

# ANNUAL PERFORMANCE REPORT

*2017/18*



## GREATER TZANEEN MUNICIPALITY

31 August 2018

Office of the Municipal Manager

38 Agatha Street

Tzaneen

0850

Contact: 015-307 8002

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



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## List of Abbreviations

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



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



<b>SCMU</b>	Supply Chain Management Unit
<b>SDBIP</b>	Service Delivery and Budget Implementation Plan
<b>SDF</b>	Spatial Development Framework
<b>SEDA</b>	Small Enterprise Development Agency
<b>SITA</b>	State Information Technology Agency
<b>WSP</b>	Workplace Skills Plan



## 1. Introduction

### 1.1 Municipal Planning and reporting for 2017/18

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 2017/18 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 30<sup>th</sup> of June 2017. Quarterly SDBIP performance reports were submitted to Council to ensure that Council is kept up to date with the progress made in implementing the SDBIP. A detailed breakdown of quarterly progress with project implementation during 2017/18 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 17/18 financial year compared to the performance of the previous year. The report also reflects the reasons for deviation from the planned targets as well as efforts made to address performance which was not as planned.

### 1.2 Procedure for Performance reporting during 2017/18

GTM utilises an electronic reporting system to promote accurate and timeous 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:

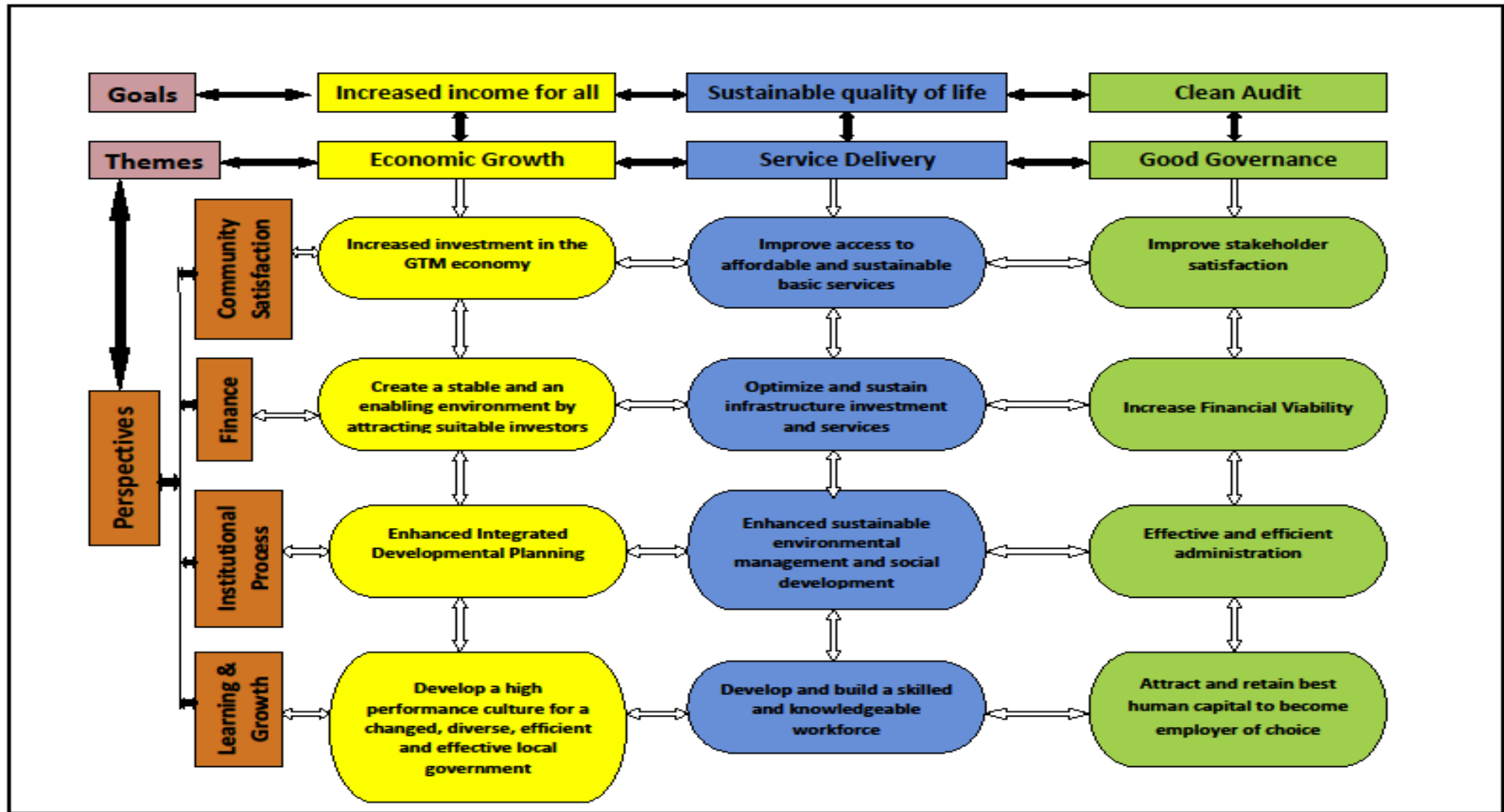


	<b>Result level</b>	<b>Coding of Results</b>
<b>R</b>	0% <= Actual/Target <= 74.999%	KPI target not met
<b>O</b>	75.000% <= Actual/Target <= 99.999%	KPI target almost met
<b>G</b>	Actual meets Target (Actual/Target = 100%)	KPI target achieved
<b>G2</b>	100.001% <= Actual/Target <= 149.999%	KPI target well met
<b>B</b>	150.000% <= Actual/Target	KPI target 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 the Department of Cooperative Governance and Traditional Affairs. 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 the municipal KPAs.



### 1.3 GTM Strategy Map for 2017/18



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## 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 2017 to 30 June 2018 compared to the previous year's performance.

Table 1: Year-end performance for the Economic Growth KPA for 2017/18												
Ref	Directorate	Strategic Objective	Programme	KPI	Unit of Measurement	Baseline (Year end 31 June '17)	Annual Target	Year-To-Date As At June 2018				Source of Evidence
								Actual	R	Reason for deviation	Corrective Measures	
D20	Office of the Municipal Manager	Develop a high performance culture for a changed, diverse, efficient and effective local government	Employee Performance Management	% of audit committee resolutions implemented	Percentage	41.70%	100%	50.08%	R	Vacancy in senior management positions which hampered accountability in updating the register. Progress improved after appointment of the Directors.	The KPI should be allocated to each Director in order to be held accountable and to easily track progress.	AC resolution register
D22	Office of the Municipal Manager	Develop a high performance culture for a changed, diverse, efficient and	Employee Performance Management	# of performance assessments for Sect 56 appointments	Number	0	2	0	R	High number of vacancies at MM and Director level throughout the financial year	All positions filled by the end of the 4th Quarter of 2017/18. Annual assessments will be conducted in September '18	Mid-year and Annual Assessment reports

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**Table 1: Year-end performance for the Economic Growth KPA for 2017/18**

Ref	Directorate	Strategic Objective	Programme	KPI	Unit of Measurement	Baseline (Year end 31 June '17)	Annual Target	Year-To-Date As At June 2018				Source of Evidence
								Actual	R	Reason for deviation	Corrective Measures	
		effective local government										
D23	Office of the Municipal Manager	Enhanced Integrated developmental planning	Integrated Development Planning	# of Senior Managers (MM & Directors) with signed performance agreements by 30 June	Number	4.25	7	3	R	MM, CFO, CSD newly appointed. Performance Agreements signed by CORP, EED & PED only	Performance Agreements for newly appointed employees will be concluded for the 2018/19 financial year	Performance Agreements
D24	Office of the Municipal Manager	Enhanced Integrated developmental planning	Integrated Development Planning	# of IDP Steering Committee meetings	Number	6	6	8	G2	None	None required	Invitations Minutes & attendance registers
D25	Office of the Municipal Manager	Enhanced Integrated developmental planning	Integrated Development Planning	# of IDP Rep forum meetings	Number	4	5	5	G	None	None required	Invitations Minutes & attendance registers
D26	Office of the Municipal Manager	Enhanced Integrated developmental planning	Integrated Development Planning	Draft IDP approved by Council by 31 March annually	Number	1	1	1	G	None	None required	Draft IDP Council Minutes
D176	Engineering Services	Increased investment in the GTM economy	Expanded Public Works	# of jobs created through municipal EPWP initiatives (FTE)	Number	7,583	1,084	986	O	Targets for EPWP are set at national level and there is generally a challenge of non-compliance by municipalities. Targets seem to be too high	Limpopo DPWRI will convene a meeting where targets will be discussed to assess if they are/were reasonable even in preparation of phase 4 of the EPWP.	Project reports, EPWP reports
D200	Planning and Economic Development	Enhanced Integrated developmental planning	Spatial Development	Integrated Sustainable Human Settlements Plan (ISHSP) reviewed by 30 May '18	Percentage	100	100%	100%	G	No deviation	Management should improve on the turnaround time to comment on items	Council minutes Revised ISHSP



**Table 1: Year-end performance for the Economic Growth KPA for 2017/18**

Ref	Directorate	Strategic Objective	Programme	KPI	Unit of Measurement	Baseline (Year end 31 June '17)	Annual Target	Year-To-Date As At June 2018				Source of Evidence
								Actual	R	Reason for deviation	Corrective Measures	
D201	Planning and Economic Development	Increased investment in the GTM economy	Community Works Programme	No of cooperatives established and still functional in wards where the CWP is implemented	Number	2	4	2	O	No Reason for Deviation	No Corrective Measures	CWP reports Minutes & Attendance register of CWP meetings
D202	Planning and Economic Development	Increased investment in the GTM economy	Community Works Programme	Number of job opportunities sustained through the CWP	Number	2,153	2,100	2,154	G2	No Reason for Deviation	No Corrective Measures	CWP Employment register
D203	Planning and Economic Development	Increased investment in the GTM economy	Marketing and Investor Targeting	# of Agricultural Expos held	Number	1	1	1	G	None	None required	Agricultural EXPO Advert & Programme List of exhibitors
D205	Planning and Economic Development	Increased investment in the GTM economy	Marketing and Investor Targeting	# of jobs created through municipal LED initiatives including Capital Projects	Number	1,237	600	986	R	The registered EPWP projects only created the number of jobs during the month	Register all municipal projects on EPWP.	*Consolidated LED monthly job creation report *MIG Monthly Reports *EPWP Monthly Reports
D206	Planning and Economic Development	Increased investment in the GTM economy	Marketing and Investor Targeting	# of GTM LED forum meetings arranged	Number	4	4	2	R	Meeting was postponed due to unavailability of the Mayor and Councillor responsible LED Forum; and stakeholders could not turn up as expected.	Mayor and Councillor must adhere to the event calendar. A reminder should always be sent to stakeholder a day before a meeting.	Invitations Minutes & Attendance Register
D207	Planning and Economic Development	Increased investment in the GTM economy	SMME support	# of meetings held with informal traders	Number	6	4	4	G	No Reason for Deviation	No Corrective Measures	Invitations Minutes & Attendance Register



**Table 1: Year-end performance for the Economic Growth KPA for 2017/18**

Ref	Directorate	Strategic Objective	Programme	KPI	Unit of Measurement	Baseline (Year end 31 June '17)	Annual Target	Year-To-Date As At June 2018				Source of Evidence
								Actual	R	Reason for deviation	Corrective Measures	
D208	Planning and Economic Development	Increased investment in the GTM economy	SMME support	# of Local Tourism Association Meetings	Number	6	4	3	O	One meeting did not take place due to the non-availability of key stakeholders	No Corrective Measures	Invitations Minutes & Attendance Register
D209	Planning and Economic Development	Increased investment in the GTM economy	Tourism	# of Tourism SMMEs exposed to the market	Number	64	45	34	O	Information on SMMEs attendance to Tourism Indaba and Tourism Transformation Workshop were not considered during reporting	None	Itinerary Events report
D210	Planning and Economic Development	Enhanced Integrated developmental planning	Integrated Development Planning	Spatial Development Framework review	Q1: SDF approved by Council (25%) Q2: Alignment of the capital investment program with the current IDP (50%) Q3: Abstract all catalytic projects for implementation and input into the 18/19 IDP (75%) Q4: Implement all local area policies, density policies, rural strategy plans and report monthly (100%)	Draft SDF ready for Council Approval (95%)	100%	100%	G	Awaiting Council approval of item to replace the resigned Municipal Planning Tribunal member and the delegation for the appointment of the Appeal Tribunal. June tribunal sitting held with 4 rezoning applications considered and approved	The Report to council set in the EXCO meeting on the 05 June 2018, and is now awaiting Council approval at the end of July	*SDF Status Quo Report *Minutes of Steering Committee *Minutes of Public Participation *Draft and Final SDF *Council Minutes *Monthly TP report
D211	Planning and Economic Development	Enhanced Integrated developmental planning	Spatial Development	Formulation of land use scheme for GTM area	Q1: Prepare procurement specifications for appointment of a service provider. (10%), Q2: Status quo report completed (50%) Q3: Formulation of a land use scheme at 50% (75%) Q4: Land use scheme for GT	New Project	100%	40%	R	Advertisement for Bids for proposal for the Land Use Scheme closed on 22nd June 2018 at 12:00, and were opened on the same day with Six (6) bids received	Pending evaluation of Bids, Awaiting Supply Chain to set date for Evaluation	Government Gazette *Specifications *Status Quo Report
D226	GTEDA	Create a stable and an enabling environment by attracting	Economic Growth and Investment	# of committed investors attracted through GTEDA	Number	3	3	4	G2	1. Secured R810 000 from Services SETA for training 100 unemployed learners on New Venture		Investment reports (Transactional advisors, MDDA, Private investors)



**Table 1: Year-end performance for the Economic Growth KPA for 2017/18**

Ref	Directorate	Strategic Objective	Programme	KPI	Unit of Measurement	Baseline (Year end 31 June '17)	Annual Target	Year-To-Date As At June 2018				Source of Evidence
								Actual	R	Reason for deviation	Corrective Measures	
		suitable investors								Creation. 2. R3 875 900 from Services SETA for training 20 co-operatives on New Venture Creation. 3. facilitated MDDA funding for GTFM R285 600		
D227	GTEDA	Increased investment in the GTM economy	Enterprise Development (SMME support)	# of SMMEs capacitated through GTEDA	Number	21	30	96	B	None	None required	*Training Programme *SMME training and development Policy *Assessment Report on the training provided to 15 SMME's *Service Provider Appointment letters
D229	GTEDA	Create a stable and an enabling environment by attracting suitable investors	Marketing and Investor Targeting	Support SMME's in accessing investment capital	<b>Q1:</b> Investors/funders Data base developed by 30 September 2017. (25%) <b>Q2:</b> 4 Business plans developed and Funding applications submitted per annum. (50%) <b>Q3:</b> Do follow-ups to facilitate Successful funding applications (75%) <b>Q4:</b> Funding commitment received for 4 applications (100%)	New initiative	100%	100%	G	Funding commitment received for 20 co-operatives		*SMME database *Business Plans *Copies of funding applications. *Approved applications. Reports.
D230	GTEDA	Create a stable and an enabling environment by attracting	Marketing and Investor Targeting	# of Agri-park Project Steering Committee meetings	Number	New initiative	4	3	O	Meetings didn't take place due to factors beyond GTEDA's control	Agri-park is a Mopani District Municipality project and GTEDA is a supporting	Agri-Park meeting schedule Steering Committee



**Table 1: Year-end performance for the Economic Growth KPA for 2017/18**

Ref	Directorate	Strategic Objective	Programme	KPI	Unit of Measurement	Baseline (Year end 31 June '17)	Annual Target	Year-To-Date As At June 2018				Source of Evidence
								Actual	R	Reason for deviation	Corrective Measures	
		suitable investors									stakeholder, we have removed it from the 2018/19 SDBIP as we have no control over convening of meetings.	Minutes Agri-park progress reports
D231	GTEDA	Create a stable and an enabling environment by attracting suitable investors	Enterprise Development	Entrepreneurship career guidance and mentorship	<p><b>Q1:</b> Entrepreneurship training programme for 16/17 debate winners developed by 30 September 2017. (25%)</p> <p><b>Q2:</b> 3 Youths (16/17 debate winners) mentored on entrepreneurship to establish mini-businesses by 31 December 2017. (50%)</p> <p><b>Q3:</b> Conduct 17/18 schools entrepreneurship debate competition (75%)</p> <p><b>Q4:</b> 17/18 Award ceremonies conducted by 30 June 2018. (100%)</p>	New initiative	100%	91%	O	The debate took place but award ceremony postponed to 17 August as per Department of Basic Education instruction as learners were writing exams.	The KPI was deferred to 17 August 2018 and will be hosted by Napscom High school.	*Training programme. *Communiques with Mentors *17/18 Debate report.
D232	GTEDA	Increased investment in the GTM economy	Enterprise Development	# of SMME Incubation reports submitted to the Board	Number	New initiative	4	5	G2	None	None required	Incubation Reports on Village Bank, Leather Making Project & GTFM
D233	GTEDA	Increased investment in the GTM economy	Marketing and Investor Targeting	Tzaneen Dam Resort Facilitation	<p><b>Q1:</b> Facilitate item to council on Tzaneen dam resort approval (25%)</p> <p><b>Q2:</b> Provide project management services for the Tzaneen dam resort development. Generate monthly progress reports (50%)</p> <p><b>Q3:</b> Provide project management services for the Tzaneen dam resort</p>	New initiative	100%	91%	R	The project stalled due to factors beyond GTEDA's control	The matter has been deferred to PED (who will deal with Council and way forward)	Council Item Monthly Project Progress Reports



**Table 1: Year-end performance for the Economic Growth KPA for 2017/18**

Ref	Directorate	Strategic Objective	Programme	KPI	Unit of Measurement	Baseline (Year end 31 June '17)	Annual Target	Year-To-Date As At June 2018				Source of Evidence
								Actual	R	Reason for deviation	Corrective Measures	
					development. Generate monthly progress reports (75%); <b>Q4:</b> Support Tzaneen dam resort development, generate monthly progress reports (100%)							
D234	GTEDA	Increased investment in the GTM economy	Enterprise Development	Library Project Support at Khwekhwe High School	<b>Q1:</b> Provide PM services for the Motupa library development and Submit quarterly PM reports to stakeholders (25%) <b>Q2:</b> Provide PM services for the Motupa library development and Submit quarterly PM reports to stakeholders (50) <b>Q3:</b> Provide PM services for the Motupa library development and Submit quarterly PM reports to stakeholders (75) <b>Q4:</b> Provide PM services for the Motupa library development and Submit quarterly PM reports to stakeholders (100%)	New initiative	100%	91%	○	Project is on track but there were no meetings held due to the processing of a community resolution application	Meetings will resume once community resolution has been approved	Project Management Reports. Minutes of meetings with Stakeholders
D235	GTEDA	Increased investment in the GTM economy	Enterprise Development	Coordination of Entrepreneurs to the Nkowankowa Industrial Park	<b>Q1:</b> Compile data base of ideal/suitable entrepreneurs for LEDA to utilise on the Nkowankowa industrial project. (25%) <b>Q2:</b> Facilitate and monitor the utilisation of local labour and SMME's in the renovation of the factories (50%) <b>Q3:</b> Facilitate and monitor the utilisation of local labour and	New initiative	100%	100%	G	Project is on track and as planned		*Database of entrepreneurs *Reports on local re-investment and job creation





**Table 1: Year-end performance for the Economic Growth KPA for 2017/18**

Ref	Directorate	Strategic Objective	Programme	KPI	Unit of Measurement	Baseline (Year end 31 June '17)	Annual Target	Year-To-Date As At June 2018				Source of Evidence
								Actual	R	Reason for deviation	Corrective Measures	
					SMME's in the renovation of the factories (75%) Q4: Facilitate and monitor the utilisation of local labour and SMME's in the renovation of the factories (100%)							

**Table 2** presents a summary of the results, as reported by Departments, and from this it can be seen that only **48%** of the targets aimed at improving Economic Growth were met during 2017/18 a drastic decline from the **78%** achieved during 2016/17.

**Table 2: Economic Growth KPA - Summary of Results for 2017/18**

Colour	Coding	Key to the Colour Codes	No of KPIs/Projects	% in category
R	<i>KPIs with no targets or actuals in the selected period.</i>	KPI Not Met	7	26%
O	$0\% \leq \text{Actual/Target} \leq 74.999\%$	KPI Almost Met	7	26%
G	$75.000\% \leq \text{Actual/Target} \leq 99.999\%$	KPI Met	8	30%
G2	<i>Actual meets Target (Actual/Target = 100%)</i>	KPI Well Met	4	15%
B	$100.001\% \leq \text{Actual/Target} \leq 149.999\%$	KPI Extremely Well Met	1	3%
		<b>Total KPIs</b>	<b>27</b>	

The key issues that contributed to the under performance in terms of the targets set to ensure Economic Growth are:



- a) **Long standing vacancies at senior manager level:** Individual Performance Management was therefore not fully implemented since Performance Agreements could not be concluded and assessments for the MM and Directors could not take place.
- b) **None implementation of Capital projects:** Job creation targets for municipal Capital projects and EPWP therefore were not met
- c) The targets set for stimulating local tourism and SMMEs were not met.
- d) Delays with the formulation of a Land use scheme for Greater Tzaneen area.
- e) **GTEDA underperformance:** Investment attracted limited to skills development, while most of their projects are not progressing as planned due to factors beyond their control, bringing into question the role of GTEDA in these initiatives.



### 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 2017 to 30 June 2018 compared to the previous year results.

Table 3: Year-end performance for the Service Delivery KPA for 2017/18												
Ref	Directorate	Strategic Objective	Programme	KPI	Unit of Measurement	Baseline (Year end 31 June '17)	Annual Target	Year-To-Date As At June 2018				Source of Evidence
								Actual	R	Reason for deviation	Corrective Measures	
D38	Office of the Municipal Manager	Enhance sustainable environmental management and social development	Disaster Management	Annual Disaster Management report submitted to Mopani District by 30 Sept	Number	1	1	1	G	None		Annual Report Acknowledgement of receipt from MDM
D39	Office of the Municipal Manager	Enhance sustainable environmental management and social development	Disaster Management	Annual Disaster Management report submitted to Council by 31 Aug	Number	1	1	1	G	None		Disaster Management Report Council Resolution
D40	Office of the Municipal Manager	Enhance sustainable environmental management and social development	Disaster Management	% Disaster incidences responded to (relieved) within 72-hours	Percentage	100%	100%	100%	G	All the incidences were attended to	Non-required	Disaster Relief forms



**Table 3: Year-end performance for the Service Delivery KPA for 2017/18**

Ref	Directorate	Strategic Objective	Programme	KPI	Unit of Measurement	Baseline (Year end 31 June '17)	Annual Target	Year-To-Date As At June 2018				Source of Evidence
								Actual	R	Reason for deviation	Corrective Measures	
D41	Office of the Municipal Manager	Effective and Efficient administration	Risk Management	# of disaster awareness campaigns conducted at schools	Number	9	9	12	G2	None	None required	Programme for Awareness Campaigns Attendance Register Agenda
D57	Financial Services	Improve access to sustainable and affordable services	Free Basic Services	R-value of Free Basic Electricity to Households	R-value	R2,991,664	R 4,200,000	R 3 067 047	R	May and June invoices brought into account for financial year end purposes	Payments should be done before month end.	FBE Payments
D58	Financial Services	Improve access to sustainable and affordable services	Free Basic Services	% of households earning less than R 1100 served with free basic electricity (total registered as indigents)	Percentage	100%	100%	100%	G	All indigents registered on debtors system receive FBE	Ongoing verification of indigents	Indigent register Billing Report
D59	Financial Services	Improve access to sustainable and affordable services	Free Basic Services	% households earning less than R 1100 with access to free basic waste removal (total registered as indigents)	Percentage	11.80%	7%	3.61%	R	Indigents registered on debtors system receive all free basic service. Indigents in villages not possible to monitor service. Less indigents registered than target reason for under performance.	Validation of indigent register and only indigents in formal towns to be included in calculation	Indigent register Billing Report
D60	Financial Services	Improve access to sustainable and affordable services	Free Basic Services	Total number of registered indigent households who received free basic water and sanitation (GTM service area)	Number	1388	1,420	1,365	O	Number of indigents registered on debtors do receive basic services	Ongoing indigent verification	Indigent register Billing Report
D83	Corporate Services	Develop and build skilled and knowledgeable workforce	Capacity building and Training	# of employees successfully trained	Number	95	90	149	B	Customer Care Training was implemented	That Supply Chain management must assist in appointing service provider	WSP Approval by MM Attendance Register



**Table 3: Year-end performance for the Service Delivery KPA for 2017/18**

Ref	Directorate	Strategic Objective	Programme	KPI	Unit of Measurement	Baseline (Year end 31 June '17)	Annual Target	Year-To-Date As At June 2018				Source of Evidence
								Actual	R	Reason for deviation	Corrective Measures	
											for training as per training plan.	
D86	Corporate Services	Develop and build skilled and knowledgeable workforce	Capacity building and Training	Work place skills plan submitted to LGSETA by 30 Apr	Number	1	1	1	G	None	None required	WSP Acknowledgement of receipt
D87	Corporate Services	Develop and build skilled and knowledgeable workforce	Capacity building and Training	% of municipal budget spent on implementing the Work Place Skills Plan	Percentage	0,12%	1%	0.20%	R	0,002% spent on WSP for Council.	Due to cash flow of the Municipality, some interventions were not approved and deferred to 2018/19 financial year.	Municipal Budget Training Budget Spent
D88	Corporate Services	Develop and build skilled and knowledgeable workforce	Labour Relations	# of Local Labour Forum meetings	Number	4	12	6	R	Local Labour Forum was postponed due to bargaining process ongoing.	That management and labour union must conclude the negotiations process.	LLF Invitations, Minutes and attendance registers
D110	Community Services	Enhance sustainable environmental management and social development	Environmental Health Management	# of contravention notices issued to improve level compliance to Environmental Management legislation (5 formal towns)	Number	281	112	148	G2	2 notices issued to industries. 3 notices issued to schools.	Appoint EHP so that when one is on leave the other two can meet targets.	Contravention Notices



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								Actual	R	Reason for deviation	Corrective Measures	
D111	Community Services	Enhance sustainable environmental management and social development	Environmental Health Management	% compliance to the environmental legislation checklist	Percentage	177	90%	93.50%	G2	Introduction of an Environmental Internal Audit team comprising of different stakeholders has led to the improved results.	None	Environmental Checklist
D112	Community Services	Enhance sustainable environmental management and social development	Environmental Health Management	% of water samples that comply with SANS 0241	Percentage	86	85%	86.66%	G2	Consistent implementation of the Water Quality monitoring schedule.	None	Water quality lab reports
D113	Community Services	Enhance sustainable environmental management and social development	Waste Management	# of households with collection of waste once per week	Number	8648	8,537	8,927.42	G2	1) The Category-Tariff-Report from C.F.O. is only available on hard-copy 2) The Category Tariff summary from CFO reflecting fluctuating actual budget-amounts monthly	1) The Category-Tariff-Report from C.F.O. must be available on electronic-copy 2) C.F.O. (Revenue) to provide such Cat. Summary-report on a monthly basis indicating billing details of:- * Urban domestic * Rural domestic * Businesses	Category Tariff Billing Report Monthly Example
D114	Community Services	Enhance sustainable environmental management and social development	Waste Management	R-value spent on waste management	R-value	R52,302,721	R 85,088,885	R 70,432,598.36	O	1) The C.F.O.'s office is dealing with the expenditure report-THE BUDGET OFFICE WAS VISITED ON 22/8/2018 AND CONFIRMATION RECEIVED IT WAS CORRECT FIGURES 2) The Divisional Waste Manager is accountable for less than 40% of	1) The C.F.O.'s office dealing with expenditure must:- * Report on the un-even monthly expenditure	Budget reports



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								Actual	R	Reason for deviation	Corrective Measures	
										<p>expenditure-line-items.</p> <p>3) The control of the other 60 % of such line-items is vested @ Dept. of the C.F.O.</p> <p>4) Budget-office provide reasons for underspending as per attachments</p> <p>5) Waste Division's summary:- "Cash flow create a serious shortage resulted in "anticipated" non-spending at 30 Jun.'18"</p>		
D115	Community Services	Enhance sustainable environmental management and social development	Waste Management	# of Rural Waste Service Areas serviced (waste management)	Number	30	40	40	G	<p>1)Fleet Management:-</p> <ul style="list-style-type: none"> <li>* Rapid-Turn-Around (repair &amp; maintenance) in ensuring the Removal-Fleet is always functional</li> <li>* Waste-Fleet should be replaced on a "round-robin" 5 x year plan (i.o.w.'s 20% of fleet to be replaced annually)</li> </ul> <p>2) Budget:-</p> <ul style="list-style-type: none"> <li>* Project-prioritization to operationalize all 66 x W.S.A.'s</li> </ul> <p>3) URGENT Work-study:-</p> <ul style="list-style-type: none"> <li>* a Proper organogram to operationalize the Rural Waste Management project</li> </ul>	<p>1) Fleet Management:-</p> <ul style="list-style-type: none"> <li>* Dysfunctional Trucks, 2-3 of the 7 x R.E.L.'s is regular dysfunctional</li> <li>* Fleet replacement must be initiated a.s.a.p.</li> </ul> <p>2) Organogram:-</p> <ul style="list-style-type: none"> <li>* An URGENT Work-study to be conducted to design a proper organogram to operationalize the Rural Waste Management project</li> </ul> <p>3) Budget:-</p> <ul style="list-style-type: none"> <li>* Project-</li> </ul>	<p>*EPWP Employee payroll Printout</p> <p>*1 Example of Timesheets signed off by Ward Committee and traditional authority</p>



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								Actual	R	Reason for deviation	Corrective Measures	
											prioritization to operationalize all 66 x W.S.A.'s	
D116	Community Services	Enhance sustainable environmental management and social development	Waste Management	# of Urban Waste Service Areas serviced (on level 1 service)	Number	5	5	5	G	1) To ensure more accurate P.o.E.'s an electronic route sheet / tracking-system need to be installed in each vehicle with a sustainable monitoring as per a "unique-route" for each area	1) Budget provision by Fleet Management for vehicle-tracking systems	Waste Management Monthly statistical Report *Waste Service Route Maps
D117	Community Services	Enhance sustainable environmental management and social development	Waste Management	# of Rural Skip-bins with Waste being removed to Tzaneen landfill site as on-call service	Number	New KPI	1,920	1,742	O	1)The Workshop show a slight IMPROVED Turn-Around-Time ensuring improved Fleet functionality 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 3) Vacancy of 1 x Team leader position create an under performance of the collections at Rural D.o.C.s. 4) Production of waste by Communities is fluctuating due to buying- & spending patterns	1) The "OLD" fleet become more dysfunctional 2) Budget must be available to operationalize all 66 x W.S.A.'s 3) A URGENT Work-study by H.R. must be conducted to design a proper organogram to operationalize the Rural Waste Management project 4) Low production of waste by Communities cannot be corrected---it is depending on	Rural Bulk-waste removal Tellisheet summary





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								Actual	R	Reason for deviation	Corrective Measures	
											buying- & spending trends of the general public	
D118	Community Services	Enhance sustainable environmental management and social development	Waste Management	% Households with access to basic level of solid waste management services	Percentage	41%	52%	52%	G	1) Rural areas must be formalized 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	1) Urban numbers is validated by Category-Tariff-Billing-Report 2) Rural areas MUST be validated by formalized village-Maps	Informal demarcation removal schedule maps for rural areas Category Tariff Summary reports for urban suburbs
D119	Community Services	Enhanced sustainable environmental management and social development	Traffic Services	Traffic fine collection rate [(Rand value received for fines/ R value of fines issued as %]	Percentage	30.60%	70%	9.68%	R	Fewer warrants were issued due to insufficient assistance from the Magistrate court and no permission to blacklist from the province (AARTO)	Will continue doing road block, we are planning to come up with the system of sending reminders to the offenders in the next financial year. We are also going to pursue the magistrate to issue warrant of arrests.	Revenue reports Traffic Fine system report
D120	Community Services	Enhanced sustainable environmental management and social development	Traffic Services	R-value of traffic fines issued	R-value	New KPI	R 5,400,000	R 64,070,345	B	Collection is low because we not allowed by Province to blacklist those who are not paying through eNATIS. The master of the court is taking time to issue warrant of arrest to enforce payments.	We will continue with roadblocks while pursuing the assistance of the Magistrate even though it becomes insufficient. We tried several	Monthly Traffic Fine System report



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								Actual	R	Reason for deviation	Corrective Measures	
											times to have meetings with the magistrate concerning issuing of warrants but there is no improvement. In the next financial year we will be implementing a system whereby we are going to send messages to the offenders to remind them to pay.	
D121	Community Services	Enhance sustainable environmental management and social development	Library Services	# of library users	Number	139,653	96,000	126,599	G2	No deviation - Users in June 2018: 11374 Circulation in June 2018: 5013	None required	Tattletape statistics Monthly Reports
D122	Community Services	Enhance sustainable environmental management and social development	Maintenance and upgrade of parks and open spaces	# of cemeteries developed or extended	Number	4	1	1	G	Environmental Impact Assessment report is complete and successful.	No corrective measures	Agatha Cemetery Extension Plans EIAC Project Progress Reports
D123	Community Services	Enhance sustainable environmental management and social development	Maintenance and upgrade of parks and open spaces	m <sup>2</sup> ½ of parks and open spaces maintained	Number	1,162,647	395,000	1,654,477.92	B	Contractor expired in May 2018 and the funds were finished. The whole work was done internally and we are not having enough machinery to cut grass. We have budgeted R 300 000 to buy	Purchase new machines and employ personnel to be able to do the work	Grass cutting and garden maintenance sheets Monthly report



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								Actual	R	Reason for deviation	Corrective Measures	
D124	Community Services	Enhance sustainable environmental management and social development	Maintenance and upgrade of parks and open spaces	# of developed parks maintained	Number	18	18	18	G	machines for 2018 to 2019. The aim is to insource so that we can save money for the municipality.	Management to consider to appoint extra people on EPWP from the funds we paid to the contractor because funds to appoint permanent are not available.	Parks maintenance sheets Monthly report
D125	Community Services	Improve access to sustainable and affordable services	Licensing and Testing services	% of compliance with ENATIS legislative compliance (ad-hoc audits)	Percentage	100%	100%	100%	G	Received inspection report from Nkowankowa DLTC on 07 June 2018 and Tzaneen DLTC on 08 June 2018	SID busy fixing potholes and painting road markings	Ad hoc Audit inspection reports by Department of Transport
D126	Electrical Engineering	Improve access to sustainable and affordable services	Electricity Infrastructure	% of households with access to electricity	Percentage	99%	98%	99%	G2	1077 households completed and energized. Awaiting energization of other projects. Construction for Schultz settlement delayed by approval to electrify the area by the new owner of the land	Schultz settlement to be rolled over to 2018/19 financial year. Other project to be energized.	Electrification reports
D127	Electrical Engineering	Improve access to sustainable and affordable services	Electricity Infrastructure	# of households with access to electricity	Number	107628	107,878	107 882	G2	1077 households connected. Awaiting energization of other projects. Schultz Settlement delayed by approval to commence	Schultz Settlement to be rolled over to 2017/18 Financial year. other projects to be energized	Electrification reports



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								Actual	R	Reason for deviation	Corrective Measures	
										with construction by the new owner of the land.		
D128	Electrical Engineering	Optimise and sustain infrastructure investment and services	Cost Recovery	% Electricity loss (Kwh)	Percentage	22	18%	22.01%	R	The causes of losses have not been determined. Therefore the reason for the increased losses or failure to reach the target is unknown	A consultant (HAMSA Consulting Engineers) was appointed starting on 2017/18 to determine the causes of losses and the concomitant revenue losses. The appointment is on a 2 years project. They are currently busy with field audit of the meters and the planned completion of the project is June 2019. The scope of the project includes field audits, commercial review of processes and recommendations on remedial actions to reduce the losses.	Eskom account Revenue reports



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								Actual	R	Reason for deviation	Corrective Measures	
D129	Electrical Engineering	Optimise and sustain infrastructure investment and services	Cost Recovery	Kilow Watt Hour Electricity loss (Kwh)	Kilow Watt Hour	99452442	42,540,860	83 060 412	R	The causes of losses are unknown and have not been determined yet.	A consultant (HAMSA Consulting Engineers) have been appointed on a 2 years project starting during 2017/18 to determine the causes of electricity losses and the concomitant revenue losses. They are currently busy with field audits on the infrastructure. The scope of their appointment includes field audits, review of commercial processes and recommendations of remedial actions to reduce the losses. The project is planned for completion in June 2019. Some of the findings are being remedied during the current execution of the project	Eskom account Revenue reports



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Ref	Directorate	Strategic Objective	Programme	KPI	Unit of Measurement	Baseline (Year end 31 June '17)	Annual Target	Year-To-Date As At June 2018				Source of Evidence
								Actual	R	Reason for deviation	Corrective Measures	
D130	Electrical Engineering	Optimise and sustain infrastructure investment and services	Electricity network upgrade and maintenance	Km of overhead lines rebuilt	Kilometres	43	52	0	R	Final approval of the loan awaited before project can be implemented	Designs were done on risk while waiting on the approval of the loan from DBSA Project to be rolled over to 2018/19.	Project Progress reports Completion certificates
D131	Electrical Engineering	Optimise and sustain infrastructure investment and services	Asset Management	R-value spent on maintenance of electricity infrastructure as % of asset value	Percentage	2.13	2.70%	4%	O	The variables used for the calculations are uncertain. The given figure was calculated on information available and information provided by assets division. NERSA guidelines were used for the calculation.	Variables that must be used to be determined and NERSA will be consulted to provide clarity on the guidelines and applicable variables to calculate the losses	Asset Register Expenditure Reports
D132	Electrical Engineering	Optimise and sustain infrastructure investment and services	Asset Management	R-value electricity maintenance	R-value	R26,641,947	R 51,083,568	R20 211 577	R	It Must be noted as indicated in the POE spreadsheet that there is unallocated Labour charges	That CFO department allocate labour charges so that votes reflect the right amount	Budget expenditure, (Vote 162/066, 173/066 & 608 183/066)
D133	Electrical Engineering	Optimise and sustain infrastructure investment and services	Cost Recovery	% of electricity loss reduced	Percentage	New KPI	10%	0%	R	This is the losses that were calculated the initial reduction of losses were not achieved yet.	A consultant was appointed to determine where our losses are and is helping in reducing the losses they are still busy with the field test checking for tampering and accuracy of meters, once that	Eskom account Revenue reports



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								Actual	R	Reason for deviation	Corrective Measures	
											is complete they will start with checking the accounts on the billing system	
D134	Electrical Engineering	Optimise and sustain infrastructure investment and services	Cost Recovery	# of data cleansing performed (meter services)	Number	New KPI	5	15	B	No Deviation	None	Eskom account Revenue reports
D135	Electrical Engineering	Optimise and sustain infrastructure investment and services	Electricity network upgrade and maintenance	Km of Electrical underground High Tension (11kv) cable replaced	Number	New KPI	1	0	R	Capital not available on budget because approval of DBSA loan was not secured on time	Designs were done on risk while waiting on the approval of the loan from DBSA Project to be rolled over to 2018/19.	Project Progress reports Completion certificates
D136	Electrical Engineering	Improve access to sustainable and affordable services	Electricity Infrastructure Development	New Entrance Street R36 streetlights	Q1: Specifications completed (10%), Q2: Procurement process completed (20%), Q3: Construction in progress (50%), Q4: Traffic lights at R36 completed (100%)	New project	100%	15%	R	Capital not available on budget because approval of DBSA loan was not secured on time	Designs were done on risk while waiting on the approval of the loan from DBSA Project to be rolled over to 2018/19.	Appointment Letter Progress reports Completion certificate
D137	Electrical Engineering	Improve access to sustainable and affordable services	Electricity Infrastructure Development	Area Lighting at Tarentaalrand crossing	Q1: Specifications completed (10%) Q2: Procurement process completed (20%) Q3: Construction in progress (50%) Q4: Area Lighting at Tarentaalrand crossing completed (100%)	New project	100%	15%	R	Capital not available on budget because approval of DBSA loan was not secured on time	Designs were done on risk while waiting on the approval of the loan from DBSA Project to be rolled over to 2018/19.	Appointment Letter Progress reports Completion certificate



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								Actual	R	Reason for deviation	Corrective Measures	
D138	Electrical Engineering	Improve access to sustainable and affordable services	Electricity Infrastructure Development	Electrification of 541 units at Xihoko/ Radoo/ Thapana/ Mavele Phase2	<b>Q1:</b> Appointment of service provider finalised (5%) <b>Q2:</b> Designs approved by ESKOM (10%) <b>Q3:</b> Construction 50% (60%) <b>Q4:</b> Electrification of 541 HH in Xihoko/ Radoo/ Thapana/ Mavele Phase 2 completed	New project	100%	100%	G	Project completed. 508 Households connected, 33 empty stands provided with infrastructure	None	Appointment Letter Approval letter on Designs from ESKOM Project progress reports Handover certificate PCS File (ESKOM)
D139	Electrical Engineering	Improve access to sustainable and affordable services	Electricity Infrastructure Development	Electrification of 330 units at Leolo/ Legobareng/ Serare/ Mogabe/ Tshidinko Phase2	<b>Q1:</b> Designs approved by ESKOM (10%) <b>Q2:</b> Appointment of contractor finalised (25%) <b>Q3:</b> Construction in progress (50%) <b>Q4:</b> Electrification of 330 households completed	New project	100%	100%	G	Project completed and energized. 396 households connected. 82 empty stands provided with infrastructure	None	Appointment Letter Approval letter on Designs from ESKOM Project progress reports Handover certificate PCS File (ESKOM)
D140	Electrical Engineering	Improve access to sustainable and affordable services	Electricity Infrastructure Development	Electrification of 425 units at Julesburg area	<b>Q1:</b> Appointment of service provider finalised (10%) <b>Q2:</b> Designs approved by GTM (25%) <b>Q3:</b> Construction (50%) <b>Q4:</b> Electrification of 425 units at Julesburg area completed (100%)	New project	100%	100%	G	None	None	Appointment Letter Approval letter on Designs from ESKOM Project progress reports Handover certificate PCS File (ESKOM)
D141	Electrical Engineering	Improve access to sustainable and affordable services	Electricity Infrastructure Development	Electrification of 25 units at Cannars Settlement	<b>Q1:</b> Appointment of service provider finalised (10%) <b>Q2:</b> Designs approved by GTM (25%) <b>Q3:</b> Construction (50%)	New project	100%	98%	O	Delays with delivery of meters and data concentrators.	Meters delivered and installed. Data concentrator delivered and programmed. Data concentrator to be installed	Appointment Letter Approval letter on Designs from ESKOM Project progress reports Handover





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								Actual	R	Reason for deviation	Corrective Measures	
					Q4: Electrification of 25 units at Canners Settlement completed (100%)						and meters to energized by 31 July 2018.	certificate PCS File (ESKOM)
D142	Electrical Engineering	Improve access to sustainable and affordable services	Electricity Infrastructure Development	Electrification of 100 units at the Schultz Settlement	Q1: Appointment of service provider finalised (10%) Q2: Designs approved by GTM (25%) Q3: Construction (50%) Q4: Electrification 100 units at the Schultz Settlement completed (100%)	New project	100%	25%	R	Construction delayed by approval to electrify the area by the new owner of the land	Agreement between the municipality and the new owner of the land to be reached in order to commence with construction. Project to be rolled over to 2018/19 financial year.	Appointment Letter Approval letter on Designs from ESKOM Project progress reports Handover certificate PCS File (ESKOM)
D143	Electrical Engineering	Improve access to sustainable and affordable services	Electricity Infrastructure Development	Electrification of 90 units at Nyanyukani, Masoma and Hweetsi	Q1: Appointment of service provider finalised (10%) Q2: Designs approved by ESKOM (25%) Q3: Construction (50%) Q4: Electrification 90 units at Nyanyukani, Masoma and Hweetsi completed (100%)	New project	100%	92%	O	Physical Construction completed. Delays with updating of ENS.	ENS to be updated so that the project can be energized. Project to be completed in the first quarter of 2018/19 financial year.	Appointment Letter Approval letter on Designs from ESKOM Project progress reports Handover certificate PCS File (ESKOM)
D144	Electrical Engineering	Improve access to sustainable and affordable services	Electricity Infrastructure Development	Electrification of 20 units at Pulaneng	Q1: Appointment of service provider finalised (10%) Q2: Designs approved by ESKOM (25%) Q3: Construction (50%) Q4: Electrification 20 units at Pulaneng completed (100%)	New project	100%	97%	O	Physical construction completed. Project partly energized. Delays with energization of the other portion due to confusion with pole numbering after feeder split.	ENS for the other portion to be updated with the old pole numbers so that the project can be energized. Project to be completed in the first quarter of 2018/19 financial year	Appointment Letter Approval letter on Designs from ESKOM Project progress reports Handover certificate PCS File (ESKOM)



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								Actual	R	Reason for deviation	Corrective Measures	
D145	Electrical Engineering	Improve access to sustainable and affordable services	Electricity Infrastructure Development	Electrification of 218 units at Wisani, Shikwambana, Vento Park	Q1: Appointment of service provider finalised (10%) Q2: Designs approved by ESKOM (25%) Q3: Construction (50%) Q4: Electrification 218 units at Wisani, Shikwambana, Vento Park completed (100%)	New project	100%	97%	O	Electrification of 150 households at Vento Park as Wisani and Shikwambana was transferred/Implemented by to Eskom.	Project energized. Busy with house connections. House connections to be completed by end of July 2018.	Appointment Letter Approval letter on Designs from ESKOM Project progress reports Handover certificate PCS File (ESKOM)
D146	Electrical Engineering	Optimise and sustain infrastructure investment and services	Electricity network upgrade and maintenance	Provision of Capital Tools (Customer and Retail Services)	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%)	New project	100%	100%	G	Capital tools not required for June 2018	N/A	Proof of purchase Asset register update
D147	Electrical Engineering	Optimise and sustain infrastructure investment and services	Electricity network upgrade and maintenance	Provision of Capital Tools (Operations and Maintenance)	Q1: Procurement of capital tools as and when required, report acquisitions to Council (25%) Q2: Procurement of capital tools as and when required, report	New project	100%	86%	O	Capital tools is only purchased when needed we have bought numerous tools and equipment as listed in the spread Sheet to the value of R172650.00	None	Proof of purchase Asset register update



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								Actual	R	Reason for deviation	Corrective Measures	
					acquisitions to Council (50%) <b>Q3:</b> Procurement of capital tools as and when required, report acquisitions to Council (75%) <b>Q4:</b> Procurement of capital tools as and when required, report acquisitions to Council (100%)							
D148	Electrical Engineering	Optimise and sustain infrastructure investment and services	Electricity network upgrade and maintenance	Rebuilding Letsitele Valley Substation - Bosbou and all T-off's (3 Km)	<b>Q1:</b> Procurement process and appointment of service provider (10%) <b>Q2:</b> Determination of scope of works (20%) <b>Q3:</b> Construction phase (60%) <b>Q4:</b> Rebuilding Letsitele Valley Substation - Bosbou and all T-off's (3 Km) completed. (100%)	New project	100%	15%	R	Capital not available on budget because approval of DBSA loan was not secured on time	Designs were done on risk while waiting on the approval of the loan from DBSA Project to be rolled over to 2018/19.	Progress report Completion Certificate
D149	Electrical Engineering	Optimise and sustain infrastructure investment and services	Electricity network upgrade and maintenance	Rebuilding of Valencia 11Kv lines (6km)	<b>Q1:</b> Procurement process and appointment of service provider (10%) <b>Q2:</b> Determination of scope of works (20%) <b>Q3:</b> Construction phase (60%) <b>Q4:</b> Rebuilding of Valencia 11Kv lines (6km) completed (100%)	New project	100%	15%	R	Capital not available on budget because approval of DBSA loan was not secured on time	Designs were done on risk while waiting on the approval of the loan from DBSA Project to be rolled over to 2018/19.	Progress report Completion Certificate



**Table 3: Year-end performance for the Service Delivery KPA for 2017/18**

Ref	Directorate	Strategic Objective	Programme	KPI	Unit of Measurement	Baseline (Year end 31 June '17)	Annual Target	Year-To-Date As At June 2018				Source of Evidence
								Actual	R	Reason for deviation	Corrective Measures	
D150	Electrical Engineering	Optimise and sustain infrastructure investment and services	Electricity network upgrade and maintenance	Rebuilding of Lushof South 11kv line (3km)	<b>Q1:</b> Procurement process and appointment of service provider (10%) <b>Q2:</b> Determination of scope of works (20%) <b>Q3:</b> Construction phase (60%) <b>Q4:</b> Rebuilding of Lushof South 11kv line (3 km) completed (100%)	New project	100%	15%	R	Capital not available on budget because approval of DBSA loan was not secured on time	Designs were done on risk while waiting on the approval of the loan from DBSA Project to be rolled over to 2018/19.	Progress report Completion Certificate
D151	Electrical Engineering	Optimise and sustain infrastructure investment and services	Electricity network upgrade and maintenance	Rebuilding of Rooikoppies 11kv lines (6km)	<b>Q1:</b> Procurement process and appointment of service provider (10%) <b>Q2:</b> Determination of scope of works (20%) <b>Q3:</b> Construction phase (60%) <b>Q4:</b> Rebuilding of Rooikoppies 11kv lines (6km) completed (100%)	New project	100%	15%	R	Capital not available on budget because approval of DBSA loan was not secured on time	Designs were done on risk while waiting on the approval of the loan from DBSA Project to be rolled over to 2018/19.	Progress report Completion Certificate
D152	Electrical Engineering	Optimise and sustain infrastructure investment and services	Electricity network upgrade and maintenance	Rebuilding of Mabiet 11kv line (6km)	<b>Q1:</b> Procurement process and appointment of service provider (10%) <b>Q2:</b> Determination of scope of works (20%) <b>Q3:</b> Construction phase (60%) <b>Q4:</b> Rebuilding of Mabiet 11kv line (6km) completed (100%)	New project	100%	15%	R	Capital not available on budget because approval of DBSA loan was not secured on time	Designs were done on risk while waiting on the approval of the loan from DBSA Project to be rolled over to 2018/19.	Progress report Completion Certificate



**Table 3: Year-end performance for the Service Delivery KPA for 2017/18**

Ref	Directorate	Strategic Objective	Programme	KPI	Unit of Measurement	Baseline (Year end 31 June '17)	Annual Target	Year-To-Date As At June 2018				Source of Evidence
								Actual	R	Reason for deviation	Corrective Measures	
D153	Electrical Engineering	Optimise and sustain infrastructure investment and services	Electricity network upgrade and maintenance	Rebuilding of Haenertsburg 11kv lines(6km)	<b>Q1:</b> Procurement process and appointment of service provider (10%) <b>Q2:</b> Determination of scope of works (20%) <b>Q3:</b> Construction phase (60%) <b>Q4:</b> Rebuilding of Haenertsburg 11kv lines (6km) completed (100%)	New project	100%	15%	R	Capital not available on budget because approval of DBSA loan was not secured on time	Designs were done on risk while waiting on the approval of the loan from DBSA Project to be rolled over to 2018/19.	Progress report Completion Certificate
D154	Electrical Engineering	Optimise and sustain infrastructure investment and services	Electricity network upgrade and maintenance	Rebuilding of Campsies Glen 11kv lines (6km)	<b>Q1:</b> Procurement process and appointment of service provider (10%) <b>Q2:</b> Determination of scope of works (20%) <b>Q3:</b> Construction phase (60%) <b>Q4:</b> Rebuilding of Campsies Glen 11kv lines (6km) completed (100%)	New project	100%	15%	R	Capital not available on budget because approval of DBSA loan was not secured on time	Designs were done on risk while waiting on the approval of the loan from DBSA Project to be rolled over to 2018/19.	Progress report Completion Certificate
D155	Electrical Engineering	Optimise and sustain infrastructure investment and services	Electricity network upgrade and maintenance	Rebuilding of Politsi Valley 11kv lines (6km)	<b>Q1:</b> Procurement process and appointment of service provider (10%) <b>Q2:</b> Determination of scope of works (20%) <b>Q3:</b> Construction phase (60%) <b>Q4:</b> Rebuilding of Politsi Valley 11kv lines (6km) completed (100%)	New project	100%	15%	R	Capital not available on budget because approval of DBSA loan was not secured on time	Designs were done on risk while waiting on the approval of the loan from DBSA Project to be rolled over to 2018/19.	Progress report Completion Certificate



**Table 3: Year-end performance for the Service Delivery KPA for 2017/18**

Ref	Directorate	Strategic Objective	Programme	KPI	Unit of Measurement	Baseline (Year end 31 June '17)	Annual Target	Year-To-Date As At June 2018				Source of Evidence
								Actual	R	Reason for deviation	Corrective Measures	
D156	Electrical Engineering	Optimise and sustain infrastructure investment and services	Electricity network upgrade and maintenance	Rebuilding of CP Minnaar 11kv lines (2km)	<b>Q1:</b> Procurement process and appointment of service provider (10%) <b>Q2:</b> Determination of scope of works (20%) <b>Q3:</b> Construction phase (60%) <b>Q4:</b> Rebuilding of CP Minnaar 11kv lines (2km) completed (100%)	New project	100%	15%	R	Capital not available on budget because approval of DBSA loan was not secured on time	Designs were done on risk while waiting on the approval of the loan from DBSA Project to be rolled over to 2018/19.	Progress report Completion Certificate
D157	Electrical Engineering	Optimise and sustain infrastructure investment and services	Electricity network upgrade and maintenance	Rebuilding of Mieliekloof/ Deerpark 11kv lines (3km)	<b>Q1:</b> Procurement process and appointment of service provider (10%) <b>Q2:</b> Determination of scope of works (20%) <b>Q3:</b> Construction phase (60%) <b>Q4:</b> Rebuilding of Mieliekloof/ Deerpark 11kv lines completed (3km) (100%)	New project	100%	15%	R	Capital not available on budget because approval of DBSA loan was not secured on time	Designs were done on risk while waiting on the approval of the loan from DBSA Project to be rolled over to 2018/19.	Progress report Completion Certificate
D158	Electrical Engineering	Optimise and sustain infrastructure investment and services	Electricity network upgrade and maintenance	Upgrading of Waterbok 33/11kv substation	<b>Q1:</b> Procurement process and appointment of service provider (10%) <b>Q2:</b> Determination of scope of works (20%) <b>Q3:</b> Construction phase (60%) <b>Q4:</b> Upgrading of Waterbok 33/11kv substation completed 100%	New project	100%	15%	R	Capital not available on budget because approval of DBSA loan was not secured on time	Designs were done on risk while waiting on the approval of the loan from DBSA Project to be rolled over to 2018/19.	Progress report Completion Certificate



**Table 3: Year-end performance for the Service Delivery KPA for 2017/18**

Ref	Directorate	Strategic Objective	Programme	KPI	Unit of Measurement	Baseline (Year end 31 June '17)	Annual Target	Year-To-Date As At June 2018				Source of Evidence
								Actual	R	Reason for deviation	Corrective Measures	
D159	Electrical Engineering	Optimise and sustain infrastructure investment and services	Electricity network upgrade and maintenance	Upgrading of Blacknoll 33/11kv substation	Q1: Procurement process and appointment of service provider (10%) Q2: Determination of scope of works (20%) Q3: Construction phase (60%) Q4: Upgrading of Blacknoll 33/11kv substation completed 100%	New Project	100%	15%	R	Capital not available on budget because approval of DBSA loan was not secured on time	Designs were done on risk while waiting on the approval of the loan from DBSA Project to be rolled over to 2018/19.	Progress report Completion Certificate
D160	Electrical Engineering	Optimise and sustain infrastructure investment and services	Electricity network upgrade and maintenance	Houtbosdorp 11kv Ring (10km)	Q1: Procurement process and appointment of service provider (10%) Q2: Determination of scope of works (20%) Q3: Construction phase (60%) Q4: Houtbosdorp 11kv Ring (10km) completed (100%)	New Project	100%	15%	R	Capital not available on budget because approval of DBSA loan was not secured on time	Designs were done on risk while waiting on the approval of the loan from DBSA Project to be rolled over to 2018/19.	Progress report Completion Certificate
D161	Electrical Engineering	Optimise and sustain infrastructure investment and services	Electricity network upgrade and maintenance	Replace 2x20MVA 66/11kv Transformers	Q1: Tender process and appointment of service provider (10%) Q2: Preparation of Specifications (15%) Q3: Order submitted for transformers (20%) Q4: Project completed 50%. Run over 2 financial years	New Project	100%	15%	R	Capital not available on budget because approval of DBSA loan was not secured on time	Designs were done on risk while waiting on the approval of the loan from DBSA Project to be rolled over to 2018/19.	Progress report Specifications Order
D162	Electrical Engineering	Optimise and sustain infrastructure investment and services	Electricity network upgrade and maintenance	Substation fencing (Tarentaal rand Main, Letsitele Main)	Q1: Procurement process and appointment of service provider (10%) Q2: Determination of	New Project	100%	15%	R	Capital not available on budget because approval of DBSA loan was not secured on time	Designs were done on risk while waiting on the approval of the loan from	Progress report Completion Certificate



**Table 3: Year-end performance for the Service Delivery KPA for 2017/18**

Ref	Directorate	Strategic Objective	Programme	KPI	Unit of Measurement	Baseline (Year end 31 June '17)	Annual Target	Year-To-Date As At June 2018				Source of Evidence
								Actual	R	Reason for deviation	Corrective Measures	
					scope of works (20%) Q3: Construction phase (60%) Q4: Substation fencing (Tarentaal rand Main, Letsitele Main)						DBSA Project to be rolled over to 2018/19.	
D163	Electrical Engineering	Optimise and sustain infrastructure investment and services	Electricity network upgrade and maintenance	Refurbishment of the Ebenezer 33kv Feeder	Q1: Procurement process and appointment of service provider (10%) Q2: Determination of scope of works (20%) Q3: Construction phase (60%) Q4: Refurbishment of the Ebenezer 33kv Feeder completed (100%)	New Project	100%	15%	R	Capital not available on budget because approval of DBSA loan was not secured on time	Designs were done on risk while waiting on the approval of the loan from DBSA Project to be rolled over to 2018/19.	Progress report Completion Certificate
D164	Electrical Engineering	Optimise and sustain infrastructure investment and services	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 Switching station SS1 commencing, physical progress at 50%. (50%)	New Project	100%	17.5%	R	Capital not available on budget because approval of DBSA loan was not secured on time	Designs were done on risk while waiting on the approval of the loan from DBSA Project to be rolled over to 2018/19.	Appointment letters Progress reports Completion certificate
D165	Electrical Engineering	Optimise and sustain infrastructure investment and services	Electricity network upgrade and maintenance	Substation tripping batteries	Q1: Procurement process and appointment of service provider (20%) Q2: Project implementation (50%) Q3: Project implementation (70%)	New Project	100%	15%	R	Capital not available on budget because approval of DBSA loan was not secured on time	Designs were done on risk while waiting on the approval of the loan from DBSA Project to be rolled over to 2018/19.	Progress report Completion certificate





**Table 3: Year-end performance for the Service Delivery KPA for 2017/18**

Ref	Directorate	Strategic Objective	Programme	KPI	Unit of Measurement	Baseline (Year end 31 June '17)	Annual Target	Year-To-Date As At June 2018				Source of Evidence
								Actual	R	Reason for deviation	Corrective Measures	
					Q4: Project completed (100%)							
D166	Electrical Engineering	Optimise and sustain infrastructure investment and services	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%	20%	R	Capital not available on budget because approval of DBSA loan was not secured on time	Designs were done on risk while waiting on the approval of the loan from DBSA Project to be rolled over to 2018/19.	Sketches Payment certificate Delivery Certificate Asset Register
D167	Electrical Engineering	Optimise and sustain infrastructure investment and services	Electricity network upgrade and maintenance	Replacing 11kv cables for increased capacity	Q1: Procurement process and appointment of service provider (10%) Q2: Determination of scope of works (20%) Q3: Construction phase (60%) Q4: Replacing 11kv cables for increased capacity completed (100%)	New project	100%	15%	R	Capital not available on budget because approval of DBSA loan was not secured on time	Designs were done on risk while waiting on the approval of the loan from DBSA Project to be rolled over to 2018/19.	Progress report Completion certificate
D168	Electrical Engineering	Optimise and sustain infrastructure investment and services	Electricity network upgrade and maintenance	Miniature Substation for Urban distribution network	Q1: Tender process and appointment of service provider (10%) Q2: Order submitted for Minisubs (20%) Q3: Project implementation (30%) Q4: Miniature Substation for Urban distribution network completed (100%).	New project	100%	10%	R	This projects capital was not approved due to DBSA Loan all, 2017/2018 capital projects were rolled over to the 2018/2019 financial year	This project will roll over to 2018/2019 financial year	Progress report Completion certificate



**Table 3: Year-end performance for the Service Delivery KPA for 2017/18**

Ref	Directorate	Strategic Objective	Programme	KPI	Unit of Measurement	Baseline (Year end 31 June '17)	Annual Target	Year-To-Date As At June 2018				Source of Evidence
								Actual	R	Reason for deviation	Corrective Measures	
D169	Electrical Engineering	Optimise and sustain infrastructure investment and services	Electricity network upgrade and maintenance	Replacement of Existing Air conditioners in Municipal Buildings	<b>Q1:</b> Procurement process and appointment of service provider (10%) <b>Q2:</b> Determination of scope of works (20%) <b>Q3:</b> Construction phase (60%) <b>Q4:</b> Replacement of Existing Air conditioners in Municipal Buildings completed (100%)	New project	100%	100%	G	3 Air- Conditioners were serviced	N/A	Progress report Completion certificate
D170	Electrical Engineering	Optimise and sustain infrastructure investment and services	Electricity network upgrade and maintenance	Renewal, Repairs and Maintenance on pre-paid meters (Tzaneen, Letsitele & Politsi)	<b>Q1:</b> Specifications submitted to SCMU: Replace old meters at Politsi (10%) <b>Q2:</b> Tender process (25%) <b>Q3:</b> Service provider appointed (40%) <b>Q4:</b> Project at Politsi complete (100%)	New project	100%	100%	G	Project completed.	N/A	Completion Certificate; Specifications; Appointment letter
D171	Electrical Engineering	Optimise and sustain infrastructure investment and services	Electricity Infrastructure Development	New electricity Connections (Consumer contributions spent)	<b>Q1:</b> Funds received for services contributions spent on re-capitalisation of the network (10%) <b>Q2:</b> Funds received for services contributions spent on re-capitalisation of the network (20%) <b>Q3:</b> Funds received for services contributions spent on re-capitalisation of the network (30%)	New project	100%	100%	G	6 Connections were complement	N/A	New connections register Job card sign off



**Table 3: Year-end performance for the Service Delivery KPA for 2017/18**

Ref	Directorate	Strategic Objective	Programme	KPI	Unit of Measurement	Baseline (Year end 31 June '17)	Annual Target	Year-To-Date As At June 2018				Source of Evidence
								Actual	R	Reason for deviation	Corrective Measures	
					Q4: Funds received for services contributions spent on re-capitalisation of the network (100%)							
D177	Engineering Services	Enhance sustainable environmental management and social development	Sport and Recreation	Burgersdorp Sports Facility	Q1: Appointment of contractor finalised and site handover (50%) Q2: Construction in progress (65%) Q3: Physical Construction at 75% (75%) Q4: Physical Construction completed (100%)	Project at 90%	100%	100%	G	The project has reached practical completion stage.	The contractor is busy with the snag list.	*Appointment letter of the contractor *Project Progress Reports
D178	Engineering Services	Enhance sustainable environmental management and social development	Sport and Recreation	Relela Community Hall	Q1: Specifications submitted and Tender Evaluation in process (60%) Q2: Appointment of contractor finalised and site handover (65%) Q3: Construction in progress at (85%) Q4: Physical Construction completed (100%)	Physical Progress at 95%	100%	100%	G	The project has reached completion stage.	Not required	*Evaluation Report *Appointment letter of the contractor *Project Progress Reports
D179	Engineering Services	Enhance sustainable environmental management and social development	Sport and Recreation	Upgrading of Juliesburg Sports Facility (Phase 1 of 2)	Q1: Physical construction at 25% (25%) Q2: Physical construction at 40% (40%) Q3: Physical construction at 75% (75%) Q4: Sports facility at	Designs completed. Draft Tender document to be approved by BSC	100%	100%	G	The project has reached practical completion stage.	The contractor is busy with the snag list.	Project progress Report Completion Certificate



**Table 3: Year-end performance for the Service Delivery KPA for 2017/18**

Ref	Directorate	Strategic Objective	Programme	KPI	Unit of Measurement	Baseline (Year end 31 June '17)	Annual Target	Year-To-Date As At June 2018				Source of Evidence
								Actual	R	Reason for deviation	Corrective Measures	
					Runnymede completed (100%)							
D180	Engineering Services	Enhanced sustainable environmental management and social development	Roads and Storm water Infrastructure Development	Khubu to Lwandalamuni low level bridge	Q1 : Specifications submitted and Tender Evaluation in process (60%) Q2: Appointment of contractor finalised and site handover (65%) Q3: Construction in progress at (85%) Q4: Physical Construction at 100%	Project at 90%	100%	100%	G	The project is completed	None	*Evaluation Report *Appointment letter of the contractor *Project Progress Reports
D181	Engineering Services	Improve access to sustainable and affordable services	Roads and Storm water Infrastructure Development	Moruji to Matswi, Kheshokolwe Tar Road (Phase 4 of 5)	Q 1: Physical construction at 45% (25%) Q2: Physical construction at 65% (50%) Q3: Physical construction at 75% (75%) Q4: Physical construction of 4.86km completed (100%)	Physical progress at 74%	100%	80%	O	The initial Consulting Engineers withdrew from the projects and was later replaced and this affected progress on site. The contractual completion date of the project is however 17/11/2018 which will be reached.	This is a multiyear project, the target will still be reached.	Project Progress Reports
D182	Engineering Services	Improve access to sustainable and affordable services	Roads and Storm water Infrastructure Development	Rita to Mariveni upgrading from Gravel to Tar Road (Phase 3 of 4)	Q1: Specifications submitted and Tender Evaluation in process (60%) Q2: Appointment of contractor finalised and site handover (65%) Q3: Construction in progress at (85%) Q4: Physical	Contractor appointed, physical progress at 69%	100%	98%	O	The project was stopped on numerous occasions by the community and this affected progress. The contractual completion date of this project is however 22/08/2018 and the project is almost complete.	The project is multiyear and is on target	*Evaluation Report *Appointment letter of the contractor *Project Progress Reports



**Table 3: Year-end performance for the Service Delivery KPA for 2017/18**

Ref	Directorate	Strategic Objective	Programme	KPI	Unit of Measurement	Baseline (Year end 31 June '17)	Annual Target	Year-To-Date As At June 2018				Source of Evidence
								Actual	R	Reason for deviation	Corrective Measures	
					Construction completed (100%)							
D183	Engineering Services	Improve access to sustainable and affordable services	Roads and Storm water Infrastructure Development	Upgrading of Tickyline, Myakayaka, Burgersdorp, Gavaza to Mafarana from gravel to Tar	<b>Q1:</b> Physical construction at 45% (25%) <b>Q2:</b> Physical construction at 65% (50%) <b>Q3:</b> Physical construction at 75% (75%) <b>Q4:</b> Physical construction of 12km at 100% (100%)	Project re-advertised, physical progress at 85%	100%	100%	G	The project has reached practical completion stage.	The contractor is busy with the snag list.	*Evaluation Report *Appointment letter of the contractor *Project Progress Reports
D184	Engineering Services	Improve access to sustainable and affordable services	Building Control	# of contravention notices issued to decrease non-compliance to building regulations	Number	28	50	34	B	No deviation as the performance is lower than the target	No corrective measure required	Register of contraventions
D185	Engineering Services	Improve access to sustainable and affordable services	Roads and Storm water Infrastructure Development	Km of roads tarred	Kilometers	2.9	8	15	B	The project performed well, 10 km for Mafarana to Burgersdorp road and 5km for Moruji to Kheshokolwe road.	None	Road Progress Reports
D186	Engineering Services	Improve access to sustainable and affordable services	Water & Sanitation services	# of households with access to water (GTM service area)	Number	New KPI	14,480	14,529	G2	Not required	None	Billing report Job cards for new connections
D187	Engineering Services	Improve access to sustainable and affordable services	Water & Sanitation services	# of households with access to sanitation (GTM service area)	Number	New KPI	14,484	14,521	G2	Not required	None	Billing report Job cards for new connections



**Table 3: Year-end performance for the Service Delivery KPA for 2017/18**

Ref	Directorate	Strategic Objective	Programme	KPI	Unit of Measurement	Baseline (Year end 31 June '17)	Annual Target	Year-To-Date As At June 2018				Source of Evidence
								Actual	R	Reason for deviation	Corrective Measures	
D190	Corporate Services	Develop and build skilled and knowledgeable workforce	Capacity building and Training	# of Ward Committee members workshopped on municipal affairs	Number	0	350	340	O			Training programme & attendance register
D236	Electrical Engineering	Optimise and sustain infrastructure investment and services	Electricity network upgrade and maintenance	Replace 10x11kv and 6x33kv Auto Reclosers	Q1: None Q2: None Q3: Project completion at 50% (50%) Q4: Project 100% complete (100%)	Auto reclosers not yet installed	100%	95%	O	Still awaiting dates for shutdown to do closing spans	shutdowns will be arranged unfortunately this is the most busiest part of the season as all pack houses are running	Progress report Completion Certificate
D237	Electrical Engineering	Optimise and sustain infrastructure investment and services	Electricity network upgrade and maintenance	Meterboxes (R 50 000)	Q1: Not applicable Q2: Not applicable Q3: Identification of critical areas and sourcing of quotations (10%) Q4: Installation of 5 Multi meter application boxes with cables (100%)	Funding not secured, project on hold	100%	0%	r	The IDP was not aligned with the budget as there is no budget for this project	None	Quotations Job card
D238	Electrical Engineering	Optimise and sustain infrastructure investment and services	Electricity network upgrade and maintenance	Replacing Low Voltage cables (R450 000)	Q1: Not applicable Q2: Not applicable Q3: Identification of critical areas and sourcing of quotations (10%) Q4: Installation of 600m of LV cables completed (100%)	Project on hold since funding not yet secured through external loan	100%	0%	R	The IDP was not aligned with the budget as there is no budget for this project. This project was in the IDP and it was given to in March but there was no budget to complete the project	There is no corrective measure the alignment of the SDBIP and the IDP was not right there was no budget for this project	Quotations Job Cards
D239	Engineering Services	Enhance sustainable environmental management and social development	Sport and Recreation	Upgrading of Runnymede cluster Sport Facility	Q1: Physical Progress at 85% Q2: Physical Progress at 100% Q3: Sport facility completed (100%)	Project under construction at 75%	100%	100%	G	The project has reached practical completion stage.	The contractor is busy with the snag list	Project progress reports Completion certificate



**Table 3: Year-end performance for the Service Delivery KPA for 2017/18**

Ref	Directorate	Strategic Objective	Programme	KPI	Unit of Measurement	Baseline (Year end 31 June '17)	Annual Target	Year-To-Date As At June 2018				Source of Evidence
								Actual	R	Reason for deviation	Corrective Measures	
					Q4: Sport facility completed (100%)							
D240	Engineering Services	Enhance sustainable environmental management and social development	Roads and Storm water Infrastructure Development	Kwekwe low level bridge construction	Q1: Physical Progress at 50% Q2: Physical Progress at 100% Q3: Bridge completed (100%) Q4: Bridge completed (100%)	25% progress, Bridge under construction	100%	100%	G	Project on practical completion stage	Not required	Project Progress report Completion certificate
D241	Engineering Services	Enhanced sustainable environmental management and social development	Roads and Storm water Infrastructure Development	Tzaneen Airfield rehabilitation	Q1: Physical Progress at 25% Q2: Physical Progress at 100% Q3: Physical Progress at 100% Q4: Physical Progress at 100%	Project not completed awaiting approval of contractor	100%	70%	R	Target could not be reached due to non-performance of the main contractor.	Termination of the contract and appointment of another contractor to complete the project.	Appointment letter Progress reports Completion Certificate
D242	Engineering Services	Optimise and sustain infrastructure investment and services	Maintenance and upgrading of municipal buildings	Construction of Ablution facilities for Parks Division	Q1: Physical Progress at 50% (50%) Q2: Physical Progress at 100% (100%) Q3: Project complete (100%) Q4: Project complete (100%)	10% progress, appointment of consultant and contractor delayed	100%	100%	G	no deviation because the project is already completed during the second quarter	no corrective measure is required	

**Table 4** presents a summary of the result as reported by Departments and from this it can be seen that **46%** of targets, aimed at improving Service Delivery, were met during 2017/18. This is a decline from the **62%** targets achieved during 2016/17.



Table 4: Service Delivery KPA - Summary of Results for 2017/18				
Colour	Coding	Key to the Colour Codes	No of KPIs/Projects	% in category
R	0% <= Actual/Target <= 74.999%	KPI Not Met	37	40%
O	75.000% <= Actual/Target <= 99.999%	KPI Almost Met	13	14%
G	Actual meets Target (Actual/Target = 100%)	KPI Met	26	28%
G2	100.001% <= Actual/Target <= 149.999%	KPI Well Met	10	11%
B	150.000% <= Actual/Target	KPI Extremely Well Met	6	7%
		<b>Total KPIs</b>	<b>92</b>	

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

1. A Revenue enhancement strategy is not yet in place
2. The majority of registered indigents reside in the rural areas where services are provided by either Mopani District Municipality (water & sanitation) or by Eskom (electricity)
3. Capital funds sourced from a DBSA loan not secured on time to implement Electricity projects planned for the 2017/18 financial year
4. Projects aimed at the electrification of villages were delayed by environmental factors beyond the control of the department, such as delays by Eskom & the supply of materials or change in land ownership.





## 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 2017 to 30 June 2018, compared to the performance of the previous year.

Table 5: Year-end performance for the Good Governance KPA for 2017/18												
Ref	Directorate	Strategic Objective	Programme	KPI	Unit of Measurement	Baseline (Year end 31 June '17)	Annual Target	Year-To-Date As At June 2018				Source of Evidence
								Actual	R	Reason for deviation	Corrective Measures	
D1	Office of the Municipal Manager	Increase financial viability	Budget management	% of capital spent on projects as prioritised in IDP for specific year	Percentage	72%	100%	90.31%	O	Expenditure on roll-over projects	IDP, Budget and SDBIP adjusted to align expenditure	Capital Expenditure report 17/18 IDP project list
D2	Office of the Municipal Manager	Effective and Efficient administration	Council Support	% of GTM Council resolutions implemented vs number passed	Percentage	65%	100%	100%	G	A register of Council resolutions for the period April-June 2018, will be submitted to Council end July 2018.	Management is in a process of updating the Council resolution register as a standing item during Management meetings.	Resolution register
D3	Office of the Municipal Manager	Effective and Efficient administration	Management and Administration	# Management meetings	Number	17	26	24	O	Management meetings are held every Monday of the week, on the 4, 11, 18, 25 June 2018.	New Management has taken a resolution to hold meetings every Monday of the week as a turnaround strategy approach.	Minutes & Attendance Registers



**Table 5: Year-end performance for the Good Governance KPA for 2017/18**

Ref	Directorate	Strategic Objective	Programme	KPI	Unit of Measurement	Baseline (Year end 31 June '17)	Annual Target	Year-To-Date As At June 2018				Source of Evidence
								Actual	R	Reason for deviation	Corrective Measures	
D4	Office of the Municipal Manager	Effective and Efficient administration	Performance monitoring and reporting	# of meetings held with all staff	Number	0 New KPI	2	1	R	Meeting held with all staff on 15 June '18. Target not met due to vacancy of MM position	MM was appointed in the 4th Quarter	Minutes & Attendance Registers
D5	Office of the Municipal Manager	Effective and Efficient administration	Performance monitoring and reporting	# of Departmental meetings held (MM)	Number	0	4	1	R	Departmental Meeting held 3 April '18, meetings not held previously due to time constraints due to the high level of vacancies at Managerial level	Vacancies were filled	Minutes & Attendance Registers
D6	Office of the Municipal Manager	Effective and Efficient administration	Performance monitoring and reporting	Mid-year budget and performance report submitted to PT, COGHSTA, and AG by 25 Jan	Number	1	1	1	G	None	None required	Mid-year Performance Report Acknowledgement of Receipt
D7	Office of the Municipal Manager	Effective and Efficient administration	Performance monitoring and reporting	Draft Annual Report tabled in Council by 31 Jan	Number	1	1	1	G	None	None required	Draft Annual Report Council Minutes
D8	Office of the Municipal Manager	Effective and Efficient administration	Performance monitoring and reporting	Final Annual Report approved by Council by 31 March	Number	1	1	1	G	None	None required	Final Annual Report Council Minutes
D9	Office of the Municipal Manager	Effective and Efficient administration	Performance monitoring and reporting	# of Quarterly SDBIP reports submitted to Council	Number	4	4	4	G	None	None required	Quarterly Performance Reports Council Minutes
D10	Office of the Municipal Manager	Effective and Efficient administration	Performance monitoring and reporting	# of Back to Basics statistical reports submitted to CoGTA by the 10th of each month	Number	12	12	12	G	Report submitted on time	None Required	B2B Reports, Acknowledgement of receipt
D11	Office of the Municipal Manager	Effective and Efficient administration	Performance monitoring and reporting	Draft Annual Performance Report submitted to the AG, AC and Mayor by 31 August	Number	1	1	1	G	None	None required	Acknowledgement of Receipt from AG, AC & Mayor



**Table 5: Year-end performance for the Good Governance KPA for 2017/18**

Ref	Directorate	Strategic Objective	Programme	KPI	Unit of Measurement	Baseline (Year end 31 June '17)	Annual Target	Year-To-Date As At June 2018				Source of Evidence
								Actual	R	Reason for deviation	Corrective Measures	
D12	Office of the Municipal Manager	Improve stakeholder satisfaction	Customer Care	# of days taken to submit the SDBIP to the Mayor following budget approval	Number	28	28	28	G	18/19 SDBIP was approved by the Mayor on 22 June '18	None required	Acknowledgement of receipt - Mayor
D13	Office of the Municipal Manager	Effective and Efficient administration	Sound Governance	# of quarterly performance reports audited prior to submission to Council	Number	1	4	0	R	Re-opening of the reporting system and the vacancy of an Auditor for Performance Information	Internal Audit vacancy was filled in April. Adherence to system closing times improved with filling of vacancies at Director level	Quarterly SDBIP Audit reports
D14	Office of the Municipal Manager	Effective and Efficient administration	Sound Governance	# of community protests	Number	0	0	1	R	Water challenges	Mopani district is busy addressing the problems	Community Protest applications register Protest approval Memos
D15	Office of the Municipal Manager	Effective and Efficient administration	Sound Governance	# of AG audit queries	Number	100	0	0	G	None	None required	Audit Report
D16	Office of the Municipal Manager	Improve stakeholder satisfaction	Customer Care	% of employees that Received paid overtime (12 month average)	Percentage	41.74	10%	62.34%	R	Non-compliance with the Overtime policy in terms of limiting overtime to 40 hrs and the salary threshold	Directors requested to scrutinise overtime pre-approvals to limit overtime to service related events. Vacancies at Director level filled to improve human resource management and increase accountability.	Monthly HR reports on overtime
D17	Office of the Municipal Manager	Effective and Efficient administration	Sound Governance	Unqualified Audit opinion obtained from AG	Number	0	1	1	G	Unqualified Opinion obtained	Audit Action Plan developed and implementation monitored through weekly Audit Steering Committee meetings	AG Audit Report



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								Actual	R	Reason for deviation	Corrective Measures	
D18	Office of the Municipal Manager	Effective and Efficient administration	Sound Governance	% of customer complaints resolved	Percentage	16.70%	100%	75%	O	Complaints about informal traders and streetlights in Flora Park not yet attended to	Tools to be procured to fix streetlights	Help desk register of resolutions Presidential & Premier hotline reports
D19	Office of the Municipal Manager	Effective and Efficient administration	Sound Governance	# audit committee meetings held	Number	3	4	7	B	7 Audit Committee meetings held due to 3rd and 4th quarter 1617 meetings held late and 2 special meetings. 1. 05/07/2017 third quarter 1617, 2. 23/08/2017 special meeting to review AFS, 3. 20/09/2017 fourth quarter 1617, 4. 27/11/2017 special meeting to discuss AGSA report, 5. 11/12/2017 first quarter 1718, 6. 13/04/2018 second quarter 1718, 7. 19/06/2018 third quarter 1718. POE attached in the respective months.	Audit Committee meetings should be held a month after the end of the quarter.	Agendas, Attendance register
D21	Office of the Municipal Manager	Attract and retain best human capital to become employer of choice	Employee Performance Management	% of MPAC resolutions implemented	Percentage	8.30%	100%	25.92%	R	Out of 42 MPAC resolutions for the period April to June 2018, only progress of 5 resolutions were reported implemented and 37 still outstanding.	The implementation of MPAC resolutions is an ongoing process. Management is in a process of updating the resolution register as a standing item during management meetings.	MPAC resolution register



**Table 5: Year-end performance for the Good Governance KPA for 2017/18**

Ref	Directorate	Strategic Objective	Programme	KPI	Unit of Measurement	Baseline (Year end 31 June '17)	Annual Target	Year-To-Date As At June 2018				Source of Evidence
								Actual	R	Reason for deviation	Corrective Measures	
D27	Office of the Municipal Manager	Increase financial viability	Revenue Management	Final IDP approved by Council by 31 May annually	Number	1	1	1	G	None	None required	Final IDP Council Minutes
D28	Office of the Municipal Manager	Increase financial viability	Supply Chain Management	% equitable share received	Percentage	99.60%	100%	100%	G	Performance Target achieved. EQS Share Received as follows: 1st Tranche - 07 July 2017 2nd Tranche - 05 Dec 2017 3rd Tranche -19 March 2018	Grant Allocation not required for the month under review as per the Limpopo Grant Payment Schedule	Bank Statement DORA
D29	Office of the Municipal Manager	Increase financial viability	Supply Chain Management	% of Capital Budget spent	Percentage	107%	100%	128.03%	G2	Performance target not achieved due to non-implementation of Electrical projects budgeted for in 2017/2018 which were supposed to be financed through a loan. Loan was not secured by end of June 2018.	Implementation of projects possible in 2018/2019 on receipt of loan.	Budget Reports
D30	Office of the Municipal Manager	Increase financial viability	Expenditure Management	% of Operational budget spent	Percentage	76%	100%	75.75%	O	Performance target not achieved due to under expenditure on Personnel Budget. Posts were advertised but not filled due to the moratorium imposed on advertised positions as a result of cash flow problems.	Management of cash flow should be done effectively.	Budget Reports



**Table 5: Year-end performance for the Good Governance KPA for 2017/18**

Ref	Directorate	Strategic Objective	Programme	KPI	Unit of Measurement	Baseline (Year end 31 June '17)	Annual Target	Year-To-Date As At June 2018				Source of Evidence
								Actual	R	Reason for deviation	Corrective Measures	
D31	Office of the Municipal Manager	Increase financial viability	Budget management	% Operating budget spent on Personnel costs (excl Salaries of councillors)	Percentage	44.40%	35%	29.75%	B	Personnel expenditure was low due to vacancies	Expenditure on personnel contained due to financial challenges. Only critical posts are filled.	Budget Reports
D32	Office of the Municipal Manager	Increase financial viability	Expenditure Management	% of bids approved by MM within 90 days after close of tender	Percentage	55.40%	100%	100%	G	Not applicable. No bids waiting for MM's approval	not applicable	Bids approval SCM process checklist
D33	Office of the Municipal Manager	Increase financial viability	Supply Chain Management	% of Bids awarded within 2 weeks after adjudication recommendation	Percentage	58.33%	100%	100%	G	Not applicable. No bids waiting for MM's Approval	not applicable	SCM Submission register Bids approval by MM
D34	Office of the Municipal Manager	Increase financial viability	Financial Reporting	# of Bids awarded that deviated from the adjudication committee recommendation	Number	0	0	0	G	no bids awarded from adjudication recommendations	not applicable	SCM Bid register Deviation Forms
D35	Office of the Municipal Manager	Increase financial viability	Financial Reporting	Submission of AG Action Plan to Council by 31 January	Number	1	1	1	G	None required	None	AG Action Plan Council Minutes
D36	Office of the Municipal Manager	Increase financial viability	Revenue Management	% of AG queries resolved	Percentage	100%	100%	80%	O	AFS and APR year end transactions which will only be finalized before end of August. Overtime and Performance Information findings which management is dealing with.	Action plan should be developed and approved by January. Audit Steering Committee meetings to start in February to allow enough time for finalization.	Acknowledgement of receipt by AG & PT
D37	Office of the Municipal Manager	Increase financial viability	Revenue Management	Revenue enhancement strategy reviewed and approved by 30 June '18	Number	1	1	0	R	MM position vacant for extended period of time. Strategy will be developed during 18/19	MM position filled and draft strategy in progress	Revenue Enhancement Strategy Council Minutes
D42	Corporate Services	Effective and Efficient administration	Youth, Gender & Disability support	# of Jobs created by Municipal Capital projects for youth	Number	1015	473	2,663	B	Very projects were implemented during the month of June.	New projects will focus on young people.	Consolidated Job creation reports



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Ref	Directorate	Strategic Objective	Programme	KPI	Unit of Measurement	Baseline (Year end 31 June '17)	Annual Target	Year-To-Date As At June 2018				Source of Evidence
								Actual	R	Reason for deviation	Corrective Measures	
D43	Corporate Services	Effective and Efficient administration	Youth, Gender & Disability support	# of Jobs created by Municipal Capital projects for women	Number	2407	473	4,661	B	Only small projects were implemented.	In projects that are going to be implemented in the near future, majority of women will be appointed.	Consolidated Job creation reports
D44	Corporate Services	Effective and Efficient administration	Youth, Gender & Disability support	# of Jobs created by Municipal Capital projects for disabled persons	Number	35	17	65	B	Projects implemented during the month of June were not suitable for people with disability.	New projects will consider the plight of people with disability.	Consolidated Job creation reports
D45	Corporate Services	Effective and Efficient administration	Public Participation	# of Mayoral (local) imbizos held	Number	9	16	16	G	The institution complied with the target set for the 2017/2018 financial year.	NONE.	Minutes and Attendance register (1 Imbizo per cluster per quarter)
D46	Office of the Municipal Manager	Effective and Efficient administration	Risk Management	# of Anti-corruption committee meetings	Number	3	4	3	O	Only 3 anti-corruption committee meetings took place during the financial year, 2018/19. The reason for the meetings not taking place as planned is because of the unavailability of the key stakeholders, CoGHSTA officials.	There have been email communications between the municipality and CoGHSTA colleagues. The program has been developed so that the colleagues from CoGHSTA can align their activities with that of GTM.	Agendas, Attendance register, Minutes



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								Actual	R	Reason for deviation	Corrective Measures	
D47	Office of the Municipal Manager	Effective and Efficient administration	Sound Governance	# of reported cases of fraud and corruption investigated	Number	New KPI	0	13	B	cases of misconduct reported during 2017/18 financial year were of fraud and dishonesty whereby officials altered medical certificates issued by doctors, also tampering with subsistence and travel allowance (employee issued a fake invitation letter to attend a workshop outside Council and retracted request application upon discovery of the matter), non-compliance with OHS regulations (official didn't put on protective clothing whereby other officials concealed the information) and also overtime (duplication of overtime hours-employee alleging that he was not paid overtime in order to be granted time off)	Constant surveillance of information submitted in order to curb unlawful events from happening. Labour Relations Office is working closely with Risk Management Unit for cases which have an element of fraud and corruption. Implement anti-corruption policies, whistle blowing and discipline officials who are implicated.	Register of Fraud & Corruption Cases Investigation Reports





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Ref	Directorate	Strategic Objective	Programme	KPI	Unit of Measurement	Baseline (Year end 31 June '17)	Annual Target	Year-To-Date As At June 2018				Source of Evidence
								Actual	R	Reason for deviation	Corrective Measures	
D48	Office of the Municipal Manager	Effective and Efficient administration	Sound Governance	Strategic Risk Assessment report submitted to Council	Number	3	1	1	G	Strategic risk of the municipality has been finalised and approved with IDP on the 25th May 2018. It was proposed in the Audit Committee meeting that the strategic risk register be reviewed.	Strategic risk assessment to be conducted at strategic planning of the municipality.	Risk Assessment Report IDP Council Item IDP Council Minutes
D49	Office of the Municipal Manager	Effective and Efficient administration	Sound Governance	# of Risk Management committee meetings	Number	5	4	4	G	Risk Committee meetings are held on quarterly basis. The 4th quarter risk committee will be held in July 2017.	Adherence to risk management program on the corporate calendar.	Appointment letter for chairperson & members Invitations Minutes & attendance registers
D50	Office of the Municipal Manager	Effective and Efficient administration	Sound Governance	# of Risk monitoring reports submitted to Council	Number	8	4	4	G	Nothing for this reporting period. Risk Monitoring reports are submitted to Council for noting on quarterly basis.	Nothing for this reporting period.	Risk Monitoring Reports Council Minutes
D51	Office of the Municipal Manager	Effective and Efficient administration	Sound Governance	Organisational Risk assessment Report submitted to Council	Number	New KPI	1	0	R	Organisational risk assessment report was submitted to Council as an annexure to IDP on the 25th May 2018.	To re-submit the reviewed risk assessment to Council as per proposal of Audit Committee (to review top risks of the municipality).	Strategic Risk Assessment Report
D52	Office of the Municipal Manager	Effective and Efficient administration	Office Administration	3 year Strategic Risk Based Audit plan submitted to Audit Committee by 30 June	Number	0	1	1	G	none	None	3 Year Strategic Risk Audit Plan AC minutes



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								Actual	R	Reason for deviation	Corrective Measures	
D53	Office of the Municipal Manager	Effective and Efficient administration	Office Administration	Average number of days taken by Directors to respond to Internal Audit Queries	Number	New KPI	5	9.5	R	Vacancy in senior management positions which hampered accountability hence the delay in responding to findings. There was improvement after appointment of Directors.	The KPI should be allocated to each Director to easily track progress.	Internal Audit Follow-up Reports for all Departments
D54	Office of the Municipal Manager	Effective and Efficient administration	Office Administration	# of quarterly internal audit reports submitted to audit committee	Number	2	4	4	G	None	None required	Quarterly Audit reports AC minutes
D55	Office of the Municipal Manager	Effective and Efficient administration	Office Administration	Reviewed Internal Audit Charter submitted & approved by Audit Committee by 30 June	Number	0	1	1	G	none	none	Audit Charter AC Minutes
D56	Office of the Municipal Manager	Effective and Efficient administration	Legal support	% SLAs signed within 10 days after information is provided	Percentage	8.30%	100%	79.17%	O	Delay in securing appointments with service providers to sign agreements	Register of SLA signing implemented to track turnaround time	SLA Register containing date of receipt of request & submission to MM for signature)
D61	Financial Services	Effective and Efficient administration	Management and Administration	# of Departmental meetings held (CFO)	Number	New KPI	4	8	B	none noted	none	Minutes & Attendance Registers
D62	Financial Services	Effective and Efficient administration	Regulatory Framework	# of finance related policies revised annually	Number	17	17	17	G	None	None required	Budget Policies Council Resolution
D63	Financial Services	Increase financial viability	Asset Management	Annual Asset verification report concluded by 30 June	Number	1	1	1	G	None	None required	Sign Off report on Asset Verification report Council Resolution
D64	Financial Services	Increase financial viability	Budget management	Draft Budget submitted to Council by 31 March	Number	1	1	1	G	None	None required	Draft Budget Council resolution



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								Actual	R	Reason for deviation	Corrective Measures	
D65	Financial Services	Increase financial viability	Budget management	Annual Budget tabled by 31 May annually	Number	1	1	1	G	None	None required	Budget Council resolution
D66	Financial Services	Increase financial viability	Budget management	Annual Adjustment budget approved by Council by 28 Feb	Number	1	1	1	G	None	None required	Adjustment Budget Council resolution
D67	Financial Services	Increase financial viability	Budget management	Cost coverage	Ratio	0.34	1.6	0.17	R	The overspending on inter alia Legal fees, Insurance claims, Marumofase bridge and standing time on the Rita to Mariveni road project	Special attention will have to be given to Cash Flow Management	Financial reports Financial viability calculations
D68	Financial Services	Increase financial viability	Budget management	Debt coverage	Ratio	24.5	18.3	19.9	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	N/A	Financial reports Financial viability calculations
D69	Financial Services	Increase financial viability	Expenditure Management	% creditors paid within 30 days	Percentage	99.60%	100%	95.94%	O	Target not achieved. 5 creditors not paid at end of July 2018, but not yet due as per Statement of Account	Invoices to be paid end July 2018	Monthly reports



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								Actual	R	Reason for deviation	Corrective Measures	
D70	Financial Services	Increase financial viability	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	G	The section 71 reports were submitted to Government Departments on 14 June 2018. The reports were submitted within 10 days	N/A	Acknowledgement of receipt by NT & PT
D71	Financial Services	Increase financial viability	Financial Reporting	Annual Financial statements submitted to AG, PT and NT by 31 August annually	Number	1	1	1	G	None	None required	Acknowledgement of receipt by AG & PT
D72	Financial Services	Increase financial viability	Revenue Management	# of Households billed	Number	22811	24,000	22,982	O	Accounts closed and consolidated	Continuous data cleansing	Billing reports
D73	Financial Services	Increase financial viability	Revenue Management	# of revenue generation policies reviewed and approved	Number	15	6	6	G	All Revenue related policies were attached to budget report May 2018 and approved	n/a	Credit Control, Debt Collection, Property rates, Indigent Policy & Cash management Policy, Debt impairment Budget Resolution
D74	Financial Services	Increase financial viability	Revenue Management	% of revenue collected monthly	Percentage	86%	92%	94.42%	G2	Follow up on accounts in arrears and credit control and debt collection	Continuous credit control and debt collection.	Budget report
D75	Financial Services	Increase financial viability	Revenue Management	Outstanding service debtors to revenue	Ratio	12.6	10	13.09	R	Average payment rate of 94%, debt accumulate on monthly basis	Credit control and debt collection policies to be followed. Disconnection of services and hand over of long outstanding accounts.	Financial reports Financial viability calculations



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								Actual	R	Reason for deviation	Corrective Measures	
D76	Financial Services	Increase financial viability	Expenditure Management	% of Finance Management Grant Spent	Percentage	100%	100%	129%	G2	Performance target achieved. The total allocation for 2017/2018 which amounted to R 2145000 was spent in full at end of June 2018.	Not required	Monthly Expenditure Report
D77	Financial Services	Increase financial viability	Supply Chain Management	# of SCM reports submitted to national treasury	Number	15	12	13	G2	no deviation	not applicable	Monthly SCM reports Acknowledgement of receipt from Treasury
D78	Financial Services	Increase financial viability	Supply Chain Management	Demand Management plan approved by Council by 30 June annually	Number	1	1	2	B	Procurement plan submitted to council annually for approval	Monthly submission for procurement and submitted for management then to council every month for noting.	Demand Management Plan Council Minutes
D79	Financial Services	Increase financial viability	Supply Chain Management	# of Demand Management Progress Reports submitted to Management	Number	New KPI	12	12	G	not applicable	not applicable	Monthly Demand Management Reports Management Minutes
D80	Financial Services	Effective and Efficient administration	Supply Chain Management	# of contract management reports submitted to Council	Number	12	12	11	O	not applicable	not applicable	Monthly Contract Management Report Council Minutes
D81	Financial Services	Increase financial viability	Revenue Management	# of indigents registered	Number	36732	37,000	25,963	R	Target not met due to applicants disqualified through external validation process, new applications in process. Total applications received 35892, approved 25963.	Applicants disqualified to be visited and re-apply. New applications to be finalized for approval by Council.	Indigent register



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								Actual	R	Reason for deviation	Corrective Measures	
D82	Financial Services	Effective and Efficient administration	Sound Governance	# of employees complying with financial minimum competency requirements	Number	0	35	21	R	21 Employees completed and passed competency	The employees must finalise the submissions of the Portfolio.	HR Monthly Report Compliance Certificates
D84	Corporate Services	Develop and build skilled and knowledgeable workforce	Capacity building and Training	# of senior managers complying with the minimum competency levels	Number	New KPI	5	5	G	Only Municipal Manager and Director Corporate Services don't have the certificate but are currently enrolled on the programme.	That both MM and Director Corporate finish the programme	Qualifications of MM & Directors
D85	Corporate Services	Effective and Efficient administration	Management and Administration	# of Departmental meetings held (CORP)	Number	New KPI	4	1	R	Many activities which prevented convening of Departmental meeting.	Division meetings were encouraged to ensure continuous information flow and communication within the Department.	Minutes and Attendance Registers
D89	Corporate Services	Attract and retain best human capital to become employer of choice	Human Resource Management	# of people from employment equity target groups employed in the 3 highest levels of management in compliance with EE plan	Number	25%	27	26.92	O	None is the target was achieved. However the delay in appointment was due to cash flow of the municipality.	None as the target is met.	EE report
D90	Corporate Services	Attract and retain best human capital to become employer of choice	Human Resource Management	# of MM & Director posts vacant for more than three months	Number	4	0	1	R	By June the target was met. No deviation.	None	Staff establishment
D91	Corporate Services	Attract and retain best human capital to become employer of choice	Human Resource Management	Development of an Institutional Plan finalised by 30 May	Number	1	1	1	G	None	None required	Institutional Plan Proof of Submission for inclusion in IDP



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								Actual	R	Reason for deviation	Corrective Measures	
D92	Corporate Services	Attract and retain best human capital to become employer of choice	Human Resource Management	# of critical posts filled (MM, CFO, Engineer, Town Planner, Corp, Communications)	Number	4	6	5	O	The only post vacant is for Communication Manager due to Job Evaluation.	That the post be filled immediately after Job Evaluation.	Staff Establishment
D93	Corporate Services	Effective and Efficient administration	Information Technology	# Of ICT Steering Committee Meetings	Number	New KPI	4	5	G2	Target met		Minutes and Attendance Registers
D94	Corporate Services	Effective and Efficient administration	Information Technology	Internet services procured by 30 Dec	Number	New KPI	1	103	B	Vodacom has not yet submitted an SLA, although services are up and running. Service are paid to Vodacom using the document that the Municipality for services.		SLA with Vodacom
D95	Corporate Services	Effective and Efficient administration	Information Technology	% of Network Availability at Satellite Offices	Percentage	New KPI	80%	86.35%	G2	Target met		Solarwinds Reports
D96	Corporate Services	Effective and Efficient administration	Information Technology	Leasing of Desktops and Laptops & Councillor tablets	Percentage	New KPI	100%	100%	G	Target met		Specifications, Appointment letter, SLA, Delivery acceptance note
D97	Corporate Services	Effective and Efficient administration	Human Resource Management	% of personnel budget spent	Percentage	194%	100%	89.04%	O	Not all vacancies were filled during the period under review.	The HR Division will continue with the recruitment process to fill vacant positions, however this will be done with caution taking into account the priority areas of the municipality and the cash flow situation.	Personnel Budget



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								Actual	R	Reason for deviation	Corrective Measures	
D98	Corporate Services	Effective and Efficient administration	Occupational Health and Safety	# of OHS committee meetings	Number	3	4	3	O	There was challenge of none attendance of OHS scheduled meetings early in the financial year. However 2 meetings were held at the end of the financial year adding to the one held in the first half. Due to the challenge mentioned above, there is one outstanding meeting.	Departments to be reminded adhere to meeting schedules and to avoid overload of meetings in certain quarters.	Notice of meeting Attendance Register Minutes
D99	Corporate Services	Effective and Efficient administration	Management and Administration	# of awareness workshops to encourage proper filing of documentation	Number	New KPI	2	4	B	No awareness workshop was conducted during the month of June 2018. A filing and archiving project has commenced from 1 June 2018, to address poor record-keeping in the institution.	An awareness workshop will be done during the 1st quarter of the 2018/19 financial year.	Invitations Training programme Attendance Register
D100	Corporate Services	Effective and Efficient administration	Management and Administration	# of file audits conducted	Number	New KPI	4	11	B	Out of 180 files booked out, 163 files were returned and 17 still outstanding.	Auditing of files is an ongoing process.	Register of Files Audited
D101	Corporate Services	Improve stakeholder satisfaction	Communication	# of media briefings arranged	Number	2	4	4	G	NONE	NONE	Notice of media briefing Attendance Register





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								Actual	R	Reason for deviation	Corrective Measures	
D102	Corporate Services	Improve stakeholder satisfaction	Communication	# of newsletters produced	Number	2	4	3	O	Budgetary constraints affected achievement of target in the third quarter which led to reprioritisation quarters within which the newsletter was to be published.	The electronic platform will be considered for future publications to ensure that budgetary constraints do affect future issuing of the newsletter.	Publications
D103	Corporate Services	Improve stakeholder satisfaction	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	G	None	None	Printscreen of placements Website update register
D104	Corporate Services	Attract and retain best human capital to become employer of choice	Human Resource Management	% Staff turnover	Percentage	3.5	1.80%	3.50%	B	The increase on staff turnover is due to 7 death, 5 resignation, 9 pension and 2 medical.	While some of the factors leading to turnover are unavoidable, a measures to retain staff will be investigated, especial with regard to incentives and career path. Management is also working on improving discipline to ensure minimisation of employees resigning or being dismissed due to disciplinary processes.	Staff establishment
D105	Corporate Services	Attract and retain best human capital to become employer of choice	Human Resource Management	% Employees that are female	Percentage	76%	37%	38.85%	G2	Target met.	None.	Employment Equity report



**Table 5: Year-end performance for the Good Governance KPA for 2017/18**

Ref	Directorate	Strategic Objective	Programme	KPI	Unit of Measurement	Baseline (Year end 31 June '17)	Annual Target	Year-To-Date As At June 2018				Source of Evidence
								Actual	R	Reason for deviation	Corrective Measures	
D106	Corporate Services	Attract and retain best human capital to become employer of choice	Human Resource Management	% Employees that are youth	Percentage	43%	21%	19.31%	O	The employee s age progression had an impact on the decrease of youth percentage. Vacancy were not filled as expected due to cash flow of the municipality.	That Employment Equity Plan be implemented fully during recruitment process.	Employment Equity report
D107	Corporate Services	Attract and retain best human capital to become employer of choice	Human Resource Management	% Employees that are disabled	Percentage	4.50%	2%	2.20%	G2	Target Met.	Not applicable as target met.	Employment Equity report
D108	Community Services	Effective and Efficient administration	Management and Administration	# of Departmental meetings held (CSD)	Number	New KPI	4	7	B	Meetings were held with the workers in different clusters and they are so many to an extent that it was going to be difficult to transport them to the same place	None	Minutes and Attendance Registers



**Table 5: Year-end performance for the Good Governance KPA for 2017/18**

Ref	Directorate	Strategic Objective	Programme	KPI	Unit of Measurement	Baseline (Year end 31 June '17)	Annual Target	Year-To-Date As At June 2018				Source of Evidence
								Actual	R	Reason for deviation	Corrective Measures	
D109	Community Services	Effective and Efficient administration	Safety and Security	# of theft cases from council buildings	Number	17	0	3	R	1. Theft of Electrical Cables at the Tzaneen Municipal Stores. 2. Theft of Electrical Cables at the Municipal Stores. 3. Damaged toilet systems and stolen copper plumbing pipes at the Lenyenye Stadium.	1. Reported the matter to the Tzaneen SAPS for investigations and the service provider Mapheto Business Services. Reported the matter to the Maake SAPS for investigations and Letaba Security and they did repaired the damages at the Lenyenye Stadium. 2. Reported the matter to the Municipal Manager and subsequently terminated the contract of Mapheto Business Services for poor security service and breach of contract. 3. The service provider rendering security (Letaba Security) replaced the theft.	Theft & damages register Police Case number
D172	Electrical Engineering	Effective and Efficient administration	Office Administration	Purchase of office furniture and equipment for Electrical Engineering Dpt	<p><b>Q1:</b> Not applicable this quarter</p> <p><b>Q2:</b> Procurement process for the acquisition of furniture (10%)</p> <p><b>Q3:</b> Furniture procured for EED offices and delivered (100%)</p> <p><b>Q4:</b> Not applicable this quarter</p>	New project	100%	0%	R	Budget for Office Furniture not available	Budget for Office furniture to be available in 2018/19 financial year	Quotations Proof of receipt of furniture



**Table 5: Year-end performance for the Good Governance KPA for 2017/18**

Ref	Directorate	Strategic Objective	Programme	KPI	Unit of Measurement	Baseline (Year end 31 June '17)	Annual Target	Year-To-Date As At June 2018				Source of Evidence
								Actual	R	Reason for deviation	Corrective Measures	
D173	Electrical Engineering	Attract and retain best human capital to become employer of choice	Human Resource Management	# of employees with technical skills/capacity (engineers & technicians - EED)	Number	19	20	17	O	Deviated because of the management moratorium that stopped new appointments.	1. Made a request to the Accounting Officer for the approval of continuation of recruitment processes for the appointment of the Manager: Projects, Planning and Protection. Interviews scheduled 10/08/2018 2. Made a request of concluding recruitment processes on Streetlight Attendant position which was put on hold because of an alleged refusal to sign by SAMWU. Awaiting for response 3. Made a request to initiate recruitment processes for the appointment in the position of Foreman/Electrician.	EED Monthly reports
D174	Electrical Engineering	Effective and Efficient administration	Management and Administration	# of Departmental meetings held (EED)	Number	New KPI	4	6	B	Meeting held as planned	None	Minutes and Attendance Registers
D175	Engineering Services	Increase financial viability	Budget management	% MIG funding spent	Percentage	102	100%	100%	G	No deviation	None	Budget printout



**Table 5: Year-end performance for the Good Governance KPA for 2017/18**

Ref	Directorate	Strategic Objective	Programme	KPI	Unit of Measurement	Baseline (Year end 31 June '17)	Annual Target	Year-To-Date As At June 2018				Source of Evidence
								Actual	R	Reason for deviation	Corrective Measures	
D188	Engineering Services	Attract and retain best human capital to become employer of choice	Human Resource Management	# of employees with technical skills/capacity (engineers & technicians - ESD)	Number	7	8	9	G2	No deviation. The Director was appointed in June 2018	Not required	ESD Monthly reports
D189	Engineering Services	Effective and Efficient administration	Management and Administration	# of Departmental meetings held (ESD)	Number	New KPI	4	4	G	No deviation	Not required	Minutes and Attendance Registers
D191	Corporate Services	Effective and Efficient administration	Council Support	# of days taken to make MPAC oversight reports available to the public following Council approval	Number	5.4	7	3.08	B	Due to the printing and scanning of documentation challenges, the MPAC resolution reports were not publicized on the website within the regulated period.	The reports will be publicized as soon as the matter concerning the photocopier machines is concluded.	Council Minutes Copy of Adverts Proof of Website placement
D192	Corporate Services	Effective and Efficient administration	Council Support	# of Council meetings held	Number	16	4	13	B	None	None required	Minutes and attendance registers
D193	Corporate Services	Effective and Efficient administration	Council Support	# of Exco meetings held	Number	17	26	17	R	2 EXCO meetings were held on 5 and 26 June 2018.	Other scheduled EXCO meetings were not held because of non-submission of items for discussion and clashing of other activities of Council.	Minutes and attendance registers
D194	Corporate Services	Effective and Efficient administration	Council Support	# of Portfolio Committee meetings held	Number	95	99	77	O	Only four Portfolio Committees' meetings were held during the month of June 2018.	Most of the scheduled portfolio committees' meetings were postponed because of members not forming a quorum to proceed with the meeting.	Committee meetings register



**Table 5: Year-end performance for the Good Governance KPA for 2017/18**

Ref	Directorate	Strategic Objective	Programme	KPI	Unit of Measurement	Baseline (Year end 31 June '17)	Annual Target	Year-To-Date As At June 2018				Source of Evidence
								Actual	R	Reason for deviation	Corrective Measures	
D196	Corporate Services	Improve stakeholder satisfaction	Ward Committees	# of monthly ward committee meetings	Number	12	420	293	R	Not all ward committees were convened by the Ward Councillors during the period under review.	Ward Councillors to be reminded by their respective Community Development Officers to adhere to their ward plans.	Register of Ward Committee Meetings & Minutes
D197	Corporate Services	Improve stakeholder satisfaction	Ward Committees	# of monthly committee feedback meetings	Number	0	35	4.5	R	Ward Councillors did not convene feedback meetings during the period under review.	A strategic session will be held between the Speaker and ward councillor during the 2018/2019 financial year to amongst others, discuss and find solutions to non-adherence to legislation and plans pertaining to ward committees.	Register of Committee Feedback Meetings & Minutes
D198	Corporate Services	Improve stakeholder satisfaction	Ward Committees	# Fully functional ward committees	Number	3	35	23.58	R	Some ward committees did not hold their meetings because ward councillors did not convene.	Councillors will be reminded to hold ward committee meetings as per legislation, establishment notice and ward plans.	Minutes of Ward committee meetings, Consolidated Monthly Ward reports
D199	Corporate Services	Improve stakeholder satisfaction	Ward Committees	# of summarised quarterly ward reports submitted to Council	Number	0	4	2	R	Some clusters could not hold their monthly meetings	Political Heads of Clusters need to ensure that clusters meet and develop reports. Administrative support and ward committees to be capacitated to process matters from the wards.	Summarised Ward Reports (quarterly) Council Minutes



**Table 5: Year-end performance for the Good Governance KPA for 2017/18**

Ref	Directorate	Strategic Objective	Programme	KPI	Unit of Measurement	Baseline (Year end 31 June '17)	Annual Target	Year-To-Date As At June 2018				Source of Evidence
								Actual	R	Reason for deviation	Corrective Measures	
D212	Planning and Economic Development	Attract and retain best human capital to become employer of choice	Human Resource Management	# of employees with spatial planning capacity	Number	New KPI	8	7.67	O	The division has seven members	Fill all budgeted positions	PED Monthly reports
D213	Planning and Economic Development	Effective and Efficient administration	Management and Administration	# of Departmental meetings held (PED)	Number	New KPI	4	2	R			Minutes and Attendance Registers
D214	GTEDA	Effective and Efficient administration	Sound Governance	Unqualified Audit opinion for GTEDA	Audit opinion	1	1	1	G	Not applicable this month, actual reported in December 2017.		Audit Report
D215	GTEDA	Effective and Efficient administration	Sound Governance	% of organogram positions filled by 30 June	Percentage	New KPI	100%	67%	R	3 positions were not filled due to budgetary constraints.	The 3 positions will be filled in the 2018/19 financial year (budget permitting).	Staff Establishment
D216	GTEDA	Effective and Efficient administration	Sound Governance	% of board members inducted and orientated by 30 July '18	Percentage	New KPI	100%	81.60%	O	2 members didn't attend due to work commitments.	We will ensure training is scheduled during weekends and that they will be trained in the 2018/19 financial year.	Invitations Attendance Register of Induction training
D217	GTEDA	Effective and Efficient administration	Sound Governance	# of Board packs circulated 7 days before each meeting	Number	New KPI	4	4	G	None	None required	Invitations to Board Meeting Acknowledgement of receipt of Board Pack
D218	GTEDA	Effective and Efficient administration	Sound Governance	% of Board resolutions implemented by the end of each quarter	Percentage	New KPI	100%	74.67%	R	35% of resolutions are in progress hence target was not met.	Will be resolved in Q1 of 2018-19 financial year as some of the resolutions will take longer to resolve (e.g. Tzaneen dam and Agripark projects)	Resolution Register



**Table 5: Year-end performance for the Good Governance KPA for 2017/18**

Ref	Directorate	Strategic Objective	Programme	KPI	Unit of Measurement	Baseline (Year end 31 June '17)	Annual Target	Year-To-Date As At June 2018				Source of Evidence
								Actual	R	Reason for deviation	Corrective Measures	
D219	GTEDA	Effective and Efficient administration	Sound Governance	Annual Report submitted to the Board by end of December	Number	New KPI	1	1	G	None	None required	Annual Report Board Minutes
D220	GTEDA	Effective and Efficient administration	Sound Governance	GTEDA Annual Report submitted to GTM by 10 January	Number	New KPI	1	1	G	None	None required	Annual Report Acknowledgement of receipt from GTM
D221	GTEDA	Effective and Efficient administration	Sound Governance	Institutional Scorecard finalised by 30 May	Number	New KPI	1	1	G	None	None required	Institutional Scorecard Board Minutes
D222	GTEDA	Increase financial viability	Budget management	% of GTEDA budget spent	Percentage	94%	100%	98%	B	@% surplus due to not spending on MSCOA	The surplus will be deferred to following financial year and spent on MSCOA project	Monthly financial reports
D223	GTEDA	Increase financial viability	Budget management	3 Year Budget approved by 30 April	Number	New KPI	1	1	G	Reported in Quarter1		3 Year Budget Board Minutes
D224	GTEDA	Increase financial viability	Budget management	Annual Financial Statements submitted to GTM by 15 August	Number	1	1	1	G	Not applicable this month, reported in January 2018		AFS Acknowledgement of Receipt from GTM
D225	GTEDA	Increase financial viability	Sound Governance	% GRAP Compliance on the Asset register	Percentage	100%	100%	92.50%	O	Annual target not met due to late appointment of internal auditors.	Internal Auditors appointed and worked on the Asset register	AG Audit Report
D228	GTEDA	Effective and Efficient administration	Information management	MSCOA equipment and programmes	<p><b>Q1:</b> Not applicable this quarter, <b>Q2:</b> Source quotations. (10%), <b>Q3:</b> Procurement of MSCOA equipment finalised (100%), <b>Q4:</b> Not applicable this quarter</p>	New project	100%	50%	R	Didn't fully implement MSCOA due to budget constraints.	Requested GTM to pay for GTEDA as there was no allocation in the budget.	Quotations Invoice





**Table 6** presents a summary of the result as reported by Departments and from this it can be seen that **60%** of targets, aimed at ensuring Good Governance, were met during 2016/17, a marked improvement from the from the **53%** not met in 2016/17.

<b>Table 6: Good Governance KPA - Summary of Results for 2017/18</b>				
<b>Colour</b>		<b>Key to the Colour Codes</b>	<b>No of KPIs/Projects</b>	<b>% in category</b>
<b>R</b>	<i>0% &lt;= Actual/Target &lt;= 74.999%</i>	KPI Not Met	26	22%
<b>O</b>	<i>75.000% &lt;= Actual/Target &lt;= 99.999%</i>	KPI Almost Met	21	18%
<b>G</b>	<i>Actual meets Target (Actual/Target = 100%)</i>	KPI Met	46	38%
<b>G2</b>	<i>100.001% &lt;= Actual/Target &lt;= 149.999%</i>	KPI Well Met	10	8%
<b>B</b>	<i>150.000% &lt;= Actual/Target</i>	KPI Extremely Well Met	17	14%
		<b>Total KPIs</b>	<b>120</b>	

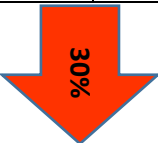

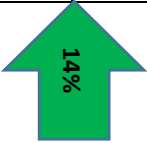
The key challenges impacting on the ability of the organisation to achieve the objectives set in terms of the Good Governance KPA are:

1. A Revenue enhancement strategy is not yet in place
2. **Long standing vacancies** at senior management level impacted on the ability of administration to attend to various issues that require Directors attendance.
3. **Ward committee reporting:** Ward Committee reports are not consolidated and analysed administratively for Council to consider.



## 2.4 Summary of performance on Key Performance Areas.

The table below reflects a summary of the performance on KPAs for the 2016/17 versus the 2017/18 financial years.

Achievement level	Economic Growth		Basic Service Delivery		Good Governance	
	2016/17	2017/18	2016/17	2017/18	2016/17	2017/18
KPIs Not Met	3 (9%)	6 (22%)	19 (25%)	37 (40%)	38 (35 %)	26 (22%)
KPIs Almost Met	4 (13%)	5 (30%)	10 (13%)	13 (14%)	19 (18%)	21 (18%)
KPIs Met	27 ( <u>78%</u> )	13 (48%)	47 ( <u>62%</u> )	42 (46%)	51 ( <u>47%</u> )	73 (61%)
<b>Total:</b>	<b>32</b>	<b>27</b>	<b>76</b>	<b>91</b>	<b>88</b>	<b>121</b>
<b>Performance improvement level</b>						



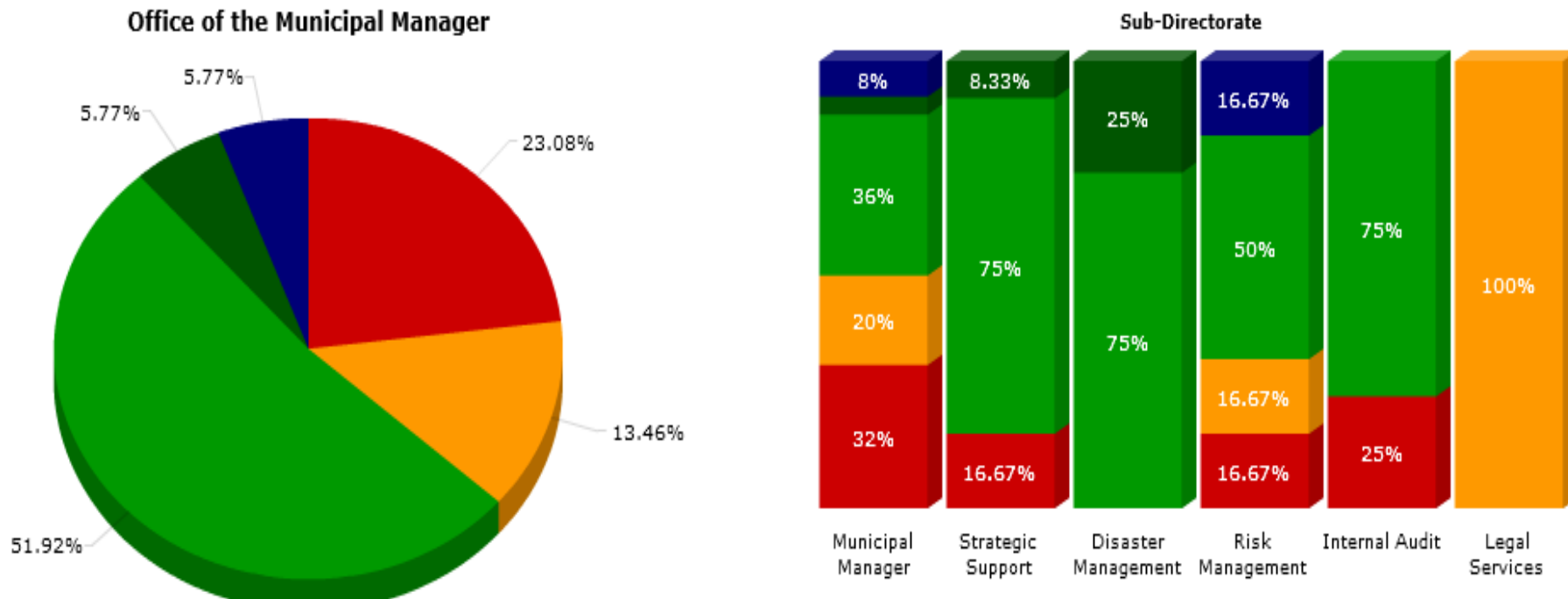
## 2.5 Departmental Performance for 2017/18

This section will provide a summary of performance per Department as well as for the entire organisation for the 2017/18 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, Internal Audit, Legal Services and the Office of the Mayor. 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 **63.3%** which is an improvement to the **50%** achieved during 2016/17. Of the 52 KPIs allocated to the Department 33 were achieved.

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

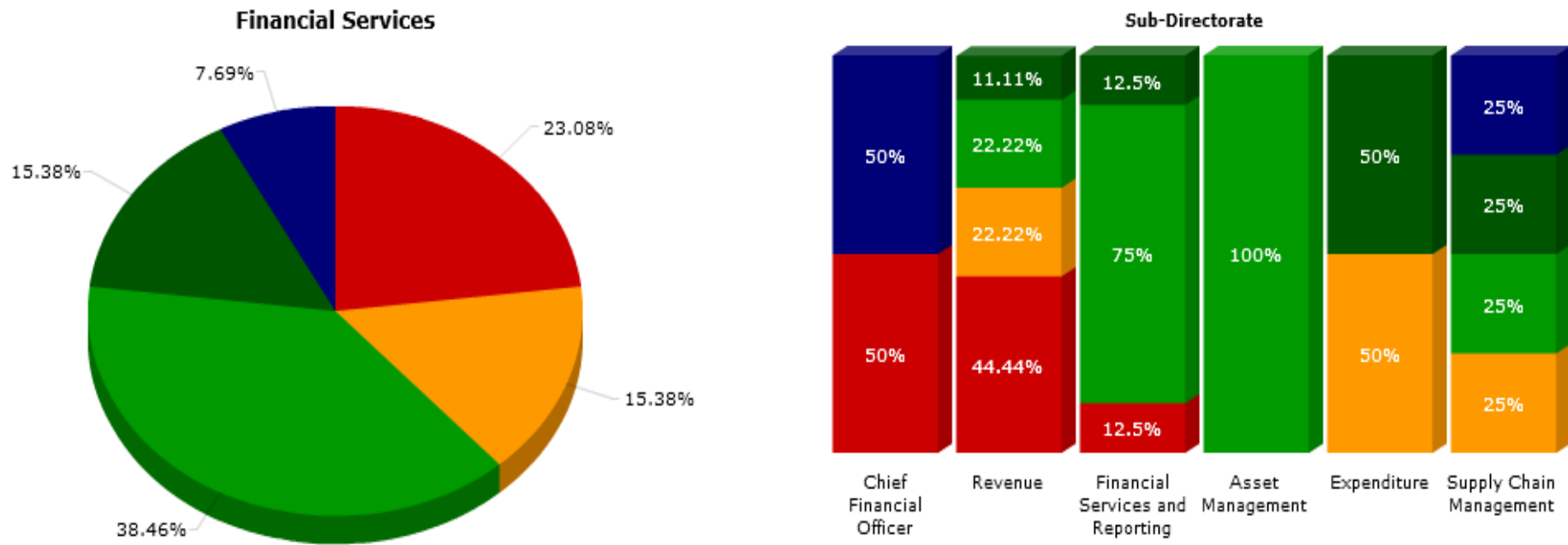




### 2.5.2 Office of the Chief Financial Officer

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 **61.5 %** which is a marked decline from the **73.07%** achieved in 2016/17. Of the 26 KPIs allocated to the Department, the targets of 16 were achieved.

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

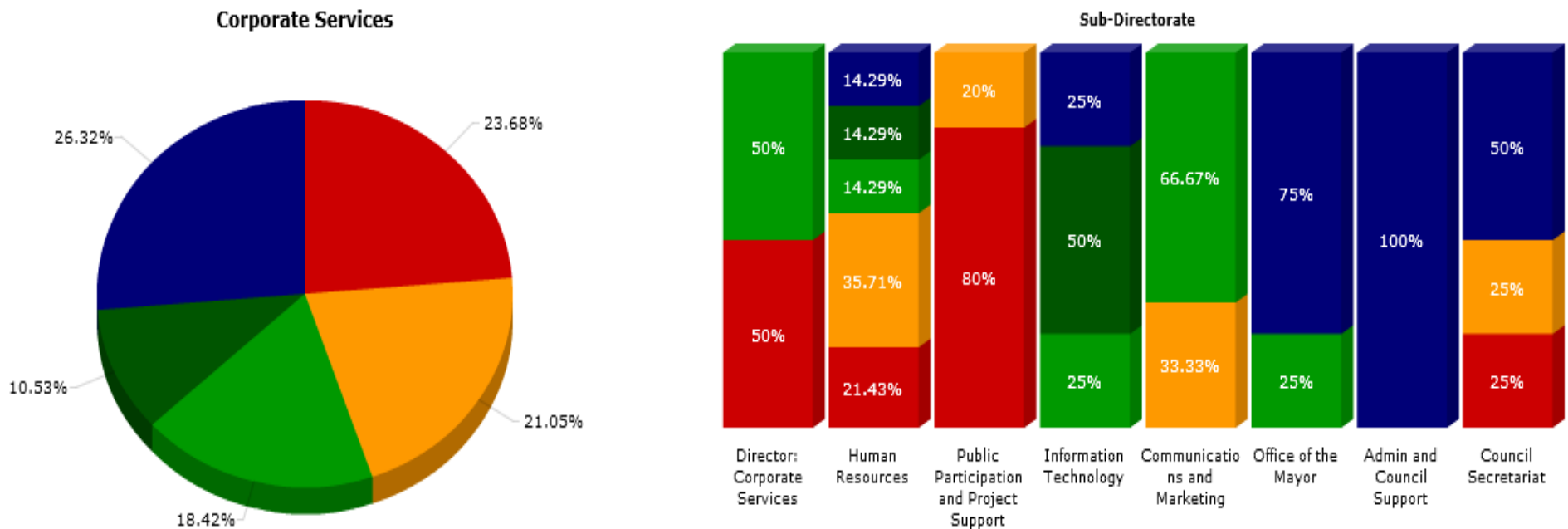




### 2.5.3 Corporate Services Department

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 2017/18, reflecting an overall achievement level of **55.27%** which is a marked improvement from the **39.45%** achieved in 2016/17. The Department reached the targets for 21 of the 38 KPIs allocated to the Department.

**Figure 4: Annual Performance results for Corporate Services**

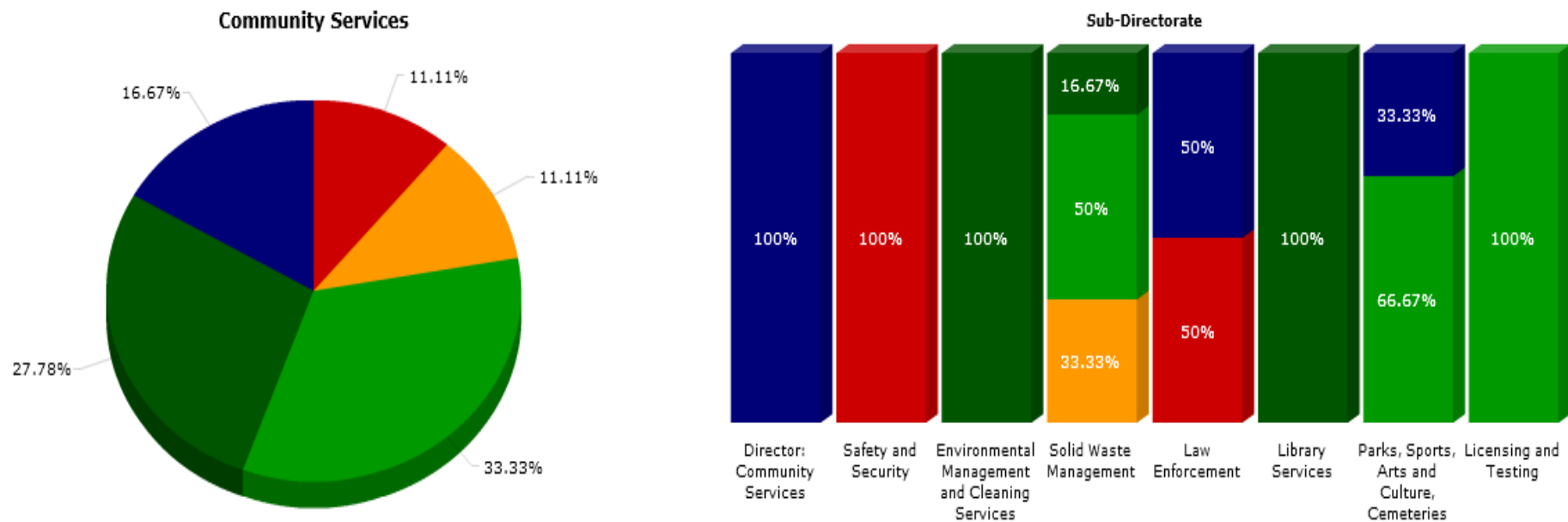




## 2.5.4 Community Services Department

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 2017/18 is presented in **Figure 5** below, reflecting an overall achievement level of **77.78%** a slight improvement from the **70.59%** achieved during 2016/17. This is as a result of achieving the targets set for 14 of the 18 KPIs allocated to the Department for 17/18.

**Figure 5: Annual Performance results for Community Services Department**

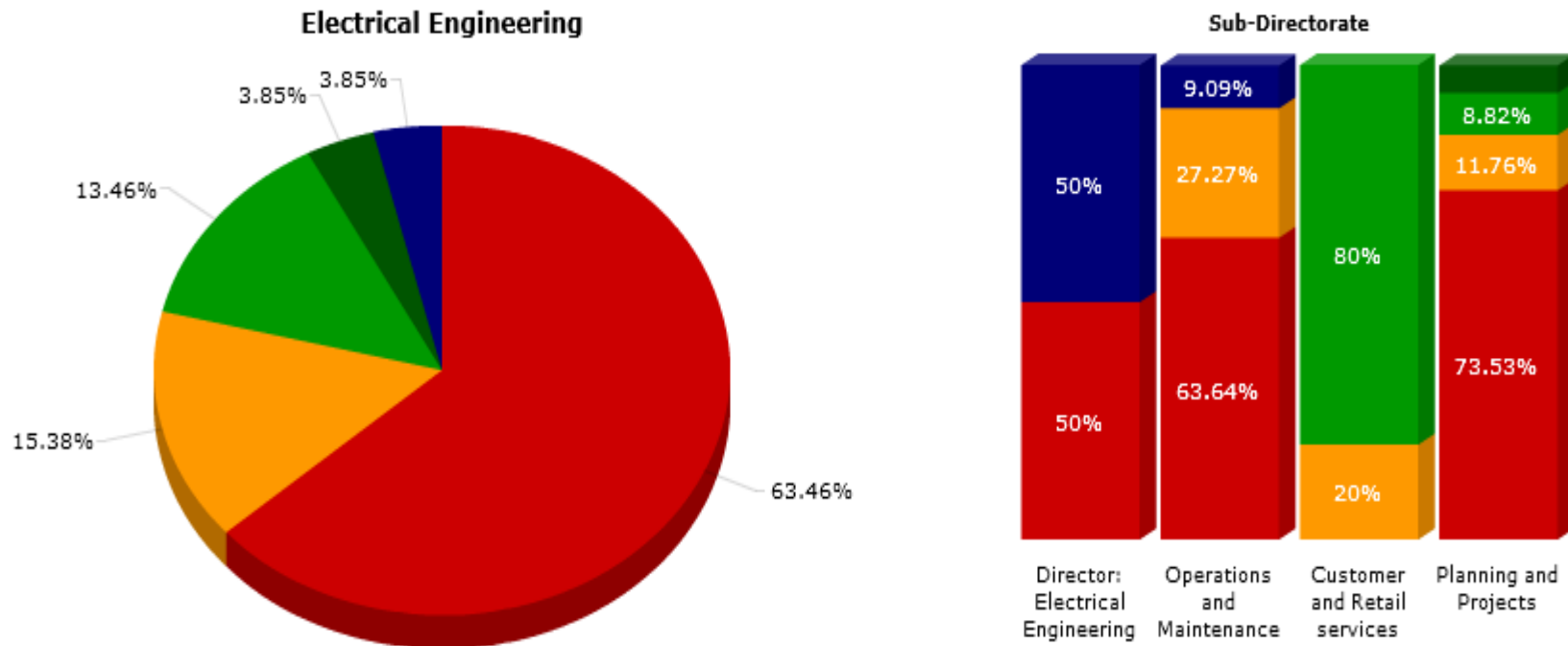




### 2.5.5 Electrical Engineering Department

The Electrical Engineering Department comprise of sections for Electrical Projects, Operations & Maintenance for Rural and Urban areas. The performance for the Department during 2017/18 is presented in **Figure 6** below, reflecting an overall achievement level of **21.5%** which is a striking decline from the **64.52%** achieved during 2016/17. Of the 51 KPIs allocated to the Department, the targets set for only 11 were met.

**Figure 6: Annual Performance results for Electrical Engineering Department**

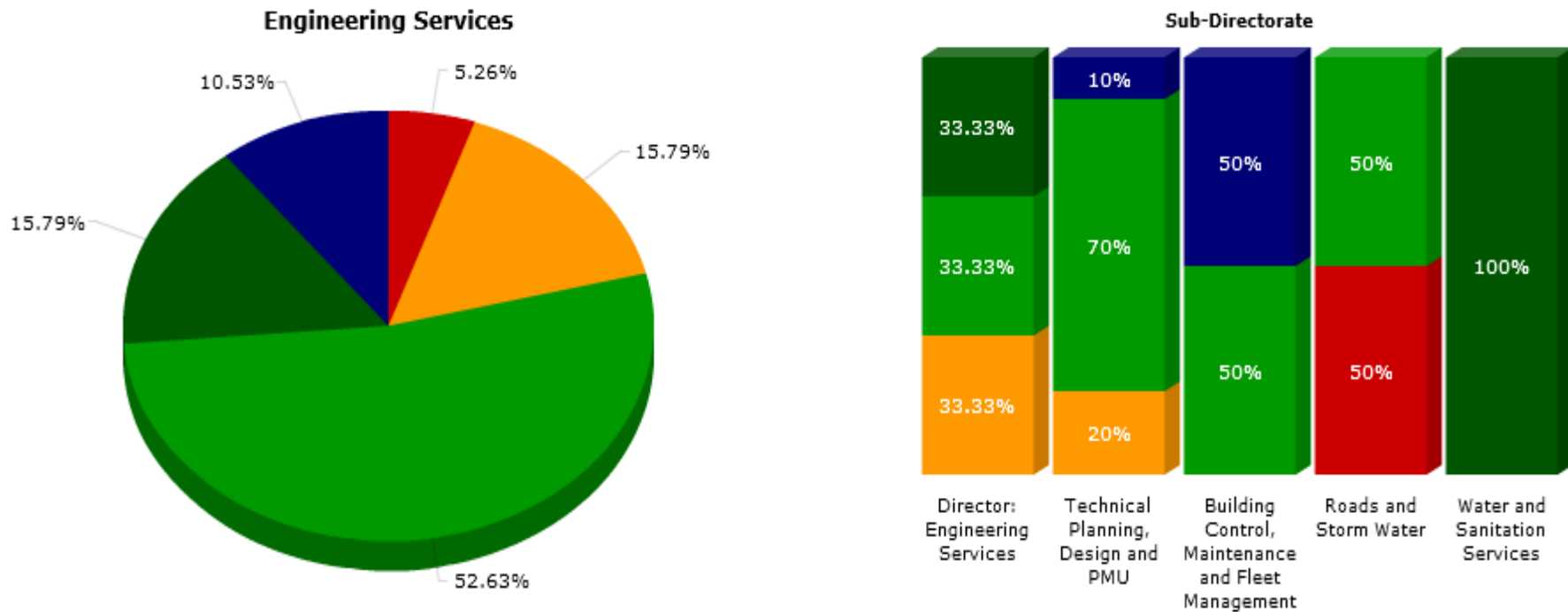




## 2.5.6 Engineering Services Department

The Engineering Services Department comprise of sections for Electrical Projects, Operations & Maintenance for Rural and Urban areas. The performance for the Department during 2017/18 is presented in **Figure 7** below, reflecting an overall achievement level of **78.95%** which is a remarkable improvement from the **27.27 %** achieved in 2016/17, herein 15 out of 19 targets set for the Department were met.

**Figure 7: Annual Performance results for Engineering Services Department**



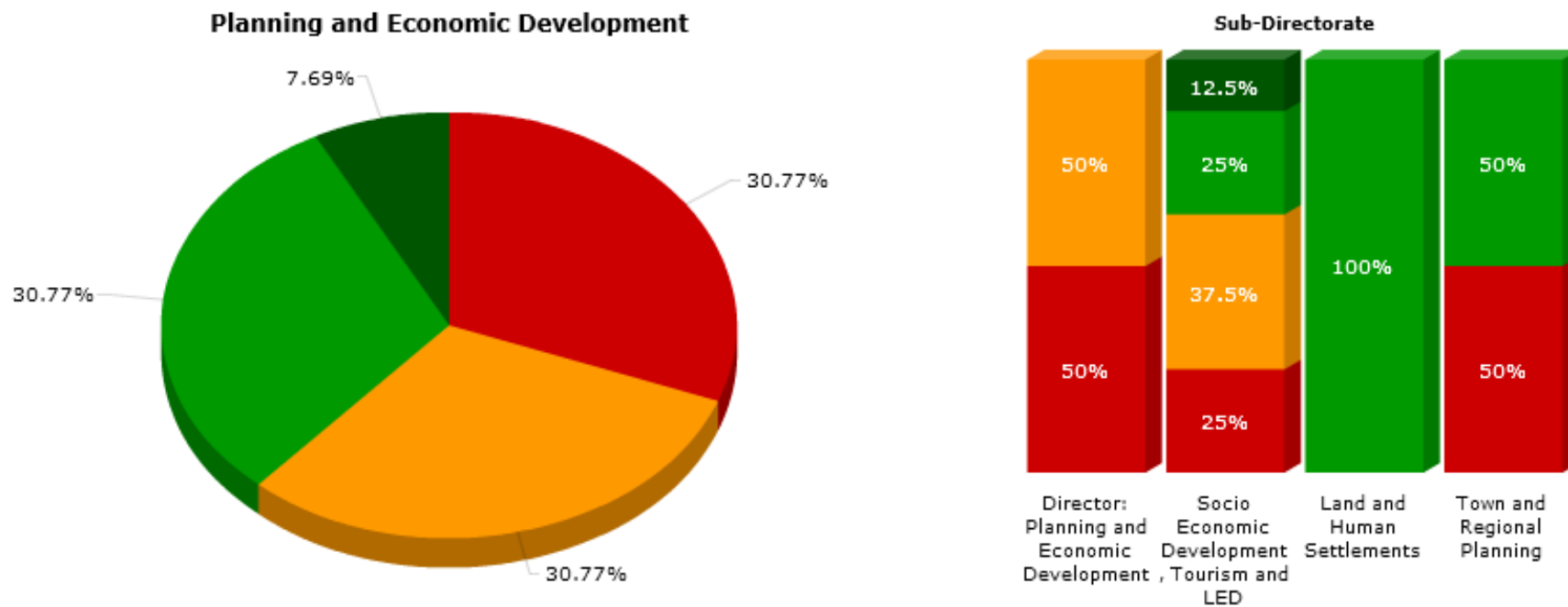




### 2.5.7 Planning and Economic Development Department

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 2017/18, reflecting an overall achievement level of **38.5%** a large decline from the **72.3%** achieved during 2016/17. Of the 13 KPIs allocated to the department the targets of only 5 where met.

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

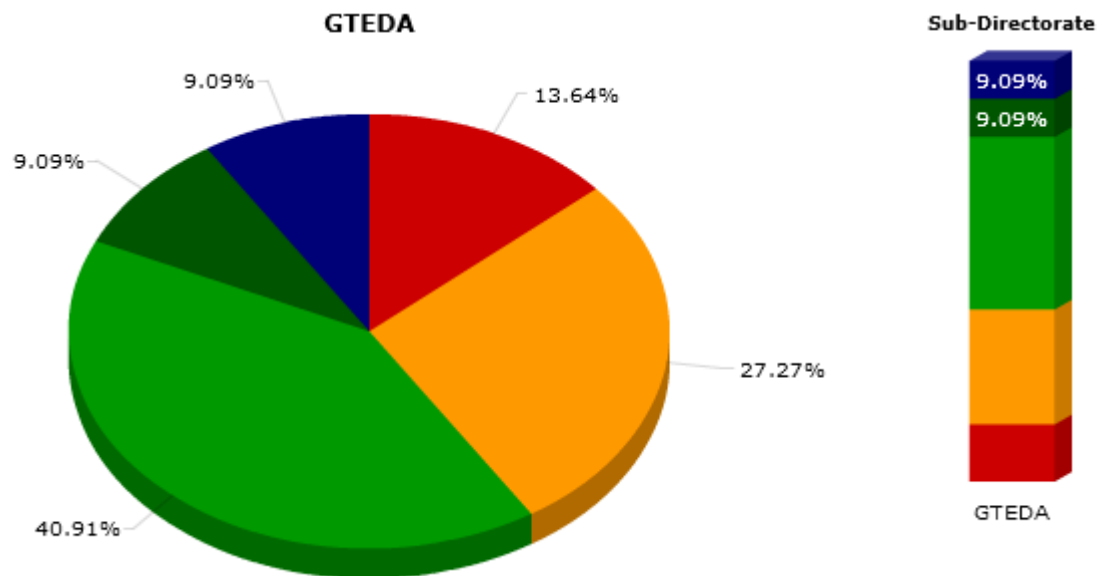




## 2.5.8 Greater Tzaneen Economic Development Agency

The performance of GTEDA is reflected in **Figure 9**, reflecting an overall achievement level of **59.09%** a marked decline from the **78.57%** achieved in 2016/17. 22 KPIs were allocated to GTEDA and the targets set for 13 were achieved.

**Figure 9: Annual Performance results for GTEDA**

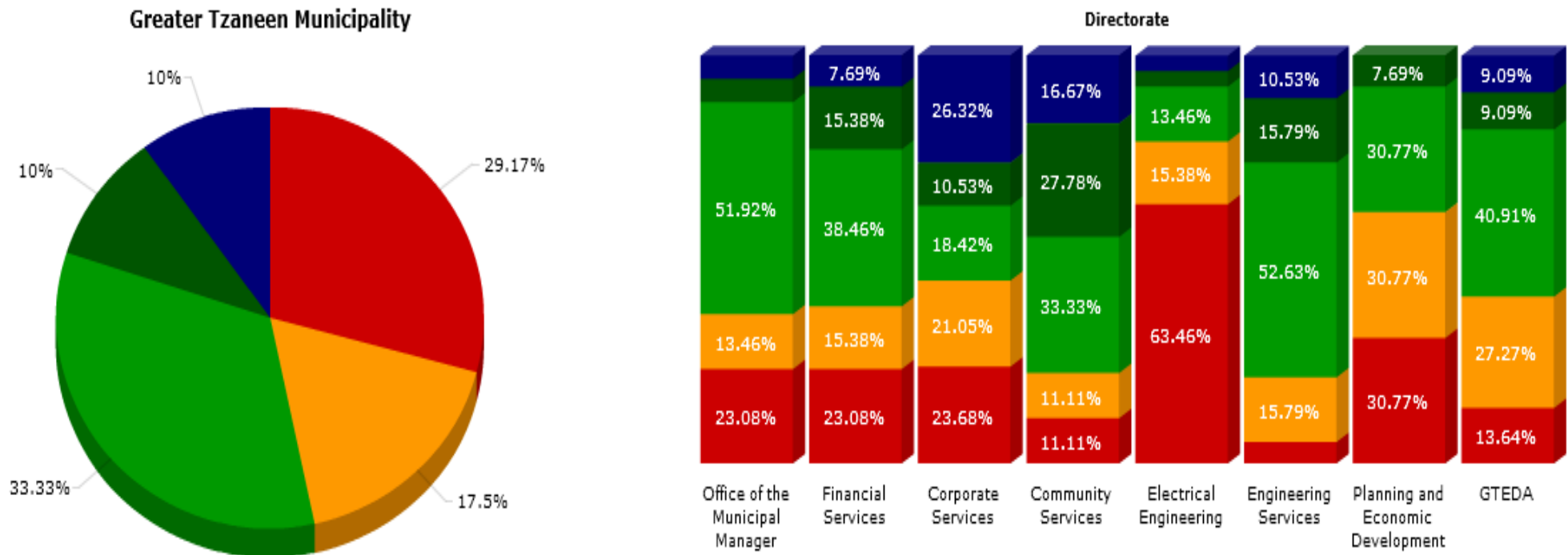




## 2.6 Overall Municipal Performance for 2017/18

The overall performance of GTM is reflected in Figure 10 below and presents an overall achievement level of **53%** which reflects a decline from the **56.94%** achieved during 2016/17.

**Figure 10: Overall Performance of GTM for 2017/18**





### 3. Conditional Grant Activities

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

Table 8: Performance on Conditional Grants for 2017/18								
Project/ Initiative	Planned activities	Actual Activities completed as at 30 June '18	Budget	Adjustment Budget	Actual Expenditure	Budget Variance	Adjustment Variance	Reasons for deviations
<b>Finance Management Grant (FMG)</b>								
Strengthen Capacity and up-skill officials in the Budget & Treasury Office (BTO), Internal Audit and Audit Committees	Internal Audit Training and Risk Management	Internal Audit Training and Risk Management	R 150 000	R 150 000	R 229 877	-R 79 877	-R 79 877	None
Appointment of at least 5 Interns over a multi-year period	Salaries/Subsistence and Travelling	Salaries/Subsistence and Travelling	R 700 000	R 700 000	R 93 575	R 606 425	R 606 425	Interns appointed late therefore funds reallocated to Acquisition, upgrade and maintenance of Financial Systems to produce multiyear budget
Acquisition, upgrade and maintenance of financial systems to produce multi-year budgets	mSCOA Training/ GRAP Training	mSCOA Training/ Grap Training	R 400 000	R 400 000	R 695 274	-R 295 274	-R 295 274	None
Support the training of Municipal officials in Financial Management towards attaining minimum competencies	MFMP Training	Not implemented	R 200 000	R 200 000	R -	R 200 000	R 200 000	Funds reallocated to Support the preparation of Annual financial statements for audit
Support the preparation of Annual Financial Statements for audits	Preparation of Annual Financial Statements/Compilation of GRAP Compliant Asset Register	Preparation of Annual Financial Statements/Compilation of GRAP Compliant Asset Register	R 400 000	R 400 000	R 1 126 274	-R726 274	-R 726 274	None
The preparation of a Financial Recovery Plan and Implementation thereof	Revenue Enhancement Strategy	Not implemented	R 200 000	R 200 000	R -	R 200 000	R 200 000	Funds reallocated to Support the preparation of Annual financial statements for audit



**Table 8: Performance on Conditional Grants for 2017/18**

Project/ Initiative	Planned activities	Actual Activities completed as at 30 June '18	Budget	Adjustment Budget	Actual Expenditure	Budget Variance	Adjustment Variance	Reasons for deviations
Implementation of Financial Management reforms and Address shortcomings identified in the Financial Management Capability Maturity Model Assessment Report	Implementation of Financial Management reforms	Not implemented	R 95 000	R 95 000	R -	R 95 000	R 95 000	Funds reallocated to Support the preparation of Annual financial statements for audit
<b>FMG Total</b>			<b>R 2 145 000</b>	<b>R 2 145 000</b>	<b>R 2 145 000</b>	<b>R -</b>	<b>R -</b>	
<b>National Electrification(INEP)</b>								
Electrification of 541 units at Xihoko / Radoo / Thapana / Mavele Phase2	Electrification of 541 units at Xihoko / Radoo / Thapana / Mavele Phase2	Project completed and energized (100%). 508 Households connected. Infrastructure also provided for 33 empty stands. Contractor attending to defects after energization	R 7 053 359	R 7 053 359	R 7 053 359.26	R -	R -	None
Electrification of 330 units at Leolo / Legobareng / Serare / Mogabe / Tshidinko Phase2	Electrification of 330 units at Leolo / Legobareng/ Serare / Mogabe / Tshidinko Phase2	Project completed and energized (100%).396 Households connected. Infrastructure also provided for 82 empty stands.	R 3 671 046	R 3 671 046	R 3 671 046	R -	R -	None
Electrification of 425 units at Julesburg area	Electrification of 425 units at Julesburg area	Project completed and energized (100%).327 Households connected. Infrastructure also provided for 18 stands.	R 5 951 952	R 5 951 952	R 5 951 951.99	R -	R -	None
Electrification of 25 units at Cannors Settlement	Electrification of 25 units at Cannors Settlement	Physical construction completed. Project energized (98%). House connections completed. Data concentrator programmed, awaiting installation of data concentrators and energization of meters.	R 339 847	R 339 847	R 339 846.97	R -	R -	None
Electrification of 100 units at the Schultz Settlement	Electrification of 100 units at the Schultz Settlement	Designs completed and supported by GTM. Contractor appointed. Pegging out works completed .Physical Construction delayed by permission to electrify the area by the new Owner of the Land	R 1 550 000	R 1 550 000	R 431 132.67	R 1 118 867	R 1 118 867	Construction on hold due to dispute by the new owner of the land. Project to be rolled over to 2018/19 financial year



**Table 8: Performance on Conditional Grants for 2017/18**

Project/ Initiative	Planned activities	Actual Activities completed as at 30 June '18	Budget	Adjustment Budget	Actual Expenditure	Budget Variance	Adjustment Variance	Reasons for deviations
Electrification of 90 units at Nyanyukani, Masoma and Hweetsi	Electrification of 90 units at Nyanyukani, Masoma and Hweetsi	Physical construction completed (95%). Busy with updating of ENS	R 2 483 345	R 2 483 345	R 1 804 193.17	R 679 151	R 679 151	Delays with updating of ENS and energization. Project to be rolled over to 2018/19 financial year
Electrification of 20 units at Pulaneng	Electrification of 20 units at Pulaneng	Physical construction completed (97%) Closing span partly completed. Awaiting energization	R 920 715	R 920 715	R 920 714.84	R -	R -	Rejected power outages by Eskom.
Electrification of 218 units at Wisani, Shikwambana, Vento Park	Electrification of 218 units at Wisani, Shikwambana, Vento Park	Physical construction completed (97%) Closing span completed. Transformers energized. Busy with house connections	R 3 029 737	R 3 029 737	R 2 102 908.53	R 926 828	R 926 828	Cancelled power outages by Eskom and addition units outside the designs. Project to be rolled over to 2018/19 financial year
<b>INEP TOTAL</b>			<b>R 25 000 000</b>	<b>R 25 000 000</b>	<b>R 22 275 153</b>	<b>R 2 724 847</b>	<b>R 2 724 847</b>	
<b>Municipal Infrastructure Grant (excluding GTM co-funding)</b>								
Rita to Mariveni Upgrading of Road from Gravel to Tar	Construction of 12.5 Km Asphalt paved road with related storm water Management. T-Junction to R36 Tzaneen / Lydenburg road, Construction of the storm water drainage system, with box culverts and pipe culverts for streams and rivers crossing the road, Installation of new road signs and road marking for the road,	Construction of 8 Km Asphalt paved road with related Storm water Management. T-Junction to R36 Tzaneen/ Lydenburg road, Construction of the storm water drainage system, with box culverts and pipe culverts for streams and rivers crossing the road, Installation of new road signs and road marking for the road,	R 3 173 183	R 3 173 183	R 3 173 183	R -	R -	An Item to council has been prepared to register the remaining 4.5km Zangoma to Mariveni with MIG separately and it's with the Director for Consideration.
Moruji to Matswi / Kheshokolwe Upgrading of Road from Gravel to Tar	Construction of 6.24km Double seal surfaced road, Construction of the storm water drainage system, with box culverts and pipe culverts for streams and rivers crossing the road, Installation of new road signs and road marking for the road,	Construction of 6.24km Double seal surfaced road. Construction of the storm water drainage system, with box culverts and pipe culverts for streams and rivers crossing the road, Installation of new road signs and road marking for the road,	R 46 700 156	R 5 800 000	R 52 500 156	-R 5 800 000	-R 46 700 156	The project was moving ahead of schedule. We then received a bonus of R5 800 000 from MIG for good performance.



**Table 8: Performance on Conditional Grants for 2017/18**

Project/ Initiative	Planned activities	Actual Activities completed as at 30 June '18	Budget	Adjustment Budget	Actual Expenditure	Budget Variance	Adjustment Variance	Reasons for deviations
Tickyline, Glasswork, Myakayaka, Burgersdorp, Gavaza to Mafarana Upgrading of Road from Gravel to Tar	Construction of 12km Asphalt and 3km Double seal surfaced road. Construction of the storm water drainage system, with box culverts and pipe culverts for streams and rivers crossing the road, Installation of new road signs and road marking for the road.	Construction of 12km Asphalt and 3km Double seal surfaced road completed. Construction of the storm water drainage system, with box culverts and pipe culverts for streams and rivers crossing the road, Installation of new road signs and road marking for the road.	R 13 570 000	R 13 570 000	R 13 570 000	R -	R -	None
Khubu to Lwandlamuni Low Level Bridge	Foundation excavations Form work Steel fixing Concrete batching for strip foundation Precast concrete positioning Construction of bridge deck Construction of deck slope Wing walls	Foundation excavations Form work Steel fixing Concrete batching for strip foundation Precast concrete positioning Construction of bridge deck Construction of deck slope Wing walls completed	R 2 000 000	R 2 000 000	R 2 000 000	R -	R -	None
Relela Community Hall	Main hall 586m <sup>2</sup> , Palisade fencing 230m incl. 6m gate, Septic tank, Storm water Managements.	Main hall 586m <sup>2</sup> , Palisade fencing 230m incl. 6m gate, Septic tank, Storm water Managements completed	R 1 140 624	R 1 140 624	R 1 140 624	R -	R -	None
Burgersdorp Upgrading of Sports Ground	Construction of Concrete Pavilion 400 seater, Construction of Soccer/Football Pitch ( artificial Turf), Construction of Combi Courts(Netball Volleyball, Tennis, Basketball),Construction of Guard house, Construction of Gate/ticket House, Concrete Palisade perimeter fence, Clear View Mesh Isolation Fence, Construction of two (2) spectator abluion blocks, Construction of Change rooms, Security Fencing Brick wall perimeter fence,	Construction of Concrete Pavilion 400 seater, Construction of Soccer/Football Pitch (artificial Turf), Construction of Combi Courts (Netball Volleyball, Tennis, Basketball),Construction of Guard house, Construction of Gate/ticket House, Concrete Palisade perimeter fence, Clear View Mesh Isolation Fence, Construction of two (2) spectator abluion blocks, Construction of Change rooms, Security Fencing, Brick wall perimeter fence completed	R 12 920 324	R 12 920 324	R 12 920 324	R -	R -	None



**Table 8: Performance on Conditional Grants for 2017/18**

Project/ Initiative	Planned activities	Actual Activities completed as at 30 June '18	Budget	Adjustment Budget	Actual Expenditure	Budget Variance	Adjustment Variance	Reasons for deviations
Juliesburg Upgrading of Sports Ground	Construction of Concrete Pavilion 400 seater, Construction of Soccer/Football Pitch (artificial Turf), Construction of Combi Courts(Netball Volleyball, Tennis, Basketball),Construction of Guard house, Construction of Gate/ticket House, Concrete Palisade perimeter fence, Clear View Mesh Isolation Fence, Construction of two (2) spectator ablution blocks, Construction of Change rooms, Security Fencing Brick wall perimeter fence,	Construction of Concrete Pavilion 400 seater, Construction of Soccer/Football Pitch (artificial Turf),Construction of Combi Courts(Netball Volleyball, Tennis, Basketball),Construction of Guard house, Construction of Gate/ticket House, Concrete Palisade perimeter fence, Clear View Mesh Isolation Fence, Construction of two (2) spectator ablution blocks, Construction of Change rooms, Security Fencing Brick wall perimeter fence completed	R 11 640 613	R 11 640 613	R 11 640 613	R -	R -	None
PMU administration costs			R 4 797 100	R 4 797 100	R 4 797 100	R -	R -	
<b>MIG Total</b>			<b>R 95 942 000</b>	<b>R 38 604 131</b>	<b>R 85 304 287</b>	<b>-R 5 800 000</b>	<b>-R 46 700 156</b>	

As can be seen from Table 8, above, GTM did well in utilising conditional grant funding during the 2017/18 financial year. The reasons for the deviations reflected are as follows:

- **MIG:** Due to the high spending level and progress made on implementing 17/18 MIG projects GTM was allocated a bonus amount of **R5.8 million**, which was utilised to fast-track implementation of projects already registered. Due to the fact that the bonus allocation was received late in the financial year a deviation in expenditure is reflected.
- **INEP:** The implementation of projects aimed at the electrification of villages went well except for one project where a change of land ownership affected project progress, such factors are beyond the control of Council.
- **FMG:** The entire allocation was spent, but herein it should note that additional funding from Treasury in this respect will be most welcome to cover expenses emanating from MSCOA requirements.





## 4. Capital Projects for 2017/18

The expenditure on capital projects approved in the 2017/18 IDP is presented below.

Table 9: Capital Expenditure as per the 17/18 IDP projects per Ward								
REF	Department	Project Name	Source of Funding	YTD Financials				Project Progress
				Adjusted Budget	Actual Expenditure	Variance from Budget	% of budget Spent	
CP29	Electrical Engineering	Purchase of office furniture and equipment for Electrical Engineering Dpt	External loan (DBSA)	300 000	437 016	-137 016	146%	Furniture procured by other Departments allocated to the EED vote
CP38	Electrical Engineering	Replace 10x11kv and 6x 33 kv Auto Reclosers	External loan (DBSA)	2 025 000	1 273 524	751 476	63%	Auto Reclosers procured awaiting time to shutdown to do closing spans
CP40	Electrical Engineering	Replacing 600m LV cables	External loan (DBSA)	450 000	0	450 000	0%	Not implemented no budget
CP39	Electrical Engineering	Procure 5 Meter boxes	External loan (DBSA)	50 000	0	50 000	0%	None - DBSA loan funding not secured by year-end
CP4	Electrical Engineering	Provision of Capital Tools (Operations and Maintenance)	Own Funds	100 000	78 992	21 008	79%	Procured when the need arise.
CP3	Electrical Engineering	Provision of Capital Tools (Customer and Retail Services)	Own Funds	100 000	87 025	12 975	87%	Link stick was procured
CP1	Electrical Engineering	New Entrance Street R36 streetlights	External loan (DBSA)	1 100 000	62 929	1 037 071	6%	Only designs done - DBSA loan funding not secured by year-end
CP2	Electrical Engineering	Area Lighting at Tarentaal rand crossing	External loan (DBSA)	300 000	17 162	282 838	6%	Only designs done - DBSA loan funding not secured by year-end
CP28	Electrical Engineering	New electricity Connections (Consumer contributions spent)	Own Funds	14 700 000	6 670 816	8 029 184	45%	6 Connections implemented
CP27	Electrical Engineering	Renewal, Repairs and Maintenance on pre-paid meters (Tzaneen, Letsitele & Politsi)	Own Funds	300 000	63 159	236 841	21%	Building of line at Politsi settlement for the maintenance of prepaid meters was completed. 27 Prepaid meters were installed and maintained in Tzaneen, Politsi and Letsitele residents
CP25	Electrical Engineering	Miniature Substation for Urban distribution network	External loan (DBSA)	1 000 000	867 800	132 200	87%	None - DBSA loan funding not secured by year-end



**Table 9: Capital Expenditure as per the 17/18 IDP projects per Ward**

REF	Department	Project Name	Source of Funding	YTD Financials				Project Progress
				Adjusted Budget	Actual Expenditure	Variance from Budget	% of budget Spent	
CP24	Electrical Engineering	Replacing 11kv cables for increased capacity	External loan (DBSA)	1 000 000	57 197	942 803	6%	Only designs done - DBSA loan funding not secured by year-end
CP22	Electrical Engineering	Substation tripping batteries	External loan (DBSA)	400 000	22 879	377 121	6%	Only designs done - DBSA loan funding not secured by year-end
CP26	Electrical Engineering	Replacement of Existing Air conditioners in Municipal Buildings	External loan (DBSA)	250 000	0	250 000	0%	2 air cons procured and others maintained
CP5	Electrical Engineering	Rebuilding Letsitele Valley Substation - Bosbou and all T- off's (3 Km)	External loan (DBSA)	500 000	28 604	471 396	6%	Only designs done - DBSA loan funding not secured by year-end
CP6	Electrical Engineering	Rebuilding of Valencia 11Kv lines (6km)	External loan (DBSA)	1 000 000	57 208	942 792	6%	Only designs done - DBSA loan funding not secured by year-end
CP7	Electrical Engineering	Rebuilding of Lushof South 11kv line (3km)	External loan (DBSA)	500 000	28 604	471 396	6%	Only designs done - DBSA loan funding not secured by year-end
CP8	Electrical Engineering	Rebuilding of Rooikoppies 11kv lines (6km)	External loan (DBSA)	1 000 000	57 208	942 792	6%	Only designs done - DBSA loan funding not secured by year-end
CP9	Electrical Engineering	Rebuilding of Mabiet 11kv line (6km)	External loan (DBSA)	1 000 000	57 208	942 792	6%	Only designs done - DBSA loan funding not secured by year-end
CP10	Electrical Engineering	Rebuilding of Haenertsburg 11kv lines(6km)	External loan (DBSA)	1 000 000	57 208	942 792	6%	Only designs done - DBSA loan funding not secured by year-end
CP11	Electrical Engineering	Rebuilding of Campsies Glen 11kv lines (6km)	External loan (DBSA)	1 000 000	57 208	942 792	6%	Only designs done - DBSA loan funding not secured by year-end
CP12	Electrical Engineering	Rebuilding of Politsi Valley 11kv lines (6km)	External loan (DBSA)	1 000 000	57 208	942 792	6%	Only designs done - DBSA loan funding not secured by year-end
CP13	Electrical Engineering	Rebuilding of CP Minnaar 11kv lines (2km)	External loan (DBSA)	400 000	22 883	377 117	6%	Only designs done - DBSA loan funding not secured by year-end
CP14	Electrical Engineering	Rebuilding of Mieliekloof/ Deerpark 11kv lines (3km)	External loan (DBSA)	500 000	28 604	471 396	6%	Only designs done - DBSA loan funding not secured by year-end
CP15	Electrical Engineering	Upgrading of Waterbok 33/11kv substation	External loan (DBSA)	1 000 000	57 197	942 803	6%	Only designs done - DBSA loan funding not secured by year-end
CP16	Electrical Engineering	Upgrading of Blacknoll 33/11kv substation	External loan (DBSA)	1 000 000	57 197	942 803	6%	Only designs done - DBSA loan funding not secured by year-end
CP17	Electrical Engineering	Houtbosdorp 11kv Ring (10km)	External loan (DBSA)	1 500 000	0	1 500 000	0%	DBSA loan funding not secured by year-end



**Table 9: Capital Expenditure as per the 17/18 IDP projects per Ward**

REF	Department	Project Name	Source of Funding	YTD Financials				Project Progress
				Adjusted Budget	Actual Expenditure	Variance from Budget	% of budget Spent	
CP18	Electrical Engineering	Replace 2x20MVA 66/11kv Transformers	External loan (DBSA)	2 550 000	145 855	2 404 145	6%	Only designs done - DBSA loan funding not secured by year-end
CP19	Electrical Engineering	Substation fencing (Tarentaal rand Main, Letsitele Main)	External loan (DBSA)	1 000 000	57 197	942 803	6%	Only designs done - DBSA loan funding not secured by year-end
CP21	Electrical Engineering	Replacing of old SS1 electrical substation circuit breakers with compact switchgear	External loan (DBSA)	6 000 000	343 322	5 656 678	6%	Only designs done - DBSA loan funding not secured by year-end
CP23	Electrical Engineering	Replacement of auto-reclosers (11kv and 33kv)	External loan (DBSA)	3 000 000	2 319 300	680 700	77%	Only designs done - DBSA loan funding not secured by year-end.
CP20	Electrical Engineering	Refurbishment of the Ebenezer 33kv Feeder	External loan (DBSA)	1 000 000	57 208	942 792	6%	None - DBSA loan funding not secured by year-end
CP41	Engineering Services	Upgrading of Runnymede cluster Sport Facility	MIG	6 500 000	7 522 052	-1 022 052	116%	The project has reached practical completion stage. Variance was covered by a savings from the Khubu to Lwandlamuni project
CP34	Engineering Services	Moruji to Matswi, Kheshokolwe Tar Road	MIG	39 584 590	62 254 924	-22 670 334	157%	Physical progress at 80%. The budget for Moruji was increased with the bonus of 5,800,000 and budget adjustment was also done since the project was ahead of schedule
CP36	Engineering Services	Khubu to Lwandlamuni Low Level Bridge	MIG	3 181 438	1 157 158	2 024 280	36%	Bridge completed. The savings on the project was utilised to cover the variance on Runnymede project and Relela Storm water project
CP32	Engineering Services	Rita to Mariveni Upgrading of Road from Gravel to Tar	MIG	3 173 194	2 790 630	382 564	88%	Physical progress at 83%
CP33	Engineering Services	Upgrading of Tickyline Glassworks, Myakayaka, Burgersdorp, Gavaza to Mafarana from Gravel to Tar	MIG	36 637 334	12 471 465	24 165 869	34%	98% physical progress. The savings on this project was utilised for budget adjustment done on Moruji project and it was also used to cover the shortfall on Rita to Mariveni project
CP30	Engineering Services	Burgersdorp Sports Facility	MIG	12 920 332	10 201 125	2 719 207	79%	98% physical progress
CP35	Engineering Services	Relela Community Hall	MIG	3 188 640	1 722 330	1 466 310	54%	Project completed



**Table 9: Capital Expenditure as per the 17/18 IDP projects per Ward**

REF	Department	Project Name	Source of Funding	YTD Financials				Project Progress
				Adjusted Budget	Actual Expenditure	Variance from Budget	% of budget Spent	
CP31	Engineering Services	Upgrading of Juliesburg Sports Facility (Phase 1 of 2)	MIG	6 534 282	9 375 526	-2 841 244	143%	97% physical progress. The project was planned to be completed in 2018/2019 FY, but since it was ahead of schedule budget adjustment was done with CoGHSTA to accommodate the expenditure
CP43	Engineering Services	Construction of Ablution facilities for Parks Division	Own Funds	819 703	826 160	-6 457	101%	Project completed
CP44	Engineering Services	Kwekwe low level bridge	Own Funds	1 300 000	1 970 235	-670 235	152%	Project completed. The project estimation was done two years before the prioritisation of the project so budget adjustment for escalation cost had to be done
CP42	Engineering Services	Refurbishment of Tzaneen Airfield runway	Own Funds	2 031 385	1 562 943	468 442	77%	Physical construction at 60%, contractor not performing well contract cancelled
CP37	GTEDA	MSCOA equipment and programmes	Own Funds	235 000	0	235 000	0%	Not implemented
<b>Total:</b>				<b>163 130 898</b>	<b>124 982 271</b>	<b>38 148 627</b>	<b>77%</b>	

From **Table 9** above it is evident that the majority of the capital projects planned for the 2017/18 financial year were not implemented as planned. The main challenges with regard to the implementation of capital projects are as follows:

- a) Capital funding for the refurbishment and upgrade of the electricity network was not secured from DBSA in time to implement the planned capital programme.
- b) GTM secured designs for the projects aimed at refurbishing the electricity network, at own risk, while awaiting the DBSA funding. Since this funding was not yet received at year-end, the expenditure incurred in this regard had to be covered by own revenue.
- c) The implementation of the MIG programme, which included the construction of roads, sports fields and community halls benefited from bonus allocations, which allowed these multi-year projects to be completed earlier than initially planned.



- d) The expenditure on MIG projects are not in line with the implementation plan as approved with the IDP. The transferring of funds between projects should be limited to that which is done during a formal budget adjustment.



## 5. Performance of Service Providers during 2017/18

The table below contains all the service providers appointed to assist GTM during the 2017/18 financial year:

Table 11: Evaluation of Service Provider Performance for 2017/18													
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				Assessment comments (future utilisation of service provider)	R-value of contract (total period)
								(Scale 1-5)	1 - Poor	2 - Fair	3 - Average		
								Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4		
MM	Electronic Performance Reporting System	ActionIT	Own funds	1/07/2015	1/04/2018	ActionAssist is assisting in performance reporting and limited the audit findings on the AOPO for 16/17	Contract extended on a month to month basis until the audit is concluded as the AG will audit performance information on the system	5	5	5	5	System is user-friendly and easy to manage in-house. Continued use would be to the benefit of the organisation	R495 917
CFO	Travel agency services	Uniglobe travel agency	Own funds	1/02/2017	31/01/2020	Booking of accommodation and travel arrangements done as and when required	Additional expense putting pressure on the limited budget	3	3	3	3	Bookings delayed at times	rates
CFO	Credit control and debt collection	Physon Business solutions	Own funds	4/2015	4/2018	Credit control and debt collection	None	3	3	3	2	No challenges	R3 200 000
CFO	Debt collection	Altimax Zandile Monene Business, Trifecta	Own funds	10/2015	9/2018	Contract for new debt collectors to be appointed with a more aggressive collection strategy. Current contracts expire October 2018.	None	3	3	3	2	Slow recovery turnaround time on debt handed over	R3 200 000
CFO	Meterreading	Electrocuts	Own funds	7/2015	7/2018	Reading meters on behalf of Council	LPU Readings not done effectively in some months, thus revenue loss.	2	2	3	2	Challenged with access to large power users	R1 600 000



**Table 11: Evaluation of Service Provider Performance for 2017/18**

Dept	Project name	Name of Service provider	Source of funding	Start date	End date	Physical Progress to date - <i>(Narrative required)</i>	Challenges and interventions	Assessment of service provider				Assessment comments <i>(future utilisation of service provider)</i>	R-value of contract <i>(total period)</i>
								(Scale 1-5)	1 - Poor	2 - Fair	3 -Average		
CFO	Valuation roll	Uniquenco	Own funds	1/2017	6/2022	Updates valuation roll on request by municipality-properties under property value objections-matter is still with the CoGSTA valuation board.	None	4	4	4	3	No challenges on insured assets recovery	R2 100 000
CFO	Insurance	Lateral Unison (Insurance Brokers)	Own funds	7/2015	6/2018	Providing insurance cover	None	4	3	3	4	No challenges	R1 814 951
CFO	Assets Management Consultants	ARMS	Own funds	04/2017	04/2020	Asset Verification done	None	5	5	4	4	Challenges on delayed times but will wit testing phase for fuller evaluation	
CFO	MSCOA	SEBATA	Own funds	06/2017	06/2020	Setting up users	Revised implementation plan again	4	3	3	3	No challenges	
CFO	VAT Consultants	PK Consulting	Own funds	02/2017	01/2020	Submitting VAT 201 returns to SARS	Matter under litigation however, service provider will resume duties from July 2018, to curb unnecessary legal costs	1	1	n/a	4	No challenges on insured assets recovery	R 1 102 375.05
CORP	Managed printing service	Phinnet Communications	GTM	2016/11/01	30-Oct-19	The Municipality re-appointed Phinnet Communications through a settlement agreement to curb Legal Fees and service delivery issues.	The service provider will resume work with effect from 1st August 2018.	1	1	1	N/A	Service suspended for the 4th quarter to review service standard	
CORP	Managed printing service	Anaka Group	GTM	01/12/2017	31/05/2018	Anaka Group contract terminated due to the re-appointment of Phinnet Communications.	Not all offices have printing services and this affects service delivery in the Municipality	N/A	3	3	3	The service provider can be appointed in the future.	
CORP	Paperless Council Meetings	Telkom Mobile	GTM	01-Apr-15	31-Mar-17	Paperless Council Services on going.	None.	3	4	n/a	4	Services can be utilized in the future as their service are good	



**Table 11: Evaluation of Service Provider Performance for 2017/18**

Dept	Project name	Name of Service provider	Source of funding	Start date	End date	Physical Progress to date - ( <i>Narrative required</i> )	Challenges and interventions	Assessment of service provider				Assessment comments ( <i>future utilisation of service provider</i> )	R-value of contract ( <i>total period</i> )
								(Scale 1-5)	1 - Poor	2 - Fair	3 - Average		
CORP	Mimecast : Unified Email Management System	EOH	GTM	01-Jul-18	30-Jun-21	The Municipality extended Mimecast with another 36 Months. Mimecast provides a comprehensive email security and archives solution.	None.	4	4	n/a	4	The service provider can be appointed in the future as they provide great services more especially on email security.	
CORP	Unified Communication System (Telephone System)	Callsave	GTM	01-May-17	30-Apr-20	All offices have access to telephones and have implemented a Call Centre System for the Anti-Fraud Hotline, Electrical Department and Engineering Department.	The network not stable due to obsolescence. Council in the process of procuring network equipment to address all network issues.	3	3	3	4	The service provider can be utilized by the Municipality as their services are good.	
CORP	Website Services	SITA	GTM	01-May-15	31-May-18	Website maintenance services on going	None.	4	4	4	4	The service provider can be utilized by the Municipality as their services are good.	
CORP	MFMA Training	Kamanga Skills Projects	GTM	28-Jun-16	31-Dec-17	MFMA training Finalised waiting for Certificates	None	4	n/a	n/a	n/a	Service provider meet all expectation during the course	R966 000
CORP	Truck Mounted Crane Training	Gumela Projects	GTM	01-Nov-17	11-Nov-17	Once off training service: Truck Mounted Crane Training	None	n/a	4	n/a	n/a	Service provider meet expectations and all certificates are back	R120 000
CORP	OHS Training	Gumela Projects	GTM	09-Nov-17	10-Nov-17	Once off OHS training service	None	n/a	4	n/a	n/a	Service provider meet expectations and all certificates are back	R70 000.00
CORP	Firefighting Training	Gumela Projects	GTM	09-Nov-17	10-Nov-17	Once off firefighting training service	None	n/a	4	n/a	n/a	Service provider meet expectations and all certificates are back	R75 000.00
CORP	First Aid Training	Gumela Projects	GTM	09-Nov-17	10-Nov-17	Once off First Aid training service	None	n/a	4	n/a	n/a	Services can be utilised in the future their services are excellent	R100 000
CORP	Linux Administrator Training	Torque IT	GTM	12-Feb-18	16-Feb-18	Training - Once off service ( 1 employee trained as Linux System administrator)	None	n/a	n/a	4	n/a	Services can be utilised in the future their services are excellent	R14 986.01





**Table 11: Evaluation of Service Provider Performance for 2017/18**

Dept	Project name	Name of Service provider	Source of funding	Start date	End date	Physical Progress to date - <i>(Narrative required)</i>	Challenges and interventions	Assessment of service provider				Assessment comments <i>(future utilisation of service provider)</i>	R-value of contract <i>(total period)</i>
								(Scale 1-5)	1 - Poor	2 - Fair	3 -Average		
CORP	EC-Council Certified Security Analyst / LPT Bootcamp Training	Torque IT	GTM	05-Feb-18	09-Feb-18	Electronic Council Training - Once off service (1 employee trained)	None	n/a	n/a	4	n/a	Services can be utilised in the future their services are excellent	R28 386.00
CORP	Windows Server Administration Training	Business Optimization Training Institute (BOTI)	GTM	19-Feb-18	21-Feb-18	Windows server Training - Once off service (1 employee trained)	None	n/a	n/a	4	n/a	Services can be utilised in the future their services are excellent	R18 012. 00
CORP	Linux Essential Training	Torque IT	GTM	05-Mar-18	09-Mar-18	Linux server Training - Once off service (1 employee trained)	None	n/a	n/a	4	n/a	Services can be utilised in the future their services are excellent	R9 058
CORP	Advanced Report Writing Training	Imisimbi Training	GTM	13-Mar-18	16-Mar-18	Advanced report writing Training - Once off service (2 employees trained)	None	n/a	n/a	4	n/a	Services can be utilised in the future their services are excellent	R17 111.40
CORP	Events Management Training	CBM Training	GTM	11-Mar-18	12-Mar-18	Events management Training - Once off service (2 employees trained)	None	n/a	n/a	4	n/a	Services can be utilised in the future their services are excellent	R9 006
CORP	Customer Care Training	Staff Training	GTM	27-Feb-18	28-Feb-18	Customer care Training - Once off service (1 employee trained)	None	n/a	n/a	4	n/a	Services can be utilised in the future their services are excellent	R4 590
CORP	Electronic Records Management System (Collaborator)	Business Engineering	GTM	23-May-18	22-May-21	The support service is rendered according to the signed SLA with no challenges experienced.	None	4	4	4	4	The service provider can be utilized by the Municipality as their services are good.	R7 650 908
CORP	Municipal Governance Training For Councillors	South African Institute of Learning	GTM	29-Mar-17	31-Dec-17	Municipal Governance Training For Councillors	None	4	4	n/a	n/a	The services provider meet expectations and councillors waiting for Results	R13 859 064
CORP	MFMA Training	Gumela Projects	GTM	09-Apr-18	31-Jul-19	Classes in progress	n/a	n/a	n/a	n/a	4	Yes the Service Provider is recommended to be used in future.	R1,309,985
CORP	Protocol and Etiquette Training	DTM Consulting	GTM	19-Jun-18	20-Jun-18	Protocol and Etiquette Training	n/a	n/a	n/a	n/a	4	Yes the Service Provider is recommended to be used in future.	R55 000



**Table 11: Evaluation of Service Provider Performance for 2017/18**

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				Assessment comments (future utilisation of service provider)	R-value of contract (total period)
								(Scale 1-5)	1 - Poor	2 - Fair	3 -Average		
CORP	Facilitation Training	Paseka Business Enterprise	GTM	09-Apr-18	11-Apr-18	Facilitation Training		n/a	n/a	n/a	4	Yes the Service Provider is recommended to be used in future.	R 67 500.00
CSD	Treatment & Disposal Management	Mmatshpe J.V. Theuvedi C.C.	GTM	1/08/2014	31/07/2017	Service is being provided, regular penalties applied in areas of under performance.	Constant supervision and training required from GTM personnel to ensure that service is sustainable.	4	n/a	n/a	n/a	Service provider must be subjected to a "Waste Management Skills-rating" by the BAC during procurement.	R20 060 640
CSD	Treatment & Disposal Management	Theuvedi Trading Enterprise	GTM	1/12/2017	30/11/2020	They are responsible for landfill management at Tzaneen Landfill site	None	4	4	4	4	Municipal services providers must be subjected to a waste management skills-rating during SCM-processes. Norms & standard regulations had to be promulgated (sec. 7 of Nat waste management Act 59/2008)	R20 060 640
CSD	Litterpicking Region-North	Molebogeng Trading Enterprise C.C.	GTM	1/08/2015	31/07/2018	They are responsible for litterpicking in Tzaneen Town and Industrial sites	None	4	4	4	4	Municipal services providers must be subjected to a waste management skills-rating during SCM-processes. Norms & standard regulations had to be promulgated (sec. 7 of Nat waste management Act 59/2008)	R20 060 640
CSD	Litterpicking Region-South	Selema Planthire Construction C.C.	GTM	1/08/2015	31/07/2018	Responsible for Litterpicking at the Southern Region	None	4	4	4	4	Municipal services providers must be subjected to a waste management skills-rating during SCM-processes. Norms & standard regulations had to be promulgated (sec. 7 of Nat waste management Act 59/2008)	R8 675 726
CSD	Collection & Transportation Nkowankowa	Ingwe Waste Management	GTM	1/08/2014	31/07/2017	Contract has expired and a new service provider has been appointed	None	4	4	4	n/a	n/a tender expired	R17 458 429



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								(Scale 1-5)	1 - Poor	2 - Fair	3 - Average		
CSD	Collection & Transportation Nkowankowa & Rural Bulk-waste	Molebogeng Trading Enterprise C.C.	GTM	01/03/2018	28/02/2021	Collection of waste at Nkowankowa	None	n/a	n/a	n/a	4	Municipal services providers must be subjected to a waste management skills-rating during SCM-processes. Norms & standard regulations had to be promulgated (sec. 7 of Nat waste management Act 59/2008)	R15 913 917
CSD	Collection & Transportation Lenyenye	Selema Planthire Construction C.C.	GTM	1/08/2015	31/07/2018	Collection of waste at Lenyenye Township	None	4	4	4	4	Municipal services providers must be subjected to a waste management skills-rating during SCM-processes. Norms & standard regulations had to be promulgated (sec. 7 of Nat waste management Act 59/2008)	R12 502 952
CSD	Grass Cutting	Shidila Trading Enterprise	GTM	1/08/2015	31/07/2018	Contract expired and waiting to be advertised.	None	5	4	4	4	They have done well	0.15
CSD	Garden Maintenance	Tshandukos Consultation and Projects	GTM	1/08/2015	31/07/2018	Contract expired and waiting to be advertised.	None	5	4	4	4	They have done well	R1 386 000
CSD	Physical Security	Letaba Security	GTM	12/07/2017	31 /01/2018	Provision of Physical Security at all Municipal premises to ensure safety of assets and human capital.	None	5	4	5	n/a	Reliable service provider GTM can utilise them in future	R 9 820 000
CSD	Physical Security	Goerge B Security LTD Pty	GTM	01/13/2017	03/03/2020	Physical security to protect employees, municipal assets and clients	Service providers lack some security equipment like firearm and torches	n/a	n/a	n/a	3	The Municipality can utilise their services in future	R1,014 300,00 pm
CSD	Cash in transit	Fidelity cash solutions	GTM	01/07/2013	31/06/2018	Collect and bank money for the Municipality	They do their collections late leaving the Municipality at risk	5	4	5	4	The Municipality can utilise their services in future	R665 751
CSD	Parking	BCIT	GTM	31/09/2013	01/08/2017	Collecting payment for parking in CBD	None	3	3	3	2	Their contract has expired and their payment rate is low	R5



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								(Scale 1-5)	1 - Poor	2 - Fair	3 - Average		
CSD	Speed Law Enforcement	Mavamboits	GTM	2017/01/07	30/06/2017	Provision of speed cameras and sending tickets to transgressors	None	4	4	4	4	Their support toward service delivery is great and appreciated	R69.54
EEM	Specialist emergency services for GTM (electrical department)	Rhino Consulting Engineers	GTM	2017/03/22	2020/03/22	Maintenance of electricity network	Shortage of vehicles and personnel caused the Electrical Department to rely more on this service contract	4	4	4	4	Consultant is on standard with excellent service	R4 871 577
EEM	Metering Audit and determining causes for Revenue losses (NERSA directive)	HAMSA	GTM	2017/03/17	2019/06/30	Metering Audit and determining causes for Revenue losses (NERSA directive) The 1st year of the 2 year scope is completed. The second phase will start in July 2018	Access to properties to audit meters was a challenge in many areas	4	4	4	4	Consultant is on standard with excellent service	R8 487 072
EEM	Electrification of 541 units at Xihoko/ Radoo/ Thapana/ Mavele Phase2	Calibre Consulting Engineers and Tshabalala Multi Service Workshop	DoE Grant	01-07-2017	30-06-2018	Project completed and households energised (100%)	None	5	5	5	5	Performed above standard. Service Providers can be utilised in future	R6 897 904
EEM	Electrification of 330 units at Leolo/ Legobareng/Serare/ Mogabe/ Tshidinko Phase2	IZEW Engineering investments and Kedibone Electrical	DoE Grant	01-07-2017	30-06-2018	Project completed and households energised (100%)	None	5	5	5	5	Performed above standard. Service Providers can be utilised in future	R4 993 176
EEM	Electrification of 425 units at Julesburg area	Simollola Engineering services and Rivisi Electrical	DoE Grant	01-07-2017	30-06-2018	Project completed and households energised (100%)	None	4	4	4	4	Good performance. Service Providers can be utilised in future	R5 951 952
EEM	Electrification of 25 units at Cannors Settlement	AES Consulting and Manco Business Enterprise	DoE Grant	01-07-2017	30-06-2018	Physical construction completed. Project energized (98%)	Busy with house connections. House connections to be	4	4	4	4	Good performance. Service Providers can be utilised in future	R385 612



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								(Scale 1-5)	1 - Poor	2 - Fair	3 -Average		
							completed by end of July 2018.						
EEM	Electrification of 100 units at the Schultz Settlement	AES Consulting and Manco Business Interprise	DoE Grant	01-07-2017	30-06-2018	Service providers appointed. Designs completed. Material Delivered. Physical Construction on hold	Physical construction on hold due to delay with approval to electrify the area by the new owner of the land. Project to be rolled over to 2018/19 Financial year	4	4	4	4	Good performance. Service Providers can be utilised in future	R1 048 866
EEM	Electrification of 90 units at Masoma and Hweetsi	AES Consulting and The Great Rocks Trading	DoE Grant	01-07-2017	30-06-2018	Physical Construction Completed. Busy with updating of ENS (92%)	Delays with updating of ENS. Project to be rolled over to 2018/19 Financial year.	4	4	4	3	Average performance. Service Providers can be utilised in future	R2 483 345
EEM	Electrification of 20 units at Pulaneng	AES Consulting and Manco Business Enterprise	DoE Grant	01-07-2017	30-06-2018	Physical construction completed. Awaiting Energization (97%)	Rejected power outages by Eskom. Busy negotiating with Eskom to speed up energization processes.	4	4	4	4	Good performance. Service Providers can be utilised in future	R925 470
EEM	Electrification of 218 units at Vento Park	AES Consulting Moagi Electrical and Building	DoE Grant	01-07-2017	30-06-2018	Physical construction completed. Project energized. Busy with house connections. (97%)	Additional households outside the designs. Project to be rolled over to 2018/19 financial year	4	4	4	4	Good performance. Service Providers can be utilised in future	R2 313 675
EEM	Upgrading of Waterbok 33/11kV substation	Chule Projects	DBSA	01-07-2017	30-06-2018	Designs were completed. Project on hold till DBSA loan is approved.	Project to be rolled over to 2018/19 Financial year	4	4	4	4	Consultant is on standard with excellent service	R1 000 000
EEM	Upgrading of Blacknoll 33/11kV substation	Chule Projects	DBSA	01-07-2017	30-06-2018	Designs were completed. Project on hold till DBSA loan is approved.	Project to be rolled over to 2018/19 Financial year	4	4	4	4	Consultant is on standard with excellent service	R130 434
EEM	Replace 2x20 MVA 66/11 kV	Chule Projects	DBSA	01-07-2017	30-06-2018	Designs were completed. Project on hold till DBSA loan is approved.	Project to be rolled over to 2018/19 Financial year	4	4	4	4	Consultant is on standard with excellent service	R332 608 696



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								(Scale 1-5)	1 - Poor	2 - Fair	3 - Average		
EEM	Substation fencing (Tarentaal rand Main, Letsitele Main)	Chule Projects	DBSA	01-07-2017	30-06-2018	Designs were completed. Project on hold till DBSA loan is approved.	Project to be rolled over to 2018/19 Financial year	4	4	4	4	Consultant is on standard with excellent service	R130 434
EEM	Replacing of old SS1 electrical substation circuit breakers with compact switchgear	Chule Projects	DBSA	01-07-2017	30-06-2018	Designs were completed. Project on hold till DBSA loan is approved.	Project to be rolled over to 2018/19 Financial year	4	4	4	4	Consultant is on standard with excellent service	R782 608
EEM	Substation tripping batteries	Chule Projects	DBSA	01-07-2017	30-06-2018	Designs were completed. Project on hold till DBSA loan is approved.	Project to be rolled over to 2018/19 Financial year	4	4	4	4	Consultant is on standard with excellent service	R52 174
EEM	Replacing 11kV cables for increased capacity	Chule Projects	DBSA	01-07-2017	30-06-2018	Designs were completed. Project on hold till DBSA loan is approved.	Project to be rolled over to 2018/19 Financial year	4	4	4	4	Consultant is on standard with excellent service	R130 434
EEM	Rebuilding of Valencia 11Kv lines (6km)	Calibre Consulting Engineers	DBSA	01-07-2017	30-06-2018	Designs were completed. Project on hold till DBSA loan is approved.	Project to be rolled over to 2018/19 Financial year	4	4	4	4	Consultant is on standard with excellent service	R130 344
EEM	Rebuilding of Lushof South 11kv line (3km)	Calibre Consulting Engineers	DBSA	01-07-2017	30-06-2018	Designs were completed. Project on hold till DBSA loan is approved.	Project to be rolled over to 2018/19 Financial year	4	4	4	4	Consultant is on standard with excellent service	R65 217
EEM	Rebuilding of Rooikoppies 11kv lines (6km)	Calibre Consulting Engineers	DBSA	01-07-2017	30-06-2018	Designs were completed. Project on hold till DBSA loan is approved.	Project to be rolled over to 2018/19 Financial year	4	4	4	4	Consultant is on standard with excellent service	R130 344
EEM	Rebuilding of Mabiet 11kv line (6km)	Calibre Consulting Engineers	DBSA	01-07-2017	30-06-2018	Designs were completed. Project on hold till DBSA loan is approved.	Project to be rolled over to 2018/19 Financial year	4	4	4	4	Consultant is on standard with excellent service	R130 344
EEM	Rebuilding of Haenertsburg 11kv lines (6km)	Calibre Consulting Engineers	DBSA	01-07-2017	30-06-2018	Designs were completed. Project on hold till DBSA loan is approved.	Project to be rolled over to 2018/19 Financial year	4	4	4	4	Consultant is on standard with excellent service	R130 344
EEM	Rebuilding of Campsies Glen 11kV lines (6km)	Calibre Consulting Engineers	DBSA	01-07-2017	30-06-2018	Designs were completed. Project on hold till DBSA loan is approved.	Project to be rolled over to 2018/19 Financial year	4	4	4	4	Consultant is on standard with excellent service	R130 344



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								(Scale 1-5)	1 - Poor	2 - Fair	3 -Average		
EEM	Rebuilding of Politsi Valley 11kV lines (6km)	Calibre Consulting Engineers	DBSA	01-07-2017	30-06-2018	Designs were completed. Project on hold till DBSA loan is approved.	Project to be rolled over to 2018/19 Financial year	4	4	4	4	Consultant is on standard with excellent service	R130 344
EEM	Rebuilding of CP Minnaar 11kV lines (2km)	Calibre Consulting Engineers	DBSA	01-07-2017	30-06-2018	Designs were completed. Project on hold till DBSA loan is approved.	Project to be rolled over to 2018/19 Financial year	4	4	4	4	Consultant is on standard with excellent service	R52 174
EEM	Rebuilding of Mieliekloof/Deerpark 11kV lines (3km)	Calibre Consulting Engineers	DBSA	01-07-2017	30-06-2018	Designs were completed. Project on hold till DBSA loan is approved.	Project to be rolled over to 2018/19 Financial year	4	4	4	4	Consultant is on standard with excellent service	R65 217
EEM	Houtbosdorp 11kv Ring (10km)	Calibre Consulting Engineers	DBSA	01-07-2017	30-06-2018	Designs were completed. Project on hold till DBSA loan is approved.	Project to be rolled over to 2018/19 Financial year	4	4	4	4	Consultant is on standard with excellent service	R195 652
EEM	Refurbishment of the Ebenezer 33kv Feeder (5km)	Calibre Consulting Engineers	DBSA	01-07-2017	30-06-2018	Designs were completed. Project on hold till DBSA loan is approved.	Project to be rolled over to 2018/19 Financial year	4	4	4	4	Consultant is on standard with excellent service	R130 344
EEM	New Entrance Street R36 streetlights	Calibre Consulting Engineers	DBSA	01-07-2017	30-06-2018	Designs were completed. Project on hold till DBSA loan is approved.	Project to be rolled over to 2018/19 Financial year	4	4	4	4	Consultant is on standard with excellent service	R143 478
EEM	Area Lighting at Tarentaal rand crossing	Calibre Consulting Engineers	DBSA	01-07-2017	30-06-2018	Designs were completed. Project on hold till DBSA loan is approved.	Project to be rolled over to 2018/19 Financial year	4	4	4	4	Consultant is on standard with excellent service	R39 130.00
ESD	Construction of Agatha Cemetery low-level bridge	Mosomo Consulting Engineers	GTM	28/07/2015	Depends on the approval of the WULA	Clearing and grubbing of access road, clearing for graves, Excavations for culvert slab and foundations	None	5	5	n/a	5	We are happy with the performance of the service provider and can be utilised in future	R255 259.54
ESD	Construction of Khubu to Lwandlamuni low-level bridge	Sky High	GTM	30/03/2015	14/06/2017	Bridge Complete	None	5	5	n/a	n/a	We are happy with the performance of the service provider and can be utilised in future	



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								(Scale 1-5)	1 - Poor	2 - Fair	3 - Average		
ESD	Construction of Khubu to Lwandlamuni low-level bridge	Ndoni Properties	MIG	02-Feb-17	14/06/2017	Bridge is Complete	None	5	5	n/a	n/a	We are happy with the performance of the service provider and can be utilised in future	R2 138 556
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	Project is 86% in progress	None	5	5	5	5	We are happy with the performance of the service provider and can be utilised in future	17% of the contract value
ESD	Rita to Mariveni: Upgrading of Road from Gravel to Tar: Phase 3 of 4	Selby Construction	MIG	22/09/2015	31/09/2018	Project is 86% in progress	None	5	5	5	5	We are happy with the performance of the service provider and can be utilised in future	R104 474 437.40
ESD	Moruji to Maswi: Upgrading of Road from Gravel to Tar: Phase 3 of 4	Makasela Engineering and Projects	MIG	05/09/2016	04/09/2018	Project is 80% in progress	Shortage of funds. To request for additional funds	5	5	5	5	We are happy with the performance of the service provider and can be utilised in future	17% of the contract value
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	Project is 80% in progress	Shortage of funds. To request for additional funds	5	5	5	5	We are happy with the performance of the service provider and can be utilised in future	R71 347 670
ESD	Upgrading of Mafarana to Burgersdorp Road From Gravel to Tar	Southern Ambition Consulting Engineers	MIG	28/02/2018	28/02/2018	Upgrading of road is Completed	None	5	5	n/a	5	We are happy with the performance of the service provider and can be utilised in future	17% of the contract value
ESD	Upgrading of Mafarana to Burgersdorp Road From Gravel to Tar	Selby Construction	MIG	28/02/2018	28/02/2018	Upgrading of road is Completed	None	5	5	n/a	5	We are happy with the performance of the service provider and can be utilised in future	R70 713 306.75
ESD	Tickyline to Makhwibidung Tar Road	Southern Ambition Consulting Engineers	MIG	23/11/2015	03/06/2016	Upgrading of road is Completed	None	5	5	n/a	n/a	The Project is complete	17% of the contract value
ESD	Tickyline to Makhwibidung Tar Road	Makasana Construction	MIG	23/11/2015	03/06/2016	Upgrading of road is Completed	None	5	5	n/a	n/a	The Project is complete	R14 474 173.12





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								(Scale 1-5)	1 - Poor	2 - Fair	3 -Average		
ESD	Upgrading of Runnymede Cluster Sports Facility: Phase 2 of 2	Uranus Consulting ENGINEERS CC	MIG	14/03/2016	30/08/2017	Sport Facility is Completed	None	5	5	5	5	We are happy with the performance of the service provider and can be utilised in future	17% of the contract value
ESD	Upgrading of Runnymede Cluster Sports Facility: Phase 2 of 2	Selby Construction	MIG	14/03/2016	30/08/2017	Sport Facility is Completed	None	5	5	5	5	We are happy with the performance of the service provider and can be utilised in future	R30 008 546.00
ESD	Relela Community Hall: Phase 2 of 2	Melco Consulting and Projects	MIG	15/11/2013	24/11/2016	Community Hall is Completed	N/A	5	n/a	n/a	n/a	The Project is complete	17% of the contract value
ESD	Relela Community Hall: Phase 2 of 2	Masrik Social Development Consultancy	MIG	24/11/2016	24/11/2016	Community Hall is Completed	N/A	5	n/a	n/a	n/a	The Project is complete	17% of the contract value
ESD	Upgrading of Juliesburg Sports Complex	Sky High Consulting Engineers	MIG	13/01/2014	5/12/2017	Sport Facility is Completed	N/A	5	5	5	5	We are happy with the performance of the service provider and can be utilised in future	17% of the contract value
ESD	Upgrading of Juliesburg Sports Complex	Moepeng Trading 40	MIG	29/06/2017	5/12/2017	Sport Facility is Completed	N/A	5	5	5	5	We are happy with the performance of the service provider and can be utilised in future	R11 561 753
ESD	Upgrading of Burgersdorp Sports Complex	Sky High Consulting Engineers	MIG	13/01/2014	2017/12/06	Sport Facility is Completed	N/A	5	5	5	5	We are happy with the performance of the service provider and can be utilised in future	17% of the contract value
ESD	Upgrading of Burgersdorp Sports Complex	Leb P	MIG	29/06/2017	2017/12/06	Sport Facility is Completed	N/A	5	5	5	5	We are happy with the performance of the service provider and can be utilised in future	R10 820 101
ESD	New ablution block and upgrading of existing at parks	F And A Consulting engineers	own	24/07/2017	24/10/2017	New ablution block and the upgrading of existing ablution are completed	N/A	4	4	n/a	n/a	We are happy with the performance of the service provider and can be utilised in future	17% of the contract value



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								(Scale 1-5) Fair Good	1 - Poor 3 -Average 5 - Excellent	2 -	4 -		
ESD	New ablution block and upgrading of existing at parks	Mandebele and family	own	24/07/2017	24/10/2017	New ablution block and the upgrading of existing ablution are completed	N/A	4	4	n/a	n/a	We are happy with the performance of the service provider and can be utilised in future	R700 000
ESD	Refurbishment of Tzaneen Airfield runway	AES Consulting Engineers	own	08/2016	Depends on the contractor's appointment	Project at 70% physical progress and behind schedule due to contractor's poor performance	Contractor's contract terminated	n/a	3	3	3	Performance affected by challenged involving the contractor	R340 940
ESD	Refurbishment of Tzaneen Airfield runway	Modulaodira Trading Enterprise	own	01/10/2017	31/01/2018	Project at 70% physical progress and behind schedule	Contract terminated	n/a	2	1	1	We are not happy with the performance of the service provider	R1 786 249
ESD	Maintenance of tarred roads	Moepeng Trading 40	own	05/2017	05/2020	Tarred roads patching on request	None	5	5	5	5	We are happy with the performance of the service provider	Orders issued as need arise
ESD	Maintenance of tarred roads	Makasana Construction	own	05/2017	05/2020	Tarred roads patching on request	None	3	4	4	5	We are happy with the performance of the service provider	Orders issued as need arise
ESD	Maintenance of tarred roads	Selby Construction	own	05/2017	05/2020	Tarred roads patching on request	None	4	4	4	4	We are happy with the performance of the service provider	Orders issued as need arise
ESD	Maintenance of tarred roads	Kamojoe Trading & Projects	own	05/2017	05/2020	Tarred roads patching on request	None	3	4	4	4	We are happy with the performance of the service provider	Orders issued as need arise
ESD	Machine hire	Selby Construction	Own	05/2017	05/2020	Grading of gravel roads, regravelling and TLB hire on request	None	4	4	4	4	We are happy with the performance of the service provider	Orders issued as need arise
ESD	Machine hire	Kamojoe Trading & Projects	Own	05/2017	05/2020	Grading of gravel roads, regravelling and TLB hire on request	None	4	4	4	4	We are happy with the performance of the service provider	Orders issued as need arise
ESD	Machine hire	Selema Planthire Construction C.C.	Own	05/2017	05/2020	Grading of gravel roads, regravelling and TLB hire on request	None	4	4	4	4	We are happy with the performance of the service provider	Orders issued as need arise



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								(Scale 1-5)	1 - Poor	2 - Fair	3 - Average		
ESD	Machine hire	Bukuta BK	Own	05/2017	05/2020	Grading of gravel roads, regravelling and TLB hire on request	None	4	4	4	4	We are happy with the performance of the service provider	Orders issued as need arise
ESD	Supply and delivery of water treatment chemicals	Zamangwane	GTM	01/04/2016	30/04/2019	Supply chemicals to purify water at the water and waste water treatment plants.	None	5	5	5	5	We are happy with the performance of the service provider and can be utilized in future	36 months contract. Orders issued as and when needed.
ESD	Supply and delivery of water treatment chemicals	Zamandlambili Trading	GTM	01/04/2016	30/04/2019	Supply chemicals to purify water at the water and waste water treatment plants.	None	5	5	5	5	We are happy with the performance of the service provider and can be utilized in future	36 months contract. Orders issued as and when needed.
ESD	Supply and delivery of water treatment chemicals	Indlela Construction	GTM	01/04/2016	30/04/2019	Supply chemicals to purify water at the water and waste water treatment plants.	None	5	5	5	5	We are happy with the performance of the service provider and can be utilized in future	36 months contract. Orders issued as and when needed.
ESD	Supply and delivery of water treatment chemicals	Ifa Lethu	GTM	01/04/2016	30/04/2019	Supply chemicals to purify water at the water and waste water treatment plants.	None	5	5	5	5	We are happy with the performance of the service provider and can be utilized in future	36 months contract. Orders issued as and when needed.
ESD	Water tankers hire	Hulelasi	Own	05/2017	05/2020	Delivering/ supplying water to villages, schools clinics and crèches.	None	3	5	5	5	We are happy with the performance of the service provider and can be utilized in future	R0
ESD	Water tankers hire	Selby Construction	Own	05/2017	05/2020	Delivering/ supplying water to villages, schools clinics and crèches.	None	3	5	5	4	We are happy with the performance of the service provider and can be utilized in future	R0
ESD	Water tankers hire	Bukuta BK	Own	05/2017	05/2020	Delivering/ supplying water to villages, schools clinics and crèches'.	None	4	5	5	5	We are happy with the performance of the service provider and can be utilized in future	R562 787
ESD	Water tankers hire	Mathothoka	Own	05/2017	05/2020	Delivering/ supplying water to villages, schools clinics and crèches'.	None	3	5	5	5	We are happy with the performance of the service provider and can be utilized in future	R0



**Table 11: Evaluation of Service Provider Performance for 2017/18**

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				Assessment comments (future utilisation of service provider)	R-value of contract (total period)
								(Scale 1-5) Fair Good	1 - Poor	2 - Average	4 - Excellent		
ESD	Repair and Maintenance of all Equipment	BMK Electro mechanical (PTY) Ltd	Own	09/2017	09/2020	The contractor are used as and when there are pumps breakdown and for emergency work.	None	4	5	5	5	We are happy with the performance of the service provider and can be utilized in future	R520 245
ESD	Repair and Maintenance of all Equipment	TLM Engineering services	Own	09/2017	09/2020	The contractor are used as and when there are pumps breakdown and for emergency work.	The company did not complete the job order	5	5	1	0	We are happy with the performance of the service provider and can be utilized in future	R245 065
ESD	Repair and Maintenance of all Equipment	CLS-Rodecon JV	Own	09/2017	09/2020	Not yet utilised	None	N/a	N/a	N/a	N/a	N/a	R0
ESD	Repair and Maintenance of all Equipment	Mindela water solution	Own	09/2017	09/2020	Not yet utilised	None	N/a	N/a	N/a	N/a	N/a	R0
ESD	Repair and Maintenance of all Equipment	MM Industries Lindokuhle JV	Own	09/2017	09/2020	Not yet utilised	None	N/a	N/a	N/a	N/a	N/a	R0
ESD	Repair and Maintenance of all Equipment	Akhon-Kha projects management TV Mafundzwani	Own	09/2017	09/2020	Not yet utilised	None	N/a	N/a	N/a	N/a	N/a	R0
ESD	Repair and Maintenance of all Equipment	Belta Services cc	Own	09/2017	09/2020	Not yet utilised	None	N/a	N/a	N/a	N/a	N/a	R0
ESD	Repair and Maintenance of all Equipment	Eternity Star Investment 231	Own	09/2017	09/2020	Not yet utilised	None	N/a	N/a	N/a	N/a	N/a	R0
ESD	Repair and Maintenance of all Equipment	Wanga Power projects cc	Own	09/2017	09/2020	Not yet utilised	None	N/a	N/a	N/a	N/a	N/a	R0
ESD	Repair and Maintenance of all Equipment	MancoBusiness Enterprise (PTY) Ltd	Own	09/2017	09/2020	Not yet utilised	None	N/a	N/a	N/a	N/a	N/a	R0



**Table 11: Evaluation of Service Provider Performance for 2017/18**

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				Assessment comments (future utilisation of service provider)	R-value of contract (total period)
								(Scale 1-5)	1 - Poor	2 - Fair	3 - Average		
ESD	Repair and Maintenance of all Equipment	Magnavolt Trading 819 cc	Own	09/2017	09/2020	Not yet utilised	None	N/a	N/a	N/a	N/a	N/a	R0
ESD	Supply and delivery of water treatment chemicals	Zamangwane	GTM	01/04/2016	30/04/2019	Supply and delivery of water treatment chemicals	None	5	5	5	5	We are happy with the performance of the service provider and can be utilized in future	R 81 841.08
PED	Review of the LED Strategy	Urban-Econ	Own	15/03/2017	30/06/2017	Project completed. LED Strategy to be approved by Council	N/A	4	4	n/a	n/a	Can be recommended for future engagements	R449 559

From **Table 11** the following issues should be noted:

1. By far the majority of service providers are providing services as expected
2. In instances where service providers are performing badly their contracts are terminated.
3. The outsourcing of services due to the limited in-house capacity in terms of electricity maintenance is of concern. The Electricity Department's internal capacity (in terms of personnel, vehicles and equipment) should be improved to avoid the use of service providers for maintenance functions.



## 6. Progress with implementing recommendations of the 2016/17 APR

The table below contains the recommendations made in the Annual Performance Report for 2016/17. The recommendations that have been fully implemented is highlighted in blue.

<b>Table 12: Progress with the implementation of APR recommendations (4th Qtr of 2017/18)</b>						
	<b>Recommendation</b>	<b>Department</b>	<b>Timeframe</b>	<b>Progress made by 30 June 2018</b>	<b>Challenges in implementing the recommendation</b>	<b>Required interventions</b>
<b>1</b>	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.	CORP	End of April 2018	The organisational structure for 2018/19 was approved by Council, and changes in roles, responsibilities and reporting lines were clarified.	Budget constraints to make provision for certain positions.	To do a thorough scientific review of the structure to ensure that it adhere to municipal mandate and is affordable.
<b>2</b>	2. That the Fleet Management Policy be finalised and submitted to Council.	CFO	30 June 2018	Implementation delayed. Investigations identified the need for a Fleet audit to be undertaken and process engineering prior to creating fleet policy	Fleet audit required. Policy Review to be concluded by October 2018	Secure an external consultant to asses fleet controls and fleet cost audit and measures which will guide policy reforms, prior to implementing fleet systems
<b>3</b>	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.	CORP	30-Mar-18	Consolidated ward committee report not yet being compiled	Only two cluster submitted reports and the third report from Bulamahlo is ready to be submitted	Speaker to do oversight in all cluster - Joint meetings of cluster heads to be convened.



**Table 12: Progress with the implementation of APR recommendations (4th Qtr of 2017/18)**

Recommendation	Department	Timeframe	Progress made by 30 June 2018	Challenges in implementing the recommendation	Required interventions
4. That quarterly Financial Statements be submitted to the Audit Committee.	CFO	30-Mar-18	Not implemented due to capacity constraints	Capacity challenges on accountants	Vacant accountant posts to be filled
5. That reports on the implementation of the MSCOA Process Plan be submitted to Council on a monthly basis.	CFO	Monthly	MSCOA steering Committee meetings considered progress reports. Report to Council in July 2018.	Reporting to Council only quarterly	Reports to be submitted to Council on a quarterly basis.
6. That the attendance of IDP steering committee meetings be monitored through the Performance Plans for Directors.	MM	30-Jun-18	Issues was discussed during drafting of Performance Plans but indicated that it is to operational.	None	IDP office will monitor attendance and report non-compliance to the Accounting Officer
7. That PED conducts a cost benefit analysis on GTEDA covering the past 10 years, and advises Council on the way forward.	PED	30 June '18	Cost benefit analysis not done. A Meeting was held with GTEDA to raise the matter.	Budget to appoint the Service Provider to conduct the assessment	Budget and appointing an independent Service Provider to conduct the analysis
8. That the Managers: Risk and Legal be represented in the Bid Evaluation Committee meetings.	MM	30 January '18	Risk and Legal offices not yet represented on the BEC. Bid committees implementing a checklist to ensure compliance with procedures. Risk Manager requested to attend Bid evaluation meetings on an ad-hoc basis to monitor compliance	None	None
9. That the process and criteria for the evaluation of service providers be included in the Performance Monitoring and Evaluation Framework.	MM	30 January '18	Implemented. Framework approved by Council	None	None



**Table 12: Progress with the implementation of APR recommendations (4th Qtr of 2017/18)**

Recommendation		Department	Timeframe	Progress made by 30 June 2018	Challenges in implementing the recommendation	Required interventions
<b>10</b>	<b>10.</b> That measurable deliverables be included in all the Service Level Agreements to enable monitoring and evaluation to take place.	MM	30 January '18	Not yet implemented	Generic Service Level Agreements is being used for service providers	Legal office to ensure measurable deliverables contained in the Bid Specifications must be included in SLAs.
<b>11</b>	<b>11.</b> 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.	MM	30-Mar-18	Advert delayed to accommodate the official launch of the Fraud Hotline. The hotline was launched in June.	None	Advert to be publicised by end July 2018.

From **Table 12** it can be seen that only 2 of the 11 of the recommendations made in 2016/17 were fully implemented by 30 June 2018. 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 cross cutting areas affecting the performance of the organisation. An attempt will be made at identifying the root causes to these, in order to make recommendations on how to address them (see [Section 8](#)).

### 7.1 Dis-Integrated Development Planning

Considering the performance reported for the entire organisation during the 2017/18 financial year the area with the largest contribution to the underperformance was the non-implementation of the capital programme for refurbishing the electricity network. Careful consideration should therefore be given to the reasons why this happened.

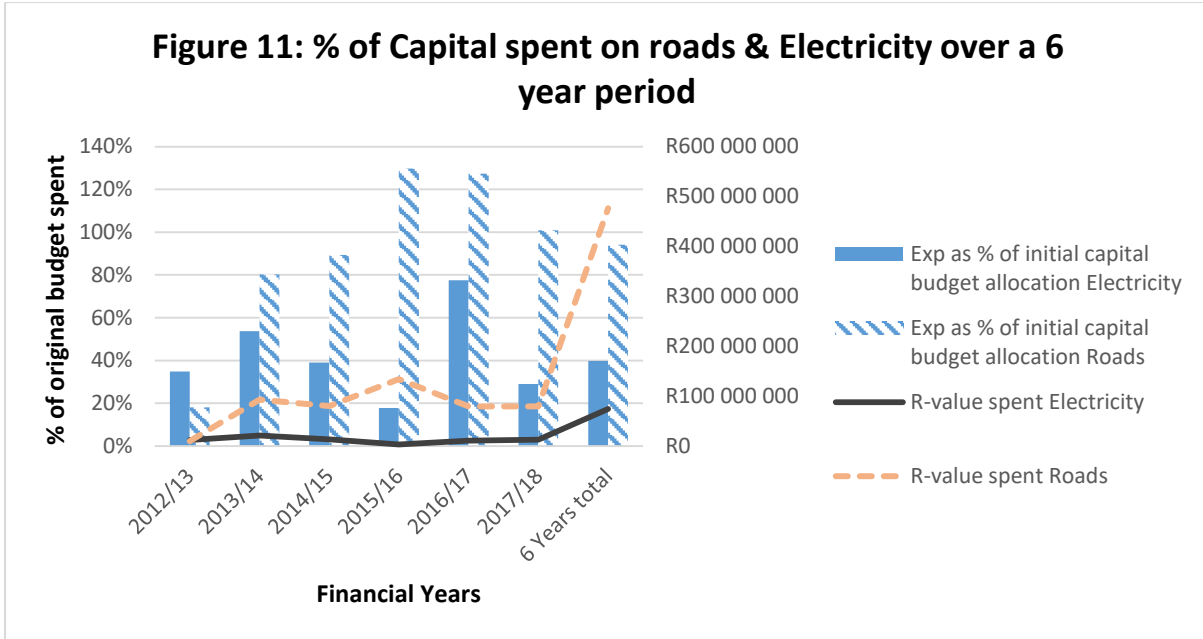
#### 7.1.1 Budget Management & Planning

The capital programme planned for 2017/18 to refurbish the electrical infrastructure was dependant on the approval of a loan from the DBSA. The loan was not yet secured by the time the IDP and Budget for 2017/18 was approved by Council. The R30 million required from DBSA for 2017/18 were still not secured by the end of the financial year.

GTM has made huge progress in ensuring that households have access to electricity. Herein the electrification of villages are progressing well, to a level where it is estimated that 99% of the households in the GTM area have access to electricity. However, the GTM electricity network is also the main source of own income to Council and therefore re-investment into refurbishment and upgrade of the network is required to ensure a sustained service and income. As can be seen from the performance on the Service Delivery Key Performance Area, most of the projects planned for the Electricity Department were not implemented, due to the fact that funds were not secured on time to implement them. Considering the capital investment during the past 6 years on the electricity and road infrastructure the picture below emerges:



**Figure 11: % of Capital spent on roads & Electricity over a 6 year period**



From **Figure 11** it can be seen that while the capital spent on roads at times exceeded the initial planned allocation, the opposite happened for the electricity network. As a result, over a period of 6 years, more than R400 million have been spent on the road network (including Grant funding) but less than R75 million on the electricity network. The bulk of the investment in the road network is however from grants received from Treasury in the form of the Municipal Infrastructure Grant (MIG), aimed at eradicating service backlogs. While own funds or loans are required to upgrade and maintain the existing electricity network.

The increase in the electricity outages, during the past financial year, places an increased burden on the revenue generation capacity of Council, since it not only encouraged major power users to consider alternative sources of energy but more negatively resulted in insurance claims and an increase in electricity losses. The electricity losses increased to 22% during 2017/18, at an estimated value of above R100 million. It is however encouraging to note that a service provider was appointed to investigate the cause of the electricity losses and efforts are underway to address the issues identified. Capital funding will however have to be secured to fund some of these.

### 7.1.2 Absence of Revenue enhancement initiatives

Although the development of a Revenue Enhancement Strategy was planned annually since 2015/16, it has not been developed yet. Such a strategy should guide Council in terms of how



to increase the revenue base e.g. through servicing land for development. Although the Council has secured large tracts of land over the past financial years, the development of these land parcels are not yet finalised to an extent where sites are sold and income can be generated from new households. Considering the socio-economic impact such developments could have on the lives of low to middle income households and income of Council, these developments should be finalised. This, since significant revenue generation capacity exists in the development of Council owned land surrounding Tzaneen Town, as these are within the GTM electricity service area, which has the highest payment rate for services.

## 7.2 Lack of operating tools and equipment

Service delivery departments (mainly referring to the Engineering, Electrical and Community Services Departments) require the support of administrative departments such as Corporate Services and the Office of the Chief Financial Officer. These service departments however also require operating tools and equipment to perform their daily duties. Various challenges were experienced in this respect during 17/18 and are as follows:

### 7.2.1 Administrative tools (IT network & Printers)

Administration is becoming increasingly dependent on the functionality of the IT network, since most functions are computerised to improve efficiency and record keeping. However such electronic systems can only be effective if the IT network and hardware is regularly upgraded. During the financial year under review improvements were made to the IT network but not enough to reduce downtime significantly. Administration was also greatly frustrated by the challenges experienced with the capacity of equipment supplied for printing services.

### 7.2.2 Operating Tools & Equipment

During the 2017/18 financial year no capital was allocated for the replacement of tools and equipment. This follows a pattern from previous years where capital was focused on the road and electricity networks while basic tools and equipment, where not catered for. Services such as the maintenance of parks, cemeteries, sport grounds, streetlights and street signage



were severely affected. Maintenance teams do not have the tools and equipment required for them to perform their duties, resulting a decline in the service and unnecessary overtime or the appointment of service providers to perform these tasks.

### 7.2.3 Fleet Management

Fleet Management in general has been neglected, with the replacement of vehicles not taking place during the past few years, the result of this became very evident during 17/18. Throughout the 17/18 financial year the availability of vehicles for the maintenance of the electricity & road networks as well as the solid waste and parks management services were hampered by vehicles being stuck in the mechanical workshop for extended periods of time. Or, simply not enough vehicles being available e.g. the electricity department doesn't even have a vehicle for each of the electricians. In addition to the fact that human resources were under-utilised as a result of the lack of vehicles, unnecessary repeated expenditure was incurred to secure plant and equipment to e.g. lift transformers or maintain roads. Although the replacement of vehicles was included in the IDP for procurement during 2018/19 this is dependent on securing a loan.

## 7.3 Human Resource Management

The Management of existing human resources are a strategic component of a high performing organisation. Key aspects that need to be taken are of is the review of the organisational structure to support the implementation of the IDP, the filling of vacancies, skills retention and limiting institutional memory loss.

### 7.3.1 Review of the organisational structure

Although the organisational structure was approved along with the 18/19 IDP in May of 2018, the 792 vacant posts reflected on the structure constitute a vacancy rate of 55%. The organogram for GTM is therefore not realistic taking budgetary constraints and operational requirements into consideration. Ideally the vacancy rate should not be more than 10% of the total number of posts. The structure requires an intensive overhaul to align with



operational requirements and to be able to serve as a guidance to Management on which posts needs to be filled urgently.

### 7.3.2 Filling of vacancies

The performance of GTM was severely affected by the vacancies in the position of Municipal Manager and Directors. Since these positions constitute the senior management of administration the fact that these positions were only filled in the 4<sup>th</sup> quarter of the financial year, resulted in various targets not being met. The delay in the filling of critical vacancies e.g. Manager: Projects (Electrical Engineering) is also of concern as this position was a key role player in managing the implementation of capital projects for the electrical department to the value of R30 million rand.

The filling of vacancies, while at the same time promoting existing staff and retaining skills, becomes a very difficult balancing act when the filling of posts from existing staff compliment results in another vacancy being created. The Revenue, Licensing and Internal Audit Divisions, for example, were impacted on by internal promotions since other vacancies in the same division was created in the process.

## 7.4 Financial Management

The 17/18 financial year was marked with cash flow constraints, which necessitated the review of planned expenditure and cost containment measures.

### 7.4.1 Capital Expenditure Management

Operational expenditure reporting throughout the year proved to be a challenge due to the fact that internal labour, depreciation and bad debt were not allocated on a monthly basis. Under-expenditure were therefore reflected on the operational budget of especially the service departments. Correcting this under reporting at year-end cause challenges for alignment between the APR & AFS.

Capital expenditure reporting also proved exceptionally difficult to manage, since various planned projects could not be implemented due to the loan not being secured in time. In an



attempt to be ready for implementation by the time the funds are received, expenditure was incurred on some of these projects (electricity related projects) while the fund were actually not yet available and was not secured by year-end. There are insufficient controls in place to ensure that expenditure is not incurred on capital items where no budget is available. Operational funds are used to fund items which are capitalised at year-end on the asset register causing a non-alignment between the IDP/budget and expenditure.

The expenditure on MIG (capital allocated for roads and community infrastructure projects), on the other hand, exceeded the budgeted amount because MIG bonus allocations was received in 16/17 (and rolled over to 17/18) and again in 17/18. The exceptional progress made in implementing the MIG projects are commendable, however it does create challenges with reporting on capital expenditure.

#### 7.4.2 Revenue Management

The increased pressure on the municipal budget placed more emphasis on the need to strengthen the human resource capacity in the revenue division. Herein the efficiency of the outsourced meter reading services, the disconnection of defaulting accounts and also debtor management is essential. The Revenue Division needs to be capacitated to ensure that internal capacity is increased to monitor billing, conduct credit control and to manage the valuation of properties. It is therefore essential that vacant posts be filled with competent individuals.



## 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.

- A. Development of a Revenue enhancement Strategy.
- B. A fixed percentage of the income from electricity should be set aside for re-investment into the refurbishment and upgrade of the existing GTM network (6% as per NERSA requirements).
- C. Service Departments (ESD, EED & CSD) should conduct an internal investigation to determine the current state of, and need for, tools and equipment to inform the IDP project prioritisation process.
- D. An annual capital allocation should be set aside for the procurement of capital tools and equipment for all services.
- E. To review all land availability agreements between Council and developers.
- F. To review the organisational structure to align to the IDP and ensure a realistic vacancy level.
- G. Human resource capacity in the Internal Audit, Asset Management, Expenditure and Revenue divisions to be increased.
- H. That an external audit on the whole fleet management process be conducted.
- I. That the controls in place to manage capital expenditure be audited by Internal Audit.
- J. That performance measurements be included in the Service Level Agreements between Council and companies providing good and services in excess of R200 000.
- K. That the return on investment in GTEDA be investigated

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**Approved by:**

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**Mr. BS Matlala**

**Municipal Manager**

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