuruanyane is supposed to be constructed by the Provincial Department of Transport.
5. Maintenance of Road Infrastructure belonging to the District Municipality and the Provincial Department of Transport.
6. Upgrade of the sanitation facilities at Thabo Mbeki Town and Onverwacht/Marapong by the Department of CoGHSTA
7. Electrification of schools at the Rural Villages.
8. Telecommunications and Postal services at rural parts of Lephalale by South African Post and Telecommunications services remains a huge challenge.
9. Formalization of villages by the department of CoGHSTA to extend provision of services to the rural villages.
10. Construction of RDP houses to address housing backlogs by the department of CoGHSTA.

APPENDIX R – DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY

Declaration of Loans and Grants made by the municipality 2020/21				
All Organisation or Person in receipt of Loans */Grants* provided by the municipality	Nature of project	Conditions attached to funding	Value 2020/21 R' 000	Total Amount committed over previous and future years
SPCA	Prevention of cruelty to animals, Money used to care for abandoned and abused animals	Caring of animals	R 200	R 200
Mogol club	Maintenance of Sports and Recreational facilities at Onverwacht	Maintenance of facilities	R 100	R 100
Sports Club Marapong	Maintenance of sports and Recreational facilities at Marapong	Maintenance of facilities	R 100	R100
* Loans/Grants - whether in cash or in kind				

APPENDIX S – DECLARATION OF RETURNS NOT MADE IN DUE TIME UNDER MFMA S71

ALL SECTION 71 FINANCIAL REPORT RETURNS FINANCIAL YEAR 2020-2021 WERE SUBMITTED TO PROVINCIAL AND NATIONAL TREASURY OFFICES FROM LEPHALALE MUNICIPALITY IN ACCORDANCE WITH MUNICIPAL STANDARD CHARTER OF ACCOUNTS ON THE MUNICIPAL FINANCIAL SYSTEM – INZALO

APPENDIX T – AUDIT ACTION PLAN TO ADDRESS AG FINDINGS BY THE MUNICIPALITY

Copy of FINAL LLM
AG ACTION PLAN 20

APPENDIX U –2020/21 ANNUAL PERFORMANCE REPORT BY THE MUNICIPALITY

Annual
Performance Report

VOLUME 2

Annual Financial Statements



LIM362 Audited AFS
2021FYword.docx