

ANNUAL PERFORMANCE REPORT

2016/17



GREATER TZANEEN MUNICIPALITY

31 August 2017

Office of the Municipal Manager

38 Agatha Street

Tzaneen

0850

Contact: 015-307 8000

"A Green, Prosperous and United Municipality that Provides Quality Services to All"



Contents

| | |
|--|------------|
| List of Abbreviations | 3 |
| 1. Introduction..... | 6 |
| 1.1 Municipal Planning and reporting for 2016/17..... | 6 |
| 1.2 Procedure for Performance reporting during 2016/17..... | 6 |
| 1.3 GTM Strategy Map for 2016/17..... | 8 |
| 2. Performance per Key Performance Area..... | 9 |
| 2.1 Economic Growth KPA | 9 |
| 2.2 Service Delivery KPA | 24 |
| 2.3 Good Governance KPA | 51 |
| 2.4 Summary of performance on Key Performance Areas..... | 79 |
| 2.5 Departmental Performance for 2016/17..... | 80 |
| 2.5.1 Office of the Municipal Manager..... | 80 |
| 2.5.2 Office of the Chief Financial Officer..... | 81 |
| 2.5.3 Corporate Services Department | 82 |
| 2.5.4 Community Services Department..... | 83 |
| 2.5.5 Electrical Engineering Department..... | 84 |
| 2.5.6 Engineering Services Department..... | 85 |
| 2.5.7 Planning and Economic Development Department..... | 86 |
| 2.5.8 Greater Tzaneen Economic Development Agency | 87 |
| 2.6 Overall Municipal Performance for 2016/17 | 88 |
| 3. Conditional Grant Activities..... | 89 |
| 4. Capital Projects for 2016/17 | 93 |
| 5. Performance of Service Providers during 2016/17 | 102 |
| 6. Progress with implementing recommendations of the 2015/16 APR..... | 122 |
| 7. Evaluation of Annual Performance..... | 125 |
| 7.1 Procurement of goods and services | 125 |
| 7.2 Financial Management..... | 126 |
| 7.3 Human Resource Management | 127 |
| 7.4 Public Participation | 128 |
| 7.5 Performance Management..... | 128 |
| 7.6 Fleet Management | 128 |
| 7.7 MSCOA implementation | 129 |
| 7.8 GTEDA sustainability | 131 |
| 8. Recommendations for improving institutional performance..... | 133 |



List of Abbreviations

| | |
|----------------|---|
| AC | Audit Committee |
| AFS | Annual Financial Statements |
| AG | Auditor General |
| APR | Annual Performance Report |
| ATR | Annual Training Report |
| BAC | Bid Adjudication Committee |
| BDC | Blue Drop Certificate |
| BEC | Bid Evaluation Committee |
| BSC | Bid Specifications Committee |
| CBP | Community Based Planning |
| CFO | Chief Financial Officer |
| CoGTA | Department of Cooperate Governance & Traditional Affairs (National) |
| CoGHSTA | Department of Cooperative Governance, Human Settlements and Traditional Affairs (Limpopo) |
| CORP | Corporate Services Department |
| CSD | Community Services Department |
| DOC | Drop-Off Centre |
| CWP | Community Works Programme |
| DWA | Department of Water Affairs |
| DMP | Demand Management Plan |
| EED | Electrical Engineering Department |
| EIA | Environmental Impact Assessment |
| EPMS | Employee Performance Management System |
| EPWP | Expanded Public Works Programme |
| ESD | Engineering Services Department |
| GRAP | Generally Recognised Accounting Practice |
| GTEDA | Greater Tzaneen Economic Development Agency |
| GTM | Greater Tzaneen Municipality |
| HDA | Housing Development Agency |
| HR | Human Resource (department) |



| | |
|---------------|--|
| IDP | Integrated Development Plan |
| Km | Kilometer |
| KPA | Key Performance Area |
| KPI | Key Performance Indicator |
| KWH | Kilowatt Hour |
| LED | Local Economic Development |
| LEDET | Limpopo Economic Development Environment and Tourism |
| LGSETA | Local Government Sector Education and Training Authority |
| LLF | Local Labour Forum |
| MDM | Mopani District Municipality |
| MFMA | Municipal Finance Management Act |
| MFMP | Municipal Finance Management Programme |
| MIG | Municipal Infrastructure Grant |
| MM | Municipal Manager |
| MoU | Memorandum of Understanding |
| MPAC | Municipal Public Accounts Committee |
| MSCOA | Municipal Standard Charter of Accounts |
| MVA | Mega Volt Ampere |
| NDPG | Neighbourhood Development Programme Grant |
| NERSA | National Energy Regulator of South Africa |
| NT | National Treasury |
| PED | Planning and Economic Development Department |
| PMS | Performance Management System |
| PMT | Political Management Team |
| PT | Provincial Treasury |
| RAL | Road Agency Limpopo |
| SANS | South African National Standards |
| SAPS | South African Police Service |
| SCM | Supply Chain Management |
| SCMU | Supply Chain Management Unit |
| SDBIP | Service Delivery and Budget Implementation Plan |



| | |
|-------------|-------------------------------------|
| SDF | Spatial Development Framework |
| SEDA | Small Enterprise Development Agency |
| SITA | State Information Technology Agency |
| WSP | Workplace Skills Plan |



1. Introduction

1.1 Municipal Planning and reporting for 2016/17

The institutional performance of Greater Tzaneen Municipality is monitored through the Service Delivery and Budget Implementation Plan (SDBIP). The SDBIP is the link between the Integrated Development Plan (IDP), which is the output of a 5-year planning process, and the budget of the current financial year. The SDBIP for 2016/17 was drafted in line with the approved IDP and Budget, after consultation sessions with all departments. The SDBIP contains the budget allocations per vote (revenue and expenditure) as well as service delivery targets expressed in terms of Key Performance Indicators (KPIs), programmes and projects, per department. The Mayor approved the SDBIP on the 27th of June 2016. Quarterly SDBIP performance reports were submitted to Council to ensure that Council is kept up to date with the performance in relation to programme and project implementation, revenue collection and also expenditure levels. A detailed breakdown of quarterly progress with project implementation during 2016/17 is contained in the quarterly SDBIP reports. The Annual Performance Report however considers the performance of the organisation across the four quarters and provides an evaluation of overall performance for the financial year.

1.2 Procedure for Performance reporting during 2016/17

GTM utilises an electronic reporting system to promote accurate and timely reporting. The system allows departments to report performance on a monthly basis with supporting documentation, to validate performance, also uploaded onto the system. The Internal Audit Division utilised the electronic system to audit the performance reported by departments. The actual performance reported on the system, and presented in this report, has been colour coded as follows:

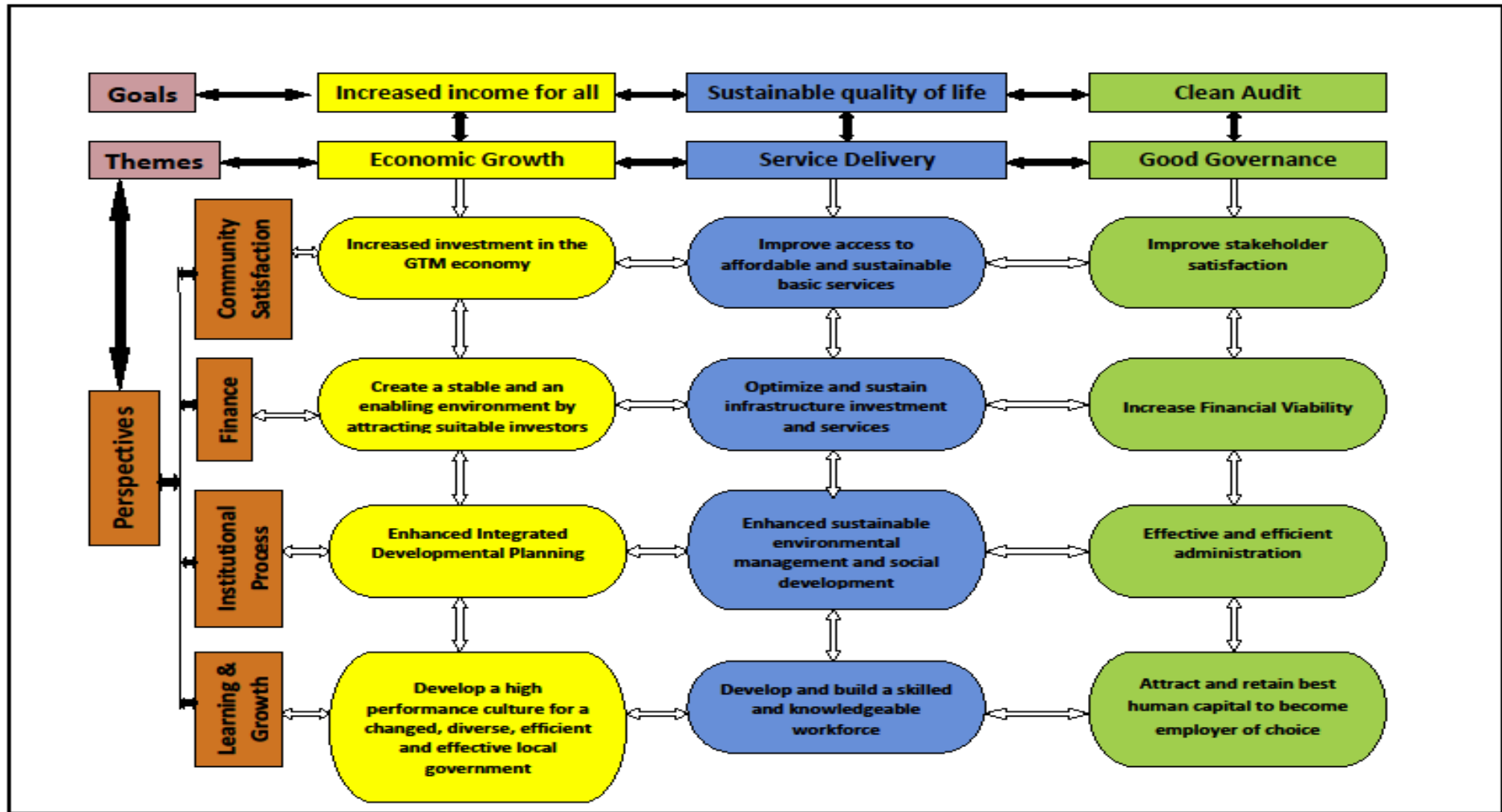
Coding of Results

| | |
|----|------------------------|
| R | KPI Not Met |
| O | KPI Almost Met |
| G | KPI Met |
| G2 | KPI Well Met |
| B | KPI Extremely Well Met |



Each SDBIP KPI and Project has a unique reference number on the electronic reporting system (which can be seen in Tables 1-6). The projects and KPIs, for each department, are reported on as per the Key Performance Areas (KPA's) and strategic objectives of Council, as contained in the Strategy map in the IDP (presented below in 1.3). The GTM strategy map consists of 3 Key Performance Areas wherein Economic Growth and Service Delivery aligns with the two similar KPAs of CoGTA. The KPA of Good Governance however incorporates the CoGTA KPAs of Financial Viability and Management as well as Municipal Transformation and Organisational Development (MTOD). Furthermore, the CoGTA KPA of Spatial Rational is incorporated in the GTM KPA of Economic Growth along with elements of the KPA Municipal Transformation and Organisational Development (Learning & Growth perspective). It should however also be noted that elements of organizational transformation can be found in the Learning and Growth Perspective of all three these KPAs.

1.3 GTM Strategy Map for 2016/17



"A Green, Prosperous and United Municipality that Provides Quality Services to All"

2. Performance per Key Performance Area

2.1 Economic Growth KPA

The Economic Growth KPA is aimed at ensuring an increased income for all. This will be achieved through the following strategic objectives:

- **Objective LED 1:** Increased investment in the GTM economy
- **Objective LED 2:** Create a stable and an enabling environment by attracting suitable investors
- **Objective LED 3:** Enhanced Integrated Developmental Planning
- **Objective LED 4:** Develop a high performance culture for a changed, diverse, efficient and effective local government

Table 1 presents the progress made in achieving the performance target set for the objectives listed above during the period 1 July 2016 to 30 June 2017 compared to the previous year's performance.

| Table 1: Year-end performance for the Economic Growth KPA for 2016/17 | | | | | | | | | | | | | |
|---|---|----------------------------|---------------------------------|--|---------------------|----------|---------------|------------------------------|--------|---|---|---|--|
| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| D20 | Develop a high performance culture for a changed, diverse, efficient and effective local government | Local Economic Development | Employee Performance Management | # of performance assessments for Sect 56/57 appointments | Number | 0 | 2 | 2 | 0 | R | Evaluation panel cannot be constituted because MM & CFO resigned, ESD vacant. CORP & EED newly appointed. | Evaluations to commence for 17/18 FY only | Mid-year and Annual Assessment reports |



Table 1: Year-end performance for the Economic Growth KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|------|---|----------------------------|---------------------------------|---|---------------------|----------|---------------|------------------------------|--------|---|--|---|--|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| D22 | Develop a high performance culture for a changed, diverse, efficient and effective local government | Local Economic Development | Employee Performance Management | # of Senior Managers (MM & Directors) with signed performance agreements by 30 June | Number | 6 | 7 | 7 | 4.25 | R | MM & CFO & ESD resigned. CORP newly appointed. | Vacancies to be filled, all to sign for 2017/18 | Performance Agreements for Sect 56/57 Managers |
| D23 | Enhanced Integrated developmental planning | Local Economic Development | Integrated Development Planning | # of IDP Steering Committee meetings | Number | 4 | 6 | 6 | 6 | G | | | Invitations Minutes & attendance registers |
| D24 | Enhanced Integrated developmental planning | Local Economic Development | Integrated Development Planning | # of IDP Rep forum meetings | Number | 4 | 5 | 5 | 4 | O | | | Invitations Minutes & attendance registers |
| D25 | Enhanced Integrated developmental planning | Local Economic Development | Integrated Development Planning | Draft IDP approved by Council by 31 March annually | Number | 42458 | 1 | 1 | 1 | G | | | Draft IDP Council Minutes |
| D26 | Enhanced Integrated developmental planning | Local Economic Development | Integrated Development Planning | Final IDP approved by Council by 31 May annually | Number | 42521 | 1 | 1 | 1 | G | | | Final IDP Council Minutes |
| D166 | Increased investment in the GTM economy | Economic Growth | Expanded Public Works | # of jobs created through municipal EPWP initiatives (FTE) | Number | 715 | 860 | 860 | 7,583 | B | PERFORMANCE IS ABOVE THE TARGETED VALUE OF 72 | | Project reports, EPWP reports |



Table 1: Year-end performance for the Economic Growth KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|------|--|-----------------|----------------------------------|---|--|----------------|---------------|------------------------------|----------|---|---|---|--|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| D186 | Create a stable and an enabling environment by attracting suitable investors | Economic Growth | Marketing and Investor Targeting | Investment Incentive Policy. | Q 1: Finalise TOR with GTEDA. (25%) Q 2: Consultations with internal and external stakeholders (50%) Q3: Draft Investor Incentive Policy ready for Management consideration (75%) Q 4: Investor Incentive Policy submitted to Cluster and Council for approval (100%) | New initiative | 100% | 100% | 75% | O | No Performance Comment | No Corrective Measures | *Minutes of GTM consultations *Incentive Policy Draft & Final Document *Attendance Registers of engagement sessions with stakeholders *Council Resolution |
| D187 | Enhanced Integrated developmental planning | Economic Growth | Spatial Development | Integrated Sustainable Human Settlements Plan (ISHSP) reviewed by 30 May '17 | Percentage | Not done | 100% | 100% | 100% | G | ISHSP completed. | None | Council minutes Revised ISHSP |
| D188 | Enhanced Integrated developmental planning | Economic Growth | Spatial Development | # of land parcels acquired for development | Number | 1 | 1 | 1 | 1 | G | Community resolution signed and money transferred . | None | Deed of sale |
| D190 | Increased investment in the GTM economy | Economic Growth | Community Works Programme | Nr of cooperatives established and still functional in wards where the CWP is implemented | Number | 4 | 2 | 2 | 2 | G | No Performance Comment | No Corrective Measures | CWP reports Minutes & Attendance register of CWP meetings |
| D191 | Increased investment in the GTM economy | Economic Growth | Community Works Programme | Number of job opportunities created through the CWP | Number | 2000 | 3,400 | 3,400 | 2,153.83 | R | No Performance Comment | The number has drop from 2168 to 2108 they move for greener pasture | CWP Employment register |



Table 1: Year-end performance for the Economic Growth KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|------|---|-----------------|----------------------------------|--|---------------------|----------|---------------|------------------------------|--------|---|------------------------|------------------------|--|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| D192 | Increased investment in the GTM economy | Economic Growth | Marketing and Investor Targeting | # of Agricultural Expos held | Number | 1 | 1 | 1 | 1 | G | | | Agricultural EXPO Advert & Programme List of exhibitors |
| D193 | Increased investment in the GTM economy | Economic Growth | Marketing and Investor Targeting | # of jobs created through agricultural programmes | Number | 150 | 200 | 200 | 398 | B | No Performance Comment | No Corrective Measures | Employment register Minutes and Attendance Registers of meetings with agricultural programmes |
| D194 | Increased investment in the GTM economy | Economic Growth | Marketing and Investor Targeting | # of jobs created through municipal LED initiatives including Capital Projects | Number | 500 | 400 | 400 | 1,237 | B | No Performance Comment | No Corrective Measures | *Consolidated LED monthly job creation report *MIG Monthly Reports *EPWP Monthly Reports |



Table 1: Year-end performance for the Economic Growth KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|------|---|-----------------|----------------------------------|--|---|----------|---------------|------------------------------|--------|---|------------------------|------------------------|---|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| D195 | Increased investment in the GTM economy | Economic Growth | Marketing and Investor Targeting | LED strategy revised by 30 June 2017 | Q1: Develop terms of reference and submission to SCM for advertisement by July (10%) Q2: Evaluation and Adjudication of tenders. Appointment of Service provider. (20%) Q3: Review of the LED strategy in consultation with stakeholders. (75%) Q4: LED strategy submitted to Cluster and Council for approval by 30 June '17 (100%) | n/a | 100% | 100% | 100% | G | No Performance Comment | No Corrective Measures | *TOR *Invitations Minutes & Attendance Register (stakeholder engagements) *Revised LED Strategy *Council minutes |
| D196 | Increased investment in the GTM economy | Economic Growth | Marketing and Investor Targeting | # of GTM LED forum meetings arranged | Number | 4 | 4 | 4 | 4 | G | No Performance Comment | No Corrective Measures | Invitations Minutes & Attendance Register |
| D197 | Increased investment in the GTM economy | Economic Growth | SMME support | # of meetings held with informal traders | Number | 4 | 4 | 4 | 6 | B | No Performance Comment | No Corrective Measures | Invitations Minutes & Attendance Register |
| D198 | Increased investment in the GTM economy | Economic Growth | SMME support | # of Local Tourism Association Meetings | Number | 4 | 4 | 4 | 6 | B | No Performance Comment | No Corrective Measures | Invitations Minutes & Attendance Register |



Table 1: Year-end performance for the Economic Growth KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|------|--|-----------------|---------------------------------|--|--|--|---------------|------------------------------|--------|---|---|--|--|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| D199 | Increased investment in the GTM economy | Economic Growth | Tourism | # of Tourism SMMEs exposed to the market | Number | 30 | 40 | 40 | 64 | B | No Performance Comment | No Corrective Measures | Itinerary Events report |
| D200 | Enhanced Integrated developmental planning | Economic Growth | Integrated Development Planning | Spatial Development Framework review | Q1: Status quo report available from Service Provider. Public Participation process concluded (40%) Q2: Analysis and proposals for draft SDF ready for consideration by Council. (60%) Q3: Public Participation on the draft SDF and adoption by Council (80%) Q4: Identification of programmes and projects for implementation by Council (100%) | Service Provider appointed | 100% | 100% | 95% | O | Final Draft Spatial Development Framework and secondary policies ready for adoption by council Steering committee in place for facilitation of SDF, secondary policies and land use scheme | Council to convene in October for adoption of Tribunal Members | *Status Quo Report *Minutes of Steering Committee *Minutes of Public Participation *Draft and Final SDF *Council Minutes |
| D201 | Enhanced Integrated developmental planning | Economic Growth | Spatial Development | SPLUMA implementation | Q1: Gazetting of By-laws into SPLUMA. (25%) Q2: Finalisation of specifications for appointment of service provider to formulate a Land Use Management Scheme (50%) Q3: Appointment of service provider (75%) Q4: Status quo report | Awaited appointment of Tribunal by MDM | 100% | 100% | 90% | O | Greater Tzaneen Municipal Planning Tribunal Interviews conducted, waiting for item adoption by council By-Law review finalised to accommodate | Council to convene in October for adoption of Tribunal Members | Govt Gazette *Specifications *Status Quo Report |



Table 1: Year-end performance for the Economic Growth KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence | |
|------|--|-----------------|---------------------------------------|--|------------------------------------|----------|---------------|------------------------------|--------|----|---|----------------------------|---|--|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | | |
| | | | | | available for consultations (100%) | | | | | | | changes, pending gazetting | | |
| D207 | Create a stable and an enabling environment by attracting suitable investors | Economic Growth | Economic Growth and Investment | # of committed investors attracted through GTEDA | Number | 0 | 3 | 3 | 3 | G | Vexospark funded by IDC Motupa library funded by Rand Water foundation Moolman group for Tzaneen market | | Investment reports (LADC, MDDA, Premiers Office & SEDA) | |
| D208 | Increased investment in the GTM economy | Economic Growth | Enterprise Development (SMME support) | # of SMMEs capacitated through GTEDA | Number | 4 | 15 | 15 | 21 | G2 | GTFCSC SMMEs trained by Bankseta and facilitated by GTEDA | | *Training Programme *SMME training and development Policy *Assessment Report on the training provided to 15 SMME's *Service Provider Appointment letters | |



Table 1: Year-end performance for the Economic Growth KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|------|--|-----------------|----------------------------------|--------------------------------------|---|----------------|---------------|------------------------------|--------|---|---|---|--------------------|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| D210 | Create a stable and an enabling environment by attracting suitable investors | Economic Growth | Marketing and Investor Targeting | Resource mobilisation | Q1: Investors Data base developed & Signed SLAs with funders (25%) Q2: 5 Enterprises assisted (50%) Q3: 4 funding applications submitted (75%) Q4: 2 funding applications concluded successfully (100%) | New initiative | 100% | 100% | 100% | G | Facilitated funding of Monye-le-shako by DRDLR. Facilitated funding of GTFSC training by Bankseta. Funding pending Baltiva. Gold dust farm | *Investor Database Printscreen *SLAs/MoUs concluded (x5) *Enterprise assistance programme & proof of assistance (x5) *4 Funding applications *Signed funding agreements (x2) | |
| D211 | Create a stable and an enabling environment by attracting suitable investors | Economic Growth | Marketing and Investor Targeting | Greater Tzaneen Investment Promotion | Q1: Design Audio visual and print promotional material, Appoint service provider, Organise investor conference (30%) Q2: Audio visual and print promotional material developed. Investor Conference hosted (60%) Q3: Investor Conference Feedback, Exhibit at Tzaneen Agri Expo (80%) *Q4: Exhibit at 2 trade fares/ expo's (100%) | New initiative | 100% | 100% | 100% | G | Investor conference hosted. Agri-expo facilitated. Flee market facilitated. | *Audio visual & print promo material *Appointment letter *Investor conf programme & attendance register *Investor conf report *Project prioritisation list *Exhibition report & pictures | |



Table 1: Year-end performance for the Economic Growth KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|------|--|-----------------|----------------------------------|---|---|----------------|---------------|------------------------------|--------|---|--|---------------------|--|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| D212 | Create a stable and an enabling environment by attracting suitable investors | Economic Growth | Marketing and Investor Targeting | Partnerships with economic development role-players (5) | Q1: Conduct research and compile database of potential economic development agencies in SA and abroad. (10%) Q2: Facilitate signing of partnership agreements with identified agencies. (25%) Q3: Facilitate signing of partnership agreements with identified agencies (50%) Q4: Facilitate the LED forum *5 Partnership agreements finalised (100%) | New initiative | 100% | 100% | 100% | G | LED forum facilitated. Signed MOUs with *SEDA-joint MOU with GTM. *FABCO. *KJK development and monitoring agency. *GTFSC. *Astir Holdings. | | *Research report on investors *Database on development agencies *Partnership agreements (x5) |
| D213 | Create a stable and an enabling environment by attracting suitable investors | Economic Growth | Marketing and Investor Targeting | Office park development | Q1: Develop and submit a proposal to GTM to transfer/ allocate vacant municipal land/derelict properties to GTEDA to develop (20%) Q2: Obtain Council resolution for transfer/ allocation of land. (30%) Q3: Obtain title deeds and commence with | New initiative | 100% | 100% | 100% | G | land development plan done. Utilisation of ERF 89 granted by GTM. Proposals for Vexospark and Jetty 3 approvals in progress. | | *Disposal of land proposal & proof of submission to GTM *Council Resolution on GTEDA mandate to develop land *Title deeds *Vacant Land development plan |



Table 1: Year-end performance for the Economic Growth KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|------|---|-----------------|------------------------|---|---|----------------|---------------|------------------------------|--------|---|---|---------------------|--|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| | | | | | land registration processes. Develop plans to utilise land for revenue generation. (50%) Q4: Develop plans to utilise land for revenue generation (100%) | | | | | | | | |
| D214 | Increased investment in the GTM economy | Economic Growth | Enterprise Development | Agro-processing businesses based on 3 commodities | Q1: Review/ conduct feasibility study on agro-processing. Engagement of stakeholders (25%) Q2: Conduct value propositions and business plans (Agro-processing of Tomato, Mango and Marula). (60%) Q3: Engage potential investors, Sign MOUs/SLA with identified co-ops/farms and investors (80%) Q4: Appoint transactional advisors to facilitate implementation of the proposed initiatives. (100%) | New initiative | 100% | 100% | 100% | G | Potential investors engaged. Transactional advisors facilitated. Agro-processing and other value chains business plans in progress. | | * Feasibility study on agro-processing *Minutes of stakeholder engagements *Value propositions & Business Plans *Appointment letters for advisors |



Table 1: Year-end performance for the Economic Growth KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|------|---|-----------------|------------------------|---|---|----------------|---------------|------------------------------|--------|---|--|---------------------|--|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| D215 | Increased investment in the GTM economy | Economic Growth | Enterprise Development | Entrepreneurship career guidance and mentorship programme | Q1:Develop an Entrepreneurship career guidance & mentorship project plan in consultation with stakeholders. Develop material/content to be presented. Identify 5 successful entrepreneurs to motivate and mentor youth.(25%) Q2:Implement the Entrepreneurship career guidance and mentorship programme, Develop a concept document on a school entrepreneurship competition.(50%) Q3:Implement the Entrepreneurship the career guidance programme(60%) Q4:Implement the programme, Award ceremony conducted(100%) | New initiative | 100% | 100% | 100% | G | Entrepreneurship career guidance and mentorship programme conducted. Debate competition facilitated at 12 schools. Award ceremony held 2017. | | *Entrepreneurship project plan *School Entrepreneurship competition concept document *School Entrepreneurship programme and awards results |



Table 1: Year-end performance for the Economic Growth KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|------|---|-----------------|------------------------|------------------|--|----------------|---------------|------------------------------|--------|---|--|---------------------|--|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| D216 | Increased investment in the GTM economy | Economic Growth | Enterprise Development | SMMEs Incubation | Q1: Develop an incubation model, Incubation of Greater Tzaneen Financial Services Cooperative (GTFSC) through a diagnostic assessment (25%) Q2: Incubation model finalised, Incubation of Greater Tzaneen Financial Services Cooperative (GTFSC) through board training. (50%) Q3: Incubation of Greater Tzaneen Financial Services Cooperative (GTFSC) through committees training (75%) Q4: Incubation of Greater Tzaneen Financial Services Cooperative (GTFSC) through staff training. (100%) | New initiative | 100% | 100% | 100% | G | Incubation of GTFSC facilitated through Bankseta. Trainings conducted by Bankseta. | | *Incubation Model *Community Bank incubation M&E report *Incubation monthly activity report. |



Table 1: Year-end performance for the Economic Growth KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|------|---|-----------------|------------------------|--------------------------------|--|----------------|---------------|------------------------------|--------|---|---|---------------------|--|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| D217 | Increased investment in the GTM economy | Economic Growth | Enterprise Development | Community dialogue / ideas hub | Q1:Consultative meeting with community to establish a Ideas Hub programme. Appoint service provider to resuscitate radio station.(25%) Q2:Develop criteria to ID projects from Ideas Hub & milestone checklist. Develop, business & implementation plan for GTFM.(50%) Q3:Identify potential partners/funders for Ideas Hub programme. Monitor & support radio station activities(75%) Q4:Sign MOUs/SLAs with potential partners/funders for Ideas Hub programme. Monitor & support radio station activities.(100%) | New initiative | 100% | 100% | 100% | G | Facilitated radio station funding through MDDA. Sponsored an entrepreneurial show. Supported the administrative unit of GTFM with compliance matters and budgets. | | *Minutes & Attendance register of community consultation sessions *App letter for service provider *Ideas Hub project dev plan *List of investors in Ideas hub *Radio Station monthly reports on support |

Table 2 presents a summary of the results, as reported by Departments, and from this it can be seen that **78%** of targets aimed at improving Economic Growth were met during 2016/17 a great improvement from 2015/16.



| Table 2: Economic Growth KPA - Summary of Results for 2016/17 | | | |
|---|-------------------------|---------------------|---------------|
| Colour | Key to the Colour Codes | No of KPIs/Projects | % in category |
| R | KPI Not Met | 3 | 9% |
| O | KPI Almost Met | 4 | 13% |
| G | KPI Met | 18 | 56% |
| G2 | KPI Well Met | 1 | 3% |
| B | KPI Extremely Well Met | 6 | 19% |
| | Total KPIs | 32 | |

The key challenges impacting on the ability of the organisation to achieve the objectives set in terms of Economic Growth are:

- 1. Employee Performance Management dysfunctional.** The 2015/16 annual performance evaluation for the MM and Directors did not take place as planned. Also the mid-year assessments for 2016/17 could not take place. The main cause for this was the non-adherence to reporting timeframes which caused a delay in the auditing of the Portfolio of Evidence. The cascading of the performance evaluations to lower level staff such as Managers was also compromised because the salary discrepancies at this salary level has not yet been resolved.
- 2. IDP, Budget and SDBIP none-alignment.** The alignment between the IDP, Budget and SDBIP is essential for Council to be able to hold administration accountable in terms of that which was planned for the specific financial year. The roll-over of capital projects during August annually as well as the budget adjustment in January results in a miss-alignment between the performance reports and that which was planned. In order to correct the miss-alignment the SDBIP and IDP should also be adjusted when the budget is adjusted, this did not take place during 2016/17. A contributing factor was the award of additional capital funds from MIG as a reward for a good expenditure



pattern. However this award was only confirmed by end April, leaving no time to adjust the SDBIP to accommodate the additional expenditure on grants. The 2016/17 Annual Performance Report therefore contains a list of Roll-over projects as well as a list of projects that were implemented through the additional MIG funds. These projects are therefore not impacting on the overall institutional performance as stated.

- 3. GTEDA not sustainable:** The performance reflected for GTEDA for the 2016/17 seems to be in line with that which was planned. The challenge is however that the activities undertaken by GTEDA has yet make an impact on the local economy (also refer to [Section 7.8](#) of this report).



3.2 Service Delivery KPA

The Service Delivery KPA is aimed at ensuring a sustainable quality of life, which will be achieved through the strategic objectives outlined below:

- **Objective SD 1:** Improve access to affordable and sustainable basic services
- **Objective SD 2:** Optimise and sustain infrastructure investment and services
- **Objective SD 3:** Enhanced sustainable environmental management and social development
- **Objective SD 4:** Develop and build skilled and knowledgeable workforce

Table 3 presents the progress made in achieving the performance target set for the objectives listed above during the period 1 July 2016 to 30 June 2017 compared to the previous year results.

| Table 3: Year-end performance for the Service Delivery KPA for 2016/17 | | | | | | | | | | | | | |
|--|---|------------------------|---------------------|---|---------------------|-----------------|---------------|------------------------------|--------|---|----------------------|---------------------|---|
| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| D37 | Enhance sustainable environmental management and social development | Basic Service Delivery | Disaster Management | Annual Disaster Management report submitted to Mopani District by 30 Sept | Number | 3 September '15 | 1 | 1 | 1 | G | | | Annual Report Acknowledgement of receipt from MDM |
| D38 | Enhance sustainable environmental management and social development | Basic Service Delivery | Disaster Management | Annual Disaster Management report submitted to Council by 31 Aug | Number | 42610 | 1 | 1 | 1 | G | | | Disaster Management Report Council Resolution |



Table 3: Year-end performance for the Service Delivery KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|-----|---|------------------------|---------------------|---|---------------------|----------|---------------|------------------------------|----------------|----|--|---|--|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| D39 | Enhance sustainable environmental management and social development | Basic Service Delivery | Disaster Management | % Disaster incidences responded to (relieved) within 72-hours | Percentage | 1 | 100% | 100% | 100% | G | All the disaster incidences were attended to | Non required | Relief forms |
| D40 | Enhance sustainable environmental management and social development | Basic Service Delivery | Disaster Management | # of disaster awareness campaigns conducted | Number | 15 | 9 | 9 | 9 | G | | | Programme for Awareness Campaigns Attendance Register Agenda |
| D54 | Improve access to sustainable and affordable services | Basic Service Delivery | Free Basic Services | R-value of Free Basic Electricity to Households | R-value | 3579960 | R 4,000,000 | R 4,000,000.00 | R 2,991,664.50 | R | June invoice from Eskom paid only in July | Updated indigent register and verification of indigents | FBE Payments |
| D55 | Improve access to sustainable and affordable services | Basic Service Delivery | Free Basic Services | % of households earning less than R 1100 served with free basic electricity (total registered as indigents) | Percentage | 100 | 100% | 100% | 100% | G | All indigents registered on Promis are receiving free basic electricity. | Verification of indigents ongoing | Indigent register Billing Report |
| D56 | Improve access to sustainable and affordable services | Basic Service Delivery | Free Basic Services | % households earning less than R 1100 with access to free basic waste removal (total registered as indigents) | Percentage | 7% | 7% | 7% | 11.83% | B | All registered indigents on Promis do receive rebate. Villages included in indigent register but not measurable. | Set new target for formal towns only. | Indigent register Billing Report |
| D57 | Improve access to sustainable and affordable services | Basic Service Delivery | Free Basic Services | Total number of registered indigent households who received free basic water and sanitation (5 formal towns) | Number | 1400 | 1,380 | 1,380 | 1,387.92 | G2 | Indigents registered on Promis receiving rebate | Validation of indigents | Indigent register Billing Report |



Table 3: Year-end performance for the Service Delivery KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|-----|---|------------------|--------------------------------|--|---------------------|----------|---------------|------------------------------|--------|----|---|--|--|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| D79 | Develop and build skilled and knowledgeable workforce | Service Delivery | Capacity building and Training | # of employees successfully trained | Number | 90 | 90 | 90 | 95 | G2 | Internal Audit and councilors attendance training for the month of June. MFMP programme is ongoing and it will be finalized by August 2017 | That Supply Chain Management process must finalize the appointment of pool of service provider. | WSP Approval by MM Attendance Register |
| D80 | Develop and build skilled and knowledgeable workforce | Service Delivery | Capacity building and Training | Work place skills plan submitted to LGSETA by 30 Apr | Number | 1 | 1 | 1 | 1 | G | | | WSP Acknowledgement of receipt |
| D81 | Develop and build skilled and knowledgeable workforce | Service Delivery | Capacity building and Training | % of municipal budget spent on implementing the Work Place Skills Plan | Percentage | 0.01 | 1% | 1% | 0.12% | R | The actual percentage for training for the month of June is 79.2 %. | That the pool of service provider be appointed to appoint without delays in supply chain management process. | Municipal Budget Training Budget Spent |
| D82 | Develop and build skilled and knowledgeable workforce | Service Delivery | Capacity building and Training | # of Ward Committee members workshopped on municipal affairs | Number | 340 | 350 | 350 | 0 | R | Besides induction that took place after establishment of ward committees, no training was conducted due to late establishment of such structures. | Arrangements are being made to ensure training is conducted in the 2017/2018 financial year. | Training programme & attendance register |



Table 3: Year-end performance for the Service Delivery KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|------|---|------------------|------------------------------------|--|---------------------|----------|---------------|------------------------------|--------|---|--|--|---|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| D83 | Develop and build skilled and knowledgeable workforce | Service Delivery | Labour Relations | # of Local Labour Forum meetings | Number | 12 | 12 | 12 | 4 | R | The Local Labour Forum scheduled for the 30th June 2017, was postponed due to special council to be held the same time with planned LLF Meeting. | That Management priorities Local Labour Forum as it maintain relations between management and labour union for effectiveness and efficiency. | LLF Invitations, Minutes and attendance registers |
| D84 | Enhance sustainable environmental management and social development | Service Delivery | Youth, Gender & Disability support | # of Jobs created by Municipal Capital projects for youth | Number | 160 | 473 | 473 | 1,015 | B | Target met above the expectation. | No corrective measure is required. | Consolidated Job creation reports |
| D85 | Enhance sustainable environmental management and social development | Service Delivery | Youth, Gender & Disability support | # of Jobs created by Municipal Capital projects for women | Number | 422 | 473 | 473 | 2,407 | B | Target met. | No corrective measure since the target is met. | Consolidated Job creation reports |
| D86 | Enhance sustainable environmental management and social development | Service Delivery | Youth, Gender & Disability support | # of Jobs created by Municipal Capital projects for disabled persons | Number | 2 | 17 | 17 | 35 | B | There were no projects suitable for people with disability. | In a month where there will be projects suitable for people with disability, more numbers will be appointed. | Consolidated Job creation reports |
| D117 | Enhance sustainable environmental management and social development | Service Delivery | Environmental Health Management | # of contravention notices issued to improve level compliance to Environmental Management legislation (5 formal towns) | Number | 112 | 112 | 112 | 281 | B | more notices were written due to the autumn rains resulting in a number of overgrown stands. | None | Contravention Notices |



Table 3: Year-end performance for the Service Delivery KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|------|---|------------------|---------------------------------|---|---------------------|----------|---------------|------------------------------|-----------------|----|--|---|--|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| D118 | Enhance sustainable environmental management and social development | Service Delivery | Environmental Health Management | % compliance to the environmental legislation checklist | Percentage | 85 | 90% | 90% | 177.40% | B | The landfill site is audited to check compliance to the license conditions as stipulated in the Record of Decision. A team is assembled to ensure balanced auditing. | None | Environmental Checklist |
| D119 | Enhance sustainable environmental management and social development | Service Delivery | Environmental Health Management | % of water samples that comply with SANS 0241 | Percentage | 85 | 85% | 85% | 86.48% | G2 | Implementation of a water quality monitoring schedule. | None | Water quality lab reports |
| D120 | Enhance sustainable environmental management and social development | Service Delivery | Waste Management | # of households with collection of waste once per week | Number | 8537 | 8,537 | 8,537 | 8,648.33 | G2 | The Category-Tariff-Report from C.F.O. is only available on hard-copy | Category-Tariff-Report from C.F.O. must be available on electronic-copy | Category Tariff Billing Report Monthly Example |
| D121 | Enhance sustainable environmental management and social development | Service Delivery | Waste Management | R-value spent on waste management | R-value | 71017213 | R 77,560,766 | R 77,560,766.00 | R 52,302,721.55 | R | (1) The C.F.O.'s office dealing with expenditure report did forward as per arrangement the exp.-report in time. (2) The Divisional Waste Manager is accountable for less than 40% of expenditure-line-items. (3) The control of the other 60 % of such line- | The C.F.O.'s office dealing with expenditure must also analyse the root-cause for the un-even monthly expenditure | Budget reports |



Table 3: Year-end performance for the Service Delivery KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|------|---|------------------|------------------|--|---------------------|----------|---------------|------------------------------|--------|---|---|--|--|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| | | | | | | | | | | | items is vested @ Dept. of the C.F.O. | | |
| D122 | Enhance sustainable environmental management and social development | Service Delivery | Waste Management | # of Rural Waste Service Areas serviced (waste management) | Number | 27 | 30 | 30 | 30 | G | 1) Oversight function is being done by Ward Clr. and Traditional Leader to ensure the Temp.Workers (T.o.w.'s) are working according to schedule (2) Fleet Management fail service delivery at present as only 3 of the 7 x R.E.L.'s is functional | (1)The Workshop must work on a Rapid-Turn-Around time te ensure the Removal-Fleet is always functional (2) The Waste-Fleet should be replaced on a "round-robin" 5 x year plan (i.o.w.'s 20% of fleet to be replaced annually) | *EPWP Employee payroll Printout *1 Example of Timesheets signed off by Ward Committee and traditional authority |
| D123 | Enhance sustainable environmental management and social development | Service Delivery | Waste Management | # of Urban Waste Service Areas serviced (waste management) | Number | 5 | 5 | 5 | 5 | G | To ensure more accurate P.o.E.'s an electronic routesheet / tracking-system need to be installed in each vehicle with a sustainable monitoring as per a "unique-route" for each area | Budget provision by Fleet Management for vehicle-tracking systems | Waste Management Monthly statistical Report *Waste Service Route Maps |



Table 3: Year-end performance for the Service Delivery KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|------|---|------------------|--|---|---------------------|----------|---------------|------------------------------|---------|----|---|--|---|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| D124 | Enhance sustainable environmental management and social development | Service Delivery | Waste Management | % Households with access to basic level of solid waste management services | Percentage | 39 | 41% | 41% | 41% | G | (1) Urban numbers is validated by Category-Tariff-Billing-Report (2) Rural is validated by Maps (by Digicap) of which the nu. of H/h's is not validated due to no-formalized villages | (1) Rural areas had to be formalised to ensure ACCURATE figures (2) Vehicle fleet must be renewed as well as additional Rural-vehicles (3) Organogram for Rural Bulk collections must be established | *Removal service maps for rural service Areas *Category Tariff summary Billing reports for urban suburbs |
| D125 | Improve access to sustainable and affordable services | Service Delivery | Traffic Services | Traffic fine collection rate [(Rand value received for fines/ R value of fines issued as %] | Percentage | 40 | 70% | 70% | 30.64% | R | No deviation | We continue with road block and sending sms to encourage customers to come and pay | Revenue reports Traffic Fine system report |
| D126 | Enhance sustainable environmental management and social development | Service Delivery | Library Services | # of library users | Number | 95000 | 95,200 | 95,200 | 139,653 | G2 | Users in June 2017: 12307 Library items circulated in June 2017: 6545 | n/a | Tattletape statistics Monthly Reports |
| D127 | Enhance sustainable environmental management and social development | Service Delivery | Maintenance and upgrade of parks and open spaces | # of cemeteries developed or extended | Number | 1 | 1 | 1 | 4 | B | Water Use Licence Application on progress for cemetery development and construction of bridge | Non | Agatha Cemetery Extension Plans EIAC Project Progress Reports |



Table 3: Year-end performance for the Service Delivery KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|------|---|------------------|--|---|---------------------|----------|---------------|------------------------------|--------------|----|--|--|---|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| D128 | Enhance sustainable environmental management and social development | Service Delivery | Maintenance and upgrade of parks and open spaces | m ² of parks and openspaces maintained | Number | awaited | 395,000 | 395,000 | 1,162,647.25 | B | Grass cutting machines needs maintenance and workshop could not assist due to lack of funds. Only few machines worked. There were also no funds to do all areas where contractor is working as previously reported, while grass growth also slowed dawn. | All work will be back to normal next month July 2017 | Grass cutting and garden maintenance sheets Monthly report |
| D129 | Enhance sustainable environmental management and social development | Service Delivery | Maintenance and upgrade of parks and open spaces | # of developed parks maintained | Number | 18 | 18 | 18 | 18 | G | Work is happening as planned | Non | Parks maintenance sheets Monthly report |
| D132 | Improve access to sustainable and affordable services | Service Delivery | Licensing and Testing services | % compliance with ENATIS legislative compliance (ad-hoc audits) | Percentage | New KPI | 100% | 100% | 100% | G | No report received | N/A | Ad hoc Audit inspection reports by Department of Transport |
| D133 | Improve access to sustainable and affordable services | Service Delivery | Electricity Infrastructure | % of households with access to electricity | Percentage | 97 | 98% | 98% | 99% | G2 | Project completed and energized. outstanding house connections in progress | None | Electrification reports |



Table 3: Year-end performance for the Service Delivery KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|------|---|------------------|----------------------------|--|---------------------|----------|---------------|------------------------------|------------|---|---|---|-------------------------------|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| D134 | Improve access to sustainable and affordable services | Service Delivery | Electricity Infrastructure | # of households with access to electricity | Number | 105332 | 107,878 | 107,878 | 107,628 | O | Project completed and energized except Dan/ Lusaka and Sunnyside/Myakay aka/Sepacheng. Physical construction for phase1 of the project completed. project to continue in 2017/18 financial year | Project not yet energized to be energized by end of first quarter. | Electrification reports |
| D135 | Optimise and sustain infrastructure investment and services | Service Delivery | Cost Recovery | % Electricity loss (Kwh) | Percentage | 18 | 18% | 18% | 21.92% | R | % percentage losses determined to be 21.92% | Unfortunately our losses have gone up, we have appointed a consultant in determining where our losses are coming from HAMSA Consulting Eng for auditing of meters | Eskom account Revenue reports |
| D136 | Optimise and sustain infrastructure investment and services | Service Delivery | Cost Recovery | Kilow Watt Hour Electricity loss (Kwh) | Kilow Watt Hour | 42540860 | 42,540,860 | 42,540,860 | 99,452,442 | R | Due to the increase in the Losses the Rand value will increase as well R 99 452 442.85 This value is determined as per attached excel spread sheet | HAMSA Consulting firm was appointed to determine the origin of the losses and meter audit | Eskom account Revenue reports |



Table 3: Year-end performance for the Service Delivery KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|------|---|------------------|---|--|--|-------------|---------------|------------------------------|--------------|---|--|---|---|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| D137 | Optimise and sustain infrastructure investment and services | Service Delivery | Electricity network upgrade and maintenance | Km of overhead lines rebuilt | Kilometres | 28 | 16 | 16 | 43 | B | Rebuilding of 20km line completed | None | Project Progress reports Completion certificates |
| D138 | Optimise and sustain infrastructure investment and services | Service Delivery | Asset Management | R-value spent on maintenance of electricity infrastructure as % of asset value | Percentage | 0.49 | 2.70% | 2.70% | 2.13% | O | Assets report | Asset report not yet finalised | Asset Register Expenditure Reports |
| D139 | Optimise and sustain infrastructure investment and services | Service Delivery | Electricity network upgrade and maintenance | R-value electricity maintenance | R-value | 13163820 | R 51,083,568 | R 51,083,568 | R 26,641,947 | R | Expenditure report not yet finalized | Expenditure report to be finalized | Budget expenditure, (Vote 162/066, 173/066 & 608 183/066) |
| D140 | Improve access to sustainable and affordable services | Service Delivery | Electricity Infrastructure Development | High mast lights at Traditional Authorities offices | Q1: Tender process for appointment of contractor finalised. (5%) Q2: Construction of Apollo lights, physical progress at 5% (10%) Q3: Construction of Apollo lights, physical progress at 40% (50%) Q4: Apollo lights at Traditional Authorities completed (100%) | New project | 100% | 100% | 95% | O | All 5 high mast is erected by the contractor Capotex, Eskom connections paid, We are waiting for Eskom to construct and install the transformers once that is done then Capotex contractor will do the final connection and COC and hand over to council | We are corresponding with Eskom for completion date | Progress reports Hand over certificate |



Table 3: Year-end performance for the Service Delivery KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|------|---|------------------|--|--|--|-------------|---------------|------------------------------|--------|---|---|--|---|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| D141 | Improve access to sustainable and affordable services | Service Delivery | Electricity Infrastructure Development | Electrification of Khopo(Civic) | Q1: Appointment of service provider finalised (5%) Q2: Designs approved by ESKOM (10%) Q3: Construction 50% (60%) Q4: Electrification of 350 households at Khopo/civic completed (100%) | New project | 100% | 100% | 100% | G | Project completed and energized. | None | Appointment Letter Approval letter on Designs from ESKOM Project progress reports Handover certificate PCS File (ESKOM) |
| D142 | Improve access to sustainable and affordable services | Service Delivery | Electricity Infrastructure Development | Electrification of Sunnyside/ Myakayaka/ Sepacheng | Q1: Appointment of service provider finalised (5%) Q2: Designs approved by ESKOM (10%) Q3: Construction 50% (60%) Q4: Electrification of 160 households Sunnyside/ Myakayaka/ Sepacheng completed (100%) | New project | 100% | 100% | 97% | O | Physical construction completed. PCS file captured. Eskom busy finalizing updating of ENS. | ENS to be updated in order to book outage to energize the project. | Appointment Letter Approval letter on Designs from ESKOM Project progress reports Handover certificate PCS File (ESKOM) |
| D143 | Improve access to sustainable and affordable services | Service Delivery | Electricity Infrastructure Development | Electrification of Thabina Valley | Q1: Appointment of service provider finalised (5%) Q2: Designs approved by ESKOM (10%) Q3: Construction 50% (60%) Q4: Electrification of 685 households in Thabina Valley completed (100%) | New project | 100% | 100% | 100% | G | Project completed and energized. 398 households connected. Infrastructure also provided for 268 empty stands. | None | Appointment Letter Approval letter on Designs from ESKOM Project progress reports Handover certificate PCS File (ESKOM) |



Table 3: Year-end performance for the Service Delivery KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|------|---|------------------|--|---|---|-------------|---------------|------------------------------|--------|---|---|---|---|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| D144 | Improve access to sustainable and affordable services | Service Delivery | Electricity Infrastructure Development | Electrification of Xihoko/ Radoo/ Thapana/ Mavele Phase1 | Q1: Appointment of service provider finalised (5%) Q2: Designs approved by Eskom (10%) Q3: Construction 50% (60%) Q4:Electrification of 247 households in Xihoko/ Radoo/ Thapana/ Mavele Phase1 completed (100%) | New project | 100% | 100% | 100% | G | Project completed and energized. 247 households connected | None | Appointment Letter Approval letter on Designs from Eskom Project progress reports Handover certificate PCS File (ESKOM) |
| D145 | Improve access to sustainable and affordable services | Service Delivery | Electricity Infrastructure Development | Electrification of KhayalamC/ Legobareng/ Shiluvane Ext15 | Q1: Designs approved by Eskom (10%) Q2: Appointment of contractor finalised (20%) Q3: Construction 50% (60%) Q4:Electrification of 190 households in KhayalamC/ Legobareng/ Shiluvane Ext15 completed (100%) | New project | 100% | 100% | 100% | G | Project completed and energized. 136 households connected. | None | Appointment Letter Approval letter on Designs from Eskom Project progress reports Handover certificate PCS File (ESKOM) |
| D146 | Improve access to sustainable and affordable services | Service Delivery | Electricity Infrastructure Development | Electrification of Leolo/ Legobareng/Serare/ Mogabe/ Tshidinko Phase1 | Q1: Designs approved by Eskom (10%) Q2: Appointment of contractor finalised (20%) Q3: Construction 50% (60%) Q4:Electrification of 83 households in Leolo/ Legobareng/Serare/ Mogabe/ Tshidinko Phase1 completed (100%) | New project | 100% | 100% | 100% | G | Phase1 of the project completed. Phase2 of the project will continue in 2017/18 financial year. | Phase2 of the project will continue in 2017/18 financial year | Appointment Letter Approval letter on Designs from Eskom Project progress reports Handover certificate PCS File (ESKOM) |



Table 3: Year-end performance for the Service Delivery KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|------|---|------------------|---|--|--|---------------------------------------|---------------|------------------------------|--------|---|---|---|---|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| D147 | Improve access to sustainable and affordable services | Service Delivery | Electricity Infrastructure Development | Electrification of Dan/ Lusaka | Q1: Designs approved by Eskom (10%) Q2: Appointment of contractor finalised (20%) Q3: Construction 50% (60%) Q4: Electrification of 130 households in Dan/ Lusaka completed (100%) | New project | 100% | 100% | 94% | O | Physical construction completed. Eskom busy finalizing updating of ENS. Awaiting Energization | ENS to be updated in order to book outage to energize the project | Appointment Letter Approval letter on Designs from Eskom Project progress reports Handover certificate PCS File (ESKOM) |
| D148 | Optimise and sustain infrastructure investment and services | Service Delivery | Electricity network upgrade and maintenance | Energy efficiency and demandside management (Tzaneen, Nkawkawa & Lenyenye) | Q1: Finalisation of appointment of consultant and contractor (10%) Q2: Installation and retrofitting of water purification equipment and aircons (20%) Q3: Installation and retrofitting of water purification equipment and aircons (70%) Q4: Installation and retrofitting of water purification equipment and aircons completed (100%) | Funding withheld due to slow spending | 100% | 100% | 100% | G | Project completed | Not Applicable | DOE Reports Close-up report Verification Report |
| D149 | Optimise and sustain infrastructure investment and services | Service Delivery | Electricity network upgrade and maintenance | Electrical Master Plan Development | Q1: Consultant appointed field work conducted (25%) Q2: Draft Master Plan developed (50%) Q3: Final Master Plan available for submission | Service Provider appointed | 100% | 100% | 100% | G | Project completed | Not Applicable | Revised Electricity Master Plan Progress Reports Council Resolution |



Table 3: Year-end performance for the Service Delivery KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|------|---|------------------|---|---------------------------------------|--|---|---------------|------------------------------|--------|---|---|---|--|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| | | | | | to Council (100%) Q4: Not applicable this quarter | | | | | | | | |
| D150 | Optimise and sustain infrastructure investment and services | Service Delivery | Electricity network upgrade and maintenance | Provision of Capital Tools (Urban) | Q1: Procurement of capital tools as and when required, report acquisitions to Council (25%) Q2: Procurement of capital tools as and when required, report acquisitions to Council (50%) Q3: Procurement of capital tools as and when required, report acquisitions to Council (75%) Q4: Procurement of capital tools as and when required, report acquisitions to Council (100%) | Procured 6 Links Sticks, Drills, 8 Ladders, 4 Radios, 2 digital clamp meters, 3 crimping tools, 3 magnetic GTM signs and 1 ACER laptop was procured | 100% | 100% | 100% | G | Capital tools and equipment is only purchased when it is needed | No capital tools and equipment were needed to be purchase | Proof of purchase Asset register update |
| D151 | Optimise and sustain infrastructure investment and services | Service Delivery | Electricity network upgrade and maintenance | Provision of Capital Tools (outlying) | Q1: Procurement of capital tools as and when required, report acquisitions to Council (25%) Q2: Procurement of capital tools as and when required, report acquisitions to Council (50%) Q3: Procurement of capital tools as and when required, report acquisitions to Council (75%) Q4: Procurement of capital tools as and when required, report | No funding | 100% | 100% | 100% | G | Tools purchased as and when required | None | Proof of purchase Asset register update |



Table 3: Year-end performance for the Service Delivery KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|------|---|------------------|---|--|---|-------------|---------------|------------------------------|--------|---|--|---------------------|---|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| | | | | | acquisitions to Council (100%) | | | | | | | | |
| D152 | Optimise and sustain infrastructure investment and services | Service Delivery | Electricity network upgrade and maintenance | Rebuilding of Lalapanzi 33 kv line (2km) | Q1: Determine scope of work and source quotations (10%) Q2: Issue orders to service providers, physical construction at 10% (20%) Q3: Physical progress at 50% (60%) Q4: Rebuilding of Lines- Greenfog - Haenertsburg (12km) completed (100%) | New project | 100% | 100% | 100% | G | Rebuilding of line completed | None | Scope of Work Quotations Project Progress Reports Final payment certificate |
| D153 | Optimise and sustain infrastructure investment and services | Service Delivery | Electricity network upgrade and maintenance | Rebuilding of Mashutti 11kv line (4km) | Q1: Determine scope of work and source quotations (10%) Q2: Issue orders to service providers, physical construction at 10% (20%) Q3: Physical progress at 50% (70%) Q4: Rebuilding of Mashutti 11kv line (4km) completed (100%) | New project | 100% | 100% | 100% | G | Rebuilding of 5km line at Mashuti Completed. | None | Scope of Work Quotations Project Progress Reports Final payment certificate |
| D154 | Optimise and sustain infrastructure investment and services | Service Delivery | Electricity network upgrade and maintenance | Rebuilding of Deeside 11kv line from Red Arc to Rooster and Woodside Farm (2.5km) Phase 1 of 2 | Q1: Determine scope of work and source quotations (10%) Q2: Issue orders to service providers, physical construction at 50% (60%) Q3: Rebuilding of Deeside 11kv line from Red Arc to Rooster and Woodside Farm (2.5km) | New project | 100% | 100% | 100% | G | Rebuilding of 3.5km line completed | none | Scope of Work Quotations Project Progress Reports Final payment certificate |



Table 3: Year-end performance for the Service Delivery KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|------|---|------------------|---|---|---|-------------|---------------|------------------------------|--------|---|--|--|---|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| | | | | | completed (100%) Q4: Not applicable this quarter (100%) | | | | | | | | |
| D155 | Optimise and sustain infrastructure investment and services | Service Delivery | Electricity network upgrade and maintenance | Rebuilding of Yamorna/ Shivurali 11kv line (4km) | Q1: Determine scope of work and source quotations (10%) Q2: Issue orders to service providers, physical construction at 10% (20%) Q3: Physical progress at 50% (70%) Q4: Rebuilding of Yamorna/ Shivurali 11kv line (4km) completed (100%) | New project | 100% | 100% | 100% | G | Rebuilding of 5km line completed | None | Scope of Work Quotations Project Progress Reports Final payment certificate |
| D156 | Optimise and sustain infrastructure investment and services | Service Delivery | Electricity network upgrade and maintenance | Rebuilding of Ledzee 11kv line from LZ44 to Vandergrey Farm (3.5km) | Q1: Determine scope of work and source quotations (10%) Q2: Issue orders to service providers, physical construction at 10% (20%) Q3: Physical progress at 50% (70%) Q4: Rebuilding of Ledzee 11kv line from LZ44 to Vandergrey Farm (3.5km) completed (100%) | New project | 100% | 100% | 100% | G | Rebuilding of 4.5 km line completed | None | Scope of Work Quotations Project Progress Reports Final payment certificate |
| D157 | Optimise and sustain infrastructure investment and services | Service Delivery | Electricity network upgrade and maintenance | Replacing of old SS1 electrical substation circuit breakers with compact switchgear | Q1: Initiate the appointment of a consultant (10%) Q2: Appointment of consultant and contractor finalised. (25%) Q3: Construction of | New project | 100% | 100% | 25% | R | Project in Tender stage: Tenders exceeded the budget amount. The Budget will be utilized for a much needed crane and Project SS1 to be | Project Budget insufficient. Project to be moved to the next financial year. | Appointment letters Progress reports Handing over certificate |



Table 3: Year-end performance for the Service Delivery KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence | |
|------|---|------------------|---|---|--|--|---------------|------------------------------|--------|---|--|---|---|--|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | | |
| | | | | | Switching station 1 commencing, physical progress at 50%. (50%) Q4: Construction of Switching station 1 completed (100%) | | | | | | | moved to the next financial year with increased budget. | | |
| D158 | Optimise and sustain infrastructure investment and services | Service Delivery | Electricity network upgrade and maintenance | Replacement of auto-reclosers (11kv and 33kv) | Q1: Identify strategic location of auto-reclosers (10%) Q2: Order for Delivery of auto-reclosers (20%) Q3: Auto Reclosers delivered (30%) Q4: Installation of Auto Reclosers completed (100%) | New project | 100% | 100% | 40% | R | Autoreclosers withdrawn from stores. Awaiting outage to install A/R | Planned outage to be scheduled to install autoreclosers | Sketches Payment certificate Delivery Certificate Asset Register | |
| D159 | Optimise and sustain infrastructure investment and services | Service Delivery | Electricity network upgrade and maintenance | Renewal, Repairs and Maintenance on pre-paid meters | Q1: Acquire quotations for the procurement of pre-paid meters and data concentrators (10%) Q2: Placing of orders by end November (35%) Q3: Meters and data concentrators received (50%) Q4: Installation of data concentrators and meters as and when required (100%) | Funds revoked during adjustment budget | 100% | 100% | 100% | G | 158 Conversions done to date. 8 new 20Amp customers done at Tarentaalrand. Stores received meters from ACTOM that was on backorder | No deviation | Quotation Proof purchase Asset register *AMI registry file | |



Table 3: Year-end performance for the Service Delivery KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|------|---|------------------|---|--|--|---------------------------|---------------|------------------------------|--------|---|---|---|--|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| D160 | Optimise and sustain infrastructure investment and services | Service Delivery | Electricity network upgrade and maintenance | New electricity Connections (Consumer contributions) | Q1: Funds received for services contributions spent on re-capitalisation of the network (10%) Q2: Funds received for services contributions spent on re-capitalisation of the network (20%) Q3: Funds received for services contributions spent on re-capitalisation of the network (30%) Q4: Funds received for services contributions spent on re-capitalisation of the network (100%) | Mini-substations procured | 100% | 100% | 100% | G | New connections in progress. Ongoing | None | New connections register Job card sign off |
| D167 | Enhance sustainable environmental management and social development | Service Delivery | Sport and Recreation | Burgersdorp Sports Facility | Q1: Designs completed (5%) Q2: Specifications completed (25%) Q3: Appointment of contractor finalised (50%) Q4: Physical Construction at 15% (100%) | New project | 100% | 100% | 90% | O | The Supply chain processes were slow and the contractor was appointed late. | The demand management plan must be followed in future | *Approval of preliminary & detailed designs *Minutes of Specifications Committee *Project Progress Reports |



Table 3: Year-end performance for the Service Delivery KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|------|---|------------------|----------------------|--|---|--|---------------|------------------------------|--------|---|--|---|---|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| D168 | Enhance sustainable environmental management and social development | Service Delivery | Sport and Recreation | Relela Community Hall | Q1: Physical progress at 5% Q2: Construction, Physical Progress at 30% (50%) Q3: Construction, Physical Progress at 100% (100%) Q4: Not applicable this quarter | Physical progress at 5% | 100% | 100% | 95% | O | | | Project Progress Reports Completion Certificate |
| D169 | Enhance sustainable environmental management and social development | Service Delivery | Sport and Recreation | New Runnymede Sports facility | Q1: Physical construction at 25% (25%) Q2: Physical construction at 40% (40%) Q3: Physical construction at 75% (75%) Q4: Sports facility at Runnymede completed (100%) | Designs completed. Draft Tender document to be approved by BSC | 100% | 100% | 75% | O | Delay was due to re-alignment of layout which resulted in increased earthworks and blasting | Extension of time is being processed and a catch up plan will be submitted | Project progress Report Completion Certificate |
| D170 | Improve access to sustainable and affordable services | Service Delivery | Building Control | # of contravention notices issued to decrease non-compliance to building regulations | Number | 20 | 50 | 50 | 28 | R | The performance is slightly higher than the target of 6 and the actual is 8 of which is acceptable | The building control system have been on the budget for so long and its not prioritised | Register of contraventions |



Table 3: Year-end performance for the Service Delivery KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|------|---|------------------|--|--------------------------|--|-------------|---------------|------------------------------|--------|---|---|--|--|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| D171 | Improve access to sustainable and affordable services | Service Delivery | Roads and Storm water Infrastructure Development | Km of roads tarred | Kilometers | 11 | 12 | 12 | 2.98 | R | 2.98km tarred on Tickyline to Makhwibidung Road. Target not met due to some of our projects which were relying on being litigated which are Moruji to Kleshokholwe Road and Tickyline to Burgersdorp road. multiyear projects which will be completed in the next financial year. | Both projects were re-advertised and contractors commenced with the works around November 2016 and we hope to meet our target in 2017/18 financial year. | Road Progress Reports |
| D172 | Improve access to sustainable and affordable services | Service Delivery | Roads and Storm water Infrastructure Development | Kwekhwe Low Level Bridge | Q1: Advertisement for the appointment of a contractor (15%) Q2: Appointment finalised, contractor on site. (25%) Q3: Physical construction at 50% (75%) Q4: Construction of Kwekhwe low level bridge completed (100%) | New project | 100% | 100% | 25% | R | Contractor's appointment was delayed and was only appointed in June. | Fast tracking progress on site | Appointment letter Site meeting minutes (Progress report) Completion certificate |



Table 3: Year-end performance for the Service Delivery KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|------|---|------------------|--|---------------------------------------|---|-------------------|---------------|------------------------------|--------|---|---|---|--|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| D173 | Improve access to sustainable and affordable services | Service Delivery | Roads and Storm water Infrastructure Development | Rikhotso low level bridge | Q1: Construction of low level bridge, physical progress at 50% (50%) Q2: Construction of low level bridge at Rikhotso completed (100%) Q3: Not applicable this quarter Q4: Not applicable this quarter | Contractor onsite | 100% | 100% | 100% | G | Bridge completed | Not required | Appointment letter Site meeting minutes Completion certificate |
| D174 | Improve access to sustainable and affordable services | Service Delivery | Roads and Storm water Infrastructure Development | Mokonyane low level bridge | Q1: Construction of low level bridge, physical progress at 50% (50%) Q2: Construction of low level bridge at Mokonyane completed (100%) Q3: Not applicable this quarter Q4: Not applicable this quarter | Contractor onsite | 100% | 100% | 100% | G | Bridge completed | Not required | Appointment letter Site meeting minutes Completion certificate |
| D175 | Improve access to sustainable and affordable services | Service Delivery | Roads and Storm water Infrastructure Development | Khubu to Lwandlamuni low level bridge | Q1: Advertisement for the appointment of a contractor (15%) Q2: Appointment finalised, contractor on site. (25%) Q3: Physical construction at 50% (75%) Q4: Construction of Khubu to Lwandlamuni low level bridge completed (100%) | New project | 100% | 100% | 90% | O | Contractor's physical project is 90%. Target was not met due to additional scope of works which was identified during practical completion. | Fast tracking additional works motivation for approval. | Appointment letter Site meeting minutes (Progress report) Completion certificate |



Table 3: Year-end performance for the Service Delivery KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|------|---|------------------|--|---|--|--|---------------|------------------------------|--------|---|--|---|---|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| D176 | Improve access to sustainable and affordable services | Service Delivery | Roads and Storm water Infrastructure Development | Moruji to Matswi, Kheshokolwe Tar Road | Q1: Physical construction at 9% (25%) Q2: Physical construction at 18% (50%) Q3: Physical construction at 27% (75%) Q4: Physical construction at 35% (100%) | Tender re-advertised | 100% | 100% | 74% | R | The contractor delayed by rock blasting at 4km. | Rock blasting has since being done and the contractor is busy with the subgrade preparations | Project Progress Reports |
| D177 | Improve access to sustainable and affordable services | Service Delivery | Roads and Storm water Infrastructure Development | Rita, Khopo, Lefara, Zanghoma, Uhuru, Xipungu to Mariveni Tar Road (Phase 3 of 4) | Q1: Physical construction at 53% (25%) Q2: Physical construction at 71% (60%) Q3: Physical construction at 90% (80%) Q4: Physical construction at 100%, 12km completed (100%) | Contractor appointed, physical progress at 44% (25%) | 100% | 100% | 69% | R | A minor group in the community of Zanghoma is stopping the contractor to work through the village. | The PMT is attending to the matter. They have recently met with RAL to resolve the matter. An MOU is still being prepared by RAL for the parties to sign. | Project Progress Reports Completion Certificate |
| D178 | Improve access to sustainable and affordable services | Service Delivery | Roads and Storm water Infrastructure Development | Tickyline, Myakayaka, Burgersdorp, Gavaza to Mafarana Tar Road | Q1: Physical construction at 30% (25%) Q2: Physical construction at 50% (50%) Q3: Physical construction at 75% (75%) Q4: Physical construction at 100% (100%) | Project re-advertised, physical progress at 21% | 100% | 100% | 85% | O | The project was delayed by non delivery of storm water pipes. | The last batch of storm water pipes were delivered late in mid July and the contractor will fast track laying of the pipes. | Project Progress Reports Completion Certificate |



Table 3: Year-end performance for the Service Delivery KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|------|---|------------------|--|--|--|-------------|---------------|------------------------------|--------|----|--|---|---|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| D179 | Optimise and sustain infrastructure investment and services | Service Delivery | Maintenance and upgrading of municipal buildings | Construction of ablution facility for Parks Offices in Tzaneen | Q1: Appointment of consultant (10%) Q2: Specifications and procurement of service provider (20%) Q3: Construction, physical progress at 50% (70%) Q4: Construction of ablution facilities completed. (100%) | New project | 100% | 100% | 10% | R | There was delays in appointment of consultant and contractor and the site was only handed over in July | the roll over of funds has been forwarded to finance and they must prepare an item for roll over of funds to complete the project of which is subjected to council approval | *Appointment letter *Specifications committee minutes *Appointment letter for service provider *Completion Certificate |
| D180 | Optimise and sustain infrastructure investment and services | Service Delivery | Maintenance and upgrading of municipal road infrastructure | Tzaneen Airfield Refurbishment | Q1: Finalise specifications. (5%) Q2: Appointment of contractor finalised (10%) Q3: Physical construction underway at 50% (50%) Q4: Refurbishment of runway at airfield completed (100%) | New project | 100% | 100% | 10% | R | Contractor's appointment was delayed due to supply chain processes and the contractor was only appointed in June 2017. | Fast tracking progress on site | Specifications Appointment Letter Completion Certificate Progress Payment Completion Certificate |
| D182 | Optimise and sustain infrastructure investment and services | Service Delivery | Asset Management | R-value spent on maintenance of roads infrastructure as % of asset value | Percentage | 0.66 | 3.20% | 3.20% | 3.50% | G2 | Performance has exceeded the target | None | Asset Register Expenditure Reports |
| D183 | Optimise and sustain infrastructure investment and services | Service Delivery | Asset Management | R-value spent on maintenance of municipal buildings as % of asset value | Percentage | 0.06 | 5% | 5% | 3.30% | R | Could not meet the target due to insufficient budget and adjustment | Provision of sufficient budget to meet the target | Asset Register Expenditure Reports |



Table 3: Year-end performance for the Service Delivery KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|------|---|------------------|------------------------------|--|---|-------------|---------------|------------------------------|--------|---|---|-------------------------|--|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| D184 | Optimise and sustain infrastructure investment and services | Service Delivery | Asset Management | R-value spent on fleet maintenance as % of asset value | Percentage | 0.65 | 10% | 10% | 34% | B | Target exceeded due to age of vehicles | Replacement of vehicles | Asset Register Expenditure Reports |
| D189 | Improve access to sustainable and affordable services | Service Delivery | Integrated Human Settlements | Land Acquisition at Letsitele | Q1:Negotiations with land owners for GTM to buy land (50%) Q2: Agreement on sale of land, contract finalised. (75%) Q3: Budgeted amount transferred. (85%) Q 4: Budget for the payment of the outstanding balance on land at Letsitele. (100%) | New project | 100% | 100% | 100% | G | deed of sale signed and money is paid to the Attorneys trust account. | None | Communiques with land owners Deed of Sale Signed Purchase contract/agreement Budget submission for 17/18 |

Table 4 presents a summary of the result as reported by Departments and from this it can be seen that **62%** of targets, aimed at improving Service Delivery, were met during 2016/17. This is a marked improvement from the previous performance wherein **52%** of the targets set for 2015/16 were not met.

| Colour | Key to the Colour Codes | No of KPIs/Projects | % in category |
|--------|-------------------------|---------------------|---------------|
| R | KPI Not Met | 19 | 25% |
| O | KPI Almost Met | 10 | 13% |



| Colour | Key to the Colour Codes | No of KPIs/Projects | % in category |
|--------|-------------------------|---------------------|---------------|
| G | KPI Met | 30 | 39% |
| G2 | KPI Well Met | 7 | 9% |
| B | KPI Extremely Well Met | 10 | 13% |
| | Total KPIs | 76 | |

The key challenges impacting on the ability of the organisation to achieve the objectives set in terms of the Service Delivery KPA are:

- 1. Delays in the procurement of goods and services:** The supply chain management process continued to contribute to the delay in service delivery initiatives, by not appointing service providers in time. As with the previous financial years, the delays in the appointment of service providers resulted in projects not being finalised as planned and contributed to the continued roll-over of projects from one financial year to the next and the resulting non-alignment between the IDP and Budget.
- 2. Contract Management:** The appointment of service providers to assist GTM with the provision of goods and services comes with need to manage these contracts to ensure that the specifications and level of service required are adhere to (also refer to **Section 6** of this report). In some instance service provision is being compromised because the service providers are not monitored and penalised where in non-compliance. Services affected are :
 - a. Traffic Law enforcement services have been outsourced yet payment rate has declined since the service has been outsourced.
 - b. Security services wherein the security personnel where not equipped as required and there was an increase in theft of council property.



Waste management services is an example of an area where contract management is taking place, wherein the contractors appointed are placed under penalties on a regular basis for not adhering to the requirements.

- 3. Project Planning and Management:** IDP steering committee meetings are not being attended by all Directors and Managers resulting in the disintegration of planning processes. Since capital is limited projects are often implemented in phases, the disintegration resulting in e.g. the designs of a low level bridge or road being done in one year and then there is no funds made available for implementation during the next financial year. IDP project teams are not established to do proper costing, determine project feasibility and ensure integration between services.

- 4. Monitoring of operational activities:** Core services delivered by the municipality are implemented through operational funds and are not all covered through Key Performance Indicators in the SDBIP. The result is accountability to Council is limited to monthly reports. The monthly reports submitted to Council are not detailed enough to enable council to ensure value for money spent. These include the following areas:
 - a. Electrical maintenance
 - b. Road maintenance
 - c. Building Maintenance
 - d. Mechanical workshop
 - e. Garden and open-space management
 - f. Litter picking
 - g. Traffic law enforcement
 - h. Cemeteries



- 5. Fleet maintenance:** Various departments complain about the extended periods of time they have to wait for council vehicles and equipment to be serviced by the workshop. Services affected by this are waste collection, electricity, roads and parks management. During the 2016/17 financial year the non-availability of vehicles to deliver services severely affected the efficiency of the Electrical and Waste Management services in particular (also refer to [Section 7.6](#) of this report).

- 6. Prioritisation of operational projects:** Limited funds are available for the maintenance and refurbishment of existing infrastructure. This is contributing to service outages and losses. Electricity losses was determined to be **R 99 452 443** for 16/17 (21%). Even though the department has been requesting for funding to conduct an investigation into the main cause of the losses, the funding was not approved. Similarly operational funds required to extend the waste management services to the rural areas are not available.



2.3 Good Governance KPA

The Good Governance KPA is aimed at achieving a clean audit; this will be done through the strategic objectives presented below:

- **Objective GG 1:** Improve stakeholder satisfaction
- **Objective GG 2:** Increase Financial Viability
- **Objective GG 3:** Effective and Efficient administration
- **Objective GG 4:** Attract and retain best human capital to become employer of choice

Table 5 presents the progress made in achieving the performance target set for the objectives listed above during the period 1 July 2016 to 30 June 2017, compared to the performance of the previous year.

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|-----|--|--|-------------------------------|--|---------------------|----------|---------------|------------------------------|--------|---|--|--|--|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| D1 | Increase financial viability | Good Governance and Public Participation | Budget management | % of capital spent on projects as prioritised in IDP for specific year | Percentage | 50% | 100% | 100% | 71.99% | R | Performance Target not achieved | Invoices for contractors to be submitted on time for payment | Capital Expenditure report |
| D2 | Effective and Efficient administration | Good Governance and Public Participation | Council Support | % of GTM Council resolutions implemented vs number passed | Percentage | 100% | 100% | 100% | 64.90% | R | Out of 38 resolutions, 37 were implemented and only one was outstanding. | The implementation of Council resolutions is a continuous process. | Council annual program Resolution register |
| D3 | Effective and Efficient administration | Good Governance and Public Participation | Management and Administration | # Management meetings | Number | 21 | 24 | 24 | 17 | R | 2 Management meetings were held during the month of June 2017. | None. | Invitations Minutes & Attendance Registers |



Table 5: Year-end performance for the Good Governance KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|-----|--|--|--------------------------------------|--|---------------------|----------|---------------|------------------------------|--------|---|---|--|--|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| D4 | Effective and Efficient administration | Good Governance and Public Participation | Performance monitoring and reporting | Mid-year budget and performance report submitted to PT, COGHSTA, and AG by 25 Jan | Number | 42393 | 1 | 1 | 1 | G | | | Mid-year Performance Report Acknowledgement of Receipt |
| D5 | Effective and Efficient administration | Good Governance and Public Participation | Performance monitoring and reporting | Draft Annual Report tabled in Council by 31 Jan | Number | 42400 | 1 | 1 | 1 | G | | | Draft Annual Report Council Minutes |
| D6 | Effective and Efficient administration | Good Governance and Public Participation | Performance monitoring and reporting | Final Annual Report approved by Council by 31 March | Number | 42460 | 1 | 1 | 1 | G | | | Final Annual Report Council Minutes |
| D7 | Effective and Efficient administration | Good Governance and Public Participation | Performance monitoring and reporting | # of Quarterly SDBIP reports submitted to Council | Number | 4 | 4 | 4 | 4 | G | 3rd Quarter SDBIP report approved by Council on 30 June '17 | Council Items must be considered as soon as they are available | Quarterly Performance Reports Council Minutes |
| D8 | Effective and Efficient administration | Good Governance and Public Participation | Performance monitoring and reporting | # of Back to Basics statistical reports submitted to CoGTA by the 10th of each month | Number | 12 | 12 | 12 | 12 | G | Report for May submitted on 9 June | None required | B2B Reports, Acknowledgement of receipt |



Table 5: Year-end performance for the Good Governance KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|-----|--|--|--------------------------------------|--|---------------------|----------------|---------------|------------------------------|--------|---|--|-------------------------------|--|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| D9 | Effective and Efficient administration | Good Governance and Public Participation | Performance monitoring and reporting | Draft Annual Performance Report submitted to the AG, AC and Mayor by 31 August | Number | 1 | 1 | 1 | 1 | G | | | Acknowledgement of Receipt from AG, AC & Mayor |
| D10 | Effective and Efficient administration | Good Governance and Public Participation | Performance monitoring and reporting | # of days taken to submit the SDBIP to the Mayor following budget approval | Number | 20 | 28 | 28 | 28 | G | 17/18 SDBIP approved on 30 June '17 | None required | Acknowledgement of receipt - Mayor |
| D11 | Effective and Efficient administration | Good Governance and Public Participation | Performance monitoring and reporting | # of quarterly performance reports audited prior to submission to Council | Number | 0 | 4 | 4 | 1 | R | No deviation. Third quarter report late | | Quarterly SDBIP Audit reports |
| D12 | Improve stakeholder satisfaction | Good Governance and Public Participation | Customer Care | # of community protests | Number | Actual awaited | 0 | 0 | 0 | G | No protests | No Protests | Community Protest applications register |
| D13 | Effective and Efficient administration | Good Governance and Public Participation | Sound Governance | # of AG audit queries | Number | 94 | 0 | 0 | 100 | R | | | Audit Report |
| D14 | Effective and Efficient administration | Good Governance and Public Participation | Sound Governance | % of employees that Received paid overtime (12 month average) | Percentage | 100% | 10% | 10% | 41.74% | R | Overtime Management is not properly managed. Task Team appointed and special management meeting scheduled to deal with the report. | Municipal Manager to respond. | Monthly HR reports on overtime |
| D15 | Effective and Efficient administration | Good Governance and Public Participation | Sound Governance | Unqualified Audit opinion obtained from AG | Number | Qualified | 1 | 1 | 0 | R | | | Audit Report |



Table 5: Year-end performance for the Good Governance KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|-----|--|--|------------------|--|---------------------|----------------|---------------|------------------------------|--------|---|---|---|-----------------------------------|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| D16 | Improve stakeholder satisfaction | Good Governance and Public Participation | Customer Care | % of complaints received on the Presidential and Premier hotlines resolved | Percentage | Actual awaited | 100% | 100% | 16.67% | R | No deviation | | Help desk register of resolutions |
| D17 | Effective and Efficient administration | Good Governance and Public Participation | Sound Governance | # audit committee meetings held | Number | 4 | 4 | 4 | 3 | O | 3rd quarter audit committee meeting | | Agendas, Attendance register |
| D18 | Effective and Efficient administration | Good Governance and Public Participation | Sound Governance | % of audit committee resolutions implemented | Percentage | New KPI | 100% | 100% | 41.67% | R | Departments not updating progress on the resolutions register | Directors must on a quarterly basis check that the progress on implementation of the resolutions is updated | AC resolution register |
| D19 | Effective and Efficient administration | Good Governance and Public Participation | Sound Governance | % of MPAC resolutions implemented | Percentage | New KPI | 100% | 100% | 8.33% | R | No MPAC resolutions implemented for the month of June 2017. | Management should fast-track the implementation of resolutions and update the register circulated to them. | MPAC resolution register |



Table 5: Year-end performance for the Good Governance KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|-----|--|--|---------------------------------|--|---------------------|----------|---------------|------------------------------|---------|----|--|--|--|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| D21 | Attract and retain best human capital to become employer of choice | Good Governance and Public Participation | Employee Performance Management | # of critical posts with signed performance agreements (MM, CFO, Engineer, Town Planner, CORP, Communications) | Number | 4 | 6 | 6 | 2.33 | R | MM & CFO resigned. Engineer on Suspension, CORP newly appointed. Communications vacant. Town Planning manager not signing due to salary disparity dispute. | CORP will sign for 17/18. ESD & Communications posts to be filled. Salary Disparities to be resolved | Signed Performance Agreements |
| D27 | Increase financial viability | Good Governance and Public Participation | Revenue Management | % equitable share received | Percentage | 0.93 | 100% | 100% | 99.56% | O | | | Bank Statement DORA |
| D28 | Increase financial viability | Good Governance and Public Participation | Supply Chain Management | % of bids approved by MM within 90 days after close of tender | Percentage | 0.6 | 100% | 100% | 55.37% | R | delay in Supply Chain Process | bid committee to sit regularly | Bids approval SCM process checklist |
| D29 | Increase financial viability | Good Governance and Public Participation | Supply Chain Management | Demand Management Plan approved by Council by 30 June Annually | Number | 0 | 1 | 1 | 4 | B | other departments did not submit specification as per dates on procurement plan.. | specifications to be submitted as per plan. | Demand Management Plan Council Minutes |
| D30 | Increase financial viability | Good Governance and Public Participation | Expenditure Management | % of Capital Budget spent | Percentage | 0.54 | 100% | 100% | 106.86% | G2 | Performance target to be updated once all payments have been reconciled | Spending on capital projects low due to late submission of invoices for payment | Budget Reports |
| D31 | Increase financial viability | Good Governance and Public Participation | Budget management | % of Operational budget spent | Percentage | 1.01 | 100% | 100% | 76.10% | O | Performance Target to be updated after allocation of depreciation costs | Depreciation costs to be allocated by end June 2017 | Budget Reports |



Table 5: Year-end performance for the Good Governance KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|-----|--|--|-------------------------|--|---------------------|----------|---------------|------------------------------|--------|---|--|--------------------------------|---|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| D32 | Increase financial viability | Good Governance and Public Participation | Expenditure Management | % Operating budget spent on Personnel costs (excl Salaries of councillors) | Percentage | 0.35 | 35% | 35% | 44.43% | R | Performance target achieved | No corrective measure required | Budget Reports |
| D33 | Increase financial viability | Good Governance and Public Participation | Supply Chain Management | % of Bids awarded within 2 weeks after adjudication recommendation | Percentage | 0.2 | 100% | 100% | 58.33% | R | not applicable | not applicable | SCM Submission register Bids approval by MM |
| D34 | Increase financial viability | Good Governance and Public Participation | Financial Reporting | Submission of AG Action Plan to Council by 31 January | Number | 1 | 1 | 1 | 1 | G | AG Action plan submitted | | Acknowledgement of receipt by AG & PT |
| D35 | Increase financial viability | Good Governance and Public Participation | Financial Reporting | % of AG queries resolved | Percentage | 1 | 100% | 100% | 100% | G | All audit queries resolved | | Acknowledgement of receipt by AG & PT |
| D36 | Increase financial viability | Good Governance and Public Participation | Revenue Management | Revenue enhancement strategy revised and approved by 30 June '17 | Number | New KPI | 1 | 1 | 1 | G | Strategy available and to be implemented | | Attendance register of consultation sessions Revenue Enhancement Strategy Council Minutes |
| D41 | Effective and Efficient administration | Good Governance and Public Participation | Risk Management | # of Anti-corruption committee meetings | Number | 1 | 4 | 4 | 3 | O | Not applicable for this reporting period because the meetings are taking place on quarterly basis. | None | Agendas, Attendance register, Minutes |



Table 5: Year-end performance for the Good Governance KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|-----|--|--|-----------------|--|---------------------|----------|---------------|------------------------------|--------|----|---|---|---|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| D42 | Effective and Efficient administration | Good Governance and Public Participation | Risk Management | % of reported cases of fraud and corruption investigated | Percentage | 100% | 100% | 100% | 91.67% | O | Cases are reported to CoGHSTA by GTM residents in connection RDP houses disputes. Investigations are taking place at CoGHSTA level. No reports are available as yet. | Cases to be reported to GTM and then to CoGHSTA for easy trace and audit trial. | Register of Fraud & Corruption Cases Investigation Reports |
| D43 | Effective and Efficient administration | Good Governance and Public Participation | Risk Management | Risk Assessment report submitted to Council by 30 May | Number | 1 | 1 | 1 | 3 | B | Risk assessment report was submitted and approved by Council on the 30th June 2017. It is not possible to have approved risk assessment report on the 30th May each year. | Risk assessment report must be finalised by 30 June every year. Council must ensure that strategic risks are finalised by 30 May each year. | Risk Assessment Report Council Minutes |
| D44 | Effective and Efficient administration | Good Governance and Public Participation | Risk Management | # of Risk committee meetings | Number | 0 | 4 | 4 | 5 | G2 | not applicable for this reporting period because the risk committee meetings are taking place on quarterly basis. | none | Appointment letter for chairperson & members Invitations Minutes & attendance registers |
| D45 | Effective and Efficient administration | Good Governance and Public Participation | Risk Management | # of Risk monitoring reports submitted to Council | Number | 4 | 4 | 4 | 8 | B | 3rd quarter risk monitoring report (which is the last quarter of 2017 FY) was approved by Council on the 30th June 2017 | None | Risk Monitoring Reports Council Minutes |



Table 5: Year-end performance for the Good Governance KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|-----|--|--|------------------|---|---------------------|----------|---------------|------------------------------|--------|---|---|--|---|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| D46 | Effective and Efficient administration | Good Governance and Public Participation | Risk Management | # of strategic risks identified | Number | 10 | 10 | 10 | 7.75 | B | Strategic risks identified are part of GTM risk assessment or risk profile approved by Council on the 30th June 2017. | To conduct strategic risk assessment at the planning session. | Strategic Risk Assessment Report |
| D47 | Effective and Efficient administration | Good Governance and Public Participation | Sound Governance | 3 year Strategic Risk Based Audit plan submitted to Audit Committee by 30 June | Number | 1 | 1 | 1 | 0 | R | The plan has been developed and awaiting 4th quarter meeting | The Risk register must be finalized by March in order to allow the Internal Audit plans to be submitted in the 3rd quarter Audit Committee meeting | 3 Year Strategic Risk Plan AC minutes |
| D48 | Effective and Efficient administration | Good Governance and Public Participation | Sound Governance | % of Departmental Internal Audit findings resolved (MM) | Percentage | 100% | 100% | 100% | 100% | G | No audit reports issued | | Internal Audit Follow-up Reports for Department |
| D49 | Effective and Efficient administration | Good Governance and Public Participation | Sound Governance | # of quarterly internal audit reports submitted to audit committee | Number | 4 | 4 | 4 | 2 | R | | | Quarterly Audit reports AC minutes |
| D50 | Effective and Efficient administration | Good Governance and Public Participation | Sound Governance | Annual Audit Plan approved by Audit Committee by 30 June | Number | 0 | 1 | 1 | 0 | R | The plan is developed and waiting for fourth quarter audit committee meeting to submit | The risk register must be finalized by end of March to allow the plans to be submitted during the third quarter meeting | Audit Plan AC Minutes |
| D51 | Effective and Efficient administration | Good Governance and Public Participation | Sound Governance | Revised Internal Audit Charter submitted & approved by Audit Committee by 30 June | Number | 0 | 1 | 1 | 0 | R | The Charter has been developed and will be submitted in the fourth quarter | The charter will be submitted during the fourth quarter audit committee meeting | Audit Charter AC Minutes |



Table 5: Year-end performance for the Good Governance KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|-----|--|--|-----------------------|---|--|---|---------------|------------------------------|--------|---|--|--|---|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| D52 | Effective and Efficient administration | Good Governance and Public Participation | Office Administration | Purchase of office furniture (MM) | Q1: Not applicable this quarter (0%) Q2: Not applicable this quarter (0%) Q3: Procurement process for the acquisition of furniture (10%) Q4: Furniture procured for MM offices and delivered (100%) | New project | 100% | 100% | 100% | G | Budget revoked and used as savings for service delivery departments | | Quotations Proof of receipt of furniture |
| D53 | Increase financial viability | Good Governance and Public Participation | Fleet Management | Fleet management policy revised and approved by Council by 30 December 2016 | Percentage | Fleet management policy developed in 2006 | 100% | 100% | 160% | B | Draft Policy Developed but not approved and finalised because of a lack of segregation and allocation of duties between Engineering Services where currently is situated and Budget and Treasury where a portion of the activities is supposed to go | Management to decide on allocation of duties and responsibilities between ESD and CFO and to allocate staff accordingly. | Fleet Management Policy Council Resolution |
| D58 | Effective and Efficient administration | Good Governance and Public Participation | Regulatory Framework | # of finance related policies revised annually | Number | 17 | 17 | 17 | 17 | G | | | Budget Policies Council Resolution |



Table 5: Year-end performance for the Good Governance KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|-----|------------------------------|--|-------------------|---|---------------------|------------|---------------|------------------------------|--------|---|--|---|---|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| D59 | Increase financial viability | Good Governance and Public Participation | Asset Management | Annual Asset verification report concluded by 30 August | Number | 42551 | 1 | 1 | 1 | G | | | Sign Off report on Asset Verification report Council Resolution |
| D60 | Increase financial viability | Good Governance and Public Participation | Budget management | Draft Budget submitted to Council by 31 March | Number | 42456 | 1 | 1 | 1 | G | | | Draft Budget Council resolution |
| D61 | Increase financial viability | Good Governance and Public Participation | Budget management | Annual Budget tabled by 31 May annually | Number | 28 May '16 | 1 | 1 | 1 | G | | | Budget Council resolution |
| D62 | Increase financial viability | Good Governance and Public Participation | Budget management | Annual Adjustment budget approved by Council by 28 Feb | Number | 42427 | 1 | 1 | 1 | G | | | Adjustment Budget Council resolution |
| D63 | Increase financial viability | Good Governance and Public Participation | Budget management | Cost coverage | Ratio | 0.2 | 1.6 | 1.6 | 0.34 | R | The cost coverage demonstrates how many times the monthly fixed operating expenditure can be met. The actual is lower than the target which means that the target has not been met | The target can only be reached during and after the months that the equitable grant has been received. All departments will have to perform budget management to ensure that the target is reached. | Financial reports Financial viability calculations |



Table 5: Year-end performance for the Good Governance KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|-----|------------------------------|--|------------------------|---|---------------------|----------|---------------|------------------------------|--------|----|---|--|---|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| D64 | Increase financial viability | Good Governance and Public Participation | Budget management | Debt coverage | Ratio | 19.2 | 18.3 | 18.3 | 24.51 | G2 | The debt coverage demonstrates how many times debt service payments can be accommodated. The actual is higher than the target which means that the target has been met. The debt payment on the INEP project resulted in the high actual. | N/A | Financial reports Financial viability calculations |
| D65 | Increase financial viability | Good Governance and Public Participation | Budget management | % of debt collected | Percentage | 6 | 8% | 8% | 9.46% | G2 | Service providers appointed collecting on a monthly basis | Monthly credit control and debt collection actions | Financial reports Financial viability calculations |
| D66 | Increase financial viability | Good Governance and Public Participation | Expenditure Management | % creditors paid within 30 days | Percentage | 95 | 100% | 100% | 99.59% | O | Performance Target not achieved | Invoice not yet submitted for payment | Monthly reports |
| D67 | Increase financial viability | Good Governance and Public Participation | Financial Reporting | # of Section 71 (MFMA) reports submitted to NT & PT by no later than 10 working days after the end of the month | Number | 12 | 12 | 12 | 12 | G | The sect 71 reports were submitted to the Gov. Departments on 14 June 2017 . The reports were submitted within 10 working days | N/A | Acknowledgement of receipt by NT & PT |
| D68 | Increase financial viability | Good Governance and Public Participation | Financial Reporting | Annual Financial statements submitted to AG, PT and NT by 31 August annually | Number | 42247 | 1 | 1 | 1 | G | | | Acknowledgement of receipt by AG & PT |



Table 5: Year-end performance for the Good Governance KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|-----|------------------------------|--|--------------------|--|---------------------|----------|---------------|------------------------------|-----------|---|--|--|--|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| D69 | Increase financial viability | Good Governance and Public Participation | Revenue Management | # of Households billed | Number | 23066 | 23,500 | 23,500 | 22,811.58 | O | Accounts consolidated and development not as planned | Not manageable, depends on demand | Billing reports |
| D70 | Increase financial viability | Good Governance and Public Participation | Revenue Management | # of revenue generation policies reviewed and approved | Number | 0 | 5 | 5 | 15 | B | not applicable | not applicable | Credit Control, Debt Collection, Property rates, Indigent Policy & Cash management Policy, Debt impairment Budget Resolution |
| D71 | Increase financial viability | Good Governance and Public Participation | Revenue Management | % of revenue collected monthly | Percentage | 95 | 92% | 92% | 86.42% | O | Lower due to non payment and economic climate | Credit control and debt collection on monthly basis | Budget report |
| D72 | Increase financial viability | Good Governance and Public Participation | Revenue Management | Outstanding service debtors to revenue | Ratio | 49.9 | 48 | 48 | 12.65 | B | Payment rate 90%, debtors increase monthly | Credit control and debt collection done on a daily basis | Financial reports Financial viability calculations |



Table 5: Year-end performance for the Good Governance KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|-----|--|--|-------------------------|---|---|-------------|---------------|------------------------------|---------|----|---|---|--|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| D73 | Increase financial viability | Municipal Financial Viability and Management | Expenditure Management | % of Finance Management Grant Spent | Percentage | 1 | 100% | 100.00% | 100.95% | G2 | Performance target achieved | No corrective measure required | Monthly Expenditure Report |
| D74 | Increase financial viability | Good Governance and Public Participation | Supply Chain Management | # of SCM reports submitted to national treasury | Number | 12 | 12 | 12 | 15 | G2 | not applicable | not applicable | Monthly SCM reports Acknowledge ment of receipt from Treasury |
| D75 | Effective and Efficient administration | Good Governance and Public Participation | Supply Chain Management | # of contract management reports submitted to Council | Number | 0 | 12 | 12 | 12 | G | not applicable | not applicable | Monthly Contract Management Report Council Minutes |
| D76 | Increase financial viability | Good Governance and Public Participation | Revenue Management | # of indigents registered | Number | 36732 | 36,732 | 36,732 | 36,732 | G | Indigent register submitted to Council but referred back | Verification of indigent applications. Consider compiling new indigent register with assistance of service provider/Coghsta | Indigent register |
| D77 | Effective and Efficient administration | Good Governance and Public Participation | Office Administration | Purchase of office furniture (CFO) | Q1: Not applicable this quarter (0%) Q2: Not applicable this quarter (0%) Q3: Procurement process for the acquisition of furniture (10%) Q4: Furniture procured for CFO offices and delivered (100%) | New project | 100% | 100% | 50% | R | Furniture to the amount of R 18 151.40 was purchased. That was the only furniture needed. | All departments received the same allocation for the purchase of furniture. | Quotations Proof of receipt of furniture |



Table 5: Year-end performance for the Good Governance KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|-----|--|--|---------------------------|--|---------------------|----------|---------------|------------------------------|--------|---|--|--|---|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| D78 | Effective and Efficient administration | Good Governance and Public Participation | Sound Governance | % of Departmental Internal Audit findings resolved (CFO) | Percentage | 1 | 100% | 100% | 89.17% | O | Discussed with the Chief Internal Auditor who confirmed that the target should be for responses submitted and not findings resolved. | N/A | Internal Audit Follow-up Reports for Department |
| D87 | Attract and retain best human capital to become employer of choice | Good Governance | Human Resource Management | # of people from employment equity target groups employed in the 3 highest levels of management in compliance with EE plan | Number | 27 | 27 | 27 | 24.92 | O | The appointment of section 56/ 57 managers will determine an increase or decrease in the next financial year. | Employment Equity plan target must be adhered to. | EE report |
| D88 | Attract and retain best human capital to become employer of choice | Good Governance | Human Resource Management | Number of MM & Director posts vacant for more than three months | Number | 7 | 0 | 0 | 4 | R | The position of MM, Director ESD and CFO are vacant. | The mayor must ensure that the post of municipal manager is filled as per municipal system act. Acting Municipal Manager must ensure that the 2 directors positions for ESD & CFO is filled. | Staff establishment |
| D89 | Attract and retain best human capital to become employer of choice | Good Governance | Human Resource Management | Review of Institutional Plan finalised by 30 May | Number | 1 | 1 | 1 | 1 | G | | | HR Monthly Reports |



Table 5: Year-end performance for the Good Governance KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|-----|--|-----------------|---------------------------|---|---------------------|----------------|---------------|------------------------------|--------|---|---|-----------------------------------|--|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| D90 | Attract and retain best human capital to become employer of choice | Good Governance | Human Resource Management | # of employees complying with financial minimum competency requirements | Number | 22 | 22 | 22 | 0 | R | The 22 Employees currently enrolled for the competency assessment complete the course end of August 2017. The result will only be released after all POE submitted. the dates will only be announced end of September 2017. | None as the schedule is on track. | HR Monthly Reports |
| D91 | Effective and Efficient administration | Good Governance | Council Support | # of days taken to make MPAC oversight reports available to the public following Council approval | Number | 7 | 7 | 7 | 5.4 | B | | | Council Minutes Copy of Adverts Proof of Website placement |
| D92 | Effective and Efficient administration | Good Governance | Council Support | # of Council meetings held | Number | Actual awaited | 4 | 4 | 16 | B | | | Minutes and attendance registers |



Table 5: Year-end performance for the Good Governance KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|-----|--|-----------------|------------------------|--|---|-------------|---------------|------------------------------|--------|---|---|---|--|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| D93 | Effective and Efficient administration | Good Governance | Council Support | # of Exco meetings held | Number | 26 | 26 | 26 | 17 | R | 1 EXCO meeting was held during the month of June. | All stakeholders should adhere to the approved schedule of EXCO meetings by preparing reports in time and ensuring that the meetings are held as planned. | Minutes and attendance registers |
| D94 | Effective and Efficient administration | Good Governance | Council Support | # of Portfolio Committee meetings held | Number | 99 | 99 | 99 | 95 | O | 9 Portfolio committee meetings were held during the month of June 2017. | None. | Committee meetings register |
| D95 | Effective and Efficient administration | Good Governance | Information Technology | Disaster Recovery Equipment | Q1: Specifications completed. Procurement process initiated (10%) Q2: Appointment of service provider finalised (20%) Q3: Delivery of Disaster Recovery equipment completed (100%) Q4: Not applicable | New project | 100% | 100% | 100% | G | Late Approval of Procurement | | Specifications Appointment Letter Delivery acceptance note |
| D96 | Effective and Efficient administration | Good Governance | Information Technology | Computers for employees | Q1: Specifications completed. Appointment of service provider finalised (20%) Q2: Delivery of computers as per SLA (100%) Q3: Not applicable Q4: Not applicable | New project | 100% | 100% | 100% | G | Laptops and Desktop Computers Delivered. | Procured computers using SITA Transversal contract. | Specifications Appointment Letter Delivery acceptance note |



Table 5: Year-end performance for the Good Governance KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|------|--|-----------------|--------------------------------|---|---------------------|----------|---------------|------------------------------|---------|---|--|---|--|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| D97 | Effective and Efficient administration | Good Governance | Legal support | % SLAs signed within 10 days after information is provided | Percentage | 1 | 100% | 100% | 8.33% | R | | | SLA Register containing date of receipt of request & submission to MM for signature) |
| D98 | Effective and Efficient administration | Good Governance | Human Resource Management | % of budgeted positions on the organogram filled by end June 2017 | Percentage | New KPI | 100% | 100% | 88% | O | 746 is the total number of positions budgeted for 2016/17 including filled positions. Total number of 659 is the workforce ending June 2017. | That positions be filled without management using the budget of vacancies to cover unplanned cost. | Personnel Budget Staff Establishment reports |
| D99 | Effective and Efficient administration | Good Governance | Human Resource Management | % of personnel budget spent | Percentage | 100 | 100% | 100.00% | 194.70% | B | The total positions budgeted was 746. Total filled is 659. | That positions be filled without management using the budget of vacancies to cover unplanned cost. | Personnel Budget Staff Establishment reports |
| D100 | Effective and Efficient administration | Good Governance | Occupational Health and Safety | # of OHS committee meetings | Number | 2 | 4 | 4 | 3 | O | Community Services Department held their meeting. But Electrical and Engineering Services Department does not hold meeting. | Engineering Services and Electrical services don't hold their meeting. The Accounting Officer must held them accountable. | Notice of meeting Attendance Register Minutes |



Table 5: Year-end performance for the Good Governance KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|------|--|-----------------|-----------------------|--|--|-------------|---------------|------------------------------|--------|---|---|---|--|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| D101 | Effective and Efficient administration | Good Governance | Office Administration | Purchase of office furniture (CORP) | Q1: Not applicable this quarter (0%) Q2: Not applicable this quarter (0%) Q3: Procurement process for the acquisition of furniture (10%) Q4: Furniture procured for CORP offices and delivered (100%) | New project | 100% | 100% | 70% | R | Purchasing of the furniture finalised late due to delay of supply chain processes. Chairs have been delivered but a table is yet to be delivered. | The late purchase of the furniture happened after implementation of corrective steps. | Quotations Proof of receipt of furniture |
| D102 | Effective and Efficient administration | Good Governance | Sound Governance | % of Departmental Internal Audit findings resolved (CORP) | Percentage | 100 | 100% | 100% | 51.50% | R | | | Internal Audit Follow-up Reports for Department |
| D103 | Improve stakeholder satisfaction | Good Governance | Communication | # of media briefings arranged | Number | 4 | 4 | 4 | 2 | R | | | Notice of media briefing Attendance Register |
| D104 | Improve stakeholder satisfaction | Good Governance | Communication | # of newsletters produced | Number | 1 | 4 | 4 | 2 | R | | | Publications |
| D105 | Improve stakeholder satisfaction | Good Governance | Communication | # of statutory provisions (website) complied with as contained in Section 75 (a-l) of MFMA within 5 days of approval | Number | 12 | 12 | 12 | 12 | G | target met | | Printscreen of placements Website update register |



Table 5: Year-end performance for the Good Governance KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|------|--|-----------------|---------------------------|-----------------------------------|---|-------------|---------------|------------------------------|--------|---|--|--|--|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| D106 | Improve stakeholder satisfaction | Good Governance | Communication | Sound systems procurement | Q1: Not applicable this quarter (0%) Q2: Not applicable this quarter (0%) Q3: Procurement process for sound system initiated (10%) Q4: Sound system delivered (100%) | New project | 100% | 100% | 0% | R | | | Quotations Proof of receipt of sound system |
| D107 | Improve stakeholder satisfaction | Good Governance | Public Participation | # of Mayoral (local) imbizos held | Number | 4 | 16 | 16 | 9 | R | Target met | None | Minutes and Attendance register (1 Imbizo per cluster per quarter) |
| D108 | Attract and retain best human capital to become employer of choice | Good Governance | Human Resource Management | % Staff turnover | Percentage | 1.8 | 1.80% | 1.80% | 3.50% | B | The turnover is due to pension , death and 2 resignation. | None as the two resignation are due to better opportunities. | Staff establishment |
| D109 | Attract and retain best human capital to become employer of choice | Good Governance | Human Resource Management | % Employees that are female | Percentage | 45 | 45% | 45% | 76.54% | B | The target set was not met due to interviews outcome. | The designated group must be considered during the interviews in order to comply with EE Plan. | Employment Equity report |
| D110 | Attract and retain best human capital to become employer of choice | Good Governance | Human Resource Management | % Employees that are youth | Percentage | 28 | 28% | 28% | 43.70% | B | The statistics for youth is regressing due to age progression. | Employment Equity plan must be adhered to in order to achieve target. | Employment Equity report |



Table 5: Year-end performance for the Good Governance KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|------|--|-----------------|---------------------------|--------------------------------------|---------------------|----------|---------------|------------------------------|--------|---|---|---|---|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| D111 | Attract and retain best human capital to become employer of choice | Good Governance | Human Resource Management | % Employees that are disabled | Percentage | 3 | 2% | 2% | 4.55% | B | The status of disability is stable but there is room for improvement. | None | Employment Equity report |
| D113 | Improve stakeholder satisfaction | Good Governance | Ward Committees | # of monthly ward committee meetings | Number | 408 | 420 | 420 | 12 | R | The shortcomings in processing of information in the Public Participation Unit has led to underreporting in this area. The division is also under-resourced in as far as working tools are concerned. | A discussion on improvement in reporting and processing of documents from ward committees to be held. A practice for following up with ward councillors will be promoted to ensure that they call ward committee meetings on monthly basis. | Register of Ward Committee Meetings & Minutes |
| D114 | Improve stakeholder satisfaction | Good Governance | Ward Committees | # Fully functional ward committees | Number | 34 | 35 | 35 | 2.58 | R | 9 sets of reports and 6 sets of minutes were recorded for June, which altogether are 16. The shortcomings in the processing of information and documents may contribute to under reporting. The challenge of lack of resources is also a contributory factor. | A discussion on improvement in reporting and processing of documents from ward committees to be held. A practice for following up with ward councillors will be promoted to ensure that they call ward committee meetings on monthly basis. | Minutes of Ward committee meetings, Consolidated Monthly Ward reports |



Table 5: Year-end performance for the Good Governance KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|------|--|-----------------|---------------------|---|---------------------|----------|---------------|------------------------------|--------|---|---|---|---|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| D115 | Improve stakeholder satisfaction | Good Governance | Ward Committees | # of summarised quarterly ward reports submitted to Council | Number | 4 | 4 | 4 | 0 | R | The shortcomings in the processing of information/documents in the Public Participation Division is contributory factor. The division suffers from lack working tools. | A discussion on improvement in reporting and processing of documents from ward committees to be held. Efforts will be made to acquire necessary working tools within the available financial resources. | Summarised Ward Reports (quarterly) Council Minutes |
| D116 | Effective and Efficient administration | Good Governance | Safety and Security | # of theft cases from council buildings | Number | 2 | 0 | 0 | 17 | R | Armed robbery of Cash In Transit (CIT) delivery vehicle which was robbed outside of the municipality after collecting cash and cheques the municipality. The matter was reported to the SAPS Bolobedu under CAS 04/06/2017. | We since changed collection times to be earlier in terms of the SLA that requires that immediately after cash was collected it must be banked. | Theft & damages register Police Case number |



Table 5: Year-end performance for the Good Governance KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|------|--|-----------------|-----------------------|--|---|-------------|---------------|------------------------------|--------|---|--|--|---|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| D130 | Effective and Efficient administration | Good Governance | Sound Governance | % of Departmental Internal Audit findings resolved (CSD) | Percentage | 100 | 100% | 100% | 47.92% | R | Security service provider obtained court interdict against municipality and was not defended. Contract cancelled again for continuous breach after service provider wrote letter that he withdrew all firearms. letter written to him tt he must rectify breach in terms of service level agreement and did not respond. | Cancellation of security contract which did not comply and another one appointed. | Internal Audit Follow-up Reports for Department |
| D131 | Effective and Efficient administration | Good Governance | Office Administration | Purchase of office furniture (CSD) | Q1: Not applicable this quarter (0%) Q2: Not applicable this quarter (0%) Q3: Procurement process for the acquisition of furniture (10%) Q4: Furniture procured for CSD offices and delivered (100%) | New project | 100% | 100% | 0% | R | Furniture budget transferred by accounting officer and used for other priorities. | Management to implement approved budget as prioritised ensuring compliance with SDBIP. | Quotations Proof of receipt of furniture |



Table 5: Year-end performance for the Good Governance KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|------|--|-----------------|---------------------------|---|---|-------------|---------------|------------------------------|--------|---|---|---|---|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| D161 | Effective and Efficient administration | Good Governance | Office Administration | Purchase of office furniture (EED) | Q1: Not applicable this quarter (0%) Q2: Not applicable this quarter (0%) Q3: Procurement process for the acquisition of furniture (10%) Q4: Furniture procured and delivered (100%) | New project | 100% | 100% | 100% | G | Furniture to be purchased as and when required. Not applicable this financial year. Budget not available. | Not applicable this financial year. Budget not available | Quotations Proof of receipt of furniture |
| D162 | Effective and Efficient administration | Good Governance | Sound Governance | % of Departmental Internal Audit findings resolved (EED) | Percentage | 100 | 100% | 100% | 100% | G | No outstanding internal findings | None | Internal Audit Follow-up Reports for Department |
| D163 | Attract and retain the best human capital to become employer of choice | Good Governance | Human Resource Management | # of employees with technical skills/capacity (engineers & technicians - EED) | Number | 19 | 20 | 20 | 19 | O | Manager Outlying areas promoted to Director Electrical Engineering services | Manager Outlying areas position to be advertised and filled | EED Monthly reports |
| D164 | Effective and Efficient administration | Good Governance | Sound Governance | % of Departmental Internal Audit findings resolved (ESD) | Percentage | 100 | 100% | 100% | 91.67% | O | NO DEVIATION | | Internal Audit Follow-up Reports for Department |



Table 5: Year-end performance for the Good Governance KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence |
|------|--|-----------------|---------------------------|---|--|-------------|---------------|------------------------------|--------|----|--|--|---|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | |
| D165 | Increase financial viability | Good Governance | Budget management | % MIG funding spent | Percentage | 71 | 100% | 100% | 102% | G2 | Because of the received bonus the total allocation for 2016/17 fy increased. | Application for roll over to Treasury is done for the remaining balance. | Budget printout |
| D181 | Effective and Efficient administration | Good Governance | Office Administration | Purchase of office furniture (ESD) | Q1: Not applicable this quarter (0%) Q2: Not applicable this quarter (0%) Q3: Sourcing of quotations and initiate procurement process (10%) Q4: Procurement of furniture for ESD completed (100%) | New project | 100% | 100% | 4% | R | Supply was supposed to have centralized the procurement of office furniture for the department and it never happened | Supply chain to apply for roll over of the budget | Quotations Proof of receipt of furniture |
| D185 | Attract and retain the best human capital to become employer of choice | Good Governance | Human Resource Management | # of employees with technical skills/capacity (engineers & technicians - ESD) | Number | 5 | 8 | 8 | 6.67 | O | 8 employees with technical skills appointed | Not required. | ESD Monthly reports |
| D202 | Effective and Efficient administration | Good Governance | Sound Governance | % of Departmental Internal Audit findings resolved (PED) | Percentage | 100 | 100% | 100% | 83.33% | O | No audit queries | No audit queries | Internal Audit Follow-up Reports for Department |



Table 5: Year-end performance for the Good Governance KPA for 2016/17

| Ref | Strategic Objective | Municipal KPA | Programme | KPI | Unit of Measurement | Baseline | Annual Target | Year-To-Date As At June 2017 | | | | | Source of Evidence | |
|------|--|-----------------|------------------------|--|---|-------------|---------------|------------------------------|--------|------|----------------------|--|--|--|
| | | | | | | | | Target | Actual | R | Reason for deviation | Corrective Measures | | |
| D203 | Effective and Efficient administration | Good Governance | Office Administration | Purchase of office furniture (PED) | Q1: Not applicable this quarter (0%) Q2: Not applicable this quarter (0%) Q3: Procurement process for the acquisition of furniture (10%) Q4: Furniture procured for PED offices and delivered (100%) | New project | 100% | 100% | 100% | 100% | G | furniture required was purchased with no additional needs | Any new needs will be dealt with in the new financial year | Quotations Proof of receipt of furniture |
| D204 | Effective and Efficient administration | Good Governance | Sound Governance | Unqualified Audit opinion for GTEDA | Audit opinion | Unqualified | 1 | 1 | 1 | 1 | G | Not applicable | | Audit Report |
| D205 | Effective and Efficient administration | Good Governance | Sound Governance | % of Departmental Internal Audit findings resolved (GTEDA) | Percentage | 100 | 100% | 100% | 13.92% | | R | No internal audit conducted | Appointed internal auditors end of June and will report in July 2017 | Internal Audit Follow-up Reports for Department |
| D206 | Increase financial viability | Good Governance | Budget management | % of GTEDA budget spent | Percentage | 86% | 100% | 100% | 94% | | O | MSCOA budget carried over to 2017/18 | Timing of expenditure, MSCOA budget will be used in July 2017. | Monthly financial reports |
| D209 | Effective and Efficient administration | Good Governance | Information management | MSCOA equipment and programmes | Q1: Source quotations. (10%) Q2: Procurement of printer finalised (100%) Q3: Not applicable this quarter (100%) Q4: Not applicable this quarter (100%) | New project | 100% | 100% | 90% | | O | Trainings conducted by SEBATA technologies Due diligence report done by GTM IT unit | Equipment and computers will be procured in July 2017 | Quotations Invoice |



Table 6 presents a summary of the result as reported by Departments and from this it can be seen that **53%** of targets, aimed at ensuring Good Governance, were not met during 2016/17, a further decline from the **48%** not met in 2015/16.

| Table 6: Good Governance KPA - Summary of Results for 2016/17 | | | |
|--|--------------------------------|----------------------------|----------------------|
| Colour | Key to the Colour Codes | No of KPIs/Projects | % in category |
| R | KPI Not Met | 38 | 35% |
| O | KPI Almost Met | 19 | 18% |
| G | KPI Met | 30 | 28% |
| G2 | KPI Well Met | 7 | 6% |
| B | KPI Extremely Well Met | 14 | 13% |
| | Total KPIs | 108 | |

The key challenges impacting on the ability of the organisation to achieve the objectives set in terms of the Good Governance KPA are:

- 1. Public participation programme information management:** Although the process of establishing new ward committees did delay the ward level activities there is a shortcoming in the manner in which reports from the ward committees are processed. The hours overtime claimed by the public participation unit should be reflected in the output of the unit. This is however not evident in that monthly ward committee reports are not forthcoming from all wards and neither is any analysis of these reports reaching council. The unit is supposed to analyse the information received from the wards and submit a report to Management and Council so that the process of addressing these challenges can be monitored.



2. Human Resource Management:

- a. *Delays in the filling of critical posts:* The filling of vacancies at Section 56/7 level (MM & Directors) is not managed well, with positions being advertised more than once, shortlisting's done and then the delays in appointment results in the positions having to be re-advertised. During 2016/17 senior positions such as the MM, CFO, Engineering Services became vacant and at the time this report was compiled no appointments were made.
- b. *Overtime abuse:* The abuse of overtime was highlighted in previous financial years and this trend continued in 2016/17. Although it was indicated that only essential services should be paid overtime, an average of 61% of employees claimed paid overtime per month. The continued approval of paid overtime, to an extent where it contravenes the Basic Conditions of Employment Act and its regulations, are of concern (also refer to [Section 7.3](#) of this report).

3. **MSCOA:** The implementation of MSCOA was delayed until eventually a service provider was appointed in June of 2017. The impact of the project on the organisation should be closely monitored by Council as it may impact on the financial viability of Council. Also refer to [Section 7.7](#) of this report.)

4. **Financial Services Administration:** Various aspects of financial administration are a matter of concern, these include:

- a. *Revenue Management compromised:* The challenges experienced with the meter reading services continued during 2016/17. The revenue division also remains understaffed, a major concern as this is the “cash till” of Council.
- b. *Asset Management capacity building:* Asset Management services continues to be outsourced with capacity not being transferred to the municipal official responsible for the function. The concern is that support staff is not being appointed to ensure that the outsourcing of the function can gradually be withdrawn over the coming years.



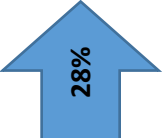


- c. *Procurement Management:* During 2016/17 various contracts were awarded utilising Regulation 32 of the Municipal Finance Regulations. The cost benefit of these appointments are however not clear and therefore, the route taken to avoid normal procurement processes are questionable (also refer to [Section 8.1](#) of this report).
- 5. Performance Reporting:** The validity of information contained in quarterly performance reports are questionable, since not all Directors and Managers are updating their performance information on the electronic system on a monthly basis as required. Some are also failing to provide adequate means of verification for Internal Audit to verify the reported performance and do not respond to request to correct the reported performance. The situation gradually improved throughout the financial year but a few individuals are still compromising the integrity of the reports by continued non-adherence to reporting time periods and requirements.
- 6. Poor contract management** contributing to excessive legal claims being paid in 2016/17.
- 7. Revenue enhancement strategy not developed** as planned for the 2015/16 and 2016/17 financial year. The intention of such a strategy is to plan for the formalisation of settlements in order to deliver services and start billing the community. This in an effort to increase the revenue of Council but also to expand service delivery to rural areas. The buy-in of the community in this process is essential for success and therefore the formal planning of this process should consider the public participation required prior to implementation.
- 8. Mismanagement of Council resources:**
- a. **Printers & Copiers:** Although access to copiers are access controlled through pin codes the volumes printed by individuals are not monitored.



- b. **Fleet Management:** No reports are available to reflect the monitoring of vehicle usage, services and fuel efficiency. Reports from Engineering services do not reflect the turnaround time at the workshop, nor the accumulate expenditure per vehicle.
- c. **Misuse of Council vehicles:** Council vehicles are utilised beyond normal working hours and service boundaries and as long as non-emergency related overtime is not stopped this cannot be monitored.

2.4 Summary of performance on Key Performance Areas.

The table below reflects a summary of the performance on KPAs for the 2015/16 versus the 2016/17 financial years.

| Achievement level | Economic Growth | | Basic Service Delivery | | Good Governance | |
|--------------------------------------|--|-----------|--|-----------|---|-----------|
| | 2015/16 | 2016/17 | 2015/16 | 2016/17 | 2015/16 | 2016/17 |
| KPI Not Met | 11 (27.5%) | 3 (9%) | 41 (36%) | 19 (25%) | 28 (35%) | 38 (35%) |
| KPI Almost Met | 9 (22.5%) | 4 (13%) | 20 (17.5%) | 10 (13%) | 18 (23%) | 19 (18%) |
| KPI Met | 20 (50%) | 27 (78%) | 53 (46.5%) | 47 (62%) | 34 (43%) | 51 (47%) |
| Total: | 40 | 32 | 114 | 76 | 80 | 88 |
| Performance improvement level |  28% | |  15.5% | |  3% | |



2.5 Departmental Performance for 2016/17

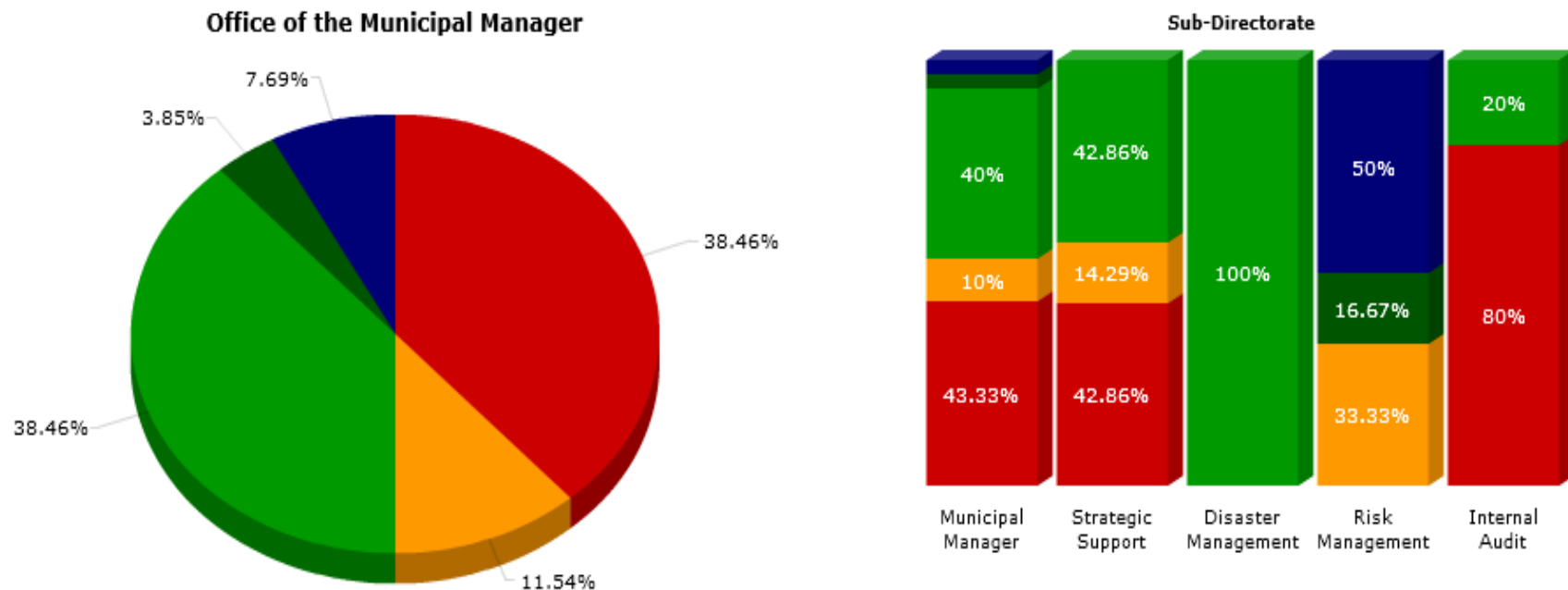
This section will provide a summary of performance per Department as well as for the entire organisation for the 2016/17 financial year.

2.5.1 Office of the Municipal Manager

The Office of the Municipal Manager consists of 5 subsections which include Strategic Support, Risk Management, Disaster Management and Internal Audit. The largest number of KPIs are however high level organisational KPIs for which the responsibility has been allocated directly to the Municipal Manager.

Figure 2 presents the performance of the Department reflecting an overall achievement level of **50%**, a decline from the **58.93%** achieved during 2015/16.

Figure 2: Annual Performance results for the Office of the Municipal Manager

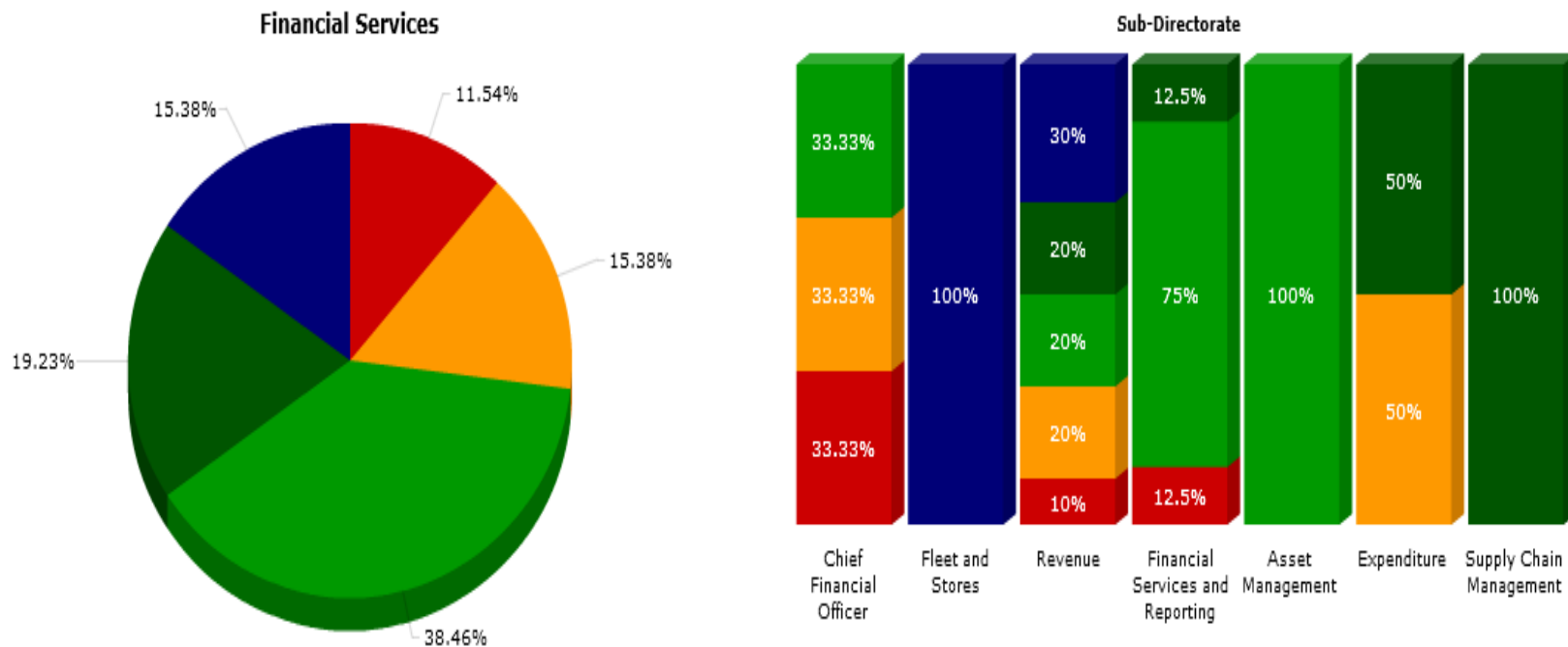




2.5.2 Office of the Chief Financial Officer

The Office of the Chief Financial Officer is comprised of Asset Management, Expenditure, Financial Services & Reporting, Revenue and Supply chain divisions and the performance for the Department is reflected below in **Figure 3**, reflecting an overall achievement level of **73.07%** an improvement from the **65.7%** achieved in 2015/16.

Figure 3: Annual Performance results for the Office of the Chief Financial Officer

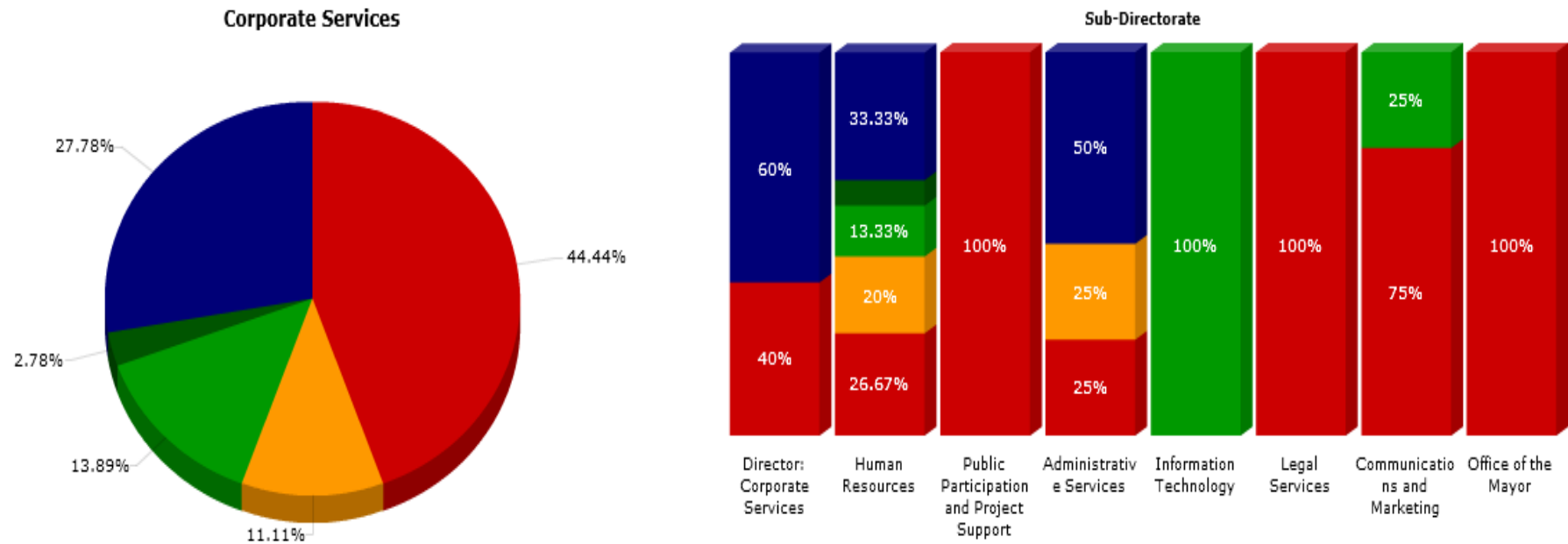




2.5.3 Corporate Services Department

The Corporate Services Department comprise of Admin & Records, Communications & Marketing, Human Resource, Information Technology, Legal Services, the Office of the Mayor and Public Participation divisions. **Figure 4** presents the performance for the Department during 2016/17, reflecting an overall achievement level of **39.45%**, a decline from the **45%** achieved in the previous year.

Figure 4: Annual Performance results for Corporate Services

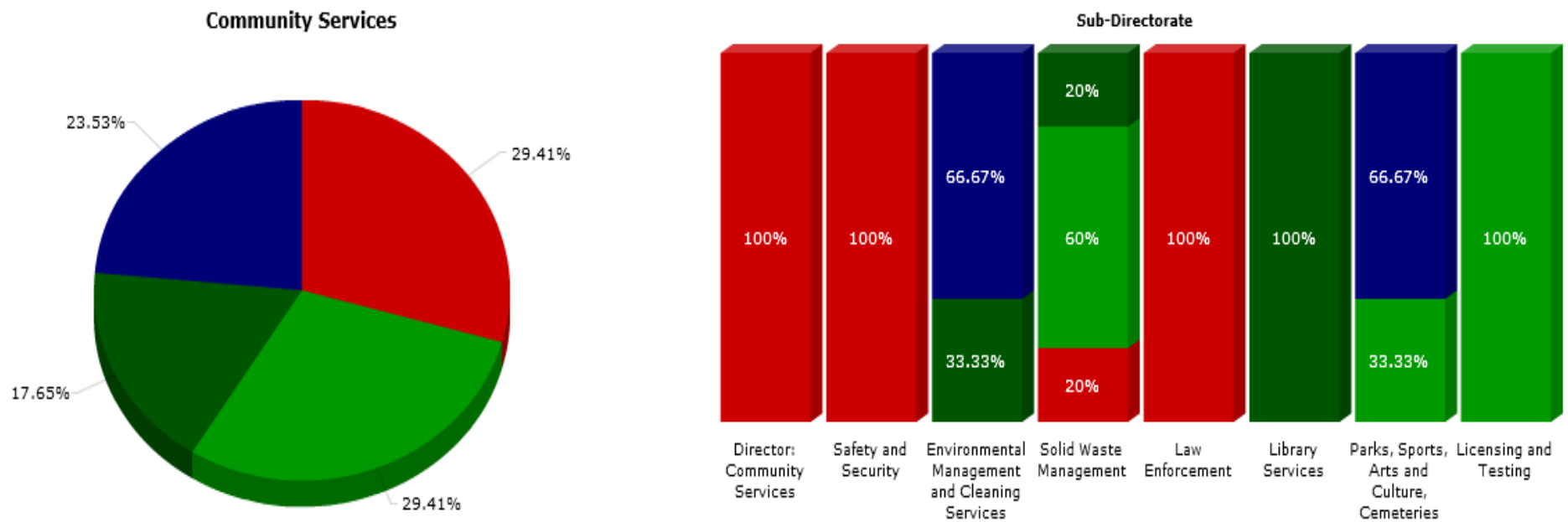




2.5.4 Community Services Department

The Community Services Department comprise of Environmental Health, Library services, Licensing and Testing, Law Enforcement, Solid Waste Management, Parks and the Safety & Security divisions. The performance for the Department during 2016/17 is presented in **Figure 5** below, reflecting an overall achievement level of **70.59%**, an increase from the **61.54%** achieved in 2015/16.

Figure 5: Annual Performance results for Community Services Department

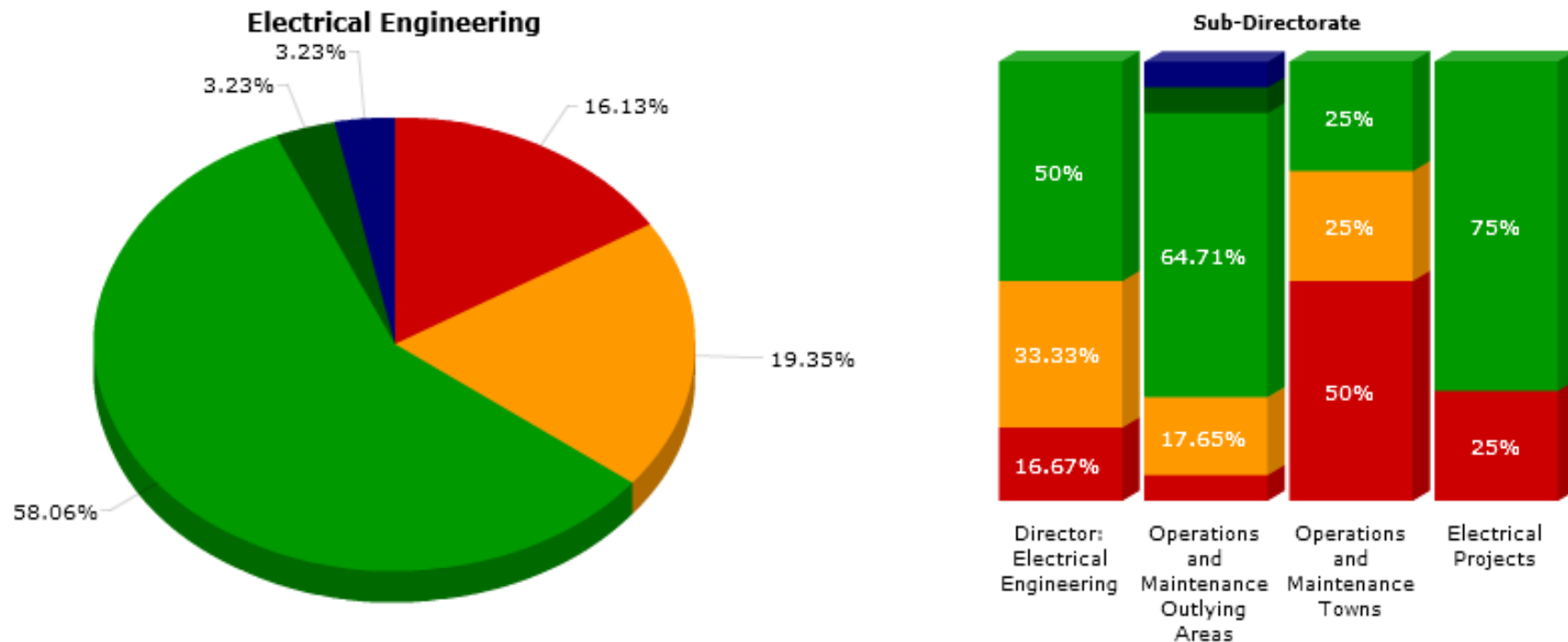




2.5.5 Electrical Engineering Department

The Electrical Engineering Department comprise of sections for Electrical Projects, Operations & Maintenance for Rural and Urban areas. The performance for the Department during 2016/17 is presented in **Figure 6** below, reflecting an overall achievement level of **64.52%** a great improvement from the **42.22%** achieved during 2015/16.

Figure 6: Annual Performance results for Electrical Engineering Department

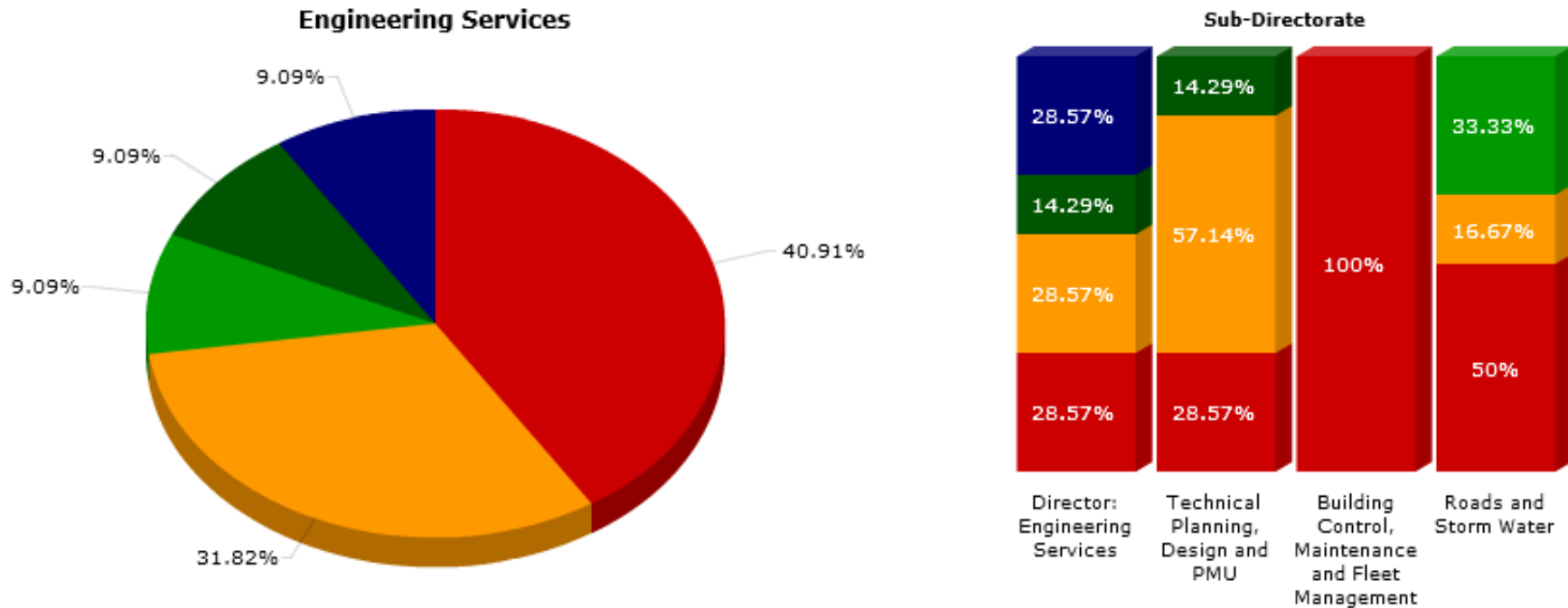




2.5.6 Engineering Services Department

The Engineering Services Department comprise of sections for Electrical Projects, Operations & Maintenance for Rural and Urban areas. The performance for the Department during 2016/17 is presented in **Figure 7** below, reflecting an overall achievement level of **27,27 %** a marked decline from the already low **34.28%** achieved in 2015/16.

Figure 7: Annual Performance results for Engineering Services Department

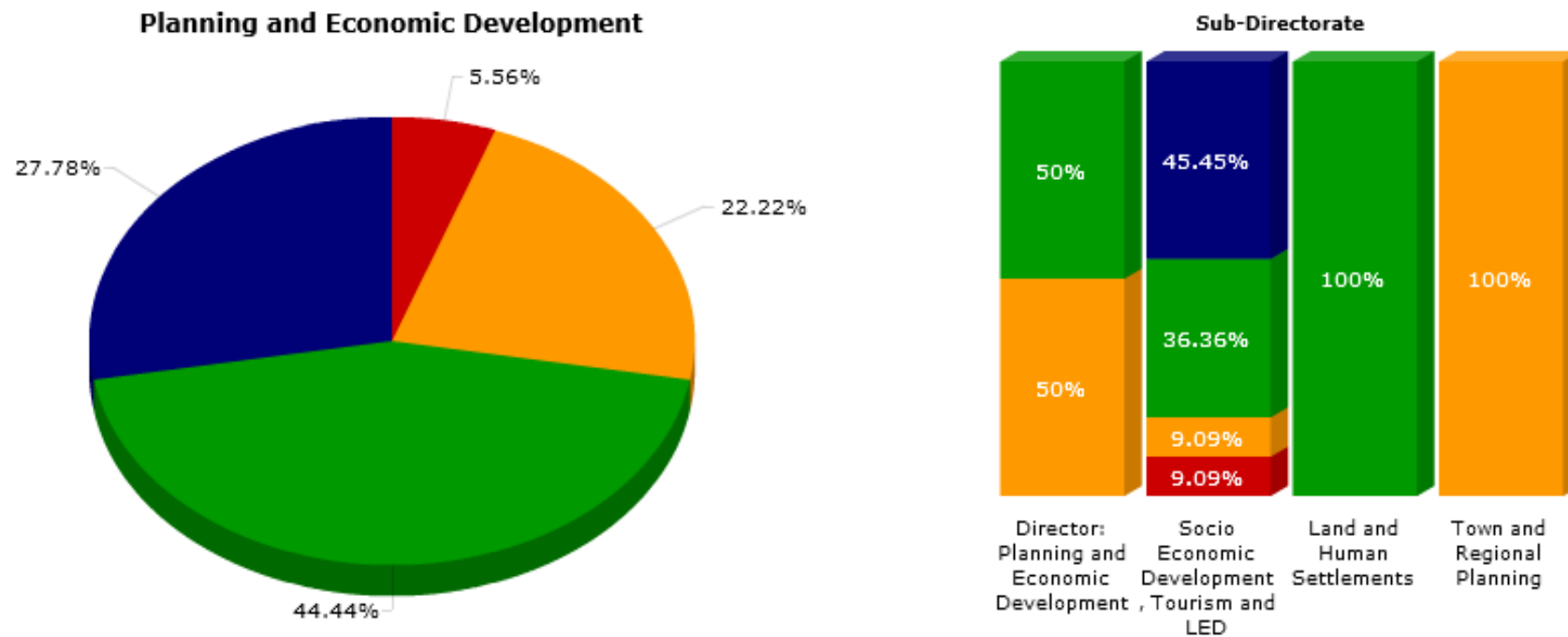




2.5.7 Planning and Economic Development Department

The Planning and Economic Department comprise of sections for Socio - Economic Development, Land & Human Settlements and Town Planning. **Figure 8** presents the performance for the Department during 2016/17, reflecting an overall achievement level of **72.3%** a slight improvement from the **70%** achieved during 2015/16.

Figure 8: Annual Performance results for Planning and Economic Development Department

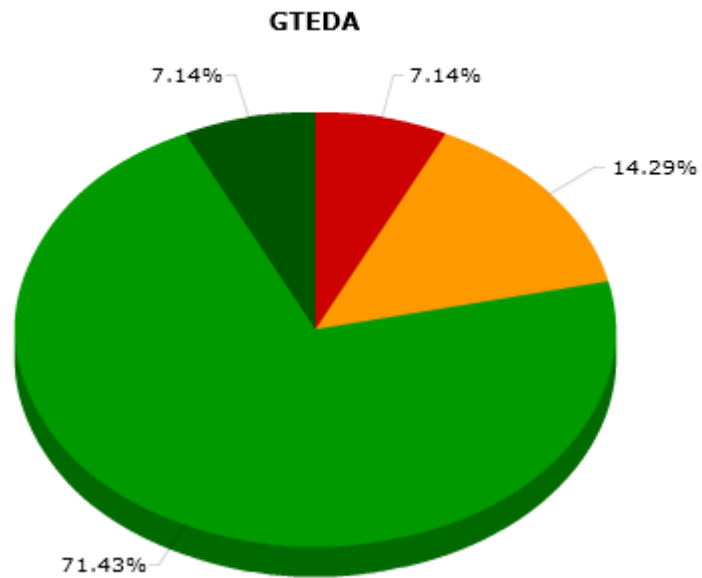




2.5.8 Greater Tzaneen Economic Development Agency

The performance of GTEDA is reflected in **Figure 9**, reflecting an overall achievement level of **78.57%** a marked improvement from the 31.57% achieved in 2015/16.

Figure 9: Annual Performance results for GTEDA

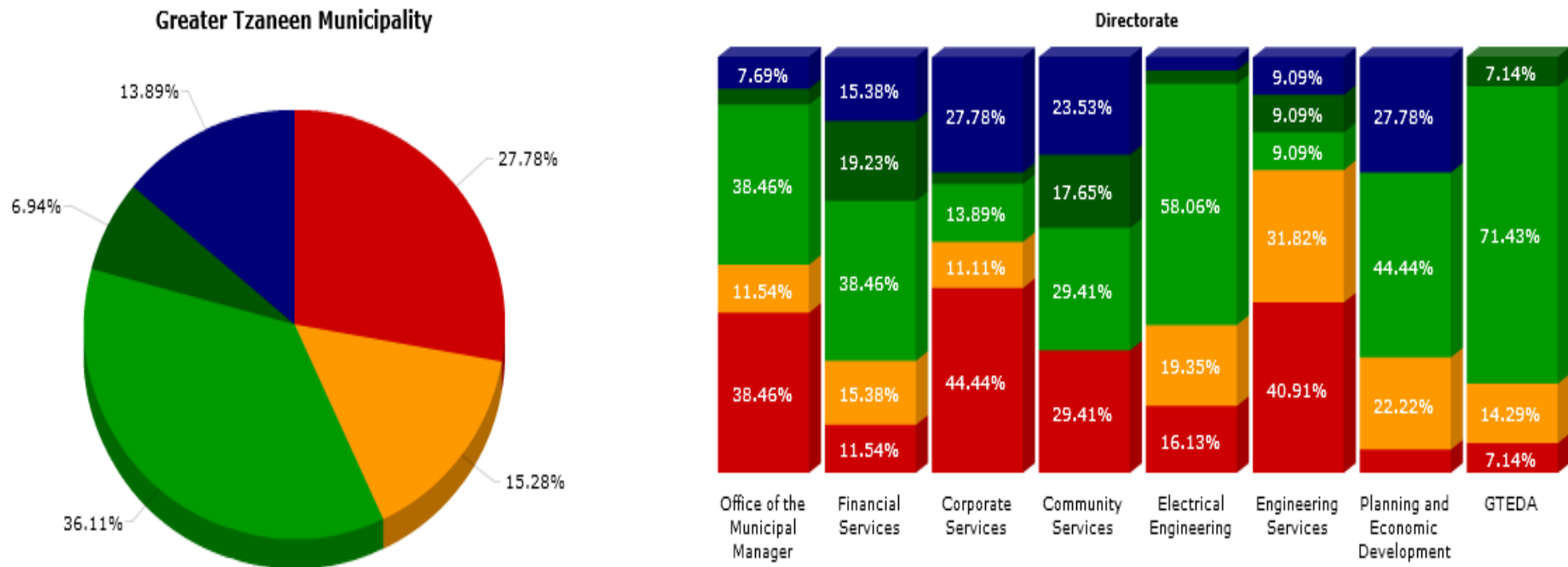




2.6 Overall Municipal Performance for 2016/17

The overall performance of GTM is reflected in Figure 10 below and presents an overall achievement level of **56.94%** an improvement on the **50.19%**, achieved during 2015/16.

Figure 10: Overall Performance of GTM for 2016/17





3. Conditional Grant Activities

Table 8 presents the projects implemented with funding received from conditional grants.

| Table 8: Performance on Conditional Grants for 2016/17 | | | | | | | | |
|--|--|--|---------------|--------------------------|---------------------------|------------------------|----------------------------|---|
| Project/ Initiative | Planned activities | Actual Activities completed as at 30 June '17 | Budget | Adjustment Budget | Actual Expenditure | Budget Variance | Adjustment Variance | Reasons for deviations |
| Neighbourhood Development Partnership Grant | | | | | | | | |
| Nkowankowa Taxi Rank (High point Development Initiative) | Complete Taxi Rank by Dec 2016 | Taxi Rank completed | R - | R 8 200 000 | R 5 361 114 | -R 5 361 114 | R 2 838 886 | Engineering Services |
| Finance Management Grant (FMG) | | | | | | | | |
| Establishment of Supply Chain Management, Internal Audit and Audit Committee | SCM Training | Not implemented | R 100 000 | R 100 000 | R - | R 100 000 | R 100 000 | Funds reallocated to Acquisition, upgrade and maintenance of financial management systems |
| Appointment of at least 5 interns over a multiyear period | Salaries and Subsistence and Travelling | Not implemented | R 700 000 | R 700 000 | R 488 223 | R 211 777 | R 211 777 | Funds reallocated to Acquisition, upgrade and maintenance of financial management systems |
| Acquisition, upgrade and Maintenance of financial management systems to produce multiyear budgets | MSCOA Training GRAP Training | MSCOA training took place for Finance and HR officials | R 350 000 | R 350 000 | R 764 530 | -R 414 530 | -R 414 530 | Overspending due to insufficient budget allocated |
| Support the Training of Municipal Officials in Financial Management towards attaining minimum competencies | Municipal Finance Management Training | Not implemented | R 160 000 | R 160 000 | R 115 700 | R 44 300 | R 44 300 | Funds reallocated to Acquisition, upgrade and maintenance of financial management systems |
| Support the preparation and timely submission of annual financial statements for audit | Preparation and timely submission of Annual Financial Statements Compilation of GRAP compliant asset register | KPMG support and Case ware funded | R 300 000 | R 300 000 | R 441 547 | -R 141 547 | -R 141 547 | Overspending due to insufficient budget allocated |



Table 8: Performance on Conditional Grants for 2016/17

| Project/ Initiative | Planned activities | Actual Activities completed as at 30 June '17 | Budget | Adjustment Budget | Actual Expenditure | Budget Variance | Adjustment Variance | Reasons for deviations |
|---|---|---|--------------------|--------------------|--------------------|-----------------|---------------------|--|
| Preparation of financial recovery plan and implementation thereof, where applicable | Revenue Enhancement Strategy | Strategy not developed, funds re-allocated | R 200 000 | R 200 000 | R - | R 200 000 | R 200 000 | Funds reallocated to Acquisition, upgrade and maintenance of financial management systems and Preparation and timely submission of Annual Financial Statements |
| Total | | | R 1 810 000 | R 1 810 000 | R 1 809 999 | R 1 | R 1 | |
| National Electrification(INEP) | | | | | | | | |
| Electrification of 400 households at Khujwana Phase 2 | Electrification of 400 households at Khujwana | Project completed and energised. 275 households connected. Outstanding house connections in progress. | R - | R 927 000 | R 534 709 | -R 534 709 | R 392 291 | Project implemented in 2015/16 & 16/17 with frontloading funds from DBSA |
| Electrification of 700 households at Mine View/Hospital View | Electrification of 700 households at Mine View/Hospital View | Project completed and energised. 456 households connected. Outstanding house connections in progress. Infrastructure also provided for 41 empty stands. | R - | R 4 300 000 | R 3 964 583 | -R 3 964 583 | R 335 417 | Project implemented in 2015/16 & 16/17 with frontloading funds from DBSA |
| Electrification of 160 households at Bonn/ Lekutswi | Electrification of 160 households at Bonn/ Lekutswi | Project completed and energized. 148 households connected. Infrastructure also provided for 19 empty stands. | R - | R 506 000 | R 511 507 | -R 511 507 | -R 5 507 | Project implemented in 2015/16 & 16/17 with frontloading funds from DBSA |
| Electrification of 100 households at Madumane/ Mohlakong/ Moruji/ Botludi | Electrification of 100 households at Madumane/ Mohlakong/ Moruji/ Botludi | Physical construction completed. Busy with updating of ENS. | R - | R 523 000 | R 1 815 940 | -R 1 815 940 | -R 1 292 940 | Project implemented in 2015/16 & 16/17 with frontloading funds from DBSA |
| Electrification of 450 households at Motupa/ Marirone/ Kubjana | Electrification of 450 households at Motupa/ Marirone/ Kubjana | Project completed and energized. 342 households connected. Outstanding house connections in progress. Infrastructure also provided for 12 empty stands. | R - | R 1 000 000 | R 1 071 544 | -R 1 071 544 | -R 71 544 | Project implemented in 2015/16 & 16/17 with frontloading funds from DBSA |
| Electrification of 130 households at Morapalala | Electrification of 130 households at Morapalala | Project completed and energized. 177 households connected. Infrastructure also provided for 27 empty stands. | R - | R 286 000 | R 201 703 | -R 201 703 | R 84 297 | Project implemented in 2015/16 & 16/17 with frontloading funds from DBSA |



Table 8: Performance on Conditional Grants for 2016/17

| Project/ Initiative | Planned activities | Actual Activities completed as at 30 June '17 | Budget | Adjustment Budget | Actual Expenditure | Budget Variance | Adjustment Variance | Reasons for deviations |
|--|--|---|--------------|--------------------|---------------------|---------------------|---------------------|--|
| Electrification of 450 households at Wally | Electrification of 450 households at Wally | Project completed and energized. 314 households connected. Infrastructure also provided for 103 empty stands. | R - | R 1 300 000 | R 1 127 036 | -R 1 127 036 | R 172 964 | Project implemented in 2015/16 & 16/17 with frontloading funds from DBSA |
| Electrification of 100 households at Mopye/ Sebabane | Electrification of 100 households at Mopye/ Sebabane | Physical construction completed. Busy finalizing updating of ENS. | R - | R 410 000 | R 307 182 | -R 307 182 | R 102 818 | Project implemented in 2015/16 & 16/17 with frontloading funds from DBSA |
| Electrification of 83 households in Leolo/ Legobareng/Serare/ Mogabe/ Tshidinko Phase1 | Electrification of 83 households in Leolo/ Legobareng/Serare/ Mogabe/ Tshidinko Phase1 completed | Physical construction for phase 1 of the project completed. Phase 2 of the project to continue in 2017/18 financial year. | | | R 3 459 947 | -R 3 459 947 | -R 3 459 947 | Project implemented in 16/17 with frontloading funds secured from DBSA. DORA allocation for 17/18 |
| Electrification of Dan/ Lusaka | Electrification of 130 households in Dan/ Lusaka completed | Physical construction completed busy with updating of ENS. Awaiting energization. | | | R 1 322 755 | -R 1 322 755 | -R 1 322 755 | Project implemented in 16/17 with frontloading funds secured from DBSA. DORA allocation for 17/18 |
| Electrification households in Khayalam C/ Legobareng/ Shiluvane Ext15 | Electrification of 190 households in KhayalamC/ Legobareng/ Shiluvane Ext15 completed | Project completed. 136 households connected. Infrastructure also provided for 50 empty stands. | | | R 1 813 512 | -R 1 813 512 | -R 1 813 512 | Project implemented in 16/17 with frontloading funds secured from DBSA. DORA allocation for 17/18 |
| TOTAL | | | R - | R 9 252 000 | R 16 130 418 | -R 9 534 204 | -R 282 204 | |
| Municipal Infrastructure Grant (excluding GTM co-funding) | | | | | | | | |
| Relela Community Hall | Construction of a community hall at Relela Cluster | Physical progress at 97% | R 6 068 805 | R 9 257 465 | R 9 213 188 | -R 3 144 383 | R 44 277 | None |
| Burgersdorp Sports Facility | Construction of a sports facility at Burgersdorp | Physical progress at 10% | R 673 436 | R 4 673 436 | R0 | R 673 436 | R 4 673 436 | Late appointment of a service provider |
| New Runnymede Sports facility | Construction of a sports facility at Runnymede | Physical construction at 75% | R 15 972 000 | R 22 472 000 | R 21 110 797 | -R 5 138 797 | R 1 361 203 | Delay was due to re-alignment of layout which resulted in in increased earthworks and blasting |
| Rita, Khopo, Lefara, Zanghoma, Uhuru, Xipungu to Mariveni Tar Road (Phase 3 of 4) | Upgrading of Road from gravel to Tar | Physical construction at 75% | R 22 839 889 | R 26 013 072 | R 16 913 910 | R 5 925 979 | R 9 099 162 | A minor group in the community of Zanghoma is stopping the contractor to work through the village. |



Table 8: Performance on Conditional Grants for 2016/17

| Project/ Initiative | Planned activities | Actual Activities completed as at 30 June '17 | Budget | Adjustment Budget | Actual Expenditure | Budget Variance | Adjustment Variance | Reasons for deviations |
|--|--------------------------------------|---|---------------------|----------------------|----------------------|----------------------|---------------------|---|
| Tickyline, Myakayaka, Burgersdorp, Gavaza to Mafarana Tar Road | Upgrading of Road from gravel to Tar | Physical progress at 85% | R 19 599 882 | R 62 556 576 | R 73 222 662 | -R 53 622 780 | -R 10 666 086 | The project was delayed by non-delivery of storm water pipes. |
| Moruji to Matswi, Kheshokolwe Tar Road | Upgrading of Road from gravel to Tar | Physical progress at 27% | R 20 153 138 | R 20 153 138 | R 12 601 015 | R 7 552 123 | R 7 552 123 | The contractor delayed by rock blasting at 4km. |
| Total | | | R 85 307 150 | R 145 125 687 | R 133 061 573 | -R 47 754 423 | R 12 064 114 | MIG Bonus allocated to GTM in April |

- GTM performed exceptionally well in the expenditure on conditional grants during 2016/17. Due to this, an additional allocation of **R65 million** was allocated to GTM from MIG. This additional funding was utilised to fast-track implementation of projects already registered.
- The expenditure on INEP also exceeds the allocation for 2016/17. This since GTM secured a loan from DBSA as frontloading on INEP projects. Thereby projects planned for 2017/18 and 18/19 could be brought forward for implementation during 2015/16 and 2016/17. The INEP allocation will be utilised to refund the DBSA.



4. Capital Projects for 2016/17

The expenditure on capital projects approved in the 2016/17 IDP is presented below.

| Table 9: Capital Expenditure as per the 16/17 IDP projects per Ward | | | | | | | | | | |
|--|------------|------------------------------|----------------|-------------------------|-------|------------------|--------|----------|---------|--|
| Ref | IDP Number | Project name | Funding source | Planned Completion Date | Wards | Jun-17 | | | | Reason for deviation |
| | | | | | | Total Financials | | | | |
| | | | | | | Budget | Actual | Variance | % Spent | |
| Office of the Municipal Manager | | | | | | | | | | |
| CP1 | MM 151 | Purchase of office furniture | Own Funds | 30-Jun-17 | All | 200 000 | 24 247 | 175 753 | 12% | Funds redirected during adjustment budget |
| Chief Financial Officer | | | | | | | | | | |
| CP2 | CFO 152 | Purchase of office furniture | Own Funds | 30-Jun-17 | All | 200 000 | 26 598 | 173 402 | 13% | Funds redirected during adjustment budget |
| Corporate Services | | | | | | | | | | |
| CP5 | CORP 154 | Purchase of office furniture | Own Funds | 30-Jun-17 | All | 200 000 | 49 478 | 150 522 | 25% | Funds redirected during adjustment budget |
| CP3 | CORP 145 | Disaster Recovery Equipment | External Loans | 30-Jun-17 | All | 700 000 | -8 520 | 708 520 | -1% | Delay in the appointment of a service provider |
| CP4 | CORP 149 | Computers for employees | Own Funds | 30-Jun-17 | All | 1 000 000 | 25 307 | 974 693 | 3% | Delay in the appointment of a service provider |
| CP6 | CFO 150 | Sound systems procurement | External Loans | 30-Jun-17 | All | 200 000 | 0 | 200 000 | 0% | Delay in the appointment of a service provider |
| Community Services | | | | | | | | | | |
| CP10 | CSD 155 | Purchase of office furniture | Own Funds | 30-Jun-17 | All | 200 000 | 39 498 | 160 502 | 20% | Funds redirected during adjustment budget |



Table 9: Capital Expenditure as per the 16/17 IDP projects per Ward

| Ref | IDP Number | Project name | Funding source | Planned Completion Date | Wards | Jun-17 | | | | Reason for deviation |
|-------------------------------|------------|--|----------------|-------------------------|--------|------------------|-----------|------------|---------|--|
| | | | | | | Total Financials | | | | |
| | | | | | | Budget | Actual | Variance | % Spent | |
| Electrical Engineering | | | | | | | | | | |
| CP32 | EED 157 | Purchase of office furniture (EED) | Own Funds | 30-Jun-17 | All | 200 000 | 0 | 200 000 | 0% | Funds redirected during adjustment budget |
| CP31 | EED 91 | New electricity Connections (Consumer contributions) | Own Funds | 30-Jun-17 | All | 15 000 000 | 5 026 755 | 9 973 245 | 34% | Income & Expenditure is dependent on demand from customers |
| CP23 | EED 103 | Rebuilding of Lalapanzi 33 kv line (2km) | Own Funds | 30-Jun-17 | 35 | 400 000 | 369 776 | 30 224 | 92% | None |
| CP24 | EED 104 | Rebuilding of Mashutti 11kv line (4km) | Own Funds | 30-Jun-17 | 16 | 600 000 | 568 316 | 31 684 | 95% | None |
| CP25 | EED 105 | Rebuilding of Deeside 11kv line from Red Arc to Rooster and Woodside Farm (2.5km) Phase 1 of 2 | Own Funds | 30-Jun-17 | 13 | 400 000 | 1 453 164 | -1 053 164 | 363% | 3.5km line rebuilt |
| CP26 | EED 106 | Rebuilding of Yamorna/ Shivurali 11kv line (4km) | Own Funds | 30-Jun-17 | 13 | 600 000 | 664 728 | -64 728 | 111% | 5km line rebuilt |
| CP27 | EED 107 | Rebuilding of Ledzee 11kv line from LZ44 to Vandergrey Farm (3.5km) | Own Funds | 30-Jun-17 | 13 | 525 000 | 664 728 | -139 728 | 127% | 4.5km line rebuilt |
| CP29 | EED 116 | Replacement of auto-reclosers (11kv and 33kv) | Own Funds | 30-Jun-17 | 13; 16 | 2 025 000 | 0 | 2 025 000 | 0% | Delay by the supplier of Autoreclosers |



Table 9: Capital Expenditure as per the 16/17 IDP projects per Ward

| Ref | IDP Number | Project name | Funding source | Planned Completion Date | Wards | Jun-17 | | | | Reason for deviation |
|-----------------------------|------------|---|----------------|-------------------------|----------------------------|------------------|-----------|-----------|---------|--|
| | | | | | | Total Financials | | | | |
| | | | | | | Budget | Actual | Variance | % Spent | |
| CP22 | EED 99 | Provision of Capital Tools (outlying) | Own Funds | 30-Jun-17 | All | 100 000 | 29 982 | 70 018 | 30% | Procurement on demand |
| CP11 | EED 35 | High mast lights at Traditional Authorities offices | Own Funds | 30-Jun-17 | All | 2 546 280 | 524 699 | 2 021 581 | 21% | We are waiting for Eskom to construct and install the transformers once that is done then Capotex contractor will do the final connection and COC and hand over to council |
| CP21 | EED 98 | Provision of Capital Tools (Urban) | Own Funds | 30-Jun-17 | All | 100 000 | 101 030 | -1 030 | 101% | None |
| CP28 | EED 114 | Replacing of old SS1 electrical substation circuit breakers with compact switchgear | Own Funds | 30-Jun-17 | 15 | 2 500 000 | 0 | 2 500 000 | 0% | Funds redirected during adjustment budget, allocated budget too little to implement project |
| CP19 | EED 92 | Energy efficiency and demandside management (Tzaneen, Nkowankowa & Lenyenye) | DOE | 30-Jun-17 | 14; 15; 16; 17; 19; 21; 31 | 7 000 000 | 4 602 272 | 2 397 728 | 66% | Project completed |
| CP30 | EED 93 | Renewal, Repairs and Maintenance on pre-paid meters | Own Funds | 30-Jun-17 | 13; 14; 15 | 250 000 | 18 662 | 231 338 | 7% | Project completed |
| Engineering Services | | | | | | | | | | |
| CP45 | ESD 156 | Purchase of office furniture (ESD) | Own Funds | 30-Jun-17 | All | 200 000 | 42 055 | 157 945 | 21% | Funds redirected during adjustment budget |
| CP34 | | Relela Community Hall | MIG | 30-Jun-17 | 8 | 6 068 805 | 6 218 229 | -149 424 | 102% | None |



Table 9: Capital Expenditure as per the 16/17 IDP projects per Ward

| Ref | IDP Number | Project name | Funding source | Planned Completion Date | Wards | Jun-17 | | | | Reason for deviation |
|------|------------|---|----------------|-------------------------|------------|------------------|------------|-------------|---------|--|
| | | | | | | Total Financials | | | | |
| | | | | | | Budget | Actual | Variance | % Spent | |
| CP33 | ESD 125 | Burgersdorp Sports Facility | MIG | 30-Jun-17 | 28 | 673 436 | 0 | 673 436 | 0% | Late appointment of service provider |
| CP35 | ESD 127 | New Runnymede Sports facility | MIG | 30-Jun-17 | 6 | 15 972 200 | 20 571 226 | -4 599 026 | 129% | Additional funds allocated during adjustment budget |
| CP41 | ESD 6 | Rita, Khopo, Lefara, Zanghoma, Uhuru, Xipungu to Mariveni Tar Road (Phase 3 of 4) | MIG | 30-Jun-17 | 22; 23; 24 | 20 153 138 | 14 836 764 | 5 316 374 | 74% | A minor group in the community of Zanghoma is stopping the contractor to work through the village. |
| CP42 | ESD 7 | Tickyline, Myakayaka, Burgersdorp, Gavaza to Mafarana Tar Road | MIG | 30-Jun-17 | 28; 29 | 19 599 882 | 57 184 387 | -37 584 505 | 292% | MIG bonus allocation utilised |
| CP40 | ESD 8 | Moruji to Matswi, Kheshokolwe Tar Road | MIG | 30-Jun-17 | 7 | 22 839 889 | 7 684 346 | 15 155 543 | 34% | The contractor delayed by rock blasting at 4km. |
| CP43 | ESD 78 | Construction of ablution facility for Parks Offices in Tzaneen | MIG; Own Funds | 30-Jun-17 | 15 | 900 000 | 0 | 900 000 | 0% | There was delays in appointment of consultant and contractor |
| CP37 | ESD 11 | Rikhotso low level bridge | External Loans | 30-Jun-17 | 4 | 2 000 000 | 1 021 926 | 978 074 | 51% | None, bridge complete |
| CP38 | ESD 12 | Mokonyane low level bridge | External Loans | 30-Jun-17 | 32 | 500 000 | 545 954 | -45 954 | 109% | None, bridge complete |
| CP36 | ESD 13 | Kwekhwe Low Level Bridge | External Loans | 30-Jun-17 | 9 | 1 300 000 | 0 | 1 300 000 | 0% | Delay in the appointment of a service provider |
| CP39 | ESD 15 | Khubu to Lwandlamuni low level bridge | External Loans | 30-Jun-17 | 12 | 2 600 000 | 1 501 613 | 1 098 387 | 58% | Additional scope of works which was identified during practical completion |



Table 9: Capital Expenditure as per the 16/17 IDP projects per Ward

| Ref | IDP Number | Project name | Funding source | Planned Completion Date | Wards | Jun-17 | | | | Reason for deviation |
|--|------------|--|----------------|-------------------------|-------|--------------------|--------------------|------------------|------------|--|
| | | | | | | Total Financials | | | | |
| | | | | | | Budget | Actual | Variance | % Spent | |
| CP44 | ESD 34 | Tzaneen Airfield Refurbishment | External Loans | 30-Jun-17 | 13 | 2 500 000 | 313 818 | 2 186 182 | 13% | Delay in the appointment of a service provider |
| Planning and Economic Development | | | | | | | | | | |
| CP50 | PED 153 | Purchase of office furniture (PED) | Own Funds | 30-Jun-17 | All | 200 000 | 26 229 | 173 771 | 13% | Funds redirected during adjustment budget |
| CP47 | PED 1 | # of land parcels acquired for development | Own Funds | 30-Jun-17 | 23 | 3 000 000 | 3 000 000 | 0 | 100% | None |
| GTEDA | | | | | | | | | | |
| CP51 | GTEDA 143 | MSCOA equipment and programmes | Own Funds | 30-Jun-17 | All | 235 000 | 0 | 235 000 | 0% | MSCOA implementation delayed |
| Total: | | | | | | 133 688 630 | 127 127 266 | 6 561 364 | 95% | |

Approval was granted by Council and Treasury for the roll-over of some capital projects, which were not completed during 2015/16. Although Council approved the adjustment of the budget accordingly, the SDBIP was not adjusted in January 2017, since another adjustment of the budget was expected. This second budget adjustment (due to the MIG Bonus allocation) only happened by end April of 2017. Since the SDBIP required quarterly performance targets, adjusting the plan halfway through the 4th quarter could not be done. As a result the progress made with the implementation of the roll-over projects, was not reported on through the electronic reporting system and therefore not included in the table



above. Therefore, as a measure, to ensure that the roll-over projects are monitored the table below was included in the quarterly SDBIP reports submitted to Council (refer to **Table 10**).

| Table 10: Roll-over Projects approved for finalisation during 2016/17 | | | | | | | | | |
|--|---|--------------------------------------|-------------------|----------------------------------|--|--|---|--|---|
| Department | Project Name | R-value roll-over approved for 16/17 | Source of funding | Expenditure to date (30 Jun '17) | 4th Qtr Project Milestone | Actual Progress by 30 June '17 | Reason for deviation | Efforts taken to improve performance | Supporting Documentation |
| EED | Electrification of 160 households at Sunnyside/ Myakayaka/ Sepacheng | R 744 004 | DBSA Loan | R 372 350 | Project completed and energized (100%) | Physical construction completed (97%).ENS updated. Awaiting energization. | Delays with delivery of meters that were purchased directly from Eskom. | GTM intervened to ensure that the meters are delivered. Meters delivered and installed. Project to be energized by end of first quarter in 2017/18 financial year. | Payment certificates and Progress reports |
| EED | Electrification of 350 households at Khopo/Civic | R 937 141 | DBSA Loan | R 828 943.00 | Project completed and energized (100%) | Project completed and energized (100%). 280 households connected. Outstanding house connections in progress. Infrastructure also provided for 22 empty stands. | Project delayed by delivery of material and procurement of meters | Material delivered. Procurement of meters resolved. | Payment certificates and Progress reports |
| EED | Electrification of 685 households at Thabina Valley | R 3 102 185 | DBSA Loan | R 1 781 437 | Project completed and energized (100%) | Project completed and energized (100%).398 households connected. Infrastructure also provided for 268 empty stands. | Project delayed by late appointment of service providers | None required | Payment certificates and Progress reports |
| EED | Electrification of villages 425 at Julesburg Area/ Private Farm/ Bordeaux | R 1 930 734 | DBSA Loan | R 1 467 762 | Project completed and energized (100%) | Project completed and energized (100%). 315 households connected Outstanding house connections in progress. Infrastructure also provided for 18 empty stands. | Project delayed by delivery of material and procurement of meters | Material delivered. Procurement of meters resolved. | Payment certificates and Progress reports |
| EED | Electrification of 788 households at Xihoko/ Radoo/ Mabele/ Thapane | R 3 950 654 | DBSA Loan | R 2 203 341 | Project completed and energized (100%) | Project completed and energized (100%).755 households connected. Infrastructure also provided for 33 empty stands. | Project delayed by late appointment of service providers | None required | Payment certificates and Progress reports |
| EED | New Protection Relays | R 300 000 | Own | R - | Funds allocated to high mast lighting | Not implemented | Funds allocated to high mast lighting | None required | Awaiting confirmation of roll over |



Table 10: Roll-over Projects approved for finalisation during 2016/17

| Department | Project Name | R-value roll-over approved for 16/17 | Source of funding | Expenditure to date (30 Jun '17) | 4th Qtr Project Milestone | Actual Progress by 30 June '17 | Reason for deviation | Efforts taken to improve performance | Supporting Documentation |
|------------|---|--------------------------------------|-------------------|----------------------------------|--|--|---|---|---|
| EED | Old Technology Main Circuit Breakers | R 700 000 | Own | R - | Funds re-allocated to procure a crane. | Not implemented | Funds re-allocated to procure a crane. | None required | Awaiting confirmation of roll over |
| EED | Electrification of 400 households at Khujwana Phase 2 | R 1 290 778 | INEP | R 534 709 | Project completed and energized (100%) | Project completed and energized. 275 households are connected. Outstanding house connections in progress. | Project delayed by delivery of material and procurement of meters | Material delivered. Procurement of meters resolved. | Payment certificates and Progress reports |
| EED | Electrification of 700 households at Mine View/Hospital View | R 4 783 713 | INEP | R3 964 583 | Project completed and energized (100%) | Project completed (100%). 456 households connected. Outstanding house connections in progress. Infrastructure also provided for 41 empty stands. | Delays with delivery of meters that were purchased directly from Eskom. | GTM intervened to ensure that the meters are delivered. Meters delivered and installed | Payment certificates and Progress reports |
| EED | Electrification of 160 households at Bonn/Lekutswi | R 677 952 | INEP | R 511 507 | Project completed and energized (100%) | Project completed and energized (100%). 148 households connected. Infrastructure also provided for 19 empty stands. | Delays with delivery of meters that were purchased directly from Eskom. | GTM intervened to ensure that the meters are delivered. Meters delivered and installed | Payment certificates and Progress reports |
| EED | Electrification of 100 households at Madumane/ Mohlakong/ Moruji/ Botludi | R 660 966 | INEP | R 1 815 940 | Project completed and energized (100%) | Physical construction completed (95%). Meters installed. PCS File captured. Busy with updating of ENS. Awaiting energization. | Work stoppage by Eskom due to authorisations. Area not accessible. | Eskom authorisations resolved. Project to be energized by end of first quarter in 2017/18 financial year. | Payment certificates and Progress reports |
| EED | Electrification of 450 households at Motupa/ Marirone/ Kubjana | R 1 527 762 | INEP | R 1 071 544 | Project completed and energized (100%) | Project completed and energized (100%). 342 households connected. Outstanding house connections in progress. Infrastructure also provided for 12 empty stands. | Delays with delivery of meters that were purchased directly from Eskom. | GTM intervened to ensure that the meters are delivered. Meters delivered and installed | Payment certificates and Progress reports |
| EED | Electrification of 130 households at Morapalala | R 406 272 | INEP | R 201 703 | Project completed and energized (100%) | Project completed and energized (100%). 177 households connected. Infrastructure also provided for 27 empty stands. | Delays with delivery of meters that were purchased directly from Eskom. | GTM intervened to ensure that the meters are delivered. Meters delivered and installed | Payment certificates and Progress reports |
| EED | Electrification of 450 households at Wally | R 1 778 768 | INEP | R 1 127 036 | Project completed and energized (100%) | Project completed and energized (100%). 314 households connected. Infrastructure also provided for 103 empty stands. | Delays with delivery of meters that were purchased directly from Eskom. | GTM intervened to ensure that the meters are delivered. Meters delivered and installed | Payment certificates and Progress reports |



Table 10: Roll-over Projects approved for finalisation during 2016/17

| Department | Project Name | R-value roll-over approved for 16/17 | Source of funding | Expenditure to date (30 Jun '17) | 4th Qtr Project Milestone | Actual Progress by 30 June '17 | Reason for deviation | Efforts taken to improve performance | Supporting Documentation |
|------------|---|--------------------------------------|-------------------|----------------------------------|--|--|--|---|---|
| EED | Electrification of 100 households at Mopye/ Sebabane | R 625 818 | INEP | R 307 182 | Project completed and energized (100%) | Physical construction completed (97%). Eskom busy finalising updating of ENS. Awaiting energization. | Work stoppage by Eskom due to authorisations. Area not accessible. | Eskom authorisations resolved. Project to be energized by end of first quarter in 2017/18 financial year. | Payment certificates and Progress reports |
| EED | Electrification of 231 households at Joppie/ Mabele/ Moroatshehla | R 2 026 773 | INEP | R - | Project completed and energized (100%) | Project completed and energized (100%) 231 Households connected | None | None required | Hand over certificates |
| ESD | Nkowankowa Taxi Rank | R 8 227 880 | Own | R 5 361 114 | Project completed and handed over to the users | Project is 100% complete and handed over to the users. | None | None required | Cash flow projections & Program of works Hand over certificate |
| ESD | Marumofase Pedestrian Bridge | R 5 435 874 | Own | R 3 282 501 | N/A | Physical progress 99% | Project is on Practical completion. | Contractor busy with the snag list. | Cash flow projections & Program of works Hand over certificate |
| ESD | Low Level Bridge-Agatha cemetery Road | R 430 851 | Own | R 112 877 | Bridge completed 100% | Still waiting for the finalisation of EIA processes | Delay in finalisation of the EIA | Follow up on EIA progress with the environmental consultants | Cash flow projections & Program of works Hand over certificate |
| ESD | Mokonyane Low Level Bridge | R 1 751 448 | Own | R 1 511 328 | Project completed (100%) | Bridge completed | None | None required | Cash flow projections & Program of works Hand over certificate |
| ESD | Rikhotso Low Level Bridge | R 431 587 | Own | R 1 077 296 | Project completed (100%) | Bridge completed 100% | None | Not required | Cash flow projections & Program of works Hand over certificate |
| ESD | Khubu-Lwandlamuni Low Level Bridge | R 170 733 | Own | R 1 501 612 | Physical progress at 100% | Physical progress 99% | Project is on Practical completion. | Contractor busy with the snag list. | Cash flow projections & Program of works Hand over certificate |
| ESD | Speed Humps | R 1 594 833 | Own | R 1 470 422 | Completed 100% | Completed | None | None required | Cash flow projections & Program of works Hand over certificate |
| ESD | Politsi Road | R 1 251 806 | Own | R - | Additional work completed and progress at 100% | Additional scope not implemented. | Rolled over budget was not required | None | Cash flow projections & Program of works Hand over certificate |



Table 10: Roll-over Projects approved for finalisation during 2016/17

| Department | Project Name | R-value roll-over approved for 16/17 | Source of funding | Expenditure to date (30 Jun '17) | 4th Qtr Project Milestone | Actual Progress by 30 June '17 | Reason for deviation | Efforts taken to improve performance | Supporting Documentation |
|------------|---|--------------------------------------|-------------------|----------------------------------|--|--|---|---|--|
| ESD | Disability Access Lift | R 600 000 | Own | R - | Installation of lift at the stairs completed | Benchmarking was done with Greater Letaba And Ba-Phalaborwa Municipality and the proposed Lift that GTM was to install was found to be a waste of resources cause it has been non-operational for the past 24 months a decision was then taken by the EEC to rather budget for a normal lift and unfortunately it was not prioritised during the 2017/2018 budget review | The proposed temporary Lift to be installed was found not to be feasible as it was non-operational for a period of more than 24 months, hence a decision was taken by the EEC task to rather budget for a normal lift | Council must prioritise budget for installation of New lift in the Civic centre | Q2: Attendance registers for stakeholder meetings and specification meeting.Q3:Appointment letter of service provider.Q4: Completion certificate |
| ESD | Construction of Lenyeny Drop Off Centre access road | R 600 000 | Own | R 152 334 | Not applicable this quarter | Access road Completed. Physical progress at 100% | None | None required | Cash flow projections & Program of works Hand over certificate |
| PED | Land Acquisition (Regional Cemetery) | R 4 644 996 | Own | R 3 000 000 | Payment for land finalised | 100% 50ha land purchased at Mohlaba Location | None | None required | Minutes of Community Meetings Community resolution. Payments. |
| | Total | R 50 583 527 | | R 33 657 521 | | | | | |

The main challenges with regard to the implementation of capital projects remain the delays in the procurement processes. In addition to this, the following issues complicates year-end reporting:

- a) Departments moving funds between capital projects without a formal adjustment taking place. The capital allocated to a department should be spent in line with the planned expenditure per project and the re-allocation of funds should only be allowed through a formal adjustment. This to ensure alignment between performance and financial reporting.
- b) Expenditure allocated to incorrect projects, resulting in discrepancies between expenditure and reported project progress.



5. Performance of Service Providers during 2016/17

The table below contains all the service providers appointed to assist GTM during the 2016/17 financial year:

| Table 11: Evaluation of Service Provider Performance for 2016/17 | | | | | | | | | | | | | |
|--|---|---------------------------------|-------------------|------------|------------|--|---|---|-----------|-----------|-----------|--|--|
| Dept | Project name | Name of Service provider | Source of funding | Start date | End date | Physical Progress to date - <u>Narrative required</u> | Challenges and interventions | Assessment of service provider (Scale 1-5) 1 - Poor 2 - Fair 3 -Average 4 - Good 5 - Excellent | | | | Assessment comments (<i>future utilisation of service provider</i>) | |
| | | | | | | | | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | | |
| MM | Electronic Performance Reporting System | ActionIT | Own funds | 1/07/2015 | 1/04/2018 | SDBIP & Individual PM modules being utilised | None | 4 | 4 | 4 | 4 | System supports Performance Reporting and auditing. Other modules may be considered for future use | |
| MM | Travel agency services | Uniglobe travel agency | Own funds | 1/02/2017 | 31/01/2020 | Providing travel agency services to GTM | Quotations received from the service provider more expensive than when sourcing self. Contract will exhaust S&T votes if not managed since agency adds own levy | n/a | n/a | 2 | 2 | Outsourcing of service is not affordable and should be reconsidered in future. | |
| CFO | Credit control and debt collection | Physon Business solutions | Own funds | 4/2015 | 3/2018 | Continuous credit control actions | Supplier not professional | 1 | 1 | 2 | 3 | Service improved, reports are received regularly. The professionalism still to be addressed by the supplier. | |
| CFO | Debt collection | Altimax Zandile Monene Business | Own funds | 10/2015 | 9/2018 | Altimax withdrawn pending dispute resolution | Reporting system to be re-defined internally by the Revenue division. | 4 | 3 | 3 | 3 | Will continue with the service provider with manually updated report on debtor's payments. | |
| CFO | Meter reading | Electrocuts | Own funds | 7/2015 | 7/2018 | updated readings monthly | Meter readers went on strike, late receiving of | 4 | 4 | 4 | 2 | Reconsider appointment | |



Table 11: Evaluation of Service Provider Performance for 2016/17

| Dept | Project name | Name of Service provider | Source of funding | Start date | End date | Physical Progress to date - <u>Narrative required</u> | Challenges and interventions | Assessment of service provider (Scale 1-5) 1 - Poor 2 - Fair 3 - Average 4 - Good 5 - Excellent | | | | Assessment comments (<i>future utilisation of service provider</i>) |
|------|-------------------------------|-------------------------------------|-------------------|------------|----------|---|--|--|-----------|-----------|-----------|---|
| | | | | | | | | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | |
| | | | | | | | | | | | | |
| | | | | | | | information, inconsistent reading dates. | | | | | |
| CFO | Valuation roll | DDP Valuers | Own funds | 7/2012 | 6/2017 | Valuations done on request within time frames | None, contract ended | 4 | 4 | 4 | 4 | Contract ended |
| CFO | Valuation roll | Uniquenco | Own funds | 1/2017 | 6/2022 | General Valuation roll submitted | None | n/a | n/a | 4 | 4 | Will continue with the service provider |
| CFO | Insurance | Lateral Unison (Insurance Brokers) | Own funds | 7/2015 | 6/2018 | Lateral Unison handle claims as received with regular feedback | Due late premium payment, no claims will be paid out from the 1/07/16 - 26/04/17 | 4 | 4 | 2 | 3 | Report to Council to be tabled to the next EXCO and Council meetings. |
| CFO | Assets Management Consultants | ARMS | Own funds | 04/2017 | 04/2020 | The audit outcome is Unqualified Company was re-appointed | Contract ended in November | 4 | 4 | n/a | 4 | The service provider was re-appointed. |
| CFO | MSCOA | SEBATA | Own funds | 06/2017 | 06/2020 | Start-up of MSCOA process, convert on budget and submission of budget strings to be MSCOA compliant | Late appointment of service provider and therefore project is far behind schedule | n/a | n/a | n/a | 4 | Late appointment made the process difficult |
| CFO | VAT Consultants | PK Consulting | Own funds | 02/2017 | 01/2020 | Compile and submit VAT claims on behalf of GTM | No advice provided on optimising claims, claims submitted omits items causing a loss of VAT income to Council. | 2 | 2 | 2 | 2 | Outsourcing of this service should be reconsidered |



Table 11: Evaluation of Service Provider Performance for 2016/17

| Dept | Project name | Name of Service provider | Source of funding | Start date | End date | Physical Progress to date - <u>Narrative required</u> | Challenges and interventions | Assessment of service provider (Scale 1-5) 1 - Poor 2 - Fair 3 -Average 4 - Good 5 - Excellent | | | | Assessment comments (<i>future utilisation of service provider</i>) |
|------|--|--------------------------|-------------------|------------|------------|---|---|---|-----------|-----------|-----------|--|
| | | | | | | | | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | |
| CORP | Telephone Exchange System | Gijima | GTM | 1-Dec-00 | 30-Nov-05 | Services Terminated | Contract ended in 30 June 2016 | 4 | 3 | 2 | 1 | The service at the end of the Contract was inadequate as the switchboard and many extensions were not operational. |
| CORP | Managed printing service | Nashua Limpopo | GTM | 2012/07/01 | 2015/06/30 | Printing Services contract was extended until the 30th of October 2016. The Services were also terminated with effect from the 1st of November 2016 | None. | 3 | 3 | n/a | n/a | None |
| CORP | Managed printing service | Phinnet Communications | GTM | 2016-11-01 | 30-Oct-19 | The service provider has since promised to change the MFPs at Records and Administration office and to date that was not done. Some of the MFPs take time to be maintained due slow supply of parts and toners. | Records and Administration staff cannot perform their duties as required. | n/a | n/a | 3 | 2 | The service are fair but there is room for improvement if the service provider can delivered required printers and services. |
| CORP | Paperless Council Meetings | Telkom Mobile | GTM | 1-Apr-15 | 31-Mar-17 | Mobile services provided. The Contract was upgraded with another 24 Months. | Some sim cards were not activated. | 4 | 4 | 4 | 3 | Services average as some of the sim cards were not activated. |
| CORP | Mimecast : Unified Email Management System | EOH | GTM | 1-Jun-15 | 30-Jun-17 | Services are rendered effectively. | None | 4 | 4 | 4 | 3 | To consider utilizing other security feature of the system in the coming financial years. |



Table 11: Evaluation of Service Provider Performance for 2016/17

| Dept | Project name | Name of Service provider | Source of funding | Start date | End date | Physical Progress to date - <u>Narrative required</u> | Challenges and interventions | Assessment of service provider (Scale 1-5) 1 - Poor 2 - Fair 3 -Average 4 - Good 5 - Excellent | | | | Assessment comments (<i>future utilisation of service provider</i>) |
|------|-----------------------------|----------------------------|-------------------|------------|-----------|---|---|---|-----------|-----------|-----------|---|
| | | | | | | | | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | |
| CORP | Website Services | SITA | GTM | 1-May-15 | 31-May-17 | The website is up to date with the relevant information that the municipality send to SITA for publication. | The service provider did not submit reports are required. | 4 | 4 | 4 | 3 | Services provided by SITA are good as they respond promptly to requests for publications, their problem is submission of monthly reports. |
| CORP | Provision of Legal Services | Mahowa Inc Attorney | GTM | 1-Feb-13 | 28-Feb-17 | The law firm has date performed satisfactorily and has exhausted all the mandate given to it | no challenges have been encountered | 4 | 4 | 4 | 3 | Service provider may be used in future |
| CORP | Provision of Legal Services | Magabe Inc Attorneys | GTM | 1-Feb-13 | 28-Feb-17 | The services rendered are professional and all the mandate has been satisfactorily executed | no challenges to date | 4 | 4 | 4 | 3 | Service provider may be used in future |
| CORP | Provision of Legal Services | Mushwana Inc Attorneys | GTM | 1-Feb-13 | 28-Feb-17 | All work assigned to them has been well executed | no challenges | 4 | 4 | 4 | 3 | Service provider may be used in future |
| CORP | Provision of Legal Services | Talane & Ass | GTM | 01-Feb-13 | 28-Feb-17 | All mandate given has been well executed | no challenges encountered | 4 | 4 | 4 | 3 | Service provider may be used in future |
| CORP | Provision of Legal Services | Baloyi Shirinda Inc | GTM | 1-Feb-13 | 28-Feb-17 | All work assigned has been well executed | no challenges | 4 | 4 | 4 | 3 | Service provider may be used in future |
| CORP | Provision of Legal Services | Ramothwala M. attorneys | GTM | 1-Feb-13 | 28-Feb-17 | Mandate well carried | no challenges | 4 | 4 | 4 | 3 | Service provider may be used in future |
| CORP | Provision of Legal Services | Modjadji Raphesu Attorneys | GTM | 1-Feb-13 | 28-Feb-17 | All work assigned has been well executed | no challenges to date | 4 | 4 | 4 | 3 | Service provider may be used in future |



Table 11: Evaluation of Service Provider Performance for 2016/17

| Dept | Project name | Name of Service provider | Source of funding | Start date | End date | Physical Progress to date - <u>Narrative required</u> | Challenges and interventions | Assessment of service provider (Scale 1-5) 1 - Poor 2 - Fair 3 - Average 4 - Good 5 - Excellent | | | | Assessment comments (<i>future utilisation of service provider</i>) |
|------|---|---|-------------------|------------|---------------------------------|--|------------------------------|--|-----------|-----------|-----------|---|
| | | | | | | | | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | |
| CORP | MFMA Training | Kamanga Skills Projects | GTM | 28-Jun-16 | 18-Aug-17 | In progress | None | 4 | 4 | 4 | 4 | Service provider may be used in future |
| CORP | PowerPoint Training | Avuxeni Computer Academy | GTM | 10-Oct-16 | 15-Oct-16 | Completed | None | 4 | 4 | 4 | N/A | Service provider may be used in future |
| CORP | Electronic Records Management System (Collaborator) | Business Engineering | GTM | 01-Aug-06 | Automatic renewal after 3 years | Day-to-day support is provided to the users. The system is well maintained and functional. | None | 4 | 4 | 4 | 4 | Support is provided as per the SLA and the services of the service provider are still required. |
| CORP | VMWARE VSPHERE: install, Configure, Manage v6.5 Training | Torque IT | GTM | 13-Mar-17 | 17-Mar-17 | Training Completed | None | N/A | N/A | 4 | N/A | Service provider may be used in future |
| CORP | Municipal Governance Training For Councillors | South African Institute of Learning | GTM | 29-Mar-17 | 17-Feb-18 | Training Completed | None | N/A | N/A | 4 | N/A | Service provider may be used in future |
| CORP | Office Management Training | Staff Training | GTM | 29-Mar-17 | 30-Mar-17 | Training Completed | None | N/A | N/A | 4 | N/A | Service provider may be used in future |
| CORP | Auditing the process utilized by Management to improve their External Audit Opinion on the Financial statement of the public Training | Institute of Internal Auditors South Africa | GTM | 8-Mar-17 | 9-Mar-17 | Training Completed | None | N/A | N/A | 4 | N/A | Service provider may be used in future |



Table 11: Evaluation of Service Provider Performance for 2016/17

| Dept | Project name | Name of Service provider | Source of funding | Start date | End date | Physical Progress to date - <u>Narrative required</u> | Challenges and interventions | Assessment of service provider (Scale 1-5) 1 - Poor 2 - Fair 3 -Average 4 - Good 5 - Excellent | | | | Assessment comments (<i>future utilisation of service provider</i>) |
|------|--|---|-------------------|------------|------------|--|--|---|-----------|-----------|-----------|--|
| | | | | | | | | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | |
| CORP | Fundamental of Internal Auditing Supply Chain Process Training | Institute of Internal Auditors South Africa | GTM | 23-Mar-17 | 24-Mar-17 | Training Completed | None | N/A | N/A | 4 | N/A | Service provider may be used in future |
| CORP | Purchase of office furniture | Cathu Holdings | GTM | 30-Jun-17 | 30-Jun-17 | Furniture supplied | None | N/A | N/A | N/A | 4 | Service provider may be used in future |
| CORP | Purchase of office furniture | Red Pencil Group | GTM | 30-Jul-17 | 30-Jul-17 | Awaiting for delivery of furniture | The Service Provider is still to order some of the furniture which was not clearly specified. | N/A | N/A | N/A | 3 | There are delays experienced from the Service Provider's site, hence uncertain to use the service provider in future. |
| CSD | Treatment & Disposal Management | Mmatshope J.V. Theuwedi C.C. | GTM | 1/08/2014 | 31/07/2017 | Service is being provided, regular penalties applied in areas of underperformance. | Constant supervision and training required from GTM personnel to ensure that service is sustainable. | 3 | 3 | 3 | 3 | Service provider must be subjected to a "Waste Management Skills-rating" by the B.A.C. during procurement. Awaiting regulations by Minister i.t.o. Section 7 of Act 59/2008 (Nat. Waste Act) |
| CSD | Litterpicking Region-North | Molebogeng Trading Enterprise C.C. | GTM | 1/08/2015 | 31/07/2018 | Service is being provided, regular penalties applied in areas of underperformance. | Constant supervision and training required from GTM personnel to ensure that service is sustainable. | 3 | 3 | 3 | 3 | Service provider must be subjected to a "Waste Management Skills-rating" by the B.A.C. during procurement. Awaiting regulations by Minister i.t.o. Section 7 of Act 59/2008 (Nat. Waste Act) |



Table 11: Evaluation of Service Provider Performance for 2016/17

| Dept | Project name | Name of Service provider | Source of funding | Start date | End date | Physical Progress to date - <u>Narrative required</u> | Challenges and interventions | Assessment of service provider (Scale 1-5) 1 - Poor 2 - Fair 3 - Average 4 - Good 5 - Excellent | | | | Assessment comments (<i>future utilisation of service provider</i>) |
|------|--|--------------------------------------|-------------------|------------|------------|--|--|--|-----------|-----------|-----------|--|
| | | | | | | | | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | |
| CSD | Litterpicking Region-South | Selema Planthire Construction C.C. | GTM | 1/08/2015 | 31/07/2018 | Service is being provided, regular penalties applied in areas of underperformance. | Constant supervision and training required from GTM personnel to ensure that service is sustainable. | 3 | 3 | 3 | 3 | Service provider must be subjected to a "Waste Management Skills-rating" by the B.A.C. during procurement. Awaiting regulations by Minister i.t.o. Section 7 of Act 59/2008 (Nat. Waste Act) |
| CSD | Collection & Transportation Nkowankowa | Ingwe Waste Management | GTM | 1/08/2014 | 31/07/2017 | Service is being provided, regular penalties applied in areas of underperformance. | Constant supervision and training required from GTM personnel to ensure that service is sustainable. | 3 | 3 | 3 | 3 | Service provider must be subjected to a "Waste Management Skills-rating" by the B.A.C. during procurement. Awaiting regulations by Minister i.t.o. Section 7 of Act 59/2008 (Nat. Waste Act) |
| CSD | Collection & Transportation Lenyenye | Selema Planthire Construction C.C. | GTM | 1/08/2015 | 31/07/2018 | Service is being provided, regular penalties applied in areas of underperformance. | Constant supervision and training required from GTM personnel to ensure that service is sustainable. | 3 | 3 | 3 | 3 | Service provider must be subjected to a "Waste Management Skills-rating" by the B.A.C. during procurement. Awaiting regulations by Minister i.t.o. Section 7 of Act 59/2008 (Nat. Waste Act) |
| CSD | Grass Cutting | Shidila Trading Enterprise | GTM | 1/08/2015 | 31/07/2018 | Grass cutting is done on areas where order is issued. | Grass cutting is done when order is issued | 4 | 4 | 4 | 4 | They can be utilised, they doing great work. |
| CSD | Garden Maintenance | Tshandukos Consultation and Projects | GTM | 1/08/2015 | 31/07/2018 | Garden maintenance is done weekly | Work is done weekly | 4 | 4 | 4 | 4 | They can be utilised. |



Table 11: Evaluation of Service Provider Performance for 2016/17

| Dept | Project name | Name of Service provider | Source of funding | Start date | End date | Physical Progress to date - <u>Narrative required</u> | Challenges and interventions | Assessment of service provider (Scale 1-5) 1 - Poor 2 - Fair 3 - Average 4 - Good 5 - Excellent | | | | Assessment comments (<i>future utilisation of service provider</i>) |
|------|----------------------------------|--------------------------------|-------------------|------------|-------------|---|--|--|-----------|-----------|-----------|---|
| | | | | | | | | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | |
| CSD | Physical Security | Mapheto Business Services CC | GTM | 01/01/2016 | 31 /12/2018 | Contract terminated | Breach of SLA and several thefts of Council assets | 2 | 2 | 2 | 1 | No Firearms as per Tender Specifications and some guards do not report for duty. No penalties despite several requests to impose by the department. Conducted an unlawful act by protesting against the Municipality on the 7th June 2017 and 11th July 2017. Locking employees out and blocking Council clients who wanted to do business with the Municipality. |
| CSD | Physical Security | Malwandla Security Services CC | GTM | 01/02/2017 | 31 /04/2017 | 3 months contract expired | no challenges | 5 | 5 | n/a | n/a | All Tools of trade provided. |
| CSD | Cash In Transit | Letaba Security | GTM | 01/10/2009 | 31/12/2015 | Contract expired | Contract expired | 3 | 3 | 4 | n/a | Service provider can be utilised in future |
| CSD | Surveillance Cameras | Bravospan | GTM | 01/10/2014 | 31/10/2016 | Contract expired and service provider left site in November 2016. | Contract expired and left premises | 5 | 3 | n/a | n/a | There is no Monitoring of sites and no evidence will be provided if there are thefts in Council buildings |
| CSD | Electronic Morpho Access Control | Prosatelite | GTM | 01/07/2013 | to date | No Contract, service provider maintains system on request | Delays in payment after Call Up which is frustrating the service provider and the department | 5 | 5 | 5 | 5 | Maintenance Service Agreement must be entered into asap |



Table 11: Evaluation of Service Provider Performance for 2016/17

| Dept | Project name | Name of Service provider | Source of funding | Start date | End date | Physical Progress to date - Narrative required | Challenges and interventions | Assessment of service provider (Scale 1-5) 1 - Poor 2 - Fair 3 -Average 4 - Good 5 - Excellent | | | | Assessment comments (future utilisation of service provider) |
|------|---|---------------------------------|-------------------|------------|------------|---|--|---|-----------|-----------|-----------|--|
| | | | | | | | | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | |
| CSD | Parking | BCIT | GTM | 31/09/2013 | 01/08/2017 | Managing parking in CBD | Work satisfactory. Work on the project began almost a year after the signing of the service level agreement. | 3 | 3 | 3 | 3 | Contractor performs well |
| CSD | Speed Law Enforcement | Mavamboits | GTM | 01/04/2017 | 30/06/2017 | Daily speed law-enforcement | Work satisfactory. Contract ended in June 2017 and has been extended until 31st September 2017 | 4 | 4 | 4 | 4 | Contractor performs well with own back office |
| CSD | Physical Security | Letaba Security | GTM | 12/07/2017 | 31/08/2017 | Service delivery conducted as expected in the SLA | Work satisfactory | n/a | n/a | n/a | 5 | Contractor performs well |
| CSD | Cash In Transit | Fidelity Cash Solutions | GTM | 01/03/2017 | 31/03/2020 | Service satisfactory | Service satisfactory | n/a | n/a | n/a | 4 | Contractor performs well and can be recommended for future service |
| EEM | Specialist emergency services for GTM (electrical department) | Motla | GTM | 02/12/2013 | 1/12/2016 | Service satisfactory - Contract expired December 2016 | Service satisfactory | 5 | 5 | n/a | n/a | Service Provider performed above standard |
| EEM | Specialist emergency services for GTM (electrical department) | Rhino Consulting Engineers | GTM | 22/03/2017 | 2020/03/22 | Service satisfactory | Service satisfactory | n/a | n/a | 4 | 4 | Service Provider performed on standard |
| EEM | Energy and Efficiency and Demand Side Management Phase3 | MVM Africa Consulting Engineers | DOE | 2016/08/01 | 2017/06/30 | Construction phase, material ordered. | None | 4 | 4 | 4 | 4 | Performance above standard. Services may be utilised in future |



Table 11: Evaluation of Service Provider Performance for 2016/17

| Dept | Project name | Name of Service provider | Source of funding | Start date | End date | Physical Progress to date - <u>Narrative required</u> | Challenges and interventions | Assessment of service provider (Scale 1-5) 1 - Poor 2 - Fair 3 -Average 4 - Good 5 - Excellent | | | | Assessment comments (<i>future utilisation of service provider</i>) |
|------|---|---|-------------------|------------|------------|---|--|---|-----------|-----------|-----------|---|
| | | | | | | | | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | |
| EEM | Energy and Efficiency and Demand Side Management Phase3 | Rivisi Electrical Contractors | DOE | 2016/08/01 | 2017/06/30 | Construction phase, material ordered. | None | 4 | 4 | 4 | 4 | Performance above standard. Services may be utilised in future |
| EEM | Electrical Master Plan Phase 2 | Royal Haskoning Consulting Engineers | Own Funds | 2016/07/01 | 2017/06/30 | Inception report completed for phase 1 and phase 2 report due end November 2016 | None | 4 | 4 | 5 | 5 | Performance above standard. Services may be utilised in future |
| EEM | Electrification of Sunnyside/Myakayaka/Spacheng | Bawelile Consulting Engineers And MPTJ Construction | DOE | 01-07-2016 | 30-06-2017 | Physical construction completed (96%). Meters installed. Busy with updating of ENS and capturing of PCS file | Delays with delivery of meters. GTM personnel to intervene and ensure that the meters are delivered. | 4 | 4 | 3 | 3 | Average performance due to delays with delivery of meters purchased directly from Eskom. Service providers may be utilised in future. |
| EEM | Electrification of Khopo Civil | Mogalemole Consulting Engineers and Rivisi Electrical | DOE | 01-07-2016 | 30-06-2017 | Physical construction completed (95%) Busy with updating of ENS and capturing of PCS file | Delays with procurement of meters | 4 | 4 | 3 | 4 | Good performance. Service providers may be utilised in future. |
| EEM | Electrification of Thabina Valley | Superior Quality Engineering & Technologies And Mdina Engineering | DOE | 01-07-2016 | 30-06-2017 | Project completed and energised on 23 December 2016(100%). 398 households connected. Infrastructure also provided for 268 empty stands. | None | 4 | 5 | 4 | 4 | Good performance. Service providers may be utilised in future. |
| EEM | Electrification of Xihoko/Radoo/Thapan e/Mavele Phase 1 & 2 | Calibre Consulting Engineers And Tshabalala Multipurpose Workshop | DOE | 01-07-2016 | 30-06-2017 | Project competed and energized (100%).737 households connected. Infrastructure provided for empty stands and unfinished households. | None | 4 | 5 | 5 | 5 | Outstanding Performance. Service providers may be utilised in future. |



Table 11: Evaluation of Service Provider Performance for 2016/17

| Dept | Project name | Name of Service provider | Source of funding | Start date | End date | Physical Progress to date - <u>Narrative required</u> | Challenges and interventions | Assessment of service provider (Scale 1-5) 1 - Poor 2 - Fair 3 -Average 4 - Good 5 - Excellent | | | | Assessment comments (<i>future utilisation of service provider</i>) |
|------|--|----------------------------------|-------------------|------------|------------|---|---------------------------------|---|-----------|-----------|-----------|---|
| | | | | | | | | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | |
| EEM | Electrification of Leolo/Serare | Izwe Engineering and Investments | DOE | 01-07-2016 | 30-06-2017 | Project at construction phase (40%) | None | 4 | 4 | 4 | 4 | Good Performance. Service providers may be utilised in future. |
| EEM | Electrification of Leolo/Serare | Kedibone Construction | DOE | 01-07-2016 | 30-06-2017 | Project at construction phase (40%) | None | n/a | n/a | 4 | 4 | Good Performance. Service providers may be utilised in future. |
| EEM | Electrification of Dan/Lusaka | Izwe Engineering and Investments | DOE | 01-07-2016 | 30-06-2017 | Project at construction phase (45%) | None | 4 | 4 | 4 | 4 | Good Performance. Service providers may be utilised in future... |
| EEM | Electrification of Dan/Lusaka | Modikeng Electrical | DOE | 01-07-2016 | 30-06-2017 | Project at construction phase (45%) | None | n/a | n/a | 4 | 4 | Good Performance. Service providers may be utilised in future... |
| EEM | Electrification of Khayalam/Legobareng/Shiluvane Ext | Izwe Engineering and Investments | DOE | 01-07-2016 | 30-06-2017 | Project at construction phase (71%) | None | 4 | 4 | 5 | 5 | Outstanding Performance. Service providers may be utilised in future. |
| EEM | Electrification of Khayalam/Legobareng/Shiluvane Ext | Omphile Electrical | DOE | 01-07-2016 | 30-06-2017 | Project at construction Phase (71%) | None | n/a | n/a | 5 | 5 | Outstanding Performance. Service providers may be utilised in future. |
| EEM | Rebuilding of lines-Mashuti 11kv (4km) | Rivisi Electrical Contractors | Own Funds | 01-07-2016 | 30-06-2017 | Scope of work determined. Quotation received. Order issued to Service Provider. Bush clearing completed. Awaiting delivery of material to start with rebuilding of line | Delay with delivery of material | n/a | n/a | 3 | 4 | Good Performance. Service providers may be utilised in future. |



Table 11: Evaluation of Service Provider Performance for 2016/17

| Dept | Project name | Name of Service provider | Source of funding | Start date | End date | Physical Progress to date - <u>Narrative required</u> | Challenges and interventions | Assessment of service provider (Scale 1-5) 1 - Poor 2 - Fair 3 -Average 4 - Good 5 - Excellent | | | | Assessment comments (<i>future utilisation of service provider</i>) |
|------|--|--------------------------------|-------------------|------------|------------|---|---|---|-----------|-----------|-----------|--|
| | | | | | | | | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | |
| EEM | Rebuilding of lines- Lalapanzi to Waterbok (2km) | Rivisi Electrical Contractors | Own Funds | 01-07-2016 | 30-06-2017 | Rebuilding of lines in progress (75%) | None | n/a | n/a | 4 | 4 | Good Performance. Service providers may be utilised in future. |
| EEM | Rebuilding of Deeside 11kv line from Red ARC to Rooister and Woodside Farm (2.5km) | Rivisi Electrical Contractors | Own Funds | 01-07-2016 | 30-06-2017 | Rebuilding of line completed | None | n/a | 5 | 5 | 5 | Outstanding Performance. Service providers may be utilised in future.. |
| EEM | Rebuilding of Yamorna/Shivurali 11kv line (4km) | Rivisi Electrical Contractors | Own Funds | 01-07-2016 | 30-06-2017 | Scope of work determined. Quotation received. Order issued to Service Provider. Bush clearing completed. Awaiting delivery of material to start with rebuilding of line | Delays with delivery of material | n/a | n/a | 3 | 4 | Good Performance. Service providers may be utilised in future. |
| EEM | Rebuilding of Ledzee 11kv line from LZ 44 to Van der Gryp Farm (3.5km) | Rivisi Electrical Contractors | Own Funds | 01-07-2016 | 30-06-2017 | Scope of work determined. Quotation received. Order issued to Service Provider. Bush clearing completed. Awaiting delivery of material to start with rebuilding of line | Delays with delivery of material | n/a | n/a | 3 | 4 | Good Performance. Service providers may be utilised in future. |
| EEM | Highmast Lights , Motupa, Moruji, Moloko, Pelana Mawa Block 8 & 9 | Simmolola Engineering Services | Own Funds | 01-07-2016 | 30-06-2017 | All High mast are up and working except Mawa Block 9 waiting for Eskom to build Connection | Eskom connections are time consuming, Consultant not always helpful | 3 | 3 | 3 | 3 | Performance are below standard for a Consultant, needs to gain more exposure, can be recommended |



Table 11: Evaluation of Service Provider Performance for 2016/17

| Dept | Project name | Name of Service provider | Source of funding | Start date | End date | Physical Progress to date - <u>Narrative required</u> | Challenges and interventions | Assessment of service provider (Scale 1-5) 1 - Poor 2 - Fair 3 -Average 4 - Good 5 - Excellent | | | | Assessment comments (<i>future utilisation of service provider</i>) |
|------|---|--------------------------------------|-------------------|------------|------------|--|---|---|-----------|-----------|-----------|---|
| | | | | | | | | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | |
| EEM | Highmast Lights , Motupa, Moruji, Moloko, Pelana Mawa Block 8 & 9 | Lefamafa Electrical and Construction | Own Funds | 01-07-2016 | 30-06-2017 | All High mast are up and working except Mawa Block 9 waiting for Eskom to build Connection | Eskom connections are time consuming, Consultant not always helpful | 5 | 5 | 5 | 5 | Excellent Performance Contractor can be recommended in the future |
| EEM | Highmast Lights , Dan, Nyagalani, Tickylane, Burgersdorp, Khopo | AES Consulting engineers | Own Funds | 01-07-2016 | 30-06-2017 | All High mast are up and working except Nyagalani waiting for Eskom to build Connection | Eskom connections are time consuming, Consultant not always helpful | 3 | 3 | 3 | 3 | Performance are below standard for a Consultant, needs to gain more exposure, can be recommended |
| EEM | Highmast Lights , Dan, Nyagalani, Tickylane, Burgersdorp, Khopo | Etshipota Contractors | Own Funds | 01-07-2016 | 30-06-2017 | All High mast are up and working except Nyagalani waiting for Eskom to build Connection | Eskom connections are time consuming, Consultant not always helpful | 3 | 3 | 3 | 3 | Performance are below standard for a Contractor but can improve with proper management and can be recommended |
| ESD | Supply and delivery of water treatment chemicals | Zamangwane | GTM | 01/04/2016 | 30/04/2019 | Supply and delivery | none | 4 | 4 | 4 | 4 | We are happy with the performance of the service provider and can be utilised in future |
| ESD | Supply and delivery of water treatment chemicals | Zamandlambili Trading | GTM | 01/04/2016 | 30/04/2019 | Supply and delivery | none | 4 | 4 | 4 | 4 | We are happy with the performance of the service provider and can be utilised in future |
| ESD | Supply and delivery of water treatment chemicals | Indlela Construction | GTM | 01/04/2016 | 30/04/2019 | Supply and delivery | none | 4 | 4 | 4 | 4 | We are happy with the performance of the service provider and can be utilised in future |



Table 11: Evaluation of Service Provider Performance for 2016/17

| Dept | Project name | Name of Service provider | Source of funding | Start date | End date | Physical Progress to date - <u>Narrative required</u> | Challenges and interventions | Assessment of service provider (Scale 1-5) 1 - Poor 2 - Fair 3 -Average 4 - Good 5 - Excellent | | | | Assessment comments (<i>future utilisation of service provider</i>) |
|------|---|-----------------------------|-------------------|------------|---|--|---|---|-----------|-----------|-----------|---|
| | | | | | | | | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | |
| ESD | Supply and delivery of water treatment chemicals | Iifa Lethu | GTM | 01/04/2016 | 30/04/2019 | Supply and delivery | none | 4 | 4 | 4 | 4 | We are happy with the performance of the service provider and can be utilised in future |
| ESD | Re Advert-Construction of Mokonyane low level bridge | Muavuli Trading | GTM | 20/06/2016 | 20/10/2016 | Completed | Contractor's progress was initially very slow | 1 | 1 | 1 | 3 | The performance of the service is poor and it only improved in the 4th quarter |
| ESD | Re Advert-Construction of Rikhotso low level bridge. | Zacks Business | GTM | 24/05/2016 | 24/09/2016 | Completed | None | 4 | 4 | 4 | N/A | We are happy with the performance of the service provider and can be utilised in future |
| ESD | Construction of Agatha Cemetery low-level bridge | Mosomo Consulting Engineers | GTM | 28/07/2015 | Depends on the contractor's appointment | Awaiting EIA approval | None | 4 | 4 | 4 | 4 | We are happy with the performance of the service provider and can be utilised in future |
| ESD | Construction of Khubu to Lwandlamuni low-level bridge | Sky High | GTM | 30/03/2015 | 14/06/2017 | 75%. The Contractor is busy with placing of prefabricated culverts | None | 4 | 4 | 4 | 4 | We are happy with the performance of the service provider and can be utilised in future |
| ESD | Construction of Khubu to Lwandlamuni low-level bridge | Ndoni Properties | MIG | 2-Feb-17 | 14/06/2017 | 75%. The Contractor is busy with placing of prefabricated culverts | None | 4 | 4 | 4 | 4 | We are happy with the performance of the service provider and can be utilised in future |
| ESD | Refurbishment of Tzaneen Airfield runway | AES Consulting Engineers | GTM | 08/2016 | Depends on the contractor's appointment | Contractor has just been appointed | None | 4 | 4 | 4 | 4 | We are happy with the performance of the service provider and can be utilised in future |



Table 11: Evaluation of Service Provider Performance for 2016/17

| Dept | Project name | Name of Service provider | Source of funding | Start date | End date | Physical Progress to date - <u>Narrative required</u> | Challenges and interventions | Assessment of service provider (Scale 1-5) 1 - Poor 2 - Fair 3 -Average 4 - Good 5 - Excellent | | | | Assessment comments (<i>future utilisation of service provider</i>) |
|------|--|--|-------------------|------------|------------|---|--|---|-----------|-----------|-----------|---|
| | | | | | | | | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | |
| ESD | Rita to Mariveni: Upgrading of Road from Gravel to Tar: Phase 3 of 4 | Tangos Engineering Consultant | MIG | 22/09/2015 | 31/09/2018 | The supervision team of the consultants is executing duties well as the contractor is well ahead of schedule at 65%. | None | 4 | 4 | 4 | 4 | We are happy with the performance of the service provider and can be utilised in future |
| ESD | Rita to Mariveni: Upgrading of Road from Gravel to Tar: Phase 3 of 4 | Selby Construction | MIG | 22/09/2015 | 31/09/2018 | 65%-The Contractor is busy with Asphalt surfacing for another 1.5km and the Contractor is ahead of schedule. And awaits | The community of Zangoma had interdicted the implementation of the 6.7km of the internal streets in Zangoma. The court ruled in favour of the Municipality. The Contractor will resume the works soon. | 4 | 4 | 4 | 4 | We are happy with the performance of the service provider and can be utilised in future |
| ESD | Moruji to Maswi: Upgrading of Road from Gravel to Tar: Phase 3 of 4 | Mtema Mashao Engineering Consultants | MIG | 05/09/2016 | 04/09/2018 | The Supervision team couldn't supervise the works as the SLA wasn't signed. | None | 4 | 4 | 4 | 4 | We are happy with the performance of the service provider and can be utilised in future |
| ESD | Moruji to Maswi: Upgrading of Road from Gravel to Tar: Phase 3 of 4 | Quality Plant Hire/Expectra 388 CC JV | MIG | 05/09/2016 | 04/09/2018 | 18%- The Contractor has done site establishment and busy with bypasses. | Rainfall and deep cuts and fills | 4 | 4 | 4 | 4 | We are happy with the performance of the service provider and can be utilised in future |
| ESD | Upgrading of Mafarana to Burgersdorp Road From Gravel to Tar | Southern Ambition Consulting Engineers | MIG | 28/02/2018 | 28/02/2018 | The supervision team of the consultants is executing duties well as the contractor is well ahead of schedule at 70%. | None | 4 | 4 | 4 | 4 | We are happy with the performance of the service provider and can be utilised in future |



Table 11: Evaluation of Service Provider Performance for 2016/17

| Dept | Project name | Name of Service provider | Source of funding | Start date | End date | Physical Progress to date - Narrative required | Challenges and interventions | Assessment of service provider (Scale 1-5) 1 - Poor 2 - Fair 3 -Average 4 - Good 5 - Excellent | | | | Assessment comments (<i>future utilisation of service provider</i>) |
|------|--|--|-------------------|------------|------------|---|--|---|-----------|-----------|-----------|---|
| | | | | | | | | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | |
| ESD | Upgrading of Mafarana to Burgersdorp Road From Gravel to Tar | Selby Construction | MIG | 28/02/2018 | 28/02/2018 | 70%-The Contractor is busy with construction of the base, subbase and prime coat. | None | 4 | 4 | 4 | 4 | We are happy with the performance of the service provider and can be utilised in future |
| ESD | Tickyline to Makhwibidung Tar Road | Southern Ambition Consulting Engineers | MIG | 23/11/2015 | 03/06/2016 | Complete | None | 4 | 4 | 4 | 4 | We are happy with the performance of the service provider and can be utilised in future |
| ESD | Tickyline to Makhwibidung Tar Road | Makasana Construction | MIG | 23/11/2015 | 03/06/2016 | Complete | None | 4 | 4 | 4 | 4 | We are happy with the performance of the service provider and can be utilised in future |
| ESD | Upgrading of Runnymede Cluster Sports Facility: Phase 2 of 2 | Uranus Consulting ENGINEERS CC | MIG | 14/03/2016 | 12/03/2017 | 70% Progress- Contractor is busy with brickwork for ablution facilities under the grandstands | Excessive blasting and the realignment of the soccer pitch has caused delays | 4 | 4 | 4 | 4 | We are happy with the performance of the service provider and can be utilised in future |
| ESD | Upgrading of Runnymede Cluster Sports Facility: Phase 2 of 2 | Selby Construction | MIG | 14/03/2016 | 12/03/2017 | 70% Progress- Contractor is busy with brickwork for ablution facilities under the grandstands | Extensive blasting and the realignment of the soccer pitch has caused delays | 4 | 4 | 4 | 4 | We are happy with the performance of the service provider and can be utilised in future |
| ESD | Relela Community Hall: Phase 2 of 2 | Melco Consulting and Projects | MIG | 24/11/2016 | 24/11/2016 | Complete | None | 4 | 4 | 4 | 4 | We are happy with the performance of the service provider and can be utilised in future |



Table 11: Evaluation of Service Provider Performance for 2016/17

| Dept | Project name | Name of Service provider | Source of funding | Start date | End date | Physical Progress to date - <u>Narrative required</u> | Challenges and interventions | Assessment of service provider (Scale 1-5) 1 - Poor 2 - Fair 3 -Average 4 - Good 5 - Excellent | | | | Assessment comments (<i>future utilisation of service provider</i>) |
|------|---|---------------------------------------|-------------------|------------|------------|---|------------------------------|---|-----------|-----------|-----------|---|
| | | | | | | | | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | |
| ESD | Relela Community Hall: Phase 2 of 2 | Masrik Social Development Consultancy | MIG | 24/11/2016 | 24/11/2016 | Complete | None | 4 | 4 | 4 | 4 | We are happy with the performance of the service provider and can be utilised in future |
| ESD | Upgrading of Nkowankowa Taxi Rank | Ryntex /G&C Consulting Engineers JV | NDPG | 04/05/2016 | 06/12/2016 | Complete- the contractor is attending to the snag list | None | 4 | 4 | 4 | 4 | We are happy with the performance of the service provider and can be utilised in future |
| ESD | Upgrading of Nkowankowa Taxi Rank | Uyapo Engineering | NDPG | 04/05/2016 | 06/12/2016 | Complete- the contractor is attending to the snag list | None | 4 | 4 | 4 | 4 | We are happy with the performance of the service provider and can be utilised in future |
| ESD | Marumofase Pedestrian Bridge | Sky High Consulting Engineers | Own Funds | 29/07/2016 | 29/11/2016 | The supervision team of the consultants is executing duties well. | None | 4 | 4 | 4 | 4 | We are happy with the performance of the service provider and can be utilised in future |
| ESD | Marumofase Pedestrian Bridge | Versatex jv Ctj Properties | Own Funds | 29/07/2016 | 29/11/2016 | 85%-The Contractor is waiting for the subcontractor to complete the outstanding works | None | 4 | 4 | 4 | 4 | We are happy with the performance of the service provider and can be utilised in future |
| ESD | Refurbishment and Upgrading of Lenyenye Stadium | SSA Consultants | MIG | 08/09/2014 | 30/11/2016 | The supervision team of the consultants is executing duties well. | None | 4 | 4 | 4 | 4 | We are happy with the performance of the service provider and can be utilised in future |
| ESD | Refurbishment and Upgrading of Lenyenye Stadium | Makgetsi Construction | MIG | 08/09/2014 | 30/11/2016 | The Contractor is completing the outstanding works. | None | 4 | 4 | 4 | 4 | We are happy with the performance of the service provider and can be utilised in future |



Table 11: Evaluation of Service Provider Performance for 2016/17

| Dept | Project name | Name of Service provider | Source of funding | Start date | End date | Physical Progress to date - <u>Narrative required</u> | Challenges and interventions | Assessment of service provider (Scale 1-5) 1 - Poor 2 - Fair 3 - Average 4 - Good 5 - Excellent | | | | Assessment comments (<i>future utilisation of service provider</i>) |
|-------|---|-------------------------------|-------------------|------------|------------------|--|--|--|-----------|-----------|-----------|---|
| | | | | | | | | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | |
| ESD | Upgrading of Juliesburg Sports Complex | Sky High Consulting Engineers | MIG | 13/01/2014 | to be determined | Newly appointed contractor, consultant in the process of drafting of contractual documentation | None | 4 | 4 | 4 | 4 | We are happy with the performance of the service provider and can be utilised in future |
| ESD | Upgrading of Juliesburg Sports Complex | Moepeng Trading 40 | MIG | 29/06/2017 | to be determined | Newly appointed contractor | Appointed late in June '17 | n/a | n/a | n/a | n/a | Implementation not yet commenced |
| ESD | Upgrading of Burgersdorp Sports Complex | Sky High Consulting Engineers | MIG | 13/01/2014 | to be determined | Newly appointed contractor, consultant in the process of drafting of contractual documentation | None | 4 | 4 | 4 | 4 | We are happy with the performance of the service provider and can be utilised in future |
| ESD | Upgrading of Burgersdorp Sports Complex | Leb P | MIG | 29/06/2017 | to be determined | Newly appointed contractor | Appointed late in June '17 | n/a | n/a | n/a | n/a | Implementation not yet commenced |
| ESD | New ablution block and upgrading of existing at parks | F And A Consulting engineers | own | 24/07/2017 | 24/10/2017 | Consultant is monitoring of the contractor | none | n/a | n/a | n/a | 4 | The performance is good up to so far |
| ESD | New ablution block and upgrading of existing at parks | Mandebele and family | own | 24/07/2017 | 24/10/2017 | physical progress is at 10% | The project will require a roll over, due to late appointment of service providers | n/a | n/a | n/a | 4 | The performance is good up to so far |
| P E D | Review of the SDF | Dludla Development Consultant | Own | 01/04/2016 | 01/03/2017 | SDF review completed | None | 4 | 4 | 4 | 4 | May be considered for future appointment if need arises. |



Table 11: Evaluation of Service Provider Performance for 2016/17

| Dept | Project name | Name of Service provider | Source of funding | Start date | End date | Physical Progress to date - <u>Narrative required</u> | Challenges and interventions | Assessment of service provider (Scale 1-5) 1 - Poor 2 - Fair 3 -Average 4 - Good 5 - Excellent | | | | Assessment comments (<i>future utilisation of service provider</i>) |
|------|----------------------------|--------------------------|-------------------|------------|------------|--|------------------------------|---|-----------|-----------|-----------|---|
| | | | | | | | | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | |
| PED | Review of the LED Strategy | Urban-Econ | Own | 15/03/2017 | 30/06/2017 | LED Strategy review completed | None | n/a | n/a | 5 | n/a | Yes highly recommended |

The major issues, relating to the performance of service providers, are the following:

1. The poor performance of the meter reading service provider is a major concern as it directly impacts on the revenue collected by Council. Herein, the replacement of the service provider every three year further poses a major risk, since manual reading of meters in a geographically challenging area will repeatedly result in a loss of income during the first few months of appointment.
2. The poor performance by the service provider responsible for printing services impacts on the efficiency of administration, contributes to additional costs incurred for printing services into overtime (since the records division cannot efficiently perform their duties) and also the re-printing of documents when the machines jam. The printers provided, especially in records section, where high volume printing is being done, is not in line with the specifications provided.
3. The challenges experienced with the security company, that did not adhere to the requirements in terms of tools and equipment, resulted in financial loss to council (through an increase in theft at e.g. stores and deterred the public from paying for services). The appointment of security service providers, who are not complying with the required standards, poses a major risk to Council property and personnel safety.



4. The evaluation of the service provider performance should take place in line with the deliverables agreed to in the Service Level Agreement (SLA). Services are being compromised where the SLA's does not contain measurable performance milestones. It is especially "soft" services which are compromised e.g.:
 - a. *Speed law enforcement services*: The revenue generated during 2016/17 was less than R300 000 while the service provider was paid in excess of R3 million.
 - b. *Tax consultants*: appointment is supposed to result in an increased income from VAT claims.
 - c. *Printing services*: administration is being hindered by printing because the machines provided cannot handle the volumes specified.
5. The process of evaluating the performance of service providers is not regulated by a policy, making the rating of the service providers questionable.
6. The outsourcing of activities which should be done by internal staff and for which the capacity exists, resulting in an unnecessary expense, especially if the SLA's are not specific in terms of the value to be added. These concern mainly,
 - a. The consultants appointed for providing Tax services, while the capacity exist within the Expenditure Division to perform this function.
 - b. Agency appointed to assist with traveling arrangements, which was in the past successfully done by administrative personnel.
7. Internal personnel are not appointed in areas where consultants are currently being utilised e.g. Asset Management. This creates a dependency on service providers as no skills can be transferred during the contract period.



6. Progress with implementing recommendations of the 2015/16 APR

The table below contains the recommendations made in the Annual Performance Report for 2015/16. The recommendations that have been fully implemented is highlighted in blue.

| Table 12: Annual Performance Report (15/16) Recommendations Monitoring Tool (4th Qtr - 30 Jun 2017) | | | | | | |
|---|---|--------------------|-----------------------|---|--|--|
| Item no | Resolution | Implementing Agent | Planned Timeframe | Progress to date (30 Jun'17) | Challenges | Intervention required |
| 1 | That Internal Audit investigate the bottlenecks in the procurement process and submit recommendations to Management on how the process can be streamlined, within the legislative requirements. | MM/ CIA | 30 Jun '17 | An audit on supply chain and contract management has been done and will be tabled before management. | Investigations are the responsibility of the Risk Unit | Risk Management to investigate Internal Audit Bottlenecks. |
| 2 | That the overtime management by Directors be closely monitored and linked to their individual performance, wherein a reduction in expenditure is required. | MM / PMO | Quarterly Assessments | KPI was included on the SDBIP of the MM and the Performance Agreement for all Directors | Overtime escalated through 16/17 in spite of all the measures in place | Strict compliance with Basic Conditions of Employment Act and Overtime Policy required |
| 3 | That a Risk Assessment be conducted on the Engineering Services Workshop. | MM / RO | 30 Mar '17 | The recommendation was not implemented. | Due to capacity and workload in risk management the recommendation is not implemented. | Assistance from sector department, Limpopo Treasury |
| 4 | That monthly reconciliations and clearing of suspense accounts be monitored and non-compliance be reported to the MM. | CFO | Quarterly | The monthly reconciliation of all the suspense accounts have been implemented for 2016/17 financial year and Compliance officer has been appointed. | Suspense account can be reconciled on a monthly bases but not cleared. | None |
| 5 | That quarterly Financial Statements be submitted the Audit Committee. | CFO | Quarterly | Not implemented | None | AFS will be submitted quarterly during 2017/18 financial year |



Table 12: Annual Performance Report (15/16) Recommendations Monitoring Tool (4th Qtr - 30 Jun 2017)

| Item no | Resolution | Implementing Agent | Planned Timeframe | Progress to date (30 Jun'17) | Challenges | Intervention required |
|---------|--|--------------------|-------------------|---|--|--|
| 6 | That vacancies in the Revenue division be filled by 30 October 2016. | CFO | 30 October '16 | Two Clerical positions were filled. Two Assistant Accountant positions still vacant | Not yet advertised | Fast track the appointment of the two Assistant Accountant. |
| 7 | That Ward committee reports be consolidated and a summary of the key challenges, with recommendations to resolving these, be submitted to Management and Council on a monthly basis. | CORP | Monthly | No report or summary submitted. A shortcoming exist in the Public Participation Division regarding processing of documents. Measures are being implemented to correct lack of reporting | Lack of tools of trade. Lack of culture of reporting. | Provision of tools of trade Promotion of a culture of reporting to Council Structures. |
| 8 | That the quarterly performance reports be presented to the IDP representative forum. | MM / PMO | Quarterly | Only 2nd Qtr performance report served before Rep Forum | Delays in the consolidation and approval of performance reports. 3rd Qtr SDBIP report only approved by Council on 30 June. | Adherence to reporting timeframes must be enforced |
| 9 | That the monthly performance management reports reflect the level of compliance to the monthly timeframes as set on the electronic reporting system. | MM / PMO | Monthly | Implemented, individuals not reporting are included in PMS monthly reports | Instability in Management results in KPIs not being monitored closely | Vacancies to be filled within a reasonable timeframe |
| 10 | That the none-attendance of IDP Steering Committee meetings by Directors and Managers be monitored by the Municipal Manager. | MM | Ongoing | There was only one steering committee meeting in this Quarter. The attendance has improved to 20, composed of MM (3), Finance (1), Corp (4), CSD (6), ESD (2), EED (2) and PED (2) attendance | Some departments continue to be absent, particularly Finance. | The presence of MM is very key as if he is not present other members also become absent. Directors must also encourage their managers to attend. |



Table 12: Annual Performance Report (15/16) Recommendations Monitoring Tool (4th Qtr - 30 Jun 2017)

| Item no | Resolution | Implementing Agent | Planned Timeframe | Progress to date (30 Jun'17) | Challenges | Intervention required |
|---------|--|-----------------------|-------------------|--|---|---|
| 11 | That reports on the implementation of the MSCOA Process Plan be submitted to Council on a monthly basis. | MSCOA Project Manager | Monthly | The MSCOA committee was inactive for the last period of the year and was re-convened in May 2017 after which reports were done to MSCOA steering committee as well as a report on the MSCOA position to Council in June. | The MSCOA process was delayed by two and a half years and therefore a lot of tasks had to be included in the implementation plan for a very short period of time. The MSCOA terms of reference also provides that an MSCOA administration office be established with at least permanent official or administration officer who must be tasked to perform all the MSCOA administration i.e. monthly reports. | Service provider was appointed and a project plan was setup to implement within a very short space of time. Administration office still to be established with at least one permanent official or administration officer who must be tasked to perform all the MSCOA administration i.e. monthly reports. |
| 12 | That a Revenue enhancement strategy be developed. | CFO | 30 Jun '17 | No yet completed. Drafting of the strategy in process will be distributed for comments on completion. | All Department to give inputs | MM's office to oversee the strategy development |

From **Table 12** it can be seen that only 2 of the 12 of the recommendations made in 2015/16 were fully implemented by 30 June 2017. The challenges relating to the recommendations therefore are not yet resolved.

7. Evaluation of Annual Performance

The information provided in the previous sections provides a detailed picture of the performance of GTM in relation to the planned targets. This section will highlight only those areas viewed as the root causes to the challenges experienced during 16/17, in order to make recommendations on how to address these (see [Section 8](#)).

7.1 Procurement of goods and services

As in the past, the majority of projects were in one way or another delayed by the procurement processes. Considering **Table 13**, it can be seen that there was a marked improvement in the percentage of bids awarded compared to the previous financial years (from 81% in 15/16 to 98% in 16/17). Herein the approval of the Demand Management Plan and the monitoring by Management assisted, however as in the past there were delays in the awarding of major bids, some of which were only awarded in June 2017. As a result, projects planned for 2016/17 will have to apply for roll-over of funds to 2017/18, contributing to the non-alignment between the IDP, Budget and SDBIP and the poor performance on project implementation in general.

| FY | No of Bids on Register | No of Awards made | % Bids awarded | No of Bids in Tendering Process (not yet awarded) | % of Bids not yet awarded | No of Re-advertisements | % of Bids re-advertised | No of Cancelled Bids |
|---------|------------------------|-------------------|----------------|---|---------------------------|-------------------------|-------------------------|----------------------|
| 2012/13 | 41 | 26 | 63% | 15 | 37% | 8 | 20% | 12 |
| 2013/14 | 50 | 22 | 44% | 28 | 56% | 7 | 14% | 10 |
| 2014/15 | 46 | 20 | 43% | 24 | 57% | 2 | 4% | 6 |
| 2015/16 | 52 | 42 | 81% | 9 | 17% | 7 | 13% | 1 |
| 2016/17 | 44 | 43 | 98% | 1 | 2% | 4 | 9% | 2 |

During the 2016/17 financial year various contracts were awarded to companies utilising Regulation 32 (of the Local Government: Municipal Finance Management Regulations), whereby the bid process of another municipality is used. As a result these appointments were not considered by the GTM bid committees as the appointments are sanctioned by the Accounting officer. Of concern is that these appointments were made without the knowledge

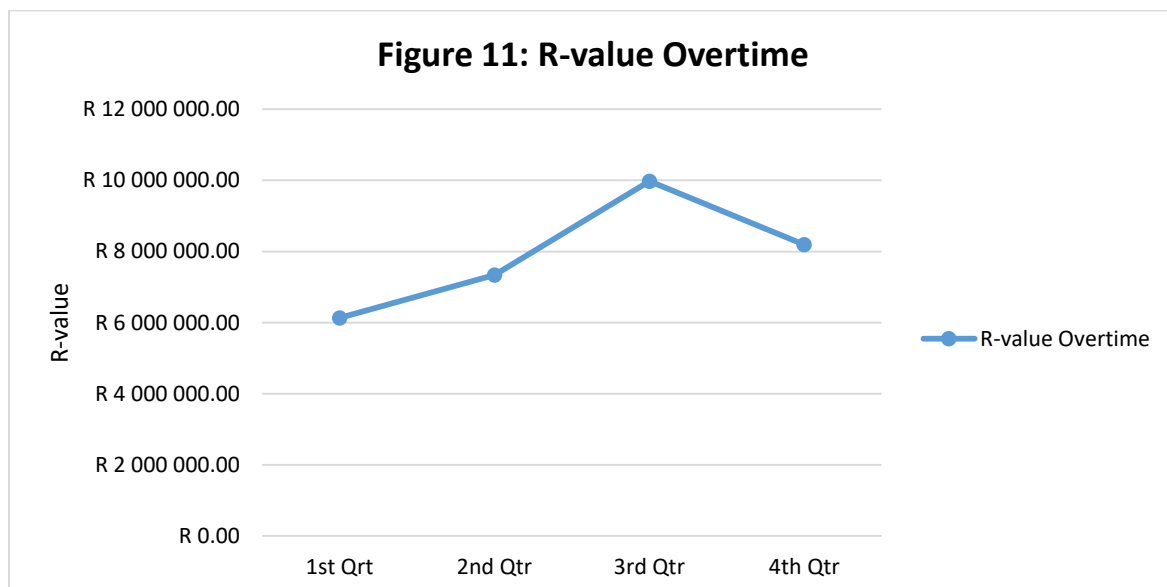


of Management, since these services were not included on the Demand Management plan for 2016/17. Council was committed without a cost-benefit-analysis being done. This Regulation 32 specifies in section (c), that such appointment may be made if “*there are demonstrable discounts or benefits for the municipality...*” in doing so. If there were no cost-benefit analysis conducted, how was the decision made to divert from normal procurement processes?

7.2 Financial Management

GTM is not cash backed for one month, meaning that expenditure control should be exercised. The following issues should be remedied:

- A. Poor contract management is contributing to excessive expenditure on legal claims as well as additional project costs. The SLA’s should contain measurable milestones for each project and these should be closely monitored by the user departments. The Supply Chain Management Unit should also compile a contract register that should be updated continuously.
- B. Poor budget management results in over expenditure on votes e.g. during 2016/17 paid overtime exceeded R31 million (budget R24 million), an expenditure of **128%**.

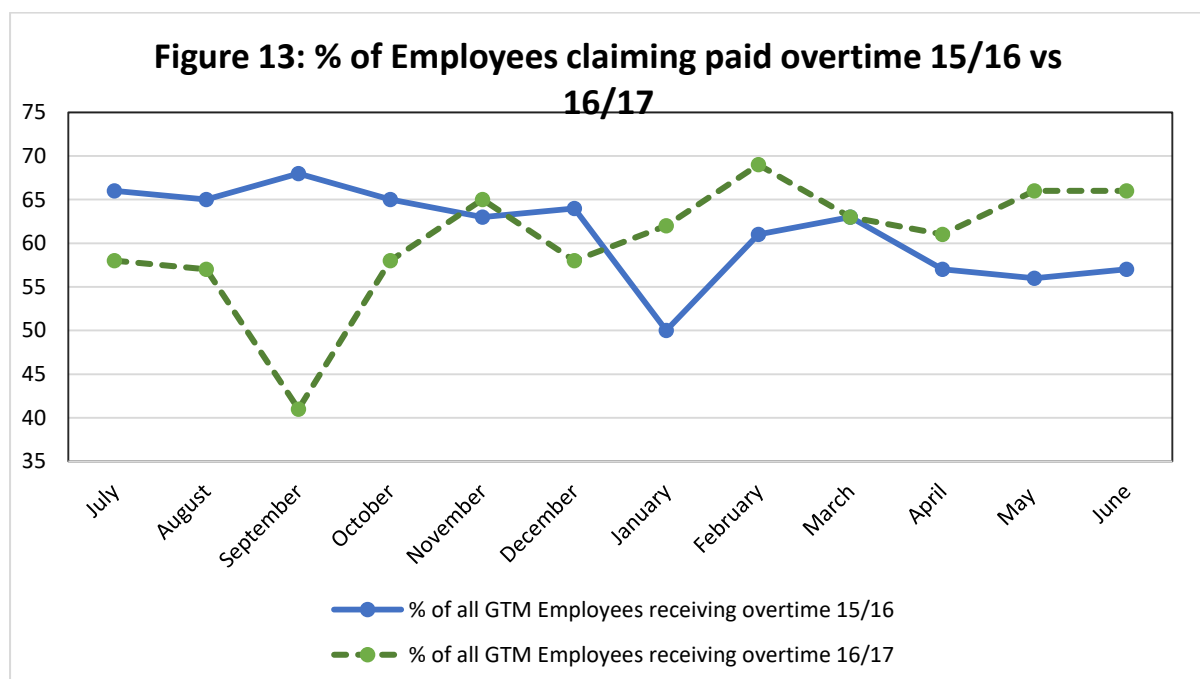




7.3 Human Resource Management

The performance information submitted by Departments identified various challenges with regard to Human Resource Management. The most critical of these are:

- A. Delays in the filling of critical vacancies had a major impact on the ability of administration to implement the planned activities. Key positions such as Municipal Manager, Chief Financial Officer, and Director: Engineering Services etc. remain vacant. The vacancies at managerial level increase the pressure on the existing staff to monitor project implementation and gradually lead to a deterioration in performance accompanied by a loss in institutional memory.
- B. Positions are advertised but not filled after interviews, the repetition of the recruitment process is wasteful expenditure.
- C. Employees are not being held accountable for poor performance, which contributes to a lack of discipline and in the end discourages those that are willing to work.
- D. The measures instituted to reduce overtime are not effective. The excessive hours overtime worked are in contravention of the legislated limits. **Figure 13** illustrates that the number of employees claiming paid overtime have not decreased since 2015/16, with an average of 60% (more than **390**) employees claiming paid overtime every month.





7.4 Public Participation

The participation of the public in local government is a requirement set out in the Constitution of South Africa (Act 108 of 1996). The IDP Representative Forum is not being utilised optimally as a platform to communicate with stakeholders and ensure active participation. In order to improve on this public participation, initiatives must be better planned, integrated and feedback mechanisms must be formalised to ensure that community challenges are addressed sooner.

7.5 Performance Management

During the previous financial years performance reporting was compromised by the submission of inaccurate reports, delays in the submission of information and the non-submission of evidence to be verified by Internal Audit. This resulted in various audit queries from the AG. In order to address these challenges GTM procured an electronic system to improve performance reporting. Although the roll-out of electronic reporting system went well, a few officials are still resisting change by not adhering to the reporting timeframes resulting in repeated requests to re-open the system for reporting. If reporting is not done on a monthly basis, the year-end performance reflected on the system is not a true reflection of what transpired and may be to the disadvantage of the Department. This, since activities implemented and not reported, reflects as underperformance.

The evaluation of individual performance for Directors has also been delayed due to the above reasons. The resignation of the MM, CFO and Engineering Services Director in June of 2017 further resulted in the employee assessments for the 2016/17 financial year not taking place. The resignations coupled with long standing vacancies at senior level resulted in a situation where a panel cannot be constituted that would be able to fairly judge the performance of the single Director remaining.

7.6 Fleet Management

Various departments have a role to play in the management of the fleet but there are various challenges that need to be addressed. These are, amongst others:



- a) **Fleet Management Policy not finalised:** The Fleet Management Policy has not been finalised because the allocation of responsibilities amongst the various role players has not been finalised, which is central to completing the policy. This policy is key to ensuring that the fleet is managed in a manner that contributes to improved service delivery and that vehicles are not misused.
- b) **Delays in servicing vehicles:** Vehicles and equipment are stuck in the workshop for extended periods of time contributing to the expenditure on overtime (roads, parks, cemeteries & waste management). This also severely affects the ability of the electrical department to attend to outages, as electricians do not have transport. The monthly reports from the mechanical workshop do however not contain sufficient information to evaluate the cause of the delays.
- c) **Replacement of vehicles:** Even though many vehicles and motorised equipment have passed their useful lifespan, their replacement has not been considered during the budget process. The impact of the non-availability of vehicles and equipment on service delivery and the expenses to maintain old vehicles will worsen year after year, unless addressed.
- d) **Controls to prevent the misuse of Council vehicles and fuel cards:** The lack of accountability may result in the misuse of Council vehicles and also fuel cards. Add the excessive overtime hours approved by Directors to the equation, and we get an environment conducive for the abuse of vehicles and fuel. This since the movement of vehicles, after normal hours, is difficult to monitor.

7.7 MSCOA implementation

The implementation of MSCOA is a requirement set by National Treasury. The implementation of this new accounting system involves several risks that should be closely monitored to mitigate the impact on service delivery:

- a. **Loss of data:** The change-over to a new financial system may result in the loss of billing information and affect the ability of the Revenue division to send out accounts. Since GTM does not have the cash in the bank to fund one month's expenses, this is a major risk.



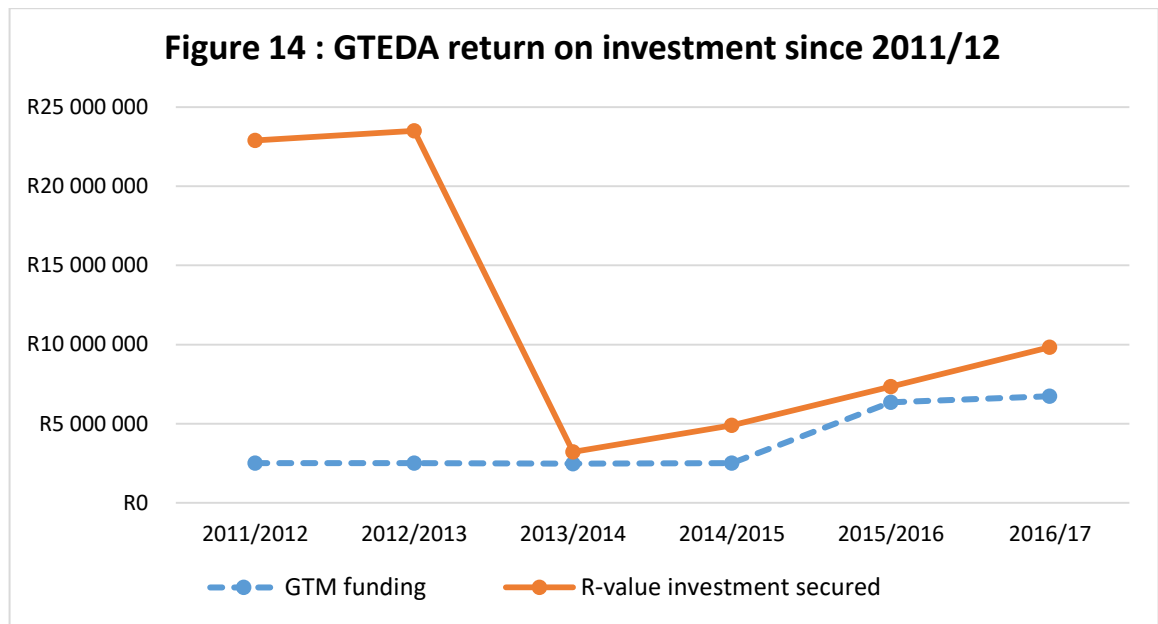
- b. **Inability to transact (receive or make payments):** The new electronic financial system will initially be hosted by the owner company, since the GTM IT network is not ideal for doing so. This may however expose Council to system downtime, should there be challenges with the network signals or servers.
- c. **Disruption of Service delivery:** The new electronic system requires all financial processes to take place electronically (issuing orders, up to the final approval thereof), and therefore if all relevant employees are not fully capacitated to transact on the system, it may result in a delay in service delivery, as orders will not be processed.
- d. **Project cost:** Council has made budget provision for the implementation of MSCOA. The change over to the new accounting system is an expensive exercise due to the specialised skills that we need to insource. However, further expenses will have to be incurred to ensure that the GTM IT network develops the capability to take over the hosting of the SEBATA system. Capital funds therefore may have to be made available to upgrade IT hardware.
- e. **Hidden project costs:** Due to risk involved in not being able to transact, while the data is being moved over to the new system, it is essential that the old financial system be run parallel to the new system. The same will apply to other electronic systems currently in use (HR Payroll & PMS). This will result in additional expenses. The cost involved in the continued use of existing electronic systems (which can interlink with the SEBATA system), should be compared to the modules available from the MSCOA service provider, to ensure that the most cost effective system is utilised.
- f. **Insufficient human resource capacity:** Even though personnel will be trained in the use of the new financial system, the additional work required to conduct data cleansing, learning to transact on the new financial system, while continuing with day to day activities will put a strain on the available human resources.



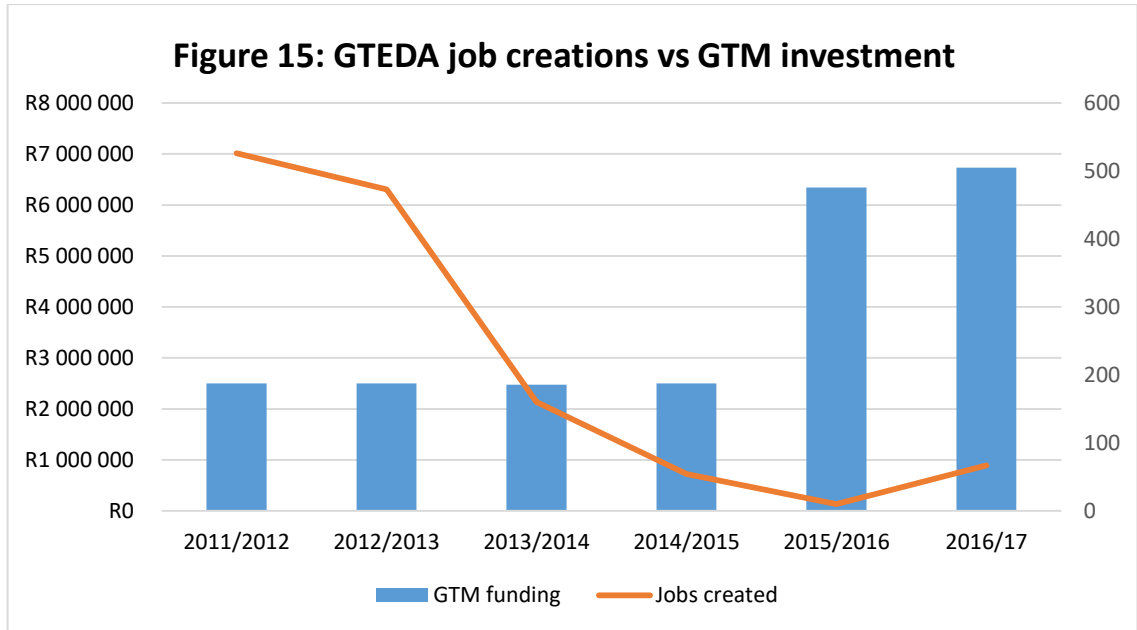
7.8 GTEDA sustainability

GTM invested almost R28 million in GTEDA so far, but the return on that investment is not yet visible in terms the growth in the local economy. Council should evaluate the future of the entity based on the following:

- a. GTEDA has been in existence since 2008 (almost 10 years), yet no large landmark project has been established which stimulates the local economy consistently.



- b. GTEDA was established with the agreement that the agency should become self-sustainable within a period of time, but the investment required from GTM kept on increasing (see **Figure 14**).
- c. The majority of the projects directed to GTEDA in the past have not yielded any tangible results or impact on the local economy (see **Figure 15**), yet no successful alternatives have been forthcoming from the specialists engaged.



- d. The bulk of the funding invested in GTEDA is spent on personnel related costs and with a large board (consisting of 8 members), this is likely to increase.
- e. The LED Unit in the PED Department has the same mandate and in many instances the LED unit takes the lead in projects such as the Agriculture Expo, which is growing each year.



8. Recommendations for improving institutional performance

The recommendations in this section consider the overall performance of the organisation and only highlights strategic interventions which are urgently required.

1. That the challenges emanating from the approval of the 2017/18 organogram, be identified and that the changes in roles, responsibilities and reporting lines be formalised accordingly.
2. That the Fleet Management Policy be finalised and submitted to Council.
3. That a Ward Committee Report be submitted to Council on a quarterly basis, reflecting the main challenges raised, which department it was referred to and the progress made in attending to the matters raised.
4. That quarterly Financial Statements be submitted to the Audit Committee.
5. That reports on the implementation of the MSCOA Process Plan be submitted to Council on a monthly basis.
6. That the attendance of IDP steering committee meetings be monitored through the Performance Plans for Directors.
7. That PED conducts a cost benefit analysis on GTEDA covering the past 10 years, and advises Council on the way forward.
8. That the Managers: Risk and Legal be represented in the Bid Evaluation Committee meetings.
9. That the process and criteria for the evaluation of service providers be included in the Performance Monitoring and Evaluation Framework.
10. That measurable deliverables be included in all the Service Level Agreements to enable monitoring and evaluation to take place.
11. That an advertisement be placed in the local newspapers requesting the public to report matters of fraud and corruption to the Presidential and Premier Hotlines.

<<<<<end>>>>>

"A Green, Prosperous and United Municipality that Provides Quality Services to All"