

2015/16

ANNUAL REPORT

GREATER TZANEEN MUNICIPALITY



OFFICE OF THE MUNICIPAL MANAGER

Civic Centre

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Tzaneen

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LIST OF ABBREVIATIONS

ABET	Adult Basic Education and Training
AFS	Annual Financial Statements
APR	Annual Performance Report
BDS	Blue Drop Status
CBO	Community Based Organisation
CCMA	Council for Conciliation, Mediation and Arbitration
CDW	Community Development Worker
CFO	Chief Financial Officer
COGHSTA	Department of Cooperative Governance, Housing, Settlements and Traditional Affairs
COIDA	Compensation for Injury Act
CPMD	Certificate Programme in Management Development
DEAT	Department of Environmental Affairs and Tourism

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DLTC	Driver License Testing Centre
DoC	Drop off Centre (waste)
DSAC	Department of Sports, Arts and Culture
EPWP	Expanded Public Works Programme
ESD	Engineering Services Department
EXCO	Executive Committee
GAMAP	Generally Accepted Municipal Account Principles
GTEDA	Greater Tzaneen Economic Development Agency
GTM	Greater Tzaneen Municipality
GRAP	Generally Recognised Accounting Principles
HDA	Housing Development Agency
HIV	Human Immunodeficiency Virus
IDP	Integrated Development Plan
KPI	Key Performance Indicator
LED	Local Economic Development
LTA	Local Tourism Association
MDM	Mopani District Municipality
MEC	Member of the Executive Committee
MFMA	Municipal Finance Management Act
MFMP	Municipal Finance Management Programme
MIG	Municipal Infrastructure Grant
MPAC	Municipal Public Accounts Committee
MSA	Municipal Systems Act
NDPG	Neighbourhood Development Partnership Grant

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NERSA	National Energy Regulator of South Africa
NGO	Non-Governmental Organisation
NMC	National Moderation Committee
NYDA	National Youth Development Agency
OHS	Occupational Health and Safety
PA	Personal Assistant
PMS	Performance Management System
PDP	Professional Drivers Permit
PTH	Personal to Holder
RDP	Reconstruction and Development Programme
SAIMSA	Southern African Inter Municipal Sport Association
SALGA	South African Local Government Association
SALGBC	South African Local Government Bargaining Council
SANS	South African National Standards
SCM	Supply Chain Management
SDBIP	Service Delivery and Budget Implementation Plan
SDF	Spatial Development Framework
VIP	Ventilated Improved Pit (toilet)
WACCA	Wage Curve Collective Agreement
WSA	Water Service Authority
WSP	Water Service Provider
YGD	Youth Gender and Disability (Programme/ office)

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CHAPTER 1 – MAYOR’S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A: MAYOR’S FOREWORD

As local government we have a massive responsibility, we have on one hand the responsibility to accelerate development and on the other hand the responsibility to sustain basic service provision to all our residents. We also have to balance the competing needs of our rural communities with their urban counterparts with little resources at our disposal. Our urban communities are more developed and contribute more in terms of revenue in direct comparison to our rural communities. So while we collect less or nothing at all from our rural communities which make up over 80% of the municipality we are compelled to make a provision for them, this is straining our resources but it has to be done.

We have been able at least to accelerate the provision of basic service infrastructure such as rural electrification, construction of low level bridges, installation of strategic lights and upgrading of critical roads, however water provision remains a huge challenge specifically in previously disadvantaged communities. We are unfortunately not directly responsible for that service and we made efforts to be accorded the water service authority status which currently rests with the Mopani District Municipality. We are confident that given that status and the funds that come with it we will be able to account and properly plan for our people.

Although we were able to engage and consult our people there is still room for improvement, we need to push for constant engagement and to be more proactive whilst being responsive to the needs of all communities. We also need to improve our turnaround times in relation to dealing with customer requests, complaints and correspondences. Our councillors must also uphold the highest ethics and be accessible to communities and provide constant feedback to residents in relation to pressing issues that affect them.

We have noted areas that need urgent intervention such as the refurbishment or the overhauling of ageing infrastructure for both electrical and water. The maintenance of our

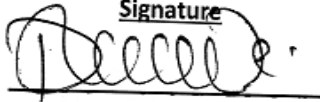
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current infrastructure such as our road network and recreational facilities is also an important. We therefore need to urgently device strategies to attract funding and/or investors to help us expedite development and sustain basic service provision to both our rural and urban communities. We also have to consider revenue expansion strategies such as development of new urban settlements and business areas. Finally, years of hard work to get a good audit report from the auditor general is finally paying off with the receipt of an Unqualified Audit report for 2015/16 financial year. We must all pat ourselves on the back for such a monumental achievement. In the 2015/16 we have done more but together in 2016/17 we can do much more.

Mayor

Her Worship,

Cllr. DJ Mmetle

Signature


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COMPONENT B: EXECUTIVE SUMMARY

1.1. MUNICIPAL MANAGER'S OVERVIEW

The 2015/16 year was a year during which the local government elections impacted on the operations of the municipality. The election process had a great bearing on the activities of the administration as various process depend on the functionality of Council. GTM experienced an unprecedented number of community protests but it was brought under control by effective interventions from both political and administrative leaders.

However, the main achievement for GTM must be obtaining an unqualified audit opinion from the Auditor General for the year 2015/16. An achievement that only came about because of hard work and dedication from employees throughout the year. Other achievements include:

- The electrification of 1 858 households in villages
- Provision of basic solid waste removal to 39% of households
- Various multi-year projects commenced to upgrade roads from gravel to tar
- The completion of the Indoor and Outdoor Sports Centre at Nkowankowa
- The provision of low level bridges
- Provincial Greenest Town award (14/15).

These achievements came about in spite of administrative challenges due to labour disputes which resulted in vacant positions not being filled, the organogram not being reviewed and the Job Evaluation process being halted. Council also required a Forensic Audit to be conducted during 15/16.

MUNICIPAL MANAGER

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1.2. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

Greater Tzaneen Municipality has functions bestowed upon it by the Constitution of the Republic of South Africa (Act no 108 of 1996). Our functions are amongst others as follows:

- As a water service provider, the authority being Mopani District Municipality, Greater Tzaneen Municipality provides water through tankers to villages and areas where there is a shortage.
- The Municipality also provides refuse removal services.
- Provision of electricity.
- Provision of sanitation, in partnership with Mopani District Municipality.
- Provision of road and storm water infrastructure.
- Considering building plans and town planning applications

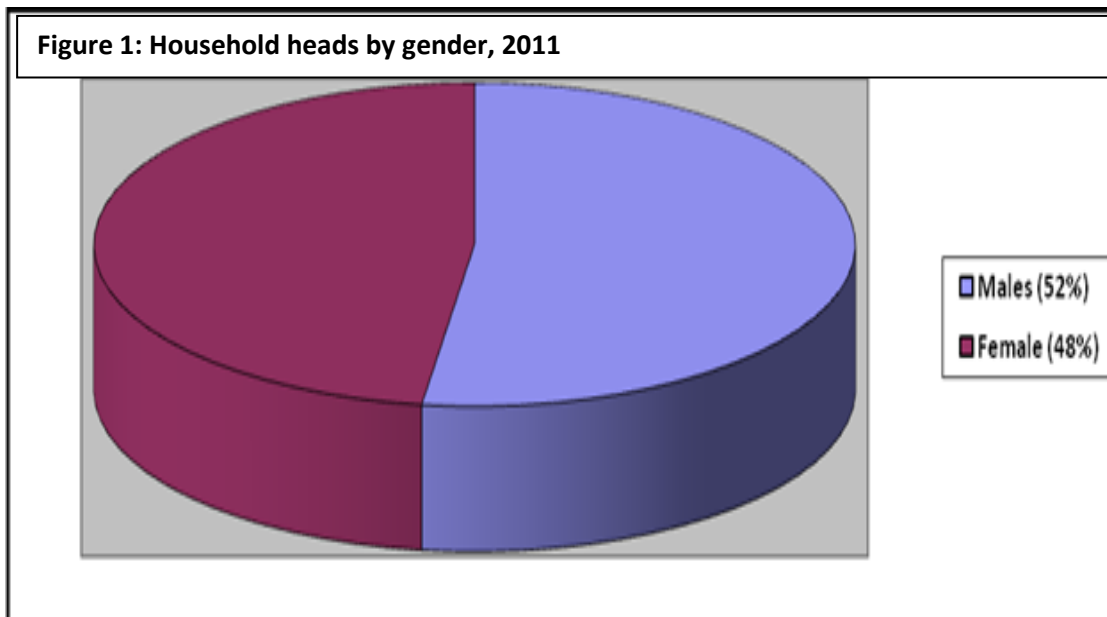
According to the Statistics South Africa (Census 2011), the Greater Tzaneen Municipality has increased its population from **375 588** to **390, 092** (an increase of 14 504) comprising of **181 558** males (Census 2001, **171 119**) and **208 536** females (Census 2001, **204 469**). Females still outnumber males as they comprise 53% of the population (54% during Census 2001). Young people between the ages of 14 – 35 constitute 40% (**156 900**) of the total population of the Municipality (See **Table 1**).

Age Group	2001			2011		
	Male	Female	% of Total	Male	Female	% of Total
Age 0-4	19086	19489	10.3%	24007	24002	13%
Age 5-9	23135	23624	12.4%	18877	18989	10%
Age 10-19	48442	49172	26.0%	40526	39299	21%
Age 20-29	29315	35811	17.3%	35280	37141	19%
Age 30-39	19388	28009	12.6%	20795	26950	13%
Age 40-49	13766	19780	8.9%	15236	22583	10%
Age 50-59	9142	10854	5.3%	10241	14761	7%

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Table 1: GTM Population by gender and age						
	2001			2011		
Age Group	Male	Female	% of Total	Male	Female	% of Total
Age 60-69	4892	8936	3.7%	6220	8763	4%
Age 70-79	3956	8784	3.4%	2856	6335	2.4%
Total	171122	204459	100%	174038	198823	100%

The graph below, **Figure 1**, represents the gender heads of households within the Municipality. According to the Statistics South Africa Census 2011, the Municipality comprises of 108 926 households (Stats Census 2001, 89,831), this represents an increase of 19 092. Males constitute 56 884 heads of households whereas females constituted 52 052. The above information shows a move in the of gender heads of households from females to males.



Source: Stats SA Census 2011

Socio-economic statistics for the municipal area is limited to the unemployment rate as established during the 2011 Census.

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Year	Housing backlog as proportion of current demand	Unemployment rate	% of Households with no income	% of Population in low-skilled employment	HIV/AIDS prevalence	Illiteracy rate for people older than 14
2008	14 101	20%	29%	Not known	13.00%	Not known
2009	14 145	20%	29%	Not known	28.50%	Not known
2010	13 688	20%	29%	Not known	Not known	Not known
2011	12 590	20%	29%	Not known	Not known	Not known
2012	12590	36%	13.37%	Not known	Not known	Not known

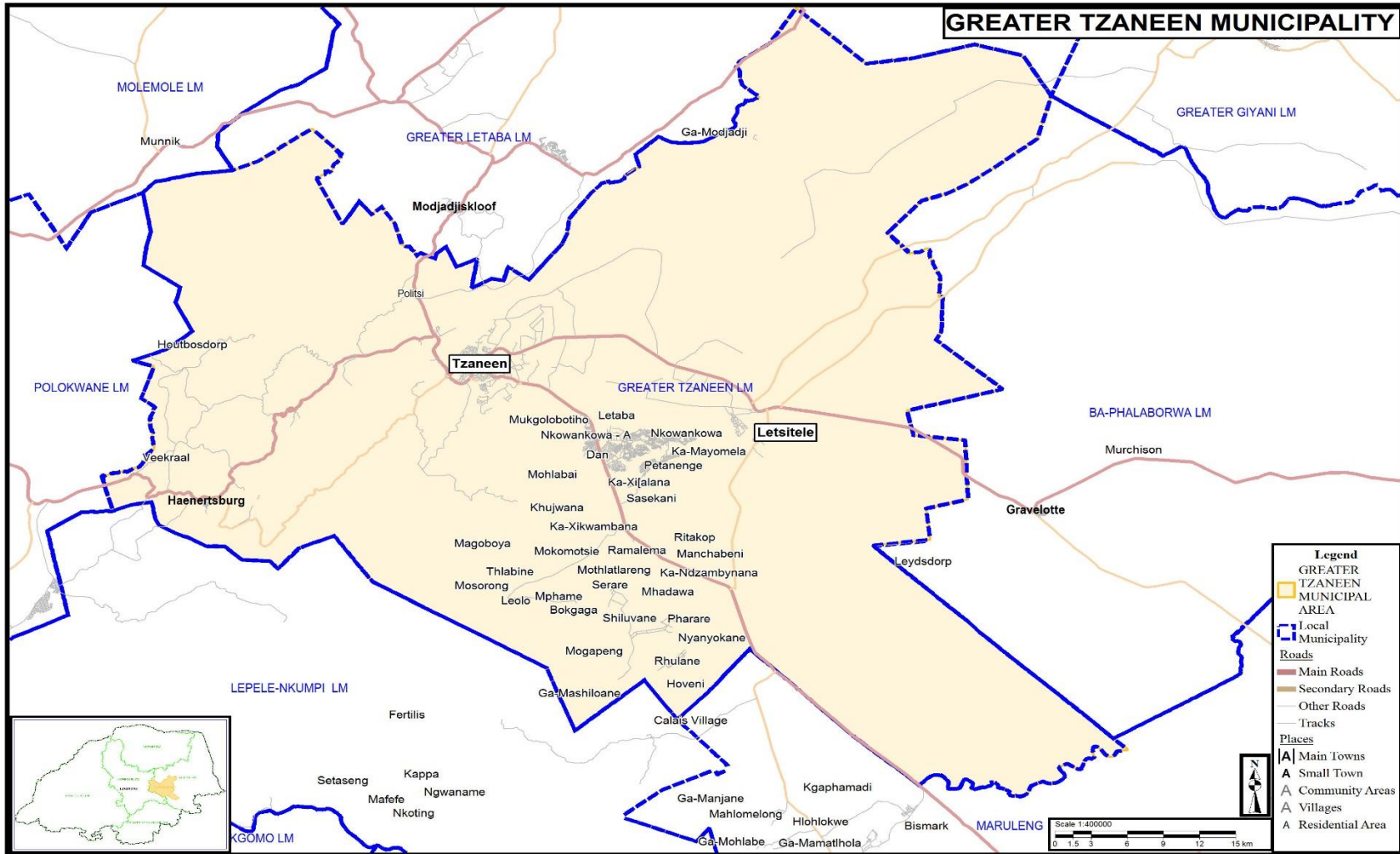
Settlement Type	Households	Population
Towns: (Tzaneen, Letsitele, Lenyenye, Nkowankowa & Haenertsburg)	16433	65734
Villages (131 villages)	63 468	317 344
12 Informal settlements	Not known	Not known
Total	79 901	383 078

A map of the Greater Tzaneen municipal area is presented in **Figure 2**.

Major Natural Resource	Relevance to the Community
Land	Agricultural development Mining and quarrying Property development Grazing land for domestic and wild animals
Rivers, waterfalls and dams	Water for agriculture Human consumption Tourism development/promotion
Forests	Manufacturing/sawmills Improve biodiversity and biosphere Soil conservation
Nature Reserves	Environmental management Improvement of the eco-system Preservation of indigenous species and animals Tourism

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Figure 2: Map of GTM Area



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1.3. SERVICE DELIVERY OVERVIEW

Greater Tzaneen Municipality has a responsibility to provide services to its people. During the 2014/2015 financial year, projects aimed at improving the lives of the local people were implemented in various wards and the Municipality; these are presented in **Table 5**.

Service	Activities
1. Water	<ul style="list-style-type: none"> ✓ An average of 120 villages are getting water through water trucks ✓ All pipe burst are attended within 8 hours ✓ More than 75 % of school, clinics and crèches in rural areas receives water through water trucks. ✓ 160 new water connection were done
2. Sanitation	<ul style="list-style-type: none"> ✓ All sewer blockages were attended to within 24 hours ✓ 112 new sewer connection were done
3. Electricity	<ul style="list-style-type: none"> ✓ 414 households electrified at Mawa Block 8,9 & 12 ✓ 70 households electrified at Mogapeng Phase2 ✓ 180 households electrified at N'wajaheni ✓ 307 households electrified at Pharare ✓ 703 households electrified at Rwanda/Mandlazi ✓ 184 households electrified Musiphani East and West
4. Roads and Storm water	<ul style="list-style-type: none"> ✓ 8.5km gravel roads updated to tar ✓ 3136 km grading done on gravel roads ✓ 11 636 m² Potholes patched. ✓ Stone pitching was constructed and storm water pipes were installed as per available budget on areas with critical storm water challenges.
5. Fleet Management	<ul style="list-style-type: none"> ✓ No replacement of vehicles was done during the year under review. Only normal periodic maintenance and attending to emergency breakdowns that were conducted on existing vehicles. ✓ Budget should be prioritised to replace the existing fleet as the repairs are now becoming very costly due to the age of the vehicles
6. Waste Management	<ul style="list-style-type: none"> ✓ 39% of households receive at least a basic waste collection service ✓ 11 hectare licensed landfill site ✓ 71,929 m³ General Waste received at the Landfill-site ✓ 18,179 m³ Garden Waste received at the Landfill

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Table 5: Key Service delivery initiatives 2015/16		
Service	Activities	
	✓ 3,522 m ³ Recycled at landfill	
7. Building and Maintenance	<ul style="list-style-type: none"> ✓ Value of plans approved for new houses R 125 023 600 ✓ Value of plans approved for additions to existing houses R 29 660 800 ✓ Value of plans approved for new shops R 8 366 800 ✓ Value of plans approved for new town houses R 5 361 200 ✓ Value of plans approved for new cell phone tower R 1 612 000 125 023 600 ✓ Maintenance was carried out to existing buildings to comply with OHS but the budget is insufficient to cater for the demand. 	
8. Land, Property and Housing	<ul style="list-style-type: none"> ✓ 2015/16 housing project is completed and the allocation was 500 units housing units was completed ✓ Acquisition of Portion 9 and 38 of the Farm Hamawasha 557LT 	
9. Library Services	<ul style="list-style-type: none"> ✓ 126,777 users were assisted at GTM libraries ✓ 59,201 books were circulated ✓ 166 School groups visited the libraries ✓ 1042 assignment topics were assisted with ✓ 26 Book related events were hosted ✓ 4 Holiday programmes were held 	
10. Licensing Services	Service	Number/ Value
	Vehicle registration	12363/R1 409382-00
	Vehicle renewal	52147/R30670028-00
	Traffic fine payment	0/R0-00
	Issuing of driving license	19383/R3993728-00
	Issuing of learners license	8802/R501714-00
	Issuing of public driver's license	3795/R374807-00

A summary of access to basic services is presented in **Table 6**:

Table 6: Percentage of Households with access to basic services				
Financial Year	Service			
	Electricity	Water	Sanitation	Waste collection
2008/2009	70%	53%	13%	9%
2009/2010	81%	76.30%	32.90%	10.20%
2010/2011	82.80%	80%	40.20%	11%
2011/2012	85%	80%	42.02%	12%

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Table 6: Percentage of Households with access to basic services

Financial Year	Service			
	Electricity	Water	Sanitation	Waste collection
2012/2013	89%	72%	44.6%	12%
2013/2014	91%	49%	26.22%	8%
2014/2015	93%	49%	26.22%	39%
2015/2016	94%	48.5%	13.6%	39%

Ensuring universal access to basic services is entrenched in the Vision of GTM however, budget constraints does not allow for these services to be extended as would be ideal. It is especially in the case of waste collection that the municipal budget is insufficient to fund waste removal services in large, sparsely populated rural areas, especially since cost recovery is not yet workable. Mopani District Municipality is the Water Service Authority (WSA) and therefore has authority over water and sanitation service expansion, while GTM is only the Water Service Provider in the 5 formal towns within the our area of jurisdiction. This limits our ability to address the water and sanitation backlogs which are a priority to our rural communities.

1.4. FINANCIAL HEALTH OVERVIEW

Like many other municipalities in our country Greater Tzaneen Municipality also experiences challenges with the provision of service to our community. Sound financial management principals have however been adhered to, to ensure that services are provided economically, sustainably and equitably to all communities. To promote sustainable service delivery Council embarked on the implementation of a range of revenue collection strategies which also optimized the collection of outstanding debts. An amount of R79 million has been levied by way of property tax and R450 million was sourced from services charges.

Apart from revenue collection the Municipality also placed high emphases on the delivery of basic service and the maintaining of infrastructure. An amount R1.057 Billion has been spent on operating activities of which R25.5 million excluding labour was used to maintain Council's assets. Council ended the financial year with a cash book balance of R54.4 million, but

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conditional grant allocations to the amount of R19.4 million have not been spent during the financial year. It must also be mentioned that a loan of R30 million has been taken up to finance Capital projects during 2015/16.

In addition to this loan, Greater Tzaneen Municipality also participated in the DBSA, INEP frontloading programme as proposed by the department of energy (DOE). Loan of R31.3 million which is 96.6 percent of the INEP allocation for 2016/2017 and 2017/2018 financial years was approved to be used as security against the loan. The amount will be used to electrify 2 408 households within the Greater Tzaneen Municipalities areas of jurisdiction.

Table 7: Financial Overview 2015/16 (R'000)			
Details	Original budget	Adjustment budget	Actual
<i>Income</i>			
Grants	419 280	475 905	456 452
Taxes, Levies and tariffs	550 009	550 009	529 438
Other	70 036	70 036	98 553
Sub Total	1 039 325	1 095 949	1 083 724
<i>Less Expenditure</i>	959 735	992 087	1 089 858
Net Total*	79 590	103 862	(6 134)
*Note: surplus/deficit			

It is evident from the figures contained in **Table 7** that there are variances between the budgeted and actual figures. The adjusted budget and actual income differs with only 4.1%. With regard to the expenditure, it is confirmed that overspending on the Budget is mainly the result of the R43 million overspending on the provision for Bad Debts and R35 million on impairment of assets which are non-cash items. The difference between total budget and total actual expenditure amounts to R98 million or 9%.

Table 8: Actual Operating Ratios (%)				
Detail	2012/2013	2013/2014	2014/2015	2015/16
Employee Cost ¹	28.9%	33.7%	30.6%	26.83%

¹ Salaries as percentage of Total Revenue

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Detail	2012/2013	2013/2014	2014/2015	2015/16
Repairs and Maintenance	3.06%	2.61%	4.00%	2.61%
Finance Charges and Depreciation	16.0%	12.6%	16.0%	17.40%

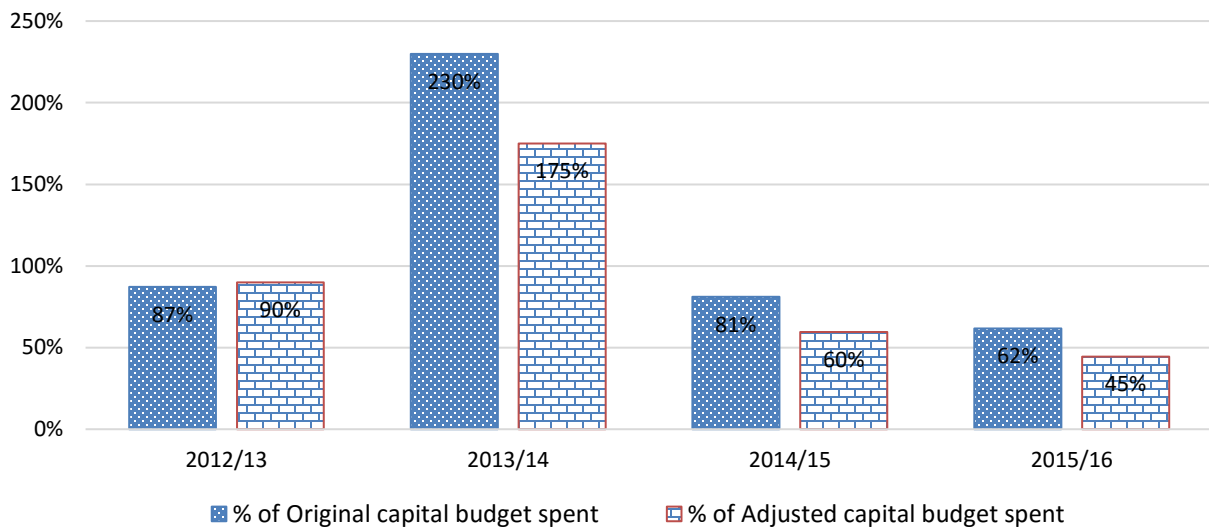
As presented in **Table 8**, employee cost represents 33.7% of the total Expenditure which is below the acceptable norm of 35%. Repairs and maintenance represent only 2.61% of the total expenditure, this is due to the fact that the employee cost allocated to operating activities has been taken out of repairs and maintenance cost. If the labour cost is included in the repairs and maintenance cost it represents 9.8% of the total actual expenditure. Finance charges and depreciation represent 12.6% of the total expenditure which is acceptable.

Detail	2012/13	2013/14	2014/15	2015/16
Original Budget	118 655	165 630	170 904	144 684
Adjustment Budget	115 091	217 482	232 738	200 256
Actual	103 550	380 673	138 659	89 143

The 2015/16 financial year ended with an actual capital expenditure of R89.1 million, compared to the budget of R144.6 million (also see **Figure 3**), due to the roll-over of projects and also the donated assets as per Gazette no 2372. National Treasury approved a request for roll-over of some of the capital projects (to the value of R9.5/R7.9 million), which were finalized during the 2015/2016 financial year.

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Figure 3: % of Capital Budget Spent 12/13 - 15/16



1.5. ORGANISATIONAL DEVELOPMENT OVERVIEW

The latest Organizational Design took place during the beginning of 2011 and the Organisational Structure was approved by Council to ensure that it is aligned to the powers and functions to be conducted by the Greater Tzaneen Municipality as well as for the smooth execution of the IDP. However, positions that were not initially part of 2011 Organisational Structure approval were submitted on an ad hoc approval by Council. As on 30 June 2016 a total of 1417 positions were approved of which 655 were filled with 762 vacancies. A comprehensive explanation of this matter can be found in **Chapter 4**. The organisational structure (attached as **Annexure A**) for 2015/2016 was not adopted by Council, since a Salary Disparities dispute still needs to be resolved.

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1.6. AUDITOR GENERAL REPORT (2015/16)

The Council is responsible for the preparation of the Annual Financial Statement for each financial year which fairly presents the state of affairs of Council. The 2015/16 Annual Financial Statements of Council were prepared in accordance with Generally Recognised Accounting Practice (GRAP) prescribed in terms of section 126(1)/ 126(2) of the Municipal Finance Management Act (MFMA).

The Annual Financial Statement as well as the consolidated Annual Financial Statements (including GTEDA) for 2015/2016 Financial year have been audited by the Auditor General and the consolidated Audit report (attached as **Annexure B**) was issued to the Mayor and Municipal Manager of Council during December 2016. The GTM received an unqualified Audit opinion which reads as follows:

Opinion: Auditor General

In my opinion, the Financial Statements present fairly, in all material respects, the financial position of the Greater Tzaneen Municipality as at 30 June 2016 and its financial performance and cash flow for the year then ended, in accordance with SA Standard of GRAP and requirements of the MFMA and DORA.

1.7. STATUTORY ANNUAL REPORT PROCESS

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

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Table 10: Annual reporting process		
No.	Activity	Timeframe
4	Submit draft Annual Performance Report to Internal Audit and Auditor-General	
5	Municipal entities submit draft annual performance reports to MM	
6	Audit/Performance Committee considers draft Annual Performance Report of Municipality and entities (where relevant)	
8	Mayor tables the unaudited Annual Performance Report	
9	Municipality submits draft Annual Performance Report including consolidated annual financial statements to Auditor General.	
10	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	
11	Auditor General assesses draft Annual Performance Report including consolidated Annual Financial Statements and Performance data	
12	Municipalities receive and start to address the Auditor General's comments	September - October
13	Mayor tables Audited Financial Statements to Council complete with the Auditor- General's Report	November
14	Audited Annual Report is tabled to Council by the Mayor made public	
15	Annual Report is made public and inputs/comments are invited	
16	Municipal Public Accounts Committee (MPAC) assesses Annual Report	January
17	Council adopts Oversight report from MPAC	February
18	Oversight report is made public	
19	Oversight report is submitted to relevant provincial Council	
		March

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CHAPTER 2 – GOVERNANCE

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

The Municipal Structures Act defines a Municipality amongst other as a structure with political office bearers and administration components; a geographic area; and the community of the Municipality. The Municipality consists of a municipal institution (political and administrative structures), and the people who live in the local area. The term can also be used to refer to a local area which falls within a municipal boundary.

Roles

The roles of these two components can briefly be defined by generally outlining key responsibilities mandated by various legislations thereto, without specifically dealing with the provisions of these pieces of law.

Rights and duties of municipal Councils (political component):

The Council of a Municipality has the right to govern, on its own initiative, the local government affairs of our local communities; and to exercise the Municipality's executive and legislative authority without interference. Councils must respect the rights of citizens in the way in which they exercise their powers. Council may finance the affairs of the Municipality by charging fees for services, imposing surcharges on fees or property rates, and (when allowed by national legislation) imposing surcharges on other taxes, levies and duties. Council has duties as well as rights that, amongst others, include the duties to:

- Exercise their powers and use their resources in the best interests of our communities;
- Provide, without favour or prejudice, democratic and accountable government
- Encourage the participation of the communities;
- Ensure that municipal services are provided to the communities in an equitable, and financially and environmentally sustainable manner;

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- Promote development in the Municipality;
- Promote gender equity;
- Promote a safe and healthy environment in the Municipality; and
- Contribute to the progressive realisation of the fundamental rights contained in the Constitution.

The Municipal Systems Act obliges Council to consult the local community about municipal services. Communities should have a say in the way in which services are delivered; the level of services; the quality of services; and the range of services which are provided.

Duties of Municipal Administrations

The Municipal administration has a number of duties towards our communities, which could be summarised as follows:

- Being responsible for the general administration and accounting of the functionaries of the Municipality;
- Being responsive to the needs of the local community;
- Establishing clear channels of communication with all sectors of the society and governance;
- Informing the local communities about the services which they are entitled to receive; and
- Informing the local community how the Municipality is managed, what it spends its money on, and who is in charge.

The Municipal administration also has the duty to facilitate a culture of public service and accountability amongst staff, and taking measures to prevent corruption. It is therefore expected that the Municipality must fulfil these duties as far as possible, taking into account the budget and capacity they have available.

2.1 POLITICAL GOVERNANCE

The key functions of the political component in the administration of the Municipality are as briefly explained above and the functions of the main offices are provided below.

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Oversight Function.

Over and above other legislative requirements that provide for specific actions towards municipal oversight, a Municipal Council remains responsible for the specific oversight of the general administrative work of the Municipality. In as far as specific requirements are concerned, the Municipality did establish the following Committees to play an oversight role on various matters of Municipal work, particularly on fiscal matters:

1. Executive Committee
2. Finance Committee
3. Municipal Public Account Committee (MPAC)
4. Audit Committee



POLITICAL STRUCTURE

Function

MAYOR

Mrs.
Mmetle

DJ The Mayor provides political guidance, monitors and oversees the exercise of responsibilities assigned to the Municipal Manager (accounting officer) and the Chief Financial Officer without interfering in the exercise of those responsibilities. Take the reasonable steps to ensure that the Municipality performs its constitutional and statutory functions within the limits of the Municipality's approved budget.



SPEAKER

Mr. Cassius
Machimana

The Speaker presides over meetings of the Council, perform the duties and exercises the powers delegated in terms of Section 59 of the Municipal System Act. Ensures that the Council meets at least quarterly, maintains order during meetings. Ensures compliance in the Council and Council Committees with the Code of Conduct set out in Schedule 1 of the Municipal System Act, and ensures that Council meetings are conducted in accordance with the rules and orders of Council.

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CHIEF WHIP

Mr. Maripe
Mangena

The Chief Whip ensures that the strategic direction adopted by the Municipality is in line with the mandate and policy directives of the ruling party. Discusses with the Office of the Speaker the order of the Council. Arranges caucus for the EXCO and Council meetings. Receives and considers applications for leave of absence by Councillors for caucus meetings. Ensures that majority party Councillors submit their programmes to the office of the Speaker and of the Chief Whip for monitoring purposes. Provides political support for the Committee Chairs, to carry out Party political functions in Committees.

EXECUTIVE COMMITTEE

1. N Mboweni
2. R Selomo
3. L Ncha
4. E Ntimbane
5. M Makwala
6. L Hlangwane
7. B Sekgotodi
8. M Mahasha
9. R Pohl

The Executive Committee gives political direction to the executive management team. Provides recommendation to Council in respect of its executive and legislative powers. Works closely in a co-ordinated and co-operative relation with the Municipal Manager. The EXCO and Mayor, within the legislative framework provided by the Municipal Structures Act, the Municipal Systems Act, and the Municipal Finance Management Act and subject to Council resolutions, direct and drive the transformation and development of the Municipality.

Greater Tzaneen Municipality has 68 Councillors, 34 Ward Councillors who are directly elected and 34 proportional representation Councillors. The ANC has 59 seats, the DA 5 seats; Cope 2, ACDP and APC each have a seat. The ANC is in charge of 32 of the 34 wards and the rest is led by the DA. The Executive Committee consists of 10 members, which is chaired by the Mayor. 8 members of the Committee chair a Portfolio Committee made up of other Councillors and officials. The Mayor, Speaker, Chief Whip, MPAC Chairperson and four other Councillors, who are also part of EXCO, are fulltime Councillors. The Members of the MPAC are as follows:

- Cllr. T K Nukeri (Chairperson)
- Cllr. S Mbhalati

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- Cllr. TS Manyama
- Cllr. J Mokgoloboto
- Cllr. S Mahori
- Cllr. A van Vuuren
- Cllr. G Ghondzweni
- Cllr. H Zandamela
- Cllr. N Nkwashu
- Cllr. D Maake
- Cllr. L Mohale

2.2 ADMINISTRATIVE GOVERNANCE

The Municipal Manager of a municipality is the Accounting Officer of the Municipality for the purposes of the MFMA and must provide guidance on compliance with this Act to political structures; political office bearers, and officials of the Municipality and any entity under the sole or shared control of the Municipality. GTM had 8 directorates during 2015/16 being:

- Office of the Municipal Manager
- Office of the Budget and Treasury
- Corporate Services
- Community Services
- Electrical Engineering
- Engineering Services
- Planning and Economic Development
- Office of the Mayor

The top administrative structure is presented below:

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TOP ADMINISTRATIVE STRUCTURE

TIER 1

MUNICIPAL MANAGER

Mr. SR Monakedi



Function

Accounting Officer, Also managing, Integrated Development Planning, Performance Management, Disaster Management, Internal Audit and Risk Management.

TIERS 2 AND 3

CHIEF FINANCIAL OFFICER

Mrs. N Lion



Manages Revenue, Expenditure, Supply Chain and Financial Services, Assets Management and Reporting, Budgeting

DIRECTOR: COMMUNITY SERVICES

Mr OZ Mkhombo



Manages Environmental Health, Cleaning services, waste removal, licensing and testing, law enforcement, parks, cemeteries, recreational facilities, libraries and sports, art and culture

DIRECTOR: ELECTRICAL ENGINEERING

Mr. P van den Heever



Manages Electricity service provision and infrastructure maintenance in service area

DIRECTOR: PLANNING & ECONOMIC DEVELOPMENT

Mr. B Mathebula



Manages Town Planning, Housing, Land development, Local Economic Development and tourism

DIRECTOR: CORPORATE SERVICES

Vacant

VACANT

Manages Legal services, Human Resource, Public Participation, Communication, Administration and Record Management, Marketing, IT and Special Programmes

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DIRECTOR: ENGINEERING SERVICES
Ms. D Malatji

Manages Water, Sanitation, Roads and storm water service provision and maintenance, fleet and municipal buildings.

COMPONENT B: INTERGOVERNMENTAL RELATIONS

The MSA Section 3 (Act 32 of 2000) requires that municipalities exercise their executive and legislative authority within the constitutional system of co-operative governance envisaged in the Constitution S41. The Municipality, through various representatives from administration and the political wing, attends District and Provincial intergovernmental forums. These forums play an important role in enhancing cooperative governance and intergovernmental relations within the three spheres of government.

2.3 INTERGOVERNMENTAL RELATIONS

The enactment of the Intergovernmental Relations Act, Act no. 13 of 2005, has ushered in the era of cooperative governance in our country. It is in light of this that the Greater Tzaneen Municipality participated and/or was represented in the forums at different levels, i.e. National, Provincial, District and Locally. The forums such as the National SALGA Membership Assembly, the National Municipal Managers' forum were attended in order to share and keep abreast of strategic information regarding local government. Greater Tzaneen Municipality also participated in the provincial intergovernmental structures such as the Premier's IGF, Provincial Municipal Managers' forums, CFO's forums, Planning and Economic Development forum. The Municipality, further participated in district forums such as the District Intergovernmental Forums, District Mayor's Forum, District Municipal Managers Forum, District Speaker's Forums and the District Development Planning Forum. Through these forums, the Municipality was able to benefit by learning from other municipalities in terms of best practice and also to guide the district in terms of service delivery priorities and priority areas in Greater Tzaneen Municipality.

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COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

2.4 PUBLIC MEETINGS

The Greater Tzaneen Municipality has developed a system of community participation and communication in order to achieve its objective of public accountability and transparency. Critical service delivery units were established in order to realize this task namely, Council Support, Public Participation, Communication and IDP. The following are public participation and communication avenues that are available;

- Quarterly Community report back meetings by Ward Councillors
- IDP/Budget Representative Forum
- Ward Committee monthly assessment meetings
- Annual Mayoral Address
- Half year Progress Report by the Mayor

Key to our public communications and participatory initiatives, we have established the following interactive mediums:

- Face book Page – Greater Tzaneen Municipality
- GTM Website – www.greatertzaneen.gov.za, updated weekly
- Complaints and Compliments Box – at the foyer of the Municipal offices
- Report from Presidential and Premier’s Hotlines

These mediums placed GTM in direct, daily contact with our communities and stakeholders, hence receiving information when it matters most, where it matters most. The participatory system of Greater Tzaneen has further changed because ward Committees were established from community stake holders. In this instance the stakeholder forum cluster forums which are responsible to draft ward Committee programmes, interrogate monthly ward reports and

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also monitor the issues from ward Committees to the community. The clusters are managed by political heads, who are full time Councillors, managing issues from community directly.

Greater Tzaneen Municipality has also established a Representative Forum consisting of Councillors, representatives from Ward Committees, NGO's, CBO's, Sector Departments. According to the IDP/Budget and PMS process plan (which is reviewed annually) this forum must meet at least once per quarter to consider the IDP, service delivery progress reports and make inputs into these three processes. During 2015/16 this forum only convened 4 times due to human resource constraints in the IDP office. It must however be mentioned that, in order to strengthen the participatory process two other participatory processes are embarked on, on an annual basis:

- Ward needs analysis conducted on a ward level during the Analysis phase of the IDP with the assistance of the Ward Councillors;
- Ward based budget contact sessions where the draft budget is presented to the wards with an opportunity for community members to make inputs into the budget prior to finalisation;
- MPAC Public Hearings on the Annual Report

It must further be noted that the IDP, Budget, SDBIP and Annual Report of Council is placed on the GTM website for the public to view. Hard copies of these documents are also made available at Thusong Centres, Libraries and Traditional Authority offices.

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Table 11: Public meetings held during 2015/16

Nature & purpose of meeting	Date	Number of Councillors in attendance	Number of Municipal Officials in attendance	Number of Community Members in attendance	Dates and manner of feedback given to the community
Mayoral Public Participation					
Ward 33 Mayoral Imbizo	11/07/2015	07	08	87	Service delivery report
Ward 15 Mayoral Imbizo	10/09/15	08	02	96	Service delivery report
Ward 04 Mayoral Imbizo	19/11/2015	20	07	51	Service delivery report
Ward 26 Mayoral Imbizo	22/11/2015	17	15	188	Service delivery report
Ward 27 Mayoral Imbizo	27/11/2015	25	10	250	Service delivery report
Ward 08 Mayoral Imbizo	11/12/2015	13	08	100	Service delivery report
Ward 03 Mayoral Imbizo	19/01/2016	18	14	166	Service delivery report
Ward 27 Mayoral Imbizo	20/01/2016	23	10	210	Service delivery report
Ward 33 & 34 Mayoral Imbizo	02/03/2016	14	11	140	Service delivery report
IDP/Budget Consultative Meetings (to secure inputs into the draft IDP and Budget for 15/16)					
Public Participation Ward 1 to present the 5 Year Service delivery report and Draft IDP Budget.	01/04/2016	1	1	105	26/05/2016 – Feedback given at IDP rep forum meeting
Public Participation Ward 2 to present the 5 Year Service delivery report and Draft IDP Budget.	02/05/2016	1	0	105	26/05/2016 – Feedback given at IDP rep forum meeting
Public Participation Ward 3 to present the 5 Year Service delivery report and Draft IDP Budget.	02/05/2016	2	0	60	26/05/2016 – Feedback given at IDP rep forum meeting
Public Participation Ward4 to present the 5 Year Service delivery report and Draft IDP Budget.	21/03/2016	2	1	264	26/05/2016 – Feedback given at IDP rep forum meeting

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Table 11: Public meetings held during 2015/16

Nature & purpose of meeting	Date	Number of Councillors in attendance	Number of Municipal Officials in attendance	Number of Community Members in attendance	Dates and manner of feedback given to the community
Public Participation Ward5 to present the 5 Year Service delivery report and Draft IDP Budget.	03/04/2016	2	1	78	26/05/2016 – Feedback given at IDP rep forum meeting
Public Participation Ward6 to present the 5 Year Service delivery report and Draft IDP Budget.	03/04/2016	2	1	89	26/05/2016 – Feedback given at IDP rep forum meeting
Public Participation Ward9 to present the 5 Year Service delivery report and Draft IDP Budget.	19/05/2016	2	0	73	26/05/2016 – Feedback given at IDP rep forum meeting
Public Participation Ward10 to present the 5 Year Service delivery report and Draft IDP Budget.	08/05/2016	2	0	29	26/05/2016 – Feedback given at IDP rep forum meeting
Public Participation Ward13 to present the 5 Year Service delivery report and Draft IDP Budget.	15/05/2016	2	0	147	26/05/2016 – Feedback given at IDP rep forum meeting
Public Participation Ward14 to present the 5 Year Service delivery report and Draft IDP Budget.	29/04/2016	1	2	86	26/05/2016 – Feedback given at IDP rep forum meeting
Public Participation Ward16 to present the 5 Year Service delivery report and Draft IDP Budget.	19/05/2016	1	0	8	26/05/2016 – Feedback given at IDP rep forum meeting
Public Participation Ward17 to present the 5 Year Service delivery report and Draft IDP Budget.	15/05/2016	1	0	30	26/05/2016 – Feedback given at IDP rep forum meeting
Public Participation Ward19 to present the 5 Year Service delivery report and Draft IDP Budget.	03/05/2016	1	0	44	26/05/2016 – Feedback given at IDP rep forum meeting
Public Participation Ward21 to present the 5 Year Service delivery report and Draft IDP Budget.	05/05/2016	1	0	41	26/05/2016 – Feedback given at IDP rep forum meeting
Public Participation Ward22 to present the 5 Year Service delivery report and Draft IDP Budget.	01/05/2016	1	0	47	26/05/2016 – Feedback given at IDP rep forum meeting

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Table 11: Public meetings held during 2015/16

Nature & purpose of meeting	Date	Number of Councillors in attendance	Number of Municipal Officials in attendance	Number of Community Members in attendance	Dates and manner of feedback given to the community
Public Participation Ward25 to present the 5 Year Service delivery report and Draft IDP Budget.	02/05/2016	2	0	67	26/05/2016 – Feedback given at IDP rep forum meeting
Public Participation Ward26 to present the 5 Year Service delivery report and Draft IDP Budget.	07/05/2016	1	0	39	26/05/2016 – Feedback given at IDP rep forum meeting
Public Participation Ward27 to present the 5 Year Service delivery report and Draft IDP Budget.	15/05/2016	3	1	105	26/05/2016 – Feedback given at IDP rep forum meeting
Public Participation Ward28 to present the 5 Year Service delivery report and Draft IDP Budget.	14/05/2016	2	1	31	26/05/2016 – Feedback given at IDP rep forum meeting
Public Participation Ward29 to present the 5 Year Service delivery report and Draft IDP Budget.	19/05/2016	2	0	49	26/05/2016 – Feedback given at IDP rep forum meeting
Public Participation Ward30 to present the 5 Year Service delivery report and Draft IDP Budget.	19/05/2016	2	1	65	26/05/2016 – Feedback given at IDP rep forum meeting
Public Participation Ward 32 to present the 5 Year Service delivery report and Draft IDP Budget.	19/05/2016	1	0	51	26/05/2016 – Feedback given at IDP rep forum meeting
Public Participation Ward 34 to present the 5 Year Service delivery report and Draft IDP Budget.	15/05/2016	1	0	92	26/05/2016 – Feedback given at IDP rep forum meeting
IDP Representative Forum					
To serve as a platform for stakeholders to input and comment on matters of development planning and resource allocation	18/08/2015	9	18	55	Stakeholders Representative Forum to present the Preparatory & Analysis phase
	10/02/2016	24	18	85	Stakeholders Representative Forum to present the Strategies & Project phase & Midyear report

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Table 11: Public meetings held during 2015/16

Nature & purpose of meeting	Date	Number of Councillors in attendance	Number of Municipal Officials in attendance	Number of Community Members in attendance	Dates and manner of feedback given to the community
	17/03/2016	5	5	44	Stakeholders Representative Forum to present the Project & Integration Phase
	26/05/2016	19	16	39	Stakeholders Representative Forum to present the Draft IDP and Budget
COMMUNITY OUTREACH PROGRAMME					
Community quarterly feedback meeting (purposed is give service delivery report)	05/09/2015	1	2	76	W09 04/10/15
		1	2		W10 13/09/15
		1	2		W11 23/08/15
Community quarterly feedback meeting(purposed is give service delivery report)	05/12/2015	1	2	88	W09 04/12/15
		1	2	100	W 10 13/12/15
		1	2	120	W 11 16/12/15
Community quarterly feedback meeting (purposed is give service delivery report)	04/06/2016	1	2	89	W01 26/06/16
		1	2	77	W07 12/06/16
		1	2	89	W08 19/06/16
		1	2	90	W09 26/06/16
		1	2	92	W10 17/06/16
		1	2	95	W11 26/06/16

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The four clusters of GTM being Lesedi, Bulamahlo, Runnymede and Relela have each established a cluster forum which deals specifically with communities in and around the clusters, with regard to the service rendered by the Municipality. These clusters also play an oversight role while strengthening the participation of these communities in service delivery. Service delivery priorities as identified through participatory processes are presented in **Table 12** below:

Table 12: Service Delivery priorities per ward (Highest Priority first)		
Ward	Priority name and detail	Progress during 2015/16
1	Water reticulation at Moloko	Water remains a challenge in all villages and it is the competence of Mopani District Municipality
2	Water reticulation	Water remains a challenge in all villages and it is the competence of Mopani District Municipality
3	Water at Ramotshinyadi, Wally and Radoo	Water remains a challenge in all villages and it is the competence of Mopani District Municipality
4	Emergency RDP houses for orphans	Water remains a challenge in all villages and it is the competence of Mopani District Municipality
5	Water reticulation at Mugwazeni and Musiphane West	Water remains a challenge in all villages and it is the competence of Mopani District Municipality
6	Operationalisation of dysfunctional boreholes	Water remains a challenge in all villages and it is the competence of Mopani District Municipality
7	No public participation took place	N/a
8	No public participation took place	N/a
9	Water pipelines from Ebenezer to Ward 9 villages	Water remains a challenge in all villages and it is the competence of Mopani District Municipality
10	Illegal connections of water pipes Installation of pipeline from Tzaneen dam to Thapane dam	Water remains a challenge in all villages and it is the competence of Mopani District Municipality
11	No public participation took place	N/a
12	No public participation took place	N/a
13	Construction of Mandlakazi clinic Boreholes for areas without access to water	Request sent to Department of Health to prioritize the clinic
14	No public participation took place	

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Table 12: Service Delivery priorities per ward (Highest Priority first)		
Ward	Priority name and detail	Progress during 2015/16
15	No public participation took place	N/a
16	Repairs of roads	Water remains a challenge in all villages and it is the competence of Mopani District Municipality
17	Construction of Reservoir at Mokgolobotho	Water remains a challenge in all villages and it is the competence of Mopani District Municipality
18	No public participation took place	N/a
19	Maintenance and street lights and community hall	Prioritized in the street lights maintenance
20	No public participation took place	N/a
21	Completion of Nkowankowa sewer	Project not budgeted for in the 2016/17
22	Mhangweni to Mafarana road	Project not budgeted for in the 2016/17
23	No public participation took place	N/a
24	No public participation took place	N/a
25	Water boreholes & diesel pumps	Water remains a challenge in all villages and it is the competence of Mopani District Municipality
26	Construction of road in Rhulani village	Project not budgeted for in the 2016/17
27	Maintenance of boreholes and reservoir's, Burgersdorp old mine and pipeline valves and reticulation at Shiluvane reservoirs, Mmakele & water tankers	Water remains a challenge in all villages and it is the competence of Mopani District Municipality
28	Upgrading of CN Phatudi road view New Phephene to Mogapeng clinic to tar	The road is the first in the list of roads
29	Water	Water remains a challenge in all villages and it is the competence of Mopani District Municipality
30	No public participation took place	N/a
31	No public participation took place	N/a
32	Borehole at Ramodike bar lounge	Water remains a challenge in all villages and it is the competence of Mopani District Municipality
33	No public participation took place	N/a
34	Water	Water remains a challenge in all villages and it is the competence of Mopani District Municipality

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2.5 IDP PARTICIPATION AND ALIGNMENT

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

During the 2015/16 year a new IDP Officer was appointed to alleviate the human resource constraints caused by the resignation of the IDP officer in 2014/15. During the 2015/16 audit, the Auditor General raised concerns regarding the measurability and verifiability of reported performance as well as the alignment between the IDP and SDBIP which were also as a consequence of not aligning the targets to the available resources. It is especially the alignment of the operational budget with the IDP that presents a challenge as the targets set for KPIs in the IDP is not in line with the operational budget allocated to the relevant function.

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COMPONENT D: CORPORATE GOVERNANCE

Corporate Governance encourages a trustworthy, moral, as well as ethical & transparent environment which guarantees strong and balanced economic development. This also ensures that the interests of all stakeholders are safeguarded and that all stakeholders fully exercise their rights since, the organization fully recognizes these rights.

2.6 RISK MANAGEMENT

Risk management is an essential component of good governance which every institution should have and manage. Section 62(1) (c) (1) of the MFMA (Act 56 OF 2003) requires that the accounting officer must maintain effective, efficient and transparent system of financial and risk management and internal control and therefore a Risk Management Division was established. The strategic risks identified for 2015/16 are presented in **Table 14** below:

	Risks	Root Cause	Mitigation/Required Action	Department Responsible
1	Inadequate maintenance of ageing infrastructure (electrical network)	Budget constraints	Develop the infrastructure maintenance plan.	Electrical Engineering Services
2	Lack of Electrical & Roads Master Plans	Budgetary constraint,	1. Development of Electrical Master Plan which is budgeted for in 2015/2016 FY with R1, 7m. 2. Master Plans for Roads: awaiting budget from MISA to assist in 2015/16 FY	Civil Engineering Services and Electrical Engineering Services
3	Failure to recover Systems data	Lack of DRP (disaster recovery plan) equipment's	Purchase of DRP equipment's and development of BCP	Corporate Services

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Table 14: Strategic Risks for 2015/16

	Risks	Root Cause	Mitigation/Required Action	Department Responsible
		and Business Continuity Plan (BCP).		
4	Overspending on legal fees	Non-compliance to legislative prescripts, procedures and processes	Adherence to the legislative prescripts and procedures, Block litigations	Accounting Officer
5	Excessive amounts of overtime paid	Shortage of staff in essential services dept. non-adherence to Labour Relations Act, inadequate control by management	Adherence to approved overtime policy. No payment to be effected if stipulations are not complied with	Corporate Services
6	Unauthorised, Irregular and Fruitless (UIF) Expenditure	Non-compliance with legislation	Accounting for non-compliance, corrective action for non-compliance	Budget & Treasury
7	Inadequate monitoring of traffic fines (Non-compliance to AGRAP 1)	Fines not captured as and when issued	1. Separation of responsibilities, Revenue to collect traffic fines and Law Enforcement to capture traffic fines. 2. Appointment of service provider	Community Services
8	Unaudited Quarterly (SDBIP) Performance reports submitted to Council	Late submission of inputs for quarterly SDBIP reports by Directors and Late submission of reports by Directors and Managers to PM Office	Intervention by Accounting Officer/ Implementation of electronic system	Accounting Officer

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Table 14: Strategic Risks for 2015/16

	Risks	Root Cause	Mitigation/Required Action	Department Responsible
9	Fraud and Corruption	Inadequate monitoring	Cases to be reported to the relevant unit for further handling, Approve Whistle Blowing Policy	Accounting Officer
10	ICT service provision is not linked to the Municipality's strategic objectives.	Inadequate engagement between IT and Municipal Departments and lack of managerial support	Adoption through a Council the Municipal Corporate Governance of ICT (MCGICT) Policy. Development of an implementation	Corporate Service

Quarterly progress reports, based on the strategic and operational risk registers were submitted to the Risk Committee and Council.

2.7 ANTI-CORRUPTION AND FRAUD

The Municipality has a fraud and anti-corruption policy, which was approved in June 2013 and although the Anti-Corruption committee was established in November 2013, it was not effective during 2015/16. The Municipality also has an established internal audit unit and a shared Audit Committee with the Mopani District Municipality, of which the members are non-municipal employees or Councillors. The Audit Committee was however not fully functional during 14/15 as their contract with the District Municipality expired in December 2015. GTM appointed a new Audit Committee in May 2015. Recommendations of audit Committee are contained in [ADDENDUM G](#).

The Annual Report of the Audit Committee for 2015/16 is attached as **Annexure C**. The Table presents the cases of fraud and corruption addressed during the 2015/16 financial year:

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Type of offence	Date reported	Investigation conducted (yes/no)	Intervention / Sanction	Financial loss incurred by Council	Repeated offence (yes/no)
Fraud	15 December '15	Yes	Pending	Pending	N/A
Fraud. Gross Dishonesty and negligence	15 June '16	Yes	Pending	Pending	N/A

2.8 SUPPLY CHAIN MANAGEMENT

The Constitution, MFMA Chapter 11, SCM Regulations 2011, PPPFA as incorporated by BBBBEEA 2011 and relevant Treasury practice notes and circulars as set out are used by the institution to comply with the prescripts. They all contribute to the successful procurement of goods and services, and minimize the opportunities for fraud and corruption. In the financial year 2014/2015 the Council has approved the SCM Policy (May of 2015) as required by prescripts, and will annually review and implement the Policy. It should also be noted that the Policy covers all aspects required by prescripts relevant to the same. The Policy covers all elements that should form part of the policy, these include:

- Demand Management
- Acquisition Management
- Logistics Management
- Disposal Management
- Risk Management and
- Performance Management

It should further be noted that in terms of corporate governance the unit is compliant and that during 2015/16 the policy was a review.

Other Financial Matters

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- The Unit is currently outsourcing a database system, which will contribute to full compliance with the set prescripts and ensure that the unit is well functioning. This, in itself, will have a financial impact.
- The function of requesting for quotations has been centralised within the SCM Unit to avoid abuse of the system
- The training of bid Committees and SCM officials were implemented during 2015/16 Municipality have train both SCM official and committee members to capacitate the members and officials in the daily running of the SCM processes.

2.9 BY-LAWS

During the 2015/2016 Financial Year the By-Laws mentioned below were reviewed and the Public Participation Process is under way.

Table 16: By-laws introduced during 2015/16

By-law	Revised or Newly Developed	Public participation conducted prior to adoption (yes/no)	Date of public participation	By-Law gazetted	Date of publication
Advertisement By Law	Revised	Yes	In process	No	Pending
Aerodrome By Laws	Revised	Yes	In process	No	Pending
Cemetery By Laws	Revised	Yes	June – September 2015	No	Pending
Fire Brigade By Laws	Mopani District	N/A	N/A	No	Pending
Liquor Trading Days and Hours By-Law -	Developed	Yes	In process	No	Pending
Environmental By-Law	Developed	Yes	In process	No	Pending

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Table 16: By-laws introduced during 2015/16

By-law	Revised or Newly Developed	Public participation conducted prior to adoption (yes/no)	Date of public participation	By-Law gazetted	Date of publication
Nuisance By-Law 20 December 2013	Development	Yes	June- September 2015	No	Pending
Outdoor Advertising Signage By law	Revised	Yes	In process	No	Pending
Public Transport By-laws	Development	Yes	In process	No	Pending
Credit and Debt Collection By-Law	Revised	Yes	In process	No	Pending
Dog Licence By laws Draft 1	Revised	Yes	June- September 2015	No	Pending
Drainage By Laws	Revised	Yes	In process	No	Pending
Electricity By Laws	Revised	Yes	June- September 2015	No	Pending
SPLUMA Land Use Management By Laws	Developed	Yes	In process	No	Pending
Flammable Liquids Draft 1	Revised	Yes	In process	No	Pending
Health for Pre- Schools By-laws 07 January 2014	Revised	Yes	June- September 2015	No	Pending
Keeping of Animals By-laws Draft 1	Revised	Yes	June- September 2015	No	Pending
Library By Law	Revised	Yes	In process	No	Pending
Public Amenities By Law Draft 1	Revised	Yes	In process	No	Pending

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Table 16: By-laws introduced during 2015/16

By-law	Revised or Newly Developed	Public participation conducted prior to adoption (yes/no)	Date of public participation	By-Law gazetted	Date of publication
Refuse By Laws	Revised	Yes	In process	No	Pending
Rules of Order v3	Revised	Yes	In process	No	Pending
Street Trading By Law	Revised	Yes	June-September 2015	No	Pending
Tariff By Laws	Revised	Yes	In process	No	Pending
Parking By Law	Developed	Yes	In process	No	Pending
Property Rates By Law	Revised	Yes	In process	No	Pending

2.10 WEBSITES

The website was revamped following the guidelines of the MFMA (Section 75). Documents and pages are updated regularly. Compliance with the MFMA is ensured by continuously liaising with all divisions which are responsible for posting information in the website as reflected in **Table 17**.

Table 17: Municipal Website: Content and Currency of Material

Documents published on GTM website	Yes/No	Publishing date
Current and annual adjustment budget related documents	Yes	2015-10-22 2016-03-07
All current budget related documents	Yes	2015-10-22
2014/15 Annual Report	Yes	2016-04-07
2015/16 performance agreements and plans for Section 57 Managers	Yes	21/10/2015
All service delivery agreements for 2015/16	No	
All long-term borrowing contracts for 2015/16	No	None
All Supply Chain Management contracts above a prescribed value (given value) for 2015/16	Yes	2015-09-09 2016-05-18 2016-04-18

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Documents published on GTM website	Yes/No	Publishing date
		2015-09-09
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of Section 14(2) or (4) during 2015/16	No	
Contracts agreed on in 2015/16 to which subsection (1) of Section 33 apply, subject to Subsection (3) of that Section	No	
Public-private partnership agreements referred to in Section 120 made in 2015/16	No	
All quarterly reports tabled in Council in terms of Section 52(d) during 2015/16	Yes	2015-10-27 2015-08-25 2016-01-04 2015-12-15 2015-12-15

2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

No customer satisfaction survey was conducted during 2015/16 due to financial and human resource constraints; therefore the level of public satisfaction is not certain.

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CHAPTER 3 – SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

This chapter contains service delivery results for 2015/16 relating to the various functions performed by GTM. For a summary of service delivery achievements refer to the Executive summary of the Municipal Manager.

COMPONENT A: BASIC SERVICES

This component includes: water; waste water (sanitation); electricity; waste management; housing services; and a summary of free basic services.

3.1. WATER PROVISION

Greater Tzaneen Municipality (GTM) signed a Water Services Provider contract with Mopani District Municipality (MDM) in April of 2016. MDM is the Water Services Authority (WSA) and according to this contract MDM will provide bulk water services to GTM while GTM will provide water services to the consumers and collect revenue. Approximately 70% of the GTM area consists of rural villages where water provision is not yet on the acceptable level. It should be noted that, since all water assets have been transferred to MDM, a detailed report regarding the expenditure on water will be contained in their Annual Report. This section will only reflect on those aspects managed by GTM, on behalf of the WSA.

Job level	2014/15			2015/16		
	No of Posts	Positions Filled	Vacancy rate	No of Posts	Positions Filled	Vacancy rate
Level 0-3	1	0	100%	1	0	100%
Level 4-6	27	7	74%	27	11	59%
Level 7-9	0	0	0%	0	0	0%
Level 10-15	252	61	76%	252	70	72%
Level 16-17	0	0	0%	0		
Total	280	68	76%	280	81	71%

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Table 19 presents water service delivery output for 2015/16.

Table 19: Water provided during 2015/16						
No	Water Works	Water Quota in m ³	Abstracted in m ³	Pumped in m ³	Plant loss in %	R/ m ³
1	Georges Valley	2,370,000	2700000	2556000	5.3	R 0.22
2	Tzaneen Dam	1,230,000	3077656	3233461	5.0	R 0.28
3	Letsitele	418 269,96	166326	333936	1.2	R 0.21
	Total	4 918 269	6110308	6123397	11.5	R0.71

There are eleven Water Treatment Works within the jurisdiction of Greater Tzaneen Municipality. These are managed and operated as follows: Three (3) waterworks operated by GTM, three (3) water works operated by Lepelle Northern Water and five (5) operated by MDM. These waterworks as well as boreholes are unable to provide basic water to 108 926 households evenly in GTM. The majority of the households are in rural areas (126 villages) where water is to be supplied through boreholes and waterworks which are either dry or not receiving regular maintenance or not maintained at all. Some waterworks were designed for a small community and now, with the current growth rate, the works cannot cope with the demands. Dysfunctional boreholes and waterworks compelled GTM to provide water, especially in villages, through water tankers. This arrangement was made as a temporary measure but eventually extended as various boreholes in villages, clinics and schools were found to be dry.

GTM has been allocated 3,600,000 m³ of water from Tzaneen and Ebernezer dams. Letsitele Water works has an allocation of 418 290 m³ per annum. The growth rate from 2007 has seen the allocation being insufficient. Application for an increase to 6,000,000 m³ from both

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Ebernezer and Tzaneen dams was not successful since the both dams are said to be over allocated. The capacity of the waterworks is also at its maximum.

Financial Year	Agriculture	Forestry	Industrial	Domestic	Water Losses
2008/2009	Not known	Not known	384653	7055971	12%
2009/2010	Not known	Not known	356720	7459927	7%
2010/2011	Not known	Not known	293122	143964	11%
2011/2012	Not known	Not known	511932	6812885	9%
2012/2013	Not known	Not known	1029166	7600712	16.3
2013/2014	Not known	Not known	1430675	4809142	11.2
2014/2015	Not Known	Not Known	1500894	5860464	11.4%
2015/2016	Not Known	Not Known	1573640	6123397	11.5%

Level of access	2013/14		2014/15		2015/2016	
	No of Households	% of Total	No of Households	% of Total	No of Households	% of Total
Piped water inside house	17374	16	17452	16.02	17611	16.2%
Piped water inside yard	21148	19	21148	19.42	17611	16.2%
Public standpipe within 200m	15305	14	15305	14.05	17515	16.1%
Public standpipe further than 200m	23248	21	23248	21.34	23511	21.6%
Other (Below minimum level)	31601	29	31631	29.03	32678	30%
No water supply	254	0	245	0.2	0	0
Total Households	108926	100	109029	100	108926	100.1%
No of Households receiving Free Basic water	1 743		1 743		2382	
Budget allocation for water supply	R 2 750 000 ²		R 2 710 000		Not known	

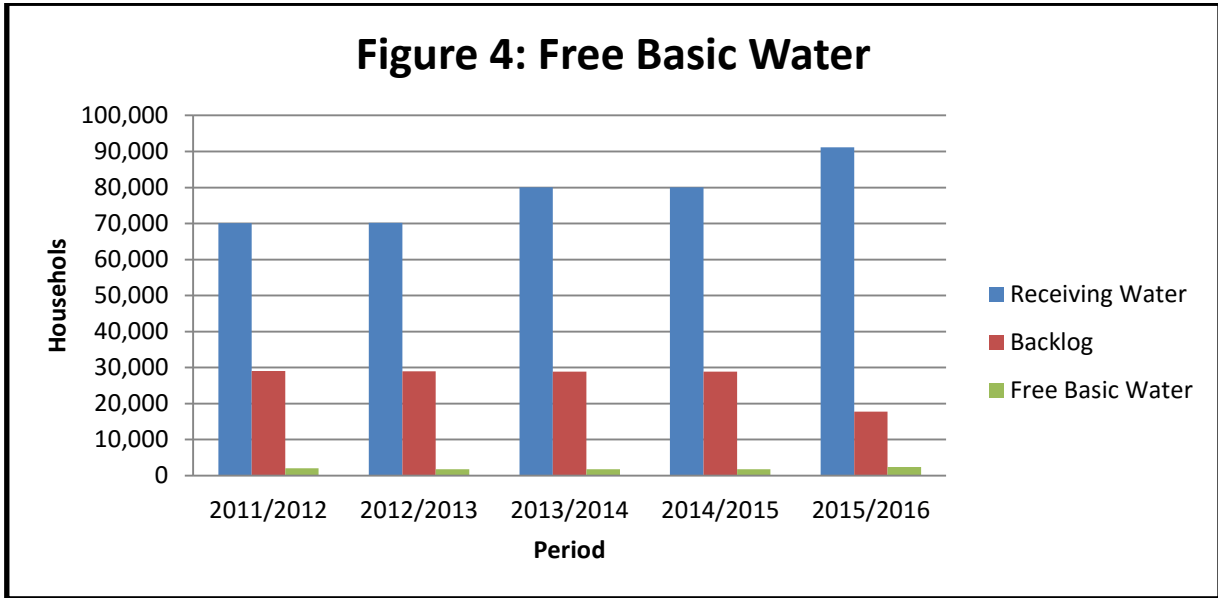
² MDM allocation to GTM

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Year	Water Access Target (HH)	Cost
2016/17	No water reticulation project this financial year (MDM)	Not known
2017/18	No water reticulation project this financial year (MDM)	Not known
2018/219	No water reticulation project this financial year (MDM)	Not known

It should be noted that GTM do not plan for expanding access to water as this is the function of the Water Service Authority, MDM. GTM connects new households in the 5 formal towns only, on request.

Year	Total Households	Receiving Water	Backlog	Free Basic Water
2011/2012	99 117	70 092	29 025	2 003
2012/2013	99 117	70 187	28 930	1 743
2013/2014	108 926	80 078	28 848	1 743
2014/2015	108 926	80 078	28 848	1 743
2015/2016	108926	91159	17767	2382



Greater Tzaneen Municipality has retained its Blue Drop (Drinking Water Quality) status for the third year running. The awards indicate GTM's high level of professionalism, performance and compliance. They will also boost GTM's tourism prospects and investment. The Blue Drop Status (BDS) is recognized globally and has a potential to allay tourist fears of contracting Water Borne Diseases when drinking or using water. High water quality is also essential for the production of food and beverages, hence ensuring GTM's commitment in ascertaining a quality of human life.

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Table 24: Averaged water sample outcome - Tzaneen Central Laboratory 2015/16

Determinants	Tzaneen	Nkowankowa	Letsitele	Haenertsburg	Recommended-Class1
Ph (-logH)	8.65	7.47	7.40	7.37	5.0-9.5
Turbidity (NTU)	0.29	1.12	0.64	0.81	<1
Colour (as Pt)	5.61	17.05	9.11	10.09	<20
Conductivity (mS/m)	7.07	10.22	15.78	5.92	<150
Temperature °C	23.62	24.04	24.34	22.17	
Total Dissolved Solids (mg/l)	33.86	49.24	74.72	27.95	<1000
Total Alkalinity (mg/l)	26.56	38.75	69.38	25.00	
Total Hardness (mg/l)	50.31	64.58	85.94	32.50	
Calcium Hardness as CaCO ₃ (mg/l)	46.72	61.05	83.50	29.24	
Calcium as Ca (mg/l)	18.71	24.48	33.43	11.71	<150
Magnesium Hardness as CaCO ₃ (mg/l)	3.59	3.53	3.44	3.27	
Magnesium as Mg (mg/l)	0.87	0.85	0.84	0.80	<70
Sodium as (Na) (mg/l)	3.34	7.38	13.64	3.46	<200
Potassium as K (mg/l)	1.99	1.80	1.31	1.88	<50
Chloride as Cl (mg/l)	3.90	5.13	6.69	5.46	<200
Fluoride as F (mg/l)	0.13	0.18	0.37	0.14	<1
Sulphate as SO ₄ (mg/l)	0.47	0.50	1.66	1.88	<400
Nitrate as N (mg/l)	0.02	0.05	1.01	0.02	<10
Iron as Fe (mg/l)	0.04	0.08	0.03	0.15	<0.2
Manganese as Mn (mg/l)	0.00	0.00	0.01	0.01	<0.1
Ammonia as N (mg/l)	0.12	0.08	0.09	0.10	<1.0
Aluminium as Al (mg/l)	0.04	0.00	0.03	0.02	<300
Zinc as Zn (mg/l)	0.05	0.13	0.18	0.11	<5.0
Langelier Sat. Index	-0.18	-0.88	-0.56	-1.58	
Ryznar Index	8.97	9.40	8.63	10.68	
Corrosivity Ratio	0.25	0.23	0.17	0.38	
CaCO ₃ Precipitation potential (mg/l)					
Free Res. Chlorine (mg/l)	0.43	0.57	0.31	0.64	
E.Coli (count/100ml)	0.00	0.00	0.07	0.00	0
Total Coliform Bacteria(count/100ml)	0.00	0.00	0.20	0.00	10

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3.2 WASTE WATER (SANITATION) PROVISION

Greater Tzaneen Municipality is a Water Services Provider, whereas Mopani District Municipality is a Water Services Authority. Mopani allocates a certain amount of VIPs (sanitation) to GTM annually, based on the backlog. GTM's function is to monitor the building of the VIPs.

Level of access	2013/14		2014/15		2015/2016	
	No of Households	% of Total	No of Households	% of Total	No of Households	% of Total
Flush toilet (connected to sewerage)	14276	13.11	14 344	13.1	14 456	13.3
Flush toilet (with septic tank)	284	0.26	284	0.3	284	0.3
Chemical Toilet	0	0	0	0	0	0
Ventilated Pit Toilet	65804	60.41	67 104	61.60	67104	61.6
Other Toilet below minimum level	0	0	0	0	0	0
No toilet provision	28562	26.22	27 231	25	27082	25
Total Households	108 926	100	108 926	100	108 926	100
No of Households receiving Free Basic sanitation	1 743		1 743		1743	
Budget allocation for sanitation services	R 8 229 848		R 9 052 633		Not known	

Irradicating the backlog in terms of household access to sanitation has been a challenge as can be seen in **Figure 5** below.

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Figure 5: Access to Sanitation

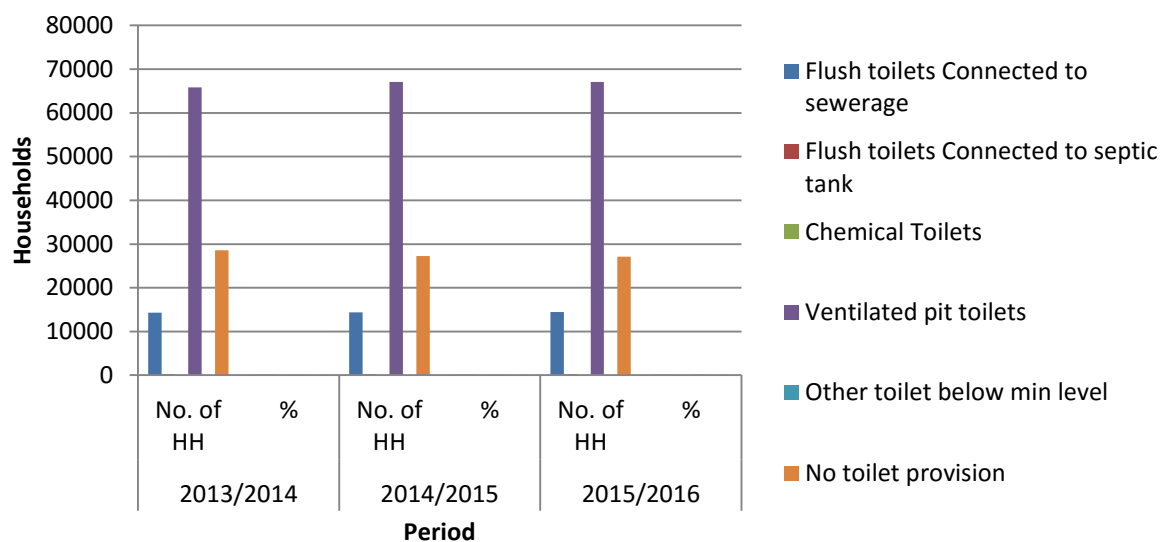


Table 26: Employees – Sanitation Services 2015/16

Job level	2014/15			2015/16		
	No of Posts	Positions Filled	Vacancy rate	No of Posts	Positions Filled	Vacancy rate
Level 0-3	0	0	0%	0	0	0%
Level 4-6	1	1	0%	1	1	0%
Level 7-9	0	0	0%	0	0	0%
Level 10-15	24	6	75%	24	6	75%
Level 16-17	0	0	0	0	0	0
Total	25	7	72%	25	7	72%

3.3 ELECTRICITY

The top service delivery issues in terms of the provision of electricity are *firstly*, continuity of supply to consumers and the safe performance of our network, all of which is being seriously jeopardised by the *second* issue which is the increasing dilapidated state of our distribution system, *lastly* and most importantly, demands for new connections. Phase 3 of the Capacity project has been completed which includes the laying of the ring cable from the Church Substation to the Old SAR substation and refurbishment of the substation which will stabilise power supply to Tzaneen Town. To improve service delivery and proper future planning, a Consultant was appointed to develop a Master Plan over two phases. An Inception report was submitted in June 2016 and the project will be completed in March 2017.

GTM is also in the process of developing a complete prepaid system in the Greater Tzaneen Municipal license area (formal town areas only at the moment). As a result, we adopted the ACTOM meter system and monitoring software together with the Contour vending system. We are currently the first in the country with this new technology and have proudly hosted other Municipalities on a 'show and tell' demonstration. This resulted in our original license for 1000 meters on the complete monitoring system being extended to 5000 meters without any cost as a reward for "show and tell". We also developed the Contour vending system to integrate with the ACTOM monitoring system and the Financial Promis system. The vending system was adapted to include conventional ACTOM meters, which also could be monitored remotely. The aim is to move to an automated meter reading system in the town areas within a few years.

As at 30 June 2016 we had only about 330 standard CBI prepaid meter customers left in the system. We are planning to convert all these meters to the new split meter system in phases

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over a period as the workload permits. Currently we have 670 ACTOM split prepaid meters of which 190 are installed in a village environment in lockable pole top boxes. An accumulative figure of 480 Prepaid meters were converted from conventional to prepaid in Tzaneen town, consisting of 30 Indigent customers with 20Amp and 450 customers on 60 Amp. The monitoring system currently consists of 98 data concentrators and a server hosting the monitoring system. The new ACTOM split prepaid meters held a 0.4% tampering rate for the last 5 years since the first meters were installed, which is remarkable compared to the old metering system with a tampering rate of 75%.

Council approved a prepaid policy allowing prepaid connections only for domestic customers in Tzaneen town, which will be extended in future to the towns of Haenertsburg, Letsitele and Gravelotte. All indigent customers in these towns, once approved by Council, will automatically be converted to a 20 Amp prepaid connection. This will assist in restricting bad debt. When in arrears with their rates and taxes, a hold will be placed on the vending system, stopping a 60 Amp prepaid customer from buying electricity until an arrangement is made to pay the arrears. This Policy will be reviewed from time to time as the Department and system develop to ultimately include all domestic customers. We started with an integration process of the systems in the 2013/14 financial year. The first phase, integration between the Vending and Financial system, will be completed in the 2017/18 financial year. This will enable the Finance Department to automatically block 60 Amp Prepaid customers from buying prepaid electricity when their accounts are in arrears with more than R500.

This is an automated process, resulting in zero prepaid customers with arrears of more than R500-00. Phase 2 will involve integration between all three, Financial, Vending and Monitoring systems, resulting in automatic reading and billing of conventional customers inside our Town areas, starting with Tzaneen. GTM has an electrification priority list that is regularly updated to ensure the full scope of needs is known. The IDP is a major tool in identifying poor

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communities and the appropriate allocation of funds to alleviate their plight. Service Providers are the Municipality and Eskom, each in their respective licensed areas.

Table 27: Household access to electricity 2013/14 - 2015/16						
Level of access	2013/2014		2014/2015		2015/16	
	No of Households	No of Households	No of Households	% of Total	No of Households	% of Total
Electricity connection (at least minimum level)	99541	91%	101 004	93%	102004	94%
Electricity connection - prepaid	662	0,71%	761		1000	0.99%
Electricity below minimum level	0	0	0	0	0	0
No access to electricity	9385	9%	7922	7%	6 922	6%
Total Households	108926		109687		108926	
No of Households receiving Free Basic Electricity	28 354	28.49%	31 129	28.38%	36 427	33.4%
Budget allocation for Electricity services	R10 000 000		R6 000 000		R30 000 000	

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Table 28: Service Delivery Targets for Electricity as set out in the SDBIP for 2015/16

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2016			
					Target	Actual	R	Reason for deviation
D148	Electricity Infrastructure	% of households with access to electricity	Percentage	96%	96%	94%	O	Projects still under construction due to the following reasons; 1. Late appointment of other contracts 2. Areas rocky and inaccessible 3. Delays with delivery of transformers due to shortage of copper
D149	Cost Recovery	% Electricity loss (Kwh)	Percentage	14%	14%	19.57%	R	Incorrect meter reading by newly appointed meter readers
D150	Cost Recovery	Kilow Watt Hour Electricity loss (Kwh)	Kilow Watt Hour	42,540,860	42,540,860	75,794,203	B	Incorrect meter reading by newly appointed meter readers.
D151	Electricity network upgrade and maintenance	R-value electricity maintenance	R-value	48,420,444	48,420,444	45,156,651	O	All actual materials budget spent. Some line items on repairs and maintenance not the responsibility of EED.
D152	Electricity network upgrade and maintenance	Km of overhead lines rebuilt	Kilometers	31	31	31	G	Project completed
D153	Budget management	% of EED departmental budget spent	Percentage	100%	100%	96.33%	O	Budget not completely spent due vacant positions

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Table 28: Service Delivery Targets for Electricity as set out in the SDBIP for 2015/16

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2016			
					Target	Actual	R	Reason for deviation
D154	Expenditure Management	% of capital budget for electricity spent	Percentage	100%	100%	65.10%	R	All capital projects in the IDP were completed during the year.
D155	Electricity Infrastructure Development	Apollo light at Burgersdorp	Q1: Tender process for appointment of contractor finalised. (10%) Q2: Construction of Apollo light, physical progress at 10% (20%) Q3: Construction of Apollo light, physical progress at 50% (60%) Q4: Apollo light in Burgersdorp completed (100%)	100%	100%	90%	O	Contractor to do self-built(line) for Eskom the connection cost is paid to Eskom
D156	Electricity Infrastructure Development	Apollo lights at Khopo	Q1: Tender process for appointment of contractor finalised. (10%) Q2: Construction of Apollo light, physical progress at 10% (20%) Q3: Construction of Apollo light, physical progress at 50% (60%) Q4: Apollo light in Khopo completed (100%)	100%	100%	90%	O	Contractor to do self-built (line) for Eskom the connection cost is paid to Eskom
D157	Electricity Infrastructure Development	Apollo lights at Mawa Block 8 and 9	Q1: Tender process for appointment of contractor finalised. (10%) Q2: Construction of Apollo light, physical progress at 10% (20%) Q3: Construction of Apollo light, physical progress at 50% (60%) Q4: Apollo light in Mawa Block 8&9 completed (100%)	100%	100%	90%	O	Still waiting for Eskom to do connections all connections have been paid. there is still a dispute with the Consultant regarding the cost per high mast
D158	Electricity Infrastructure Development	Apollo lights at Moloko and Pelana village	Q1: Tender process for appointment of contractor finalised. (10%) Q2: Construction of Apollo light, physical progress at 10% (20%) Q3: Construction of Apollo light, physical progress at 50% (60%) Q4: Apollo light in Moloko and Pelana village completed (100%)	100%	100%	90%	O	Still waiting for Eskom to do connections all connections have been paid. there is still a dispute with the Consultant regarding the cost per high mast

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Table 28: Service Delivery Targets for Electricity as set out in the SDBIP for 2015/16

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2016			
					Target	Actual	R	Reason for deviation
D159	Electricity Infrastructure Development	Apollo lights at Dan Village	Q1: Tender process for appointment of contractor finalised. (10%) Q2: Construction of Apollo light, physical progress at 10% (20%) Q3: Construction of Apollo light, physical progress at 50% (60%) Q4: Apollo light in Dan Village completed (100%)	100%	100%	90%	○	Contractor to do self-built(line) for Eskom the connection cost is paid to Eskom
D160	Electricity Infrastructure Development	Apollo lights at Motupa Village	Q1: Tender process for appointment of contractor finalised. (10%) Q2: Construction of Apollo light, physical progress at 10% (20%) Q3: Construction of Apollo light, physical progress at 50% (60%) Q4: Apollo light in Motupa Village completed (100%)	100%	100%	90%	○	Still waiting for Eskom to do connections all connections have been paid. there is still a dispute with the Consultant regarding the cost per high mast
D161	Electricity Infrastructure Development	Apollo lights at Nyagelani Village	Q1: Tender process for appointment of contractor finalised. (10%) Q2: Construction of Apollo light, physical progress at 10% (20%) Q3: Construction of Apollo light, physical progress at 50% (60%) Q4: Apollo light in Nyagelani Village completed (100%)	100%	100%	90%	○	Contractor to do self-built(line) for Eskom the connection cost is paid to Eskom
D162	Electricity Infrastructure Development	Apollo lights at Tickyline Village	Q1: Tender process for appointment of contractor finalised. (10%) Q2: Construction of Apollo light, physical progress at 10% (20%) Q3: Construction of Apollo light, physical progress at 50% (60%) Q4: Apollo light in Tickyline Village completed (100%)	100%	100%	90%	○	Contractor to do self-built(line) for Eskom the connection cost is paid to Eskom

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Table 28: Service Delivery Targets for Electricity as set out in the SDBIP for 2015/16

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2016			
					Target	Actual	R	Reason for deviation
D163	Electricity Infrastructure Development	Apollo lights at Moruji Village	Q1: Tender process for appointment of contractor finalised. (10%) Q2: Construction of Apollo light, physical progress at 10% (20%) Q3: Construction of Apollo light, physical progress at 50% (60%) Q4: Apollo light in Moruji Village completed (100%)	100%	100%	90%	O	Still waiting for Eskom to do connections all connections have been paid. there is still a dispute with the Consultant regarding the cost per high mast
D164	Electricity Infrastructure Development	Electrification of households at Khujwana	Q1: Appointment of service provider finalised (10%) Q2: Designs approved by ESKOM (20%) Q3: Construction 50% (60%) Q4: Electrification of households at Khujwana completed (100%)	100%	100%	85%	O	Busy with construction of additional 25 households
D165	Electricity Infrastructure Development	Electrification of households at Wally village	Q1: Appointment of service provider finalised (10%) Q2: Designs approved by ESKOM (20%) Q3: Construction 50% (60%) Q4: Electrification of households at Wally village completed (100%)	100%	100%	88%	O	Project completion delayed due to unavailability of transformers from suppliers.
D166	Electricity Infrastructure Development	Electrification of households at Mohlakong/ Moruji village	Q1: Appointment of service provider finalised (10%) Q2: Designs approved by ESKOM (20%) Q3: Construction 50% (60%) Q4: Electrification of households at Mohlakong/ Moruji completed (100%)	100%	100%	50%	R	Areas rocky and inaccessible. Delays with delivery of transformers from the suppliers due to copper shortage.
D167	Electricity Infrastructure Development	Electrification of households at Bonn/ Lekutswi	Q1: Appointment of service provider finalised (10%) Q2: Designs approved by ESKOM (20%) Q3: Construction 50% (60%) Q4: Electrification of households at Bonn/ Lekutswi completed (100%)	100%	100%	53%	R	Project delayed due to late site establishment and delivery of transformers

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Table 28: Service Delivery Targets for Electricity as set out in the SDBIP for 2015/16

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2016			
					Target	Actual	R	Reason for deviation
D168	Electricity Infrastructure Development	Electrification of households at Mopye/Sebabane Village	Q1: Appointment of service provider finalised (10%) Q2: Designs approved by Eskom (20%) Q3: Construction 50% (60%) Q4: Electrification of households at Mopye/Sebabane Village completed (100%)	100%	100%	70%	R	Area Rocky and inaccessible
D169	Electricity Infrastructure Development	Electrification of households at Botludi/ Mothomeng Villages	Q1: Appointment of service provider finalised (10%) Q2: Designs approved by Eskom (20%) Q3: Construction 50% (60%) Q4: Electrification of households at Botludi/ Mothomeng Villages completed (100%)	100%	100%	50%	R	Area rocky and inaccessible. Delays with delivery of transformer from the supplier due to shortage of copper.
D170	Electricity Infrastructure Development	Electrification of households at Motupa/ Marirone/ Kubjana Villages	Q1: Appointment of service provider finalised (10%) Q2: Designs approved by Eskom (20%) Q3: Construction 50% (60%) Q4: Electrification of households at Motupa/ Marirone/ Kubjana Villages completed (100%)	100%	100%	88%	O	Project completion delayed due to unavailability of transformers from suppliers
D171	Electricity Infrastructure Development	Electrification of households at Khopo (Civic) (Rita) and Segabedi villages	Q1: Appointment of service provider finalised (10%) Q2: Designs approved by Eskom (20%) Q3: Construction 50% (60%) Q4: Electrification of households at Khopo (Civic) (Rita) and Segabedi completed (100%)	100%	100%	80%	O	Delays with delivery of material by the supplier
D172	Electricity Infrastructure Development	Electrification of households at Hospital view/ Mineview villages	Q1: Appointment of service provider finalised (10%) Q2: Designs approved by Eskom (20%) Q3: Construction 50% (60%) Q4: Electrification of households at Hospital view/ Mineview completed (100%)	100%	100%	60%	R	Project delayed due to late site establishment by contractor and unavailability of transformers from the suppliers

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Table 28: Service Delivery Targets for Electricity as set out in the SDBIP for 2015/16

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2016			
					Target	Actual	R	Reason for deviation
D173	Electricity Infrastructure Development	Electrification of households at Sunnyside/ Myakayaka villages	Q1: Appointment of service provider finalised (10%) Q2: Designs approved by Eskom (20%) Q3: Construction 50% (60%) Q4: Electrification of households at Sunnyside/ Myakayaka completed (100%)	100%	100%	60%	R	Delays with delivery of transformers from the supplier due to copper shortage. Rocky area.
D174	Electricity Infrastructure Development	Electrification of households at Morapalala villages	Q1: Appointment of service provider finalised (10%) Q2: Designs approved by Eskom (20%) Q3: Construction 50% (60%) Q4: Electrification of households at Morapalala completed (100%)	100%	100%	88%	O	Delays with delivery of transformers from the supplier.
D175	Electricity Infrastructure Development	Split meters	Q1: Installation of split meters completed (100%) Q2: Not applicable this quarter (100%) Q3: Not applicable this quarter (100%) Q4: Not applicable this quarter (100%)	100%	100%	100%	G	Project completed at Runnymede village.
D178	Electricity network upgrade and maintenance	Capacity Building/ cable network renewal (11kv Cable from Church substation via old SAR to Power station)	Q1: Physical construction at 20% (20%) Q2: Physical construction at 30% (30%) Q3: Physical construction at 50% (50%) Q4: Cable network and upgrading of substation completed. (100%)	100%	100%	100%	G	Original scope 100% completed. Extended scope 100% completed

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Table 28: Service Delivery Targets for Electricity as set out in the SDBIP for 2015/16

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2016			
					Target	Actual	R	Reason for deviation
D179	Electricity network upgrade and maintenance	Energy efficiency and demandside management (Tzaneen, Nkowankowa & Lenyenye)	Q1: Procurement of service provider for retrofitting of energy efficiency equipment for buildings and street lights (10%) Q2: Retrofitting of energy efficiency equipment in streetlights completed. Progress reports submitted to DOE (40%) Q3: Retrofitting of energy efficiency equipment in buildings completed. Progress reports submitted to DOE (70%) Q4: Retrofitting of energy efficiency equipment completed, close-out. Verification by DoE completed. (100%)	100%	100%	100%	G	Construction completed
D180	Electricity network upgrade and maintenance	Protection relays at Electrical Distribution substation	Q1: Identify and prioritise relays for replacement. (10%) Q2: Procure relays from supplier (20%) Q3: Installation of relays in conjunction with specialist service provider (60%) Q4: Installation of relays in conjunction with specialist service provider (100%)	100%	100%	100%	G	Project completed
D181	Electricity network upgrade and maintenance	Substation tripping batteries	Q1: Not applicable this quarter (0%) Q2: Procurement of battery banks from service provider (10%) Q3: Installation of battery banks completed (100%) Q4: Not applicable this quarter (100%)	100%	100%	100%	G	Tripping batteries purchase and installed at Letsitele main substation
D182	Electricity network upgrade and maintenance	Replacement of airconditioners in Municipal Buildings	Q1: Identify aircons to be replaced (25%) Q2: Procurement of service provider (50%) Q3: Procurement of service provider (75%) Q4: Installation of aircons completed (100%)	100%	100%	100%	G	Replacement of air conditioners done as and when required

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Table 28: Service Delivery Targets for Electricity as set out in the SDBIP for 2015/16

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2016			
					Target	Actual	R	Reason for deviation
D183	Electricity network upgrade and maintenance	Master Plan Review (Electricity)	Q1: Draft Request for proposal and submit to SCM for Procurement of a consultant. Consultant appointed (10%) Q2: Investigation process (50%) Q3: 1st Draft Revised Master Plan completed (80%) Q4: Final submission of Master Plan by service provider. (100%)	100%	100%	100%	G	Inception report submitted. Project over 2 financial years because of the late appointment of the Service Provider (appointed 8 Dec 2015)
D184	Electricity network upgrade and maintenance	Provision of Capital Tools (Urban)	Q1: Procurement of capital tools as and when required, report acquisitions to Council (25%) Q2: Procurement of capital tools as and when required, report acquisitions to Council (50%) Q3: Procurement of capital tools as and when required, report acquisitions to Council (75%) Q4: Procurement of capital tools as and when required, report acquisitions to Council (100%)	100%	100%	100%	G	Tools purchased as and when required
D185	Electricity network upgrade and maintenance	Provision of Capital Tools (outlying)	Q1: Procurement of capital tools as and when required, report acquisitions to Council (25%) Q2: Procurement of capital tools as and when required, report acquisitions to Council (50%) Q3: Procurement of capital tools as and when required, report acquisitions to Council (75%) Q4: Procurement of capital tools as and when required, report acquisitions to Council (100%)	100%	100%	100%	G	Capital tools purchased as and when required

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Table 28: Service Delivery Targets for Electricity as set out in the SDBIP for 2015/16

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2016			
					Target	Actual	R	Reason for deviation
D186	Electricity network upgrade and maintenance	Rebuilding of Lines- Greenfog - Haenertsburg (12km)	Q1: Determine scope of work and source quotations (10%) Q2: Issue orders to service providers, physical construction at 10% (20%) Q3: Physical progress at 50% (70%) Q4: Rebuilding of Lines- Greenfog - Haenertsburg (12km) completed (100%)	100%	100%	100%	G	Project completed
D187	Electricity network upgrade and maintenance	Rebuilding of Lines- Lalapanzi - Waterbok (7km)	Q1: Determine scope of work and source quotations (10%) Q2: Issue orders to service providers, physical construction at 10% (20%) Q3: Physical progress at 50% (70%) Q4: Rebuilding of Lines- Lalapanzi - Waterbok (7km) completed (100%)	100%	100%	100%	G	Project completed
D188	Electricity network upgrade and maintenance	Rebuilding of Lines- 11kv lines Grys Appel (Atherston to Redbank) (12km)	Q1: Determine scope of work and source quotations. Physical progress at 50% (50%) Q2: Rebuilding of Lines- 11kv lines Grys Appel completed (100%) Q3: Not applicable this quarter (100%) Q4: Not applicable this quarter (100%)	100%	100%	100%	G	Project completed
D189	Electricity network upgrade and maintenance	Old technology main circuit breakers in town	Q1: Procurement process for retrofitting circuit breakers completed (10%) Q2: Delivery of circuit breakers completed (20%) Q3: Installation of circuit breakers at 50% (50%) Q4: Installation of circuit breakers completed (100%)	100%	100%	100%	G	Project completed

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Table 28: Service Delivery Targets for Electricity as set out in the SDBIP for 2015/16

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2016			
					Target	Actual	R	Reason for deviation
D190	Electricity network upgrade and maintenance	Replace 10x11kv and 6x33 kv auto-reclosers per annum	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%)	100%	100%	90%	O	One autoreclores not installed. Planned outage to install the A/R was cancelled by the customer.
D191	Electricity network upgrade and maintenance	Renewal, Repairs and Maintenance on pre-paid meters (Tzaneen, Letsitele & Politsi)	Q1: Source quotations. (10%) Q2: Procurement of meters completed (20%) Q3: Replacement of old technology meters in Tarentaal rand (60%) Q4: Replacement of old technology meters at Lemoenfontein completed (100%)	100%	100%	100%	G	UPS installed Infrastructure upgrades completed LV lines for new connections completed
D192	Electricity network upgrade and maintenance	Telephone Network Management System (Control Room)	Q1: Identify system to be installed (20%) Q2: Procurement and installation of the telephone system (100%) Q3: Not applicable this quarter (100%) Q4: Not applicable this quarter (100%)	100%	100%	100%	G	Budget surrendered to IT Division
D194	Electricity network upgrade and maintenance	Substation fencing	Q1: Prioritise substation to be fenced (10%) Q2: Appointment of contractor finalised (20%) Q3: Construction of fence Completed (60%) Q4: Construction of fence Completed (100%)	100%	100%	100%	G	Project completed
D195	Electricity network upgrade and maintenance	Service Contribution for Tzaneen distribution area	Q1: Not applicable this quarter (0%) Q2: Not applicable this quarter (0%) Q3: Procurement process for the replacement of the Mini-substations (Nersa Audit) (10%) Q4: Mini-Substations replaced (100%)	100%	100%	100%	G	Project completed

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The ability of the Electricity Department to maintain the network was severely affected by the high number of vacancies on a technical level (see **Table 29**).

Job level	2014/2015			2015/16		
	No of Posts	Positions Filled	Vacancy rate	No of Posts	Positions Filled	Vacancy rate
Level 0-3	4	4	0%	4	3	25%
Level 4-6	32	16	50%	32	18	43%
Level 7-9	30	10	67%	30	12	60%
Level 10-15	120	73	39%	120	70	41%
Level 16-17	0	0	0%	0	0	0%
Total	186	103	45%	186	103	44%

Detail	2014/15	2015/2016			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue	395 460	493 770	493 770	442 159	51 611
Expenditure:					
Employees	37 024	41 746	41 746	39 077	2 669
Repairs & Maintenance	10 835	6 738	6 738	8 241	-1 503
Other	331 005	393 637	393 637	408 331	-14 694
Total Operational Expenditure	378 864	442 121	442 121	455 649	-13 528
Net Operational (Service) Expenditure	16 596	51 649	51 649	-13 490	65 139

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Table 31: Capital Expenditure 2015/16: Electricity Services					
Capital Projects	2015/2016				
	Budget	Adjustment budget	Actual Expenditure	Variance from original budget	Total Project value*
Capacity Ph3: Church to Old SAR	R 7 000 000	R 8 000 000	R 7 371 943	-5%	R10 000 000
Energy Efficiency Demand side Management Ph2	R 5 000 000	R 5 000 000	R 4 832 057	3%	R4 832 056
Prepaid Renewal and Repairs	R 150 000	R 150 000	R 120 986	19%	R95 986
Master Plan Study Ph1	R 400 000	R 400 000	R 398 000	1%	R900 000
Rebuilding of 11kv from Grys Appel to Red bank (12km)	R2 160 000	R2 160 000	R 995 543	54	R1 995 543
Rebuilding of lines from Lalapanzi to Waterbok (7km)	R1 000 000	R 1 138 426	R 1 138 426	-14%	R1 138 426
Rebuilding of Greenfog to Haenertsburg (12km)	R1 400 000	R1 400 000	R 1 044 734	25%	R1 044 734
Replace 10 X 11kv and 6 X 33kv Autorecloser	R1 000 000	R1 000 000	R 959 006	4%	R959 006
Substation Tripping Batteries	R150 000	R150 000	R 164 928	-10%	R164 928
Substation Fencing	R100 000	R100 000	R 96 667	3%	R96 667

* Including past and future expenditure as planned for the next 3 years

The available capacity remains a priority before the capacity issue can be declared sorted. Along with a sudden and pronounced increase in demand due to surging development, the Electrical Engineering Department has recently experienced increased power outages and customer complaints due to various reasons regarding continuous power supply and the quality of that supply. This due to the fact that the system has deteriorated to unacceptable levels which will ultimately cause the total and imminent collapse of some parts of the network, unless drastic and immediate intervention is undertaken. There are also increased incidences of lines falling to the ground during storms because of old and rotten poles. The implications of these problems are the following:

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- Potential negative impact on development.
- Loss of revenue due to unnecessary power outages.
- Possible sanctions by the NERSA for non-compliance.
- Dissatisfied customers.
- Increased power losses in the system.
- Increased maintenance costs and overheads
- De-motivated and overworked employees due to recurring breakdowns and overtimes.
- Increased wages caused by unplanned overtime due to recurring breakdowns.
- Unsafe conditions for electricians as well as both public and private property (fires, electrocution, etc.)

The following salient factors also need to be highlighted:

- Some parts of the network (+- 50%) exceed the end of their projected lifespan.
- The length of steel line in the system is estimated at +- 30% of the total length in the 11 kV network. These steel lines needs to be replaced by 0.05" ACSR (aluminium conductor steel reinforced) conductors.
- A high percentage of existing auto re-closers (+- 40%) are not in good working condition.
- More than 70% of the rural personnel's man hours are used for breakdowns. Concerted efforts should be made to reverse the situation so that more than 70% is used for planned maintenance and less than 30% for breakdowns.
- Some of the distribution transformers have exceeded their life span and loading capacity and must be replaced by new transformers.

3.4 SOLID WASTE MANAGEMENT

The management of solid waste is governed by both International and National prescripts. International guidelines / prescriptions for waste management are as follows:

- The Rio declaration
- The Agenda 21 principles
- Kyoto protocol
- Copenhagen agreement
- 19 other International agreements

The South African legislative framework includes the following:

- National Environmental Waste Management Act (Act 59 of 2008)
- Environmental Management Act (Act 107 of 1998)
- Environmental Conservation Act (Act 73 of 1989)
- Greater Tzaneen Municipality Solid Waste By-Law, Notice no 12 of 1990

Solid Waste Collection Services”

The jurisdiction of GTM is divided by the main roads from Politsi via Tzaneen, Tarentaalrand, Letsitele and Trichardtsdal, in a Northern and Southern service region. Residential kerbside waste collection service was provided to 8,537 Urban Households and 562 businesses were serviced in the following formal towns:

- Nkowankowa
- Lenyenye
- Letsitele
- Haenertsburg
- Tzaneen

Services in the rural areas are limited to ± 33,600 households in 28 Waste Service Areas which have access to a Basic Removal Service (less frequently than once a week), representing 31 % of the 108,687 households. Another (estimated) 66,550 rural households are using a

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communal dump or their own refuse dump (Estimated figures by map count, the figure is not verified due to un-formalized rural).

GTM constructed 97 Drop off Centres to service rural areas so far only 28 have been activated due to budget limitations.

Litterpicking services is rendered in all Urban streets, main roads & urban taxi / bus ranks are cleaned on a regular basis from all debris and solid waste, where 29,021 m³ are collected annually. Roads and streets in rural areas are however not yet not being attended to.

Greater Tzaneen Municipality has an 11 hectare licensed landfill site where the following volumes of waste were processed during 2015/16:

- General Waste received at the Landfill-site:
 - Per annum = 71,929 m³ or 14,386 tons
 - Per day = 231m³ or 46 tons
 - Airspace utilized for 2015/16 = ±17,982 m³
- Garden Waste received at the Landfill:
 - Per annum = 18,179 m³ or 3,636 tons
 - Per day = 58 m³ or 12 tons
- Recycling:
 - At the Landfill = 3,522 m³

The Solid Waste Division is also responsible for the management of public toilets. The following public toilets are maintained:

- 6 blocks at Tzaneen
- 1 block at Nkowankowa
- 1 block at Letsitele
- 1 block at Haenertsburg
- 1 block at Lenyenye

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Challenges relating to Solid Waste Collection:

The solid waste collection service is mainly affected by budget limitations but also the following factors:

- Solid Waste Law Enforcement is not effective due to the fact that dedicated officials have not been appointed.
- Limited maintenance of access roads
- Limited lifespan of the landfill site. Mopani District Municipality should establish a regional landfill site (in accordance with the National Waste Sector Plan)
- The fleet needs to be renewed as regular breakdowns affect the collection and transportation of waste

Level of access	2013/2014		2014/2015		2015/16	
	No of Households	% of Total	No of Households	% of Total	No of Households	% of Total
Solid waste removal once a week	8,766	8%	8,537	8%	8,537	8%
Removal less frequently than once a week	3,219	3%	33,600	31%	33,600	31%
Using communal dump + own refuse dump	100,196	89%	66,550	61%	66,550	61%
Using own refuse dump	Above	Above	N/A	N/A	N/A	N/A
Other disposal	0	0%	N/A	N/A	N/A	N/A
No waste disposal	0	0%	0	0	0	0
Total Households	108,926	100%	108,687	100%	108,687	100%
No of Households receiving Free Basic Waste services	13,377		993		1,193	
Budget allocation for Solid waste collection services	R 53,900,000		R 55,137,406		R 71,017, 213	

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Table 33: Service Delivery targets for Waste as set out in SDBIP for 2015/16

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2016			
					Target	Actual	R	Reason for deviation
D140	Waste Management	R-value spent on waste management (collection & transportation, street cleansing, public toilets)	R-value	71,017,213	71,017,213	55,205,369	O	All June expenditure was not yet reconciled by C.F.O. viz:- (1)Employee related costs (2) Transport costs (3)Contracted Services (4) P.P.E.'s
D141	Waste Management	# of service areas (rural waste) serviced (EPWP)	Number	13	13	21	B	30 of Waste Service Areas (rural waste) serviced via EPWP-programme
D142	Waste Management	% Households with access to basic level of solid waste management services	Percentage	8%	8%	8%	G	No deviation

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Job level	2014/2015			2015/16		
	No of Posts	Positions Filled	Vacancy rate	No of Posts	Positions Filled	Vacancy rate
Level 0-3	1	1	0%	1	1	0%
Level 4-6	3	3	0%	3	3	0%
Level 7-9	1	1	0%	1	1	0%
Level 10-15	136	133	2%	136	96	29%
Level 16-17	0	0	0%	0	0	0%
Total	141	138	2%	141	101	28%

Detail	2014/2015	2015/16			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue	28 170	35 142	35 142	28 344	6 798
Expenditure:					
Employees	12 874	16 572	16 572	14 543	2 029
Repairs & Maintenance	2 541	3 446	3 446	1 933	1 513
Other	16 551	18 829	18 829	21 300	-2 471
Total Operational Expenditure	31 966	38 846	38 846	37 776	1 071
Net Operational (Service) Expenditure	(3 796)	(3 704)	(3 704)	(9 432)	5 727

Table 36 below presents the progress made with the implementation of capital projects allocated for the Solid Waste Collection during 2015/16.

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Table 36: Capital Expenditure 2015/16: Solid Waste Services (R'000)					
Capital Projects	2015/2016				
	Budget	Adjustment budget	Actual Expenditure	Variance from original budget	Total Project value*
<None>					
Total					

* Including past and future expenditure as planned for the next 3 years

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3.5 HOUSING & BUILDING CONTROL

3.5.1 HOUSING

All projects are developed in terms of the approved Integrated Residential Development Programme. Rural projects are implemented in terms of the Rural Housing Subsidy Programme. The Greater Tzaneen Municipality prioritise the development areas for wards with least low cost housing subsidy/RDP houses. The following Villages were prioritized for 2015/16: Runnymede (20), Pyapyamela (15), Joppie (15), Mavele (30), Mohlakeng (10), Morutsi (10), Botludi (10), Matarapane (10), Jokong (10), Nabane (10), New Rita (20), Marumofase (20), Ramalema (20), Tickyline (20), Lephephane Long Valley (13), Rasebalane (13), Topanama Khopo (14) Musiphani (10), Mugwazeni (10), Mackery (10), Dan Village (20), Nkomananini (20), Kubyane (20), Motupa (20), Marironi (20), Maake Headkraal (10), Dipajeng (10), Serare (10), Maphala (10), Mothopong (10), Gabaza (10), Burgersdorp (10), Pharare (30) and Lephephane (10). The total allocation was **500** units for 2015/16 financial year, no emergency units was allocated. See **Table 37** for the progress with regard to the implementation of RDP houses.

Year	Total Households	Households in informal houses**	% of HH in formal settlements
2011/2012*	108 926*	7 729	7.01%
2012/2013	108 926*	7 729	7.01%
2013/2014	108 926	7 729**	7.01%
2014/2015	108 926	7 729**	7.01%
2015/2016	101420	2 756	3%

*Number of Households as established through Census 2011 (Stats SA, 2011)

**GTM is a predominantly rural municipality, the definition of informal houses in a rural context has not been clarified and therefore figure represents the Stats SA definition which only includes houses with an informal structure (not referring to the town planning context thereof)

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Table 38: Housing Service Delivery targets for 2015/16 as set out in the SDBIP

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2016			
					Target	Actual	R	Reason for deviation
D226	Integrated Human Settlements	Integrated Sustainable Human Settlement Plan reviewed by 30 Jun '17	Number	1	1	200	B	No Deviation
D227	Integrated Human Settlements	# of land parcels acquired for development	Number	1	1	400	B	No Deviation
D234	Integrated Human Settlements	Housing coordination (700 RDP units)	<p>Q1: Completion of beneficiary lists and attach documents and details Submission of forms to COGHSTA Verification of beneficiaries Monitor project implementation and attend monthly project steering committee meetings (40%) Q2: Monitor Project implementation and report progress on the building of houses at the allocated villages. Attend monthly project steering committee meetings (60%) Q3: Monitor Project implementation and report progress on the building of houses at the allocated villages. Attend monthly project steering committee meetings (80%) Q4: Monitor Project implementation and report progress on the building of houses at the allocated villages. Attend monthly project steering committee meetings (100%)</p>	100%	100%	100%	G	No Deviation project completed

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Table 38: Housing Service Delivery targets for 2015/16 as set out in the SDBIP

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2016			
					Target	Actual	R	Reason for deviation
D236	Integrated Human Settlements	Lenyenye Cemetery (land)	Q1: Negotiations for the purchase of land to extend the Lenyenye cemetery (20%) Q2: Negotiations for the purchase of land to extend the Lenyenye cemetery (40%) Q3: Negotiations for the purchase of land to extend the Lenyenye cemetery (60%) Q4: Land purchased (100%)	100%	100%	100%	G	No deviation
D237	Integrated Human Settlements	Formalisation of Nkambako Informal Settlements	Q1: Public participation, formation of the project steering committee, monthly reporting meetings and monitoring the implementation of the project. (70%) Q2: Arrange monthly steering committee meetings and report progress with implementation to Council (80%) Q3: Arrange monthly steering committee meetings and report progress with implementation to Council (90%) Q4: Arrange monthly steering committee meetings and report progress with implementation to Council (100%)	100%	100%	100%	G	No Deviation
D238	Integrated Human Settlements	Selling of sites at Dan ext 2	Q1: Prepare specification documents and submit to SCMU (5%) Q2: Advertise for the selling of sites at Dan Ext2 (10%) Q3: Awarding of tender and draft contracts/deed of sale for the highest bidders (80%) Q4: Contracts/ deed of sale concluded (100%)	100%	100%	100%	G	No deviation

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Table 38: Housing Service Delivery targets for 2015/16 as set out in the SDBIP

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2016			
					Target	Actual	R	Reason for deviation
D243	Integrated Spatial Development	Land identification for social housing	Q1: Housing design, Township establishment and EIA started. Costing of construction of rental housing in Tzaneen Portion 292 Pusela (60%) Q2: Township establishment and EIA started. Costing of construction completed (80%) Q3: Township establishment and EIA progress report (90%) Q4: Township establishment and EIA concluded (100%)	100%	100%	100%	G	No deviation

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Table 39: RDP Housing projects 2015/16

Village (Location)	Commencement date	Units allocated	Units completed	Challenges/Achievements
Runnymede	January 2016	20	20	Completed
Pyapyamela	January 2016	15	15	Completed
Joppie	January 2016	15	14	Only one beneficiary who was approved on previous project but not benefitted. Current developer volunteered to pay the R40 in order to complete the house.
Mavele	January 2016	30	30	Completed
Mohlakeng	January 2016	10	10	Completed
Morutsi	January 2016	10	10	Completed
Botludi	January 2016	10	10	Completed
Matarapane	January 2016	10	10	Completed
Jokong	January 2016	10	10	Completed
Nabane	January 2016	10	10	Completed
New Rita	January 2016	20	20	Completed
Marumofase	January 2016	20	20	Completed
Ramalema	January 2016	20	20	Completed
Tickyline	January 2016	20	20	Completed
Lephephane Long Valley	January 2016	13	13	Completed
Rasebalane	January 2016	13	13	completed
Topanama Khopo	January 2016	14	14	completed
Musiphani	January 2016	10	10	completed
Mugwazeni	January 2016	10	10	completed
Mackery	January 2016	10	10	Completed
Dan village	January 2016	20	20	Completed
Nkomananini	January 2016	20	20	Completed
Kubyane	January 2016	20	20	Completed
Motupa	January 2016	20	20	Completed
Marironi	January 2016	20	20	Completed
Maake Headkraal	January 2016	10	10	Completed
Dipajeng	January 2016	10	10	Completed
Serare	January 2016	10	10	Completed
Maphala	January 2016	10	10	Completed

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Village (Location)	Commencement date	Units allocated	Units completed	Challenges/Achievements
Mothopong	January 2016	10	10	Completed
Gabaza	January 2016	10	10	Completed
Burgersdorp	January 2016	10	10	Completed
Pharare	January 2016	30	30	Completed
Lephephane	January 2016	10	10	completed

Table 39 presents the list of RDP housing projects allocated to the GTM area by the Department of Cooperative Governance, Human Settlements and Traditional Affairs during 15/16. From the table it is clear that most projects have not yet been completed and this is mainly due to the fact that CoGHSTA appointed the contractors very late in the financial year and these projects will therefore roll-over to the 16/17 financial year.

Challenges Experienced on RDP Housing:

- Allocation of houses from CoGHSTA does not meet the demands of the community,
- No delegated powers for the Municipality on the provision of housing,
- Backlog figures are not reflected in terms of income levels and special needs,
- Waiting lists are not in accordance to the National Criteria, no Housing Subsidy System (HSS),
- Not all stakeholders involved in the identification of beneficiaries are familiar with the National requirements to qualify for a housing subsidy,
- The public complains about identified beneficiaries but do not submit comments or objections during publication of lists,
- The unauthorised selling and demolishing of RDP units,
- Emergency lists submitted are scattered and this has a negative cost implication,
- Minimal participation of beneficiaries/ownership of projects,
- Greater Tzaneen Municipality is predominantly rural and this poses problems in balancing backlogs vs. spatial growth patterns through the provision of low cost housing,

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- The non-availability of land for development in the townships and some villages,
- An integrated approach in addressing the needs of communities is still lacking
- Stand numbers in some villages are not easily detected.

Housing Consumer Education

- Housing Consumer Education was conducted to all wards which benefited for 2015/16 financial year. The total number of beneficiaries targeted was 500.
- Officials from Provincial Offices and Municipal officials conducted the workshop.
- Workshops were conducted at Morutsi Emmanuel Assembly, Motupakgomo Primary School, Jokong Assembly Church, Musiphane Satellite Police Station, MPCC Runnymede, Phepeni Visiting point, Dan point and Lephepane Child care centre.

Housing Backlog

The Municipal housing backlog is 12,590 but pending the review of beneficiaries for 2013 to 2016 while the middle income housing backlog is 1,625.

Emergency Housing

73 allocated units were completed.

Unblocked

20 units allocated and 15 units were completed.

3.5.2 BUILDING CONTROL

Building control services is provided in line with the National Building Regulations act of (1977) as amended. The Building and Maintenance Division also maintains all Council owned buildings to ensure that they comply with the Occupational Health and Safety Act (Reg. 1039 of 2005) as amended. GTM approves building plans and receives ±45 building plans per month and half of them are returned for corrections. The Municipality is approving ±23 building plans per month, which are being approved within the 30 day period, as stipulated in the building regulations.

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Table 40: Square meters and value of building plans approved 2012/13 – 2015/16

	2012/13		2013/14		2014/15		2015/16	
	Area (m ²)	Value (R)	Area (m ²)	Value (R)	Area (m ²)	Value (R)	Area (m ²)	Value (R)
New houses approved	15 190	65 139 000	18 836	84 762 000	22 972	126 346 000	24043	125 023 600
Additions to existing houses approved	4505	19 135 000	3 733	16 798 500	3 904	21 472 000	5704	29 660 800
New shops approved	490	2 205 000	0	0	484	2 662 500	1609	8 366 800
Additions to existing shops approved	0	0	1445	6 502 500	0	0	0	0
Additions to existing industrial approved	6752	30 384 000	5521	24 844500	2463	13 546 500	0	0
New churches approved	782	3 519 000	0	0	2242	12 331 000	0	0
New townhouses approved	1233	4 932 000	0	0	300	1 650 000	1031	5 361 200
New other (cell phone towers) approved	896	4 032 000	0	0	0	0	310	1 612 000

The staff compliment of the building and maintenance division is presented below in **Table 41** below:

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Table 41: Employees – Building and Maintenance (2015/16)						
Job level	2014/15			2015/16		
	No of Posts	No of Posts	No of Posts	No of Posts	Positions Filled	Vacancy rate
Level 0-3	1	1	0%	1	1	1
Level 4-6	13	11	15%	11	13	11
Level 7-9	3	3	0%	3	3	3
Level 10-15	28	16	43%	16	28	16
Level 16-17	0	0	0%	0	0	0
Total	45	31	31%	31	45	31

The Capital allocation for Building and Maintenance is presented in **Table 42** below.

Table 42: Capital Project Expenditure 2015/16: Building and Maintenance (R'000)					
Capital Projects	2015/2016				
	Budget	Adjustment budget	Actual Expenditure	Variance from original budget	Total Project value*
Replacement of roof in the civic Centre in Tzaneen	R500,000	R 500,000	R 398, 646	R 101 354	R500 000

The financial performance of the Building and Maintenance Division is presented in **Table 43**.

Table 43: Financial Performance 2015/16: Building and Maintenance (R'000)					
Detail	2014/15	2015/16			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue	1 665	1 411	1 411	1 804	(392)
Expenditure:					
Employees	8 647	9 504	9 504	8 286	1 218
Repairs & Maintenance	497	1 885	1 885	1 167	718
Other	1 270	4 089	4 089	1 140	2 949
Total Operational Expenditure	10 415	15 478	15 478	10 593	4 885

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Detail	2014/15	2015/16			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Net Operational (Service) Expenditure	(8 750)	(14 067)	(14 067)	(8 789)	(5 278)

The cause of variance evident in **Table 43**, in spending of operational budget, is due to vacancies that were not filled. The other issue is on slow SCMU process in finalising bids and quotations.

3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

The Municipal Council gives priority to the basic needs of the community, promotes the social and economic development of the community and ensures that all residents and communities in the Municipality have access to at least the minimum level of basic municipal services, in terms of Section 152 (1) (b) and 153 (b) of the Constitution. Basic services are generally regarded as to be access to electricity, clean water within reasonable distance, basic sanitation, solid waste removal and access to and availability of roads.

The key purpose of an Indigent Subsidy Policy, adopted by Council, is to ensure that households with no or a low income are not denied a reasonable service, while the municipality is not financially burdened with non-payment of services. Provided that grants are received and funds are available, the Indigent Subsidy Policy should remain intact. To achieve this, a threshold income level of a maximum of the approved pension amount for old age i.e. R1 380 per individual or R2 760 per household applies. The consumer, in order to qualify as an indigent, needs to complete the necessary documentation as required and agree to regulations and restrictions stipulated by Greater Tzaneen Municipality.

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Service	2014/15	2015/16			
	Actual Expenditure	Budget	Adjustment Budget	Actual Exp	Variance to budget
Electricity	2 849	4 000	4 000	2 856	-1 144
Waste Collection	1 181	1 500	1 500	1 542	-42
Property rates	17 766	20 000	20 000	21 606	-1 606
Total	21 796	25 500	25 500	26 004	-2 792

Provision is also made on our Credit Control and Debt Collection Policy for indigent debtors in line with our rates and tariffs and any national policies on indigents. The Equitable Share Grant and the free basic electrical grant assist in financing the benefits that the registered indigents are to receive, in the form of discounted tariffs for services consumed. The cost incurred by GTM to provide free basic services are presented in **Table 44**.

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Table 45: Free Basic Services provision to Low Income Households*

Year	Registered Indigents	Free Basic Water		Free Basic Sanitation		Free Basic Electricity		Free Basic Waste Removal	
	Total HH	HH Receiving	% of indigents[1]	HH Receiving	% of indigents	HH Receiving	% of indigents	HH Receiving	% of indigents
2010/2011	23 089	919	MDM	919	MDM	9 700	42%	9 700	42%
2011/2012	11 161	1 560	MDM	1 367	MDM	7 350	66%	1 385	12%
2012/2013	22 998	1 549	MDM	1 357	MDM	7 231	31%	1 377	6%
2013/2014	31 129	1 666	MDM	861	MDM	5 565	18%	917	3%
2014/2015	31 129	2 733	MDM	2 733	MDM	31 129	100%	933	3%
2015/2016	36 427	1 408	MDM	1 408	MDM	36 427	100%	1193	3%

Table 46: Free Basic Service Delivery targets as contained in the SDBIP for 2015/16

Programme	Project/ KPI	Annual Target (2015/16)	Actual Achieved (30 June 2016)	Reason for deviation
Free Basic Services	% of households earning less than R1100 (indigent) served with <u>free basic</u> electricity	100%	100%	None
Free Basic Services	% households earning less than R1100 with access to free basic waste removal (registered as indigents)	5% (1500/32000)	3.36%	All indigents registered on financial system receives rebate, Information to other

It should be noted that GTM is not a Water Service Authority and therefore not providing water and sanitation in the entire municipal area, making it impossible to provide figures on the provision of free basic services in this regard.

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Programme	Project/ KPI	Annual Target (2015/16)	Actual Achieved (30 June 2016)	Reason for deviation
				indigents in villages not measurable.
Free Basic Services	Total number of registered indigent households who received free basic water and sanitation (5 formal towns)	1260	1 408	Some registered indigents do not reside within the GTM service area

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COMPONENT B: ROADS & STORMWATER

3.7 ROADS & STORMWATER

Greater Tzaneen Municipality owns and manages ± 2300 km of municipal road network. This network comprises of district / connector and municipal / access roads in terms of road classification. The Municipality is tasked with the planning, design, maintenance, construction and usage of these roads. It is also required to prevent the deterioration of surfaced roads by conducting preventative maintenance, control of storm water and provision of drainage structures and to surface priority roads. Roads and stormwater cannot be separated because when there is no proper stormwater drainage system on a road, the life span of the road cannot be guaranteed.

Maintenance of tar roads are done through cleaning of catch pits, cleaning of stormwater drainage systems, patching of potholes and road marking to prevent deterioration. Maintenance of gravel roads is through grading and construction of small bridges and stone pitching. Due to insufficient resources to get all the roads in good condition, priority is given to roads to schools, clinics, grave yards, business areas and roads which are used by public transport. In terms of Roads and Stormwater the following challenges are experienced:

- There are insufficient funds for regravelling and tarring of municipal roads.
- There is no sufficient machinery for gravel roads maintenance.
- Most of the existing roads need stormwater management control.
- Most of the municipal roads and internal streets are gravel and need more machines than what is available to be maintained regularly.
- MISA is assisting the municipality with the development of a Roads Master Plan and they have appointed a service provider and is on development stage.
- There are not enough labourers to construct stone pitching, wing walls and other maintenance related tasks which can be done in-house.

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Year	Gravel				Tar/Asphalted			
	Total km	Newly constructed	Upgraded to tar	Maintained	Total km	Newly constructed	Re-sheeted	Maintained
2011/2012	1610	0	0	1824	690	0	0	56 727 m ²
2012/2013	1610	0	0	2355	690	0	0	7 594 m ²
2013/2014	1595	0	15	67.7	705	15	0	14 051 m ²
2014/2015	1577.5	0	17.5	2909	722.5	17.5	0	14 890 m ²
2015/2016	1569	0	8.5	3136	731	8.5	0	11 636 m ²

Year	Gravel				Tar/ Asphalt			
	Maintained (Km)	Expenditure (R'000)	Newly Constructed (Km)	Expenditure (R'000)	Maintained (m ²)	Expenditure (R'000)	Newly Constructed (Km)	Expenditure (R'000)
2011/2012	1824	15 222 895	0	0	56 727	12 895 697	0	0
2012/2013	2355	5 388 907	0	0	7 594	5 013 946	0	0
2013/2014	67.7	6 517 059	0	0	14 051	4 248 879	2.55km	13 394 036
2014/2015	2909	9 175 441	0	0	14 890	8 501 942	17.5	8 103 335
2015/2016	3136	8 920 313	0	0	11 636	9 375 697	8.5	80 590 684

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Table 49: Service Delivery targets for Roads & Stormwater as set out in the SDBIP for 2015/16

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2016			
					Target	Actual	R	Reason for deviation
D199	Roads and Storm water Infrastructure Development	Km of roads tarred	Kilometers	11	11	8.5	O	8.5km completed on Sasekani to Nkowankowa road. Other projects where delayed due to court interdict.
D200	Roads and Storm water Infrastructure Development	% of MIG roads projects on schedule	Percentage	100%	100%	50%	R	The target was not reached because two projects were on hold due to the court interdict
D201	Roads and Storm Water Upgrading and Maintenance	R-value spent on road and storm water maintenance	R-value	15,792,074	15,792,074	17,130,826	G2	No deviation
D202	Roads and Storm Water Upgrading and Maintenance	Km of municipal gravel roads maintained	Kilometers	1,500	1,500	1,095	R	No deviation
D213	Roads and Storm water Infrastructure Development	Lenyenye DoC entrance road	Q1: Finalise specifications. (5%) Q2: Appointment of contractor finalised (15%) Q3: Construction of road to Lenyenye DoC completed (100%) Q4: Construction of road to Lenyenye DoC completed (100%)	100%	100%	100%	G	Project completed. No deviation.
D214	Roads and Storm water Infrastructure Development	Politsi road	Q1: Construction of road at 50% (50%) Q2: Politsi roads completed (100%) Q3: Not applicable this quarter (100%) Q4: Not applicable this quarter (100%)	100%	100%	100%	G	No deviation

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Table 49: Service Delivery targets for Roads & Stormwater as set out in the SDBIP for 2015/16

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2016			
					Target	Actual	R	Reason for deviation
D215	Roads and Storm water Infrastructure Development	Agatha Cemetery Low Level Bridge	Q1: Not applicable this quarter (0%) Q2: Not applicable this quarter (0%) Q3: Advertisement and Appointment of contractor finalised (10%) Q4: Construction of Agatha Cemetery low level bridge completed (100%)	100%	100%	10%	R	Designs complete. Progress delayed due to delay in provision of the budget for implementation. Budget only sufficient for designs.
D216	Roads and Storm water Infrastructure Development	Rikhotso low level bridge	Q1: Appointment of contractor finalised (10%) Q2: Construction of low level bridge, physical progress at 10% (20%) Q3: Construction of low level bridge, physical progress at 60% (70%) Q4: Construction of low level bridge at Rikhotso completed (100%)	100%	100%	20%	R	Delay in supply chain processed. The contractor is busy on site and physical progress is 30%.
D217	Roads and Storm water Infrastructure Development	Mokonyane low level bridge	Q1: Appointment of contractor finalised (10%) Q2: Construction of low level bridge, physical progress at 10% (20%) Q3: Construction of low level bridge, physical progress at 60% (70%) Q4: Construction of low level bridge at Mokonyane completed (100%)	100%	100%	20%	R	Delay in supply chain processed. The contractor is busy on site and physical progress is 15%.
D218	Roads and Storm water Infrastructure Development	Khubu to Lwandlamuni low level bridge	Q1: Not applicable this quarter (0%) Q2: Not applicable this quarter (0%) Q3: Advertisement and appointment of contractor finalised (10%) Q4: Construction of low level bridge, physical progress at 10% (100%)	100%	100%	10%	R	Design complete. Budget only sufficient for designs.

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Table 49: Service Delivery targets for Roads & Stormwater as set out in the SDBIP for 2015/16

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2016			
					Target	Actual	R	Reason for deviation
D219	Roads and Storm water Infrastructure Development	Speed humps	Q1: Appointment of contractor finalised (10%) Q2: Construction of speed humps physical progress at 50% (60%) Q3: Construction of speed humps completed (100%) Q4: Construction of speed humps completed (100%)	100%	100%	50%	R	Delay in supply chain processed. The contractors are busy on site and physical progress is 50%.
D220	Roads and Storm water Infrastructure Development	Moruji to Matswi, Kheshokolwe Tar Road	Q1: Physical construction at 9% (25%) Q2: Physical construction at 18% (50%) Q3: Physical construction at 27% (75%) Q4: Physical construction at 35% (100%)	100%	100%	35%	R	The project was delayed because of litigation
D221	Roads and Storm water Infrastructure Development	Rita, Khopo, Lefara, Zanghoma, Uhuru, Xipungu to Mariveni Tar Road	Q1: Physical construction at 9% (25%) Q2: Physical construction at 18% (50%) Q3: Physical construction at 27% (75%) Q4: Physical construction at 35% (100%)	100%	100%	50%	R	The contractor was appointed late.
D222	Roads and Storm water Infrastructure Development	Tickyline, Myakayaka, Burgersdorp, Gavaza to Mafarana Tar Road	Q1: Physical construction at 9% (25%) Q2: Physical construction at 18% (50%) Q3: Physical construction at 27% (75%) Q4: Physical construction at 35% (100%)	100%	100%	50%	R	The contractor was delayed by inclement weather, community strikes and unauthorized water pipes.
D266	Roads and Storm water Infrastructure Development	Sasekani to Nkowankowa Tar Road	Q1& Q2: Awaiting approval of roll-over & adjustment budget Q3: Project Rolled-over from 2014/15. Construction of Tar Road 100% completed Q4: Road completed	100%	100%	100%	G	

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Table 49: Service Delivery targets for Roads & Stormwater as set out in the SDBIP for 2015/16

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2016			
					Target	Actual	R	Reason for deviation
D267	Roads and Storm water Infrastructure Development	Moruji to Matswi Tar Road	Q2: Awaiting Adjustment Budget (0%) Q3: Awaiting Court Judgement (0%) Q4: Re-establishment of site & Layerworks at 35% (100%)	100%	100%	16%	R	The project was delayed because of litigation
D268	Roads and Storm water Infrastructure Development	Rita to Mariveni Tar Road	Q2: Not in 15/16 SDBIP, Project roll-over awaiting adjustment budget Q3: Physical Progress at 39% (40%) Q4: Physical Progress at 69% (100%)	100%	100%	50%	R	The contractor was appointed late.
D269	Roads and Storm water Infrastructure Development	Tickyline to Mafarana Tar Road	Q1: Not in 15/16 SDBIP, awaiting adjustment budget (0%) Q2: Not in 15/16 SDBIP, awaiting adjustment budget (0%) Q3: Awaiting Court Judgement (0%) Q4: Re-establishment of site & layer works at 35% (100%)	100%	100%	21%	R	The project was delayed due to litigation

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Job level	2014/15			2015/2016		
	No of Posts	Positions Filled	Vacancy rate	No of Posts	Positions Filled	Vacancy rate
Level 0-3	1	1	0%	1	1	0%
Level 4-6	10	3	70%	10	3	70%
Level 7-9	0	0	0%	0	0	0%
Level 10-15	182	35	81%	182	34	81%
Level 16-17	0	0	0%	0	0	0%
Total	193	39	80%	193	38	82%

Detail	2014/2015	2015/16			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue	-		150	150	
Expenditure:					
Employees	12 349	12 349	14 944	14 944	13 853
Repairs & Maintenance	26 885	26 885	24 572	24 276	21 302
Other	2 845	2 845	63 956	63 956	91 652
Total Operational Expenditure	42 079	42 079	103 473	103 177	126 808
Net Operational (Service) Expenditure	(42 079)	(42 079)	(103 323)	(103 027)	(126 808)

The expenditure on capital in terms of roads and stormwater is presented in **Table 51**. The bulk of the capital expenditure incurred was on projects that rolled over from the 2014/15 financial year and therefore included in the 15/16 adjusted budget.

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Table 52: Capital Expenditure 2015/16: Roads and storm water Services (R'000)					
Capital Projects	2015/2016				
	Budget	Adjustment budget	Actual Expenditure	Variance from original budget	Total Project value*
Politsi Road	R 2 600 000	R0	R 1 792 063	R807 937	R1 900 000
Rikhotso low-level bridge	R 2 600 000	R0	R568 413	R2 031 587	R2 100 000
Mokonyane low-level bridge	R 1 700 000	R0	R348 552	R1 351 448	R1 700 000
Agatha Cemetery low-level bridge	R400 000	R0	R69 149	R330 851	R3 900 000
Khubu to Lwandlamuni low-level bridge	R400 000	R0	R229 267	R170 733	R3 500 000
Construction of speed humps in Greater Tzaneen	R 2 000 000	R0	R224 888	R1 775 112	R2 000 000
Construction of Lenyenye drop off centre road	R 600 000	R0	173661	R426 339	R173 661
Upgrading from gravel to tar from Rita to Mariveni: Phase 2 of 4	R 22 948 600	R 49 926 515	R 49 926 515	-R26 977 915	R90 945 015
Upgrading of Road D1350: Moruji to Matswi/ Kweshokolowe from Gravel to Tar: Phase 2 of 4	R 26 934 496	R 1 245 236	R 1 245 236	R25 689 260	R127 904 235
Upgrading of Tickyline, Glassworks, Myakayaka, Mineview, Burgersdorp, Gavaza to Mafarana roads from Gravel to Tar: Phase 2 of 4	R 20 031 933	R 29 418 933	R 29 418 933	-R9 387 000	R93 736 500
Upgrading from gravel to tar from Rita to Mariveni:Phase 2 of 4	R 22 948 600	R 49 926 515	R 49 926 515	-R26 977 915	R90 945 015
Total	R 103 163 629	R 130 517 199	R133 923 192	-R 30 759 563	R 9 600 000

* Including past and future expenditure as planned for the next 3 years

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Table 53: 2016/17 Planned Targets for road infrastructure development			
Project name	MIG Fund	Counter Fund	Total
Rita to Mariveni: Upgrading of Road from Gravel to Tar: Phase 3 of 4	R22,839,889	R0	R22,839,889
Moruji to Matswi: Upgrading of Road from Gravel to Tar: Phase 3 of 4	R20,153,138	R0	R20,153,138
Tickyline to Mafarana: Upgrading of Road from Gravel to Tar: Phase 3 of 4	R19,599,882	R0	R19,599,882
Construction of Low Level Bridge at Khubu Village	R0	R2,600,000	R2,600,000
Marumofase Pedestrian Bridge	R0	R8,000,000	
TOTAL	R42 993 027	R 10 600 000	R 53 593 027

Table 54: 2017/18 Planned Targets for road infrastructure development			
Project name	MIG Fund	Counter Fund	Total
Rita to Mariveni: Upgrading of Road from Gravel to Tar: Phase 4 of 4	R23,716,162	R5,146,280	R28,862,442
Moruji to Matswi: Upgrading of Road from Gravel to Tar: Phase 4 of 4	R34,839,965	R4,744,614	R39,584,579
TOTAL	R 58 556 127	R 9 890 894	R 68 447 021

Table 55: 2018/19 Planned Targets for road infrastructure development			
Project name	MIG Fund	Counter Fund	Total
Risaba to Musiphana: Upgrading of Road from Gravel to Tar: Phase 1 of 2	R36,068,431	R7,484,749	R43,748,645
TOTAL	R36,068,431	R7,484,749	R43,748,645

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In **Tables 53-55** above the three year plan - the priority list on roads is presented. Prioritisation was done by Council after needs of communities were received. Capital expenditure for 2015/2016 is very low because of the following factors:

- Supply chain processes
- Court interdict delayed construction
- Consultants appointed were very slow to produce documentation

We do not foreseen variation outside the budgets because of the ten percent contingency amounts in the existing budgets.

3.8 LICENSING

Clients are assisted at Tzaneen and Nkowankowa DLTC with the issuing of learners and drivers licenses and also the renewal of drivers' licenses. The Registration Authority at the main building assists with all vehicle licenses and registration issues. Challenges faced are:

- Applicants that are flocking to the 2 testing stations to get assistance for learners and drivers licenses from other areas
- Corruption at the testing stations and the overcrowding of driving schools at the testing stations

The top 3 service deliveries priorities are vehicle renewal, registration and licensing of vehicles and the issuing of learners and drivers licenses. All licenses issued must be issued in terms of the National Road Traffic Act, procedures and K53 manuals. Initiatives introduced to improve service delivery:

- All offices are open during lunch hours and we also assist bigger companies from neighbouring Municipalities in registration and licensing issues.
- Licensing and testing services offices are also open on Saturdays
- Electronic booking system and the electronic learner's license system in Tzaneen DLTC only.

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- Mopani District Licensing Forum

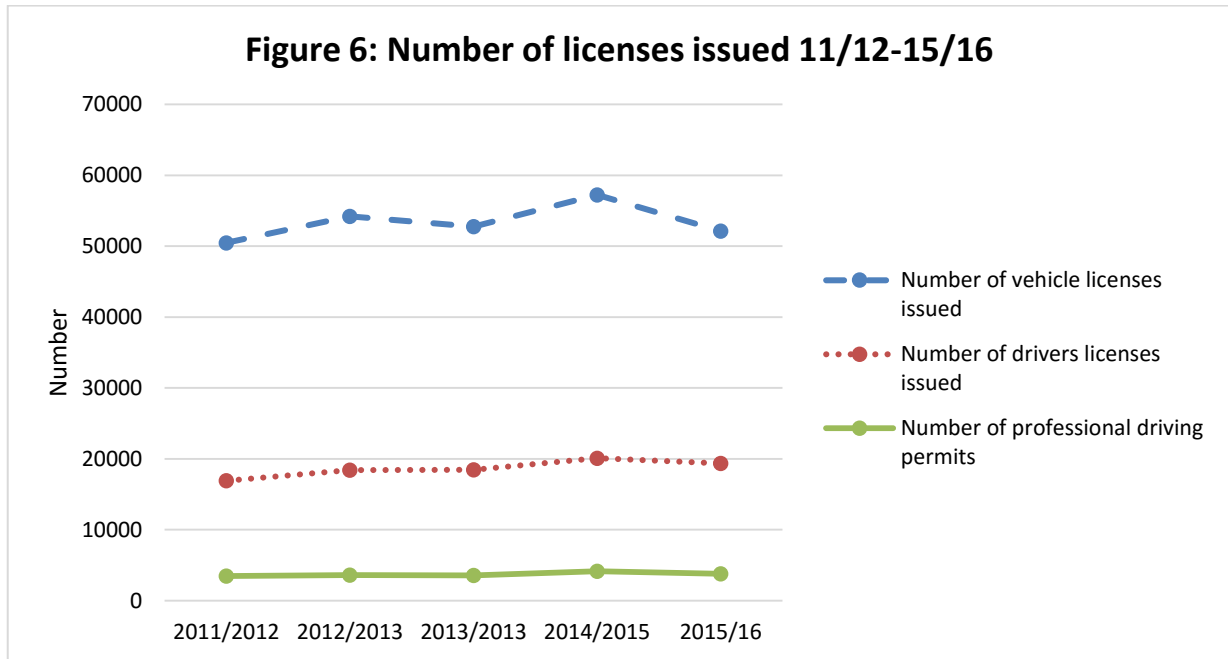


Table 56: Licensing and Testing services 2011/12 - 2015/16

Year	Number of vehicle licenses issued	Number of drivers licenses issued	Number of professional driving permits	Revenue collected (R)
2011/2012	50488	16914	3453	R12 45 816
2012/2013	54202	18415	3618	R 20,463,353
2013/2013	52768	18441	3569	R32,303,810
2014/2015	57246	20097	4125	R28 185 551
2015/2016	52147	19383	3795	R19 016 770

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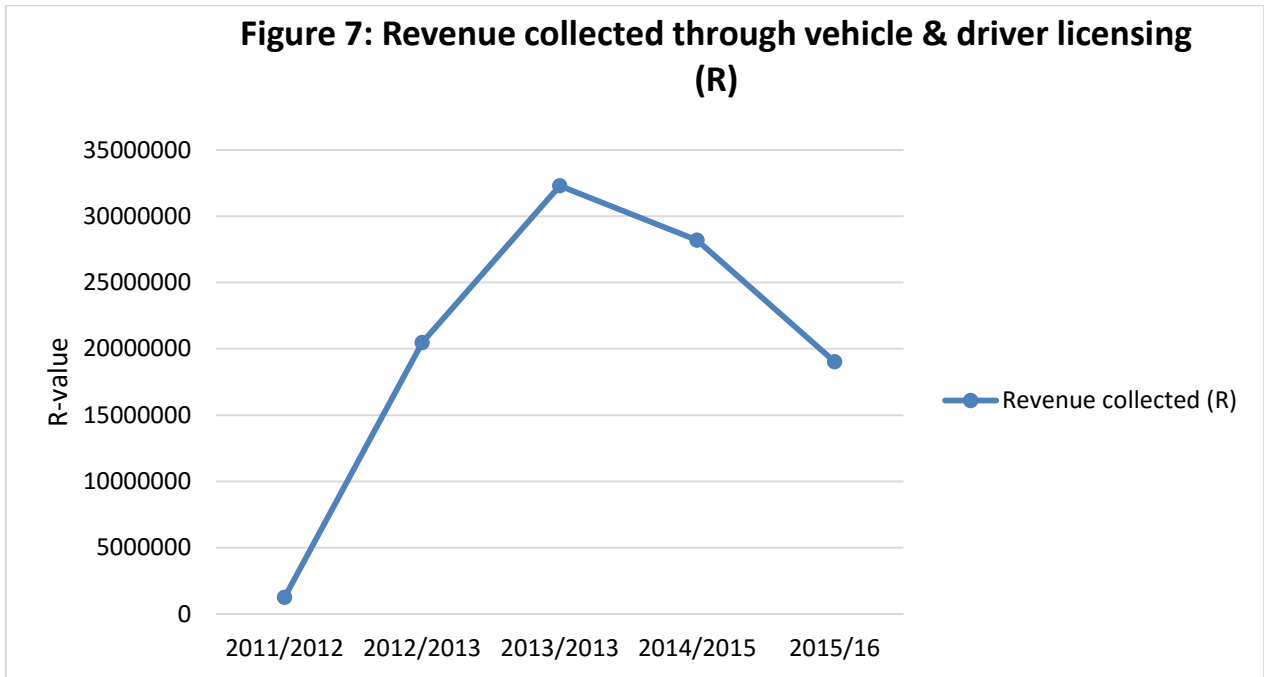


Figure 7 presents the R-value revenue generated through the licensing of vehicles and drivers, showing a marked decline since 2012/13.

Table 57: Number of new vehicles registered

Year	Number
2011/12	12827
2012/13	12287
2013/14	12333
2014/15	12726
2015/16	12363

Table 57 presents the number of new vehicles registered from 2010/11 to 2014/15, showing a marked decrease from 2014/15 to 2015/16.

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Table 58: Licensing Service Delivery targets for 2015/16 as contained in the SDBIP				
Programme	Project/ KPI	Annual Target (2015/16)	Actual Achieved (30 June 2016)	Reason for deviation
None	n/a	n/a	n/a	n/a

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Job level	2014/2015			2015/16		
	No of Posts	Positions Filled	Vacancy rate	No of Posts	Positions Filled	Vacancy rate
Level 0-3	1	1	0%	1	1	0%
Level 4-6	23	10	56%	23	10	56%
Level 7-9	25	13	48%	25	14	44%
Level 10-15	11	4	64%	11	4	64%
Level 16-17	0	0	0%	0	0	0%
Total	60	27	55%	60	29	51%

Detail	2014/15	2015/16			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue (excluding tariffs)	14 581	14 581	43 215	43 215	6 416
Expenditure:					
Employees	14 926	14 926	15 603	15 603	15 439
Repairs & Maintenance	2	2	47	47	1
Other	297	297	23 119	24 119	545
Total Operational Expenditure	15 224	15 224	38 770	39 770	15 985
Net Operational (Service) Expenditure	(643)	(643)	4 445	3 445	(9 569)

GTM provides a vehicle and drivers licensing service on behalf of the Provincial Department of Transport. 80% of the income generated must be paid to the province.

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COMPONENT C: PLANNING AND DEVELOPMENT

This component includes: Land Management, Town Planning and Local Economic Development issues.

3.9 LAND MANAGEMENT

Land Use and Land Claims

Approximately 66% of the total land area of GTM is privately owned while 33% is owned by the state, mainly in Traditional Authority areas (Tribal land). A negligible extent is municipal commonage. Tribal land is not under controlled by the municipality. Currently there are almost 45 claims that have been lodged with the Land Claims Commission within Greater Tzaneen Municipality. The number of these claims provides an indication of the extent and potential impact these claims may have on the SDF planning proposals. The Land & Human Settlements Division has an approved organogram of eleven positions, of which seven have been filled

JOB LEVEL	2014/2015			2015/2016			
	No of posts	Positions filled	Vacancy rate	No of posts	Positions filled	Vacancy rate	
Level 0-3	1	1	0%	1	1	0%	
Level 4-6	2	2	0%	4	3	25%	
Level 7-9	5	3	40%	5	2	60%	
Level 10-15	2	2	0%	2	1	50%	
Level 16-17	0	0	0%	0	0	0%	
Total	10	8	20%	11	7	36%	

Detail	2014/2015	2015/16			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue (excluding tariffs)					
Expenditure:					
Employees	4 512	4 964	4 964	4 613	351

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Table 62: Financial Performance 2015/16: Land and Human Settlements (R'000)					
Detail	2014/2015	2015/16			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Repairs & Maintenance		115	45	44	1
Other	2 536	666	642	4 455	(3 812)
Total Operational Expenditure	7 049	5 745	5 745	9 111	(3 366)
Net Operational (Service) Expenditure	(7 049)	(5 745)	(5 745)	(9 111)	3 366

Challenges on Land Management

- Illegal occupation of state own land held in trust of traditional Councils
- No serviced stands to meet the demand.

Land Management Activities for 2015/16:

In terms of Land Management the PED Department continued to lead negotiations with land owners, concluding the signing of deeds of sale, appointment of conveyancers and managed the Transfer and registration of the property in the name of Greater Tzaneen Municipality on 6 October 2014. Other major activities were:

- Talana Hostel:** Township Establishment was budgeted for R400 000, but the project could not be concluded since the budget was revoked with the adjustment.
- Land identification for social housing:** Portion 6 of the Farm Pusela 555-LT was identified the Township Establishment completed and the property is enrolled on the Provincial pipeline for funding by COGHSTA. **Portion 292 and 293 were also identified for social housing and the property is enrolled on the Provincial pipeline for funding by COGHSTA.** HDA has appointed a service provider to do Township establishment
- Regional Cemeteries:** Three farm portions were identified for regional cemeteries, namely the Remainder Portion of Mohlaba's Location 557-LT and the Farm Dusseldorp 23-KT. Letter of request to release the land was submitted to the Department of Rural Development & Land Reform. The purchasing of

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Nkowankowa cemetery on Mohlaba's location has been finalised. Lenyenye cemetery was delayed due to negotiations for land, however the engagement of stakeholders will resume.

Progress with the development of identified areas are presented below in **Table 63**.

Town	Developer	Year appointed	Progress (Activities completed)	Challenges
Dan and Dan Extension 1 (number of erven Dan 98 and Dan 1 227)	Dewcon	2006	<ul style="list-style-type: none"> - Water and Sewer reticulation was installed and completed in 2011 100% - Outstanding: <ul style="list-style-type: none"> o Eviction of brickyard o Stormwater & internal streets o Electricity 	<ul style="list-style-type: none"> - Delay on approval of connection point and provision of cost by Eskom. - Lack of integration by Municipality Departments in implementing of Council Resolutions. - Delay in eviction of the Brickyard. - The development is at the advance stage
Tzaneen Extension 60 (60 erven)	Solidarity	2006	<ul style="list-style-type: none"> - Service level agreement was only signed in 2013 - Environmental impact assessment was completed in 2015. - Contractor is on site contractor is on site clearing the street and pegging the site. - Municipality only provided connection points in December 2015. - Planning to install water & sewer reticulation beginning of February 2016. Water & sewer designs approved in 2014. - Roads & storm water designs approved in 2014. 	<ul style="list-style-type: none"> - Delay on signing of land availability agreement and service level agreement both agreements were signed in 2013. - Lack of integration by Municipal Departments in implementing Council Resolutions. - Delay in providing water & sewer connection points by GTM. - The new SG diagram was approved. - The project will resume.

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Table 63: Land Developments 2015/16				
Town	Developer	Year appointed	Progress (Activities completed)	Challenges
			<ul style="list-style-type: none"> - Electricity designs not yet approved. 	
Tzaneen Extension 78 (957 erven)	Ngoma Trading	2006	<ul style="list-style-type: none"> - Water & sewer reticulation was completed in 2013. - Roads & storm water designs was only approved in 2015. - Electricity designs not yet approved. - The contractor is on site clearing roads in preparation for construction of internal streets and storm water control. 	<ul style="list-style-type: none"> - Transfer of site 240 sites Ngoma Trading CC was concluded. - Delay in approval of designs - Insufficient water to proceed with the project as water allocation of Tzaneen Ext 78 diverted to new private development. - Lack of integration by Municipal Departments in implementation of Council Resolutions.
Tzaneen Extension 53 (94 erven)	Phadima	2006	<ul style="list-style-type: none"> - The Development of Tzaneen Extension 53 is sitting with the Court. 	<ul style="list-style-type: none"> - Project is under litigation
Tzaneen Extension 13 (240 erven)	Phethego	2006	<ul style="list-style-type: none"> - Water & sewer completed 100% - Electricity completed 100% - Street lights installed but there are few challenges which resulted into takeover by Internal Electricity Service Department. - Roads 75% completed 	<ul style="list-style-type: none"> - Roads not completed - Street lights not done in accordance with the standard of GTM. - Generally the project is completed, however there is lack of integration by Municipality Departments in implementing Council Resolutions. - Extension of SLA without the involvement of the user Department.

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The Housing Development Agency (HDA) appointed a Service Provider (a Town Planner) for Urban appraisal of all projects with possibility of funding Community Residential Units (CRU) and Social Housing Projects.

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Table 64: Applications for Land use Development 2012/13 - 2015/16

	Formalisation of Townships				Rezoning				Built Environment			
	2012/13	2013/14	2014/15	2015/16	2012/13	2013/14	2014/15	2015/16	2012/13	2013/14	2014/15	2015/16
Planning application received	1	1	1	0	15	19	19	18	628	640	524	572
Determination made in year of receipt	2	1	0	1	6	8	2	10	628	640	524	572
Determination made in following year	0	1	1	1	6	8	16	6	0	0	0	0
Applications withdrawn	0	0	0	0	1	1	1	3	0	0	0	0
Applications outstanding at year end	2	2	0	1		2	16	7	0	0	0	0

Table 65 presents all the key deliverables for Land Management and Town planning as was included in the 2015/16 IDP.

Table 65: Service Delivery targets for Land Management & Town Planning as contained in the SDBIP for 2015/16

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2016			
					Target	Actual	R	Reason for deviation
D233	Integrated Spatial Development	Integrated Rural Nodal Development Plan for Runnymede	Number	1	1	0	R	

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Table 65: Service Delivery targets for Land Management & Town Planning as contained in the SDBIP for 2015/16

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2016			
					Target	Actual	R	Reason for deviation
		approved completed by 30 June '16						
D240	Integrated Development Planning	Spatial Development Framework review	<p>Q1: Appointment of a consultant to review the SDF. Setting up of a SDF steering committee as required by SPLUMA. (10%)</p> <p>Q2: Status quo report available from Service Provider. Public Participation process concluded (40%)</p> <p>Q3: Analysis and proposals for draft SDF ready for consideration by Council (70%)</p> <p>Q4: Public Participation on the draft SDF and adoption by Council (100%)</p>	100%	100%	60%	R	SDF status quo report was completed and presented only to the technical committee and still need to be presented to Steering committee prior to Council adoption, process running two months behind due to slow input from most of the Council Departments.
D242	Integrated Spatial Development	SPLUMA implementation	<p>Q1: Participate in the Joint Municipal Planning Tribunal upon establishment. Develop Spatial Planning and Land use Management By-laws in line with SPLUMA (25%)</p> <p>Q2: Participate in the Joint Municipal Planning Tribunal upon establishment. Develop Spatial Planning and Land use Management By-laws in line with SPLUMA (50%)</p> <p>Q3: Participate in the Joint Municipal Planning Tribunal upon establishment. Spatial Planning and Land use Management By-laws ready for public participation (75%)</p> <p>Q4: Participate in the Joint Municipal Planning Tribunal upon establishment. Spatial Planning and Land use Management By-laws promulgated (100%)</p>	100%	100%	60%	R	<p>1. Delay in the finalisation of the appointment of Planning Tribunal Members.</p> <p>2. Delay in obtaining the comments from the Provincial Department of CoGHSTA Legal Section regarding vetting of the bylaw that was adopted by GTM.</p>

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Table 66: Employees - Town Planning services						
Job level	2014/15			2015/16		
	Positions Filled	Positions Filled	Vacancy rate	No of Posts	Positions Filled	Vacancy rate
Level 0-3	1	1	0%	1	1	0%
Level 4-6	6	3	50%	6	3	50%
Level 7-9	1	1	0%	1	1	0%
Level 10-15	0	0	0%	0	0	0%
Level 16-17	0	0	0%	0	0	0%
Total	8	4	50%	8	4	50%

The financial performance of the Town Planning Service is presented in **Table 67** below:

Table 67: Financial Performance 2015/16 Town Planning Services (R'000)					
Detail	2014/15	2015/16			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue	152	152	100	100	91
Expenditure:					
Employees	3 882	3 882	4 261	4 261	4 015
Repairs & Maintenance	-				
Other	218	218	1 877	1 877	803
Total Operational Expenditure	4 099	4 099	6 138	6 138	4 818
Net Operational (Service) Expenditure	(3 947)	(3 947)	(6 038)	(6 038)	(4 727)

The capital expenditure for Town Planning Services is presented in **Table 68** below;

Table 68: Capital Expenditure 2015/16: Land Management & Town Planning (R'000)					
Capital Projects	2015/16				
	Budget	Adjustment budget	Actual Expenditure	Variance from original budget	Total Project value*
None					

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Table 68: Capital Expenditure 2015/16: Land Management & Town Planning (R'000)

Capital Projects	2015/16				
	Budget	Adjustment budget	Actual Expenditure	Variance from original budget	Total Project value*
Total					

* Including past and future expenditure as planned

A service provider was appointed to review the SDF. The process is currently underway with approximately 45% accomplished. The process is anticipated to be completed in January 2017. Other programmes on development application of townships include Rezoning, Built Environment and Permission to Occupy applications are carried out through the Operational Budget. The implementation of SPLUMA is almost done with only the establishment of the Appeal Tribunal outstanding. The process will be accomplished once all Local Municipalities have tendered their Council Resolution to Mopani District.

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3.10 LOCAL ECONOMIC DEVELOPMENT

Tourism and Marketing:

The Greater Tzaneen Municipality is known for its rich Tourism landscapes. The Local Tourism Association is established to facilitate and drive tourism activities in partnership with the Municipality. The Tourism Officer serves as the liaison between Government agencies including Tourism product owners. The Tourism Officer coordinates the monthly meeting for this forum mainly to promote and discuss major tourism developments. The following key areas form the basis of the discussions:

- Product development
- Skills development
- Marketing and
- Events Management

Limpopo Tourism Agency (LTA) remains the marketing agency for tourism in the province, and the Municipality support this role.

Events	Publications
Marula Festival	Brochures
Indaba Trade Show	DVD's
Letaba Expo	Magazines
Getaway show	Local newspapers
Muhlaba Day	
Nwamitwa Day	
Flea markets and	
Arrive Alive campaigns	

The municipality has a very good relationship with the following Government institutions and established agencies: LEDET, TEP, LTA, and Tzaneen Info. The database for the Tourism Product Owners is reviewed and updated annually. The following remain challenges in Tourism:

- Central coordination of events
- Identifying and developing a Tourism Landmark

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The main LED activities for 2015/16 were:

Tzaneen Agricultural Expo:

The Municipality hosted a successful Agricultural Expo which attracted more than 1000 participants. The event hosted a series of activities during this three day event which offered platforms for stakeholder engagement in the form of : exhibitions, gala dinner, breakfast session, agrigolf, workshops and farm visits. The following stakeholders remain critical towards planning and implementation of this event; Government Agencies and Departments, Universities, Agricultural colleges and Research Organizations. Targeted beneficiaries to this event included emerging and commercial farmers, learners and students and interested members from the community.

Agri Park:

This is the competency of the District, however the Local Municipality is in support of the project with regard to basic services required and advise where possible. The initiative is implemented to support and develop mainly the small scale and upcoming farmers. Tzaneen has been identified as a site for the Agri Park and the steering committee has been established to facilitate implementation wherein the Municipality remains a stakeholder.

Mopani Land Reform Forum:

The Municipality supported the establishment of the Mopani Land Reform Forum. The forum is established through the Department of Land Reform and Rural Development to facilitate activities which affected land reform beneficiaries and advice on development processes. These meetings are held quarterly.

Support to Department of Agriculture:

As the Municipality remains the facilitator of economic development through the LED Unit, there are programmes that the Municipality supports which are coordinated by the Department. The following projects as in the calendar of the Department are annually supported:

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- Female Farmer Entrepreneur of the Year
- Farmers Day and
- Any other special events as identified by the Department

Partnerships:

The following organizations formed partnership with the Municipality during events or other identified activities meant to promote and develop agriculture within the Municipal area:

- SALGA
- SEDA
- Landbank
- LEDET
- Mopani District Municipality
- GTEDA
- Department of Agriculture and Rural Development

Challenges

With this in place there are still some challenges which needs serious intervention by government:

- Failing Land Reform Programmes
- Value addition programmes
- Marketing (locally and export)
- Skills Development and programmes to empower the emerging farmers

BUSINESS

Business within Greater Tzaneen area continues to grow significantly through retail and trade.

- **Tzaneen Business Chamber** – The Municipality participated and supported their monthly meetings.

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- **The LED Forum** - was launched in February to drive and advice on economic development within Tzaneen. The forum meets quarterly as coordinated by the LED Unit and the purpose is to share best practises with other stakeholders.
- **The LED Strategy** - is due for review and an advert has been sent to invite a suitable service provider.
- **Informal Sector** - continues to significantly contribute to the growth and development of the area, making an impact in job creation and poverty reduction.

Aspects that need intervention are:

- Development of policies which guides development in the area such as a Growth & Development Strategy
- Consolidated database of SMME's

The table below is a representation of employment and unemployment statistics within Greater Tzaneen Municipality in proportion to gender:

Table 70: Employment and Unemployment statistics by Gender (2014/2015)			
	Male	Female	Grand Total
Employed	39 855	33 627	73 482
Unemployed	17 572	24 965	42 537
Discouraged work-seeker	5 147	8 274	13 421
Other not economically active	49 253	64 903	114 156
Grand Total	111 827	131 769	243 596

Source: Quantec Regional Economic Database: 2014

Communities living in abject poverty

The piloted project on Poverty Research Programme, with the University of Venda, was rolled out to wards 2, 3, 4 in to 2015. Further training were done for 27 enumerators from the identified wards. The purpose of this programme is to assist the Municipality to identify the poverty pocket areas for proper planning and basic services provision. Thereafter the relevant state agencies and departments will be engaged to initiate programmes focusing on poverty reduction and improving the standard of living.

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Sector	2011	2012	2013	% (2013)
Agric, forestry and fishing	520	557	555	5%
Mining and quarrying	218	215	202	2%
Manufacturing	416	492	478	5%
Electricity, gas and water	523	604	664	7%
Construction	318	340	363	4%
Wholesale and retail trade, catering and accommodation	1 443	1553	1 667	16%
Transport, storage and communication	944	977	1 011	10%
Finance, insurance, real estate and business service	2 097	2 258	2 425	24%
Community, social and personal service	578	620	653	6%
General government	1 778	1 896	2 087	21%
Total	8 880	9 512	10 105	100%

The LED Division has facilitated various projects; the table below presents the job creation.

Project	Short term	Medium term	Long term
Improved Municipal Service Delivery	<ul style="list-style-type: none"> • Prioritization of vacancies • Customer satisfaction survey • Coordination in the Public Sector • Eradication of service delivery backlogs 	<ul style="list-style-type: none"> • Source funding • Implementation 	Monitoring and evaluation
Nodal Development	<p>Urban Nodes</p> <ul style="list-style-type: none"> • Establish nodal development team • Prepare Nodal Development Framework <p>Rural Nodes</p> <ul style="list-style-type: none"> • Prepare a recommendation on the approval of rural nodes • Prepare local area plans 	<ul style="list-style-type: none"> • Source funding • Implementation 	Monitoring and Evaluation

Expanded Public Works Programme

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The 2015/2016 EPWP Incentive Grant allocation was R 1 949 000. **Table 73** below, depicts job creation achievements.

Table 73: Jobs creation through EPWP projects				
Year	Work opportunities	FTE,s	Beneficiaries	Percentage performance per financial year
2011/2012	714	246	378	53%
2012/2013	960	331	566	59%
2013/2014	1 291	445	588	45%
2014/2015	803	282	629	78.3%
2015/16	712	232	892	125%

EPWP jobs were created in the Infrastructure sector and also the Environmental and Culture sector.

The CWP was initiated as a National Presidential programme with a view to address the challenges of unemployment and poverty. The focus is on women and they work for 3 days in a week at a rate of R65/day. The programme is currently implemented in the wards presented in **Table 74 & 75**:

Table 74: Community Work Programme 2015/16			
Wards participating	Number of cooperatives	Number of jobs	Output (work done)
Ward 16	n/a	249	<ul style="list-style-type: none"> • School support programme • HIV/AIDS • Crime prevention • Construction • Cemetery cleaning • Agriculture • Road maintenance • Early childhood development
Ward 18	n/a	227	
Ward 22	n/a	93	
Ward 29	n/a	99	
Ward 30	n/a	452	
Ward 32	n/a	116	
Ward 33	02	127	
Ward 34	02	332	
Ward 35	n/a	484	
Total no of Participants		2166	
Total no of Coordinators		120	
Total no of site staff		08	
Total no of CWP members		2166	

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The Main objectives of the Community Works Programme are:

- To create jobs to address the unemployment rate
- To promote safe and healthy living environment
- To promote healthy eating amongst poor people and those infected or affected by diseases

The villages which took part in the CWP programme during 15/16 is presented in **Table 74**.

The Main objectives of the Community Works Programme are:

- To create jobs to address the unemployment rate
- To promote safe and healthy living environment
- To promote healthy eating amongst poor people and those infected or affected by diseases

The villages which took part in the CWP programme during 15/16 is presented in **Table 75**.

Ward	Village	Ward Councillor
16	Mahlogwe, Leseke, Bvumeni, Lephepane A and Khujwana A	Cllr. R Rikhotso
18	Khujwana, Muhlaba cross and Bridgeway	Cllr. N Mukansi
22	Rita, Lefara, Khopo, Mankweng and Mafarana	Cllr. C Makwala
29	Sunnyside, Myakayaka and Burgersdorp	
30	Tickyline, Marumofase and Matshelapata	Cllr. R Rapitsi
33	Leolo Bokgaga, Serare	Cllr. R Kgatla
32	Moime, Mokokotsi and Mhlaba	Cllr. S Raganya
34	Topanama, Khopo, Rasebalane, Longvalley and Lephepane B	Cllr. M Letsoalo
35	Hospital view, Sunnyside, Mokokotsi, Serare,	Cllr. NA Masila

The CWP programme undertook the following activities (during 2015/16):

- Awareness campaign about the risk factors of alcohol, teenage pregnancy, high rate of crime and rape.

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- Established food gardens at Public buildings (schools, churches and clinics)
- Cleaning and paving public area (clinics, schools, churches) and removing unwanted grass, weeds, shrubs etc.
- Landscaping/ Vegetation control
- Sewing
- Regravelling main roads and streets
- Pavement at schools and churches using bricks and sand.

Village	Number of Jobs
Mahlogwe, Leseka, Bvumeni and Lephepane	249
Khujwana, Muhlaba cross and Bridgeway	227
Rita, Lefara, Khopo, Mankweng and Mafarana	93
Sunnyside, Myakayaka and Burgersdorp	99
Tickyline, Marumofase and Matshelapata	452
Leolo, Bokgaga, Serare	116
Moime, Mokokotsi and Mhlaba	127
Topanama, Khopo, Rasebalane, Longvalley, Lephepane and Mahloge	332
Hospital view, Sunnyside, Mokokotsi, Serare,	484

Population Section	Number of Jobs
Female youth	689
Male youth	1164
Female adult	120
Male adult	195
Coordinators	120
Site Staff	08
Disability	15
Total	2166

Partnerships:

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Greater Tzaneen Municipality has in the past years established and maintained the following relationships in order to pursue service delivery objectives:

- SEDA – for SMME development during workshops and events
- LDA RD– for agricultural development and other related events
- Tzaneen Chamber – for events and marketing the area
- University of Venda – implementation of the socio economic survey and agriculture events
- LEDET – construction of Informal Trader facility
- University of Limpopo
- Agri Letaba – Letaba show and Agri Expo
- Tompi Seleka Agricultural College

The following relationships were also established in preparation of the 2015 Agri Expo

- SALGA
- Mopani District Municipality
- University of Limpopo
- Tompi Seleka Agricultural College
- Department of Education

Greater Tzaneen Economic Development Agency (GTEDA)

The 2015/16 Annual Report for the Greater Tzaneen Economic Development Agency is herewith attached as **Annexure D**. The 2015/16 Audit Opinion for GTEDA can be found in the Consolidated Audit Report, hereto attached as **Annexure B**.

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Table 78: Targets for LED as contained in the SDBIP for 2015/16

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2016			
					Target	Actual	R	Reason for deviation
D228	Community Works Programme	No of cooperatives established and still functional in wards where the CWP is implemented	Number	4	4	4	B	No Deviation
D229	Community Works Programme	Number of job opportunities created through the CWP	Number	2,045	2,045	2,175	G2	No deviation
D230	Marketing and Investor Targeting	# of jobs created through municipal LED initiatives including Capital Projects	Number	650	650	818	G2	No Deviation
D231	Marketing and Investor Targeting	# of GTM LED forum meetings arranged	Number	4	4	4	G	No Deviation
D232	Tourism	# of Tourism SMMEs exposed to the market	Number	35	35	38	G2	No Deviation

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Table 78: Targets for LED as contained in the SDBIP for 2015/16

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2016			
					Target	Actual	R	Reason for deviation
D241	Integrated Development Planning	Socio - Economic survey (Poverty Alleviation)	Q1: Facilitate Community mobilization through ward councillors for Ward 2 and 5 Establish a reference group of community representatives Survey conducted by end August (40%) Q2: Data processing and draft report developed by UNIVEN Arrange a field validation workshop on study findings (70%) Q3: Finalisation of the report by UNIVEN Develop a roll-out plan including a budget for implementation to other wards (90%) Q4: Council resolution to guide the future roll-out programme approved (100%)	100%	100%	90%	O	No Deviation
D247	Sound Governance	Audit opinion for GTEDA	Audit opinion	1	1	1	G	Unqualified opinion for 14/15this quarter
D248	Budget management	% of GTEDA budget spent	Percentage	100%	100%	86%	O	Projects spending was less due to a resolution taken by Board and approved by Council on 31/05/2016 to put most projects on hold. Item 2.5 on PIC report attached
D249	Economic Growth and Investment	# of committed investors attracted through GTEDA	Number	5	5	0	R	Target revised as key investment attraction projects had disputes as per Council resolution taken on 31/05/2016
D250	Enterprise Development (SMME support)	# of SMMEs capacitated through GTEDA (1 Per cluster)	Number	4	4	35	B	Capacitated through CBDA training on governance, audit and supervision.

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Table 78: Targets for LED as contained in the SDBIP for 2015/16

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2016			
					Target	Actual	R	Reason for deviation
D251	Marketing and Investor Targeting	# of jobs created by GTEDA	Number	200	200	10	R	Target revised as key job creation projects had disputes. i.e. restituted farms; shopping centres were not developed due to Tribal Authorities not releasing land earmarked for development.
D252	Information management	Purchase of Printers	Q1: Source quotations. (10%) Q2: Procurement of printer finalised (100%) Q3: Not applicable this quarter (100%) Q4: Not applicable this quarter (100%)	100%	100%	0%	R	Not applicable this quarter
D253	Agriculture	Livestock improvement - Leathermaking	Q1: Assist Monye-Le-shako Co-op with developing an operational plan for 15/16. (25%) Q2: Submission of business plan to Dept. Rural Development. (50%) Q3: Funding secured from Dept. of Rural Development (75%) Q4: Monitor the implementation of the business plan. Draft Exist plan developed. (100%)	100%	100%	100%	G	Implementation of project plan is on track. Funding sourced from Department of Rural Development and Land Reform.
D254	Agriculture	Livestock improvement - Tannery	Q1: Registration as cooperative finalised. Revised concept plan finalised. Development of Business operation Plan. Compile monthly and quarterly reports. (25%) Q2: Monitor implementation of Operational Plan. Procurement of a service provider for development of a business plan (development of TOR, advert and appointment) Compile monthly and quarterly reports. (50%) Q3: Monitor implementation of Operational Plan. Business plan Developed. Identify Potential investor/ funder/ partner. Compile monthly and quarterly reports. (75%) Q4: Monitor implementation of Operational Plan. Compile monthly and quarterly reports. (100%)	100%	100%	70%	R	Target revised and project has been put on hold due to disputes and lack of funders and investors.

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Table 78: Targets for LED as contained in the SDBIP for 2015/16

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2016			
					Target	Actual	R	Reason for deviation
D255	Agriculture	Support to farms: Makgoba Tea Estates	Q1: Engage MAMCO on future support role by GTEDA in the deal signed with ZZ2. Development of an MOU that clarifies the role of GTEDA in the new company. Compile monthly and quarterly reports. (40%) Q2: Support initiatives identified by the agreement between GTEDA & MAMCO. Compile monthly and quarterly reports. (60%) Q3: Support initiatives identified by the agreement between GTEDA & MAMCO. Compile monthly and quarterly reports. (80%) Q4: Support initiatives identified by the agreement between GTEDA & MAMCO. Compile monthly and quarterly reports. (100%)	100%	100%	80%	O	Reports compiled and project was put on hold due to challenges.
D256	Agriculture	Support to farms: Batlhabine Farms	Q1: Investment agreement signed. Operational Plan Developed. List of potential investors completed. Monthly steering committee meetings conducted Compile monthly and quarterly reports. (70%) Q2: Monitor implementation of Operational Plan and adherence to Investment agreement. Monthly steering committee conducted Compile monthly and quarterly reports. (80%) Q3: Monitor implementation of Operational Plan and adherence to Investment agreement. Monthly steering committee conducted Compile monthly and quarterly reports. (90%) Q4: Monitor implementation of Operational Plan and adherence to Investment agreement. Monthly steering committee conducted Compile monthly and quarterly reports. (100%)	100%	100%	100%	G	Reports compiled and monitoring done as planned
D257	Agriculture	Support to farms: Tours Farm	Q1: Re-open stakeholder engagements. Compile monthly and quarterly reports. (25%) Q2: Facilitate stakeholder engagements. Compile monthly and quarterly reports. (50%) Q3: TOR for procurement of investor/partner completed. Compile monthly and quarterly reports. (75%) Q4: Start procurement process. Set-up procurement committees. Compile monthly and quarterly reports. (100%)	100%	100%	90%	O	Reports compiled Project put on hold as per Board and Council resolution attached

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Table 78: Targets for LED as contained in the SDBIP for 2015/16

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2016			
					Target	Actual	R	Reason for deviation
D258	Enterprise Development (SMME support)	Nwamitwa Shopping Centre	Q1: Facilitate GTM Council intervention to resolve disputes. Compile monthly and quarterly reports. (25%) Q2: Disputes resolved. Compile monthly and quarterly reports. (50%) Q3: Procurement of Developers. Stakeholder consultations. Compile monthly and quarterly reports. (75%) Q4: Appointment of Developer. Compile monthly and quarterly reports. (100%)	100%	100%	90%	○	Reports compiled Developer not appointed pending Tribal Authority resolution
D259	Enterprise Development (SMME support)	Morutji Shopping Centre	Q1: Facilitate approval by Modjadji Traditional Authority. Engaging Director General at National level. Compile monthly and quarterly reports. (25%) Q2: Facilitate establishment of a Task team. Facilitate stakeholder agreements. Procurement of Developers. Compile monthly and quarterly reports. (50%) Q3: Task team established. Facilitate stakeholder agreements. Procurement of Developers. Compile monthly and quarterly reports. (75%) Q4: Stakeholder consultations and proposed agreement. Compile monthly and quarterly reports. (100%)	100%	100%	90%	○	Reports compiled Developer not appointed pending Tribal Authority resolution
D260	Enterprise Development (SMME support)	Dan/Bindzulani Shopping Centre	Q1: Engage LEDA, Mhlava Tribal Authority and GTM for common approach. Compile monthly and quarterly reports. (25%) Q2: Facilitate an agreement between LEDA, Mhlava Tribal Authority and GTM. Compile monthly and quarterly reports. (50%) Q3: Facilitate development of an implementation plan. Compile monthly and quarterly reports. (75%) Q4: Implementation plan completed. Compile monthly and quarterly reports. (100%)	100%	100%	90%	○	Reports compiled Implementation plan not done as project had disputes.

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Table 78: Targets for LED as contained in the SDBIP for 2015/16

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2016			
					Target	Actual	R	Reason for deviation
D261	Enterprise Development (SMME support)	Mokgwathi Shopping Centre	<p>Q1: Facilitate approval by Modjadji Traditional Authority. Engaging Director General at National level. Compile monthly and quarterly reports. (25%)</p> <p>Q2: Facilitate establishment of a Task team. Facilitate stakeholder agreements. Procurement of Developers. Compile monthly and quarterly reports. (50%)</p> <p>Q3: Task team established. Facilitate stakeholder agreements. Procurement of Developers. Compile monthly and quarterly reports. (75%)</p> <p>Q4: Stakeholder consultations and memorandum of understanding signed. Compile monthly and quarterly reports. (100%)</p>	100%	100%	90%	O	Reports compiled Agreements not signed pending Tribal Authority resolutions
D262	Enterprise Development (SMME support)	Village Bank	<p>Q1: Assist in development of Operational Plan. Facilitate Board Induction. Attend Executive Committee (monthly) & mass (quarterly) meetings Compile monthly and quarterly reports. (70%)</p> <p>Q2: Monitor implementation of Operational Plan. Attend Executive Committee (monthly) & mass (quarterly) meetings Compile monthly and quarterly reports. (80%)</p> <p>Q3: Monitor implementation of Operational Plan. Attend Executive Committee (monthly) & mass (quarterly) meetings Compile monthly and quarterly reports. (90%)</p> <p>Q4: Monitor implementation of Operational Plan. Attend Executive Committee (monthly) & mass (quarterly) meetings Compile monthly and quarterly reports. (100%)</p>	100%	100%	100%	G	Report compiled Training of members by CBDA facilitated

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Table 78: Targets for LED as contained in the SDBIP for 2015/16

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2016			
					Target	Actual	R	Reason for deviation
D263	Enterprise Development (SMME support)	Community Radio Station (current affairs & entertainment)	<p>Q1: Facilitation of an AGM. Appointment of new Board. Facilitate Board Induction. Compile monthly and quarterly reports. (40%)</p> <p>Q2: Facilitate a strategic planning session. Operational Plan developed. Compile monthly and quarterly reports. (80%)</p> <p>Q3: Monitor implementation of Operational Plan. Compile monthly and quarterly reports. (90%)</p> <p>Q4: Monitor implementation of Operational Plan. Compile monthly and quarterly reports. (100%)</p>	100%	100%	90%	O	Radio station is back on air Staff recruitment done Report compiled
D264	Enterprise Development (SMME support)	Ideas Hub (Research & Innovation centre)	<p>Q1: Engage relevant stakeholders (Fire, Env Health, LED, Solid Waste Divisions) in the planning of the pilot Biomass project (30%)</p> <p>Q2: Procure a partner for the Sustainable energy (Biomass) pilot project. Compile monthly and quarterly reports. (60%)</p> <p>Q3: Develop Operational Plan. Compile monthly and quarterly reports. (80%)</p> <p>Q4: Installation of equipment completed at Old Checkers Hawkers Esplanades Compile monthly and quarterly reports. (100%)</p>	100%	100%	100%	G	Reports compiled Blog/forum developed on GTEDA website
D265	Tourism	Tzaneen Dam	<p>Q1: Support the development of a Resource Management Plan (RMP) in partnership with Department of Water Affairs. Compile monthly and quarterly reports. (40%)</p> <p>Q2: Facilitate agreement between GTM and Water Affairs. Compile monthly and quarterly reports. (60%)</p> <p>Q3: Facilitate agreement between GTM and Water Affairs and the role to be played by GTEDA. Compile monthly and quarterly reports. (80%)</p> <p>Q4: Facilitate agreement between GTM and Water Affairs and the role to be played by GTEDA. Compile monthly and quarterly reports. (100%)</p>	100%	100%	100%	G	Reports compiled Development of the Resource Management plan in progress

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Table 79: Employees - Local Economic Development services						
Job level	2014/2015			2015/16		
	No of Posts	Positions Filled	Vacancy rate	No of Posts	Positions Filled	Vacancy rate
Level 0-3	1	1	0%	1	1	0%
Level 4-6	3	2	33.3%	3	2	33.3%
Level 7-9	1	1	0%	1	1	0%
Level 10-15	5	3	40%	5	3	40%
Level 16-17	0	0	0%	0	0	0%
Total	10	7	30%	10	7	30%

Table 80: Financial Performance 2015/16: Local Economic Development Services (R'000)					
Detail	2014/15	2015/16			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue (excluding tariffs)		414	12 259	6 700	5 559
Expenditure:					
Employees	3 850	4 368	4 368	3 863	505
Repairs & Maintenance		84	84		84
Other	3 842	6 000	5 350	7 843	(2 493)
Total Operational Expenditure	7 692	10 452	9 802	11 706	(1 904)
Net Operational (Service) Expenditure	(7 692)	(10 039)	2 457	(5 006)	7 463

LED had no Capital allocation for 2015/16.

COMPONENT D: COMMUNITY & SOCIAL SERVICES

Although Aged Care is not a function of the Municipality, GTM has 37 bachelor housing units (Pioneer Old Aged units) that are being rented out to those aged that are dependent on social grants. There is a waiting list which is updated on a daily basis, as and when requests are received. Allocations are being managed by the Planning and Economic Development Department and maintenance on the facilities are done by the Engineering Services Department.

3.10 LIBRARIES; MUSEUM; COMMUNITY FACILITIES

Parks and Community Facilities

GTM has 3 formal parks in Tzaneen Town, 3 in Nkowankowa, 1 in Lenyenye, 1 in Letsitele and 1 in Haenertsburg. Parks in rural areas however remain limited and although the plan is to provide at least one park per Ward, funding is still a challenge. The Ward Committees have been tasked to identify areas for parks development in their respective Wards and no development has taken place yet. The grass cutting is done in 2 006 647m² and grass slashing is done in an area of 1 188 29 m². The gardens and parks in Tzaneen, Nkowankowa and Letsitele will be maintained through contracted service providers for the coming three years. The main challenges experienced are:

- Dilapidated machinery for the cutting of grass and trees with no capital funds forthcoming,
- Delays in the filling of vacancies results in budget provision for posts being lost and the human resources available for park maintenance becomes less,
- A work study is required to determine how many personnel is needed to carry out the duties expected from the division,
- Dilapidated toilets facilities at Nkowankowa community hall, Club house and Nkowankowa stadium is a challenge as general building maintenance is no longer sufficient to repair them.

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- The vandalism of parks and facilities by the community.

Table 81: PARKS AND RECREATION FACILITIES 2015/16	
Name of facility and location	Characteristics
<p>Nkowankowa stadium and Club House 2932 B Corner Bankuna Road and Stadium Street Nkowankowa Letaba 0870</p>	<p>Extent: Pavilion, Conference hall, Clubhouse, tuck shop, ticket rooms, store-rooms, and toilets Capacity: 12000 (Seated) Use: The stadium is used to host Sport and Recreation events, Arts and Culture events, Political Rally's, church services and conferences, festivals and all other community gatherings. Clubhouse Seating capacity: 150 (Seating) Personnel: There are 2 Security personnel who works day and night There are 5 General workers on rotational basis.</p>
<p>Lenyenye stadium 2117 Stadium Street Lenyenye (Lesedi Cluster)</p>	<p>Extent: Pavilion, Conference hall, tuck shop, ticket rooms, store-rooms, and toilets) Capacity: 3 000 (Seated) Use: Hosting Sport and Recreation events, Arts and Culture events, Political Rally's, church services and conferences, festivals and all other community gatherings. In the mornings and evening, the community uses it for exercises and matches. Personnel: There are 2 security personnel who works day and night There 2 General Assistance who do maintenance in the surroundings. Future Developments: To undergo renovations through MIG funds in 2014/2015 & 2015/16 financial year, R16 675 030.00.</p>
<p>Burgersdop Stadium Near Timangeni Primary School Burgersdorp</p>	<p>Extent: Clubhouse, tuck shop, garage, and toilets Capacity: 1 000 (Seated) Use: Artificial turf and mainly meant for Soccer. Hosting small community gatherings such as meetings for 50 people in the clubhouse hall. Mopani SAFA Offices Personnel: There two security guards for day and night. Two General workers needed to maintain the surroundings and the Clubhouse, also deal with booking of the facility.</p>
<p>Julesberg Stadium and is situated Near Julesburg Clinic and AFM Church</p>	<p>Extent: Conference hall, tuck shop, security room, store-rooms, and toilets both flushing and long drop, tennis court, sand volleyball court and sand netball) Capacity: 5 000 (seated) Use: Hosting Sport and Recreation events, Arts and Culture events, Political Rally's, church services and conferences and all other community gatherings. Personnel: Is comprised of 5 i.e. 2 General workers from Parks Division to maintain the surroundings. 2 Security to guards to work day and night from a private Company and 1 cleanser from the Environmental Health Division.</p>
<p>Mhlaba 2 Hall 1627 A Nkowankowa Letaba</p>	<p>Extent: Hall, Projector room, store-rooms, Kitchen, toilets Capacity: 250 (Seated)</p>

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Table 81: PARKS AND RECREATION FACILITIES 2015/16	
Name of facility and location	Characteristics
0870	Use: The Community hall is used to Arts and Culture events, Political Rally's, church services, funerals, meetings, conferences and all other community gatherings.
New Sport Centre (Indoor and Outdoor) 345 C Nkowankowa Letaba 0870	Facilities: Artificial outdoor facilities in the form of 3 netball courts and 4 mini soccer courts & Indoor Sport Centre with a multipurpose court is still under construction Use: School Sport and Community games as well as the community needs it for meetings, funerals etc. Personnel: Four General Workers will be appointed to maintain the facility 2 Security are appointed to guard the facility. 1 cleaner to clean the Indoor sport Centre
Olympic swimming pool Thiem Street and Crown Drive	Renovations completed in 2014/2015 through MIG at the amount of R17 247 060.00 Use: Swimming gala's will be hosted. It will also be used for individual or family use. Personnel: 2 General workers maintain the surrounding but they rotate from Area to area. 1 Life Guard's will be employed during season
Thusong Centres	Rhelela Thusong Centre (about to be renovated) Runnymede Thusong Centre Bulamahlo Thusong Centre Lesedi Thusong Centre Maintenance: Maintenance needs are sent to Maintenance Division for their consideration.

GTM has three Community Halls i.e at Nkowankowa, Lenyenye, Julesburg Stadium Hall then also Mini-Tzanie Park Hall, Rhelela; Runnymede and Lesedi. These halls are booked to control access and for recording purposes and to collect some funds for sustainability. Only the three community halls are rented out, the usage of the others are free of charge. The halls surroundings are kept clean for maximum usage, to attract users and to promote safe and healthy environment. Communities living in poverty are currently utilising the halls at Rhelela, Bulamahlo, Lesedi and Julesburg for free, even though this is not sustainable, as these facilities needs to be maintained. As it is, the maintenance of community halls is not done as it should be, due to budget constraints.

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The Museum is operational and objects are explained to visitors. The building is very small and needs to be extended. Application of funds to construct a multi purpose museum is made to MIG . The Museum is currently operated by a Private Curator with his artefacts and the GTM seeks to have its own collection and manage the facility, due to misunderstandings between the Private Curator and the GTM.

Libraries:

Library Services is the joint responsibility of Municipal authorities and the Department of Sports, Arts & Culture (DSAC). The GTM has entered into a Service Level Agreement with the Limpopo Provincial Library Services, DSAC (Libraries and Archives) and is providing library services in the following towns: Tzaneen (Main library); Haenertsburg; Letsitele; Shiluvane and Mulati.

In terms of the SLA agreement the Municipality is responsible for infrastructure, staff and operational costs. The Provincial Library Services is responsible for supplying furniture, equipment and reading material. The top Library Service priorities are access to balanced book collections and lending services; information services, with the emphasis on school project help and user education; free internet and Wi-Fi; educational holiday programmes and book-related arts and craft events, including an annual library competition.

During 2015/2016, 126,777 people used the GTM libraries; 59,201 books were lent out; 166 school groups visited the libraries; 85 visits to schools/crèches were made by library personnel, 1042 assignment topics were assisted with; 164 displays were exhibited; 26 major and 47 smaller book related events were hosted; 4 holiday programmes were held and 24 learners from 6 schools were awarded prizes in the annual library competition.

The GTM libraries are in the process of computerizing the lending system according to the SLIMS system, sponsored by the DSAC.

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Two new rural libraries in the GTM area opened in 2014/2015. The Shiluvane Library opened on 17 October 2014 and the Mulati Library opened on 14 April 2015. Both libraries were built by the DSAC, are functioning well and are well utilized, especially by school children. The library buildings were funded by the National Conditional Library Grant, administered by the DSAC and built by the Department of Public Works. Challenges are experienced at the new libraries due to faulty infrastructure.

To establish libraries in all clusters, the GTM requested the DSAC to build the next library in Runnymede, followed by Lesedi and Nkowankowa/Lenyenye. The DSAC has already committed to start the planning and site preparation of the Runnymede Library in 2016/17.

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Table 82: Library Service Delivery Targets as set out in the SDBIP for 2015/16

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2016			
					Target	Actual	R	Reason for deviation
D145	Library Services	Library management	<p>Q1: Ensure that Libraries are well managed. Report on the number of books (13000) circulating and number of users (24000) (25%)</p> <p>Q2: Ensure that Libraries are well managed. Report on the number of books circulating (24000) and number of users (47000) (40%)</p> <p>Q3: Ensure that Libraries are well managed. Report on the number of books circulating (37000) and number of users (71000) (70%)</p> <p>Q4: Ensure that Libraries are well managed. Report on the number of books circulating (50000) and number of users (95000) (100%)</p>	100%	100%	128%	G2	Users 10,632 during June, total 126,777 to date; Items circulated 4881 during June, total 59,201 to date. Note that the Shiluvane and Mulati libraries do not yet issue books as the Internet provision is not stable enough to operate the electronic lending system SLIMS.

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Table 83: Parks service delivery targets as set out in the SDBIP for 2015/16								
Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2016			
					Target	Actual	R	Reason for deviation
D146	Maintenance and upgrade of parks and open spaces	Parks & open space management	<p>Q1: Policy for Parks and cemetery management approved by Council. Ensure that Parks, Cemeteries and Open spaces are maintained in accordance to the maintenance plan. Report on progress with implementation (70%)</p> <p>Q2: Ensure that Parks, Cemeteries and Open spaces are maintained in accordance to the approved Policy and maintenance plan. Report on progress with implementation (80%)</p> <p>Q3: Ensure that Parks, Cemeteries and Open spaces are maintained in accordance to the approved Policy and maintenance plan. Report on progress with implementation (90%)</p> <p>Q4: Ensure that Parks, Cemeteries and Open spaces are maintained in accordance to the approved Policy and maintenance plan. Report on progress with implementation (100%)</p>	100%	100%	70%	R	Grass cutting is done in overgrown areas by contractor as orders are issued. Greater Tzaneen personnel is on go slow, they do not cut grass because of lack of Protective Clothing that the institution is waiting for it to be delivered. Developed parks and garden maintenance is done as planned to 18 areas.

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The figures in **Table 84** represent the number of posts for all GTM libraries.

Table 84: Employees – Libraries (2015/16)						
Job level	2014/15			2015/16		
	No of Posts	No of Posts	No of Posts	No of Posts	Positions Filled	Vacancy rate
Level 0-3	1	1	0%	1	1	0%
Level 4-6	0	0	0%	0	0	0%
Level 7-9	28	12	64.2%	28	13	53%
Level 10-15	2	2	0%	2	0	100%
Level 16-17	0	0	0%	0	0	0%
Total	31	14	54.83%	31	14	54%

Table 85 represents the number of posts for Parks & Community Facility management.

Table 85: Employees – Parks & Community Facilities (2015/16)						
Job level	2013/2014			2015/16		
	No of Posts	Positions Filled	Vacancy rate	No of Posts	Positions Filled	Vacancy rate
Level 0-3	1	1	0%	1	1	0%
Level 4-6	4	2	50%	4	2	50%
Level 7-9	3	3	0%	3	3	0%
Level 10-15	89	67	25%	89	67	25%
Level 16-17	0	0	0%	0	0	0%
Total	97	73	25%	97	73	25%

Table 86: Financial Performance 2015/16: Libraries (R'000)					
Detail	2014/15	2015/16			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue (excluding tariffs)	71	71	114	114	78
Expenditure:					
Employees	6 384	6 384	7 406	7 406	7 378
Repairs & Maintenance	-		13	13	
Other	221	221	584	584	312
Total Operational Expenditure	6 604	6 604	8 003	8 003	7 689

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Table 86: Financial Performance 2015/16: Libraries (R'000)					
Detail	2014/15	2015/16			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Net Operational (Service) Expenditure	(6 533)	(6 533)	(7 889)	(7 889)	(7 611)

Table 87: Financial Performance 2015/16: Parks, Museums, Community Facilities (R'000)					
Detail	2014/15	2015/16			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue (excluding tariffs) ³	53	503	503	13 830	(13 327)
Expenditure:					
Employees	15 941	17 304	17 304	16 589	714
Repairs & Maintenance	986	957	957	756	201
Other	2 928	6 310	6 310	3 877	2 433
Total Operational Expenditure	19 855	24 571	24 571	21 222	3 348
Net Operational (Service) Expenditure	(19 802)	(24 068)	(24 068)	(7 393)	(16 675)

The parks division makes use of service providers for garden maintenance and clearing of open spaces.

Table 88: Capital Expenditure 2015/16: Parks & Community Facilities (R'000)					
Capital Projects	2015/2016				
	Budget	Adjustment budget	Actual Expenditure	Variance from original budget	Total Project value*
Upgrading of Lenyenye Stadium	R7 000 000	R0	R7 000 340	-R340	R16 675 030
Runnymede Sports Complex	R7 550 926	R4 379 893	R4 379 893	R3 171 033	R27 972 000

³Payments made are deposited into a general account and not ring-fenced for parks and community facilities

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Table 88: Capital Expenditure 2015/16: Parks & Community Facilities (R'000)					
Capital Projects	2015/2016				
	Budget	Adjustment budget	Actual Expenditure	Variance from original budget	Total Project value*
Total	R14 550 926	R4 379 893	R11 380 233		

Funding is limited and therefore GTM is unable to accommodate all community requests for parks in rural areas, which require capital funding.

3.11 CEMETERIES

GTM has 136 cemeteries and only 6 are maintained monthly and the rest of the cemeteries are in rural areas. There is a great need for cemetery extensions, fencing, construction of ablution facilities and cemetery maintenance in the rest of GTM cemeteries. Securing funding for such developments are however a challenge. Currently there are volunteers who are cleaning cemeteries in various wards with no stipend. The status of the cemeteries is as follows:

- Lenyenye Community received land (2500m²) from Nkuna Tribal Authority for a new cemetery, which was developed and is being utilised. This land needs to be further extended because it is getting full. An Environmental Impact Assessment Study needs to be conducted.
- Nkowankowa cemetery received 28 hectares of land from Nkuna Tribal Authority. An Environmental Impact Assessment Study still needs to be conducted.
- Agatha cemetery in Tzaneen is undergoing Environmental Impact Assessment and the study has already shown positive signs towards cemetery extension. A low level bridge, to access the areas will be constructed and Supply Chain Management Process has resumed for cemetery development.

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The main challenges relating to cemeteries are:

- Nkowankowa Cemetery store room roof was stolen, tools cannot be kept there. These tools are kept at Nkowankowa stadium. General workers need to be transported with their tools in the morning and on weekends to the cemetery to be able to give service, which results in double overtime (general worker and senior team leader).
- Cemeteries at rural areas need extension, construction of ablution facilities, and maintenance of fence and existing ablution facilities.

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Table 89: Cemetery service delivery targets as set out in the SDBIP for 2015/16

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2016			
					Target	Actual	R	Reason for deviation
D236	Integrated Human Settlements	Lenyenye Cemetery (land)	Q1: Negotiations for the purchase of land to extend the Lenyenye cemetery (20%) Q2: Negotiations for the purchase of land to extend the Lenyenye cemetery (40%) Q3: Negotiations for the purchase of land to extend the Lenyenye cemetery (60%) Q4: Land purchased (100%)	100%	100%	100%	G	No deviation

The responsibility to manage Cemeteries and Parks reside in the same division and the personnel fulfil both functions with the operating budget also covering both functions. For the number of employees allocated to parks (cemetery) refer to **Table 85** and for financial performance to **Table 87**.

Table 90 : Capital Expenditure 2015/16: Cemetery services (R'000)

Capital Projects	2015/16				
	Budget	Adjustment budget	Actual Expenditure	Variance from original budget	Total Project value*
None	0	0	0	0	0
Total	0	0	0	0	0

There was no capital allocation for the development of cemeteries during 2015/16.

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3.12 CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

The Youth Gender & Disability Programme is part of the Mayor's Special Programmes. Its main functions include: Co-ordination, Mainstreaming, Advocacy, and Development & Empowerment of focal or designated groups. Its objective is to encourage public participation and inclusive project planning, implementation and monitoring. It is a function done for internal and external stakeholders. The strategic objective is good governance. The following are the key priorities achieved for Youth, Gender and Disability programmes during the year under review.

Calendar Events

- **National and International Disability month celebrations:** The YGD is responsible for the coordination of the provincial, district and local disability month celebrations to commemorate and celebrate the November National and 3 December International Day of Disabled Persons (IDDP). The provincial International Day of Disabled Persons was held on the 3rd of December 2015 at Sir Valdunken, they were transported with government vehicle. The local celebration was held at Tzaneen Hotel.

Provision of Administrative support to Community Based Councils.

Various activities were done to offer support to Community Based Councils. There is a Local Youth Council and the Local Disability Council.

- **Local Youth Council:** The Local Youth Council is the local branch of the South African Youth Council (SAYC). Its jurisdiction is the same as that of the local Municipality. Its main role is to co-ordinate, organize, mainstream and lobby and advocate on issues affecting youth in the Municipality in partnership with the Municipality. It is responsible and recognised as a mouth piece and representative body of civil structures dealing with youth development.

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- **Disability Council:** The Disability Council is held annually to elect a Committee, receive reports and take resolutions affecting disabled people.

Mainstreaming & Advocacy

Mainstreaming is being done by conducting workshops with employees and giving inputs through day to day reports and correspondences. Mainstreaming is also done by conducting and monitoring employment equity trends, analysing policies and recommendation for an inclusive Municipality. Quarterly reports are collected from service departments to analyse job creation per focal person, they are analysed and submitted to SALGA and Department of Local Government, Housing and Traditional Affairs.

National Youth Development Agency

The GTM has signed a Memorandum of Agreement (MOA) with NYDA in 2010. In this agreement, the Municipality supports the NYDA by providing of administrative support through the Youth Office. This includes handling of walk-ins, development and management of the JOBS programme and Business Support Opportunity services to young people. Pamphlets and forms are distributed through the Youth office.

Job level	2014/2015			2015/16		
	No of Posts	Positions Filled	Vacancy rate	No of Posts	Positions Filled	Vacancy rate
Level 0-3	0	0	0%	0	0	0%
Level 4-6	4	2	50%	4	1	75%
Level 7-9	0	0	0%	0	0	0%
Level 10-15	0	0	0%	0	0	0%
Level 16-17	0	0	0%	0	0	0%
Total	4	2	50%	4	1	75%

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Table 92: Financial Performance 2015/16: Youth, Gender, Disability & Social programmes (R'000)					
Detail	2014/15	2015/16			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue (excluding tariffs)					
Expenditure:					
Employees					
Repairs & Maintenance					
Other	194	250	250	202	48
Total Operational Expenditure	194	250	250	202	48
Net Operational (Service) Expenditure	(194)	(250)	(250)	(202)	(48)

Expenditure for YGD programmes are integrated into the budget for the Office of the Mayor. No capital projects were implemented for Youth, Gender and Disability programmes during 2015/16.

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Table 93: Youth, Gender & Disability programmes targets as set out in the SDBIP for 2015/16

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2016			
					Target	Actual	R	Reason for deviation
D99	Youth, Gender & Disability support	# of Jobs created by Municipal Capital projects for youth	Number	393	393	2,520	B	
D100	Youth, Gender & Disability support	# of Jobs created by Municipal Capital projects for women	Number	393	393	1,830	B	
D101	Youth, Gender & Disability support	# of Jobs created by Municipal Capital projects for disabled persons	Number	24	24	11	R	

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COMPONENT E: ENVIRONMENTAL HEALTH SERVICES

Environmental Health Service focuses on the social determinants of health in the juristic area of Greater Tzaneen Municipality. This service includes the identification, evaluation, monitoring and control of environmental health hazards and risks regarding but not limited to the following:

- Water Quality monitoring;
- Food control
- Occupational hygiene
- Vector control
- Environmental management; and
- Facility cleaning services.

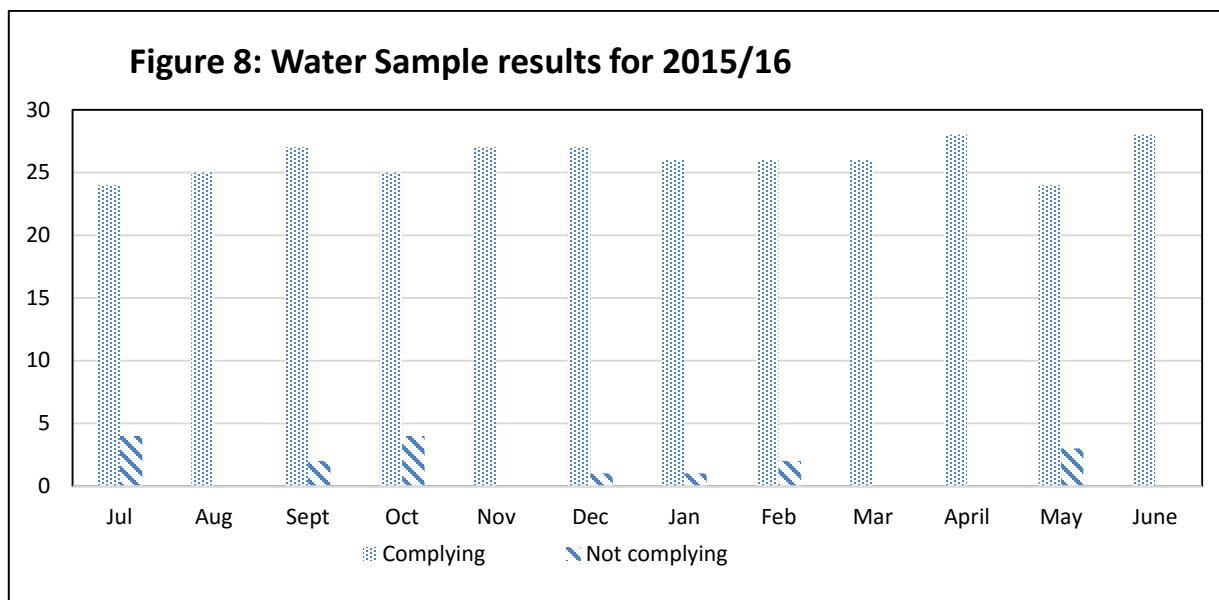
3.13 ENVIRONMENTAL HEALTH SERVICES

Water Quality Monitoring

The Constitution of South Africa in section 27(1) (b) states that: “everyone has a right to have access to water”. To this end we have a responsibility to monitor quality and access to safe drinking-water. We have reviewed and implemented a water quality monitoring system; and collected water samples at predetermined sampling points. Water samples results are analysed and corrective measures implemented to ensure that water for domestic, industrial and food production is safe in respect of its microbiological, chemical and physical quality. A total of 330 water samples were taken during the period July 2014 to June 2015 with 94.8% complying and only 4.2% non-complying. There is a slight increase in the number of samples collected in 2015/16 from 275 to 330. This is due to additional sampling points during the time when the water turbidity was aesthetically unacceptable. There is continual improvement in the quality of water, the number of samples not complying has dropped from 14.52% in 2013/14 to 9% in 2014/15 and 4.2% in 2015/16. The strict adherence to the sampling schedule

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and protocol has yielded positive results in that it provides assurance that we supply potable water which complies with minimum requirements. Results of Water Quality Monitoring for 2015/16 are illustrated in **Figure 8**.

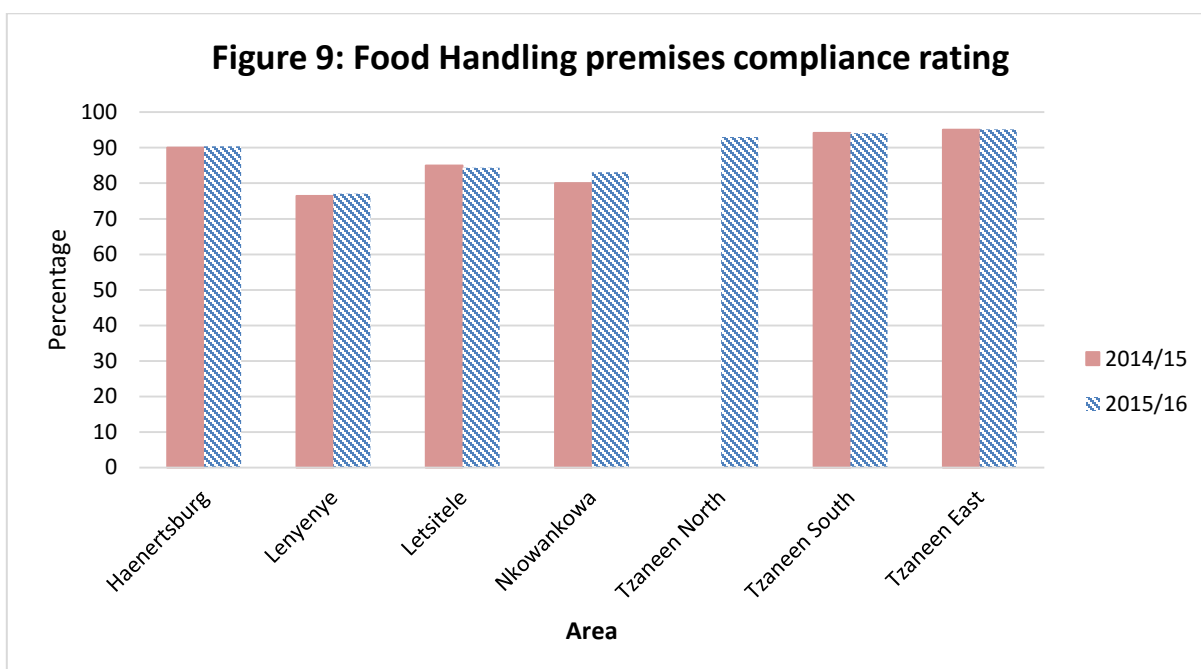


Food control

Food control entails conducting inspections, health education and the issuing of contravention notices where warranted, in both formal and informal food handling premises. We participate in food sample runs which are part of the National Food control strategy. The highlight for the period under review is the issuing of 18 Certificates of Competence to food storage facilities within our area of jurisdiction and the certification food premises which export food products. There is a slight increase in the amount of food that was declared unfit for human consumption, a total of 14,220 kg was seized and destroyed in 2015/16 compared to 11,850 kg in 2014/15 financial year. We participated in Operation Fiela with SAPS, SARS and Home Affairs in formal food handling premises; with three non-complying premises fined up to R3000. An average of 184 formal food handling premises and 18 accommodation facilities were inspected quarterly (see **Table 94 & Figure 9**)

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	2011/12	2012/13	2013/14	2014/15	2015/16
Haenertsburg	86	86	87	90	90.4
Lenyenye	75.4	75	77	76.4	77.1
Letsitele	84	83	83.4	85	84.4
Nkowankowa	80	82.12	82.4	80	83.1
Tzaneen North	90	89.37	92	93,3	93
Tzaneen South	91	91.37	93	94.2	94.1
Tzaneen East	95	95	95.4	95,1	95.2



Occupational hygiene

In our quest to deliver on the Constitutional mandate of a safe and healthy environment, we conduct inspections in industrial premises including workshops. This is done for compliance monitoring in order to prevent and where it occurs, minimize occupational health hazards, land, water and air pollution. A total of 98 industrial premises were inspected to ensure that industries comply with requirements of relevant legislation. The average rating for the industries in 2012/13 was 75%, for 2013/14 is 78% for 2014/15 is 78.4.

Management of human remains

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We are charged with a responsibility to control the establishment and operation of mortuaries and funeral undertakers. For the period under review we have received, processed applications from 4 funeral undertakers. We monitored eight (8) exhumations and four (4) reburials. Two of the reburials were symbolic due to the fact that no remains could be recovered at the identified grave sites.

Vector control

Vector control includes the identification of vectors, their habitats and breeding places and instituting an integrated vector control programme. Environmental control is done on mosquito larvae in identified habitats. Due to the change in weather patterns, larviciding is done way into the winter months. Municipal work stations are sprayed on a six weekly basis. An Integrated Vector Control system was introduced to warehouses and bakeries in 2014/15. In the period under review the system was expanded to wholesales with persistent rodent infestation.

Environmental management

Preserving the environment for future generations requires that we pay attention to and create a balance between development and sustainable use of natural resources. Compliance monitoring and enforcement remain one of the critical tools to ensure that we promote sustainable development. Our capacity in terms of compliance monitoring has been increased by the successful completion of an EMI course by two Environmental Health Practitioners. We continue to attend to Environmental crimes cases that are referred to us by DEA as well as interest groups. The rehabilitation of a stream by a developer is one success environmental compliance stories that we can tell. In line with the Durban Climate Change Adaptation Charter, the vulnerability assessment in Dan extension 2 is nearing completion and a community based response strategy can be developed. We continue to add value by participating in various Committees which seek to address Environmental, Climate Change and Environmental Health Issues. We have also reviewed 9 Basic Assessment Reports for developments in our area. There is sustained interest in the Cleanest School Competition. We

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continue to coordinate the municipality's participation in the Greenest Municipality Competition, we are the 2014/15 GMC Provincial winners.

Facility cleaning services

Facility cleansing entails the provision of cleaning services to maintain municipal facilities in a clean, neat and hygienic condition, to ensure that municipal employees work in an environment that is conducive for productivity. The staff complement of 20 is insufficient and creates a challenge providing a sustainable service. Two libraries and an indoor sporting facility have been opened and are without cleaning personnel. We still are attending to the Thusong centres on alternate days.

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Result	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June
Complying	24	25	27	25	27	27	26	26	26	28	24	28
Not complying	4	0	2	4	0	1	1	2	0	0	3	0
Total	28	25	29	29	27	27	26	28	26	28	27	28

* Incidental contamination of water due to motor and locomotive accidents.

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2016			
					Target	Actual	R	Reason for deviation
D136	Environmental Health Management	# of contravention notices issued to improve level compliance to Environmental Management legislation (5 formal towns)	Number	125	190	231	G2	There was an increase in legal compliance monitoring.
D137	Environmental Health Management	% compliance to the environmental legislation checklist	Percentage	85%	85%	95%	G2	None required
D138	Environmental Health Management	# of formal food handling premises evaluated quarterly	Number	82	82	116	G2	For the period under review July 2015 to June 2016 a total of 185 premises were evaluated.
D139	Environmental Health Management	% of water samples that comply with SANS 0241	Percentage	80%	80%	77.56%	O	80% which under circumstances of water shortages in Nkowankowa and Lenyenye is good performance in terms of water quality.

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Table 96: Environmental Health Service Delivery targets as set out in the SDBIP for 2015/16

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2016			
					Target	Actual	R	Reason for deviation
D144	Environmental Health Management	Environmental Health Services	<p>Q1: Ensure that Environmental Health law enforcement is implemented in urban areas. Report to Council on: * 82 formal food handling premises inspected *30 informal food handling premises inspected *16 Industrial premises inspected *13 areas sprayed for malaria (25%)</p> <p>Q2: Ensure that Environmental Health law enforcement is implemented in urban areas. Report to Council on: * 82 formal food handling premises inspected *60 informal food handling premises inspected *32 Industrial premises inspected *13 areas sprayed for malaria (50%)</p> <p>Q3: Ensure that Environmental Health law enforcement is implemented in urban areas. Report to Council on: * 82 of formal food handling premises inspected *90 informal food handling premises inspected *48 Industrial premises inspected *13 areas sprayed for malaria (75%)</p> <p>Q4: Ensure that Environmental Health law enforcement is implemented in urban areas. Report to Council on: * 82 of formal food handling premises inspected *120 informal food handling premises inspected *64 Industrial premises inspected *13 areas sprayed for malaria (only if weather requires it) (100%)</p>	100%	100%	100%	G	No deviation. Inspections conducted and mosquito habitats identified and sprayed.

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Table 96: Environmental Health Service Delivery targets as set out in the SDBIP for 2015/16

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2016			
					Target	Actual	R	Reason for deviation
D147	Regulatory Framework	Hawkers Policy & By-law	Q1: Ensure that Hawkerc policy and By-law is revised (40%) Q2: Submit Hawkerc Policy to Council for adoption and the By-law for public participation (80%) Q3: Submit Hawkerc Bylaw to CORP for gazetting (90%) Q4: Gazetted By-law (100%)	100%	100%	90%	○	By-law not yet gazetted

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Job level	2014/15			2015/16		
	No of Posts	Positions Filled	Vacancy rate	No of Posts	Positions Filled	Vacancy rate
Level 0-3	1	1	0%	1	1	0%
Level 4-6	6	3	50%	6	3	50%
Level 7-9	0	0	0%	0	0	0%
Level 10-15	32	16	50%	32	18	43%
Level 16-17	0	0	0%	0	0	0%
Total	39	20	49%	39	22	43%

Detail	2014/15	2015/16			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue (excluding tariffs)	34	25	25	57	(32)
Expenditure:					
Employees	6 500	6 705	6 705	6 195	510
Repairs & Maintenance		26	26		26
Other	345	901	901	403	498
Total Operational Expenditure	6 845	7 632	7 632	6 598	1 034
Net Operational (Service) Expenditure	(6 810)	(7 607)	(7 607)	(6 541)	(1 066)

Capital Projects	2015/16				
	Budget	Adjustment budget	Actual Expenditure	Variance from original budget	Total Project value*
None	n/a	n/a	n/a	n/a	n/a
Total	n/a	n/a	n/a	n/a	n/a

There was no capital allocation for Environmental Health services during 15/16.

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COMPONENT G: SECURITY AND SAFETY

GTM is responsible for the provision of safety and security as mandated in section 152 of the Constitution. The Safety and Security division is responsible for safety and security of employees and Council premises and serves as liaison between communities and the SAPS in social crime prevention initiatives. The division also assists with the Victim Empowerment Programme together with the Justice and Crime Prevention Cluster departments. The Community Safety Forum (CSF) has been established and is functioning well, championing the reduction of crime at the community level. Through this effort the municipality is regarded amongst the three municipalities in the province with the best community safety initiatives. Council approved the establishment of the Street / Village Committees in order to address local crime in a particular Street or Village. The process for the establishment is an ongoing process and was envisaged to be completed in 2016 but due to the other programme of public participation (establishment of Ward Committees) and recent local government elections the process was halted and will resume after the Ward Committees have been concluded. The municipality, in conjunction with the provincial department of Safety Security and Liaison, established the Young Civilian on Patrol (YCOP). The purpose of the YCOP is to help the municipality with Crime Awareness Campaigns and to support other safety structures within the criminal justice system. The division is in the process of finalising the development of Local Crime Prevention Strategy. Crime Prevention Campaigns have been conducted with the relevant stakeholders in the communities to help fight social crime.

GTM experienced various instances of theft of infrastructure, these are presented in Table 90 below:

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Table 100 : Infrastructure theft cases for 2015/16				
Infrastructure theft	Date	Estimated R-value	Case reported to SAPD Case number	Successful prosecutions (yes/no)
All				
Nkowankowa Testing Ground	20/04/2016	R15 000	CAS 548/4/2016	Still under investigation
Burglary at Letsitele Library	17/05/2016	R7 000	CAS 144/05/2016	Still under investigation
Lenovo Thinkpad Laptop Civic Centre	25/10/2016	R12 000	CAS 148/11/2016	Still under investigation
Brush Cutter	06/01/2017	R10 000	CAS 82/01/2017	Still under investigation
Burglary at Letsitele Library	7/12/2016	R65 000	CAS 99/12/2016	Still under investigation
Electricity Infrastructure				
Transformer	10/10/2016	R5 203	CAS 54/10/2016	Under investigation Letsitele SAPS
Transformer	11/10/2016	R34 193	CAS 90/10/2016	Under investigation Letsitele SAPS
Transformer	13/10/2016	R8 482	CAS 140/10/2016	Under investigation Tzaneen SAPS
Transformer	13/10/2016	R7358	CAS 360/10/2016	Under investigation Tzaneen SAPS
Transformer	18/10/2016	R42 842	CAS 143/10/2016	Under investigation Letsitele SAPS
Transformer	18/10/2016	R40 260	CAS 19/10/2016	Under Investigation Letsitele SAPS
Transformer	03/11/2016	R5 178	CAS 161/11/2016	Under investigation Letsitele SAPS
Transformer	07/01/2016	R48 761	CAS 72/12/2016	Under investigation Letsitele SAPS

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3.14 TRAFFIC LAW ENFORCEMENT

The top 3 service delivery priorities, are Roadblocks, Speed checks, Point duties. Throughout the year the three have had great successes, with reduction in accident statistics. Measures taken to improve performance include spreading the service to rural areas throughout the years, including point duties at school points and accident scenes around our rural juristic areas.

	2011/2012	2012/2013	2013/2014	2014/2015	2015/16
Number of road traffic accidents	102	79	69	111	50
Number of by-law infringements attended	68	100	182	225	4121
Number of traffic officers on duty on an average day	16	13	12	14	13
R-value revenue from traffic fines	R1 439 910	R5 559 480	R19 565 630	R38 560 880	R37 814 250

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Table 102: Law Enforcement targets as set out in the SDBIP for 2015/2016								
Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2016			Reason for deviation
					Target	Actual	R	
D143	Traffic Services	Traffic fine collection rate [(Rand value received for fines as a percentage of the total Rand value of fines issued)]	Percentage	70%	70%	97.15%	G2	We unable to enforce customers to come and pay except that we do one road block per month and wait for customers to come and pay. SMS are also sent out as reminders for payment. There are no warrants for enforcement, and we only dependent on Magistrate to authorise even though we schedule meeting warrants but they fail to authorise.

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Job level	2014/15			2015/16		
	No of Posts	Positions Filled	Vacancy rate	No of Posts	Positions Filled	Vacancy rate
Level 0-3	1	1	0%	1	1	0%
Level 4-6	5	1	80%	5	2	60%
Level 7-9	30	13	57%	30	12	60%
Level 10-15	5	1	80%	5	2	60%
Level 16-17	0	0	0%	0	0	0%
Total	41	16	61%	41	17	58%

The traffic officers are divided into the two shifts. The three supervisors assist in planning and supervision of their colleagues on a daily basis. Officers also perform standby duties, especially with occurrence of emergencies like accidents, etc. On average, officers work a total of 32 hours per month due to the fact that the division is short staffed, considering the vast size of our policing area.

Detail	2014/2015		2015/16		
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue (excluding tariffs)	7 814	3 301	3 301	34 984	(31 683)
Expenditure:					
Employees	13 200	14 823	14 823	12 828	1 995
Repairs & Maintenance	13	51	51	12	39
Other (Security Services)	12 287	13 952	13 952	11 558	2 394
Total Operational Expenditure	25 500	28 827	28 827	24 399	4 428
Net Operational (Service) Expenditure	(17 686)	(25 526)	(25 526)	10 585	(36 111)

Table 104 reflects the financial performance of the Traffic Law Enforcement Division with the over expenditure incurred due to overtime payments, as result of staff shortages.

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No capital was available to fund projects for the Law Enforcement division. However, the top 3 service delivery priorities are:-

Law Enforcement:

- *Roadblocks*: where vehicles are stopped and examined for roadworthiness and drivers are examined for their capability and Drunken driving cases also attended to.
- *Patrols*: where officers drive around or walk, identify law breaks and acts accordingly.
- *Point duties*: officers assist in control of traffic situations, accident scenes etc. and eases traffic congestions
- *Escorts* of dignitaries visiting the area, funerals, etc. for safety sake.
- *Speed checks*: an effective way of enforcement for compliance by motorists to avoid accidents.
- *Warrants of arrest*: Follow ups on unpaid written notices result in offenders being taken to court to answer for their offences.

Scholar patrols

On school days officers are tasked and deployed to selected schools, especially those adjacent to busy roads, and the work is done at specific schools including all schools with the risk of scholars crossing the roads, to and from schools. We also serve our needy and poor communities of Motupa, Tickyline/Burgersdorp, Sasekani, Khopo and Nkowankowa.

Road safety campaigns

- Schools are visited to conduct road safety (on how to observe rules/signs on the road).
- Kids are educated on road safety.
- Communities are sensitized on issues of road safety e.g. robots, pedestrian crossings.
- Officers have been deployed to service the school points and also to patrol our policing areas including rural areas.
- Vehicles scrapings have been extended to deep rural areas and farms

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- Speed law enforcement has always been done across our policing area, including Letsitele, Lenyenye, Nkowankowa and Tzaneen.
- Replacing of damaged road traffic signs and painting of scholar patrol points, especially near schools closer to main roads and checking for new places where there are needs.

3.15 DISASTER MANAGEMENT

Disaster Management is a continuous and integrated multi-sectoral and disciplinary process of planning and implementation of measures aimed at disaster prevention, mitigation, preparedness, response, recovery and rehabilitation. (Disaster Management Act no. 57 of 2002). For disaster Management to be effective, it is important that all concerned parties be made aware of its provision and that every official, role player, departments and personnel be prepared to carry out the assigned functions and responsibilities before, arrangements in the Greater Tzaneen Municipality. Disaster Management's approach is to effectively prevent disasters from occurring and to lessen the impact of those hazards that can be avoided. Emergencies are defined as situations or threats of impending situation abnormally affecting the lives and property of societies. By the nature, or magnitudes these require a co-ordinated response by a number of role-players, both government and private, under the direction of the appropriate elected officials.

Most peace-time natural or man-made disasters/emergencies that occur in the geological areas of responsibility of the Greater Tzaneen Municipality are as follows:

- Fires (Structural and Unstructural)
- Storms (Hail, Wind and Thunder)
- Floods
- Transportation Accidents
- Air/rail crashes
- Building or structural collapse

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- Explosions
- Breakdown of essential services, supplies or any combination thereof

Disaster management preventative/mitigation measures

Awareness campaigns on fire, floods and communicable diseases were conducted as follows:

- **Fire awareness campaigns**
 - ✓ Communities/Wards: Ramotshinyadi Village (ward 03), Lekgawareng Village (Ward 02), Moleketla Village (ward 09), Lefara Village (Ward 22), Solani and Hovemei Villages (Ward 26), Phepeni Village (ward 28), Khujwana village (Ward16), Runnymede Village (Ward 06) and Mohlakong village (ward 07)
- **Floods and communicable diseases:**
 - ✓ Communities/Wards: Sasekani Village (Ward 24), Lephephane (Ward 34), Mulati Village ward 25) and Mokgoloboto village (Ward 17).

Special Events:

Eighteen events were held and managed according to disaster measures. Emergency plans were prepared for 12 of these events.

Projects done and attended:

- ✓ Verification of beneficiaries for disaster houses were identified at affected wards,
- ✓ Assistance in handling of food parcels at affected villages,
- ✓ Site verification of affected households at affected wards

Disaster Relief:

± 1093 households were assessed and assisted with 103 blankets, 122 mattresses and 11 tents and food parcels provided by SASSA.

Other Disaster related Accidents

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On the 13th August 2015, at or about 06h33, Tzaneen jurisdictional area was hit by a light earthquake. Areas which were lightly affected were ward 5,6,11 and 12. No serious injuries were encountered.

Challenges

- Delays in the reporting of incidents by Councillors and,
- Communities building houses within flood lines and drowning during heavy rainfall,
- The late arrival of fire and Rescue Services at communities during house fires is a big challenge.

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Table 105: Disaster management targets as set out in the SDBIP for 2015/16

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2016			
					Target	Actual	R	Reason for deviation
D1	Disaster Management	Disaster awareness campaigns conducted at schools	Number	19	7	15	B	Disaster awareness campaigns were conducted all in wards and the target were met
D2	Disaster Management	Annual Disaster Management report submitted to MDM within legislated timeframes	Number	1	1	1	G	
D3	Disaster Management	Annual Disaster Management report submitted to Council within legislated timeframes	Number	1	1	1	G	
D4	Disaster Management	Disaster incidences responded to (relieved) within 72-hours	Percentage	100%	100%	100%	G	25 households were attended to
D5	Disaster Management	Event Disaster Risk and Contingency Plans developed for stakeholders	Number	12	12	18	B	Contingency plans, the target for the financial year were met in the previous quarter
D50	Disaster Management	Integrated Corporate Disaster Management and Emergency Planning	Q1: Liaise with Mopani District Municipality to assist with the drafting of an Integrated Corporate Disaster Management and Plan (20%) Q2: Drafting of the Integrated Corporate Disaster Management Plan (50%) Q3: Drafting of the Integrated Corporate Disaster Management	100%	100%	100%	G	The plan was not prepared and the taken to Council for this financial year awaiting the next council

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Table 105: Disaster management targets as set out in the SDBIP for 2015/16								
Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2016			Reason for deviation
					Target	Actual	R	
			Plan (80%) Q4: Integrated Corporate Disaster Management Plan approved by Council by 30 June (100%)					
D51	Disaster Management	Disaster response and recovery	Q1: Develop a response and recovery plan for GTM based on the district plan (50%) Q2: Submit GTM response and recovery plan to Council for approval. Develop training programme (75%) Q3: Train departments on the implementation of the Response and recovery plan (85%) Q4: Train departments on the implementation of the Response and recovery plan (100%)	100%	100%	100%	G	The plan is awaiting the next newly elected Council to approved it

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Job level	2014/2015			2015/16		
	No of Posts	Positions Filled	Vacancy rate	No of Posts	Positions Filled	Vacancy rate
Level 0-3	0	0	0%	0	0	0%
Level 4-6	4	1	75%	4	1	75%
Level 7-9	1	1	0%	1	1	0%
Level 10-15	0	0	0%	0	0	0%
Level 16-17	0	0	0%	0	0	0%
Total	5	2	60%	5	2	60%

Detail	2014/2015				
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue (excluding tariffs)					
Expenditure:					
Employees	1 368	1 432	1 432	1 318	114
Repairs & Maintenance		1	1		1
Other	804	684	434	277	157
Total Operational Expenditure	2 172	2 118	1 868	1 595	272
Net Operational (Service) Expenditure	(2 172)	(2 118)	(1 868)	(1 595)	(272)

Municipalities may not budget for uncertain activities such as a Disaster that may not occur. There is however a Council resolution which determines that 2% of the budget can be utilised in case of Disasters. All legislative requirements must also be complied with.

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COMPONENT H: SPORT AND RECREATION

The role of the Sports, Arts and Culture office in GTM is to facilitate, coordinate and manage sport activities. There is a Sport and Recreation Council in GTM that assists with coordinating all sport related matters in GTM communities. There is a Service Level Agreement signed between the Department of Sport Arts and Culture and the Greater Tzaneen Municipality that assists in making sure that sport development takes place in GTM from grass root levels.

3.16 SPORT, RECREATION, ARTS AND CULTURE

Sports

GTM hosts most sports event in Mopani because it's in the centre of the district with facilities and active Sport Officers and Sport Confederation. We further busy with sport developmental games which currently cover male and female soccer, athletic and net ball. GTM received rugby jerseys from the Department of Sport Arts & Culture for 2 teams in Lesedi Cluster.

GTM annually hosts the Mayor's cup which, for 2015, was hosted at Nkowankowa stadium on the 29th of November 2015. This event features soccer, ladies soccer and netball and volleyball. Participants came from various companies, hospitals, Checkers, Letaba Estate and Greater Tzaneen Municipality. The Bulamahlo, Lesedi, Relela and Runnymede cluster soccer teams also participated in the Mayor's cup. The winners of Mayors Cup 2015 was the Iron Breakers team (Male), Sisters Football Cub (female) and Netball was won by the Nkowankowa Shining Stars.

GTM employees are encouraged to participate in sports, in collaboration with the GTM Wellness programme. Employees and Councillors partake in soccer, netball, golf, fishing, table tennis, pool, darts and volley ball. GTM teams participated in the Southern African Inter Municipal Sports Association (SAIMSA) games. Other initiatives were:

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- The Greater Tzaneen Marathon took place at Nkowankowa Stadium,
- Hosting District Development games
- Hosting of rugby games at the Nkowankowa stadium, following the donation of rugby poles by the Blue Bulls

Arts and culture,

The Arts and Culture Council has been established but is not fully functional. The main challenge is the absence of funding. Most members are not employed and therefore do not have their own resources to attend meetings and coordinate activities. The Sport Confederation of the Greater Tzaneen Municipality is fully operational.

Challenges

The main challenges experienced are:

- Insufficient human and financial resources to maintain existing infrastructure,
- Not all sport facilities have access to drinking water and sanitation facilities,
- Insufficient funds to develop and maintain community sports grounds,
- Swimming pool not yet operational since staff (lifeguard and cashier) has not yet been appointed,
- Sport offices at Lenyenye, Nkowankowa and Cluster offices does not have telephones
- Insufficient budget to provide recreational facilities with the necessary furniture,
- The drought contributed to the decay in the soccer pitches,
- No equipment available to maintain sports grounds.

Job level	2014/15			2015/16		
	No of Posts	Positions Filled	Vacancy rate	No of Posts	Positions Filled	Vacancy rate
Level 0-3	0	0	0%	0	0	0%
Level 4-6	0	0	0%	0	0	0%
Level 7-9	3	3	0%	3	3	0%

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Table 108: Employees - Sport, Arts & Culture (2015/16)						
Job level	2014/15			2015/16		
	No of Posts	Positions Filled	Vacancy rate	No of Posts	Positions Filled	Vacancy rate
Level 10-15	0	0	0%	0	0	0%
Level 16-17	0	0	0%	0	0	0%
Total	3	3	0%	3	3	0%

The budget for the Sport, Arts and Culture section forms part of the budget for Parks and Recreation (See **Table 87**).

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Table 109: Sports and recreation targets as set out in the SDBIP for 2015/16

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2016			
					Target	Actual	R	Reason for deviation
D210	Sport and Recreation	Construction of a new community hall at Relela Cluster	Q1: Appointment of contractor finalised (10%) Q2: Physical Construction at 33% (43%) Q3: Physical Construction at 67% (76%) Q4: Construction of community hall completed (100%)	100%	100%	33%	R	The project only commenced on the 14/04/16 and will complete on the 13/10/16.
D211	Sport and Recreation	New Runnymede Sports facility	Q1: Not applicable this quarter (0%) Q2: Not applicable this quarter (0%) Q3: Appointment of contractor finalised (10%) Q4: Physical construction at 25% (100%)	100%	100%	33%	R	The project is well on progress
D270	Sport and Recreation	Lenyenye Stadium	Q1: Not in 15/16 SDBIP awaiting adjustment budget Q2: Not in 15/16 SDBIP awaiting adjustment budget Q3: Physical Progress at 73% (73%) Q4: Lenyenye Stadium completed (100%)	100%	100%	99%	O	The contractor is still busy with outstanding works

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COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

3.17 EXECUTIVE AND COUNCIL

The role of Council is set out in Section 3 of the *Local Government Structures Act (Act 117 of 1998)*. The principal roles are to:

- Act as representative, informed and responsible decision makers in the interests of their communities;
- Provide and coordinate various public services and facilities and to develop their communities and resources in a socially just and ecologically sustainable manner;
- Encourage and develop initiatives within their communities for improving the quality of life within them;
- Represent the interests of their communities to the wider community; and
- Exercise, perform and discharge the powers, functions and duties of Local Government in relation to their areas.

The purpose of the Executive Committee is to take responsibility within the Executive on the basis of individual and/or collective responsibility for a delegated portfolio of services or functions of the Council.

Key Duties and Responsibilities of Exco members:

- To participate in the Executive and to implement agreed policies by taking responsibility individually and/or collectively for any portfolio allocated by the Leader of the Council, including providing a lead on and proposing new policy, strategy, programming, budget and service standards.
- To exercise delegated powers in accordance with the Council's constitution

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- To consult and communicate with members of all party groups, Council officers and key partners as appropriate to ensure decisions are well formed and that Council policies are widely understood and positively promoted.
- To ensure that the party group is briefed at the appropriate time on significant issues within the respective portfolio – i.e. those which have financial or other major resource implications will result in a change in established policy, or which are contentious or politically sensitive.
- To have the responsibility for liaison with Chief Officers and other senior officers responsible for the services within the portfolio
- To answer and account to the Council and the community for matters within the portfolio
- To respond within agreed timescales to the recommendations of relevant overview and scrutiny panels
- To seek to involve and consult non-Executive members in the area of work for which they have responsibility, particularly members of the relevant overview and scrutiny panel
- To represent the Council and the political administration in the community and elsewhere as required by the Leader

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Table 110: Executive and Council targets as set out in the SDBIP for 2015/16

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2016			
					Target	Actual	R	Reason for deviation
D99	Youth, Gender & Disability support	# of Jobs created by Municipal Capital projects for youth	Number	393	393	2,520	B	
D100	Youth, Gender & Disability support	# of Jobs created by Municipal Capital projects for women	Number	393	393	1,830	B	
D101	Youth, Gender & Disability support	# of Jobs created by Municipal Capital projects for disabled persons	Number	24	24	11	R	
D111	Council Support	MPAC oversight report on Annual Report submitted to Council by 31 March	Number	1	1	1	G	
D112	Council Support	# of days taken to make MPAC oversight reports available to the public following Council approval	Number	7	7	24.25	R	The report was delayed for publishing which was an oversight from the administration.
D113	Council Support	# of Council meetings held (formal)	Number	4	4	17	B	Special meetings are held from time to time to resolve on urgent issues.
D114	Council Support	# of Exco meetings held	Number	26	26	16	R	Special Executive Committee meetings were held to finalize on urgent matters.
D115	Council Support	# of Portfolio Committee meetings held	Number	108	108	51	R	Some of the portfolio committees do not hold meetings as expected due to no reports prepared for discussion by management.

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Job level	2014/2015			2015/16		
	No of Posts	Positions Filled	Vacancy rate	No of Posts	Positions Filled	Vacancy rate
Level 0-3	5	4	20%	4	2	50%
Level 4-6	19	8	59%	19	9	52%
Level 7-9	10	4	60%	10	4	60%
Level 10-15	1	1	0%	1	1	0%
Level 16-17	0	0	0%	0	0	0%
Total	35	17	51%	34	16	52%

Detail	2014/2015	2015/16			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue (excluding tariffs)	-		1	1	
Expenditure:					
Employees	4 536	4 536	7 877	7 877	8 481
Repairs & Maintenance	308	308	729	729	659
Other	24 541	24 541	25 250	29 250	27 345
Total Operational Expenditure	29 385	29 385	33 856	37 856	36 484
Net Operational (Service) Expenditure	(29 385)	(29 385)	(33 855)	(37 855)	(36 484)

3.18 FINANCIAL SERVICES

The three main priorities of Financial Services are the following:

- a) *Procurement*: The implementation of SCM policies and regulations has improved in terms of compliance which resulted in that no SCM activity has been qualified by the Auditor General.
- b) *Debt recovery*: To recover debt owed to the Municipality by residents but also by other Government institution. During 15/16 Provincial Government accounts were

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successfully addressed. The appointment of debt collectors will take place in 2015/16 which we believe will contribute to the improvement on Debt recovery.

- c) *Expenditure Management:* Greater Tzaneen Municipality experienced excessive expenditure on overtime and Legal/fees due to litigations during 2015/2016 financial year. Actions have been taken to determine the route course of the high expenditure after which the concern will be addressed. With regard to overtime expenditure it is confirmed that a system through which pre- approval must be obtained has been put in place to curb this concern. Payments of Service providers were made within 30 days with the exception of Eskom due to submission of incorrect invoices resulting in interest being charged on outstanding payments, however all the interest was reversed as the municipality was not at fault.

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Details of the types of account raised and recovered	2013/2014			2014/2015			2015/16		
	Billed in year	Actual for accounts billed in year	% of accounts value billed that were collected in the year	Billed in year	Actual for accounts billed in year	% of accounts value billed that were collected in the year	Billed in year	Actual for accounts billed in year	% of accounts value billed that were collected in the year
Property Rates	66912	51420	76.85	74071	65004	87.75%	74052	59258	80.02%
Electricity Consumption	335804	372480	110.92	396898	410014	103.30%	392618	411464	104.80%
Refuse	24088	20240	84.02	25998	27407	105.42%	26475	24663	93.15%
Other	13302	10187	76.58	13052	15001	114.93%	15082	16273	107.89%

The payment rate on Property rates decreased due to the economic climate and that non-payment cannot be dealt with by credit control. Credit control is only possible for services not paid. Arrears in property rates are however collected when the transfer of such property take place.

Other revenue includes connection fees of new electricity connections and this we cannot predict beforehand as it depends on the development of new areas, building plan requests etc. During 2015/2016 we had more than expected new service connections.

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Electricity Service

The proposed revisions of the tariffs have been formulated in accordance with Section 74 of the Municipal Systems Act as well as the recommendations of the National Energy Regulator of South Africa (NERSA). Guidelines for the Municipal Electricity tariff increases in July are normally published by NERSA in the previous December. National Treasury has indicated that Municipalities must prepare their budgets using ESKOM bulk increases of 14.24 % on the previous year's bulk purchases and advised municipalities to structure their 2015/1016 electricity tariffs based on the 12.69% guideline indicated in National Treasury Budget Circular no. 74 for the 2015/2016 MTREF.

Refuse Removal Service

According to the Constitution of the Republic of South Africa, 1996 (Act 108 of 1996) a Municipality must ensure a safe and healthy environment for its residents. Greater Tzaneen Municipality is therefore responsible to adequately maintain its refuse removal service. The municipality must also maintain its refuse sites and solid waste disposal efforts. The top priority of revenue collection in all three service areas is to improve payment rate through the approved revenue enhancement strategy.

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Table 114: Financial Services targets as set out in the SDBIP for 2015/16

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2016			
					Target	Actual	R	Reason for deviation
D30	Budget management	% of capital spent on projects as prioritised in IDP for specific year	Percentage	100%	100%	48.25%	R	Late Appointment of service providers resulting in rollovers and Litigations instituted against the Municipality
D31	Budget management	% Capital expenditure	Percentage	100%	100%	75%	O	Late Appointment of Contractors and Litigations instituted against the municipality
D32	Budget management	% Operational expenditure	Percentage	100%	100%	96%	O	The deviation is due to less spending on Employee costs allocated to other operating items and general expenses
D33	Supply Chain Management	% of bids approved by MM within 60 days after close of tender	Percentage	100%	100%	75%	O	not applicable
D34	Supply Chain Management	# of Tenders awarded that deviated from the adjudication committee recommendations	Number	0	0	0	G	not applicable
D35	Supply Chain Management	% of Bids awarded within 2 weeks after adjudication committee resolution	Percentage	100%	100%	136%	G2	Delay in Supply Chain process

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Table 114: Financial Services targets as set out in the SDBIP for 2015/16

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2016			
					Target	Actual	R	Reason for deviation
D57	Electricity Infrastructure	R-value of Free Basic Electricity to Households	R-value	4,000,000	4,000,000	2,856,439	R	Less people claim from Eskom for FBE
D58	Free Basic Services	% of households earning less than R1100 (R2520) served with free basic electricity (total registered as indigents)	Percentage	100%	100%	250%	B	All indigents register on financial system receive 50kwh free basic electricity
D59	Free Basic Services	% households earning less than R1100 (R2520) with access to free basic waste removal (total registered as indigents)	Percentage	5%	5%	3.36%	R	All indigents registered on financial system receives rebate, Information to other indigents in villages not measurable.
D60	Free Basic Services	Total number of registered indigent households who received free basic water and sanitation (5 formal towns)	Number	1,260	1,260	3,265.50	B	New indigents registered and benefitting
D61	Asset Management	R-value spent on maintenance of electricity infrastructure as % of asset value	Percentage	2.60%	2.60%	1.75%	R	The target must be change and redirected as the budget is controlled by different department.

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Table 114: Financial Services targets as set out in the SDBIP for 2015/16

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2016			
					Target	Actual	R	Reason for deviation
D62	Asset Management	R-value spent on fleet maintenance as % of asset value	Percentage	8%	8%	1.12%	R	The target must be change and redirected as the budget is controlled by different department.
D63	Asset Management	R-value spent on maintenance of municipal buildings as % of asset value	Percentage	3%	3%	0.43%	R	The target must be change and redirected as the budget is controlled by different department.
D64	Asset Management	R-value spent on maintenance of roads infrastructure as % of asset value	Percentage	5%	5%	2.07%	R	The target must be change and redirected as the budget is controlled by different department.
D65	Contract Management	# of monthly contract management reports submitted to Council	Number	12	12	39	B	Part of Monthly report
D66	Regulatory Framework	# of budget related policies revised annually	Number	17	17	17	G	No deviation. A number of 17 budget related policies were tabled to council on 31 May 2016 for approval. The signed budget resolutions and annexures to the budget report are attached hereto for easy reference
D67	Asset Management	Annual Asset verification report concluded by 30 June	Number	30	30	230	B	Verification and investigation was done

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Table 114: Financial Services targets as set out in the SDBIP for 2015/16

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2016			
					Target	Actual	R	Reason for deviation
D68	Expenditure Management	% Operating budget spent on Personnel costs (excl Salaries of councillors)	Percentage	35%	35%	33.02%	O	The actual Personnel cost represents 33.5% of the total actual expenditure which is in line with the target of 35%.
D69	Budget management	Draft Budget submitted to Council by 31 March	Number	1	1	1	G	
D70	Budget management	Annual Budget tabled by 31 May annually	Number	1	1	1	G	
D71	Budget management	Annual Adjustment budget approved by Council by 28 Feb	Number	1	1	1	G	
D72	Budget management	Cost coverage	Ratio	1.20%	1.20%	2.13%	B	The cost coverage demonstrates how many times the monthly fixed operating expenditure can be covered. The actual is lower than the target.
D73	Budget management	Debt coverage	Ratio	17.45%	17.45%	18.16%	G2	The debt coverage demonstrates how many times debt service payments can be accommodated. The actual is 17.06 which is in line with the target of 17.40

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Table 114: Financial Services targets as set out in the SDBIP for 2015/16

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2016			
					Target	Actual	R	Reason for deviation
D74	Expenditure Management	% creditors paid within 30 days	Percentage	100%	100%	97.92%	O	1 creditor not paid at end of June 2016
D75	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	Section 71 Report submitted on 14 June 2016. The reports were submitted within 10 working days
D76	Financial Reporting	Timeous submission of annual financial statements to AG and PT & NT	Number	1	1	1	G	
D77	Financial Reporting	% of AG queries responded to within 3 working days	Percentage	100%	100%	82%	O	
D78	Revenue Management	# of Households billed	Number	25,000	25,000	23,886	O	Development of properties influenced by water availability, fewer new accounts opened than expected
D79	Revenue Management	Average Payment rate for municipal area	Percentage	91%	91%	97%	G2	Debt collection appointments , increased payment rate
D80	Revenue Management	Outstanding service debtors to revenue	Ratio	41.80%	41.80%	17.42%	B	Debtors increase on a monthly basis, payment rate below 100%
D81	Revenue Management	% increase in R-value revenue collection	Percentage	5%	5%	66.20%	B	Payment rate less than 100%

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Table 114: Financial Services targets as set out in the SDBIP for 2015/16

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2016			
					Target	Actual	R	Reason for deviation
D82	Revenue Management	% equitable share received	Percentage	100%	100%	102%	G2	Funds withheld by treasury
D83	Supply Chain Management	# of SCM reports submitted to national treasury	Number	12	12	11	O	no awarded bids
D84	Supply Chain Management	% of advertised Bids evaluated within 10 working days of close of tender	Percentage	100%	100%	27.83%	R	BEC not forming quorum
D85	Revenue Management	# of indigents registered	Number	32,000	32,000	36,252	G2	More registrations received than anticipated
D86	Infrastructure Planning	5 Year Capital Investment framework	Q1: Review the 5-Year Capital Invest framework (10%) Q2: Review the 5-Year Capital Invest framework (20%) Q3: Ensure the revised 5-Year Capital Investment framework is included in the draft IDP (80%) Q4: 5-Year Capital Investment framework approved with the Final IDP. (100%)	100%	100%	100%	G	The contents of the 5-year Capital Investment Framework has been finalized , reviewed and submitted to the IDP Office for inclusion in the Final IDP

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Table 114: Financial Services targets as set out in the SDBIP for 2015/16

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2016			
					Target	Actual	R	Reason for deviation
D87	Asset Management	Assets Management Services	<p>Q1: Monitor the reconciliation of the Asset Register and the General ledger (journals). Ensure that the calculation of depreciation and useful life of assets are completed by 31 July. Ensure that asset register is updated on a continuous bases. (70%)</p> <p>Q2: Monitor the reconciliation of the Asset Register and the General ledger (journals). Ensure that asset register is updated on a continuous bases. (80%)</p> <p>Q3: Monitor the reconciliation of the Asset Register and the General ledger (journals). Ensure that asset register is updated on a continuous bases. (90%)</p> <p>Q4: Monitor the reconciliation of the Asset Register and the General ledger (journals). Ensure that asset register is updated on a continuous bases. (100%)</p>	100%	100%	100%	G	See attached
D88	Financial Reporting	Operation Clean Audit	<p>Q1: Manage annual audit and timeous response on audit queries (AFS 2014/15). Monitor audit preparation processes (40%)</p> <p>Q2: Support the finalisation of Annual Audit (50%)</p> <p>Q3: Support the finalisation of Annual Audit (60%)</p> <p>Q4: Implementation of the Audit Action plan. Put processes in place for audit preparation (100%)</p>	100%	100%	100%	G	Council approve the action plan
D89	Financial Viability	5 Year Financial Plan	<p>Q1: Not applicable this quarter (0%)</p> <p>Q2: Assess financial performance during 2013/14 and review the 5-Year Financial Plan accordingly (10%)</p> <p>Q3: Submit 5 Year Financial plan to the MM for inclusion in the draft IDP. (90%)</p> <p>Q4: 5 Year Financial Plan approved with the Final IDP by 30 May. (100%)</p>	100%	100%	100%	G	Approved with the IDP

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Table 114: Financial Services targets as set out in the SDBIP for 2015/16

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2016			
					Target	Actual	R	Reason for deviation
D90	Financial Viability	Financial System improvement	Q1: Monitor the completion of the AFS by 30 Aug (25%) Q2: Assist the AG in the finalisation of audit and finalise the AFS (50%) Q3: Monitor the review of the Revenue Enhancement Strategy (75%) Q4: Ensure that GRAP training is provided by 30 June. Revenue Enhancement strategy approved by Council by 30 June (100%)	100%	100%	100%	G	Submitted the AFS on the 31 August 2015
D91	Financial Viability	Cash flow management	Q1: Monitor cash flow (liquidity) and Report monthly to Council (25%) Q2: Monitor cash flow (liquidity) and Report monthly (50%) Q3: Monitor cash flow (liquidity) and Report monthly (75%) Q4: Monitor cash flow (liquidity) and Report monthly (100%)	100%	100%	100%	G	non applicable

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Job level	2014/2015			2015/16		
	No of Posts	Positions Filled	Vacancy rate	No of Posts	Positions Filled	Vacancy rate
Level 0-3	6	6	0%	6	6	0%
Level 4-6	20	13	35%	20	13	35%
Level 7-9	46	33	28%	46	28	39%
Level 10-15	3	3	33%	3	2	33%
Level 16-17	0	0	0%	0	0	0%
Total	75	55	27%	75	49	34%

Detail	2014/15	2015/16			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue	352 089	369 987	371 040	425 398	(54 358)
Expenditure:					
Employees	27 428	33 961	33 961	28 272	5 689
Repairs & Maintenance	15	214	214	21	193
Other	47 734	43 518	43 921	57 406	(13 485)
Total Operational Expenditure	75 177	77 693	78 095	85 698	(7 603)
Net Operational (Service) Expenditure	276 912	292 295	292 945	339 700	(46 755)

The actual operational revenue amounts to R425 million, whilst the actual operating expenditure amounts to R85 million (see **Table 116**). This represents a surplus of R340 million. It must however be mentioned that the actual income represents 114% of the budgeted amount and the actual expenditure represents 109% of the budgeted amount. The actual income includes grant allocations of R290.9 million and the overspending on actual total operating expenditure is mainly due to the overspending on provision for Bad Debt and loss on disposal of property, plant and equipment.

3.19 HUMAN RESOURCE SERVICES

The Human Resources Division which reports to the Corporate Services Directorate's mission is to provide quality Human Resource services to attract, develop, motivate and retain a diverse workforce within a supportive work environment both internally and externally by performing the following functions:

- a) Personnel Provisioning and Employment Equity
- b) Personnel Administration
- c) Training, Education and Development
- d) Labour Relations
- e) Organizational Development
- f) Occupational Health and Safety & Employee Wellness

The top three service delivery priorities for 2015/2016 were to:

- Ensure that Job descriptions of all staff are renewed and adopted in preparation of the Job Evaluations using the Task Evaluation System.
- Review and re-align the Organisational Structure of the Greater Tzaneen Municipality in line with the reviewed job descriptions to be able to implement IDP projects
- Review of the Human Resources Policies to be in line with the amendments of the regulations to ensure compliance.

The impact the HR Division has made on the above three key service delivery issues were that:

- All municipal employees were consulted in order to review the organisational structure of Council in accordance with the Municipal System Act of 2000. However, Management and labour Unions agreed to suspend the approval of the structure through council and appoint Deloitte as the sole services provider of Job Evaluation system, to assist in aligning the Job Descriptions with Job Requirements.

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- GTM assisted the District Job Evaluation Unit to evaluate the positions attached to the structure of Council in order to identify salary disparities within Council.
- An ever-changing environment and legislative amendments have to be accounted for in policies, procedures and practises. Therefore, policies, procedures, practises and systems have to be aligned from time to time to keep abreast of such changes. The division embarked on a policy workshop process to ensure proper consultation and ownership. The impact of such amendments can be observed in the implementation of the policies. Compliance to legislation and agreements is, and still remains, an important focus area for the Municipality.

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Table 117: Human Resource Management targets as set out in the SDBIP for 2015/16

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2016			
					Target	Actual	R	Reason for deviation
D92	Capacity building and Training	# of employees successfully trained	Number	90	90	153	B	There is no deviation as the total is above the target
D93	Capacity building and Training	Work place skills plan submitted to LGSETA by 30 Apr	Number	1	1	0	R	Awaiting LG SETA to send the letter
D94	Capacity building and Training	% of municipal budget spent on implementing the Work Place Skills Plan	Percentage	1%	1%	192.10%	R	Supply Chain Management process in sourcing quotes and appointing service providers delayed.
D96	Capacity building and Training	# of senior managers successfully completed minimum competency levels	Number	7	7	2.5	R	1. Corp services Director- Vacant 2. MM to enrol waiting for quotation to be approved. 3. CFO & ESD: To complete Course as it was paid for them. 4. PED & EES Completed
D97	Capacity building and Training	# of Ward Committee members workshopped on municipal affairs	Number	340	340	290	O	
D98	Labour Relations	# of LLF meetings	Number	12	12	12	G	Postponement of LLF by management and labour unions.
D102	Human Resource Management	# of budgeted level 0-6 positions filled	Number	154	154	142	O	Advertised positions closed month end of June 2016. However shortlisting process is ongoing through the assistance of departments.

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Table 117: Human Resource Management targets as set out in the SDBIP for 2015/16

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2016			
					Target	Actual	R	Reason for deviation
D103	Human Resource Management	# of people from employment equity target groups employed in the 3 highest levels of management in compliance with EE plan	Number	27	27	32	G2	None
D104	Human Resource Management	% of budgeted posts filled within three months of advertising during the financial year	Percentage	100%	100%	9%	R	Postponement of shortlisting's by various departments.
D105	Human Resource Management	Number of Section 57 posts vacant for more than three months	Number	0	0	1	R	Turnaround time in terms of the Government Gazette expired.
D121	Occupational Health and Safety	# of OHS committee meetings	Number	4	4	8	B	none
D126	Human Resource Management	% Staff turnover	Percentage	2%	2%	2.12%	G2	The exit is due to Pension and Death of employees.
D127	Human Resource Management	% Employees that are female	Percentage	40%	40%	38%	O	Selected candidates are determined by performance of candidate. However the panel members are aware of the target.
D128	Human Resource Management	% Employees that are youth	Percentage	26%	26%	23.30%	O	Progression of age.
D129	Human Resource Management	% Employees that are disabled	Percentage	2%	2%	17%	B	No Deviation

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Table 118: Employees - Human Resource Services for 2015/16						
Job level	2014/15			2015/16		
	No of Posts	Positions Filled	Vacancy rate	No of Posts	Positions Filled	Vacancy rate
Level 0-3	1	1	0%	1	1	0%
Level 4-6	7	7	0%	7	7	0%
Level 7-9	4	2	50%	4	2	50%
Level 10-15	3	2	33.33%	3	3	0%
Level 16-17	0	0	0%	0	0	0%
Total	15	12	20%	15	13	13%

Table 119: Financial Performance 2015/16: Human Resource Services (R'000)					
Detail	2014/15	2015/16			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue	20				
Expenditure:					
Employees	18 986	7 221	7 221	16 687	(9 466)
Repairs & Maintenance		5	5		5
Other	1 472	2 482	2 482	2 485	(2)
Total Operational Expenditure	20 459	9 708	9 708	19 172	(9 463)
Net Operational (Service) Expenditure	(20 439)	(9 708)	(9 708)	(19 172)	9 463

Despite the fact that in the HR Division only eight of the 15 positions were filled (20% vacancy), Human Resources offered excellent services because of the competent staff. For the first time HR managed to conduct workshops for staff to create awareness on issues such as labour relations, leave, OHS and EAP. An audit of all personnel files was done and a control register was developed to track all personnel files to avoid loss of data.

The Personnel Provisioning and Employment Equity functions are currently being implemented. The municipality had a total of Six hundred and fifty-three (653) employees by

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the end of June 2016, with males being four hundred and six (406) and females with a total of two hundred and forty-seven (247). The municipality had 379 African males, 0 coloured male, 1 Indian male and 26 white males. 218 were African females, with 1 coloured female, 2 Indian females and 26 white females.

The municipality had a total of sixteen (16) disabled employees by the end of 2015/2016 financial year. The number constituted 2.5% against the set national target (2%) of disabled personnel for any designated employer. It should be noted that there are still challenges or employment equity barriers still in existence within the municipality and it needs all key stakeholders (Management, Employees and trade unions) to consult thoroughly in order to address most of these challenges.

The municipality has successfully submitted the annual report to the Department of Labour as legislated by section 21 of the Employment Equity Act 55 of 1998 as amended. The Employment Equity Consultative Forum meets on quarterly basis to play an oversight role and to make recommendations to management. Management support to this Forum will play a significant role in attaining all set targets and addressing existing challenges.

The Municipality appointed a total of twenty-one (21) new employees including the Director-Planning and Economic Development and Municipal Manager by the end of 2015/2016 financial year. Postponement or moratorium of all recruitment has negative impact on the turnaround time (3 months) of the personnel provisioning policy, attainment of the set objectives; service delivery and the image of the municipality.

As far as the Education, Training and Development Section was concerned, the legislative requirements in terms of the submission of the WSP 2015/2016 and ATR 2015/2016 were complied with and monetary grants were received for the efforts.

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Training for first aiders and OHS Representatives were conducted during the financial year and certificates were issued for compliance to the competent staff. The OHS and EAP are functioning extremely well however cash flow constraints makes it extremely difficult to finalise projects. The Municipality has paid R1 159 893.63 to the Compensation Fund in assessment fees. The only solution to reduce such expenses is for GTM to comply with the Occupational Health and Safety Act (Act 85 of 1993). Council must priorities all legislation matters to avoid fines from Department of Labour for non-compliance.

3.20 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

It is the responsibility of the Information Technology Division under the Corporate Services Department to ensure that policies, procedures and standards regarding computer-related items are defined and adhered to. The Information Technology Division offers the following services:

- IT End Users Support (Hardware and Software).
- End User Training (Formal-classroom situation).
- End User Support Training (informal-telephonic or individual).
- Liaise with outsourced service providers i.e. SITA, SALGA, Provincial and National Local Government department regarding all escalated problems.
- Backup services.
- Disaster recovery planning
- Procurement of all IT equipment and Computer rollout
- Audit of computer equipment.
- Computer Consumables such as Mouse, Printer, Ink and cartridges,
- Data Security.
- Advisory capacity on effective business processes
- Maintenance and control of telephonic communication systems

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SERVICE DELIVERY PRIORITIES

- *Rural Broadband Project* –The Information Technology Division continuously monitored and maintained the broadband infrastructure to ensure high availability of ICT network resources. Relela Thusong Services Centre was disconnected from the network due building renovations. Runnymede Thusong Services Centre had connectivity problems due to constant power outages.
- *Paperless Council Meeting Project* – The paperless project was a greater success, however, there were challenges accessing council documents from devices used by Councillors. Access challenges were resolved when further training and support were provided by the IT Division and Committee Clerks.
- *Website publications*: The website was maintained and all publications published as required by legislation.
- *ICT Continuity*: Disaster Recovery equipment were not procured due to budgetary constraints. Backups for all systems were made and stored offsite for safe keeping. Backups are used as an alternative whilst the Council prepares to procure Disaster Recovery equipment.
- *Procurement of ICT equipment*: 20 Laptops were procured and allocated to Internal Audit Division and Senior Officials who were on the Council laptop scheme.
- *ICT Infrastructure*: There were network outages resulting from obsolete ICT equipment and power failures. The ICT equipment were maintained to minimise network disruptions.
- *ICT Policies*: Council approved the following ICT policies
 - a. Antivirus Policy;
 - b. Change Management Policy;
 - c. Email Acceptable Use Policy;
 - d. Firewall Policy;
 - e. ICT Assets Allocation Policy;

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- f. ICT Security Policy;
- g. Incident Management Policy;
- h. Internet Acceptable Use Policy;
- i. Mobile Device Access Policy
- j. Password Policy;
- k. Patch Management Policy;
- l. User Account Management Policy;

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Table 120: Information Technology targets as set out in the SDBIP for 2015/16

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2016			
					Target	Actual	R	Reason for deviation
D116	Information management	% Broadband Availability in Satellite offices	Percentage	100%	100%	91.91%	O	The network availability for June 2016 is 98.84%, due network devices reading with do not have any great significance on network availability. Relela, Runnymede and Bulamahlo are not active on the network as a result of the following: 1. Renovations at Relela; 2. No Electricity at Runnymede; and 3. Disconnection of Bulamahlo by the Landlord.
D117	Information management	% of workstations with access to IT network	Percentage	95%	95%	95%	G	95% is for computers that have direct access to the network, whilst 5% are those who are not having network access.

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Job level	2014/15			2015/16		
	Positions Filled	Positions Filled	Vacancy rate	No of Posts	Positions Filled	Vacancy rate
Level 0-3	1	1	0%	1	1	1
Level 4-6	2	2	0%	2	2	2
Level 7-9	3	3	0%	3	3	3
Level 10-15	0	0	0%	0	0	0
Level 16-17	0	0	0%	0	0	0
Total	6	6	0%	6	6	6

Detail	2014/15	2015/16			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue					
Expenditure:					
Employees	3 547	3 714	3 714	3 937	(223)
Repairs & Maintenance	474	521	521	203	318
Other	4 106	5 946	5 946	7 345	(1 400)
Total Operational Expenditure	8 128	10 180	10 180	11 484	(1 304)
Net Operational (Service) Expenditure	(8 128)	(10 180)	(10 180)	(11 484)	1 304

3.21 LEGAL SERVICES

The Legal Services Division renders legal services to Council by Conducting Investigations, research on case law and statues and advising Council accordingly. The division also ensures that Council complies with its statutory functions, law and standards. The division must also develop and maintain effective working relationship with government departments, courts

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and other relevant bodies. Furthermore, monitoring ongoing litigation by and/or against Council, co-ordinate the interaction between the Council and external Legal Practitioners and ensuring legislative compliance, Good Governance and that Council takes informed decisions.

The Legal Division is further also responsible for:

- a) Assisting with the development of Policies and By-Laws, by conducting workshops for Councillors and officials on the policies and By-Laws and facilitate the annual review of policies.
- b) Performing Contract Management functions by Drafting contracts or Service Level Agreements on behalf of the Council, studying contracts and advising Council accordingly. Facilitate appointment of Service Providers during Bid Committee Meetings.
- c) Prioritising and recommending legal firms to be appointed. Receive referrals and legal queries from stake holders and attend to them. Providing legal opinions to Council.

Table 123: Litigations handled during 2015/16

Type of legal case	Name of Case	Date Registered	Status at 30 June '16	Total Cost to Council to date
Civil	Phadima Phadima//GTM	2010	Appealed	R1 000 000
Civil	Malvnga Tax//GTM	2015	Pending	R650 000
Civil	Siphiwe Engineering &Techno//GTM	2016	Pending	R0
Civil	Expectra 388 CC//GTM	2016	Completed	R8 000 000
Civil	GTM//Bravospan	2014	Completed in 2016 October	R1 000.000
Labour	D.S.Malaji//GTM	2015	In Progress	R889 160

Table 124: Contract Management for 2015/16

No of Service Providers appointed	No of Contracts concluded	No of Contracts extended	No of Contracts Withdrawn by Service Providers
79	20	5	3

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There was an increase in the number of service delivery related community protests in the GTM area during 2015/16. As can be seen from Table 125, the majority of the protests were relating to the provision of water, which is the function of the District Municipality.

Table 125: Service Delivery protests 2015/16				
Date	Stakeholder/Ward	Reason for protest	Office Protested against	Approved / Not Approved
June 2016	Mokgolobotho	Water	MDM	Approved
June 2016	Sasekani	Water	MDM	Approved
June 2016	Petanenge	Water	MDM	Approved
December 2016	Mhlava Cross	Water	MDM	Approved
October 2016	Sangoma	Road	TZN	Approved
February 2015	Mabipilong	Road	TZN	Approved
		Water	MDM	
June 2015	Mawa block 12	Electricity	ESKOM TZN	Approved

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Table 126: Legal support targets as set out in the SDBIP for 2015/16

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2016			
					Target	Actual	R	Reason for deviation
D119	Legal support	% SLAs signed within 10 days of receiving acceptance	Percentage	100%	100%	100%	G	The turnaround time to draft the service level agreement if five days but we manage to do it in a day
D120	Legal support	R-value spent on legal costs	R-value	9,000,000	9,000,000	17,597,233	R	The amount spent on legal fees for the legal services rendered was exceeded because settlements agreement and legal costs had to be paid from the same budget
D133	Regulatory Framework	Promulgation of By-laws	<p>Q1: Develop a programme for by-law public participation and monitor the process. Ensure that by-laws are promulgated. (25%)</p> <p>Q2: Ensure that by-laws are promulgated. Monitor the public participation process and finalise by-laws for promulgation (50%)</p> <p>Q3: Ensure that by-laws are promulgated. Monitor the public participation process and finalise by-laws for promulgation (75%)</p> <p>Q4: Ensure that by-laws are promulgated. Monitor the public participation process and finalise by-laws for promulgation (100%)</p>	100%	100%	100%	G	

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Table 127: Employees – Legal Services (2015/16)						
Job level	2014/15			2015/16		
	No of Posts	Positions Filled	Vacancy rate	No of Posts	Positions Filled	Vacancy rate
Level 0-3	1	1	0%	1	1	0%
Level 4-6	1	1	0%	1	1	0%
Level 7-9	1	1	0%	1	1	0%
Level 10-15	0	0	0%	0	0	0%
Level 16-17	0	0	0%	0	0	0%
Total	3	3	0%	3	3	0%

Table 128: Financial Performance 2015/16: Legal Services (R'000)					
Detail	2014/15	2015/16			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue					
Expenditure:					
Employees	1 319	1 490	1 490	1 451	39
Repairs & Maintenance					
Other	22 408	9 425	9 425	17 824	(8 400)
Total Operational Expenditure	23 727	10 915	10 915	19 276	(8 361)
Net Operational (Service) Expenditure	(23 727)	(10 915)	(10 915)	(19 276)	8 361

No capital projects were planned or implemented for Legal Services during the 2015/16 financial year.

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COMPONENT J: ORGANISATIONAL PERFORMANCE SCORECARD

The full Annual Performance Report for 2015/16 is included as [Annexure E](#).

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CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

A comparison between the 2014/2015 and 2015/2016 financial years (as reflected in **Table 129**) shows that the number of officials actually employed has decreased from 690 to 660. This decrease was caused Moratorium on the personnel provisioning. The organisational structure however needs to be revised to be in line with the available budget, this due to the fact that out of the 1442 approved positions, a total of 782 positions were vacant as on 30 June 2016.

Table 129: Employee turnover 2015/16					
Department (functions)	2014/15	2015/16			
	No of Employees	Approved positions	No of Employees	No of Vacancies	% Vacant
Engineering Services (Roads& Stormwater, Water & Sanitation, PMU, Building & Fleet Maintenance)	158	597	153	444	74%
Electrical Services	101	185	104	81	43%
Community Services (Waste management, Libraries, Parks & Cemeteries, Sports & Recreation, Environmental Health & HIV/AIDS, Licensing, Traffic)	258	435	260	175	40%
Planning & Economic Development (LED, Town Planning, Housing, Youth, Gender & Disability)	19	33	20	13	39%
Chief Financial Officer (Expenditure, Revenue, Financial Services and budgeting, Supply Chain Management)	53	76	50	26	34%
Corporate Services (Legal, Communication, Archives & Records, HR, Public Participation & IT, Council Admin Support)	52	72	51	21	29%

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Department (functions)	2014/15	2015/16			
	No of Employees	Approved positions	No of Employees	No of Vacancies	% Vacant
Municipal Manager (Disaster Management, Internal Audit, IDP, Performance Management)	10	33	17	16	48%
Office of the Mayor (Administration and Special Programs)	5	11	5	6	54%
Total	656	1442	660	782	54%

Designation	Total Approved posts	Vacancies	Variiances (as % of total posts in each category)
Municipal Manager	1	0	0%
CFO	1	0	0%
Other Section 57 Posts	5	1	80%
Middle Management: Financial (Level 3 & 4)	11	4	63%
Middle Management: non-Financial (Level 3 & 4)	45	13	71%
Highly skilled supervision: Financial (Level 5-6)	13	3	76%
Highly skilled supervision: Non-Financial (Level 4-6)	157	73	53%
Total	233	94	59%

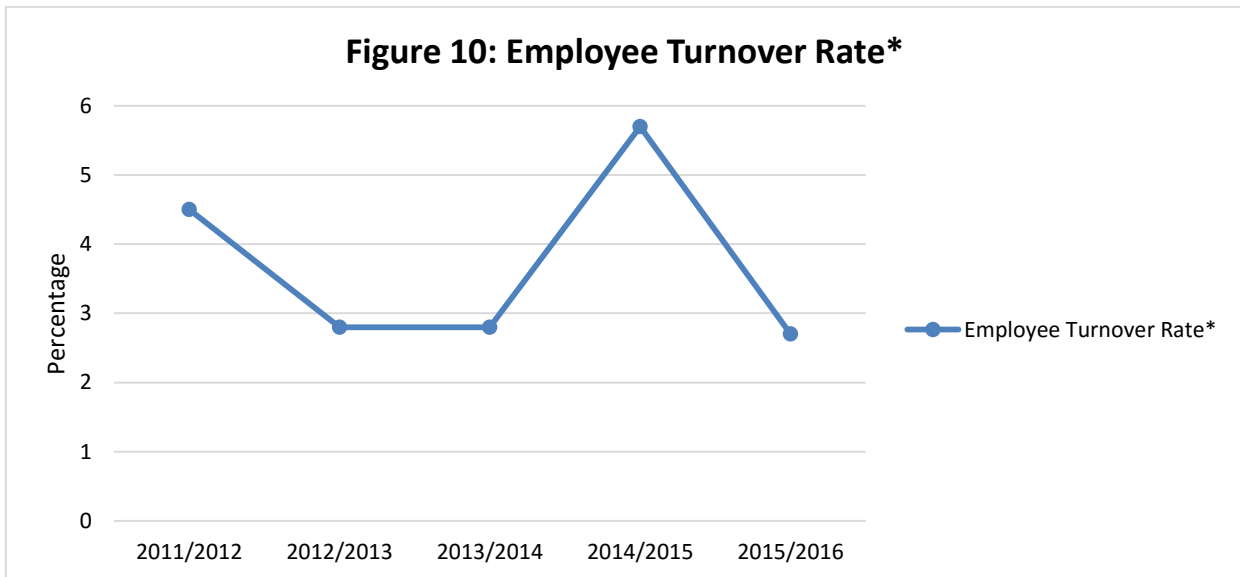
In the financial year 2015/16 there was no movement with regard to personnel. The only employee turnover within the municipality was due to resignation, death and pension. A moratorium on the personnel provisioning caused negative impact on the cash overflow of the municipality with regard to overtime spent.

Year	Total No of posts filled at the beginning of the financial year	Terminations during the financial year	Turnover Rate*
2011/2012	619	28	4.5
2012/2013	660	19	2.8
2013/2014	681	19	2.8
2014/2015	687	41	5.7

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Year	Total No of posts filled at the beginning of the financial year	Terminations during the financial year	Turnover Rate*
2015/2016	655	24	2.7

From the data above, it can be seen that the turnover rate of the Greater Tzaneen Municipality is in the region of 2.7 %. This rate is acceptable bearing in mind that about 87.5% of this rate can be attributed to deaths and retirements over which the Municipality has no control. The turnover rate is also affected by the filling of vacancies; therefore the increase from 15/16 may be attributed to the none-filling of vacancies due to the labour disputes (see **Figure 10**). As far as senior management positions are concerned, five director positions were filled as on 30 June 2016, with the positions for Director Corporate Services and Director Electrical Engineering Services remaining vacant.



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COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

Introduction

Employees in Council need some form of leadership from Corporate Services perspective. The behaviour and actions of employees have to be channelled and directed towards the achievement of the organisation's objectives, contained in the IDP. In order to achieve the above; the appointment of Directors (Section 57 Managers) was imperative. 5 directors lead the municipality in the financial period 2014/2015, who possess suitable skills and competencies as per minimum competency level requirements and Municipal Systems Act guidelines. . The Director (Corporate Services) resigned in June 2014 due to better offer in the province. One of the responsibilities of Corporate Services is to retain scarce skills, educate and develop career path for employees. Therefore for the past year, Council complied with Section 2 of the Skills Development Act (97 of 1998) by doing the following:

- Developing the skills of employees
- Conduct workshops on the policies and procedures for knowledge to avoid misconducts.
- Increasing the levels of investment in education and training in the labour market and to improve the return on investment. For example (MFMP)
- Using the workplace as an active learning environment, by providing employees with opportunities to acquire new skills through bursaries in all job levels.

4.2 POLICIES

As per legislative requirements Section 67 of Municipal Systems Act, 2000 the process to develop and adopt appropriate systems and procedures to ensure fair, efficient, effective and transparent personnel administration continued. Where necessary, policies were reviewed to

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accommodate changing circumstances. The human resources related policies are standardising to a uniform standard and there is easy reference.

Table 132: Corporate Services Policies and Plans (2015/16)			
Name of Policy		% Completed	Date adopted by Council (or comment on failure to adopt)
1	Career Management and Retention	100%	A45 of 29/05/2012
2	Code of Conduct for Employees	100%	As per Schedule to System Act
3	Delegations, Authorisation and Responsibility	100%	30 April 2014 (A 24 of 2014)
4	Disciplinary Code and Procedures	100%	As per SALGBC Agreement however currently is under subdued care due to dispute. Labour Relations Act is applied.
5	Essential Services	40%	Agreement under review due to new organogram
6	Employee Assistance/ Wellness	100%	A29, 2013 June 28
7	Employment Equity	100%	A29, 2013 June 28
8	Exit management	0%	No policy
9	HIV/AIDS for Employees	100%	HR competency (B126 of 26/11/2002)
10	Human Resources Development	100%	B77 of 26/8/2008
11	Information Technology	50%	Drafts ready for consultations
12	Job Evaluation	100%	Approved by National Executive committee of SALGA, 2012
13	Leave	100%	A21, 1 April 2015
14	Occupational Health and Safety	100%	A29, 1 July 2013
15	Official Housing	100%	B158 of 31/8/2004
16	Official Journeys	100%	B172 of 31/8/2004
17	Official transport to attend funerals	100%	Bereavement Guidelines
18	Official Working Hours and overtime	100%	A21, 1 April 2015
19	Organisational Rights	100%	As per ORA in Main Agreement
20	Payroll deductions	0%	No Policy
21	Performance Management and Development	100%	A29, 28 June 2013

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Table 132: Corporate Services Policies and Plans (2015/16)			
	Name of Policy	% Completed	Date adopted by Council (or comment on failure to adopt)
22	Personnel Provisioning	100%	A29, 1 July 2013
23	Remuneration Scales and Allowances	100%	B240 of 30/11/2004
24	Sexual Harassment	100%	A21, 1 April 2015
25	Training and Development	100%	A21, 1 April 2015
26	Smoking	100%	A21, 1 April 2015
27	Special skills	0%	Not developed
28	Work organisation	0%	Not developed
29	Uniforms and Protective Clothing	100%	A29, 2013 June 28
30	Policy on Granting of Bursaries to Employees	100%	A21, 1 April 2015
31	Policy on Temporary Employment of Students	100%	A21, 1 April 2015
32	Anti-Corruption Policy	100%	A30 of 18 June 2013
33	Policy for Labour Relations	100%	A21, 1 April 2015
34	Language Policy	0%	No Policy
35	Risk Management Policy	100%	A30 of 18 June 2013
36	COIDA	100%	A44 of 28/08/2012 (New Policy)

4.3 INJURIES, SICKNESS AND SUSPENSIONS

The Compensation for Occupational Injuries and Diseases Act, Act 130 of 1993, is the governing Act that deals with occupational injuries and diseases. The aim of the COIDA is to provide for Compensation in the case of disablement caused by occupational injuries or diseases, sustained or contracted by employees in the course of their employment, or death resulting from such injuries or disease; and to provide for matters connected therewith. An accident must be reported when an employee meets with an accident arising out of and in the course of employment resulting in a personal injury for which medical treatment is required. The number of injuries on duty during 2015/16 is presented in **Table 133**.

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Type of Injury	Days Injury leave taken	No of employees	% of Employees using sick leave	Average injury leave per employee ⁴
Required basic medical attention only	45	15	2.2	6.7
Temporary total disablement	5	1	0.1	0.7
Permanent Disablement	30	1	0.1	4.4
Fatal	0	1	0	0
Total	80	18	2.4	11.8

From **Table 133** above it will be observed that a total of 80 days sick leave occurred due to injury-on-duty cases which are lower than the 148 days of last year. This constitutes a decrease of 46% of employees who were involved in such incidences. The OHS and EWP Section are continuously busy with awareness creation regarding safe working conditions and the role that each and every individual can play in limiting incidences of injury-on-duty. The three OHS Committees are also used as a platform to propagate a safe working environment within the OHS System which is in place. Inspections of workplaces are being done throughout the year and where necessary, follow-ups are being done to monitor compliance. The internal newsletter is also being used to place articles relating to OHS matters and to conscientise workmen/women. During the induction program of new entrants, time is being spent on OHS and EWP matters.

Designation	Total sick leave (days)	% of sick leave without medical certification	Employees using sick leave*	Estimated cost@ basic salary	Average per job category
Unskilled and defined decision making (level 16-15)	1908	2.62%	167	R901 056-	8.75%
Semi-skilled - discretionary decision making (level 10-14)	538	5.57%	60	R349 093-	11.15%

⁴ Not determinable

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Table 134: Number of days and cost of sick leave (excluding injuries on duty) for 2015/16					
Designation	Total sick leave (days)	% of sick leave without medical certification	Employees using sick leave*	Estimated cost@ basic salary	Average per job category
Skilled, technical and academically qualified workers (7-9)	1145	6.81%	97	R1 324 183-	8.47%
Professionally qualified and experienced specialists (middle management) level 4-6	677	11.66%	75	R1 064 095-	11.07%
Management (level 3)	151	11.25%	20	R450 867-	13.24%
Senior Management (level 0-2)	17	17.64%	4	R58 987-	23.52%
Total	4436	9.25%	423	R4 148 281-	

The average sick leave taken per employee is 9.5 days which is higher than in 2013/14 (8.6 days) but lower than 2014/2015 (10.24 days). The figure expressed in percentage may reflect the tip of an iceberg taking into consideration that job levels 1 to 3 do not complete timesheets. The basic salary was used for the estimated cost. It must be noted that the estimated cost to Council excludes benefits which, if included, will raise the cost significantly.

Table 135: Number and Period of Suspensions, 2015/2016				
Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken or Status of Case and Reasons why not Finalised (as at 30 June '16)	Date Finalised
Cashier	Fraud	15 June 2016	Arbitration stage pending outcome	n/a
Director: Engineering Services	Fraud	15 December 2015	Hearing stage. Arguments stage	n/a

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4.4 PERFORMANCE REWARDS

The Performance Management System of GTM only covers the Municipal Manager and Directors. This is due to the fact that salary disparities at other levels has to be resolved before the system can be cascaded. The scoring system is based on Regulation 805 of 2006 and is applied uniformly to all employees. The annual assessments for 2014/15 was cancelled by Council due to the management challenges experienced during this time wherein various Directors were acting as Municipal Manager for short intervals.

Also for the 2015/16 financial year no performance assessments were conducted. This was due to the following factors:

- a) Resistance to adhering to the reporting timeframes as set for the electronic reporting system.
- b) The auditing of the Portfolio of Evidence had to be redone after the reporting system was re-opened for prior month reporting to accommodate those that did not comply with the reporting timeframes and reporting requirements.

No performance rewards were therefore paid out during the 2015/16 financial year.

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COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

The Greater Tzaneen Municipality conforms to the legislative requirements of the Skill Development Act 97, 1998 to develop and improve the Skills of the South African workforce in capacitating municipal workforce in performing their functions and exercise their powers in an economic, effective and accountable way. To enhance the workforce in Adult Education Training and learnership programmes that lead to recognized occupational qualifications. For the financial year 2015/16 an amount of R1 269 225 was allocated for the implementation of the training needs projected and approved.

The WSP for 2015/16 was submitted to LGSeta by the 30th April 2015. The bulk of the training funds were spent on the (MFMA) for compliance with the National Treasury's Regulations on Minimum Competency levels.

Other training initiatives were therefore limited to:

- Only 124 employees were trained (300 planned)
- 41% of WSP implemented

A summary of the beneficiaries trained during the financial year, per occupational category is presented in **Table 136**:

Occupational Categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, Snr officials and managers	12	1	0	4	7	0	0	0	24
Professionals	4				5			3	12
Technicians and associate professionals	15			1	7				23
Clerks	8	0	0	0	17	1	2	1	29
Service and sales workers	0	0	0	0	0	0	0	0	0
Skilled agricultural and fishery workers	0	0	0	0	0	0	0	0	0

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Occupational Categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	13	0	0	0	0	0	0	0	13
Elementary occupations	4	0	0	0	17	0	0	0	21
Total Permanent	56	0	0	0	53	1	2	1	122
Non-permanent employees	2	0	0	0	0	0	0	0	2
Total	58	1	0	5	53	1	2	4	124

Training Interventions for 2015/16:

Experiential training: As per approved temporary employment of student policy, the objectives outlined are to afford students a chance to get practical exposure in those directions which may have application value for them and to optimise their services to the benefit of Council and the student. Seventeen (17) learners were appointed in five (5) departments to gain experience for the final year to acquire their qualifications. The students are paid a stipend of R1 500 per month as per the Policy on Temporary Employment of Students. The following (see **Table 137**) is comprehensive data of learners who were assisted through the experiential programme in the Municipality to acquire their qualifications for the 2015/2016 financial year:

No	Surname & initials	Stream/qualification	Department	Period
1	Malatji K	N6 Human Resources	Corporate Services (HR)	2015/12/01-2016/01/31
2	Mabunda H	N6 Human Resources	Corporate Services (HR)	2015/12/01-2016/01/31
3	Marobela N	N6 Public Management	Corporate Services (HR)	2015/12/01-2016/01/31

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Table 137: Students trained through experiential programme (2015/16)				
No	Surname & initials	Stream/qualification	Department	Period
4	Shabangu GT	N6 Human Resources	Corporate Services (HR)	2015/12/01-2016/04/30
5	Moseri J	National Diploma in Town and Regional Planning	Planning and Economic Development	2015/03/01-2016/04/30
6	Ngobeni L	National Diploma Journalism	Corporate Services (Communication)	2015/02/01 – 2015/04/30
7	Manzini MX	National Diploma Events Management	Corporate Services (Communication)	2015/02/01 – 2015/04/30
8	Nkuna NHT	N6 Marketing Management	Corporate Services (Communication)	2015/02/01-2015/04/30
9	Motloutsi M	N6 Financial Management	Finance (Supply Chain Management)	2015/02/01-2015/04/30
10	Ngobeni V	N6 Public Management	Office of the Municipal Manager	2016/02/01 – 2016/04/30
11	Gaveni K	BA Youth Development	Office of the Mayor	2016/04/01-2016/09/30
12	Nogiela N	Level 4 Office Administration	Corporate Services (HR)	09/5/2016 – 30/09/2016
13	Mkhawana A	N6 Public Management	Office of the Municipal Manager	09/05/2016 – 30/04/2017
14	USIBA M	National Diploma in Town and Regional Planning	Planning and Economic Development	2014/03/01-2015/01/31
15	Ramothwala MS	NCV Information Technology Level 4	Corporate Services (IT)	01/08/2015 - 31/10/2015
16	Shithelana AV	N6 Business Management	Finance (Revenue)	01 /03 /2016 – 31/05/2016

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No	Surname & initials	Stream/qualification	Department	Period
17	Mametja MF	N6 Financial Management	Finance (Financial Services and Reporting)	01 /03 /2016 – 31/05/2016

Challenges occurred during 2015/16 financial year for implementation:

- Insufficient funds for implementation of WSP training needs.
- Delay in Supply Chain Management to source quotes for training interventions.

A pool of accredited training service providers will be appointed during 2016/17 to avoid any delay in 2016/17

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4.5 SKILLS DEVELOPMENT AND TRAINING

The GTM Skills Matrix is presented in **Table 138**.

Table 138: Skills Matrix														
Management level	Gender	Employees in post as at 30 June 2016	Number of skilled employees required and actual as at 30 June 2016											
			Learnerships			Skills programmes & other short courses			Other forms of training			Total		
			No.	Actual 30 June 2015	Actual 30 June 2016	Target 16/17	Actual 30 June 2015	Actual 30 June 2016	Target 16/17	Actual 30 June 2015	Actual 30 June 2016	Target 16/17	Actual 30 June 2015	Actual 30 June 2016
MM and S57	Female	2	0	0	0	2	2	0	0	0	0	2	2	0
	Male	4	0	0	0	4	4	0	0	0	0	4	4	0
Councillors, senior officials and managers	Female	38	0	0	0	11	11	0	0	0	0	11	11	0
	Male	54	0	0	0	13	13	0	0	0	0	13	13	0
Technicians and associate professionals	Female	9	0	0	0	18	18	18	1	1	0	18	18	0
	Male	38	0	0	0	6	6	24	0	0	0	7	7	24
Professionals	Female	27	0	0	0	6	6	0	0	0	19	6	6	19
	Male	51	0	0	0	6	6	1	0	0	6	6	6	7
Sub total	Female	78	0	0	0	31	31	28	0	0	20	31	31	48
	Male	181	0	0	0	22	22	45	0	0	6	22	22	51
Total		482	0	0	0	119	119	116	1	1	51	120	120	149

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Table 139: Financial Competency Development: Progress Report (2015/16)*				
Description	A. Total number of officials employed by Municipality (Regulation 14(4)(a) and (c))	Competency assessments completed (Regulation 14(4)(b) and (d))	Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
Financial Officials				
<i>Accounting officer</i>	1	0	1	0
<i>Chief financial officer</i>	1	0	1	0
<i>Senior managers</i>	4	3	4	3
<i>Any other financial officials</i>	49	7	0	7
Supply Chain Management Officials				
<i>Heads of supply chain management units</i>	1	1	0	1
<i>Supply chain management senior managers</i>	0	0	0	0
TOTAL	56	11	6	11

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Table 140: Skills Development Expenditure (R'000) for 2015/16										
Management level	Gender	Employee s as at the beginning of the financial year	Original Budget and Actual Expenditure on skills development 2015/2016							
			Learnerships		Skills programmes & other short courses		Other forms of training		Total	
			No.	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget
Top management (level 0-2)	Female	2	0	0	R45 000	R44 348	0	0	R45 000	R44 348
	Male	4	0	0	R50 000	R49 674	0	0	R50 000	R49 674
Senior Management (level 3)	Female	8	0	0	R20 000	R 9 550	0	0	R20 000	R 9 550
	Male	16	0	0	R30 800	R20 700	0	0	R30 800	R20 700
Professionally qualified and experienced specialists (middle management) level 4-6	Female	20	0	0	R120 000	R100 870	0	0	R120 000	R100 870
	Male	30	0	0	R598 000	R489 235	0	0	R598 000	R489 235
Skilled, technical and academically qualified workers (7-10)	Female	66	0	0	R598 000	R30 942	0	0	R598 000	R30 942
	Male	72	0	0	R55 000	R20 148	0	0	R55 000	R20 148
Semi-skilled - discretionary decision making (level 10-15)	Female	29	0	0	R29 000	R20 809	0	0	R29 000	R20 809
	Male	90	0	0	R120 000	R21 603	0	0	R120 000	R21 603
Unskilled and defined decision making (level 16-17)	Female	167	0	0	R20 002	R12 002	0	0	R20 002	R12 002
	Male	149	0	0	R20 002	R12 002	0	0	R20 002	R12 002
Sub total	Female	292	0	0	R289 923	R218 521	0	0	R289 923	R218 521
	Male	361	0	0	R873 802	R613 362	0	0	R873 802	R613 362
Total		653	0	0	R1 163 725	R831 883	0	0	R1 163 725	R831 883
*% and *R value of municipal salaries (original budget) allocated for workplace skills plan.									0.38%	R1 269 225

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As part of National Treasury's Regulations on Minimum Competency Levels, 23 officials, the majority of which are from the Finance Department, have been enrolled to attend the MFMA training presented by University of North West, the programme started during 2013/2014 financial year. This training intervention (MFMA) was scheduled to be concluded at the end of December 2014. Due to circumstances beyond our control the training has not yet been concluded, however learners have submitted POEs, and we are still waiting for the results

The Costs of this training intervention is approximately R1.8 million, which is mostly being funded through the training vote.

Evidently, it will be observed that not a lot of funds are available to conduct any other form of training for officials in the other job categories. Presently only 0.38% of the total payroll is being allocated for training (more compared to 2014/2015 financial year, as only 0, 03% was allocated for Training) and it is the intention to increase it to at least 1% of the total payroll as per Skills Development Act 97 of 1998.

COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

Introduction

GTM carefully assesses the need to fill a position considering if it is necessary, essential, critical and also budgeted for. In some instances all the criteria is present, but then cash flow considerations can lead thereto that position(s) are not being filled. In determining the increase in the cost of the personnel budget, the National Treasury guideline is always followed of the % increase being allowed. The need to fill positions will always exceeds the available budget provisioning as the latter guideline and the matter of cash flow has a direct bearing on it.

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4.6 EMPLOYEE EXPENDITURE

Employee cost is presented in **Table 141** and **Figure 11**.

Year	Total No of Employees	Total Workforce Expenditure	% of total budget
2010/2011	630	147 951 040	27.01%
2011/2012	619	151 838 715	20.01%
2012/2013	660	198 337 670	26.30%
2013/2014	681	247 063 144	30.42%
2014/2015	671	244 723 266	28.65%
2015/2016	655	258 534 208	26.06%

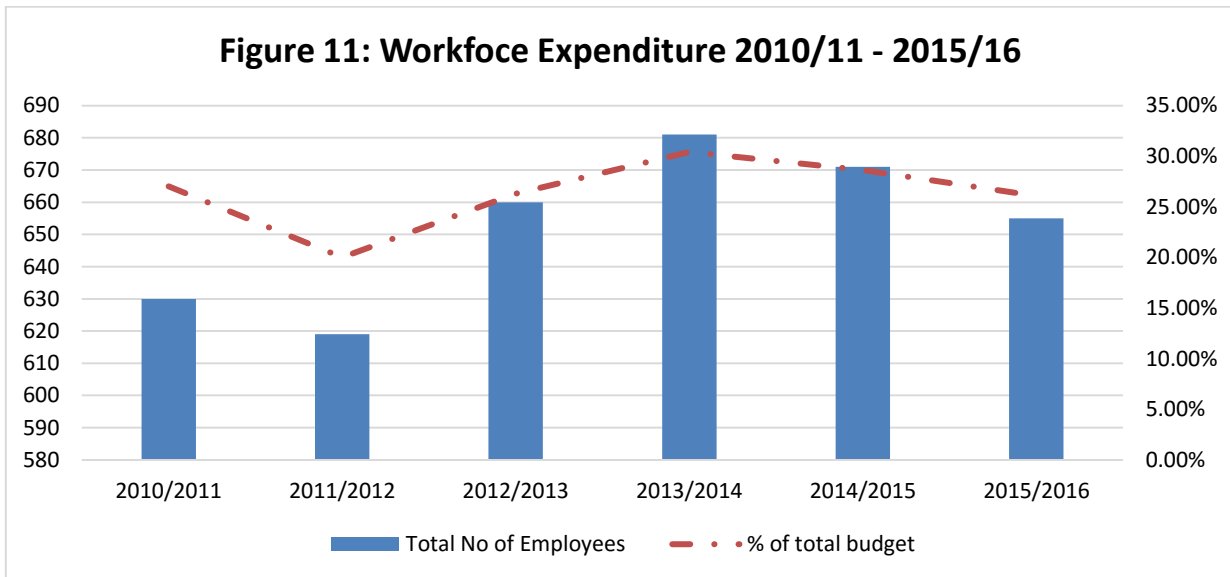


Table 141 presents the expenditure incurred on employees during the 2015/16 financial year with a reduction from 30.4% of total budget in 14/15 to 28.65% this was due to the increase in vacancies since the recruitment process was stalled due to labour disputes.

Beneficiaries	Gender	Total
Senior management (level 0-2)	Female	0

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Table 142: Number of employees whose salaries were increased due to their positions being upgraded during 2015/16		
Beneficiaries	Gender	Total
	Male	0
Management (level 3)	Female	0
	Male	0
Professionally qualified and experienced specialists (middle management) level 4-6	Female	0
	Male	0
Skilled, technical and academically qualified workers (7-10)	Female	0
	Male	0
Semi-skilled - discretionary decision making (level 10-15)	Female	0
	Male	0
Unskilled and defined decision making (level 16-17)	Female	0
	Male	0
Total		0

There was no salary increase of employees due to their positions being upgraded during 2015/16 as there was no Job Evaluation conducted. The Municipality is currently in the process of evaluating jobs through Mopani District Job Evaluation Unit.

SALARY BENCHMARK

The last Salary Benchmark was implemented in July 2012. There was no Salary Benchmark process conducted during 2015/2016 financial year.

Disclosures of financial interests

All staff and Councillors are annually requested during June of the preceding year to disclose financial interests. The obligation to disclose rests on the individual and failure to do so may result in steps being taken against such individual, in terms of the Codes of Good Conduct. The following disclosures were made by officials and Councillors for the 2015/2016 financial year (see **Table 143**):

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Table 143 : Financial Interests declared 2015/16			
	Position	Name	Description of Financial Interest
1	Manager Human Resources	NMH Maake	<ul style="list-style-type: none"> Husband trade with Council on a quotation base system.
2	Performance Management Officer	FM Human	<ul style="list-style-type: none"> 50% Interest Property of Mahaju Nr.4 50% Interest Property of Lushof 197 PPS Annuity Sanlam Annuity
3	Clerk Human Resources	C Van der Merwe	<ul style="list-style-type: none"> Husband doing work for Council on a quotation basis from time to time.
4	IDP Officer	JHC Mkhari	<ul style="list-style-type: none"> MPFumo Holdings (PTY) LTD Telkom SA LTD Mkhari JHC Accountants MGM Legal AID Administration. Member of Finance Management (Valoyi Trust)
5	Manager Licensing & Testing	CAJ Liversage	<ul style="list-style-type: none"> Hiring Driving Range Tzaneen
6	Manager office of the Mayor	MF Malale	<ul style="list-style-type: none"> Solo Director of Mathan bricks and Logistics
7	General Worker	PE Nkuna	<ul style="list-style-type: none"> Phaditsi Trading CC Membership Close Corporation <u>2007/066324/23</u> Directorship
8	General Worker	MM Senyolo	<ul style="list-style-type: none"> Nedgroup Unit Trust Mpulempule Trading and projects (PTY) Old Mutual Unit Trust
9	Community Development Facilitator	MS Mantsho	<ul style="list-style-type: none"> Mokgadi and Madikane Enterprise
10	Word Processing Officer	MR Letsoalo	<ul style="list-style-type: none"> Hashi-Stengwa Trading Enterprise
11	Executive Secretary	MT Dinga	<ul style="list-style-type: none"> Lekwadu Trading CC Retirement Annuity Fund-Old Mutual Lekwadu Trading Enterprise PTY (LTD)
12	Data Base Administrator	M Sibuyi	<ul style="list-style-type: none"> 100% Shares Hlongwani ICT Solutions PTY (LTD) Director for Hlongwani ICT Solutions PTY (LTD)
13	Municipal Manager	SR Monakedi	<ul style="list-style-type: none"> Dalse Traiding. Limpopo Housing Advisory Panel Kodimela Management Consulting. Monakedi Training Semonye Investment Tsendze Investments Residential Property Fauna Park Polokwane

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Table 143 : Financial Interests declared 2015/16

	Position	Name	Description of Financial Interest
			<ul style="list-style-type: none"> Residential Property Marble Hall Stand Savannah Estate Pretoria Residential Property Tzaneen
14	CFO	NM Lion	<ul style="list-style-type: none"> SAIPA SAIT ACCA Nana Consulting and Projects Property Cayville Property Centurion
15	Librarian	RM Rachidi	<ul style="list-style-type: none"> Interest in Property
16	Director Engineering Services	DS Malatji	<ul style="list-style-type: none"> Own Business Selling Chickens Own Business doing Rentals House under construction 3141/15 Tzaneen House 1051 Crescent Wood, Midrand Town House 9 Ekhaya 3 Kew Street Tzaneen
17	Director Community Services	O.Z. Mkhombo	<ul style="list-style-type: none"> Properties Tzaneen Flat Pretoria
18	Director Electrical Engineering	P. Van den Heever	<ul style="list-style-type: none"> 3 Pikkie Kemp Street, Co-Owner with wife.
19	Director Planning and Economic Development	BM Mathebula	<ul style="list-style-type: none"> BMM Consulting Services House Tzangeni Estate
Councillors			
1	Councillor	C Baloyi	<ul style="list-style-type: none"> Close Co-operation spouse, Tents, Mobile, Toilets, Music
2	Councillor	MC Mamogale	<ul style="list-style-type: none"> Department of Education
3	Councillor	TS Mushwana	<ul style="list-style-type: none"> Interest Property
4	Exo Dev. Housing Dev.	ML Ncha	<ul style="list-style-type: none"> Mahlale Trading CC Department of Education
5	Infrastructure Exco	RR Selomo	<ul style="list-style-type: none"> Shares Phuthuma Nathi GEPF
6	Councillor	RM Mokgomole	<ul style="list-style-type: none"> Shares Telello Trading Enterprise and Projects. Directorship
7	Councillor	NH Zandamela	<ul style="list-style-type: none"> Phuthuma Nathi GEPF
8	Sports Arts & Culture	MM Makwala	<ul style="list-style-type: none"> Bornfire Maponya Construction & Catering
9	Councillor	GO Mabuza	<ul style="list-style-type: none"> GEPF
10	Councillor	SC Makwala	<ul style="list-style-type: none"> 5% Ngoma Trading CC
11	Councillor	JHS Mbhalati	<ul style="list-style-type: none"> GEPF Singihul Projects Directorship Interest in Trust

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Table 143 : Financial Interests declared 2015/16

	Position	Name	Description of Financial Interest
12	Councillor	PJ Ramodipa	<ul style="list-style-type: none">• Old Mutual
13	Councillor	TL Mhlongo	<ul style="list-style-type: none">• GEPI

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CHAPTER 5 – FINANCIAL PERFORMANCE

Introduction

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

- Component A: Statement of Financial Performance
- Component B: Spending Against Capital Budget
- Component C: Other Financial Matters

Inflationary pressures will be curbed through expenditure management and with the increase in payment levels care will be taken to ensure that expenditure is kept within the actual income received and not the budget income

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

Introduction to financial statements

This component provides an overview of the financial performance of the Municipality and focuses on the financial health of the Municipality. The Statements of Revenue Collection Performance by vote and by source are included in **Addendum K**.

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5.1 FINANCIAL SUMMARY

Table 144: Financial Summary 2015/16 (R'000)

Description	2014/15	Current year 2015/2016			2015/2016 Variance to actual	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Financial Performance						
Property rates	79 466 164	66 583	66 583	79 333	16%	16%
Service charges	406 980 708	483 426	483 426	450 104	-7%	-7%
Investment revenue	2 381 124	1 801	1 801	6 850	74%	74%
Transfers recognised - operational	255 848 072	327 649	328 701	398 064	18%	17%
Other own revenue	56 841 711	68 235	68 235	91 764	26%	26%
Total Revenue (excluding Capital transfers & contributions)	801 518	947 693	948 746	1 026 115	8%	8%
Employee costs	244 949	273 288	273 288	261 188	-5%	-5%
Remuneration of Councillors	20 078	22 181	22 181	21 090	-5%	-5%
Depreciation & asset impairment	117 868	123 290	123 290	156 677	21%	21%
Finance charges	10 486	9 177	9 177	11 035	17%	17%
Materials and bulk purchases	267 856	307 101	307 101	301 975	-2%	-2%
Transfers and grants	19 712	42 061	74 414	130 746	68%	43%
Other expenditure	180 251	182 636	182 636	207 148	12%	12%
Total Expenditure	861 201	959 734	992 087	1 089 858	12%	9%
Surplus/(Deficit)	(59 683)	(12 041)	(43 341)	(63 743)	81%	32%
Transfers recognised - capital	85 946	91 631	147 203	37 203	-146%	-296%
Contributions recognised - capital & contributed assets				20 407	100%	100%
Surplus/(Deficit) after capital transfers & contributions	26 263	79 590	103 862	(6 134)	1398%	1793%
Share of surplus/ (deficit) of associate						
Surplus/(Deficit) for the year	26 263	79 590	103 862	(6 134)	1398%	1793%

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Table 144: Financial Summary 2015/16 (R'000)

Description	2014/15	Current year 2015/2016			2015/2016 Variance to actual	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
<u>Capital expenditure & funds sources</u>						
Capital expenditure	138 659	144 684	200 256	89 143	-62%	-125%
Transfers recognised - capital	85 946	91 631	147 203	37 203	-146%	-296%
Public contributions and donations				20 407	100%	100%
Borrowing						
Internally generated funds	52 713	53 053	53 053	31 533	-68%	-68%
Total sources of capital funds	138 659	144 684	200 256	89 143	-62%	-125%
<u>Financial position</u>						
Total current assets	350 559	305 588	311 409	419 399	27%	26%
Total noncurrent assets	1 868 351	2 035 924	2 121 496	1 801 467	-13%	-18%
Total current liabilities	270 386	238 004	238 004	255 630	7%	7%
Total noncurrent liabilities	174 564	155 075	185 075	217 214	29%	15%
Community wealth/Equity	1 773 960	1 970 123	2 010 143	1 748 021	-13%	-15%
<u>Cash flows</u>						
Net cash from (used) operating	157 907	124 409	93 951	83 151	-50%	-13%
Net cash from (used) investing	(139 783)	(120 512)	(150 512)	(103 031)	-17%	-46%
Net cash from (used) financing	(13 969)	(14 553)	46 757	46 953	131%	0%
Cash/cash equivalents at year end	27 977	12 343	18 164	55 477	78%	67%
<u>Cash backing/surplus reconciliation</u>						
Cash and investments available	22 375	28 196	75 309	70%	63%	22 375
Application of cash and investments	59 619	59 619	140 989	58%	58%	59 619
Balance - surplus (shortfall)	81 994	87 815	216 298	62%	59%	81 994
<u>Asset management</u>						
Asset register summary (WDV)	1 860 793	2 025 891	2 111 463	1 780 527	-14%	-19%

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Table 144: Financial Summary 2015/16 (R'000)

Description	2014/15	Current year 2015/2016			2015/2016 Variance to actual	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Depreciation and asset impairment	117 868	123 290	123 290	156 677	21%	21%
Renewal of Existing Assets		830	1 630	708	-17%	-130%
Repairs and Maintenance	32 133	23 877	23 581	25 228	5%	7%
Free services						
Cost of Free Basic Services provided	5 230	6	6	6	0%	0%
Revenue cost of free services provided	23 181	21 500	21 500	21 500	0%	0%

Variations are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A1

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Table 145: Financial Performance of Operational Services (R'000) for 2015/2016

Description	2014/2015	2015/2016			2015/2016 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Operating Cost						
Water	MDM-					
Waste Water (Sanitation)	MDM-					
Electricity	378 865	442 122	473 422	455 652	(13 530)	17 770
Waste Management	56 603	61 667	60 667	61 945	(278)	(1 278)
Housing	10 415	15 478	15 478	10 593	4 885	4 885
Component A: sub-total	445 883	519 267	549 567	528 190	(8 923)	21 377
Waste Water (Stormwater Drainage)						
Roads	119 570	113 687	112 391	206 847	(93 160)	(94 456)
Transport	18 836	41 461	41 461	19 877	21 584	21 584
Component B: sub-total	138 406	155 148	153 852	226 724	(71 576)	(72 872)
Planning	17 273	19 057	19 250	17 701	1 344	1 537
Local Economic Development						
Component B: sub-total	17 273	19 057	19 250	17 713	1 344	1 537
Executive and Council	29 385	33 856	37 856	36 484	(2 628)	1 372
Budget and Treasury office	75 177	77 693	78 095	86 295	(8 602)	(8 199)
Corporate services	86 802	73 767	72 770	126 093	(52 261)	(53 258)
Component C: sub-total	191 365	185 316	188 722	248 808	(63 492)	(60 086)
Community & Social Services	6 604	8 003	8 003	7 689	314	314
Environmental Protection					-	-
Health	6 941	7 632	7 632	6 663	969	969
Public Safety	27 672	30 944	30 694	25 994	4 950	4 700
Sport and Recreation	19 855	24 571	24 571	21 222	3 348	3 348
Waste water	7 202	9 797	9 797	6 805	2 992	2 992
Component D: sub-total	68 274	80 947	80 697	68 374	12 573	12 323
Total Expenditure	861 201	959 735	992 087	1 089 809	(130 074)	(97 721)

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5.2 GRANTS

The performance of GTM on the expenditure on grants is presented in **Table 146** below:

Table 146: Grant Performance 2015/16 (R'000)						
Description	2014/15	2015/16			2015/16 Variance	
	Actual	Budget	Adjustments Budget	Actual	Original Budget (%)	Adjustments Budget (%)
Operating Transfers and Grants						
National Government:						
Equitable share	235 717	288 643		288 643	0%	100%
Municipal Systems Improvement	692	930	1 052	789	-18%	-33%
Neighbourhood Development Partnership Grant	24 464		13 938	5 710	100%	-141%
Integrated National Electrification Programme	6 000	30 000		20 504	-32%	100%
Municipal Infrastructure Grant	86 572	91 191	43 726	134 917	32%	67%
Expanded public works programme		1 867		1 867	0%	100%
Finance Management		1 675		1 559	-7%	100%
Provincial Government:	N/A					
<NONE>						
District Municipality:	N/A					
<NONE>						
Other grant providers:						
<i>Community Based Project</i>						
Total Operating Transfers and Grants	353 445	414 306	58 716	453 989		

The underspending of the Integrated National Electrification Programme came as a result of Projects at construction phase and Projects rolled over to 2016/17 financial year.

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Table 147: Conditional Grants: excluding MIG (R'000) - 2015/16

Details	Budget	Adjustment Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustment Budget	
Neighbourhood Development Partnership Grant		13 938	5 710		8 228	Grant to be utilised for the purpose that it was acquired for. It must be counter funded by the Municipality. This grant is for previously disadvantage communities and must be spent in the specified financial year.
Finance Management Grant	1 675	0	1 559	116		The grant is utilised for capacity building, minimum competency level, financial training as well as the remuneration of Interns
Municipal Systems Improvement	930	1 052	789	141	1052	The grant is used to upgrade the financial systems of the municipality and to provide training to officials.
National Electrification (INEP) & Neighbourhood	30 000	0	20 504	9 496		INEP funds must be utilised within the allocated period and the network must comply with ESKOM standards
Total	32 605	14 990	28 562	9 753	9 280	

The reason for under spending of Neighbourhood Development Partnership Grant came as a result of the late appointment of the contractor. The implementation of the abovementioned phase of the NDPG programme was to a certain extent successful with minor setback on one project, namely the construction of the Taxi Rank whilst problems with finalization of the designs. Therefore the project was delayed for several months and National Treasury suspended the grant until the Municipality solved the difference between the previous Consultant and the Chief Financial Officer. The current situation over and above narrative is that there is only one outstanding project namely, The Nkowankowa Taxi Rank. The project is implemented by the Engineering Department and it is anticipated that a Service Provider will be appointed to implement the project early in 2016. However, it is imperative to note that

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the remaining capital fund is only R7, 9 million, should the project require additional funds the Municipality will be obliged to fund the excess.

5.3 ASSET MANAGEMENT

Greater Tzaneen Municipality has an approved Asset Management Policy which is fully aligned with GRAP 17. All assets are reflected in Greater Tzaneen Municipality's Asset Register which is unbundled to the lowest possible level. Each item on the asset register is depreciated over its useful life. Assets are verified annually and it is during this verification that the conditions of such assets are determined. Thereafter the useful lives of assets are adjusted where necessary. During the period under review Greater Tzaneen Municipality employed the expertise of ARMS (Audit and Risk Management Solution) to assist with the Assets management. The changes hereto led to an increase in the total value of the municipal assets.

Table 148: Treatment of the three largest assets acquired 2015/16				
Asset 1				
Name	Sasekani to Nkowankowa			
Description	Road			
Asset Type	Infrastructure (PPE)			
Key Staff Involved	Roads and storm water			
Staff Responsibilities	Maintenance			
	2012/2013	2013/2014	2014/15	2015/16
Asset Value	R 9 886 764	R 14 175 342	R 9 099 671	R 14 648 351
Capital Implications	Item is not a revenue generating project.			
Future Purpose of Asset	The road improves service delivery as the community will now be safer and the quality of the road is high as it can even withstand the rain			
Describe Key Issues	Improved service delivery			
Policies in Place to Manage Asset	Asset management policy in place			
Asset 2				
Name	Municipal Swimming pool			
Description	Swimming pool			
Asset Type	Infrastructure (PPE)			

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Table 148: Treatment of the three largest assets acquired 2015/16				
Key Staff Involved	Community services			
Staff Responsibilities	Maintenance			
	2012/2013	2013/2014	2014/15	2015/16
Asset Value	0	R 831 206	R 11 886 745	R 94 892
Capital Implications	Item is not a revenue generating project.			
Future Purpose of Asset	Recreational facility			
Describe Key Issues	Improved service delivery			
Policies in Place to Manage Asset	Asset management policy in place			
Asset 3				
Name	Nkowankowa sports centre			
Description	Sports centre			
Asset Type	Infrastructure/ Recreational facility			
Key Staff Involved	Community services			
Staff Responsibilities	Maintenance			
	2012/2013	2013/2014	2014/15	2015/16
Asset Value	R0	R 4 378 458	R 5 416 954	R 1 870 727
Capital Implications	Item is not a revenue generating project.			
Future Purpose of Asset	Recreational facility			
Describe Key Issues	Improved service delivery			
Policies in Place to Manage Asset	Asset management policy in place			

The cost of these items presented in **Table 149** is determined through purchase price, which is depreciated on an annual basis. None of the above mentioned projects/items is a revenue generating project.

Table 149: Repair and Maintenance Expenditure (R'000)				
Year	Original Budget	Adjustment Budget	Actual (Including labour costs)	Budget variance
2012/2013	108 845	101 211	21 331	R 79 880

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Table 149: Repair and Maintenance Expenditure (R'000)

Year	Original Budget	Adjustment Budget	Actual (Including labour costs)	Budget variance
2013/2014	100 112	100 112	19 125	R 80 987 ⁵
2014/2015	125 302	7 920	32 133	101 089
2015/2016	23 877	23 581	25 111	(1 530)

The actual expenditure on repairs and maintenance represents 2.6% of the total expenditure. It must be emphasized that this spending does not include employee related cost allocated to repair and maintenance. If the employee cost is included in this allocation it represents 9.3% of the total expenditure. The under spending can be attributed to small deviations which include inter-alia the under spending on the following:

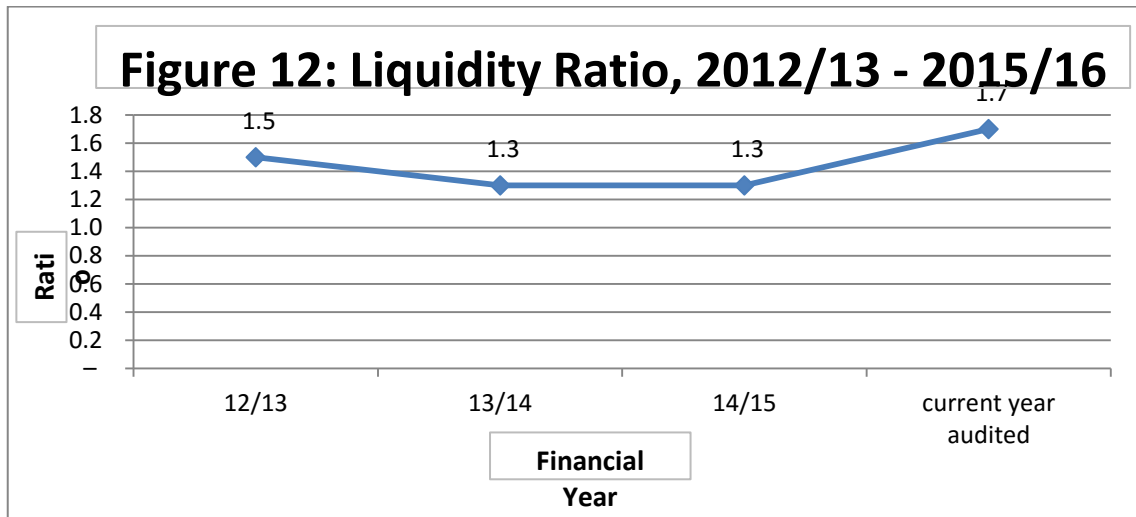
- Machinery and Equipment
- Stormwater Drainage
- Distribution Network

The under spending is mainly the result of internal labour not fully utilized/allocated.

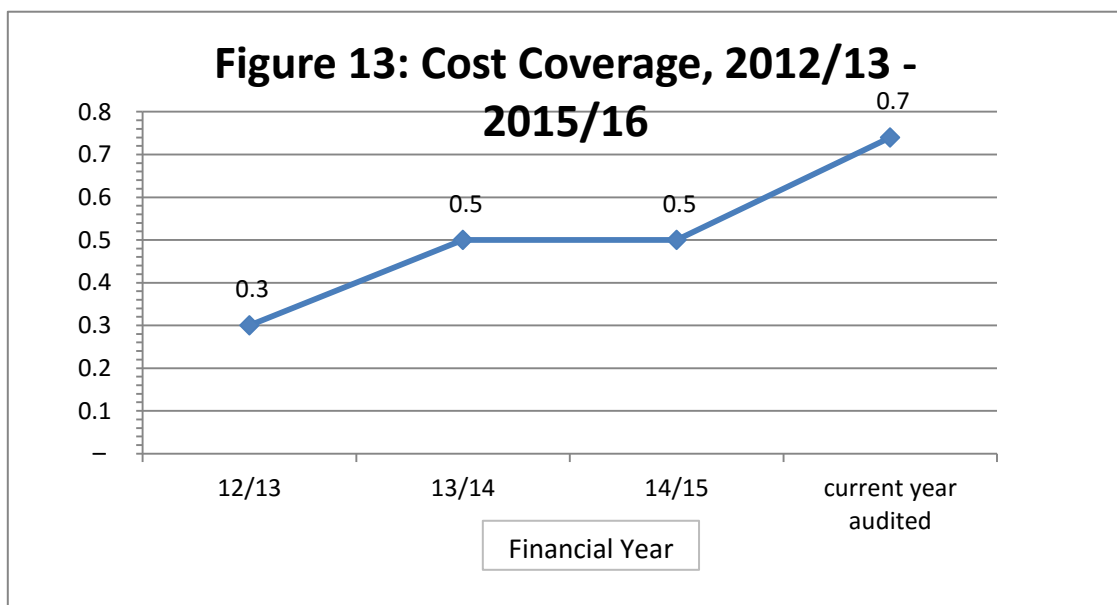
⁵ The budget includes the employee costs relating maintenance but the actual expenditure (since 2012/13) does not include this allocation

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1.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

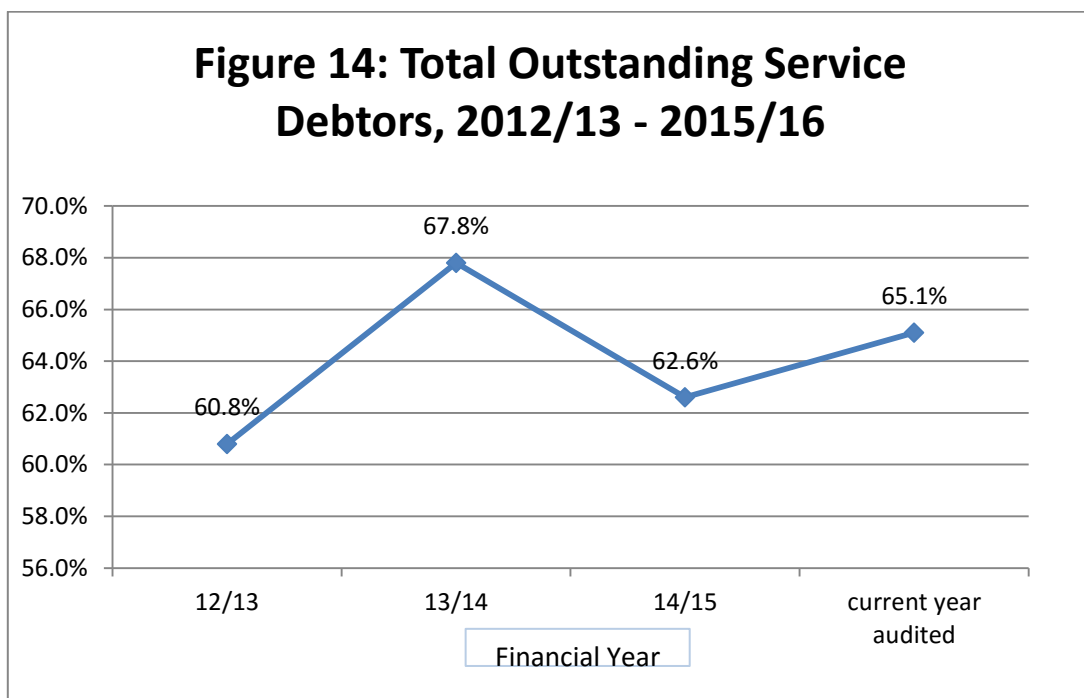


The liquidity ratio, as demonstrated for Greater Tzaneen Municipality in the figure above, measures the Municipality's ability to pay its bills and is calculated by dividing the monetary assets by the Municipality's current liabilities. A higher ratio is better. Greater Tzaneen Municipality had a positive liquidity ratio which remained the same over the previous two years and increases from 1.3 in the 2014/2015 financial year to 1.7 during the 2015/2016 financial year (see **Figure 12**).



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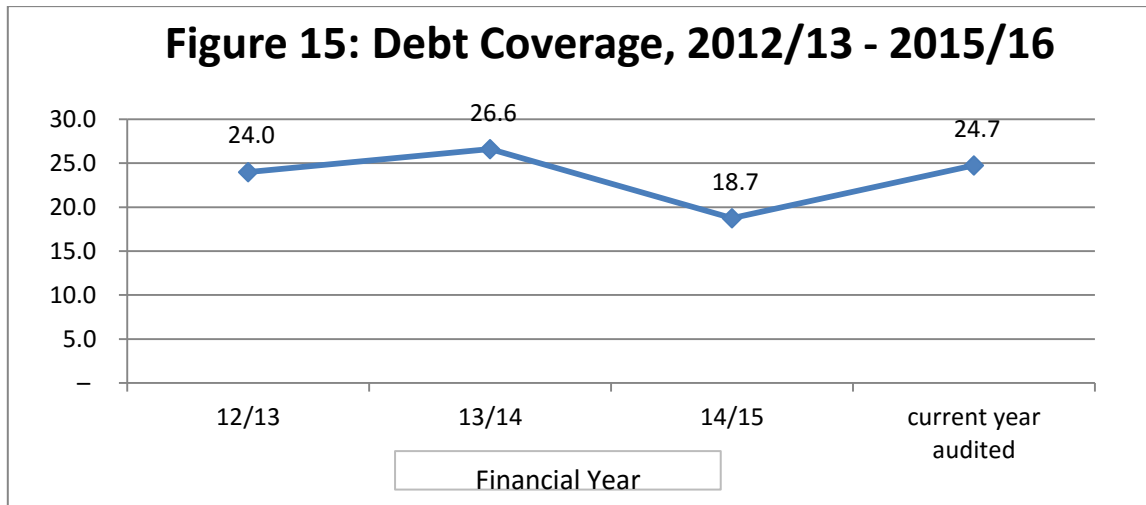
The Cost Coverage, as demonstrated for Greater Tzaneen Municipality in **Figure 13** above, explains how many months expenditure can be covered by the cash and other liquid assets available to the Municipality excluding utilisation of grants. This graph indicates that Greater Tzaneen Municipality's fixed monthly operational costs are covered by available cash and investments and increases from 0.5 months to 0.7 months from the 2014/2015 financial year to the 2015/2016 financial year. This is a matter of concern seeing that the guideline set by National Treasury is 3 months, whilst Greater Tzaneen Municipality has less than 1 month available cash and investments.



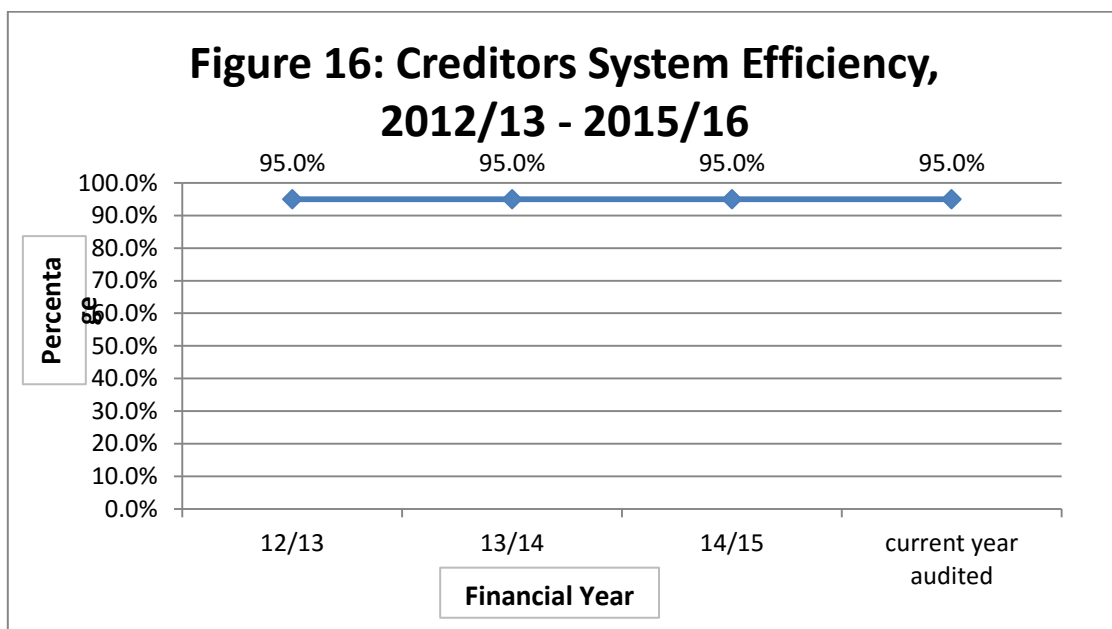
The outstanding service debtors, as expressed for Greater Tzaneen Municipality in the figure above, measure how much money is still owed by the community for services i.e. electricity, and waste removal compared to how much money has been paid for these services. It is calculated by dividing the total outstanding service debtors by the total annual revenue received for services. A lower score is better. It is evident from this graph that 65.19% of services billed are not recovered on time. This is a serious matter of concern

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and special attention will have to be given to outstanding service debtors to ensure an affordable rate.

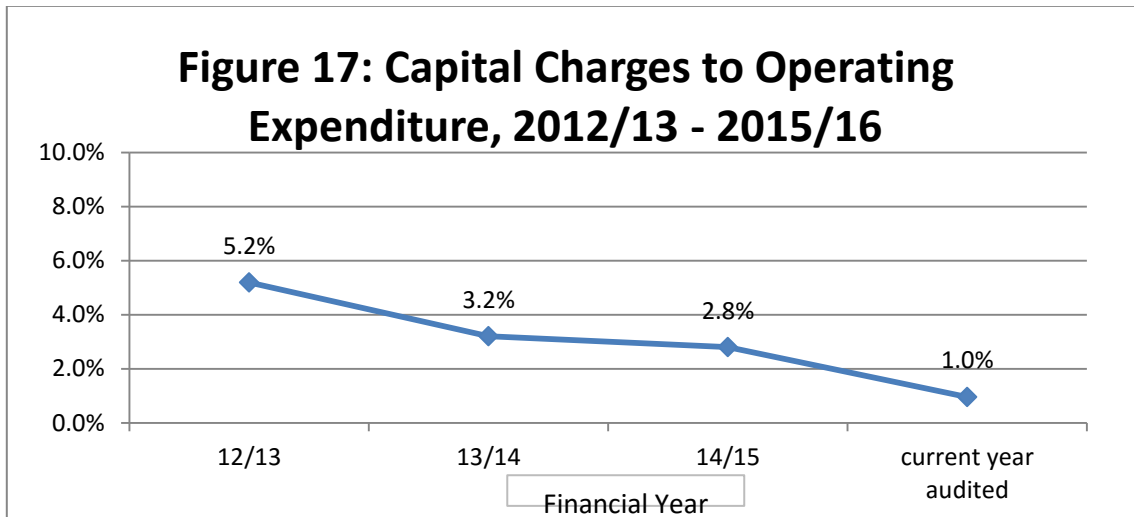


Debt coverage, as expressed for Greater Tzaneen Municipality in **Figure 15** above, is the number of times debt payments can be accommodated within Council Operating revenue (excluding grants). This, in turn represents the ease with which payments can be accommodated by the Municipality. The current operating revenue of Greater Tzaneen Municipality covers all payments due for debt services within 25 days.

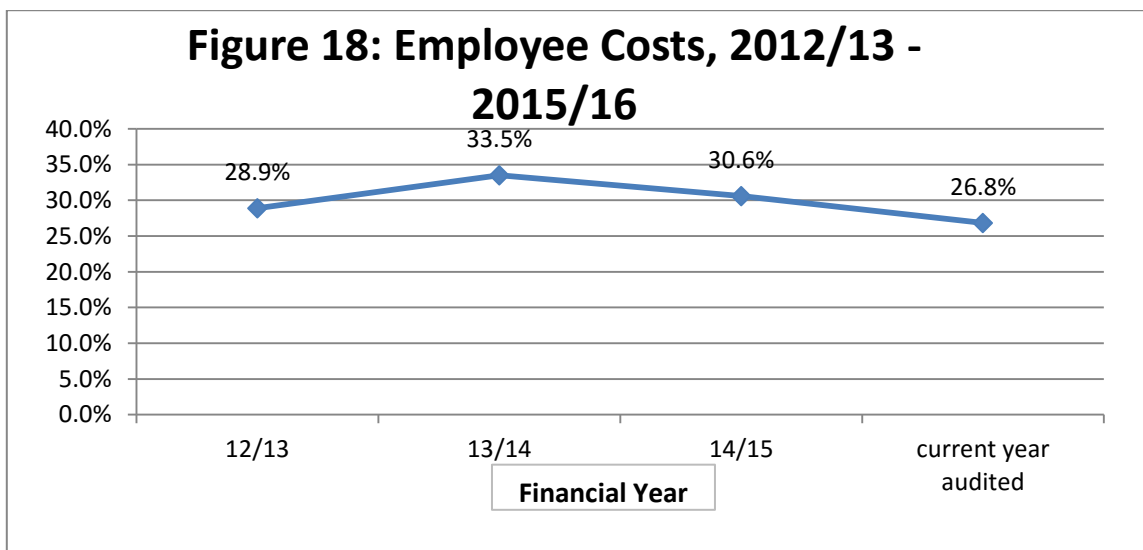


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The Creditor System Efficiency, as demonstrated for Greater Tzaneen Municipality in **Figure 16** above, is the proportion of creditors paid within terms (30 days). This ratio is calculated by outstanding trade creditors divided by credit purchases. The fact that 95% of Councils creditors are paid within 30 days is proof that good expenditure management is exercised.

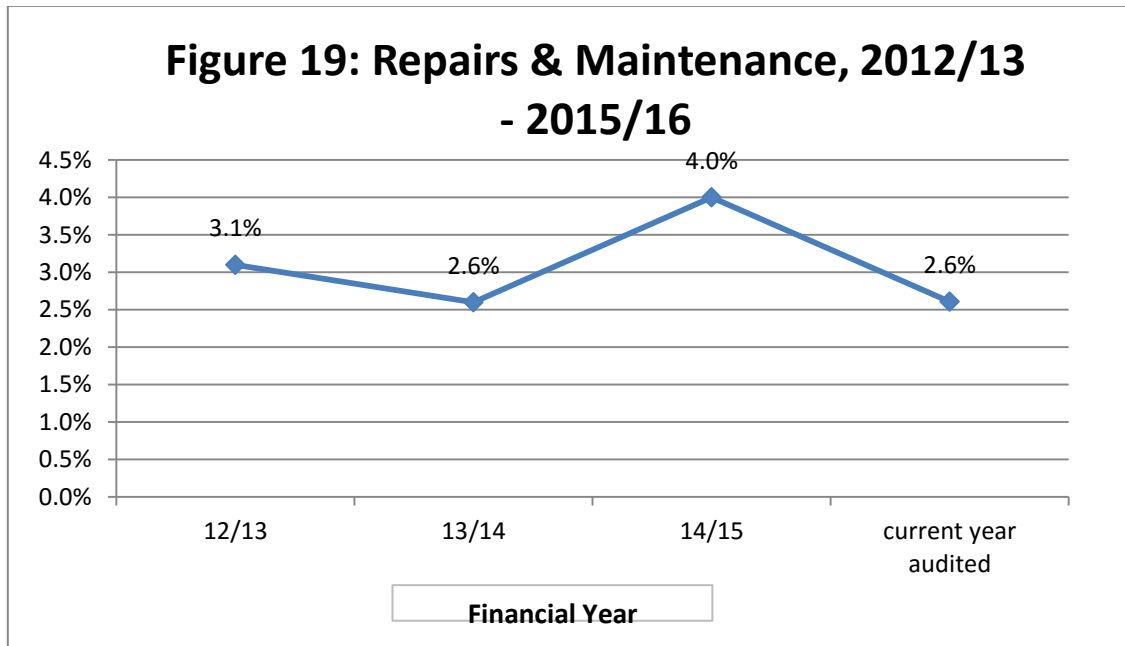


The capital charges to operating expenditure ratio are calculated by dividing the sum of capital interest and principle by the total operating expenditure. **Figure 17** presents the percentage expenditure spent on the repayment of loans against total expenditure. Only 1.0% of the expenses was spent on the repayment of loans during 2015/2016 financial year



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Employee costs, as expressed for Greater Tzaneen Municipality in the figure above, measures what proportion of the revenue was spent on paying employee costs. It is calculated by dividing the total employee cost by the difference between the total revenue and capital revenue (conditional Grants). The employee cost ratio of 26.8% (also see **Figure 18**) for Greater Tzaneen Municipality is well within the acceptable ratio.



The repairs and maintenance ratio, as demonstrated for Greater Tzaneen Municipality in **Figure 19** above, represents the proportion of operating revenue against repairs and maintenance. The ratio of 2.6% is far below the target of 13% which is an indication that Council assets have not been maintained adequately during the financial year under review. It must however be emphasised that this amount does not include the labour cost and will increase to 9.3% if the labour cost is added to this amount.

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COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

Capital expenditure relates to the investment in major initiatives, the benefit of which is going to last for more than one financial year. Section 19 of the MFMA determines that a Municipality may spend money on a capital project only if the money for the project has been appropriated in the capital budget. It also determines that the total cost of the project must be approved by Council and that the sources of funding for the project are available and has not been committed for other purposes. The five largest projects can be summarized as follows:

- Rita to Mariveni tar road
- Moruji to Matswi tar road
- Tickylane, Glasswork, Myakayaka, Burgersdorp, Gavaza, Mineview & Mafarana Tar Road
- Runnymede Cluster Sports Facility
- Relela Community Hall

These projects contribute 63% of the total capital expenditure for the year.

5.5 CAPITAL EXPENDITURE

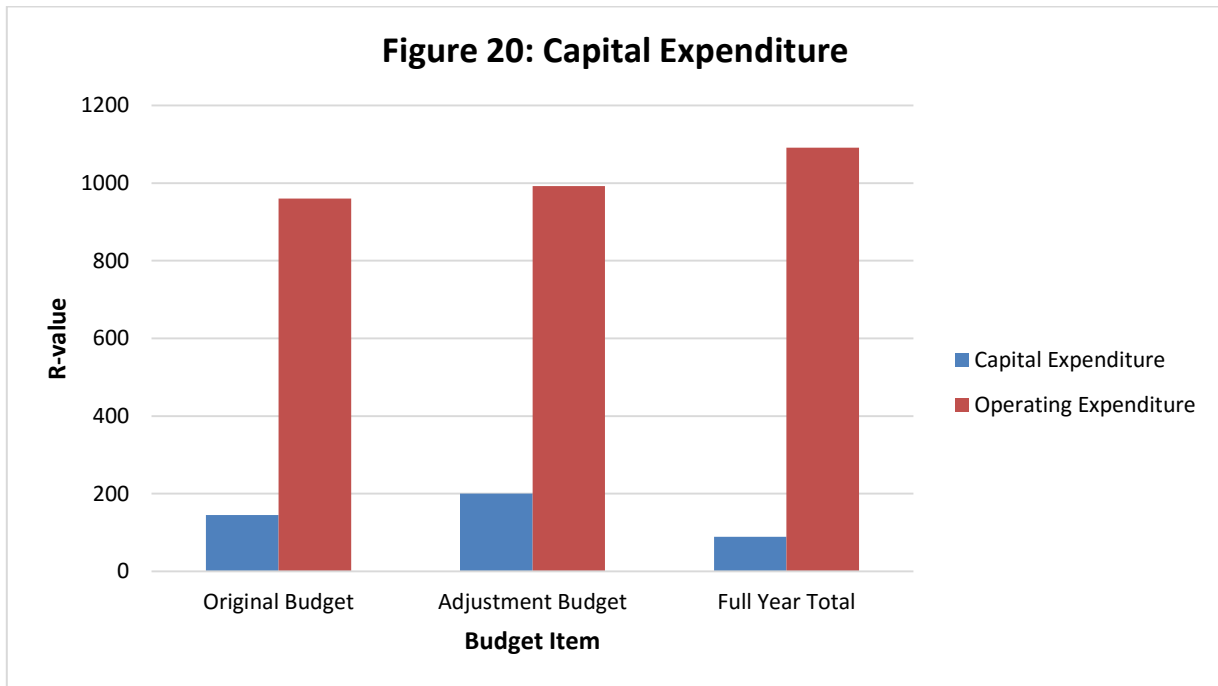
The capital expenditure for 2015/16 is presented below in **Table 150** and in **Figure 20**.

	Original Budget	Adjustment Budget	Full Year Total	% of Expenditure Budget
Capital Expenditure	145	200	89	16.80%
Operating Expenditure	960	992	1 091	83.20%

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Table 150: Budget Expenditure 2015/16

	Original Budget	Adjustment Budget	Full Year Total	% of Expenditure Budget
Total expenditure	1 104	1 192	1 180	



5.6 SOURCES OF FINANCE

The Capital budget for the year 2015/2016 Financial year of R 170, 9 million was financed as follows:

- Own sources R 53 Million
- Loans R0
- Grants R 91.6 Million
- Total:** **R 144, 6 Million**

No loan has been Budgeted to finance Capital projects, an amount of R175 million was spent on capital projects of which R 86 million on roads was transferred to RAL and a request for the

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roll-over of capital projects, that have not been finalized during the 2015/2016 financial year, was submitted to National Treasury.

The funding of the operational budget can be summarized as follows:

- Rates and Service Charges R 567 Million
- Grants and subsidies R 425 Million
- Sundry Income R 53 Million
- Budgeted Revenue R 1,044 Billion

Table 151: Capital Expenditure - Funding Sources 2014/15 – 2015/16 (R'000)

Details		2013/2014	2014/15				
		Actual	Original Budget (OB)	Adjustment Budget	Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)
Source of finance							
	External loans						
	Public contributions and donations	155 300	0		20 407	100.00%	100.00%
	Grants and subsidies	85 946	91 631	147 203	37 203	-146.30%	-295.68%
	Other	52 713	53 053	53 053	31 533	-68.24%	-68.24%
Total		138 659	144 684	200 256	89 143	-62.31%	-124.65%
Percentage of finance							
	External loans	0,0%					
	Public contributions and donations	0,0%	0.0%	0.0%	22.9%	100.00%	100.00%
	Grants and subsidies	62,0%	63.3%	73.5%	41.7%	-51.75%	-76.13%
	Other	38,0%	36.7%	26.5%	35.4%	-3.66%	25.11%
Capital expenditure							
	Electricity	17 536	35 794	35 044	27 609	-29.65%	-26.93%
	Housing		1 300	1 800	858	-51.48%	-109.74%
	Roads and storm water	105 039	106 439	151 155	34 147	-211.71%	-342.66%

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Table 151: Capital Expenditure - Funding Sources 2014/15 – 2015/16 (R'000)

Details		2013/2014	2014/15				
		Actual	Original Budget (OB)	Adjustment Budget	Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)
	Other	16 084	1 152	12 258	26 529	95.66%	53.79%
Total		138 659	144 684	200 256	89 143	-62.31%	-124.65%
Percentage of expenditure							
	Electricity	12,6%	24.7%	17.5%	31.0%	20.12%	43.50%
	Housing		0.90%	0.9%	1.0%	6.67%	6.64%
	Roads and storm water	75,8%	73.6%	75.5%	38.3%	-92.05%	-97.05%
	Other	11,6%	0.8%	6.1%	29.8%	97.32%	79.43%

5.7 CAPITAL SPENDING ON 5 LARGEST PROJECTS

The details regarding the five largest capital projects are presented in Table 152.

Table 152: Capital Expenditure of 5 largest projects*(R'000) 2015/16

Name of Project	Current Year			Variance Current Year	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
Moruji to Matswi: Upgrading of road from gravel to tar	127 904	Nil	7 893	93	0
Rita to Mariveni: Upgrading of road from gravel to tar	90 945	Nil	50 827	44	0
Tickyline, Myakayaka, Burgersdorp, Gavaza, Mineview & Mafarana: Upgrading of road from gravel to tar	93 737	Nil	21 271	77	0
Runnymede Cluster Sports Facility	27 972	Nil	3 842	86	0
Relela Community Hall	12 768	Nil	4 093	67	0
Project details below:					
A - Moruji to Matswi: Upgrading of road from gravel to tar					
Objective of Project	Upgrading of road from gravel to tar.				

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Table 152: Capital Expenditure of 5 largest projects*(R'000) 2015/16

Name of Project	Current Year			Variance Current Year	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
Delays	Court interdict.				
Future Challenges	None				
Anticipated citizen benefits	Community will have easy access to the main roads, easy flow of traffic to work destinations, schools, hospitals and safe travelling during rainy seasons.				
B - Rita to Mariveni: Upgrading of road from gravel to tar					
Objective of Project	Upgrading of road from gravel to tar.				
Delays	The community of Zangoma interdicted the implementation of the 6.7km of the internal streets in Zangoma.				
Future Challenges	None				
Anticipated citizen benefits	Community will have easy access to the main roads, easy flow of traffic to work destinations, schools, hospitals and safe travelling during rainy seasons.				
C - Tickyline, Myakayaka, Burgersdorp, Gavaza, Mineview & Mafarana: Upgrading of road from gravel to tar					
Objective of Project	Upgrading of road from gravel to tar.				
Delays	None				
Future Challenges	None				
Anticipated citizen benefits	Community will have easy access to the main roads, easy flow of traffic to work destinations, schools, hospitals and safe travelling during rainy seasons.				
D - Runnymede Cluster Sports Facility					
Objective of Project	Construction of the new sports facility which consists of concrete pavilions, soccer pitch with athletics track, netball court, volley ball court, tennis ball court and indoor hall games.				
Delays	None				
Future Challenges	None				
Anticipated citizen benefits	The new sports facility will be utilised for all outdoor sports activities such as soccer, athletics, and all indoor sports events.				
E Relela Community Hall					
Objective of Project	The project entails the construction of a new multipurpose community hall including supporting facilities such as ablutions and a kitchenette.				
Delays	None				
Future Challenges	None				

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Table 152: Capital Expenditure of 5 largest projects*(R'000) 2015/16

Name of Project	Current Year			Variance Current Year	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
Anticipated citizen benefits	The new community hall will be able to accommodate indoor sports events and activities as well as community gatherings and staged performances.				

It is vital to implement capital projects in time to avoid budget adjustment and variances. All relevant municipal departments must participate in the implementation of capital projects to ensure effective project implementation in terms of time and budget.

5.8 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

The current demand for infrastructure exceeds Councils ability to fund the required R400 million costs (electricity network alone) to renew and upgrade infrastructure. Various funding solutions are being sought.

Table 153: Service Backlogs as at 30 June 2016

	Service level above minimum standard		Service level below minimum standard	
	No. HHs	% HHs	No. HHs	% HHs
Water	53827	49.4	55 103	50.6
Sanitation	80 364	80 364	28562	26.22%
Electricity	99 541	91%	9 385	9%
Waste management	42137	39% ⁶	66550	61%

* GTM does not supply Electricity Below minimum standard, these households therefore have no access.

⁶ Solid waste collection in rural areas through the EPWP is also included here.

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Table 154: Municipal Infrastructure Grant (MIG)* Expenditure 2015/16 on Service backlogs (R'000)						
Details	Budget	Adjustment Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustment Budget	
Infrastructure - Road transport						Withholding of transfers for low spending of funds.
Roads, Pavements & Bridges	69 915	69 915	79 992	(10 077)	(10 077)	
Community Halls	9 165	9 165	4 093	4 093	4 093	
Infrastructure - Other						
Swimming Pool	Nil	Nil	95	(95)	(95)	
Total	79 080	79 080	84 180	(6 079)	(6 079)	

In order to eradicate backlogs on roads that exist in the vast rural area of GTM, MIG is of enormous value to bridge the gap in terms of available capital funds. GTM does not generate revenue directly from rural areas and the efforts to provide decent roads in rural areas would not be sufficient, limited to the existing budget (without grant support). The MIG funding has been utilised to improve road infrastructure such as internal streets in villages and link roads with Council providing counter funding to ensure that sustainable roads are built. The backlogs in terms of electricity are however not in the service area of GTM and therefore MIG funding cannot be accessed for this. MIG was also sourced to assist in the provision of solid waste collection infrastructure in rural areas. However, it must be noted that this infrastructure needs funding to become operational, which Council currently does not have. A means of generating some income from rural areas to supplement the Equitable Share will have to be identified to ensure the sustainability of this infrastructure.

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COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

In the environment that Greater Tzaneen Municipality is operating, cash flow management is important to ensure that funds are available, when needed to pay for services that all money owed to the Municipality are recovered. It also provides information with regard to access fund which are invested to increase Councils revenue through interest.

5.9 CASH FLOW

Description	2014/15	2015/2016		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Ratepayers and other	499 809	511 376	511 376	561 336
Government - operating	246 011	327 649	327 649	337 295
Government - capital	112 139	91 631	91 631	91 631
Interest	4 804	6 961	6 961	6 850
Dividends				
Payments				
Suppliers and employees	(674 855)	(761 969)	(758 726)	(772 511)
Finance charges	(10 288)	(9 177)	(11 577)	(10 705)
Transfers and Grants	(19 712)	(42 061)	(73 361)	(130 746)
NET CASH FROM/(USED) OPERATING ACTIVITIES	157 907	124 409	93 951	83 151
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE	(253)	2 300	2 300	
Decrease (Increase) in non-current debtors				
Decrease (increase) other non-current receivables				
Decrease (increase) in non-current investments	(1 036)			(14 044)
Decrease (increase) in Financial Assets				

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Table 155: Cash Flow Outcomes (R'000)				
Description	2014/15	2015/2016		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
Payments				
Capital assets	(138 493)	(122 812)	(152 812)	(88 987)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(139 783)	(120 512)	(150 512)	(103 031)
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Short term loans				
Borrowing long term/refinancing			61 300	61 300
Increase (decrease) in consumer deposits				
Payments				
Repayment of borrowing	(13 969)	(14 553)	(14 553)	(14 347)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(13 969)0	(14 553)	46 747	46 953
NET INCREASE/ (DECREASE) IN CASH HELD	4 155	(10 657)	(9 814)	27 073
Cash/cash equivalents at the year begin:	23 822	23 000	27 977	28 405
Cash/cash equivalents at the year-end:	27 977	12 343	18 164	55 477
Source: MBRR SA7				T5.9.1

It is evident from **Table 155** above that Councils' cash flow status has improved from R27 977 at the beginning of the year under review to R54,369 at the end of the year. Although an increase in the cash position of council is registered, financial management needs to improve since this amount should be viewed in the light of the fact that an amount of R19 million grant funds received were not spent.

5.10 BORROWING AND INVESTMENTS

Borrowings

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Section 18 of the MFMA determines, inter alia, that a Municipality may make use of borrowed funds, but only to finance capital expenditure. External borrowing represent capital funding. It must, however, be emphasised that although external borrowing represents capital funding, it has a negative effect on the operational budget in the form of interest and depreciation. The result of this is less funds available for maintenance and general administration costs. The current outstanding external loans of Greater Tzaneen Municipality amounts to R155 million. This amount includes R45 million loan stock and R110 million annuity loans.

Investments

Adequate provision has been made by way of external investments to ensure that cash is available on the maturity date, to repay a loan of R15 Million which has been borrowed from DBSA and a loan of R30 million which has been taken up with standard bank of south Africa. Fixed deposits to the amount of R8 941 855 and R 11 997 865 have been made with Liberty and Standard Bank of South Africa respectively to repay the loans of R15 million and R30 million on maturity date. Investment income on the other hand is utilised to fund the operational budget. Details of the investments of Greater Tzaneen Municipality are disclosed in the Annual Financial Statements.

The valuation of unlisted investments is as follows:

- Liberty R 8 941 855
- Standard Bank of SA R 11 997 865

Excelsior 1000 Investment

An investment of R855 619 has been made with Liberty on an annual basis to repay a loan of R15 million on maturity date. The loan bears interest on variable rate and the value of the investment amounts to R8 941 855. The investment has been ceded to Liberty as security to repay the loan on 30 September 2019.

Loan stock: Standard Bank

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A loan of R 30 000 000 has been taken up to finance capital projects. The loan bears interest at a rate of 12.09% per annum and will be redeemed on 16 October 2025.

Table 156: Actual Borrowings 2011/12-2015/16 (R'000)

Instrument	2011/2012	2012/13	2013/14	2014/15	2015/16
Municipality					
Long-Term Loans (annuity/reducing balance)	125 304	115 470	104 646	92 631	110 491
Long-Term Loans (non-annuity)	11 600	-			
Local registered stock	15 000	15 000	15 000	15 000	45 000
Instalment Credit					
Financial Leases	3 935				
PPP liabilities					
Finance Granted By Cap Equipment Supplier					
Marketable Bonds					
Non-Marketable Bonds					
Bankers Acceptances					
Financial derivatives					
Other Securities					
Municipality Total	155 839	130 470	119 646	107 631	155 491

Loans were taken up only to finance capital expenditure as provided in the MFMA to ensure that all loans will be repaid on maturity date, investments have been made in the form of sinking fund which will be withdrawn on the maturity date to repay the loan.

Table 157: Municipal Investments (R'000)

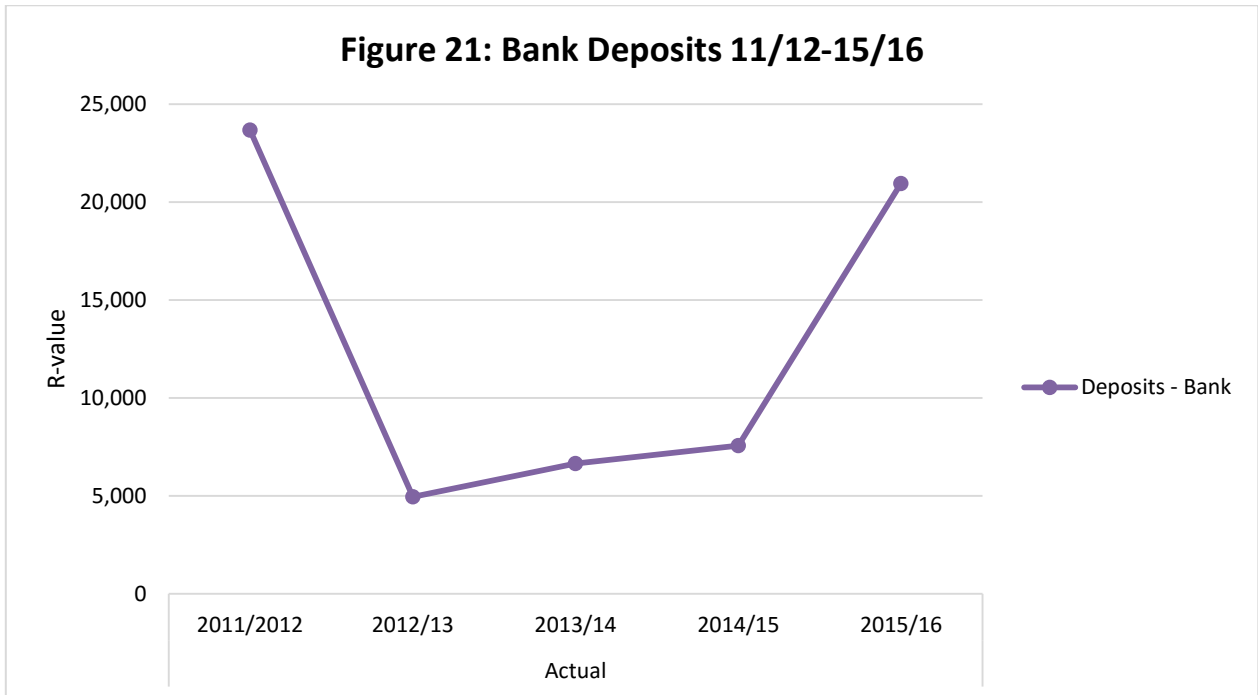
Investment* type	Actual				
	2011/12	2012/13	2013/14	2014/15	2015/16
Municipality					
Securities - National Government	-				
Listed Corporate Bonds	-				
Deposits - Bank	23 677	4 953	6 646	7 557	20 940
Deposits - Public Investment Commissioners	-	-	-		
Deposits - Corporation for Public Deposits	-	-	-		
Bankers Acceptance Certificates	-	-	-		

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Table 157: Municipal Investments (R'000)					
Investment* type	Actual				
	2011/12	2012/13	2013/14	2014/15	2015/16
Negotiable Certificates of Deposit - Banks	-	-	-		
Guaranteed Endowment Policies (sinking)	-	-	-		
Repurchase Agreements - Banks	-	-	-		
Municipal Bonds	-	-	-		
Other	-	-	-		
Municipality sub-total	23 677	4 953	6 646	7 557	20 940
Consolidated total:	<u>23 677</u>	<u>4 953</u>	<u>6 646</u>	<u>7 557</u>	<u>20 940</u>

It is evident from **Table 157** above that investment increased from R7.5 Million to R20.9 Million in 2015/2016 (also see **Figure 21**). This is the result of an investment of R855 619 made with Liberty on an annual basis to repay a loan of R15 Million on maturity of the loan. The loan stock has been taken up with DBSA and will be redeemed on 30 September 2019. As well as an investment of R11.9 million made with Standard Bank to repay a loan of R30 million taken up with Standard Bank. The loan bears interest at a rate of 12.09% per annum and will be redeemed on 16 October 2025.

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5.11 PUBLIC PRIVATE PARTNERSHIPS

For the financial year concerned no PPP's have been entered into.

COMPONENT D: OTHER FINANCIAL MATTERS

5.12 SUPPLY CHAIN MANAGEMENT

The Supply Chain Management Policy was reviewed and approved by Council during the 2015/16 financial year and it should be noted that no Councillors formed part of bid committees. It was resolved that Municipality will continuously train SCM officials and bid committee members as well as other officials to capacitate them with the SCM Policy, prescripts, MFMA, and Procedures. Accredited training institutions were identified and all bid committee members and SCM officials were within the financial year 2015/2016.

5.13 GRAP & MSCOA COMPLIANCE

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GRAP is the acronym for **G**enerally **R**ecognized **A**ccounting **P**ractice and it provides the rules by which municipalities are required to maintain their financial accounts. Successful GRAP compliance will ensure that municipal accounts are comparable and more informative for the Municipality. It will also ensure that the Municipality is more accountable to its citizens and other stakeholders. GTM has changed from fund accounting to GAMAP during the 2003/2004 financial year and since then gradually changed over to GRAP as approved by Accounting Standard Board. Currently GTM is fully GRAP compliant and there is no deviation from GRAP standard.

GTM is not yet MSCOA compliant. Council approved a process plan and the MSCOA steering committee was established. To date only the Risk Assessment was conducted.

5.14 DEBT OWED BY COUNCILLORS AND OFFICIALS

The table below presents the arrears owed to Council by Councillors and officials:

Table 158: Arrears owed to the municipality by Councillors and Officials 2015/16				
Name	Position	30 Days +	60 Days +	90 Days +
Councillors				
M L Mokgobi		749.25	742.57	18356.16
R G Ngonyama		692.17	691.22	15062.12
Senior officials				
<None>				

Both councillors had not been re-elected and the outstanding amounts will be recovered from the pension fund. The information for Councillors are difficult to verify since many of the accounts in Lenyenyene and Nkowankowa do not have detailed information such as ID numbers for the owners.

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CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS

Section 131 of the Municipal Finance Management Act no.56 of 2002 determines the following:

“A Municipality must address any issue raised by the Auditor General in an audit report. The Mayor of a Municipality must ensure compliance by the Municipality with this sub-section.”

COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS 2014/15 & 2015/16

6.1 AUDITOR GENERAL REPORTS 2014/15

Greater Tzaneen Municipality submitted its Annual Financial Statements to the Auditor General on 31 August 2015. GTM received an Audit Report indicating that Council received a Qualified Audit Opinion for the 2014/2015 financial year. The progress with correcting the findings of the Auditor General for 2014/15 is presented in **Table 159** below:

Table 159: Auditor-General Report on Financial Performance 2014/15	
Audit Report Status*:	
Non-Compliance Issues	Remedial Action Taken
GTM did not recognise the full amount relating to traffic fines in accordance to Paragraph 9 of IGRAP 1. Also: <ul style="list-style-type: none">• Insufficient evidence of traffic fines issued• No internal controls for issuing traffic fine books• Could not verify adjustment to traffic fines stated at R8m in AFS	Action Plan drafted to address the oversight.

Table 160: Auditor-General Report on Service Delivery Performance 2014/15	
Audit Report Status*: None expressed	
Non-Compliance Issues	Remedial Action to be Taken
Reliability of the reported performance information could not be assessed	Auditing of supporting documentation by Internal Audit on a quarterly basis

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COMPONENT B: AUDITOR-GENERAL OPINION 2015/16

6.2 AUDITOR GENERAL REPORT 2015/16

Greater Tzaneen Municipality submitted its Annual Financial Statements to the Auditor General on 31 August 2016. GTM received an Audit Report indicating that Council received an Unqualified Audit Opinion for the 2015/2016 financial year. The progress with correcting the findings of the Auditor General for 2015/16 is presented in **Table 161** below:

Table 161: Auditor-General Report on Financial Performance 2015/16	
Audit Report Status*: UNQUALIFIED	
Non-Compliance Issues	Remedial Action Taken
<ul style="list-style-type: none"> • Strategic planning and performance management • Financial statements, performance and annual reports • Procurement and contract management • Expenditure management • Consequence management • Asset management 	Audit action plan drafted and will be submitted to Council for approval

Table 162: Auditor-General Report on Service Delivery Performance 2015/16	
Audit Report Status*: None expressed	
Non-Compliance Issues	Remedial Action to be Taken
Reported targets not consistent with planned targets	16/17 IDP & SDBIP to be adjusted by 28 Feb
Reported information are not reliable when compared with the evidence provided	Portfolio of Evidence to be audited by Internal Audit on a monthly basis
Performance targets not specific, measurable and indicators not well defined	Project names and Quarterly milestones for projects will be reviewed during the adjustment of the SDBIP
Performance Management System and related controls are not adequate	Standard Operating Procedures to be developed. PMS Framework to be revised

Section 71 of the MFMA (Act 56 of 2003) requires municipalities to return a series of financial performance data to the National Treasury at specified intervals throughout the year. The

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Chief Financial Officer states that these data sets have been returned by GTM according to the reporting requirements, with the exception of C6. (Refer to [Addendum P](#)).

GLOSSARY

GLOSSARY

Accessibility indicators	Explore whether the intended beneficiaries are able to access services or outputs.
Accountability documents	Documents used by executive authorities to give “ <i>full and regular</i> ” reports on the matters under their control to Parliament and provincial legislatures as prescribed by the Constitution. This includes plans, budgets, in-year and Annual Reports.
Activities	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe “ <i>what we do</i> ”.
Adequacy indicators	The quantity of input or output relative to the need or demand.
Annual Report	A report to be prepared and submitted annually based on the regulations set out in Section 121 of the Municipal Finance Management Act. Such a report must include annual financial statements as submitted to and approved by the Auditor-General.
Approved Budget	The annual budget of a Municipality as audited by the Auditor General and approved by Council or a provincial or national executive.
Baseline	Current level of performance that a Municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period.
Basic municipal service	A municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided it may endanger the public health and safety or the environment.
Budget year	The financial year for which an annual budget is to be approved – means a year ending on 30 June.
Cost indicators	The overall cost or expenditure of producing a specified quantity of outputs.
Distribution indicators	The distribution of capacity to deliver services.
Financial Statements	Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed.
General Key performance indicators	After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally.
Impact	The results of achieving specific outcomes, such as reducing poverty and creating jobs.
Inputs	All the resources that contribute to the production and delivery of outputs. Inputs are “ <i>what we use to do the work</i> ”. They include finances, personnel, equipment and buildings.

GLOSSARY

Integrated Development Plan (IDP)	Set out municipal goals and development plans.
National Key performance areas	<ul style="list-style-type: none"> • Service delivery & infrastructure • Economic development • Municipal transformation and institutional development • Financial viability and management • Good governance and community participation
Outcomes	The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve".
Outputs	The final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver". An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area.
Performance Indicator	Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered)
Performance Information	Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure.
Performance Standards:	The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor.
Performance Targets:	The level of performance that municipalities and its employees strive to achieve. Performance Targets relate to current baselines and express a specific level of performance that a Municipality aims to achieve within a given time period.
Service Delivery Budget Implementation Plan	Detailed plan approved by the Mayor for implementing the Municipality's delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.
Vote:	One of the main segments into which a budget of a Municipality is divided for appropriation of money for the different departments or functional areas of the Municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area.

APPENDICES

ADDENDUMS

ADDENDUM A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

Council Members	Full Time / Part Time (FT/PT)	Committees Allocated	*Ward And/ Or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies For Non-Attendance
The Speaker, Cllr C. Machimana	FT	Council And Ethics Committee	ANC	95	5
Mayor DJ Mmetle	FT	Council & Exco	ANC	85	15
Cllr MI Ncha	FT	Council, Exco & Economic	ANC	63	37
Cllr PP Machete	PT	Council & Governance And Local Labour Forum	ANC	89	11
Cllr MI Hlangwane	PT	Council, Exco And Health & Environment	WARD 11 / ANC'	68	32
Cllr R Pohl	PT	Council, Exco , Finance And Health And Social	WARD 15 /DA	68	32
Cllr GE Ntimbana	PT	Council, Exco And Public Transport	WARD 12 / ANC	85	15
Cllr M Makwala	PT	Council, Exco And Sports Recreation Arts And Culture	ANC	74	26
Cllr B Sekgotodi	PT	Council, Exco And Public Transport	ANC	0	100
Cllr RR Selomo	FT	Council, Exco And Infrastructure	ANC	95	5
Cllr NM Mahasha	FT	Council, Exco , Governance And Local Labour Forum	WARD 10/ ANC	95	5
The Speaker, Cllr C. Machimana	FT	Council And Ethics Committee	ANC	95	5
Cllr C Baloyi	PT	Council, Public Transport And Sports Recreation , Arts And Culture	WARD 6 / ANC	79	21
Cllr KO Banyini	PT	Council, And Corporate Governance	WARD 20 / ANC	58	42

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Table 163: Councillors, Committees Allocated And Council Attendance (2015/16)

Council Members	Full Time / Part Time (FT/PT)	Committees Allocated	*Ward And/ Or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies For Non-Attendance
Cllr M Mokgomole	PT	Council And Health And Social	ANC	90	10
Cllr AEJ Van Vuuren	PT	Council And MPAC	WARD 14 / DA	47	53
Cllr MM Letsoalo	PT	Council, Economic And Special Programme	WARD 34 / ANC	85	15
Cllr MD Mabape	PT	Council And Infrastructure	WARD 7 / ANC	11	89
Cllr G Mabuza	PT	Council And Economic And Health And Social	ANC	58	42
Cllr MR Shingange	PT	Council And Corporate Governance	ANC	85	15
Cllr S Mahori	PT	Council And MPAC	WARD 26 / ANC	48	52
Cllr MR Makhudu	PT	Council And Finance	WARD 8 / ANC	90	10
Cllr SC Makwala	PT	Council, Finance And Economic	WARD 22/ ANC	74	26
Cllr SJ Nkuna	PT	Council And Health And Environment	ANC	42	58
Cllr A Makwela	PT	Council And Finance	COPE	58	42
Cllr C Mamogale	PT	Council And Public Transport	COPE	58	42
Cllr MG Mangena	FT	Council	WARD 27 / ANC	100	0
Cllr SP Masetla	PT	Council And Economic , Health And Environment	WARD 3 / ANC	79	21
Cllr BM Mashava	PT	Council And Infrastructure	WARD 13 / ANC	90	10
Cllr NA Masila	PT	Council And Finance	WARD 29 / ANC	100	0
Cllr L Matita	PT	Council, Economic And Sports Arts And Culture	ANC	74	26
Cllr M Sabela	PT	Council, Corporate Governance	DA	63	37
Cllr M Mbhalati	PT	Council, Corporate Governance	ANC	74	26
Cllr S Mbhalati	PT	Council And MPAC c	ANC	58	42
Cllr MS Mboweni	PT	Council And Economic Cluster	WARD 21/ ANC	79	21
Cllr MN Mboweni	FT	Council, Exco And Finance	ANC	90	10

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Table 163: Councillors, Committees Allocated And Council Attendance (2015/16)

Council Members	Full Time / Part Time (FT/PT)	Committees Allocated	*Ward And/ Or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies For Non-Attendance
Cllr DG Mhlari	PT	Council And Public Transport	WARD 17 / ANC	63	37
Cllr T Mushwana	PT	Council And Infrastructure	WARD 24 / ANC	0	0
Cllr MM Mmola	PT	Council And Finance Cluster	WARD 4 / ANC	53	47
Cllr TS Manyama	PT	Council And MPAC	WARD 1 / ANC	47	53
Cllr Mm Mohale	PT	Council And Infrastructure	WARD 9 / ANC	95	5
Cllr L Mohale	PT	Council And MPAC	ANC	53	47
Cllr T Mokgobi	PT	Council, Finance Cluster And Sports Arts And Culture	ANC	74	26
Cllr MJ Mokgoloboto	PT	Council And MPAC	ANC	85	15
Cllr ST Mushwana	PT	Council And Economic Cluster	WARD 28 / ANC	68	32
Cllr DG Mushwana	PT	Council, Public Transport And Sports Arts And Culture	ANC	21	79
Cllr M Malebati	PT	Council, Health And Social Economic And Corporate Governance	WARD 33 / ANC	90	10
Cllr M Mc Neil	PT	Council And MPAC	DA	68	32
Cllr MS Maunatlala	PT	Council And Economic Cluster	ANC	68	32
Cllr ND Ndhlovu	PT	Council And Public Transport	WARD 23/ ANC	63	37
Cllr DT Maake	PT	Council And MPAC	ANC	74	26
Cllr DI Ndove	PT	Council And Infrastructure And Sport Arts And Culture	ANC	90	10
Cllr GG Nghondzweni	PT	Council And MPAC	WARD 25 / ANC	85	15
Cllr RP Nghonyama	PT	Council And Economic Cluster	WARD 18/ ANC	79	21

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Table 163: Councillors, Committees Allocated And Council Attendance (2015/16)

Council Members	Full Time / Part Time (FT/PT)	Committees Allocated	*Ward And/ Or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies For Non-Attendance
Cllr C Nkwashu	PT	Council And Finance Cluster	ANC	63	37
Cllr K Nukeri	FT	Council And MPAC	WARD 5 / ANC	79	21
Cllr B Mashele	PT	Council And Health And Social	DA	79	21
Cllr J Mothiba	PT	Council, Corporate Governance And Health And Social	ACDP	53	47
Cllr ML Pudikabekwa	PT	Council And Public Transport	WARD 30 / ANC	63	37
Cllr MS Raganya	PT	Council , Public Transport And Finance Cluster	WARD 32 / ANC	95	5
Cllr PJ Ramodipa	PT	Council And Corporate Governance	WARD 31 / ANC	74	26
Cllr ME Ramolefo	PT	Council And Health And Social	WARD 2 / ANC	79	21
Cllr NR Rikhotso	PT	Council And Public Transport	WARD 16/ ANC	100	0
Cllr TL Mhlongo	PT	Council And MPAC	ANC	63	37
Cllr N Nkhwashu	PT	Council And MPAC	DA	43	57
Cllr MH Magoro	PT	Council, Health And Social And Sport Arts And Culture	ANC	58	42
Cllr M Sibiya	PT	Council And Health And Social	ANC	63	37
Cllr M Valentine	PT	Council And Public Transport And Health And Social	ANC	85	15
Cllr NH Zandemela	PT	Council And MPAC	WARD 19 / ANC	74	26

APPENDICES

ADDENDUM B – COMMITTEES AND COMMITTEE PURPOSES

Table 164: Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
Finance Committee	To discuss matters concerning the Revenue and Debt Management, Procurement and Stock Management, Expenditure, Budgets and Budgetary Control, Accounting, Finance, Financial Administration, Insurance and Housing Finance and any other matter related to finance thereto.
Infrastructure Committee	To discuss matters related to Electricity and Energy including network operations, distribution, sales and customer services.
Economic Development, Housing and Spatial Development Plan	To discuss matters related to SMME, empowerment support and job creation, the support and regulation of informal trading, sector support, investment and export, trade promotion and facilitation, the facilitation of partnerships between the Council and public, private and community groups, economic co-ordination and facilitation, business area management and community skills development and Tourism. The housing and informal settlement, the spatial planning and growth management, design services, land use management, building development management, development projects, land information and planning legislation and enforcement.
Corporate Governance & Shared Services	To discuss matters related to Human Resource Administration, Labour Relations, Recruitment and Selection, Training and Development, Occupational Health and Safety, Employment Equity, Skills Development, Grading and Remuneration, Performance management and Transformation. The General Administration. Auxiliary Services, Committee Secretariat, Councillor Support, Printing and Graphic Services. The Internal Communication, Public Participation and Information Technology matters.
Agriculture & Environment Management	To discuss all Agricultural matters, The Environment Planning Policy, environmental impact assessment, coastal planning, outdoor advertising and signage, heritage resource management and nature reserve planning.
Public Transport & Roads	To discuss on Transportation planning, systems monitoring and information management, Traffic infrastructure management, public transport, passenger security. Traffic signs and robot maintenance. Decide on the permanent closure of all streets and roads.
Sports Recreation, Arts & Culture	To discuss matters concerning sports and recreation, arts and culture.
Health & Social Development	To discuss matters concerning the Libraries, the Community facilities, cemeteries and crematoria, health services, refuse removal; refuse disposal, illegal dumping and street cleansing.

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Table 164: Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
Special Programmes	To discuss matters related to youth, elderly, gender and disabilities including HIV/AIDS programmes.
Water Services	To discuss matters related to water and sanitation including bulk water, catchment-management, wastewater treatment, water and wastewater reticulation, water and sanitation technical services, storm water and river management.
Municipal Public Account Committee	To consider and evaluate the annual report, to examine the financial statements and audit reports, to promote good governance, transparency and accountability on the municipal resources, to undertake any investigation in its area of responsibility and to perform any other function assigned to it through a resolution of Council within its area of responsibility.
Ethics Committee	To enforce Council's Rules of Order and the Code of Conduct for Councillors in terms of Schedule 1 of the Municipal Systems Act

APPENDICES

ADDENDUM C –THIRD TIER ADMINISTRATIVE STRUCTURE

Table 165: Third Tier Administrative Structure (2015/16)	
Directorate	Director/Manager (State title and name)
Office of the Mayor	Manager (Office of the Mayor) Mr. F Malale
Office of the Municipal Manager	Manager (Internal Audit) Vacant
	Senior Officer (Disaster Management) Mr MM Rabothata
	Manager (Strategic Support) Vacant
	Manager (Risk Management) Mrs. MM Mpyana
Corporate Services	Manager (Human Resources) Mrs. NMH Maake
	Manager (Adm. Support & Records Management) Mrs MW Baloyi
	Manager (Legal Services) Adv. MS Monyela
	Manager (IT) Mr. TG Maluleke
	Manager (Community Participation and Project Support) Vacant
	Manager (Communications) Vacant
Planning and Economic Development	Manager (Social Economic Dev) Mr. DF Rammalo
	Manager (Land & Housing) Mr. NH Phakula
	Manager (Town Planning) Mr. NJ Mathye
Office of Chief Financial Officer	Manager (Supply Chain) Mr. NL Mashao
	Manager (Finance) Mr. J. Biewenga
	Manager (Asset Management) Mr. TA Ramokgano
	Manager (Income) Mrs. PM Viljoen
	Manager (Expenditure) Mrs. ME Sono
Electrical Engineering Services	Manager (Stores and Fleet Management) Mr A le Grange
	Manager (Operations and Maintenance) Mr. AG Laubscher
	Manager (Operations and Maintenance) Mr. MS Lelope
	Snr Electrical Engineering Technician Mr. NG Fourie
Engineering Services	Manager (Protection, Testing and Metering) New Post
	Manager (Building Maintenance and Fleet) Mr. ML Mahayi
	Manager (Water & Sanitation) Vacant
	Manager (Roads and Storm Water) Mrs. H.O. Tshisevhe
Community Services	Manager (PMU) Mr. MJ Matlala
	Manager (Solid Waste) Mr. HL Mienie
	Manager (Library Services) Mrs. CJ Nel
	Manager (Environmental Health) Mrs. TM Machumele
	Manager (Licensing and Testing) Mr. CAJ Liversage
	Manager (Law Enforcement) Mr. MJ Malatji

APPENDICES

ADDENDUM D – FUNCTIONS OF MUNICIPALITY / ENTITY

Table 166: Municipal Functions		
MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes / No)*	Function Applicable to Entity (Yes / No)
Constitution Schedule 4, Part B functions:		
Air pollution	Yes	No
Building regulations	Yes	No
Child care facilities	No	No
Electricity and gas reticulation	Yes	No
Firefighting services	No	No
Local tourism	Yes	No
Municipal airports	Yes	No
Municipal planning	Yes	No
Municipal health services	No	No
Municipal public transport	No	No
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law	Yes	No
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto	No	No
Stormwater management systems in built-up areas	Yes	No
Trading regulations	Yes	No
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems	Yes	No
Beaches and amusement facilities	Yes	No
Billboards and the display of advertisements in public places	Yes	No
Cemeteries, funeral parlours and crematoria	Yes	No
Cleansing	Yes	No
Control of public nuisances	Yes	No
Control of undertakings that sell liquor to the public	Yes	No

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Table 166: Municipal Functions		
MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes / No)*	Function Applicable to Entity (Yes / No)
Constitution Schedule 4, Part B functions:		
Facilities for the accommodation, care and burial of animals	No	No
Fencing and fences	No	No
Licensing of dogs	Yes	No
Licensing and control of undertakings that sell food to the public	Yes	No
Local amenities	Yes	No
Local sport facilities	Yes	No
Markets	No	No
Municipal abattoirs	No	No
Municipal parks and recreation	Yes	No
Municipal roads	Yes	No
Noise pollution	Yes	No
Pounds	Yes	No
Public places	Yes	No
Refuse removal, refuse dumps and solid waste disposal	Yes	No
Street trading	Yes	No
Street lighting	Yes	No
Traffic and parking	Yes	No

APPENDICES

ADDENDUM E – WARD REPORTING

Table 167: Functionality of Ward Committees (2015/16)					
Ward	Name of Ward Councillor & Elected Committee members	Committee established (y/n)	Number of monthly meetings	Number of Monthly reports submitted to Speakers office	Number of quarterly public ward meetings held
1	<u>T Manyama (ward Councillor)</u> 1. E. Baloyi 2. T. Mametja 3. N. Monaiwa 4. T Makhubela 5. P Malematja 6. L Mogale 7. G Rabothata 8. D Mashatola 9. S Mothomogolo 10. G Maunatlala	Yes	11	12	1
2	<u>E Ramolefo (Ward Councillor)</u> 1. M C Ramokgola 2. T Selowa 3. N Sethabe 4. L Nkuna 5. R Mohlongo 6. C Manyama 7. L Mohatli 8. C Kappa 9. S R Sebashe 10. T D Sewapa	Yes	8	12	3
3	<u>P Masetla (Ward Councillor)</u> 1. E Khosa 2. M Masinge 3. M Malapane 4. M Kheshane 5. C Moatli 6. S Ngobeni 7. V Machaba 8. D Mashale 9. A Mokgathi 10. T S Ngobeni	Yes	11	12	3

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Table 167: Functionality of Ward Committees (2015/16)					
Ward	Name of Ward Councillor & Elected Committee members	Committee established (y/n)	Number of monthly meetings	Number of Monthly reports submitted to Speakers office	Number of quarterly public ward meetings held
4	<u>M Mmola (Ward Councillor)</u> 1. M B Maswanganyi 2. T P Baloyi 3. T M Makhubele 4. J Kgatla 5. F Ndhlovu 6. S Mahlawule 7. M Kgatla 8. E F Pilusa 9. C Mongwe 10. K N Mabunda	Yes	12	12	4
5	<u>T K Nukeri (ward Councillor)</u> 1. M Motseparela 2. G M Malungana 3. F Rikhotso 4. B Shipalana 5. L Maweni 6. J R Maweni 7. J R Nkuna 8. T Makhubele 9. A J Sibula 10. T Ngobeni	Yes	11	12	2
6	<u>C Baloyi (Ward Councillor)</u> 1. E Mohlongo 2. J Ramawila 3. J Ngobeni 4. C T Mashkeni 5. R Mathebula 6. M Ngobeni 7. P M Kubayi 8. K Mtsenga 9. J Mathebula 10. J Mjela	Yes	09	12	4

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Table 167: Functionality of Ward Committees (2015/16)					
Ward	Name of Ward Councillor & Elected Committee members	Committee established (y/n)	Number of monthly meetings	Number of Monthly reports submitted to Speakers office	Number of quarterly public ward meetings held
7	<u>D Mabape (Ward Councillor)</u> 1. F Mabunda 2. H Mashala 3. E Semosa 4. C Mohale 5. M Ramalepe 6. V Modiba 7. C Ratlabala 8. B Mokwena 9. C Mailula 10. D Ramahlo	Yes	8	12	1
8	<u>R Makhudu (Ward Councillor)</u> 1. G Rakgwale 2. H Mogale 3. E Lebeya 4. D Malatji 5. L Ngobeni 6. C Makgobatlou 7. V Leshoka 8. E Mathibela 9. R Ramoshaba 10. E Malatji	Yes	11	12	4
9	<u>M Mohale (Ward Councillor)</u> 1. P Selotole 2. S Mononela 3. M Sekgobela 4. P Sekete 5. J Ramahlo 6. J Malatji 7. J Nkwana 8. M Rabothata 9. M Senyolo 10. P Sekete	Yes	10	12	3

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Table 167: Functionality of Ward Committees (2015/16)					
Ward	Name of Ward Councillor & Elected Committee members	Committee established (y/n)	Number of monthly meetings	Number of Monthly reports submitted to Speakers office	Number of quarterly public ward meetings held
10	<u>M Mahasha (Ward Councillor)</u> 1. M Mahowa 2. L Thamahanyana 3. S Seshoka 4. E Mahasha 5. B Ramoshaba 6. M S Baloyi 7. T V Masedi 8. J Modipa 9. S Maake 10. A Makgopa	Yes	10	12	0
11	<u>L Hlangwane (Ward Councillor)</u> 1. L N Molewa 2. K E Baloyi 3. S Nkuna 4. B Satkekge 5. E Malatji 6. T Mathebula 7. M Malatji 8. P Ramoshaba 9. S Mashayi 10. H Petal	Yes	8	12	4
12	<u>E Ntimbana (Ward Councillor)</u> 1. A S Tivana 2. T Rihlampfu 3. N Mabunda 4. E Mabunda 5. J Ngobeni 6. E J Mongwe 7. G Sambo 8. P S Ngomane 9. D Rikhotso 10. S M Ndlovu	Yes	09	12	0

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Table 167: Functionality of Ward Committees (2015/16)					
Ward	Name of Ward Councillor & Elected Committee members	Committee established (y/n)	Number of monthly meetings	Number of Monthly reports submitted to Speakers office	Number of quarterly public ward meetings held
13	<u>B M Mashala (Ward Councillor)</u> 1. T E Khosa 2. R C Baloyi 3. C Risiva 4. R T Nkuna 5. C Mongwe 6. O E Ndlovu 7. E Ngobeni 8. T Mboweni 9. J M Mathebula 10. C Besswick	Yes	8	12	0
14	<u>A Van Vureen (Ward Councillor)</u> 1. C Ntuli 2. E Pilusa 3. D Protter 4. J P Stoltz 5. M Nel 6. T Mclintock 7. H Van Niekeen Kuyper 8. K Van Rensburg 9. M Mkhawane 10. P Monyama	Yes	0	12	0
15	<u>R Pohl (Ward Councillor)</u> 1. B Khumalo 2. P Zaayman 3. J du Toit 4. N Ndou 5. R Shai 6. L Cronje 7. M Sekgoaila 8. M Malatji 9. M Jacobs 10. A Cilliers	Yes	0	12	0

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Table 167: Functionality of Ward Committees (2015/16)					
Ward	Name of Ward Councillor & Elected Committee members	Committee established (y/n)	Number of monthly meetings	Number of Monthly reports submitted to Speakers office	Number of quarterly public ward meetings held
16	R Rikhotso (Ward Councillor) 1. B Nomvela 2. L Moagi 3. A Bvuma 4. T Mawasha 5. L Malatji 6. P Mawasha 7. A Shipalane 8. B Masetle 9. H Harman 10. S Mocheki	Yes	7	12	1
17	D Mhlarhi (Ward Councillor) 1. S Mbuza 2. F Tshuketane 3. R Bvuma 4. J Sekhobela 5. J Mokgolobotho 6. J Mokhabela 7. A Mathye 8. E Seabela 9. I Sekgobela 10. M Mbewe	Yes	6	6	1
18	P Ngonyama (Ward Councillor) 1. J Shilubane 2. N Mkansi 3. G Nkwhashu 4. G Nghonyama 5. L Tivane 6. J Semosa 7. F Mlangeni 8. C Mhlari 9. G Mbhalati 10. L Tshikani	Yes	8	12	2

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Table 167: Functionality of Ward Committees (2015/16)					
Ward	Name of Ward Councillor & Elected Committee members	Committee established (y/n)	Number of monthly meetings	Number of Monthly reports submitted to Speakers office	Number of quarterly public ward meetings held
19	<u>H Zandamela (Ward Councillor)</u> 1. P Thibeyahobe 2. S Matiane 3. M Gaisa 4. S Manyike 5. R Bulala 6. N Banda 7. N Rakgolane 8. S Bulala 9. L Khosa 10. R Mathebula	Yes	12	12	3
20	<u>O Banyini (Ward Councillor)</u> 1. L Ngobeni 2. J Mongwe 3. C Nhangwini 4. E Nhangwini 5. C Shokane 6. S Moagi 7. M Nhangwini 8. B Baloyi 9. I Mongwa 10. V Chuma	Yes	5	12	2
21	<u>S Mboweni (Ward Councillor)</u> 1. D Maakane 2. V Malungane 3. T Mpenyana 4. P Baloyi 5. N Ndala 6. B Mabunda 7. B Mthembi 8. A Mnisi 9. M Macevele 10. V Mabulane	Yes	8	12	2

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Table 167: Functionality of Ward Committees (2015/16)					
Ward	Name of Ward Councillor & Elected Committee members	Committee established (y/n)	Number of monthly meetings	Number of Monthly reports submitted to Speakers office	Number of quarterly public ward meetings held
22	<u>C Makwala (Ward Councillor)</u> 1. E Ramalepe 2. M Sekgobela 3. A Maphumapi 4. E Rasebotsa 5. C Makwala 6. S Mhlarhi 7. D Selane 8. I Malatji	Yes	8	12	1
23	<u>N Dlovu(Ward Councillor)</u> 1. M Banyini 2. M Khosa 3. M Mathebula 4. F Maroleng 5. S Ngobeni 6. P Rakgoropo 7. W Mohlongo 8. T Nkwini 9. K Phiri 10. A Nkhwashu	Yes	9	12	2
24	<u>L Mhlongo (Ward Councillor)</u> 1. S Malatji 2. T Jigana 3. A Shikwambana 4. R Khosa 5. K Rikhotso 6. G Ngoveni 7. R Mhlaba 8. S Mhlarhi 9. G Mathonsi 10. D Shilubane	Yes	7	12	2

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Table 167: Functionality of Ward Committees (2015/16)					
Ward	Name of Ward Councillor & Elected Committee members	Committee established (y/n)	Number of monthly meetings	Number of Monthly reports submitted to Speakers office	Number of quarterly public ward meetings held
25	<u>Ngondzweni G (Ward Councillor)</u> 1. S Malatji 2. C Nkhwashu 3. B Mogale 4. P Mashele 5. I Rikhotso 6. J Maholovele 7. B Machabe 8. K Mhlanga 9. A Baloyi 10. S Rikhotso	Yes	8	12	2
26	<u>S Mahori (Ward Councillor)</u> 1. R Mhlarhi 2. P Shikwambana 3. V Mangena 4. J Mhlarhi 5. J Selane 6. B Mthembi 7. P Mabunda 8. C Mthembi 9. E Malatjie 10. N Ghana	Yes	11	12	2
27	<u>M Mangena (Ward Councillor)</u> 1. G Makhumbele 2. P Patsi 3. J Seoka 4. J Ramoshaba 5. P Sebela 6. S Malatji 7. P Mangena 8. I Mailula 9. J Maake 10. R Phasha	Yes	12	12	4

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Table 167: Functionality of Ward Committees (2015/16)					
Ward	Name of Ward Councillor & Elected Committee members	Committee established (y/n)	Number of monthly meetings	Number of Monthly reports submitted to Speakers office	Number of quarterly public ward meetings held
28	<u>T Mushwana(Ward Councillor)</u> 1. K Lupalana 2. T Shai 3. R Mangena 4. B Shikwambana 5. N Mathebula 6. L Mushwana 7. M Mkhabele 8. M Rathwakga 9. J Mabulana 10. J Moagi	Yes	7	12	2
29	<u>N Masila(Ward Councillor)</u> 1. E Nukeri 2. E Sethemana 3. C Mokgobi 4. J Sodi 5. A Mhlongo 6. E Ratopola 7. M Makhurupetje 8. A Mathebula 9. S Malesa 10.	Yes	8	12	3
30	<u>L Pudikabekwa(Ward Councillor)</u> 1. R Rapitsi 2. F Rantjie 3. S Malatjie 4. M Letsoalo 5. S Molepo 6. D Khunwane 7. M Shai 8. T Mboweni 9. P Malatjie 10. C Ratopola	Yes	7	12	2

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Table 167: Functionality of Ward Committees (2015/16)					
Ward	Name of Ward Councillor & Elected Committee members	Committee established (y/n)	Number of monthly meetings	Number of Monthly reports submitted to Speakers office	Number of quarterly public ward meetings held
31	<u>J Ramodipa(Ward Councillor)</u> 1. C Mabitsela 2. S Lefothle 3. M Nkgapele 4. M Hlokwe 5. A Rakgoale 6. G Maponya 7. S Ramokgola 8. K Monyela 9. M Seokgo 10. S Mafokwane	Yes	10	12	3
32	<u>S Raganya (Ward Councillor)</u> 1. I Malatji 2. L Mohale 3. S Semosa 4. M Mametja 5. T Nkuna 6. P Mokwena 7. J Manamela 8. S Nkuna 9. B Modiba 10. G Mathebula	Yes	7	12	3
33	<u>D Maake(Ward Councillor)</u> 1. D Peu 2. H Molewa 3. F Pilusa 4. B Maake 5. F Gaffane 6. P Monyela 7. J Semosa 8. P Maseamedi 9. K Batjie 10. O Mailula	Yes	8	12	2

APPENDICES

Table 167: Functionality of Ward Committees (2015/16)

Ward	Name of Ward Councillor & Elected Committee members	Committee established (y/n)	Number of monthly meetings	Number of Monthly reports submitted to Speakers office	Number of quarterly public ward meetings held
34	<u>M Letsoalo(Ward Councillor)</u> 1. T Kodumela 2. M Letsoalo 3. S Ramoreti 4. S Letsie 5. R Moagi 6. J Malesa 7. A Letsoalo 8. J Ralepelle 9. T Mogoboya 10. A Ramaila	Yes	8	12	2

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ADDENDUM F – WARD INFORMATION

Table 168: Capital Projects: Seven Largest in 2015/16 - R' 000

Ward No.	Project Name and detail	Start Date	Estimated/ End Date	Total Value
7&8	Moruji to Matswi: Upgrading of road from gravel to tar	05/09/2016	04/09/2018	R 127 904 236
29&30	Tickyline, Glasswork, Myakayaka, Burgersdorp, Gavaza, Mineview & Mafarana: Upgrading of road from gravel to tar	08/08/2016	18/03/2018	R 93 736 500
22,23 &24	Rita to Mariveni: Upgrading of road from gravel to tar	22/09/2015	22/09/2018	R 90 945 015
6	Runnymede Cluster Sports Facility	14/03/2016	14/03/2017	R 27 972 000
8	Relela Community Hall	14/04/2016	14/11/2016	R 12 768 00
16	Capacity Building/ cable network renewal (11kv Cable from Church substation via old SAR to Power station)	01/07/2015	30/07/2016	R 7 000 000
ALL	Energy efficiency and demandside management (Tzaneen, Nkowankowa & Lenyenye)	01/07/2015	30/07/2016	R 5 000 000

APPENDICES

ADDENDUM G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2015/16

TABLE 169: Municipal Audit Committee Recommendations (2015/16)			
Date of Committee	Committee recommendations	Recommendations adopted (enter Yes); not adopted (provide explanation)	Implemented (Yes/No)
19/08/2015	The draft Annual Performance Report (APR) must be circulated to Directors for them to perform a quality check	Yes	Yes
	Audit Committee (AC) Members must submit inputs on the Annual Performance Report to the Chairperson for consolidation and submission to the PMO by Friday 21 August 2015	Yes	Yes
	AC Chairperson to provide the PMO with a template for evaluating the performance of service providers, to be included in the APR	Yes	Yes
	ARMS Audit must submit the final report on Assets to the CFO on Monday 24 August 2015	Yes	Yes
26/08/2015	The draft AFS (GTEDA) must be emailed to Audit Committee (AC) members by Friday 28 August 2015	Yes	Yes
	AFS must be finalized and submitted to finance by Monday morning 31 August 2015.	Yes	Yes
	Finance must submit all figures to Performance Management Officer (PMO) in order to align the Annual Performance Report (APR).	Yes	Yes
	Electricity maintenance amount must include labour cost. An explanation with the labour cost amount must be included	Yes	Yes
	NDPG amount must be deducted from the total grant amount	Yes	Yes
	Assets figures including review by the CFO must be concluded by Friday 28 August 2015	Yes	Yes
01/09/2015	Management must take full responsibility for the unaudited APR due to non-submission of POE files. There must be consequences for non-submission of POE.	Yes	No
	The water related report must be submitted quarterly for the AC to get understanding and challenges of water issues from the District. Report must be submitted quarterly to Internal Audit	Yes	Yes
	Directors must indicate reasons for deviations on the performance report.	Yes	Yes
	KPI's must comply with the SMART criteria	Yes	Yes
	Monitoring of implementation must form part of the performance management policy	Yes	Yes

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TABLE 169: Municipal Audit Committee Recommendations (2015/16)

Date of Committee	Committee recommendations	Recommendations adopted (enter Yes); not adopted (provide explanation)	Implemented (Yes/No)
	The period taken to appoint service providers must be monitored and recorded.	Yes	Yes
	Demand management plan must be submitted in the next meeting	Yes	Yes
	Human Resources (HR) must fill vacant posts to curb overtime, unemployment rate and assist in service delivery	Yes	Yes
	Overtime limits must be adhered to.	Yes	No
	Overtime policy must be reviewed to align overtime management to Directors.	Yes	No
	Progress on implementation of overtime policy must be reported quarterly.	Yes	Yes
	The following must be reported in the next meeting: -amount of legal costs for the year -costs given against the municipality -costs for the municipality (if the costs were recovered)	Yes	No
	Performance of the appointed attorneys must be assessed.	Yes	No
	The bursary contract must include conditions of binding the employee who is awarded the bursary to work for the municipality after completion of the qualification.	Yes	Yes
	Employee bursary application must be in line with the employee job description	Yes	Yes
	Communication with the external stakeholders must be approved by the office of MM	Yes	Yes
	Oath of secrecy must be signed by Records officials and management must assist the Records Division. Signing of oath of secrecy must be included as part of appointment documents.	Yes	No
	Recommendations on the Safety and Security Audit must be implemented	Yes	Partial
	Leave must be managed and signed/authorized before an official goes on leave.	Yes	Yes
	Inactive debtors' accounts must not be charged interest to avoid overstatement of revenue.	Yes	No
	Auditor General (AG) findings must be included in the next Information Technology (IT) report.	Yes	Yes
	IT strategic plan must be developed	Yes	Partial

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TABLE 169: Municipal Audit Committee Recommendations (2015/16)

Date of Committee	Committee recommendations	Recommendations adopted (enter Yes); not adopted (provide explanation)	Implemented (Yes/No)
	Assessment of current IT infrastructure versus required infrastructure must be done	Yes	Yes
	Performance information must be part of the top ten risks	Yes	Yes
	Consequence management must be included on the risk register.	Yes	No
	Report on Risk Management Committee meetings must be submitted to AC meeting quarterly	Yes	Yes
	Tracking device must be installed in the municipal vehicles to oversee the trips taken by officials	Yes	No
	Proper system to manage fleet must be developed.	Yes	Partial
23/09/2015	Management must respond to AGSA's requests within the agreed timeframes to allow AGSA to meet the deadline of finishing their audit by the end of October 2015. Leave must only be approved after AGSA is done with the audit.	Yes	Yes
	AGSA must submit the details showing the components of the 4000 hours for the Audit of Financial Statement (AFS).	Yes	Yes
	AC minutes must be emailed within 14 days after each meeting in order to check and make inputs/corrections before the next meeting.	Yes	Yes
	The municipality to seek mediation and also involve the political structure on resolving the water differences with Mopani.	Yes	Yes
	The water related report must include the amounts owed to Tzaneen by Mopani	Yes	Yes
	The water related activities must be reported every quarter in the audit committee meeting to consider the challenges and progress made.	Yes	Yes
	Management must implement AGSA recommendations	Yes	Partial
	The AG action plan must be a standing item on the weekly management meetings.	Yes	Yes
	Dashboard report must be done every quarter and the red items (intervention required) must be addressed. The yellow items must also be attended to.	Yes	Yes
	The Directors must attend all the Risk Management committee meetings and are not allowed to send proxy. If quorum is not formed the meeting must be cancelled.	Yes	Yes

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TABLE 169: Municipal Audit Committee Recommendations (2015/16)

Date of Committee	Committee recommendations	Recommendations adopted (enter Yes); not adopted (provide explanation)	Implemented (Yes/No)
	Risk management must be included as part of performance assessment and must be weighed properly (KPI on the directors performance agreements).	Yes	No
	Every quarter IT must report progress of the action plan on the IT findings raised by AGSA which must be implemented by the action date. Recurring AGSA findings are not acceptable.	Yes	Yes
	AGSA audit findings must be addressed through the risk register. The action plan must still be done.	Yes	No
	No overtime must be processed unless is preapproved	Yes	Partial
	The Audit Committee must be involved in the appointment of the Internal Audit Manager	Yes	Yes
	Corporate Services to send a memo to directors indicating that managers/directors must not approve leave after it has been taken. If the leave application is signed after the leave is taken then directors must account to the MM.	Yes	Yes
	The hours on the plan must be revised to reflect the current Internal Audit capacity and indicate shortfall hours in order for the AC members to make the proposal to assist with finalizing the plan.	Yes	Yes
	Management comments must either be in agreement or disagreement with the audit finding and if in disagreement provide Internal Audit with satisfactory evidence before the finding is removed. Management cannot comment with the word, resolved.	Yes	Partial
	The MM to intervene in terms of the submissions of Portfolio Of Evidence (POE) by the departments.	Yes	No
05/11/2015	Quarterly non-financial performance report must be included in the pack.	Yes	Yes
	GTEDA, CFO and the MM must discuss the revenue problem and must relook into the budget for GTEDA during the adjustment budget.	Yes	Yes
	Depreciation must be calculated regularly and not at the end of the year	Yes	No
	The Audit Committee must get a tax expert opinion on the output VAT and then write to the AG stating the committee's point of view on the matter in order to assist GTEDA. The AC Chairperson and GTEDA to finalize the output VAT issue by Wednesday (11 November 2015).	Yes	Yes

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TABLE 169: Municipal Audit Committee Recommendations (2015/16)

Date of Committee	Committee recommendations	Recommendations adopted (enter Yes); not adopted (provide explanation)	Implemented (Yes/No)
	Output VAT must be disclosed on the financials.	Yes	Yes
	The Agency fees regarding water must be disclosed on the AFS.	Yes	
	MM must intervene on the issue of Mopani and GTM in terms of the receivables and payables.	Yes	Yes
	Risk management must be included as a KPI on directors' performance.	Yes	No
	Finance and Performance Management Officer must draft the Annual Financial Statement preparation plan for Audit Committee to review in the 2 nd quarter audit committee meeting.	Yes	No
	IT must get the requirements of the users/departments put a strategy in place that will have annual plans to address the needs of the users.	Yes	Yes
	Progress report for the tools of trade should be reported in the next meeting.	Yes	Yes
	IT environment must be factored in the continuous risk assessment.	Yes	Yes
	Corporate department must have a register for all the SLA and be involved in drafting the SLA.	Yes	Yes
	The Legal division must consider alternative dispute resolution on cases that are not worth taking through the court system.	Yes	No
	Vetting of service providers must be done by the committees	Yes	No
	The municipality must get its own hotline and the number must be pasted in all municipal vehicles	Yes	No
	IT must do readiness and implementation phase 1 which is due in 2017 and forward the report to the audit committee.	Yes	Yes
	HR must implement programs on employee awareness of medical aid and loan sharks.	Yes	Yes
	On the council resolutions register Corporate Services must report on the resolutions that are not implemented and put a cover page that explains how many resolutions were made and how many implemented and how many are still not implemented. If there are resolutions that cannot be implementable they should be indicated on the report.	Yes	No
	If Internal Audit did not receive comments on time the department will be expected to give comments during the meeting	Yes	No

APPENDICES

TABLE 169: Municipal Audit Committee Recommendations (2015/16)

Date of Committee	Committee recommendations	Recommendations adopted (enter Yes); not adopted (provide explanation)	Implemented (Yes/No)
	Revenue division must report on billing challenges.	Yes	No
	Depreciation and labour costs must be calculated on a monthly basis.	Yes	No
	On capital expenditure a narrative must be included to highlight the difference of amounts due to roll over.	Yes	No
	Finance must develop a schedule of bid committee meetings and must be adhered to.	Yes	Yes
	The Institutional Performance Report for the next meeting must have an attachment of the Directors assessment of service providers.	Yes	Yes
12/02/2016	Internal Audit must verify the annual financial statements and performance report before submission. MM must assist to capacitate Internal Audit.	Yes	No
	Municipality must comply with the time frame of requests of information by Internal audit.	Yes	No
	Internal audit must be removed from the coordination of the AG action plan. AC Chairperson must meet with the MM to discuss who will be responsible for coordinating the action plan.	Yes	Yes
	Internal audit must design a client satisfaction survey within 14 days and the results must be reported in the next audit committee meeting.	Yes	Partial
	Performance agreements of the directors must include the following measures: <ul style="list-style-type: none"> - Risk Management - Implementation of the audit committee resolution - Implementation of internal audit finding - Implementation of AG finding. 	Yes	Partial
	Progress report on addressing the identified AG findings on traffic fines must be reported to the audit committee meeting.	Yes	Yes
	MSCOA status report must be reported in the next audit committee meeting	Yes	No
	Acting Corporate Services Director must verify if social media is part of the communication policy.	Yes	Yes
	Management must relook at the timelines of the AG action plan and indicate proper status update.	Yes	Yes

APPENDICES

TABLE 169: Municipal Audit Committee Recommendations (2015/16)			
Date of Committee	Committee recommendations	Recommendations adopted (enter Yes); not adopted (provide explanation)	Implemented (Yes/No)
	Legal division must assist with a strategy on contracts in case of litigation to allow continuation of the project while there are delays by the courts.	Yes	No
	AG Senior Manager must update the AC Chairperson on the other findings not included on the action plan.	Yes	Yes
29/03/2016	Response time of Internal Audit findings must be part of the Director's performance agreements.	Yes	No
	In the next risk assessment consider individual risk management on SCM, PMS, Information security and water issues.	Yes	No
	A checklist to verify that all SCM processes are followed must be developed and signed off.	Yes	No
	Expenditure Division must not process payment if not on the procurement plan and SLA is not attached.	Yes	Partial
	The CFO must follow up the long outstanding reconciling items on the bank reconciliation with the finance team	Yes	No
	The CFO must follow up the debtors age analysis with credit balances	Yes	Yes
	MM, CFO & Acting Director Corporate Services must meet within 15 days to discuss budget for procuring the disaster recovery equipment. Acting Director Corporate Services must send feedback report to AC members.	Yes	Yes
	Progress on minimum competency must be reported in the next AC meeting	Yes	Yes
	All plans for IT, Internal Audit & Risk Management must be developed before financial year end.	Yes	Partial
13/06/2016	AC minutes must be separated for GTM and GTEDA	Yes	Yes
	Internal audit must give assurance on the action plan before end of June 2016.	Yes	Yes
	GTEDA must engage with the asset company that is appointed by the municipality to assist with the asset register.	Yes	Yes
	AC Chairperson must propose to Council to capacitate internal audit and risk management unit	Yes	Yes
	MM must appoint a person who will populate, facilitate and follow up on the resolution register	Yes	No
	The CFO to give an update in the next meeting on the audit of traffic fines by SALGA.	Yes	Yes

APPENDICES

TABLE 169: Municipal Audit Committee Recommendations (2015/16)

Date of Committee	Committee recommendations	Recommendations adopted (enter Yes); not adopted (provide explanation)	Implemented (Yes/No)
	Items on the action plan must indicate measures taken to resolve.	Yes	Yes
	The dashboard report must be discussed with AGSA before submission to AC meeting.	Yes	Yes
	Debt collectors report must show how much revenue was received.	Yes	Yes
	Detailed irregular expenditure must be submitted together with the finance report next audit committee meeting	Yes	Yes
	Telkom statements must be retrieved straight from the Telkom office in case is not received on time to avoid interest charged.	Yes	No
	Finance must on receipt of invoice, immediately put the date stamp.	Yes	Yes
	Risk Manager must invite the chairperson of the risk management committee in the next audit committee meeting	Yes	No
	The OHS report must be categorized indicating the resolved and unresolved matters.	Yes	No
	Progress on the OHS matters must be reported in the next audit committee meeting.	Yes	Yes
	Personnel provisioning progress must be reported in the next audit committee meeting.	Yes	Yes
	The MSCOA assurance report must be submitted to the audit committee indicating both the migration process and the post implementation.	Yes	No
	IT manager must craft a solution for the current finance administrators and reported back to the AC committee.	Yes	Yes

APPENDICES

ADDENDUM H – LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

Table 170: Long Term Contracts (20 Largest Contracts Entered into 2015/16) - R' 000						
Name of Service Provider (Entity or Municipal Department)	Bid number	Description of Services Rendered by the Service Provider	Start Date of Contract	Expiry date of Contract	Project manager	Contract Value
Lateral Unison Insurance Broker	SCMU 05/2015	Insurance portfolio for Greater Tzaneen Municipality	01/07/2015	30/06/2018	Mr. J Biewenga	R 1 814 951.00
Selby Construction	SCMU 06/2015 PROJECT 01	Upgrading of Mafarana to Burgersdorp road from gravel to tar	22/09/2015	28/02/2017	Mr J Matlala	R53 956 980.00
Makasana Construction	SCMU 06/2015 PROJECT 02	Upgrading of Ticklyline to Makhwibidung roads from gravel to tar	04/11/2015	03/05/2016	Mr J Matlala	R 14 665 534.28
Selby Construction	SCMU 08/2015	Upgrading of road D3766 from Rita to Mariveni village from gravel to bitumen surfacing	29/08/2016	22/08/2018	Mr J Matlala	R71 627 454.00
Brain Pienaar	SCMU 19/2015	supply and delivery of protective clothing for three year period	01/04/2016	31/03/2019	Mr. AJJ Le Grange	Rates
Mapheto Business	SCMU 23/2015	Request for proposal on physical security for Greater Tzaneen Municipality	01/01/2016	31/12/2018	Mr. K Makhubele	R 23 720 688.00
1. Izew Engineering 2. Mogalemole Consulting 3. Royal Haskoning 4. Motla Consulting	SCMU 29/2015	Appointment of pool of consultant for Greater Tzaneen Municipality	01 Dec 2015	30 Nov 2018	Mr MS Lelope	11%

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Table 170: Long Term Contracts (20 Largest Contracts Entered into 2015/16) - R' 000						
Name of Service Provider (Entity or Municipal Department)	Bid number	Description of Services Rendered by the Service Provider	Start Date of Contract	Expiry date of Contract	Project manager	Contract Value
5. Calibre Consulting 6. Superior Quality Engineering 7. Muteo Consulting 8. Simolola Engineering						
1. Zamangwane 2. Zamandlambili Trading 3. Indlela Construction 4. Ifa Lethu	SCMU 32/2015	Supply and delivery of water treatment chemicals	01 April 2016	31 Mar 2019	Ms V Madike	rates

No public – private partnerships entered into during 2015/16.

APPENDICES

ADDENDUM I: REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE

ADDENDUM I (I): REVENUE COLLECTION PERFORMANCE BY VOTE

Table 171: Revenue Collection Performance by Vote (R' 000) - 2015/16

Vote Description	2014/15	2015/16 Current year			2015/16 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Vote 1: Municipal Manager	0	0	0	0	00	
Vote 2: Planning & Economic Development	8 164	514	12 359	11 783	96%	1%
Vote 3: Financial Services	352 089	369 987	371 040	427 507	13%	13%
Vote 4: Corporate Services	20	1	1	-		
Vote 5: Community Services	50 668	82 300	82 300	83 708	2%	2%
Vote 6: Electrical Engineering Services	395 460	493 770	493 770	442 159	-12%	-12%
Vote 7: Engineering Services	81 062	92 752	136 478	118 567	22%	-15%
Total Revenue	88 7483	1 039 325	1 095 949	1 084 470	4%	-1%

APPENDICES

ADDENDUM I (ii): REVENUE COLLECTION PERFORMANCE BY SOURCE

Table 172: Revenue Collection Performance by Source - R '000 (2015/16)

Description	2014/2015	2015/16			2015/16 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Property rates	74098	61 583	61 583	74 146	17%	17%
Property rates - penalties & collection charges	5368	5 000	5 000	5 187	4%	4%
Service Charges - electricity revenue	380350	458 770	458 770	421 447	-9%	-9%
Service Charges - water revenue	MDM					
Service Charges - sanitation revenue	MDM					
Service Charges - refuse revenue	25816	23 300	23 300	26 476	12%	12%
Service Charges - other	815	1 356	1 356	2 182	38%	38%
Rentals of facilities and equipment	1189	959	959	1 334	28%	28%
Interest earned - external investments	2381	1 801	1 801	6 850	74%	74%
Interest earned - outstanding debtors	12057	11 400	11 400	12 328	8%	8%
Dividends received	0	0	0	0	0	0
Fines	8356	3 705	3 705	35 497	90%	90%
Licences and permits	711	647	647	722	10%	10%
Agency services	7206	43 193	43 193	8 004	-440%	-440%
Transfers recognised - operational	255848	327 649	328 701	308 751	-6%	-6%
Other revenue	27323	6 030	6 030	33 879	82%	82%
Gains on disposal of PPE		2 300	2 300			
Environmental Protection	0	0	0	0	0	0
Total Revenue (excluding capital transfers and contributions)	801518	947 693	948 746	937 549	-1%	-1%

APPENDICES

ADDENDUM J: CAPITAL EXPENDITURE – NEW & UPGRADE/RENEWAL PROGRAMMES

ADDENDUM J (i): CAPITAL EXPENDITURE - NEW ASSETS PROGRAMME

Table 173: Capital Expenditure - New Assets Programme* (R'000)							
Description	2013/2014	2015/2016			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2016/2017	2017/2018	2018/2019
Capital expenditure by Asset Class							
Infrastructure - Total	–	132 876	176 867	69 710	114 607	127 006	130 799
Infrastructure: Road transport - Total	–	103 839	147 330	46 385	91 707	107 006	105 806
<i>Roads, Pavements & Bridges</i>		103 839	147 330	46 385	91 707	107 006	105 806
<i>Storm water</i>							
Infrastructure: Electricity - Total	–	28 617	28 617	22 926	22 000	20 000	24 994
<i>Generation</i>							
<i>Transmission & Reticulation</i>		28 617	28 617	22 926	22 000	20 000	24 994
<i>Street Lighting</i>							
Infrastructure: Water - Total	–	–	–	–	–	–	–
<i>Dams & Reservoirs</i>							

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Table 173: Capital Expenditure - New Assets Programme* (R'000)							
Description	2013/2014	2015/2016			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2016/2017	2017/2018	2018/2019
<i>Water purification</i>							
<i>Reticulation</i>							
Infrastructure: Sanitation - Total	-	-	-	-		-	-
<i>Reticulation</i>							
<i>Sewerage purification</i>							
Infrastructure: Other - Total	-	420	920	399	900	-	-
<i>Waste Management</i>							
<i>Transportation</i>							
<i>Gas</i>							
<i>Other</i>		420	920	399	900		
Community - Total	-	3 750	14 436	5 700	3 000	-	-
Parks & gardens			11 846	5 681			
Sports fields & stadia							
Swimming pools							
Community halls							
Libraries							
Recreational facilities							
Fire, safety & emergency							
Security and policing							

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Table 173: Capital Expenditure - New Assets Programme* (R'000)							
Description	2013/2014	2015/2016			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2016/2017	2017/2018	2018/2019
Buses							
Clinics							
Museums & Art Galleries							
Cemeteries							
Social rental housing							
Other		3 750	2 590	19	3 000		
Heritage assets - Total	-	-	-	-	-	-	-
Buildings							
Other							
Investment properties - Total	-	-	-	6 700	-	-	-
Housing development							
Other				6 700			
-							
Other assets	-	7 228	7 323	6 325	6 081	2 100	2 100
General vehicles							
Specialised vehicles							
Plant & equipment							
Computers - hardware/equipment							
Furniture and other office equipment		2	2		3 335	2 100	2 100

APPENDICES

Table 173: Capital Expenditure - New Assets Programme* (R'000)							
Description	2013/2014	2015/2016			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2016/2017	2017/2018	2018/2019
Markets							
Civic Land and Buildings							
Other Buildings							
Other Land							
Surplus Assets - (Investment or Inventory)							
Other		7 226	7 321	6 325	2 746		
<u>Agricultural assets</u>	-	-	-	-	-	-	-
<i>List sub-class</i>							
<u>Biological assets</u>	-	-	-	-	-	-	-
<i>List sub-class</i>							
<u>Intangibles</u>	-	-	-	-	-	-	-
Computers - software & programming							
Other (<i>list sub-class</i>)							
Total Capital Expenditure on new assets	-	143 854	198 626	88 435	123 688	129 106	132 899
<u>Specialised vehicles</u>	-	-	-	-	-	-	-

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Table 173: Capital Expenditure - New Assets Programme*(R'000)							
Description	2013/2014	2015/2016			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2016/2017	2017/2018	2018/2019
Refuse							
* Note: Information for this table may be sourced from MBRR (2009: Table SA34a)							T M.1

APPENDICES

ADDENDUM J (ii): CAPITAL EXPENDITURE – UPGRADE/RENEWAL PROGRAMME

Table 174: Capital Expenditure - Upgrade/Renewal Programme* - R '000							
Description	2014/15	2015/2016			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2016/2017	2017/2018	2018/2019
Capital expenditure by Asset Class							
Infrastructure - Total	–	600	600		10 000		
Infrastructure: Road transport -Total	–	600	600		2 500		
<i>Roads, Pavements & Bridges</i>		600	600		2 500		
<i>Storm water</i>							
Infrastructure: Electricity - Total	–				7 500		
<i>Transmission & Reticulation</i>					7 500		
<i>Street Lighting</i>							
Community	–		800				
Other	–		800				
Infrastructure: Other - Total							
<i>Waste Management</i>							
<i>Transportation</i>							
Other assets	564	230	230				

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Table 174: Capital Expenditure - Upgrade/Renewal Programme* - R '000

Description	2014/15	2015/2016			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2016/2017	2017/2018	2018/2019
Computers - hardware/equipment	-						
Furniture and other office equipment	564	230	230	96			
Total Capital Expenditure on renewal of existing assets	564	830	1 630		10 000		

ADDENDUM K – CAPITAL PROGRAMME BY PROJECT 2015/16

Table 175: Capital Programme by Project 2015/16 (R'000)

Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
WATER	No capital projects implemented as Mopani District is the Water Service Authority				
SANITATION/SEWERAGE	No capital projects implemented as Mopani District is the Water Service Authority				
ELECTRICITY					
Capacity Ph3: Church to Old SAR	R7 000 000	R8 000 000	R7 371 943	R628 057	-R371 943
Energy Efficiency Demand side Management Ph2	R5 000 000	R5 000 000	R4 832 057	R167 943	R167 943
Prepaid Renewal and Repairs	R150 000	R150 000	R120 986	R29 014	R29 014

APPENDICES

Table 175: Capital Programme by Project 2015/16 (R'000)					
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
Rebuilding of 11kv from Grys Appel to Red bank (12km)	R2 160 000	R2 160 000	R995 543	R1 164 457	R1 164 457
Rebuilding of lines from Lalapanzi to Waterbok (7km)	R1 000 000	R1 138 426	R1 138 426	R0	-R138 426
Rebuilding of Greenfog to Haenertsburg (12km)	R1 400 000	R1 400 000	R1 044 734	R355 266	R355 266
Replace 10 X 11kv and 6 X 33kv Autorecloser	R1 000 000	R1 000 000	R959 006	R40 994	R40 994
Substation Tripping Batteries	R150 000	R150 000	R164 928	-R14 928	-R14 928
Substation Fencing	R100 000	R100 000	R96 667	R3 333	R3 333
High mast lights	4 720 000	4 720 000	4 378 904	R341 096	R341 096
ROADS & STORMWATER					
Politsi Road	R2 600 000	R2 600 000	R1 792 063	R807 937	R807 937
Rikhotso low-level bridge	R2 600 000	R2 600 000	R568 413	R2 031 587	R2 031 587
Mokonyane low-level bridge	R1 700 000	R1 700 000	R348 552	R1 351 448	R1 351 448
Agatha Cemetery low-level bridge	R400 000	R400 000	R69 149	R330 851	R330 851
Khubu to Lwandlamuni low-level bridge	R400 000	R400 000	R229 267	R170 733	R170 733
Construction of speed humps in Greater Tzaneen	R2 000 000	R2 000 000	R224 888	R1 775 112	R1 775 112
Construction of Lenyenye drop off centre road	R600 000	R600 000	R173 661	R426 339	R426 339
Upgrading from gravel to tar from Rita to Mariveni:Phase 2 of 4	R22 948 600	R49 926 515	R49 926 515	R0	-R26 977 915
Upgrading of Road D1350: Moruji to Matswi/ Kweshokolowe from Gravel to Tar: Phase 2 of 4	R26 934 496	R1 245 236	R1 245 236	R0	R25 689 260

APPENDICES

Table 175: Capital Programme by Project 2015/16 (R'000)					
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
Upgrading of Tickyline, Glassworks, Myakayaka, Mineview, Burgersdorp, Gavaza to Mafarana roads from Gravel to Tar: Phase 2 of 4	R20 031 933	R29 418 933	R29 418 933	R0	-R9 387 000
Upgrading from gravel to tar from Rita to Mariveni:Phase 2 of 4	R22 948 600	R49 926 515	R49 926 515	R0	-R26 977 915
PARKS & CEMETERIES					
N/A					
MUNICIPAL BUILDINGS					
N/A					
FLEET					
N/A					
ECONOMIC DEVELOPMENT & TOWN PLANNING					
N/A					
SPORTS, ARTS & CULTURE					
N/A					
ENVIRONMENTAL HEALTH					
N/A					
ICT AND OTHER					
N/A					
TOTAL	R125 843 629	R164 635 625	R155 026 386	R9 609 239	-R29 182 757

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ADDENDUM L – CAPITAL PROGRAMME BY PROJECT BY WARD 2015/16

Table 176: Capital Programme by Project by Ward 2015/16*		
Capital Project	Ward(s) affected	Works completed (Yes/No)
ELECTRICITY		
Apollo lights at villages	1,2,3,7,17,20,21,27,28,29	NO
Capacity Ph3: Church to Old SAR cable	14/15	YES
Energy Efficiency and Demand side Management Ph2	ALL	YES
Prepaid Renewal and Repairs	13,14,15	YES
Rebuilding of 11kv from Grys Appel to Red bank (12km)	16	YES
Rebuilding of lines from Lalapanzi to Waterbok (7km)	23	YES
Rebuilding of Greenfog to Haenertsburg (12km)	16	YES
Replace 10 X 11kv and 6 X 33kv Autorecloser	ALL	NO
Substation Tripping Batteries	ALL	YES
Substation Fencing	ALL	YES
ROADS & STORMWATER		
Politsi Road	11	YES
Rikhotso low-level bridge	4	NO
Mokonyane low-level bridge	32	NO
Agatha Cemetery low-level bridge	16	NO
Khubu to Lwandlamuni low-level bridge	12	NO
Construction of speed humps in Greater Tzaneen	ALL	NO
Construction of Lenyenye drop off centre road	31	YES
Upgrading from gravel to tar from Rita to Mariveni:Phase 2 of 4	22,23,24	NO
Upgrading of Road D1350: Moruji to Matswi/ Kweshokolowe from Gravel to Tar: Phase 2 of 4	7	NO
Upgrading of Tickyline, Glassworks, Myakayaka, Mineview, Burgersdorp, Gavaza to Mafarana roads from Gravel to Tar: Phase 2 of 4	28,29	NO
TOWN PLANNING		
<None>		
SPORTS & RECREATION FACILITIES		
Upgrading of Lenyenye Stadium	27	YES
Runnymede Sports Complex	6	NO
WASTE MANAGEMENT		
<None>		

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ADDENDUM M – SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS

Table 177: Service Backlogs: Schools and Clinics (2015/16)				
Establishments lacking basic services	Water	Sanitation	Electricity⁷	Solid Waste Collection
Schools (NAMES, LOCATIONS)				
N/a	No backlog	No backlog	No backlog	Backlog at all rural-areas No backlog in urban areas
Clinics (NAMES, LOCATIONS)				
N/A	No backlog	No backlog	No backlog	No backlog –clinics are serviced by a Provincial service provider for H.CR.W. Urban clinics serviced by GTM

All Schools and Clinics have access to water and sanitation. In some instances water are supplied through boreholes, which may run dry at time.

⁷ Complaints regarding schools and clinics without electricity use to be submitted to GTM by Ward Councilors. No such complaints was received during 2015/16

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ADDENDUM N – SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION

Table 178: Service Backlogs Experienced by the Community where another Sphere of Government is the Service Provider (where the Municipality whether or not act on agency basis)		
Services and Locations	Scale of backlogs	Impact of backlogs
Waste Management: All Wards	Absence of a Regional Landfill space for waste in the Mopani District Area	Regionalization of Landfill-Sites into of Sec.84 of the Municipal Structures Act (Act 117 of 1998), is required from the District Municipality
Clinics: Ward 1, 2, 3, 4, 7, 8, 9, 10, 11, 13, 14, 16, 17, 18, 19, 21, 22, 24, 25, 26, 28, 29, 30, 31, 32 and 34	Health facilities are far from the mentioned wards and their respective constituencies	The lack of health facilities within reach of the people contribute to a increase in curable diseases
Housing: Ward 1, 2, 4, 13, and 14	The mentioned wards have not received all housing units allocations while some received just portions.	Lack of housing impacts on the lives of people in terms of shelter and family relationship. (Social security)
Licensing and Testing Centre: Ward 31 (Lenyenye) and Bolobedu area	The Municipality has only two licensing and testing centres	Lack of extra licensing and testing centres in within the jurisdiction of the Municipality leads to overcrowding in the existing two centres
Reservoirs: Various wards	Most villages in various wards have a need for new reservoirs and their upgrades	Lack of reservoirs leads to shortage of piped water in villages
Schools (Primary and High): Ward 1, 3, 4, 5, 7, 8, 9, 10, 11, 12, 14, 16, 18, 21, 22, 25, 27, 28, 29, 32, 34	There is a great need for new schools (primary and secondary) in the mentioned wards	Lack of schools in the mentioned wards leads to lack of access to education for children and overcrowding in the existing ones
Sports Fields: Wards 1, 4, 7, 8, 9, 11, 12, 15, 16, 17, 19, 21, 24, 25, 26 and 28	There is a need for sport and recreation facilities in the mentioned villages	Lack of sport and recreation facilities leads to young people becoming involved in criminal activities and indulging in substance abuse
Safety and Security: Wards 1, 2, 3, 4, 7, 8, 9, 11, 13, 14, 16, 17, 18, 21, 24, 25, 27, 28, 32 and 34	There is a need for construction of new police stations in the mentioned wards	Lack of police stations leads to escalation of crime in communities

APPENDICES

ADDENDUM O – DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY

Table 179: Declaration of Loans and Grants made by the Municipality 2015/16

All Organisation or Person in receipt of Loans */Grants* provided by the Municipality	Nature of project	Conditions attached to funding	Value 2015/16	Total Amount committed over previous and future years
Tzaneen Museum	Museum	Submission of Annual Financial Statements	33,326	33,326 p.a
Tzaneen Sports Council	Sports	Submission of Annual Financial Statements	106,644	106,644 p.a

ADDENDUM P – DECLARATION OF RETURNS NOT MADE IN DUE TIME UNDER MFMA S71

Table 180: MFMA Section 71 Returns Not Made During 2015/16 According to Reporting Requirements

Return	Reason Return has not been properly made on due date
C6-Monthly Budgeted Statement - Financial Position	The Municipality has many transactions, as a result the current financial system is not able to produce the required monthly financial statements. Caseware financial system has been purchased, which will be able to produce monthly statements.
Debtor age analysis	The current financial system cannot produce this statement. The implementation of mSCOA will address this shortcoming

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VOLUME II: ANNUAL FINANCIAL STATEMENTS 2015/16

Audited Consolidated Annual Financial Statements attached as **Annexure F**.

<The end>