

2017/18

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
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

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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
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

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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

In 2017 the Municipality reaffirmed its commitment to the 2016 ANC Local Government Elections Manifesto which is the Programme of Action of Council for the 2016-2021 political term of office. This report also comes at the conclusion of twenty (25) years of democracy and will show that we are continuing to make a significant impact on the triple challenges of poverty, unemployment and inequality in Greater Tzaneen Jurisdiction on a sustainable basis.

The Municipality continues to make substantial infrastructure investments to build an environment conducive for business to get-about their daily operations and to plan for the future. This report will show that our investor-friendly policies and connection with business through our Local Economic Forum yields over time the results we desire as our local economy expands despite the odds that face smaller and bigger local economies. The mood is made all the more buoyant by the Statistics South Africa report of 2011 to which we referred in our 2017 State of the municipality address: (SOMA) “Statistics SA data shows that our unemployment rate was 33.6% in 2011 and has reduced to 24.6% in 2016. This happened despite the fact that our population has grown by 22% over the same period, and more importantly, it occurs against the world economic downturn that we are slowly emerging from. We still place a high premium on the tried-and-tested equalizer that is the principles of Expanded Public Works Programme (EPWP- road, street clearing and litter picking), starting from the furthest of our deep rural villages to town which is more than any programme that helps us to absorb many of our communities into putting food on their tables working together with Public Works Department.

We also adopted an aggressive approach through GTEDA to encourage establishment of cooperatives as an easy-to-create business Entity that can help huge numbers of people to get out of the ranks of the unemployed to self-employment, GTEDA also plays a vital role in the

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realisation of the Motupa Circuit Library project and the Nkowankowa Industrial revitalisation program through LEDET as the funder and DPSA. The report will show that the municipality has continued to implement its IDP in a manner that builds confidence to our residents. The people of Greater Tzaneen expect the municipality to be well managed and to be accountable for the prudent stewardship of public funds, the safeguarding of public assets, and the effective, efficient and economical use of public resources. We will show how we have managed to mitigate risks; make improvements in our ICT infrastructure; bettered municipal financial management which all culminated in us receiving a Qualified Audit Opinion in the 2017/18 financial year from the Auditor-General.

In its preamble, the Freedom Charter (1955) cautions us that “no government can justly claim authority unless it is based on the will of the people.” The Charter being the blueprint, upon which our democratic future is established, our municipality ensures that public participation remains the hallmark of all government work. The report will show that the municipality has joined others in this sphere of government in strengthening ward committees by reimbursing them for costs related to work they do in our communities, whilst assisting ward Councillors. It will also show that the municipality has not lost the connection with communities in relation to projects it implements in their name. Furthermore, we had held numerous Mayoral Outreach programs or Mayoral IMBIZOS throughout the clusters of our Municipality.

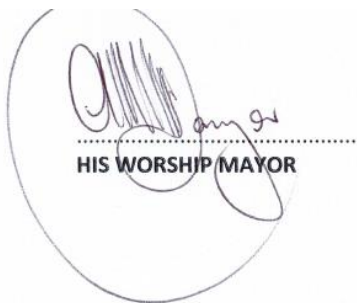
Our emphasis in the coming year and beyond is to reinforce public participation processes by introducing focused sector meetings on regular basis, which will sit to assess community impressions about the work of different municipal departments. In the interest of a sound living environment, we will address on an urgent basis, and in collaboration with the other spheres of government, the agricultural legacy which affects our town and our villages in particular. Already, in our engagements with our farmers, we noticed that as long as many young and old people struggle in the villages/townships, farmers in our jurisdiction highlights that they run short of labourers with regards to seasonal jobs they can offer annually hence they end up resorting to employ our brothers from outside the borders of our country. To

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deal with housing delivery backlog, the municipality will embark on the urban site and service approach, as well as acceleration of the implementation of the social housing policy. The township regeneration and inner city renewal programmes will also be vigorously implemented. A concerted effort including massive campaigns against crime will be made to address the scourge of crime across the municipality by having continuous engagements with the communities such as Dan, Lephepane, Lenyenye etc.

The priorities outlined in the local economic development strategy will receive the necessary attention to ensure that they are indeed realized. We will also revise our organizational structure to ensure that it is responsive to the new imperatives of national and provincial executive that will come in the near future, which will include the strengthening of a dedicated Water and Sanitation department to give new impetus to this service delivery area. In the year under review, we encourage local municipal procurement to Greater Tzaneen-based business entities, in order to boost our local economy. We also support the current project of raising of the Tzaneen Dam wall by the national department of water and sanitation to which we believe it will resolve challenges of water scarcity in and around Tzaneen town. This report will show how we are working in collaboration with government departments and private business in the provision of services to our communities.

The central message of our work remains that we are single-minded and willing to forge ahead with building a better city, while conforming to all and sundry that the Greater Tzaneen we live in today is better than the one we lived in before 1994.



HIS WORSHIP MAYOR

COMPONENT B: EXECUTIVE SUMMARY

1.1. MUNICIPAL MANAGER'S OVERVIEW

The Annual Report for Greater Tzaneen Municipality presents the status of the organisation and the level of service delivery achieved during the 2017/18 financial year. The report will provide an overview of the political and administrative structures responsible for governance. Herein, it should be noted that the organisation had long standing vacancies of senior positions during the financial year, placing a huge burden on the remaining incumbents.

In terms of good governance the municipality regressed in terms of the Audit Outcome from an Unqualified to a Qualified audit result for 2017/18. Various matters of non-compliance were identified in terms of procurement and contract management, expenditure management and human resource management.

Service delivery remained the priority of the organisation with the main achievements reflected in the report being:

- An almost universal access to electricity by households
- Expansion of solid waste collection to rural areas covering at least 41% of the GTM households
- GTM was the 1st runner up in the National Greenest Town Competition
- The construction of 2 sports facilities (Relela and Runnymede)
- The upgrading of gravel roads in various areas
- Grading of roads to ensure access to rural cemeteries
- Provision of water to villages and schools through water tankers in times of need
- Improved access to library facilities in the rural areas with the addition of the Mulati library and the planning of the Runnymede & Motupa libraries
- Expansion of cemeteries

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Although GTM managed expenditure fairly well during the 2017/18 financial year, cashflow constraints resulted in vacancies not being filled and also some maintenance programmes being affected. Service delivery initiatives which are undertaken by GTM, but for which not payment or grant funds are received, are a huge burden on the GTM cashflow e.g. providing water through water tankers on behalf of the Mopani District Municipality.

Even though GTM is still generating the bulk of its income from own revenue streams, this has to be supplemented by grants from National Treasury, with the MIG grant being the main contributor in terms of the capital expenditure on infrastructure (mainly roads and recreational facilities), while a loan had to be secured from the DBSA to fund the refurbishment of the electricity network.

The GTM revenue base has remained fairly stagnant over the years with only expansions in the 5 formal towns contributing to own revenue. The revenue received from accounts billed are at around 94% and therefore outstanding debtors are growing steadily. During 2017/18 GTM undertook various initiatives to recover debt owed by larger organisations and government institutions, which did yield good results. Cost saving measures were also introduced, after the appointment of the new management team, aimed at improving the cashflow of the organisation. The Annual Report for 2017/18 is therefore a reflection of the continued good service delivery by the municipality in spite of organisational challenges and resource constraints.

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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), as follows:

- As a water service provider (Mopani District Municipality is the Waster Services Authority)
- 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.
- Consideration of 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**).

Table 1: GTM Population by gender and age						
	2001			2011		
Age Group	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%
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%

Source: Stats SA Census 2011

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

Table 2: Socio Economic status 2015-2017				
Year	Housing backlog as proportion of current demand	Unemployment rate	% of Households with no income	HIV/AIDS prevalence
2015	12565	16%	13.4%	6,9%
2016	12590	16%	13.4%	5,0%
2017	19431	36.9%	13.4%	5.6%

Source: Census 2011

Table 3: Overview of the Towns and Villages within Greater Tzaneen Municipality		
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 1**.

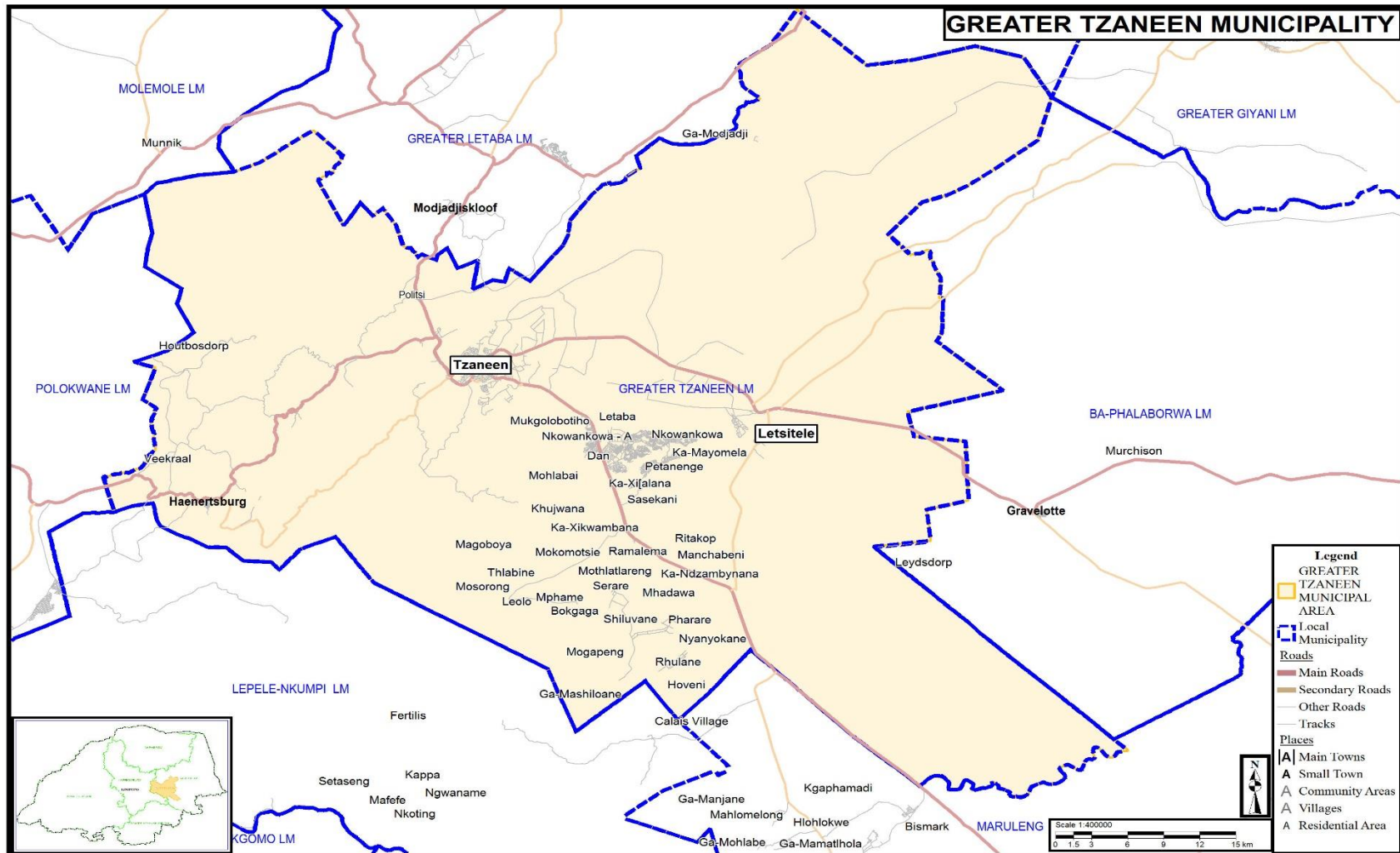
Table 4: Natural Resources in Greater Tzaneen municipal area (2017/18)		
Major Natural Resource	Relevance to the Community	GTM activities to promote resource optimisation
Land	Agricultural development Mining and quarrying Property development Grazing land for domestic and wild animals	<ul style="list-style-type: none"> Revitalisation of Agricultural Schemes Implement Agro-Processing and value chain Address illegal sand mining in rural areas
Rivers, waterfalls and dams	Water for agriculture Human consumption Tourism development/promotion	<ul style="list-style-type: none"> Manage rivers, streams and wetland Develop adventure tourism
Forests	Manufacturing/sawmills Improve biodiversity and biosphere Soil conservation	<ul style="list-style-type: none"> Implementation of the forestry value chain Veld management Solar power in new development

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Table 4: Natural Resources in Greater Tzaneen municipal area (2017/18)		
Major Natural Resource	Relevance to the Community	GTM activities to promote resource optimisation
Nature Reserves	Environmental management Improvement of the eco-system Preservation of indigenous species and animals Tourism	<ul style="list-style-type: none">▪ Harvest rain water for irrigation▪ Compost production from farm▪ Environmental management to reduce soil erosion and degradation▪ Conservation of protected area e.g. Tzaneen nature reserve, Lekgalametse etc.▪ Promote anti-tourism▪ Tourism route development

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Figure 1: Map of GTM Area



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1.3. SERVICE DELIVERY OVERVIEW

During the 2017/2018 financial year, the projects listed below in **Table 5**, were implemented to improve the lives of the GTM community.

Table 5: Key Service delivery initiatives 2017/18	
Service	Activities
1. Water	✓ Operation and maintenance of water works, distribution network, water tankering and quality control.
2. Sanitation	✓ Operation and maintenance of wastewater treatment works, sewer reticulation network and quality control
3. Electricity	<ul style="list-style-type: none">✓ 755 households electrified at Joppie/ Mavele/ Radoo/ Xihoko/ Thapane villages✓ 327 households electrification at Julseburg Area villages✓ 396 households electrified at Serare/ Leolo/ Tshidinko villages✓ 25 households electrified at Cannors Settlement✓ 87 households electrified at Lephepane/ Rasebalane villages✓ 10 households electrified at Mabjepilong village✓ 31 households electrified at Pyapyamela Village✓ 181 households electrified at Ramotshinyadi village✓ 167 households electrified at Shikwambani
4. Roads and Storm water	✓ Upgrading from gravel to tar, potholes repairs, re-gravelling, blading and desilting of stormwater drainage systems
5. Waste Management	<ul style="list-style-type: none">✓ 8,537 (8%) urban households receive a full kerbside-collection service✓ 33,600 (31%) households in rural-areas receive a basic removal service from a central collection point✓ 66,550 households using communal dump or own refuse dump in remote rural areas
6. Town Planning	<ul style="list-style-type: none">✓ Finalised the establishment of the Planning Tribunal and gazetted same.✓ Gazetted and adopted a Planning By –Law.✓ Reviewed the Spatial Development Framework 2017 to 2022 in accordance with SPLUMA requirements.✓ Engage a process of formulation of the Land Use Scheme which process is ongoing.

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Table 5: Key Service delivery initiatives 2017/18

Service	Activities
	<ul style="list-style-type: none"> ✓ The Planning Tribunal convened 8 meeting and approved 3 Townships, 45 amendment scheme applications, 17 Consent use applications and 43 rural use applications. ✓ Issued 37 illegal use notice and resolve possible litigations. ✓ Implemented 3 SDF policies in urban area, viz Density policy, urban regeneration and nodal policy in all urban areas. ✓ Implemented record keeping as prescribed in SPLUMA.
7. Land, Property and Housing	<ul style="list-style-type: none"> ✓ 427 RDP Housing Units completed ✓ 1 Donated Housing Units completed ✓ 15 Housing Units for Military Veterans ✓ 10 Housing Consumer Education campaigns ✓ Procured Portion 2 of the farm Novengila 562LT approximately 20.0463Ha. ✓ Procured Remaining Extent of the farm Mohlaba's Location 567 LT for the establishment of Nkowankowa and Lenyenye Cemeteries. ✓ Acquired funding for Township establishment of Tzaneen Ext 105.number of Informal Settlements upgrading 1 (Nkambako Village).
8. Library Services	<ul style="list-style-type: none"> ✓ Library development and reading promotion; Book related events; Establishment of new libraries (facilitation of libraries to be built by the DSAC at Runnymede and by the Rand Water Foundation at Motupa)
9. Cemeteries	<ul style="list-style-type: none"> ✓ 8 are being maintained
10. Recreation	<ul style="list-style-type: none"> ✓ 3 new Sports facilities constructed (Burgersdorp, Relela & Juliesburg)

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
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%
2016/2017	96%	16.3%	76.8%	41%
2017/2018	99%	75.79%	98.3%	52%

1.4. FINANCIAL HEALTH OVERVIEW

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The Constitution of the Republic of South Africa (Act 108 of 1996) determines that a municipality must conduct its business in such a manner that services are rendered sustainably. Financial sustainability is important as it refers to the ability of a municipality to achieve the provision of service without interruption in the long run. Sound financial management principals have therefor 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 R99 million has been levied by way of property tax and R485 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 R1,196 billion has been spent on operating activities, of which R45 million (excluding labour) was used to maintain Council's assets. Council ended the financial year with a cash book balance of R7.5 million, but conditional grant allocations to the amount of R2.9 million have not been spent during the financial year. The cost containment measures issued by National Treasury and highlighted in the 2017 state of the nation speech has also been implemented to reduce excessive expenditure and eliminate wasteful expenditure. To promote financial viability and sustainability the municipality also places emphasis on the following activities:

- Reduction of wasteful expenditure
- Reduction of irregular expenditure
- Cut cost: Do more with less resource
- Management of contractors payments
- Management of expenditure budget.

Table 7: Financial Overview 2017/18 (R'000)			
Details	Original budget	Adjustment budget	Actual
<i>Income</i>			
Grants	439 982	461 842	428 741
Taxes, Levies and tariffs	636 183	636 183	610 949

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Table 7: Financial Overview 2017/18 (R'000)			
Details	Original budget	Adjustment budget	Actual
Other	73 777	73 777	97 736
Sub Total	1 149 942	1 171 802	1 137 426
<i>Less Expenditure</i>	1 104 879	1 117 686	1 221 701
Net Total*	45 062	54 116	(84 275)
*Note: surplus/deficit			

It is evident from the figures contained in **Table 7** that there are variances between the budgeted and actual figures. With regard to the expenditure, it is confirmed that overspending on the Budget is mainly the result of the R89 million overspending on the provision for Bad Debts, which is a non-cash item and R7, 9 million on legal fees. Grants and subsidies exceeded the budget by R74 million, due to the projects that were budgeted for under capital and were transferred to RAL after completion. The difference between total budgeted and total actual expenditure amounts to R104 million or 7,5%.

Table 8: 5- year Actual Operating Ratios (%)					
Detail	2013/2014	2014/2015	2015/16	2016/17	2017/18
Employee Cost ¹	33.7%	30.6%	26.83%	24.59%	27.46%
Repairs and Maintenance	2.61%	4.00%	2.61%	3.22%	4.50%
Finance Charges and Depreciation	12.6%	16.0%	17.40%	12.78%	13.68%

As presented in **Table 8**, employee cost represents 27.46% of the total revenue which is below the acceptable norm of 35%. Repairs and maintenance represent only 4.50% 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

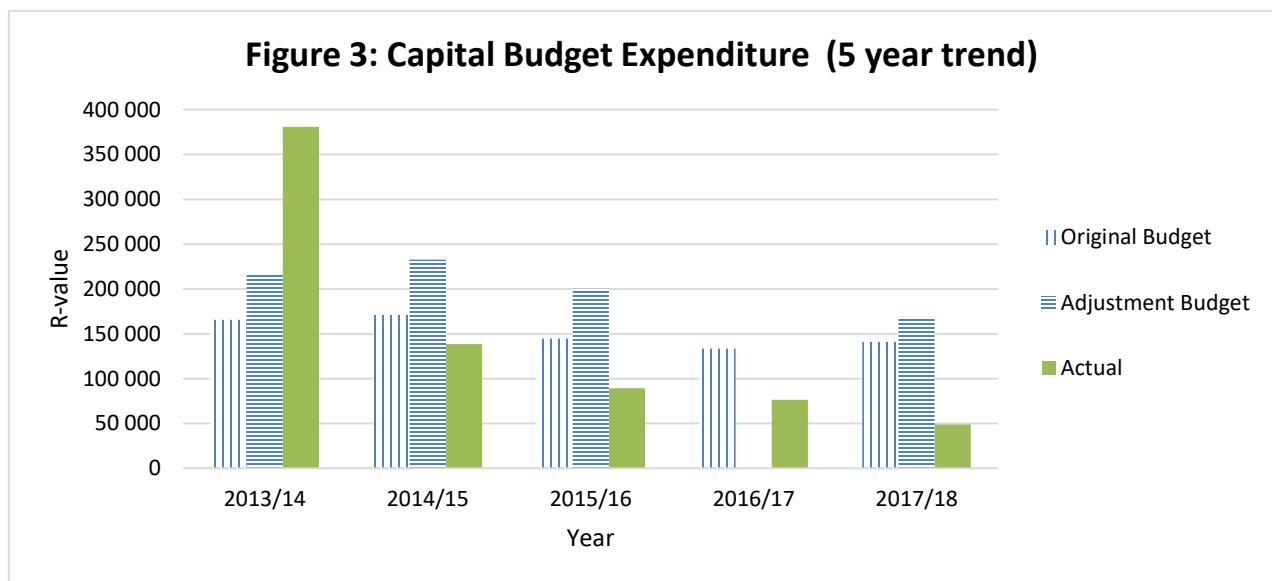
¹ Salaries as percentage of Total Revenue

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and maintenance cost, it would represent 6,2% of the total actual expenditure. Finance charges and depreciation represent 13.68% of the total revenue which is acceptable.

Table 9: Total Capital Expenditure (2013/14 - 2017/18) (R'000)					
Detail	2013/14	2014/15	2015/16	2016/17	2017/18
Original Budget	165 630	170 904	144 684	133 453	140 890
Adjustment Budget	217 482	232 738	200 256	220 547	168 926
Actual	380 673	138 659	89 143	76 411	48 788

The 2017/18 financial year ended with an actual capital expenditure of R48.8 million, compared to the Adjusted budget of R168.9 million (also see **Table 9**), due to the roll-over of projects and also the donated assets. Roads upgraded by GTM, to the amount of R77 million, were donated to RAL.



No roll over was applied for to Treasury for 2017/18 projects.

1.5. ORGANISATIONAL DEVELOPMENT OVERVIEW

As on 30 June 2018 a total of 1446 positions were approved of which 650 were filled with 796 vacancies. The organisational structure (attached as **Annexure A**) for 2017/2018 was approved by Council (Council Resolution: A 44 C 2018 05 25) with effective from 1 July 2018. This was done in order for the Municipality to comply with Section 66 of the Municipal System

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Act (Act 32 of 2000). Although posts are being filled, there is insufficient budget provision to reduce the vacancy rate significantly. It has been acknowledged that the structure is, to a certain extent inflated, and not entirely addressing areas of mandate and cannot realistically be funded. In order to determine a more realistic organogram, an independent service provider will be engaged.

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1.6. AUDITOR GENERAL REPORT (2017/18)

The Council is responsible for the preparation of the Annual Financial Statement which fairly presents the state of affairs of Council for each financial year. The 2017/18 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, see **Annexure B**, (including GTEDA) for 2017/2018 Financial year have been audited by the Auditor General. The AG issued their consolidated audit report on GTM & GTEDA to the Mayor and Municipal Manager during December 2018 (attached as **Annexure C**). The GTM received a qualified opinion.

1.7. STATUTORY ANNUAL REPORT PROCESS

Greater Tzaneen Municipality annually comply with the reporting process as outlined below in **Table 10**.

Table 10: Annual reporting 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	
4	Submit draft Annual Performance Report to Internal Audit and Auditor-General	
5	Municipal entities submit draft annual performance reports to MM	

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Table 10: Annual reporting process		
No.	Activity	Timeframe
6	Audit/Performance Committee considers draft Annual Performance Report of Municipality and entities (where relevant)	August
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	September - October
12	Municipalities receive and start to address the Auditor General's comments	November
13	Mayor tables Audited Financial Statements to Council complete with the Auditor- General's Report	
14	Audited Annual Report is tabled to Council by the Mayor made public	January
15	Annual Report is made public and inputs/comments are invited	
16	Municipal Public Accounts Committee (MPAC) assesses Annual Report	February
17	Council adopts Oversight report from MPAC	March
18	Oversight report is made public	
19	Oversight report is submitted to relevant provincial Council	

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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.

2.1 POLITICAL GOVERNANCE

The key functions of the political component of the municipality are provided below.

Oversight Function.

The Municipal Council remains responsible for the specific oversight of all municipal activities and in particular fiscal matters. In as far as specific requirements are concerned, the Municipality did establish the following Committees to play an oversight role:

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



POLITICAL STRUCTURE

Function

MAYOR

Mr. Maripe
Mangena

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

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SPEAKER

Mrs.
Mmetle

DJ

functions within the limits of the Municipality's approved budget.

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.



CHIEF WHIP

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 to the Committee Chairs, to carry out Party political functions in Committees.

EXECUTIVE COMMITTEE

1. C Machimana
2. S Mbhalati
3. T Maunatlala
4. E Ntimbane
5. S Tiba
6. L Hlangwane
7. M Letsoalo
8. M Sekhwela
9. M Prinsloo

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.

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Greater Tzaneen Municipality has 69 Councillors, 35 Ward Councillors who are directly elected and 34 proportional representation Councillors. The ANC has 52 seats, the DA 7 seats; EFF 8 seats, Cope and APC each have a seat. The ANC is in charge of 33 of the 35 wards and the rest is led by the DA (attendance of Councillors in Council meetings are available in **Addendum A**). The Executive Committee consists of 10 members, which is chaired by the Mayor. 7 members of the Committee are Head of Portfolios reporting to the Portfolio Committees chaired by non-executive chairpersons. The Mayor, Speaker, Chief Whip, MPAC Chairperson and four other Councillors, who are also part of EXCO, are fulltime Councillors.

Council established a Municipal Oversight Committee consisting of non-executive members of Council. Their attendance in MPAC meetings are presented in Table 11:

Table 11: MPAC Members attendance during 2017/18			
Councillor Name	No of meetings attended	No of meetings apology submitted	Total No of MPAC meetings
Derick Mkhabela (Chair)	9	5	15
Thomas Mushwana	13	2	15
Ngwako Maunatlala	12	3	15
Malesela Mafokwane	7	3	15
Josephine Mokgoloboto	14	1	15
Irene Rapatsa	11	4	15
Ngwako Mohonone	14	1	15
Dumisani Malemela	6	7	15
Edward Ngobeni	12	3	15

The roles and responsibilities of each committee of Council is outlined in **Addendum B**.

It should be noted that GTM has a functional Audit Committee that provides opinions and recommendations on financial processes and performance to Council.

GTM Audit Committee comprise of the following independent members:

- Stanley Ace Ngobeni (Chairperson)

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- Hazel Nurse Masedi
- Leon Lankalebalela
- Jan Moitswadi Mofokeng

The Audit Committee advise Council, Accounting Officer, GTEDA Board and Management staff of GTM and GTEDA on matters relating to:

- Internal financial control and internal audits
- Risk management
- Accounting policies
- The adequacy, reliability and accuracy of financial reporting and information
- Performance management
- Effective governance
- Compliance with applicable legislation
- Performance evaluation and
- Other issues referred to it by the municipality or the municipal entity

The Audit Committee also reviewed the Annual Financial Statements to provide Council and the Board with an authoritative and credible view of the financial position of the municipality and the municipal entity.

2.2 ADMINISTRATIVE GOVERNANCE

The Municipal Manager is the Accounting Officer of the Municipality for the purpose 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 2017/18 being:

- Office of the Municipal Manager
- Office of the Budget and Treasury
- Corporate Services
- Community Services

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- Electrical Engineering
- Engineering Services
- Planning and Economic Development
- Office of the Mayor

The top administrative structure is presented below:



TOP ADMINISTRATIVE STRUCTURE

TIER 1

MUNICIPAL MANAGER

Mr. BS Matlala

Function

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

TIERS 2 AND 3



CHIEF FINANCIAL OFFICER

Ms. P Makhubela

Manages Revenue, Expenditure, Supply Chain, Financial Services (budget and reporting), Assets, Fleet and Stores.



DIRECTOR: COMMUNITY SERVICES

Mr. A Nkuna

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. MS Lelope

Manages Electricity service provision and infrastructure maintenance in service area

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DIRECTOR: PLANNING & ECONOMIC DEVELOPMENT

Mr. B Mathebula

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



DIRECTOR: CORPORATE SERVICES

Mr. W Shibamba

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



DIRECTOR: ENGINEERING SERVICES

Mr. W Molokomme

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

COMPONENT B: INTERGOVERNMENTAL RELATIONS

2.3 INTERGOVERNMENTAL RELATIONS

Greater Tzaneen Municipality participates in a number of national fora which enhance management practices for quality service. These include:

- SALGA Forums
- Provincial Forums
- District Forums
- Back to Basics Forum

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The Municipality has an entity called Greater Tzaneen Economic Development Agency (GTEDA). The agency has a board which is the decision making body. The board reports the activities of the agency to Council. The agency has a Chief Executive Officer who attends to its day to day affairs.

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COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

Community participation is encouraged in the developmental planning, service delivery and council decisions, through the following processes.

- **Administrative structures:** The wards have been clustered into 4 groups with officials allocated to support community participation in each cluster.
- **Political structures:** Full time councillors are deployed to the clusters in order to act as support and monitoring structures to ward and PR councillors on political issues.
- **Community structures:** Establishment of ward committee (the ward committees re-established through stakeholders). Sub committees (committees that are dealing specifically with portfolios allocated within ward committees). Cluster forum (traditional authority, civil society organisation and CBO's).
- **Communication with the communities through:**
 - Community Development Leaders
 - Ward Committee Meetings
 - Road shows
 - Petitions
 - Public hearings
 - Consultative meetings
 - IDP representative forums

2.4 PUBLIC MEETINGS

The ward committees serve as the primary link between the municipality and the community. Purpose of ward committee is to enhance participatory democracy (Section 72(3) of the structures Act). The ward committees hold meetings on monthly basis and through clusters submit consolidated reports to Council on a quarterly basis. Challenges do exist with the

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convening of community feedback and cluster meetings. Not every ward has had community feedback meetings as expected. Critical role players are sometimes not available to attend cluster forum which leads to such meetings to be cancelled or postponed. Non-holding of ward cluster forum has a negative bearing on the submission of ward committee reports to Council.

A noticeable improvement has been noted in ward committees holding monthly meetings as per establishment notice.

- Monthly report written and monthly activities of ward committees are outlined to Council through departmental reports
- Ward committees participated in:
 - IDP public hearing meetings
 - Portfolios activities
 - Capacity building workshop.

Table 12: Top 4 service delivery priorities per ward		
Ward Number	Main villages	Top four service delivery priorities
1	<ul style="list-style-type: none"> • Moloko • Pelana • Mantswa 	<ul style="list-style-type: none"> • Grading of sports and recreational fields • Grading of internal streets • Water reticulation at Moloko, Pelana and Mantswa • Completion of blocked housing projects
2	<ul style="list-style-type: none"> • Mawa Block 9 and 12 • Mokhwatsi 	<ul style="list-style-type: none"> • Bridges Mawa Block 9 (Mmakefora road) and Block 12 • Speed humps and internal streets • Mawa block 12 boreholes and Reservoir at Mokgwathi village • Apollo lights At Khesethwane village
3	<ul style="list-style-type: none"> • Ramotshinyadi • Radoo • Mokhwatsi 	<ul style="list-style-type: none"> • Upgrading of Wally to Ramotshinyadi and Xihoko via Joppie, Babanana-N'wamitwa connector road. • Water at Ramotshinyadi, Wally and Radoo • Apollo light at Mokgwathi and Ramotshinyadi • Paving of internal streets
4	<ul style="list-style-type: none"> • Rikhotso • Mookgo Block 6 • Morapalala 	<ul style="list-style-type: none"> • Addition of DOC at Molokwane, Xirhulurhulu and Gwambeni schools • Regravelling of Rikhotso via Xihoko to Mookgo Block 6 to Morapalala road

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Table 12: Top 4 service delivery priorities per ward

Ward Number	Main villages	Top four service delivery priorities
		<ul style="list-style-type: none"> Emergency RDP house for orphans
5	<ul style="list-style-type: none"> Nkambako Musiphane Maweni Akanani Malubana Makheri 	<ul style="list-style-type: none"> Water reticulation in all villages Upgrading on Nkambako to Musiphane roads Renovation of Mahwahwa hall Culverts at Maweni to Akanani road
6		<ul style="list-style-type: none"> Water supply at N'waHorwhani new extension, Halahala, Goxela, New Canada and Mukhosani Morutsi-Mavele unfinished road Internal streets maintenance and opening at new extensions Low level bridges at New Canada next Vasasele, Daniel Mathebula and Mkhawani areas
7	No participation place	Public took
8	No participation place	Public took
9	<ul style="list-style-type: none"> Sefolwe Moleketla Mopye Thako Jokong Sebabane Setoni 	<ul style="list-style-type: none"> Water pipelines from Ebenezer to Ward 9 villages and Reservoir at Makaba, Kgwekgwe and Sefolwe High rate of crime at Moleketla, Mopye, Kgwekgwe, Thako & Jokong New grounds at Kgwekgwe, Thako, Jokong and Moleketla Renovations at Kelekeshe High School Unfinished roads from Mopye-Sebabane-Setoni
10	<ul style="list-style-type: none"> Kubjana 	<ul style="list-style-type: none"> Youth employment Apollo lights installation at Kubjana hot spots Construction of Shopping complex at Mokete Ward information centre
11	No participation place	Public took
12	No participation place	Public took
13	Mandlakazi Mieliekloof	<ul style="list-style-type: none"> Upgrading of road D3248 road to tar Construction Mandlakazi Clinic Construction of sports and recreation centre and community hall

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Table 12: Top 4 service delivery priorities per ward		
Ward Number	Main villages	Top four service delivery priorities
		<ul style="list-style-type: none"> Boreholes for areas without access to water
14	No participation place Public took	
15	No participation place Public took	
16	<ul style="list-style-type: none"> Haenertsburg Khujwana 	<ul style="list-style-type: none"> Repairs of roads and Regraveling of roads to the cemetery Maintenance equipment for parks Municipal account Internet link Renovations and repairs at the community centre
17	<ul style="list-style-type: none"> Mokgolobtho Nkowankowa Dan 	<ul style="list-style-type: none"> Low level bridge at Nceve street in Mokgolobotho and Upgrading of visiting point in Mokgolobotho Construction of the Reservoir in Mokgolobotho RDP Houses and VIP toilets in Mokgolobotho and Nkowankowa section Apollo lights
18	No participation place Public took	
19	<ul style="list-style-type: none"> Nkowankowa A,B Dan 	<ul style="list-style-type: none"> Conversion of Nkowankowa offices into library Maintenance and security at parks in Nkowankowa Maintenance of street lights and community hall Equipment for Nkowankowa indoor sports centre
20	No participation place Public took	
21	<ul style="list-style-type: none"> Nkowankowa C Dan 	<ul style="list-style-type: none"> Addition of Cricket pitch and in the Nkowankowa Indoor sports centre Completion of first bus stop at Nkowankowa-Mariveni road Completion of Nkowankowa sewer Speed humps in section C
22	<ul style="list-style-type: none"> Mhangweni Mafarana 	<ul style="list-style-type: none"> Mhangweni to Mafarana road Renovation of Mhangweni Training Centre Appointment of pump operators on permanent basis Borehole drilling at Mhangweni Primary school
23	No participation place Public took	

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Table 12: Top 4 service delivery priorities per ward

Ward Number	Main villages	Top four service delivery priorities
24	No participation place Public took	
25	<ul style="list-style-type: none"> Bonn Mulati 	<ul style="list-style-type: none"> Water, Boreholes & Diesel Pumps and Water and Roads in new extensions Apollo lights Construction of Bonn Comprehensive school & renovations in Professor High School Mafarana –Mulati road to support the library
26	<ul style="list-style-type: none"> Rhulani Julesburg 	<ul style="list-style-type: none"> Construction of road on Rhulani village Internal streets Renovation of Dumela High
27	<ul style="list-style-type: none"> Pulaneng Myakayaka Shoromone Bokgaga Shilubane Mineview 	<ul style="list-style-type: none"> Road from Pulaneng, Myakayaka via Kings to Shoromone Maintenance of boreholes and reservoirs, Burgersdorp old mine and pipeline valves and reticulation at Shiluvane reservoirs Overhead bridge at Masehlane to Bokgaga high school Street lights at strategic areas, Mogapeng, Sonkwane, Shoromone, Shilubane, Mmalekeke, Makhubidung, CN Hospital, Matselapa and Mineview.
28	<ul style="list-style-type: none"> New Phephene Mokgapeng Gabaza Burgersdorp 	<ul style="list-style-type: none"> Upgrading of CN Phatudi road via New Phephene to Mokgapeng clinic to tar Culverts at Burgersdorp Boreholes installation at Gabaza and water tanks at Burgersdorp and Gabaza Electricity at extensions
29	No participation place Public took	
30	No participation place Public took	
31	No participation place Public took	
32	<ul style="list-style-type: none"> Mohlaba Cross 	<ul style="list-style-type: none"> Job opportunities RDP houses and Toilets Borehole at Ramodike bar lounge Clinic at Mohlaba cross and Special school

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Table 12: Top 4 service delivery priorities per ward

Ward Number	Main villages	Top four service delivery priorities
33	No Public participation took place	
34	<ul style="list-style-type: none"> • Matapa • Leseke • Lephepane • Topanama 	<ul style="list-style-type: none"> • Low level bridge at Mokhapa, Mogabe, Matapa, Leseke, Ramoshaba, Mahlogwe, Serurubele and Topanama • Upgrading of Marakeng to Lephepane to Craighead and ga Makhokho from gravel to tar • Ablution facilities at Mahlane and Ramoba schools • Water
35	N/A	N/A

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Table 13: Public meetings held during 2017/18

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					
Mayoral imbizo (ward 16)	13/ 09/ 2017	22	10	278	Feedback has been given through the Ward Councillor in a community feedback meeting.
Mayoral imbizo (ward 20)	20/ 09/ 2017	15	05	180	Feedback has been given through the Ward Councillor in a community feedback meeting.
Mayoral imbizo (ward 22)	04/ 10/ 17	20	12	215	Feedback has been given through the Ward Councillor in a community feedback meeting.
Mayoral imbizo (ward 23)	08/10/2017	13	09	191	Feedback has been given through the Ward Councillor in a community feedback meeting.
Mayoral imbizo (ward 31)	31/ 10/ 2017	12	06	360	Feedback has been given through the Ward Councillor in a community feedback meeting.
Mayoral imbizo (ward12)	28/02/2018	37	11	403	Feedback has been given through the Ward Councillor in a community feedback meeting.
IDP/Budget Consultative Meetings (to secure inputs into the draft IDP and Budget for 18/19)					
Ward 1 Draft IDP/Budget Public Participation	15/04/2018	Not known	Not known	Not known	The IDP Budget Public participation inputs on Draft IDP and Budget held on 15/04/2018 attended by 60 people
Ward 4 Draft IDP/Budget Public Participation	02/04/2018	Not known	Not known	Not known	The IDP Budget Public participation inputs on Draft IDP and Budget held on 12/04/2018 attended by 178 people
Ward 5 Draft IDP/Budget Public Participation	14/04/2018	Not known	Not known	Not known	The IDP Budget Public participation inputs on Draft IDP and Budget held on 14/04/2018 attended by 57 people

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Table 13: Public meetings held during 2017/18

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
Ward 8 Draft IDP/Budget Public Participation	07/04/2018	Not known	Not known	Not known	The IDP Budget Public participation inputs on Draft IDP and Budget held on 07/04/2018 attended by 31 people
Ward 9 Draft IDP/Budget Public Participation	15/04/2018	Not known	Not known	Not known	The IDP Budget Public participation inputs on Draft IDP and Budget held on 15/04/2018 attended by 65 people
Ward 10 Draft IDP/Budget Public Participation	07/04/2018	Not known	Not known	Not known	The IDP Budget Public participation inputs on Draft IDP and Budget held on 07/04/2018 attended by 76 people
Ward 11 Draft IDP/Budget Public Participation	07/04/2018	Not known	Not known	Not known	The IDP Budget Public participation inputs on Draft IDP and Budget held on 07/04/2018 attended by 50 people
Ward 12 Draft IDP/Budget Public Participation	15/04/2018	Not known	Not known	Not known	The IDP Budget Public participation inputs on Draft IDP and Budget held on 15/04/2018 attended by 150 people
Ward 13 Draft IDP/Budget Public Participation	15/04/2018	Not known	Not known	Not known	The IDP Budget Public participation inputs on Draft IDP and Budget held on 15/04/2018 attended by 75 people
Ward 14 Draft IDP/Budget Public Participation	15/04/2018	Not known	Not known	Not known	The IDP Budget Public participation inputs on Draft IDP and Budget held on 15/04/2018 attended by 102 people
Ward 15 Draft IDP/Budget Public Participation	19/04/2018	Not known	Not known	Not known	The IDP Budget Public participation inputs on Draft IDP and Budget held on 19/04/2018 attended by 43 people
Ward 16 Draft IDP/Budget Public Participation	14/04/2018	Not known	Not known	Not known	The IDP Budget Public participation inputs on Draft IDP and Budget held on 14/04/2018 attended by 44 people
Ward 17 Draft IDP/Budget Public Participation	22/04/2018	Not known	Not known	Not known	The IDP Budget Public participation inputs on Draft IDP and Budget held on 22/04/2018 attended by 165 people
Ward 18 Draft IDP/Budget Public Participation	15/04/2018	Not known	Not known	Not known	The IDP Budget Public participation inputs on Draft IDP and Budget held on 15/04/2018 attended by 73 people

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Table 13: Public meetings held during 2017/18

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
Ward 19 Draft IDP/Budget Public Participation	22/04/2018	Not known	Not known	Not known	The IDP Budget Public participation inputs on Draft IDP and Budget held on 22/04/2018 attended by 65 people
Ward 20 Draft IDP/Budget Public Participation	01/05/2018	2	1	112	The IDP Budget Public participation inputs on Draft IDP and Budget held on 01/05/2018 attended by 70 people
Ward 21 Draft IDP/Budget Public Participation	17/04/2018	Not known	Not known	Not known	The IDP Budget Public participation inputs on Draft IDP and Budget held on 17/04/2018 attended by 64 people
Ward 22 Draft IDP/Budget Public Participation	22/04/2018	Not known	Not known	Not known	The IDP Budget Public participation inputs on Draft IDP and Budget held on 22/04/2018 attended by 70 people
Ward 23 Draft IDP/Budget Public Participation	27/04/2018	Not known	Not known	Not known	The IDP Budget Public participation inputs on Draft IDP and Budget held on 27/04/2018 attended by 110 people
Ward 24 Draft IDP/Budget Public Participation	22/04/2018	Not known	Not known	Not known	The IDP Budget Public participation inputs on Draft IDP and Budget held on 22/04/2018 attended by 75 people
Ward 25 Draft IDP/Budget Public Participation	27/04/2018	Not known	Not known	Not known	The IDP Budget Public participation inputs on Draft IDP and Budget held on 27/04/2018 attended by 91 people
Ward 27 Draft IDP/Budget Public Participation	29/04/2018	Not known	Not known	Not known	The IDP Budget Public participation inputs on Draft IDP and Budget held on 27/04/2018 attended by 70 people
Ward 28 Draft IDP/Budget Public Participation	22/04/2018	Not known	Not known	Not known	The IDP Budget Public participation inputs on Draft IDP and Budget held on 22/04/2018 attended by 57 people
Ward 30 Draft IDP/Budget Public Participation	22/04/2018	Not known	Not known	Not known	The IDP Budget Public participation inputs on Draft IDP and Budget held on 22/04/2018 attended by 72 people
Ward 32 Draft IDP/Budget Public Participation	29/04/2018	Not known	Not known	Not known	The IDP Budget Public participation inputs on Draft IDP and Budget held on 29/04/2018 attended by 75 people

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Table 13: Public meetings held during 2017/18

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
Ward 33 Draft IDP/Budget Public Participation	29/04/2018	Not known	Not known	Not known	The IDP Budget Public participation inputs on Draft IDP and Budget held on 29/04/2018 attended by 230 people
Ward 34 Draft IDP/Budget Public Participation	29/04/2018	Not known	Not known	Not known	The IDP Budget Public participation inputs on Draft IDP and Budget held on 29/04/2018 attended by 77 people
IDP Representative Forum					
	24/08/2017	Not known	Not known	Not known	24/08/2017 IDP Rep Forum held at Lenyenye community hall for IDP/Budget/PMS Process Plan.
	21/09/2017	12	4	24	21/09/2017 IDP Rep Forum held at Valoyi Community hall for consideration of the Analysis Phase.
	26/01/2018	28	12	61	26/01/2018 IDP Rep Forum held at Valoyi Nkowankowa hall for consideration of the Strategies Phase.
	23/02/2018	12	12	75	23/02/2018 IDP Rep Forum held at Ratanang DIC, Relela to consider the 2017/18 IDP Adjustment
	19/03/2018				19/03/2018 IDP Rep Forum held at NAPSCOM to consider the Projects, Integration and Draft IDP and Budget.
	18/05/2018	46	20	67	18/05/2018 IDP Rep Forum held at SIMA SILVER LODGE to consider the Final IDP and Budget.

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2.5 IDP PARTICIPATION AND ALIGNMENT

Table 14: IDP participation and alignment criteria	
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 that of the Senior 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

Although the 2017/18 IDP and Budget were aligned during approval in May 2017, circumstances surrounding the applications for Loans to fund the capital projects changed. The receipt of an MIG bonus and the subsequent roll-over projects required an adjustment to the IDP and Budget to be made.

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COMPONENT D: CORPORATE GOVERNANCE

2.6 RISK MANAGEMENT

The municipality must implement and maintain effective, efficient and transparent systems of risk management and internal control. The top five risks are presented in **Table 15**.

Table 15: Top five risks for 2017/18				
	Risks	Root Cause	Mitigation/Required Action	Department Responsible
1	Increasing/abnormal power outages	Ageing infrastructure; Inadequate repairs and maintenance of electrical infrastructure,	Implement maintenance crisis recovery and master plans	ESD
2	Failure to recover Systems data	Collapse in ICT infrastructure & systems failure.	Purchase of DRP equipment and implementation of approved DRP.	Corporate Services
3	Abuse of overtime/Excessive overtime worked	Non-Compliance with basic conditions of employment Act, Lack of consequence management, Poor management control	Implement overtime policy and BCEA; Adherence to threshold on overtime, Implement cost containment measures as guided by National Treasury; Overtime management be standing item in management meetings; Monthly and quarterly reporting of overtime.	Corporate Services
4	Increasing Unauthorised, Irregular, Fruitless and Wasteful Expenditure (UIF)	Non-compliance with SCM policy, procedures and processes.	The municipality in in the processes of developing Consequence Management Policy and also a consideration of establishing Financial Misconduct Board as guided by Treasury.	MM/Corporate Services
5	Non-alignment of IDP, Budget & SDBIP	Adjustments to Budget not reflected in IDP, Poor integration of programs, No synergy between Budget and IDP steering committees	IDP must precede budget processes, Ensuring that IDP, Budget, & PMS process plan is properly followed; Further alignment to be done during adjustment budget;	MM

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Table 15: Top five risks for 2017/18

	Risks	Root Cause	Mitigation/Required Action	Department Responsible
			Implementation of mSCOA project which will in the processes address the problem of non-alignment.	

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 established anti-corruption committee to strengthen and enhance the anti-corruption capacity and coordinate the implementation of anti-corruption strategy. The committee will perform the following duties,

- a) To oversee the Municipal approach to fraud prevention, detection strategies and response to fraud and corruption incidents reported by employees or external parties.
- b) Ensure that the fight against corruption is fully coordinated and integrated, with synergies between the elements of prevention, detection, investigation, prosecution and monitoring in all municipal departments.
- c) Advise the municipality in all fraud and corruption related matters.
- d) Establish a system for information collection, coordination, dissemination including management.
- e) Make recommendations to the Council as per National anti-corruption strategy

During 17/18 GTM implemented an anti-corruption hotline, whereby all fraud and corruption related activities can be reported.

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Recommendations of audit Committee are contained in [ADDENDUM G](#). The Annual Report of the Audit Committee for 2017/18 is attached as **Annexure F**. The table below presents the cases of fraud and corruption addressed during the 2017/18 financial year:

Table 16: Cases of fraud and corruption for 2017/19					
Type of offence	Date reported	Investigation conducted (yes/no)	Intervention / Sanction	Financial loss incurred by Council	Repeated offence (yes/no)
Gross dishonesty and forgery	JUNE 2017	YES	10 days suspension without pay and final written notice.	NO	NO
fraud and dishonesty	05 June 2017	YES	Final written warning and 4 days suspension without pay.	YES	NO
Misrepresentation of information	JUNE 2017	YES	Verbal warning in writing.	NO	NO
fraud and dishonesty	17 August 2017	YES	Case involves duplication of overtime. Appointment with the accused official still to be made in order to obtain her version of the story before an investigation report is to be compiled.	NO	NO
Fraud and dishonesty	27 November 2017	YES	Case involves an act of fraud regarding S&T application. The official submitted his statement and investigation report is to be compiled	NO	NO
Fraud and Corruption	13 December 2017	YES	Case involving acts of corruption. All four officials were placed on precautionary suspensions effectively from the 21/12/2017.	YES	NO

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Table 16: Cases of fraud and corruption for 2017/19

Type of offence	Date reported	Investigation conducted (yes/no)	Intervention / Sanction	Financial loss incurred by Council	Repeated offence (yes/no)
			Accused 1 appeared on the 11 and 12/06/2018 awaiting outcome Second to appear on the 18,19,20 July 2018 Third to appear in August 2018		

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 municipality 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 2017/18 Council revised and approved the SCM Policy as required. 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

Other Financial Matters

- The function of requesting for quotations has been centralised within the SCM Unit to avoid abuse of the system.

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2.9 BY-LAWS

During the 2017/2018 Financial Year the By-Laws mentioned below were introduced.

Table 17: By-laws introduced during 2017/18					
By-law	Revised or Newly Developed	Public participation conducted prior to adoption (yes/no)	Date of public participation	By-Law gazetted	Date of publication
Cemetery	Revised	Yes	25 / 09 / 2015	No	None
Health For Pre-Schools	Revised	Yes	25 / 09 / 2015	No	None
Keeping of Animals	Revised	Yes	25 / 09 / 2015	No	None
Dog Licence	Revised	Yes	25 / 09 / 2015	No	None
Electricity	Revised	Yes	25 / 09 / 2015	No	None
Street Trading	Revised	Yes	25 / 09 / 2015	No	None
SPLUMA	Newly Developed	Yes	15 / 11 / 2015	Yes	25 / 08 / 2017
Environmental	Revised	Yes	15 / 11 / 2015	No	None
Control of Outdoor Advertising	Revised	Yes	15 / 11 / 2015	No	None
Parking	Newly Developed	Yes	15 / 11 / 2015	No	None
Property Rates	Revised	Yes	15 / 11 / 2015	No	None
Public Transport	Newly Developed	Yes	15 / 11 / 2015	No	None
Sports & Recreation	Revised	Yes	15 / 11 / 2015	No	None
Liquor Trading Days & Hours	Newly Developed	Yes	15 / 11 / 2015	No	None
Credit Control	Revised	Yes	15 / 11 / 2015	No	None
Drainage	Revised	Yes	15 / 11 / 2015	No	None
Refuse	Revised	Yes	15 / 11 / 2015	No	None
Tariff	Revised	Yes	15 / 11 / 2015	No	None
Problem Buildings By-Law	Newly Developed	Yes	17 / 01 / 2018	No	None

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The gazetting of by-laws is delayed by the non-availability of funds to do so. It should be noted that the Municipal Systems Act (Act 32 of 2000) Sec. 11 (3) (m) provides municipal councils with the legislative authority to pass and implement by-laws for the betterment of the community within the terms of the legislation.

2.10 WEBSITES

The website is updated regularly to ensure compliance with the MFMA by continuously liaising with all divisions responsible for posting information in the website, as reflected in **Table 18**.

Table 18: Municipal Website: Content and Currency of Material		
Documents published on GTM website	Yes/No	Publishing date
Current and annual adjustment budget related documents	yes	09/03/2018
All current budget related documents	Yes	07/11/2017
2016/17 Annual Report	Yes	06/04/2018
2017/18 performance agreements and plans for Section 57 Managers	Yes	19/04/2018 26/07/2017 21/07/2017 18/07/2017
All service delivery agreements for 2017/18	Yes	17/05/2017
All long-term borrowing contracts for 2017/18	No	06/12/2017
All Supply Chain Management contracts above a prescribed value (given value) for 2017/18	Yes	08/05/2017
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 2017/18	No	N/A
Contracts agreed on in 2017/18 to which subsection (1) of Section 33 apply, subject to Subsection (3) of that Section	Yes	N/A
Public-private partnership agreements referred to in Section 120 made in 2017/18	No	N/A
All quarterly reports tabled in Council in terms of Section 52(d) during 2017/18	Yes	31/05/2018

2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

A questionnaire, to determine public satisfaction on various service areas, was developed and distributed through ward committees for data collection. Not all ward participated as expected in the collection of data. With the limited data collected and analysed, basic services such as street maintenance and water services were amongst areas of concern. The survey conducted, which was the first in the municipality, has laid a firm foundation for future surveys. Lessons learnt will help a great deal in improving the conduct of future surveys.

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

The key service delivery achievements for 2017/18 is contained in **Table 5**. The detail pertaining to those achievement are contained in this chapter.

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 2016. MDM is the Water Services Authority (WSA)² 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.

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

² Note: Recent legislation includes the Water Services Act 1997 and the General Enabling Act 2005

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MDM. These waterworks as well as boreholes are unable to provide basic water to 108 926 households evenly in GTM.

Table 19: Water provided during 2017/18

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	1009320	979785	2.9	R 0.22
2	Tzaneen Dam	1,230,000	1118551	1080729	3.4	R 0.28
3	Letsitele	418 269,96	78517	141502	3.9	R 0.21
	Total	4 918 269	2206388	2202016	10.2	R0.71

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. Due to the increase of population the demand has dramatically increased and the water allocation is no longer sufficient. Application for an increase to 6,000,000 m³ from both 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.

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Table 20: Household access to water 2014/15 – 2016/17						
Level of access	2015/2016		2016/17		2017/18	
	No of Households	% of Total	No of Households	% of Total	No of Households	% of Total
Piped water inside house	17611	16.2%	17 723	16.3%	17 836	16.4%
Piped water inside yard	17611	16.2%	37579	34.5%	64 717	59.4%
Public standpipe within 200m	17515	16.1%				
Public standpipe further than 200m	23511	21.6%				
Other (Below minimum level)	32678	30%				
No water supply	0	0	53 577	49.2%	26 373	24.2%
Total Households	108926	100.1%	108926	100%	108 926	100%
No of Households receiving Free Basic water	2382		1418		1 457	

Table 21: Households receiving Free Basic Water (5 year progress)				
Year	Total Households³	Receiving Water	Backlog	Free Basic Water
2013/2014	108 926	80 078	28 848	1 743
2014/2015	108 926	80 078	28 848	1 743
2015/2016	108 926	91 159	17 767	2 382
2016/2017	108 926	100 112	8 814	909
2017/2018	108 926	82 553	26 373	1 457

³ Note that the number of households reflected are as determined through the 2011 Census. Representing the latest official population statistics for the Local Municipality.

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Table 22: Employees – Water Services 2017/18						
Job level	2016/17			2017/18		
	No of Posts	Positions Filled	Vacancy rate	No of Posts	Positions Filled	Vacancy rate
Level 0-3	1	0	0%	1	1	0%
Level 4-6	26	10	62%	26	9	65%
Level 7-9	0	0	0%	0	0	0
Level 10-15	146	45	69%	146	55	62%
Level 16-17	103	15	85%	103	14	86
Total	276	70	75%	276	79	71%

There is high vacancy rate reflected in **Table 22** is because the municipality could not fill vacancies created when employee passed away, resigned or retired from the institution for a consecutive number of years.

Table 23: Averaged water sample outcome - Tzaneen Central Laboratory 2017/18					
Determinants	Tzaneen	Nkowankowa	Letsitele	Haenertsburg	Recommended-Class1
Ph (-logH)	8.47	7.63	7.69	8.25	> 5- ≤ 9.7 Operational
Turbidity (NTU)	0.31	0.61	0.44	0.50	≤ 5 Aesthetic ≤ 1 Operational
Colour (as Pt)	4.54	11.11	5.04	5.67	≤ 15 Aesthetic
Conductivity (mS/m)	7.37	14.45	14.57	4.83	≤ 170 Aesthetic
Temperature °C	21.43	18.68	22.72	19.17	N/A
Total Dissolved Solids (mg/l)	35.63	70.30	70.03	22.57	≤ 1200 Aesthetic
Total Alkalinity (mg/l)	52.50	123.33	95.5	70.00	N/A
Total Hardness (mg/l)	76.00	119.33	117.5	68.00	N/A
Calcium Hardness as CaCO ₃ (mg/l)	72.59	115.81	114.53	66.01	N/A
Calcium as Ca (mg/l)	29.06	46.37	45.86	26.43	N/A
Magnesium Hardness as CaCO ₃ (mg/l)	3.42	3.53	2.97	2.00	N/A
Magnesium as Mg (mg/l)	0.83	1.07	0.72	0.48	N/A
Sodium as (Na) (mg/l)	14.09	15.07	16.39	3.28	≤ 200 Aesthetic
Potassium as K (mg/l)	1.91	1.80	1.43	0.90	N/A
Chloride as Cl (mg/l)	3.44	6.13	8.1	1.70	≤ 300 Aesthetic
Fluoride as F (mg/l)	0.11	0.29	0.46	0.48	≤ 1.5 Chronic Health
Sulphate as SO ₄ (mg/l)	0.00	0.00	0.13	0.50	≤ 250 Aesthetic ≤ 500 Acute Health-1
Nitrate as N (mg/l)	1.13	1.13	1.46	0.95	≤ 11 Acute health-1
Iron as Fe (mg/l)	0.05	0.33	0.062	0.21	≤ 0.3 Aesthetic ≤ 2 Chronic Health
Manganese as Mn (mg/l)	0.01	0.01	0.006	0.03	≤ 0.1 Aesthetic ≤ 500 Chronic Health
Ammonia as N (mg/l)	0.09	0.01	0.03	0.06	≤ 1.5 Aesthetic

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Table 23: Averaged water sample outcome - Tzaneen Central Laboratory 2017/18

Determinants	Tzaneen	Nkowankowa	Letsitele	Haenertsburg	Recommended-Class1
Aluminium as Al (mg/l)	0.03	0.02	0.01	0.01	≤0.3 Operational
Zinc as Zn (mg/l)	0.04	1.43	1.86	1.49	≤ 5 Aesthetic
Langelier Sat. Index	0.41	-0.11	-0.15	-0.36	N/A
Ryznar Index	7.92	8.02	8.12	8.71	N/A
Corrosively Ratio	0.09	0.07	0.14	0.05	N/A
Free Res. Chlorine (mg/l)	0.49	0.50	0.26	1.07	≤ 5 Chronic Health
E.Coli (count/100ml)	0.00	0.00	0	0.00	0 Acute Health-1
Total Coliform Bacteria(count/100ml)	0.00	0.00	0	0.00	≤10 Operational

Greater Tzaneen Municipality does operation and maintenance of Tzaneen Dam, George's Valley and Letsitele Water Purification plants. As can be seen in **Table 23**, all water purification plants operated by GTM are compliant with minimum quality standards. Nkowankowa and Haenertsburg Water Works are operated by Lepelle Northern Water and are also compliant with minimum quality requirements.

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3.2 WASTE WATER (SANITATION) PROVISION

Greater Tzaneen Municipality acts as Water Service Provider (WSP) responsible for the provisioning of both water supply and sanitation services and Mopani District Municipality (MDM) is the Water Service Authority (WSA). GTM is responsible for operation and maintenance of Tzaneen Sewage Plant, which has the design capacity of 8ML/day coupled with thirty sewer pump stations. GTM is also responsible for the maintenance of sewer reticulation in Nkowankowa and Lenyenye. The other town (Haenertsburg) is serviced by septic tanks, which are drained by municipality honey suckers, while bulk sanitation services for Nkowankowa, Lenyenye and rural settlements are managed by MDM as the WSA.

Table 24: Household access to sanitation 2015/2016 to 2017/18						
Level of access	2015/2016		2016/17		2017/18	
	No of Households	% of Total	No of Households	% of Total	No of Households	% of Total
Flush toilet (connected to sewerage)	14 456	13.3	14480	13.29	14 504	13.3
Flush toilet (with septic tank)	284	0.3	284	0.3	284	0.3
Chemical Toilet	0	0	0	0	0	0
Ventilated Pit Toilet	67104	61.6	67 104	61.6	92 302	84.7
Other Toilet below minimum level	0	0	0	0	0	0
No toilet provision	27082	25	27058	24.8	1 836	1.7
Total Households	108 926	100	108 926	100	108 926	100%
No of Households receiving Free Basic sanitation	1 743		1 743		1 457	

The existing old infrastructure for water-borne sanitation needs to be replaced or renewed.

There was no allocation for the construction VIP toilets in 2017/18 financial year

Irradicating the backlog in terms of household access to sanitation has been a challenge as can be seen in **Figure 2** below.

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Figure 2: Households with no access to sanitation

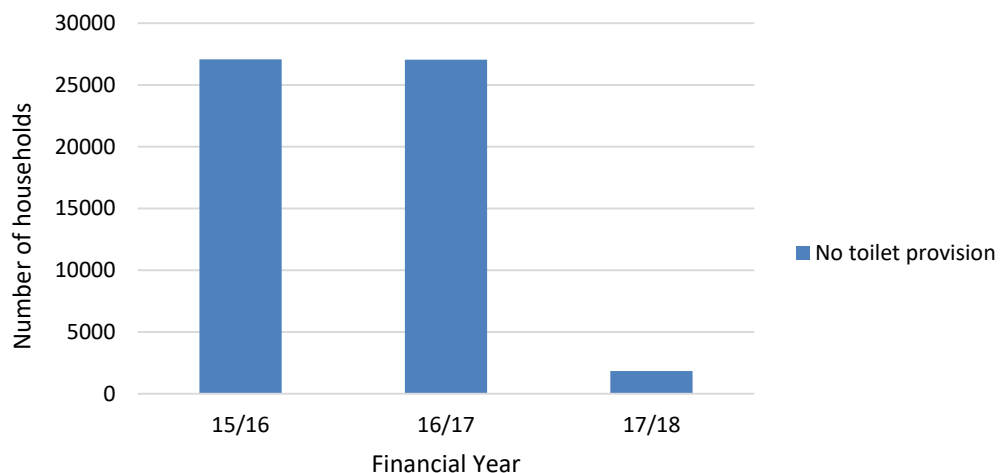


Table 25: Employees – Sanitation Services 2017/18						
Job level	2016/17			2017/18		
	No of Posts	Positions Filled	Vacancy rate	No of Posts	Positions Filled	Vacancy rate
Level 0-3	0	0	0%	0	0	0%
Level 4-6	3	2	33%	3	1	67%
Level 7-9	0	0	0%	0	0	0%
Level 10-15	8	4	50%	8	2	75%
Level 16-17	25	4	84%	25	3	88%
Total	36	10	72%	36	6	83%

There is high vacancy rate because the municipality could not fill vacancies created when employees passed away, resigned and/or retired from the institution over the years.

3.3 ELECTRICITY

Greater Tzaneen Municipality (GTM) distributes power to an area of approximately 3200 m². The distribution area is not the same as the municipal jurisdiction area. The distribution area encroaches into neighbouring municipalities of Ba-Phalaborwa, Greater Giyani and Greater Letaba. The municipality has a license to distribute power to areas around Haenertsburg, Georgesvalley, Makgobaskloof, Politsi, Campsies Glen, Agatha, Tzaneen, Letsitele Valley, Yamorna/Ledzee, Broederstroomdrift, Deerpark, Riverside, Letsitele, Gravelotte, Waterbok and Letaba Ranch. The larger part of the distribution network supplies farming areas through overhead power lines. Some of the major challenges in the municipality, related to the Electrical Engineering Department (EED) are the following:

- i. Increased power outages due to insufficient vegetation control. (The distribution area is characterised by natural vegetation that requires continuous trimming).
- ii. Increased power outages due to ageing infrastructure.
- iii. Theft of infrastructure (mainly transformers and copper cables).
- iv. Ageing Fleet
- v. Insufficient Customer Communication System

Table 26: Household access to electricity 2015/16 - 2017/18						
Level of access	2015/16		2016/17		2017/18	
	No of Households	No of Households	No of Households	% of Total	No of Households	% of Total
Electricity connection (at least minimum level)	102004	94%	105 097	96%	107 628	99%
Electricity connection - prepaid	1000	0.99%	1 172	1%	1336	
Electricity below minimum level	0	0	0	0	0	0
No access to electricity	6 922	6%	3 829	4%	1 298	1%
Total Households	108 926		108 926		108 926	

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Table 26: Household access to electricity 2015/16 - 2017/18						
Level of access	2015/16		2016/17		2017/18	
	No of Households	No of Households	No of Households	% of Total	No of Households	% of Total
No of Households receiving Free Basic Electricity	36 427	33.4%	36 427	34.7%	25 963	100%
Budget allocation for Electricity services	R30 000 000		R25 000 000		R25 000 000	

GTM has put various mechanisms in place to address the challenges faced with electricity distribution these include:

- *Vegetation control:* GTM utilises internal staff and sometimes outsources the service to eliminate backlogs in clearing vegetation. A pool of contractors has been appointed to mitigate the challenges of backlogs and appointments are done as and when required.
- *Aging infrastructure:* GTM secured a loan of R90m from the Development Bank of Southern Africa (DBSA). The loan is for renewal and maintenance of the dilapidated network. Although the amount acquired is not the ideal amount required, it is anticipated that the funds will serve as a starting point to stabilise the network. The municipality is committed to further recapitalisation of the network from funds that will be generated by the stable network. Various projects have been identified for implementation over the MTREF period. Implementation of the projects will also contribute to temporary job opportunities in the municipality.
- *Infrastructure theft:* Infrastructure theft is a serious threat to the sustainability and reliability of the network. The municipality's network is spread over a wide area to supply power to some of the very important food producers (farmers) in our area. Theft of this infrastructure is bordering on sabotage of the livelihood of our communities. The escalating theft of cables and transformers requires a joint effort by all affected stakeholders to curb this scourge.

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- *Aging fleet:* The electrical fleet has reached the end of its lifespan/usable term and need replacement. The redundant and old vehicles threaten service delivery due to their prolonged breakdowns and unavailability. The municipality set aside funds in the 2018/19 budget to replace all dilapidated fleet in the department.
- *Customer communication:* Although a 24 hour service is available for fault reporting, the manual system used poses a challenge both for reporting in terms of the license requirements and efficiency in dealing with customer complaints and queries. A telephone management system is being considered.

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Table 27: Service Delivery Targets for Electricity as set out in the SDBIP for 2017/18

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2018		
					Actual	R	Reason for deviation
D128	Cost Recovery	% Electricity loss (Kwh)	Percentage	18%	22.01%	R	The causes of losses have not been determined. Therefore the reason for the increased losses or failure to reach the target is unknown
D129	Cost Recovery	Kilow Watt Hour Electricity loss (Kwh)	Kilow Watt Hour	42,540,860	83 060 412	R	The causes of losses are unknown and have not been determined yet.
D131	Asset Management	R-value spent on maintenance of electricity infrastructure as % of asset value	Percentage	2.70%	4%	O	The variables used for the calculations are uncertain. The given figure was calculated on information available and information provided by assets division. NERSA guidelines were used for the calculation.
D132	Asset Management	R-value electricity maintenance	R-value	R 51,083,568	R20 211 577	R	It Must be noted as indicated in the POE spreadsheet that there is unallocated Labour charges
D133	Cost Recovery	% of electricity loss reduced	Percentage	10%	0%	R	This is the losses that were calculated the initial reduction of losses were not achieved yet.

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Table 27: Service Delivery Targets for Electricity as set out in the SDBIP for 2017/18

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2018		
					Actual	R	Reason for deviation
D134	Cost Recovery	# of data cleansing performed (meter services)	Number	5	15	B	No Deviation
D147	Electricity network upgrade and maintenance	Provision of Capital Tools (Operations and Maintenance)	Q 1: 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%	86%	O	Capital tools is only purchased when needed we have bought numerous tools and equipment as listed in the spread Sheet to the value of R172650.00
D168	Electricity network upgrade and maintenance	Miniature Substation for Urban distribution network	Q1: Tender process and appointment of service provider (10%) Q2: Order submitted for Minisubs (20%) Q3: Project implementation (30%) Q4: Miniature Substation for Urban distribution network completed (100%).	100%	10%	R	This projects capital was not approved due to DBSA Loan all, 2017/2018 capital projects were rolled over to the 2018/2019 financial year
D236	Electricity network upgrade and maintenance	Replace 10x11kv and 6x33kv Auto Reclosers	Q1: None Q2: None Q3: Project completion at 50% (50%) Q4: Project 100% complete (100%)	100%	95%	O	Still awaiting dates for shutdown to do closing spans

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Table 27: Service Delivery Targets for Electricity as set out in the SDBIP for 2017/18

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2018		
					Actual	R	Reason for deviation
D238	Electricity network upgrade and maintenance	Replacing LV cables (R450 000)	Q1: Not applicable Q2: Not applicable Q3: Identification of critical areas and sourcing of quotations (10%) Q4: Installation of 600m of LV cables completed (100%)	100%	0%	R	The IDP was not aligned with the budget as there is no budget for this project. This project was in the IDP and it was given to in March but there was no budget to complete the project
D126	Electricity Infrastructure	% of households with access to electricity	Percentage	98%	99%	G 2	1077 households completed and energized. Awaiting energization of other projects. Construction for Schultz settlement delayed by approval to electrify the area by the new owner of the land
D127	Electricity Infrastructure	# of households with access to electricity	Number	107,878	107 882	G 2	Number of households with electricity is 108 193
D130	Electricity network upgrade and maintenance	Km of overhead lines rebuilt	Kilometres	52	0	R	Final approval of the loan awaited before project can be implemented
D135	Electricity network upgrade and maintenance	Km of Electrical underground High Tension (11kv) cable replaced	Number	1	0	R	Capital not available on budget because approval of DBSA loan was not secured on time

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Table 27: Service Delivery Targets for Electricity as set out in the SDBIP for 2017/18

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2018		
					Actual	R	Reason for deviation
D136	Electricity Infrastructure Development	New Entrance Street R36 streetlights	Q1: Specifications completed (10%), Q2 : Procurement process completed (20%), Q3 : Construction in progress (50%), Q4 : Traffic lights at R36 completed (100%)	100%	15%	R	Capital not available on budget because approval of DBSA loan was not secured on time
D137	Electricity Infrastructure Development	Area Lighting at Tarentaal rand crossing	Q1 : Specifications completed (10%) Q2 : Procurement process completed (20%) Q3 : Construction in progress (50%) Q4 : Area Lighting at Tarentaalrand crossing completed (100%)	100%	15%	R	Capital not available on budget because approval of DBSA loan was not secured on time
D138	Electricity Infrastructure Development	Electrification of 541 units at Xihoko/ Radoo/ Thapana/ Mavele Phase2	Q1: Appointment of service provider finalised (5%) Q2: Designs approved by ESKOM (10%) Q3: Construction 50% (60%) Q4: Electrification of 541 HH in Xihoko/ Radoo/ Thapana/ Mavele Phase 2 completed	100%	100%	G	Project completed. 508 Households connected, 33 empty stands provided with infrastructure
D139	Electricity Infrastructure Development	Electrification of 330 units at Leolo/ Legobareng/Serare/ Mogabe/ Tshidinko Phase2	Q1: Designs approved by ESKOM (10%) Q2: Appointment of contractor finalised (25%) Q3: Construction in progress (50%) Q4:Electrification of 330 households completed	100%	100%	G	Project completed and energized. 396 households connected. 82 empty stands provided with infrastructure
D140	Electricity Infrastructure Development	Electrification of 425 units at Julesburg area	Q1: Appointment of service provider finalised (10%) Q2: Designs approved by GTM (25%) Q3: Construction (50%) Q4: Electrification of 425 units at Julesburg area completed (100%)	100%	100%	G	None

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Table 27: Service Delivery Targets for Electricity as set out in the SDBIP for 2017/18

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2018		
					Actual	R	Reason for deviation
D141	Electricity Infrastructure Development	Electrification of 25 units at Canners Settlement	Q1: Appointment of service provider finalised (10%) Q2: Designs approved by GTM (25%) Q3: Construction (50%) Q4: Electrification of 25 units at Canners Settlement completed (100%)	100%	98%	O	Delays with delivery of meters and data concentrators.
D142	Electricity Infrastructure Development	Electrification of 100 units at the Schultz Settlement	Q1: Appointment of service provider finalised (10%) Q2: Designs approved by GTM (25%) Q3: Construction (50%) Q4: Electrification 100 units at the Schultz Settlement completed (100%)	100%	25%	R	Construction delayed by approval to electrify the area by the new owner of the land
D143	Electricity Infrastructure Development	Electrification of 90 units at Nyanyukani, Masoma and Hweetsi	Q1: Appointment of service provider finalised (10%) Q2: Designs approved by ESKOM (25%) Q3: Construction (50%) Q4: Electrification 90 units at Nyanyukani, Masoma and Hweetsi completed (100%)	100%	92%	O	Physical Construction completed. Delays with updating of ENS.
D144	Electricity Infrastructure Development	Electrification of 20 units at Pulaneng	Q1: Appointment of service provider finalised (10%) Q2: Designs approved by ESKOM (25%) Q3: Construction (50%) Q4: Electrification 20 units at Pulaneng completed (100%)	100%	97%	O	Physical construction completed. Project partly energized. Delays with energization of the other portion due to confusion with pole numbering after feeder split.
D145	Electricity Infrastructure Development	Electrification of 218 units at Wisani, Shikwambana, Vento Park	Q1: Appointment of service provider finalised (10%) Q2: Designs approved by ESKOM (25%) Q3: Construction (50%) Q4: Electrification 218 units at Wisani, Shikwambana, Vento Park completed (100%)	100%	97%	O	Electrification of 150 households at Vento Park as Wisani and Shikwambana was transferred/ Implemented by to Eskom.

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Table 27: Service Delivery Targets for Electricity as set out in the SDBIP for 2017/18

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2018		
					Actual	R	Reason for deviation
D148	Electricity network upgrade and maintenance	Rebuilding Letsitele Valley Substation - Bosbou and all T-off's (3 Km)	Q1: Procurement process and appointment of service provider (10%) Q2: Determination of scope of works (20%) Q3: Construction phase (60%) Q4: Rebuilding Letsitele Valley Substation - Bosbou and all T-off's (3 Km) completed. (100%)	100%	15%	R	Capital not available on budget because approval of DBSA loan was not secured on time
D149	Electricity network upgrade and maintenance	Rebuilding of Valencia 11Kv lines (6km)	Q1: Procurement process and appointment of service provider (10%) Q2: Determination of scope of works (20%) Q3: Construction phase (60%) Q4: Rebuilding of Valencia 11Kv lines (6km) completed (100%)	100%	15%	R	Capital not available on budget because approval of DBSA loan was not secured on time
D150	Electricity network upgrade and maintenance	Rebuilding of Lushof South 11kv line (3km)	Q1: Procurement process and appointment of service provider (10%) Q2: Determination of scope of works (20%) Q3: Construction phase (60%) Q4: Rebuilding of Lushof South 11kv line (3 km) completed (100%)	100%	15%	R	Capital not available on budget because approval of DBSA loan was not secured on time
D151	Electricity network upgrade and maintenance	Rebuilding of Rooikoppies 11kv lines (6km)	Q1: Procurement process and appointment of service provider (10%) Q2: Determination of scope of works (20%) Q3: Construction phase (60%) Q4: Rebuilding of Rooikoppies 11kv lines (6km) completed (100%)	100%	15%	R	Capital not available on budget because approval of DBSA loan was not secured on time
D152	Electricity network	Rebuilding of Mabiet 11kv line (6km)	Q1: Procurement process and appointment of service provider (10%) Q2: Determination of scope of works (20%)	100%	15%	R	Capital not available on budget because

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Table 27: Service Delivery Targets for Electricity as set out in the SDBIP for 2017/18

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2018		
					Actual	R	Reason for deviation
	upgrade and maintenance		Q3: Construction phase (60%) Q4: Rebuilding of Mabiet 11kv line (6km) completed (100%)				approval of DBSA loan was not secured on time
D153	Electricity network upgrade and maintenance	Rebuilding of Haenertsburg 11kv lines(6km)	Q1: Procurement process and appointment of service provider (10%) Q2: Determination of scope of works (20%) Q3: Construction phase (60%) Q4: Rebuilding of Haenertsburg 11kv lines (6km) completed (100%)	100%	15%	R	Capital not available on budget because approval of DBSA loan was not secured on time
D154	Electricity network upgrade and maintenance	Rebuilding of Campsies Glen 11kv lines (6km)	Q1: Procurement process and appointment of service provider (10%) Q2: Determination of scope of works (20%) Q3: Construction phase (60%) Q4: Rebuilding of Campsies Glen 11kv lines (6km) completed (100%)	100%	15%	R	Capital not available on budget because approval of DBSA loan was not secured on time
D155	Electricity network upgrade and maintenance	Rebuilding of Politsi Valley 11kv lines (6km)	Q1: Procurement process and appointment of service provider (10%) Q2: Determination of scope of works (20%) Q3: Construction phase (60%) Q4: Rebuilding of Politsi Valley 11kv lines (6km) completed (100%)	100%	15%	R	Capital not available on budget because approval of DBSA loan was not secured on time
D156	Electricity network upgrade and maintenance	Rebuilding of CP Minnaar 11kv lines (2km)	Q1: Procurement process and appointment of service provider (10%) Q2: Determination of scope of works (20%) Q3: Construction phase (60%) Q4: Rebuilding of CP Minnaar 11kv lines (2km) completed (100%)	100%	15%	R	Capital not available on budget because approval of DBSA loan was not secured on time

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Table 27: Service Delivery Targets for Electricity as set out in the SDBIP for 2017/18

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2018		
					Actual	R	Reason for deviation
D157	Electricity network upgrade and maintenance	Rebuilding of Mieliekloof/ Deerpark 11kv lines (3km)	Q1: Procurement process and appointment of service provider (10%) Q2: Determination of scope of works (20%) Q3: Construction phase (60%) Q4: Rebuilding of Mieliekloof/ Deerpark 11kv lines completed (3km)(100%)	100%	15%	R	Capital not available on budget because approval of DBSA loan was not secured on time
D158	Electricity network upgrade and maintenance	Upgrading of Waterbok 33/11kv substation	Q1: Procurement process and appointment of service provider (10%) Q2: Determination of scope of works (20%) Q3: Construction phase (60%) Q4: Upgrading of Waterbok 33/11kv substation completed 100%	100%	15%	R	Capital not available on budget because approval of DBSA loan was not secured on time
D159	Electricity network upgrade and maintenance	Upgrading of Blacknoll 33/11kv substation	Q1: Procurement process and appointment of service provider (10%) Q2: Determination of scope of works (20%) Q3: Construction phase (60%) Q4: Upgrading of Blacknoll 33/11kv substation completed 100%	100%	15%	R	Capital not available on budget because approval of DBSA loan was not secured on time
D160	Electricity network upgrade and maintenance	Houtbosdorp 11kv Ring (10km)	Q1: Procurement process and appointment of service provider (10%) Q2: Determination of scope of works (20%) Q3: Construction phase (60%) Q4: Houtbosdorp 11kv Ring (10km) completed (100%)	100%	15%	R	Capital not available on budget because approval of DBSA loan was not secured on time
D161	Electricity network upgrade and maintenance	Replace 2x20MVA 66/11kv Transformers	Q1 : Tender process and appointment of service provider (10%) Q2: Preparation of Specifications (15%) Q3: Order submitted for transformers (20%)	100%	15%	R	Capital not available on budget because approval of DBSA loan was not secured on time

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Table 27: Service Delivery Targets for Electricity as set out in the SDBIP for 2017/18

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2018		
					Actual	R	Reason for deviation
			Q4: Project completed 50%. Run over 2 financial years				
D162	Electricity network upgrade and maintenance	Substation fencing (Tarentaal rand Main, Letsitele Main)	Q1: Procurement process and appointment of service provider (10%) Q2: Determination of scope of works (20%) Q3: Construction phase (60%) Q4: Substation fencing (Tarentaal rand Main, Letsitele Main)	100%	15%	R	Capital not available on budget because approval of DBSA loan was not secured on time
D163	Electricity network upgrade and maintenance	Refurbishment of the Ebenezer 33kv Feeder	Q1: Procurement process and appointment of service provider (10%) Q2: Determination of scope of works (20%) Q3: Construction phase (60%) Q4: Refurbishment of the Ebenezer 33kv Feeder completed (100%)	100%	15%	R	Capital not available on budget because approval of DBSA loan was not secured on time
D164	Electricity network upgrade and maintenance	Replacing of old SS1 electrical substation circuit breakers with compact switchgear	Q1: Initiate the appointment of a consultant (10%) Q2: Appointment of consultant and contractor finalised. (25%) Q3: Construction of Switching station SS1 commencing, physical progress at 50%. (50%)	100%	15%	R	Capital not available on budget because approval of DBSA loan was not secured on time
D165	Electricity network upgrade and maintenance	Substation tripping batteries	Q1: Procurement process and appointment of service provider (20%) Q2: Project implementation (50%) Q3: Project implementation (70%) Q4: Project completed (100%)	100%	15%	R	Capital not available on budget because approval of DBSA loan was not secured on time

Table 27: Service Delivery Targets for Electricity as set out in the SDBIP for 2017/18

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2018		
					Actual	R	Reason for deviation
D166	Electricity network upgrade and maintenance	Replacement of auto-reclosers (11kv and 33kv)	Q1: Identify strategic location of auto-reclosers (10%) Q2: Order for Delivery of auto-reclosers (20%) Q3: Auto Reclosers delivered (30%) Q4: Installation of Auto Reclosers completed (100%)	100%	20%	R	Capital not available on budget because approval of DBSA loan was not secured on time
D167	Electricity network upgrade and maintenance	Replacing 11kv cables for increased capacity	Q1: Procurement process and appointment of service provider (10%) Q2: Determination of scope of works (20%) Q3: Construction phase (60%) Q4: Replacing 11kv cables for increased capacity completed (100%)	100%	17.5%	R	Capital not available on budget because approval of DBSA loan was not secured on time

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Table 28: Employees - Electricity Services						
Job level	2016/17			2017/18		
	No of Posts	Positions Filled	Vacancy rate	No of Posts	Positions Filled	Vacancy rate
Level 0-3	4	2	50%	3	2	25%
Level 4-6	32	19	41%	33	19	42%
Level 7-9	30	14	53%	30	13	57%
Level 10-15	51	28	45%	51	27	47%
Level 16-17	69	40	42%	69	41	41%
Total	186	103	44%	186	104	44%

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 28**). The underspending reflected in **Table 29** can be attributed to efforts taken to reduce overtime and also the saving on fleet usage due to vehicles being out of service for extended periods of time.

Table 29: Financial Performance 2017/18: Electricity Services (R'000)					
Detail	2016/17	2017/18			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue	463 631	523 701	527 098	462 750	64 349
Expenditure:					
Employees	43 786	48 954	57 328	46 646	10 682
Repairs & Maintenance	15 841	13 798	29 175	18 886	10 288
Other	422 393	422 642	431 007	400 006	31 001
Total Operational Expenditure	482 020	485 394	517 510	465 539	51 970
Net Operational (Service) Expenditure	(18 388)	38 307	9 210	2790	12 379

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Table 31: Capital Expenditure 2017/18: Electricity Services

Capital Projects	2017/2018				
	Budget	Adjustment budget	Actual Expenditure	Variance from original budget	Total Project value*
New Entrance Street R36 streetlights	R1 100 000	R0.00	R35 608.69	R1 064 391.31	R1 100 000
Area Lighting at Tarentaal rand crossing	R300 000	R0.00	R9 798.59	R290 201.41	R300 000
Electrification of 541 units at Xihoko/ Radoo/ Thapana/ Mavele Phase2	R7 053 359	R0.00	R7 053 359.26	R0.00	R7 053 359
Electrification of 330 units at Leolo/ Legobareng/Serare/ Mogabe/ Tshidinko Phase2	R7 543 912	R0.00	R7 543 912.00	R0.00	R7 543 912
Electrification of 425 units at Julesburg area	R5 951 952	R0.00	R5 951 951.99	R0.00	R5 951 952
Electrification of 25 units at Cannars Settlement	R385 613	R0.00	R339 846.97	R45 766.03	R385 613
Electrification of 100 units at the Schultz Settlement	R1 048 866	R0.00	R431 132.67	R617 733.33	R1 048 866
Electrification of 90 units at Nyanyukani, Masoma and Hweetsi	R2 483 345	R0.00	R1 804 193.17	R679 151.83	R2 483 345
Electrification of 20 units at Pulaneng	R1 036 755	R0.00	R920 714.84	R116 040.16	R1 036 755
Electrification of 218 units at Wisani, Shikwambana, Vento Park	R2 313 675	R0.00	R2 102 908.53	R210 766.47	R2 313 675
Rebuilding of Valencia 11Kv lines (6km)	R1 000 000	R0.00	R32 608.69	R967 391.31	R2 000 000
Rebuilding of Lushof South 11kv line (3km)	R500 000	R0.00	R16 304.33	R483 695.67	R1 000 000
Rebuilding of Rooikoppies 11kv lines (6km)	R1 000 000	R0.00	R32 608.69	R967 391.31	R2 000 000
Rebuilding of Mabiet 11kv line (6km)	R1 000 000	R0.00	R32 608.69	R967 391.31	R2 000 000
Rebuilding of Haenertsburg 11kV lines (6km)	R1 000 000	R0.00	R32 608.69	R967 391.31	R2 000 000
Rebuilding of Campsies Glen 11kV lines (6km)	R1 000 000	R0.00	R32 608.69	R967 391.31	R2 000 000
Rebuilding of Politsi Valley 11kV lines (6km)	R1 000 000	R0.00	R32 608.69	R967 391.31	R2 000 000

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Table 31: Capital Expenditure 2017/18: Electricity Services

Capital Projects	2017/2018				
	Budget	Adjustment budget	Actual Expenditure	Variance from original budget	Total Project value*
Rebuilding of CP Minnaar 11kV lines (2km)	R400 000	R0.00	R13 043.48	R386,956.52	R400 000
Rebuilding of Mieliekloof/Deerpark 11kV lines (3km)	R500 000	R0.00	R16 304.33	R483,695.67	R1 000 000
Upgrading of Waterbok 33/11kV substation	R1 000 000	R0.00	R65 217.38	R934,782.62	R2 000 000
Upgrading of Blacknoll 33/11kV substation	R1 000 000	R0.00	R65 217.38	R934,782.62	R2 000 000
Houtbosdorp 11kv Ring (10km)	R1 500 000	R0.00	R0.00	R1 500 000	R1 500 000
Replace 2x20 MVA 66/11 kV	R2 550 000	R0.00	R86 856.38	R2 463 143.62	R13 000 000
Substation fencing (Tarentaal rand Main, Letsitele Main)	R1 000 000	R0.00	R65 217.38	R934,782.62	R2 500 000
Refurbishment of the Ebenezer 33kv Feeder (5km)	R1 000 000	R0.00	R32 608.69	R967 391.31	R3 000 000
Replacing of old SS1 electrical substation circuit breakers with compact switchgear	R6 000 000	R0.00	R391 304.32	R5 608,695.68	R10 000 000
Substation tripping batteries	R400 000	R0.00	R26 086.96	R373,913.04	R950 000
Replacing 11kV cables for increased capacity	R1 000 000	R0.00	R65 217.38	R934,782.62	R2 950 000
Replacement of auto-reclosers (11kV and 33kV)	R3 000 000	R0.00	R2 428 151	R3 000 000	R6 000 000
Provision of Capital Tools (Customer and Retail)	R100 000	R0.00	R78 992	R100 000	R450 000
Provision of Capital Tools (O&M)	R100 000	R0.00	R87 024	R100 000	R500 000
Miniature Substation for Urban distribution network	R1 000 000	R0.00	R901 796	R1 000 000	R1 800 000
Replacement of Existing Air conditioners in Municipal Buildings	R250 000	R0.00	R 0.00	R250 000	R550 000
Renewal, Repairs and Maintenance on pre-paid meters (Tzaneen, Letsitele & Politsi)	R300 000	R0.00	R0.00	R300 000	R900 000

3.4 SOLID WASTE MANAGEMENT

The mandate of GTM is to provide all households with a basic removal service to protect the environment for the benefit of future and present generations. This is done through legislative and other measures to prevent pollution and ecological degradation and promoting conservation to secure sustainable development. Waste Management Services is rendered as follows:

- 8,537 (8%) urban households receive a full kerbside-collection service at high density settlements with more than 40 dwellings per hectare.
- 33,600 (31%) households in rural-areas receive a basic removal service from a central collection point at medium density settlements with 10 - 40 dwellings per hectare.
- 66,550 households using communal dump or own refuse dump in remote rural areas.

Progress with waste recycling; street cleaning& disposal

Recycling at source from business & industrial premises is undertaken in Tzaneen; Nkowankowa; Letsitele. Composting-Organic waste (garden) is treated at a basic technology composting site while the re-use of firewood (tree-stumps and -logs) from the Landfill are delivered to various rural areas. Urban streets, main roads & urban taxi / bus ranks are cleaned on a regular and period schedule from all debris and solid waste. Disposal takes place at an 11 hectare permitted landfill - site, which is managed in compliance with specifications. The expected life-span of the site is ± 15 years. The top three service delivery priorities and the impact we have had on them during the year:

- Composting - 100% of all incoming Organic waste (garden) is treated at a basic technology composting plant
- Rural Waste Management EPWP Job-creation - 465 EPWP Beneficiaries for the programme were appointed.
- Sanitary Land filling at a permitted site.

Measures taken to improve performance include:

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- *Waste Minimization* - Procurement of Contractors to collect & transport recyclable-materials
- *Composting* - The procurement of a Contractor with appropriate equipment to operate compost-making, as part of Landfill management was finalized
- ✓ *Rural Waste Management* through the declaration of demarcated localities for basic refuse removal services, the financing basic refuse removal services and the appointment of community-based Service-Providers.

GTM responds to the provision of waste collection services in the rural areas mainly through the EPWP programme with 465 EPWP Rural Waste Management beneficiaries as temporary workers for the programme, conditionally as per the Ministerial determination

Table 31: Household access to solid waste collection services 2015/16 - 2017/18						
Level of access	2015/16		2016/17		2017/18	
	No of Households	% of Total	No of Households	% of Total	No of Households	% of Total
Solid waste removal once a week (level 1)	8,537	8%	8,537	8%	8,695	8%
Removal less frequently than once a week (level 2)	33,600	31%	36,038	33%	47,822	44%
Using communal dump + own refuse dump	66,550	61%	64,112	59%	52,170	48%
Total Households	108,687	100%	108,687	100%	108,687	100%
No of Households receiving Free Basic Waste services	1,193		1,201		1 214	
Budget allocation for Solid waste collection services	R 71,017, 213		R 85,088,886		R 84,900,645	

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Table 32: Service Delivery targets for Waste as set out in SDBIP for 2017/18

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2018		
					Actual	R	Reason for deviation
D113	Waste Management	# of households with collection of waste once per week	Number	8,537	8,927	G2	1) The Category-Tariff-Report from C.F.O. is only available on hard-copy 2) The Category Tariff summary from CFO reflecting fluctuating actual budget-amounts monthly
D114	Waste Management	R-value spent on waste management	R-value	R 85,088,885	R 70,432,598	O	The Divisional Waste Manager is accountable for less than 40% of expenditure-line-items.
D115	Waste Management	# of Rural Waste Service Areas serviced (waste management)	Number	40	40	G	1)Fleet Management:- * Rapid-Turn-Around (repair & maintenance) in ensuring the Removal-Fleet is always functional * Waste-Fleet should be replaced on a "round-robin" 5 x year plan
D116	Waste Management	# of Urban Waste Service Areas serviced (on level 1 service))	Number	5	5	G	1) To ensure more accurate evidence, an electronic routesheet / tracking-system need to be installed in each vehicle with a sustainable monitoring as per a "unique-route" for each area
D117	Waste Management	# of Rural Skip-bins with Waste being removed to Tzaneen landfill site as on-call service		1,920	1,742	O	1)The Workshop show a slight IMPROVED Turn-Around-Time ensuring improved Fleet functionality 2) The Waste-Fleet should be replaced on a "round-robin" 5 x year plan
D118	Waste Management	% Households with access to basic level of solid waste management services	Percentage	52%	52%	G	1) Rural areas must be formalized to ensure Accurate figures 2) Vehicle fleet must be renewed as well as additional Rural-vehicles 3) Organogram for Rural Bulk collections must be established

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Table 33: Employees - Solid Waste Services

Job level	2016/17			2017/18		
	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	13	3	76%	13	3	76%
Level 7-9	2	1	50%	2	1	50%
Level 10-15	12	11	8%	12	10	17%
Level 16-17	124	90	27	124	84	32%
Total	152	106	30%	152	99	35%

GTM is experiencing a challenge with the filling of vacancies within a reasonable time period (refer to **Table 33**), therefore the unit was negatively affected by positions being vacant in excess of 5 years. Rural Waste Management needs to fill an additional 809 EPWP Beneficiary-positions to ensure 100% coverage of Rural Waste removals on a level 3 service therefore a review of the organizational structure (Work-study) is necessary for sustainable service-delivery.

The financial Performance of the Solid waste service is reflected in **Table 34**, the underspending on Employees is due to the high number of vacancies and the implementation of cost saving measures. The budget allocated for solid waste management is insufficient to provide sustainable services to the rural areas. Therefore, additional funds is required to ensure that all areas are serviced.

Table 34: Financial Performance 2017/18: Solid Waste Services (R'000)

Detail	2016/17	2017/18			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue	30 028	51 353	51 353	36 476	14 877
Expenditure:					
Employees	16 487	20 456	20 456	17 596	2 860

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Table 34: Financial Performance 2017/18: Solid Waste Services (R'000)					
Detail	2016/17	2017/18			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Repairs & Maintenance	3 565	3 417	3 417	3 050	367
Other	23 321	26 809	26 809	28 831	(2 021)
Total Operational Expenditure	43 373	50 683	50 683	49 477	1 206
Net Operational (Service) Expenditure	(13 345)	669	669	(13 001)	13 671

Table 35 below presents the progress made with the implementation of capital projects allocated for the Solid Waste Collection during 2017/18.

Table 35: Capital Expenditure 2017/18: Solid Waste Services (R'000)					
Capital Projects	2016/2017				
	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

The Largest solid waste management projects are:

- 8,537 households received collection of waste once per week
- 30 Rural Waste Service Areas serviced (waste management) received an on-call removal services
- 5 Urban Waste Service Areas serviced (waste management) received a Kerbisde removal services
- 41 % of Households got access to a basic level of solid waste management

The performance of the service is constrained by the lack of sufficient increase in budget allocation to fund the replacement of vehicles, filling of vacancies, review of the organizational structure for the service, as well as the expansion of the service to the rural areas in sustainable manner.

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 total allocation was **700** units for 2017/18 financial year and **223** units are completed (also refer to **Table 39**). **141** units for 2016/17 financial year were rolled over to 2017/18 financial year. No emergency units allocated for 2017/18. The progress with regard to the implementation of RDP houses is presented in **Table 36**.

Table 36: Households with access to basic housing			
Year	Total Households⁴	Households in informal houses**	% of HH in formal settlements*
2013/2014	108 926*	7 729	7.01%
2014/2015	108 926	7 729	7.01%
2015/2016	108 926	2756	3%
2016/2017	108 926	2756	3%
2017/2018	108 926	2756	3%

GTM has a housing backlog of 12,565, pending the review of beneficiaries for 2013 to 2018.

- The middle income backlog is 1762.
- The Old Age waiting list is 96

⁴ *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 37: Housing Service Delivery targets for 2017/18 as set out in the SDBIP							
Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2018		
					Actual	R	Reason for deviation
D200	Spatial Development	Integrated Sustainable Human Settlements Plan (ISHSP) reviewed by 30 May '18	Percentage	100%	100%	G	No deviation

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Table 38: RDP Housing projects 2017/18				
Village (Location)	Commence ment date	Units allocated	Units completed by 30 June '18	Challenges/ Achievements
Mohlakeng		30	19 completed	In progress
Mothomeng		30	19 completed	In progress
Relela		26	Completed	Achieved
Moime		4	Completed	Achieved
Mothopong		30	Completed	Achieved
Leolo		30	Completed	Achieved
Sapie		18	Completed	Achieved
Ntsako		26	Completed	Achieved
Sedan		20	Completed	Achieved
Mulati		40	Completed	Achieved
Lekgwareng		30	Completed	Achieved
Mokgwathi		30	Completed	Achieved
Fobeni		1	Completed	Achieved
Rwanda		10	Completed	Achieved
N'wamitwa		40	Completed	Achieved
Fofoza		20	4 wall plates	In progress
Mandlakazi		30	Completed	Achieved
Khujwana		1	Not completed	Slow progress
Dan Ext2		1	Not completed	Slow progress
Dan Ward 18		30	Not completed	Slow progress
Dan Ward 20		4	Not completed	Slow progress
Mbambamencisi		2	Not completed	Slow progress
Nkowankowa-C		1	Not completed	Slow progress
Mariveni		2	Foundations	Slow progress
Mohlaba-Headkraal		1	Completed	Achieved
Mafarana		24	Completed	Achieved
Bonn		23	Completed	Achieved
Mashiloane Masoma		30	Not completed	Slow progress

Table 38 presents the list of RDP housing projects allocated to the GTM area by the Department of Cooperative Governance, Human Settlements and Traditional Affairs during 17/18. 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.

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.
- 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

During 2017/18 Housing Consumer Education was successfully conducted. Consumer education sessions were held, targeting 700 beneficiaries, as per the information presented in **Table 39** below.

Table 39: Housing Consumer Education sessions			
Date	Village	Venue	Time
20 February 2018	Mandlakazi	Dynamos Sport Ground	10h00
21 February 2018	Relela	Relela Community Hall	10h00
27 February 2018	Mohlakong	Mohlakong Headkraal	08h00
27 February 2018	Mothomeng	Mothomeng Headkraal	12h00
28 February 2018	Mafarana and Ntsako	Disability centre and Ntsako Headkraal	10h00
06 March 2018	Sedan	Headkraal	10h00
07 March 2018	Mulati	Ndhuna Nkhwashu	10h00
27 March 2018	Dan	Nduna Mbhalati	10h00
28 March 2018	Mashiloane/ Masoma	Masoma Nazarene Church	10h00

3.5.2 BUILDING CONTROL

Local Municipalities are required to enforce compliance to the National Building Regulations Act of 1977 and SANS 10400 within their area of jurisdiction. Applications are processed upon payment whereafter a file is opened, then circulated to various departments for respective comments and once all the requirements are met, an approval letter is issued to the applicant. Site Inspections are also carried out during the construction phase once construction has commenced, thus;

- Foundation inspection,
- Open sewer inspection and
- Overall completion inspection wherein an occupational certificate will be issued if all met the building regulations standards.

Table 40 presents all the applications processed by GTM from 2014/15 to 17/18.

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Table 40: Square meters and value of building plans approved 2015/16 – 2017/18

	2014/15		2015/16		2016/17		2017/18	
	Area (m²)	Value (R)	Area (m²)	Value (R)	Area (m²)	Value (R)	Area (m²)	Value (R)
New houses approved	22 972	126 346 000	24043	125 023 600	22 112	114 982 400	26382	137 186 400
Additions to existing houses approved	3 904	21 472 000	5704	29 660 800	4478	23 285 600	4662	24 242 400
New shops approved	484	2 662 500	1609	8 366 800	2652	13 790 400	1410	7 332 000
Additions to existing shops approved	0	0	0	0	175	910 000	1320	6 864 000
Additions to existing industrial approved	2463	13 546 500	0	0	630	3 276 000	1475	7 670 000
New churches approved	2242	12 331 000	0	0	1166	6 063 200	0	0
New townhouses approved	300	1 650 000	1031	5 361 200	4891	25 433 200	2964	15 412 800
New other (cell phone towers) approved	0	0	310	1 612 000	656	3 411 200	1291	6 338 800

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

Table 41: Employees – Building and Maintenance (2017/18)

Job level	2016/17			2017/18		
	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	14	12	14%	14	12	14%
Level 7-9	3	2	33%	3	3	0%
Level 10-15	15	5	66%	15	6	60%
Level 16-17	13	5	38%	13	8	38%
Total	46	25	45%	46	30	35%

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

Table 42: Capital Project Expenditure 2017/18: Building and Maintenance (R'000)					
Capital Projects	2017/18				
	Budget	Adjustment budget	Actual Expenditure	Variance from original budget	Total Project value*
New ablution block for parks offices including upgrading of existing one	R 0	R 819 703	R 826 160	R -6 457	R 826 160

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

Table 43: Financial Performance 2017/18: Building and Maintenance (R'000)					
Detail	2016/17				
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue	2 154	1 795	1 795	2 309	(514)
Expenditure:					
Employees	8 994	10 533	10 533	9 815	718
Repairs & Maintenance	1 072	1 918	1 918	1 461	457
Other	874	3 971	3 971	958	3 013
Total Operational Expenditure	10 940	16 422	16 422	12 234	4 188
Net Operational (Service) Expenditure	(8 786)	(14 627)	(14 627)	(9 925)	(4 702)

The under expenditure reflected in **Table 43** is due to a lot of vacancies that were not filled for people that passed on and those that went on pension.

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

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terms of Section 152 (1) (b) and 153 (b) of the Constitution. Basic services are generally regarded as electricity, clean water within reasonable distance, basic sanitation, solid waste removal and access to and availability of roads.

The main purpose of the Indigent Subsidy 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 630 per individual or R3 260 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.

Table 44: Financial Performance 2017/18: Cost to the Municipality of Free Basic Services Delivered (R'000)					
Service	2016/17	2017/18			
	Actual Expenditure	Budget	Adjustment Budget	Actual Exp	Variance to budget
Electricity	2 994	4 000		3 067	23.4%
Waste Collection	1 510	1 620		987	39.05%
Property rates	21 659	24 000		38 501	60.42%
Total	26 163	27 169		42 555	

The expenditure on Free Basic Electricity is less than budgeted due to the decrease in the number of indigents verified (compared to the previous year) and also due to possible bridging by consumers in Eskom distribution area. The expenditure on solid waste collection is also less due to the disqualification of some indigents following the verification process. The expenditure on property rates was much higher than budgeted since the new valuation roll was implemented from 1 July 2017. It should however be noted that this includes rebates given to all property owners

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

	Registered Indigents	Free Basic Water		Free Basic Sanitation		Free Basic Electricity		Free Basic Waste Removal	
Year	Total HH	HH Receiving	% of indigents[1]	HH Receiving	% of indigents	HH Receiving	% of indigents	HH Receiving	% of indigents
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%	1 193	3%
2016/2017	36 427	1 418	MDM	1 418	MDM	36 427	100%	1 201	3%
2017/2018	25 963	1 457	MDM	1 457		25 963	100%	1 214	5%

Table 46: Free Basic Service Delivery targets as contained in the SDBIP for 2017/18

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2018		
					Actual	R	Reason for deviation
D57	Free Basic Services	R-value of Free Basic Electricity to Households	R-value	R 4,200,000	R 3,055,238	R	May and June invoices brought into account for financial year end purposes
D58	Free Basic Services	% of households earning less than R 1100 served with free basic electricity (total registered as indigents)	Percentage	100%	100%	G	All indigents registered on debtors system receive FBE

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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Table 46: Free Basic Service Delivery targets as contained in the SDBIP for 2017/18							
Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2018		
					Actual	R	Reason for deviation
D59	Free Basic Services	% households earning less than R 1100 with access to free basic waste removal (total registered as indigents)	Percentage	7%	3.61%	R	Indigents registered on debtors system receive all free basic service. Indigents in villages not possible to monitor service. Less indigents registered than target reason for under performance.
D60	Free Basic Services	Total number of registered indigent households who received free basic water and sanitation (GTM service area)	Number	1,420	1,364.83	O	Number of indigents registered on debtors do receive basic services

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COMPONENT B: ROADS & TRANSPORT

Greater Tzaneen Municipality is responsible for the provision and maintenance of the municipal roads falling within the various towns in the Municipal area, as stated in Schedule 5B of the Constitution of the Republic of South Africa. The Greater Tzaneen Municipality manages the municipal road network that 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.

Public transport services within the Greater Tzaneen Municipality is limited to bus, minibus-taxi and limited metered taxi operations. The operations is typically characterised by relatively high directional splits, with the dominant travel pattern of passengers being “home to work” in the morning with a return trip in the evening. On most routes the demand peak during the morning forward trip and evening return trip. According to the National Household Travel Survey (NHTS) more than 50% of general trips are undertaken by public transport, with more than 60% of all public transport trips made with minibus taxi and almost 20% of public transport trips by bus. Greater Tzaneen Municipality has just developed the Integrated Development Plan which is waiting for approval by Council.

3.7 ROADS & STORMWATER

Greater Tzaneen Municipality road network consist of 3 091 km of which 256 km is paved (asphalt and single seals) and 2 834 km is unpaved (gravel, earth). GTM is responsible for providing and maintaining local roads as stated in Schedule 5B of the Constitution of the Republic of South Africa. Roads maintenance services includes maintenance of gravel roads, tarred roads patching and maintenance of stormwater drainage systems. During 2017/18

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financial year we were able to construct 15km of tarred roads and the other roads are multiyear projects that are going to be completed in the next financial year. We were able to assist communities living in poverty by hiring 20 temporary labourers through EPWP for 12 months. Greater Tzaneen Municipality has developed a Road Master plan.

Table 47: Employees - Roads & Stormwater Services						
Job level	2016/17			2017/18		
	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	5	50%
Level 7-9	1	0	100%	1	0	100%
Level 10-15	67	20	70%	67	20	70%
Level 16-17	146	13	91%	146	12	92%
Total	225	37	83%	225	38	83%

The original budget allocated for roads maintenance was under budgeted because of financial constraints, hence the allocation was exhausted before the end of the financial year. The shortage of funds also resulted with some of the operation and maintenance activities being suspended until 2018/19 financial year.

Table 48: Financial Performance 2016/17: Roads & storm water Services (R'000)					
Detail	2016/2017				
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue		500	500	49	451
Expenditure:					
Employees	14 433	17 581	17 581	15 039	2 543
Repairs & Maintenance	24 949	35 424	37 851	29 750	8 101
Other	94 889	69 076	69 076	94 762	(25 686)
Total Operational Expenditure	134 271	122 082	124 509	139 551	(15 042)
Net Operational (Service) Expenditure	(134 271)	(121 582)	(124 009)	(139 502)	15 493

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Table 49: Road infrastructure 2013/14 – 2017/18

Year	Gravel				Tar/Asphalted			
	Total km	Newly constructed	Upgraded to tar	Maintained	Total km	Newly constructed	Re-sheeted	Maintained
2013/2014	1595	0	15	67.7	705	15	0	14 051 m ²
2014/2015	1577	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
2016/2017	3091	0	2.8	1493	733.8	2.8	0	12 574 m ²
2017/2018	2820	0	15	5077	271	15	0	11 709 m ²

After the development of the road master plan, it was discovered that Greater Tzaneen Municipality owns a total of 3091km road network. This is comprised of 271km tarred roads and 2820 km of gravel roads. During 2017/18, 15 km was upgraded from gravel to tar (refer to **Table 49**) and other roads which are under construction are multiyear projects which are going to be completed in the next financial year. 11 709m² potholes were patched and 5077km graded. The increase in the grading of roads are due to the absence of proper storm water systems which results in grading having to be re-done after heavy rain.

Table 50: Cost of construction & Maintenance of roads (2013/14 - 2017/18)

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)
2013/2014	67.7	6 517 059	0	0	14 051	4 248 879	2.55	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
2016/2017	1493	8 795 187	0	0	12 574	8 597 526	2.8	16 474 173
2017/2018	5077	12 022 918	0	0	11 079	10 081 363	15	170 519 021

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Table 51: Service Delivery targets for Roads & Stormwater as set out in the SDBIP for 2017/18

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2018		
					Actual	R	Reason for deviation
D240	Roads and Storm water Infrastructure Development	Kwekwe low level bridge construction	Q1: Physical Progress at 50% Q2: Physical Progress at 100% Q3: Bridge completed (100%) Q4: Bridge completed (100%)	100%	100%	G	Project on practical completion stage
D241	Roads and Storm water Infrastructure Development	Tzaneen Airfield rehabilitation	Q1: Physical Progress at 25% Q2: Physical Progress at 100% Q3: Physical Progress at 100% Q4: Physical Progress at 100%	100%	70%	R	Target could not be reached due to non-performance of the main contractor.
D180	Roads and Storm water Infrastructure Development	Khubu to Lwandlamuni low level bridge	Q1 : Specifications submitted and Tender Evaluation in process (60%) Q2: Appointment of contractor finalised and site handover (65%) Q3: Construction in progress at (85%) Q4: Physical Construction completed (100%)	100%	100%	G	The project is completed
D181	Roads and Storm water Infrastructure Development	Moruji to Matswi, Kheshokolwe Tar Road (Phase 4 of 5)	Q 1: Physical construction at 45% (25%) Q2: Physical construction at 65% (50%) Q3: Physical construction at 75% (75%) Q4: Physical construction of 4.86km completed (100%)	100%	80%	O	The initial Consulting Engineers withdrew from the projects and was later replaced and this affected progress on site. The contractual completion date of the project is however 17/11/2018 which will be reached.
D182	Roads and Storm water Infrastructure Development	Rita to Mariveni Upgrading of road from gravel to Tar (Phase 3 of 4)	Q1 : Specifications submitted and Tender Evaluation in process (60%) Q2: Appointment of contractor finalised and site handover (65%) Q3: Construction in progress at (85%) Q4: Physical Construction completed (100%)	100%	98%	O	The project was stopped on numerous occasions by the community and this affected progress. The contractual completion date of this project is however 22/08/2018 and the project is almost complete.

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Table 51: Service Delivery targets for Roads & Stormwater as set out in the SDBIP for 2017/18							
Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2018		
					Actual	R	Reason for deviation
D183	Roads and Storm water Infrastructure Development	Upgrading of Tickyline Glassworks, Myakayaka, Burgersdorp, Gavaza to Mafarana from Gravel to Tar	Q1: Specifications submitted and Tender Evaluation in process (60%) Q2: Appointment of contractor and site handover (65%) Q3: Construction in progress (85%) Q4: 12km construction completed (100%)	100%	100%	G	The project has reached practical completion stage.
D185	Roads and Storm water Infrastructure Development	Km of roads tarred	Kilometers	8	15	B	The project performed well, 10 km for Mafarana to Burgersdorp road and 5km for Moruji to Kheshokolwe road.

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The capital programme for roads and stormwater is reflected in Table 52 to Table 55.

Table 52: Capital Expenditure 2017/18: Roads and storm water Services (R'000)					
Capital Projects	2017/18				
	Budget	Adjustment budget	Actual Expenditure	Variance from original budget	Total Project value*
Rita to Mariveni Upgrading of Road from Gravel to Tar	R3,173,183	R0	R3,173,183	R0	R78,248,910
Moruji to Matswi/ Kheshokolwe Upgrading of Road from Gravel to Tar	R51,444,770	R5,800,000	R57,244,770	R5,800,000	R127,904,235
Tickyline, Glasswork, Myakayaka, Burgersdorp, Gavaza to Mafarana Upgrading of Road from Gravel to Tar	R9,205,327	R0	R9,205,327	R0	R134,827,924
Khubu to Lwandlamuni Low Level Bridge	R3,181,483	R0	R3,181,483	R0	R3,181,483
Total	R67 004 763		R 72 804 763		
* Including past and future expenditure as planned for the next 3 years					

Table 53: 2018/19 Planned Targets for road infrastructure development			
Project name	MIG Fund	Counter Fund	Total
Moruji to Matswi/ Kheshokolwe Upgrading of Road from Gravel to Tar	R28,307,882.67	R0	R28,307,882.67
Upgrading of Mulati Access Road	R7,944,398.55	R0	R7,944,398.55
Upgrading of Khujwana to Lenyenye Access Road from Gravel to Tar	R11,388,015.77	R0	R11,388,015.77
Upgrading of Mbambamencisi Access Road	R8,768,065.01	R0	R8,768,065.01
Mawa low level bridge	R3,100,234.00	R0	R3,100,234.00
Mopye High School Access Road	R8,500,000.00	R0	R8,500,000.00
Nelson Ramodike High School Access Road	R3,000,000.00	R0	R3,000,000.00

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Table 53: 2018/19 Planned Targets for road infrastructure development

Project name	MIG Fund	Counter Fund	Total
Upgrading of Codesa Street to Hani Street	R10,212,232.00	R0	R10,212,232.00
Total	R81,220,828.00	R0	R81,220,828.00

Table 54: 2019/20 Planned Targets for road infrastructure development

Project name	MIG Fund	Counter Fund	Total
Nelson Ramodike High School Access Road	R9,062,288.85	R0	R9,062,288.85
Mopye High School Access Road	R10,400,000.00	R0	R10,400,000.00
Upgrading of Mulati Access Road	R29,279,794.74	R0	R29,279,794.74
Upgrading of Relela Access Road	R12,508,750.00	R0	R12,508,750.00
Upgrading of Matapa to Leseka Access Road	R12,508,750.00	R0	R12,508,750.00
Upgrading of Khujwana to Lenyenye Access Road from Gravel to Tar	R11,388,015.77	R0	R11,388,015.77
Total	R85,145,599.36		R85,145,599.36

Table 55: 2020/21 Planned Targets for road infrastructure development

Project name	MIG Fund	Counter Fund	Total
Nelson Ramodike High School Access Road	R20,617,711.14	R0	R20,617,711.14
Upgrading of Relela Access Road	R11,680,555.37	R0	R11,680,555.37
Upgrading of Matapa to Leseka Access Road	R34,050,956.39	R0	R34,050,956.39
Maweni Low level Bridge	R1,678,048.77	R0	R1,678,048.77
Topanama Access Road to Serurubele School	R7,000,000	R0	R7,000,000
Marirone to Kubyana Street Paving	R6,632,514.32	R0	R6,632,514.32
Total	R81,659,785.99		R81,659,785.99

3.8 LICENSING

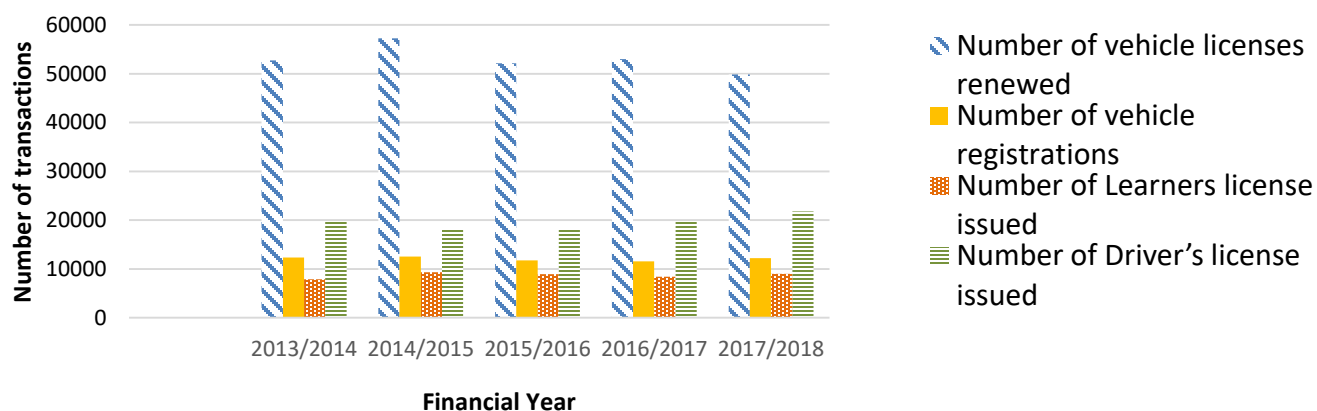
Greater Tzaneen Municipality has 2 GTM Testing Stations. The Tzaneen Testing Station is a Grade A while the Nkowankowa station is Grade B. At these testing stations applications for learner and driver licenses are tested and processed. These office also assist with the renewal of driver licenses and the applications for professional driving permits. The licensing offices at the Civic Centre in Tzaneen processes registration and renewal of vehicle licenses.

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Table 56: Licensing and Testing services 2013/14 - 2017/18				
Year	Number of vehicle licenses renewed	Number of vehicle registrations	Number of Learners license issued	Number of Driver's license issued
2013/2014	52768	12317	7841	19833
2014/2015	57246	12542	9302	18097
2015/2016	52147	11718	8934	18384
2016/2017	53022	11536	8412	19748
2017/2018	49870	12169	8992	21748

As can be seen from **Table 56** the number of transactions increased gradually over the past five years, however the registration of vehicles increased in 12, 000 transactions since 2004 and only one additional staff member were added during this period. There was also an increase of more than 18, 000 transactions for the issuing of learners and drivers licenses.

Figure 3: Vehicle and Drivers Licensing transactions



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Table 57: Licensing Service Delivery targets for 2017/18 as contained in the SDBIP							
Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2018		
					Actual	R	Reason for deviation
D125	Licensing and Testing services	% compliance with ENATIS legislative compliance (ad-hoc audits)	Percentage	100%	100%	G	Received inspection report from Nkowankowa DLTC on 07 June 2018 and Tzaneen DLTC on 08 June 2018

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Table 58: Employees - Licensing and Testing Services						
Job level	2016/17			2017/18		
	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	9	60%	23	9	60%
Level 7-9	25	13	48%	25	12	52%
Level 10-15	6	3	50%	6	3	50%
Level 16-17	7	2	71%	7	2	71%
Total	62	28	54%	62	27	56%

Table 59: Financial Performance 2017/18: Licensing and Testing Services (R'000)					
Detail	2016/17	2017/18			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue (excluding tariffs)	53 354	50 285	50 285	14 700	35 586
Expenditure:					
Employees	15 995	16 925	16 925	16 900	26
Repairs & Maintenance		2	2		2
Other	38 552	22 464	22 464	692	21 772
Total Operational Expenditure	54 546	39 391	39 391	17 592	21 799
Net Operational (Service) Expenditure	(1 192)	10 894	10 894	(2 892)	13 786

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.

COMPONENT C: PLANNING AND DEVELOPMENT

3.9 TOWN PLANNING

The Planning Strategies for Town Planning are as contained in the Spatial Development Framework (SDF) of 2017 to 2022. These are briefly outline below:

- i. Growth and Development Strategy: The policy proposed growth areas for corridor development in the Tzaneen Nodal area, linking Tzaneen and Nkowankowa, as well as Tzaneen and Letsitele.
- ii. Nodal Growth of Tzaneen, Nkowankowa and Lenyenye with particular focus on Nodal Intensification.
- iii. Infrastructure development to support and sustain the two main structured growth areas.

The GTM has so far only managed to achieve, to a lesser extent, the second strategy of Nodal enhancement through precinct land development applications. These applications mainly focussed on densification, amendment schemes and subdivisions. While the SDF proposal are structured in short, medium and long term periods, requiring massive capital investments in Civil infrastructure as well as land acquisition. The main challenges are:

- i. The lack of capital investment in infrastructure development greatly hampers the Municipal 2030 Vision.
- ii. The minimum achievements in nodal enhancement, this will not necessary have an impact on addressing the envisaged integration, desired over the long term period, as it only addresses aspects of minor densification.

Table 60: Employees - Town Planning services						
Job level	2016/17			2017/18		
	Positions Filled	Positions Filled	Vacancy rate	No of Posts	Positions Filled	Vacancy rate
Level 0-3	1	1	0%	1	1	0%

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Table 60: Employees - Town Planning services						
Job level	2016/17			2017/18		
	Positions Filled	Positions Filled	Vacancy rate	No of Posts	Positions Filled	Vacancy rate
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 2** below:

Table 61: Financial Performance 2017/18 Town Planning Services (R'000)					
Detail	2016/17	2017/18			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue	151	150	150	221	(71)
Expenditure:					
Employees	4 306	4 545	4 545	4 619	(73)
Repairs & Maintenance					
Other	1 319	1 858	1 858	681	1 178
Total Operational Expenditure	5 625	6 404	6 404	5 299	1 104
Net Operational (Service) Expenditure	(5 474)	(6 254)	(6 254)	(5 078)	(1 175)

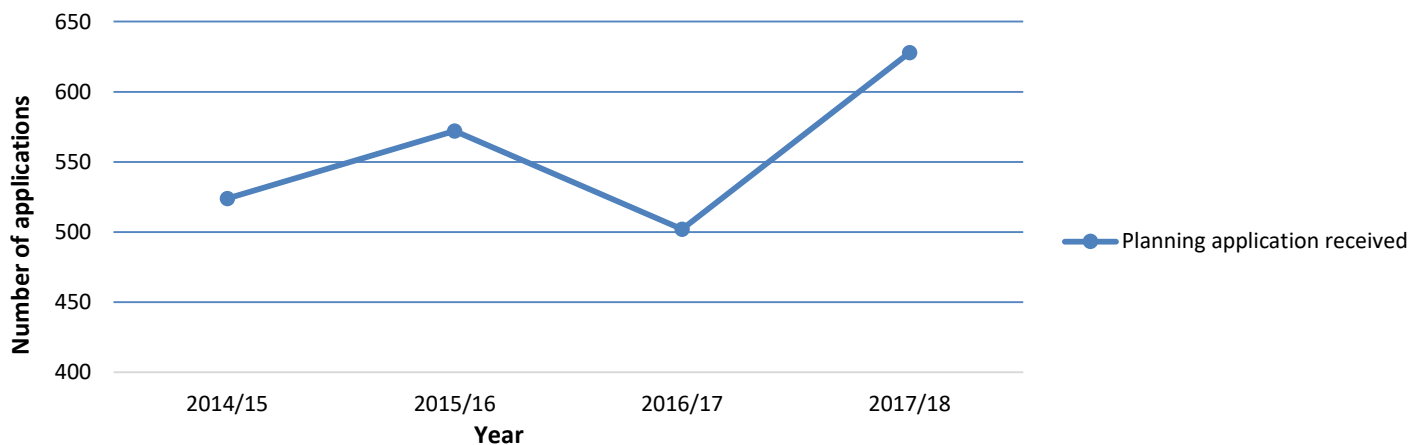
From **Figure 4** it is clear that the past two financial years that there was a very insignificant number of Development Applications, compared to 2017/18. Therefore it maybe deduced that the Revised SDF 2017/22 and the well functioning Greater Tzaneen Municipal Planning Tribunal had an impact on the Nodal areas of Tzaneen, Nkowankowa and Lenyenye evident from the number of applications received and finalised within the prescribed turna round time.

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Table 62: Applications for Land use Development 2014/15 - 2017/18

	Formalisation of Townships				Rezoning				Built Environment			
	2014/15	2015/16	2016/17	2017/18	2014/15	2015/16	2016/17	2017/18	2014/15	2015/16	2016/17	2017/18
Planning application received	1	0	1	1	19	18	29	20	524	572	502	628
Determination made in year of receipt	0	1	1	0	2	10	8	16	524	572	502	628
Determination made in following year	1	1	3	1	16	6	16	4	0	0	0	0
Applications withdrawn	0	0	0	0	1	3	1	1	0	0	0	0
Applications outstanding at year end	0	1	1	0	16	7	16	4	0	0	0	0

Figure 4: Planning application received for built environment



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3.10 LAND MANAGEMENT

GTM aims to provide integrated human settlements to enhance revenue. To achieve this Township Establishment on Farm Novengilla 562-LT approximately 20.0463ha took place. Along with the installation of services for Tzaneen Extension 105, Tzaneen Extension 60 and part of Nkowankowa A and B and the establishment of community residential units at Tzaneen Extension 105.

During 2017/18 GTM also purchased a Portion of the Farm Novengilla 562-LT and the remaining extent of the Farm Mohlaba's Location 567-LT for the establishment of Nkowankowa and Lenyenye Cemeteries. GTM also acquired funding for Township Establishment of Tzaneen Extension 105. Number of informal settlement upgrading (Nkambako Village).

The main challenges with regard to Land Management is, *firstly*, the management of Land Availability Agreements remain a major challenge and the Municipality has appointed a Service Provider to review these agreements. *Secondly*, the Tzaneen Industrial Park is not fully serviced to attract new investors, Service Departments must budget for services in the industrial area as identified in the Local Economic Development Strategy.

Table 63: Employees for Land and Human Settlement function							
JOB LEVEL	2016/17			2017/18			
	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	3	25%	4	3	25%	
Level 7-9	5	2	60%	5	2	60%	
Level 10-15	2	1	50%	2	1	50%	
Level 16-17	0	0	0%	0	0	0%	
Total	11	7	36%	11	7	36%	

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Table 64: Financial Performance 2017/18: Land and Human Settlements (R'000)					
Detail	2016/17	2017/18			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue (excluding tariffs)				10 444	(10 444)
Expenditure:					
Employees	5 086	5 185	5 185	5 303	(118)
Repairs & Maintenance		30	30		30
Other	1 416	901	901	3 498	(2 597)
Total Operational Expenditure	6 502	6 116	6 116	8 801	(2 685)
Net Operational (Service) Expenditure	(6 502)	(6 116)	(6 116)	1 644	(7 760)

Progress with the development of identified areas are presented below in **Table 65**.

Table 65: Land Developments 2017/18				
Town	Developer	Year appointed	Progress (Activities completed) by 30 June '18	Challenges
Dan and Dan Extension 1 (number of ern 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% - Electricity reticulation for almost 100 units installed. - Road and storm water for almost 1.4 KM constructed. - Outstanding: <ul style="list-style-type: none"> o Eviction of brickyard 	<ul style="list-style-type: none"> - Delay in eviction of the Brickyard. - Lack of integration by Municipality Departments in implementing of Council resolution and the projects.
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. 	<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

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Table 65: Land Developments 2017/18

Town	Developer	Year appointed	Progress (Activities completed) by 30 June '18	Challenges
			<ul style="list-style-type: none"> - Municipality only provided connection points in December 2015. - Water & sewer designs approved in 2014. Planning to install water & sewer reticulation beginning of March 2019 (with the assistance of COGHSTA) - Roads & storm water designs approved in 2014. - Electricity designs not yet approved. 	<p>Council resolution and projects</p> <ul style="list-style-type: none"> - Delay in providing water & sewer connection points by GTM.
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 connections for 140 units complete. - Internal streets and storm water control for 140 units complete. 	<ul style="list-style-type: none"> - Transfer of site to Ngoma Trading CC without consultation with the user Departments. - Delay in approval of designs - Insufficient water to proceed with the project as water allocation of Tzaneen Ext 78 diverted to new private development. - The project is moving very slow and this lead to the theft of electric cables. - -Water and sewer not connected to bulk network.
Tzaneen Extension 53 (94 erven)	Phadima	2006	<ul style="list-style-type: none"> - The Development is under litigation. 	<ul style="list-style-type: none"> - Delays of the case led to the delays of the development

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Table 65: Land Developments 2017/18

Town	Developer	Year appointed	Progress (Activities completed) by 30 June '18	Challenges
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 and projects - Extension of SLA without the involvement of the user Department.

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Table 66 presents all the key deliverables for Land Management included in the 2017/18 IDP.

Table 66: Service Delivery targets for Land Management & Town Planning as contained in the SDBIP for 2017/18							
Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2018		
					Actual	R	Reason for deviation
D210	Integrated Development Planning	Spatial Development Framework review	Q1: SDF approved by Council (25%) Q2: Alignment of the capital investment program with the current IDP (50%) Q3: Abstract all catalytic projects for implementation and input into the 18/19 IDP (75%) Q4: Draft Land use scheme for GTM area available (100%)	100%	100%	G	Awaiting Council approval of item to replace the resigned Municipal Planning Tribunal member and the delegation for the appointment of the Appeal Tribunal. June tribunal sitting held with 4 rezoning applications considered and approved
D211	Spatial Development	Formulation of land use scheme for GTM area	Q1: Prepare procurement specifications for appointment of a service provider. (10%), Q2: Status quo report completed (50%) Q3: Formulation of a land use scheme at 50% (75%) Q4: Land use scheme for GT	100%	40%	R	Advertisement for Bids for proposal for the Land Use Scheme closed on 22nd June 2018 at 12:00, and were opened on the same day with Six (6) bids received

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The capital expenditure for Land Management is presented in **Table 67** below;

Table 67: Capital Expenditure 2017/18: Land Management (R'000)					
Capital Projects	2017/18				
	Budget	Adjustment budget	Actual Expenditure	Variance from original budget	Total Project value*
None					
Total					
* Including past and future expenditure as planned					

3.11 LOCAL ECONOMIC DEVELOPMENT

The progress made with the implementation of LED strategies during 2017/18 are as follows:

- i. *LED Strategy*: The LED strategy was reviewed in 2017/18. There are 3 anchor projects identified to contribute to economic growth with GTEDA as the implementing Agency:
 - a. Agricultural business incubator
 - b. Waste management project
 - c. Farmers facilitation centre
- ii. *Agri Expo*: An annual event, which is an information sharing platform for emerging farmers. The expo included a career expo for agriculture learners from various schools. The Agri golf event raised fund of which R50 000 was donated to the winner of Female Farmer of the year competition. Although SALGA was the main sponsor for the event. Institutions of higher learning such as the Universities of Limpopo, University of Venda, Tombi Seleka also played a major role. A total of 120 learners participated and 30 SMMEs were given an opportunity to exhibit their products.
- iii. *SMME Supported*: 52 SMMEs (target was 45) were supported by GTM through various platforms to promote and market their products, for information sharing and exposure to the market. Costs are being carried by the Institution in the form of:
 - *Municipal transport to attend workshop, exhibition and meeting.*
 - *Accommodation and meals.*
 - *Exhibition material e.g. brochures, DVD, etc.*
 - *Payment of exhibition stands.*
 - *Transport of exhibition material.*
- iv. *Greater Tzaneen Tourism Association (GTTA)*: The GTTA is a voice for the tourism industry in the area. It is a platform where tourism stakeholders communicate their needs and may request for assistance from the Municipality. SMMEs given support and exposure to the markets are all active members of the association.
- v. *Tourism Indaba*: The annual Tourism Indaba trade show gives SMMEs the opportunity to promote their offering and also conduct destination marketing. 3 SMMEs were

taken to the show by GTM. Tourism newspapers were also distributed which were printed in partnership with the Tzaneen Business Chamber.

- vi. *Community Works Programme:* CWP aims to give those willing and able to work the opportunity to do so, together with the dignity and social inclusion that follows from this. It supplements people's existing livelihood strategies by providing a basic level of income security and, in doing so, contributes to the key strategic goals of government by addressing poverty and unemployment. In practice participants work 2 days in a week or the monthly equivalent and are paid a guaranteed minimum CWP wage.
- vii. *Exposure to local Shows & Markets:* GTM supports various SMME's to attend the Letaba Show, Rand Easter Show, Getaway Show, Marula Festival and Flea markets.

The main challenges with regard to LED initiatives are:

- ✓ Late confirmation from earmarked main sponsor for events and other programmes e.g. Agri Expo.
- ✓ Limited budget limiting the ability to support more SMMEs.
- ✓ Limited number of days to attend s which deprives SMMEs to sell their products.
- ✓ GTM doesn't have direct control over the CWP programme.
- ✓ Delayed procurement of protective clothing for participants.
- ✓ Delay in the roll out of the CWP in the new ward (ward 12)
- ✓ Poor attendance of Councillors in Local Reference Committee (LRC)

Community Works Programme

This is a government initiative to provide employment safety net. Participants work 2 days in a week (8 days in month). The programme is aimed at addressing community needs and to improve the the quality of life in poorer communities. Also, to address the high rate of unemployment in the country. The role of GTM is to coordinate the identification of participants, which are done through the Ward Councillor concerned.

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Table 68: Community Work Programme 2017/18			
Wards participating	Number of cooperatives	Number of jobs	Output (work done)
Ward 16	0	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	0	227	
Ward 22	0	127	
Ward 29	0	93	
Ward 30	0	116	
Ward 32	0	332	
Ward 33	0	484	
Ward 34	2	452	
Ward 35	0	99	
Total no of Participants		2062	
Total no of Coordinators		117	
Total no of site staff		8	
Total no of CWP members		2187	

The Municipality established the partnerships presented in **Table 69**, to assist with local economic development.

Table: 69: LED partnerships for 2017/18	
Stakeholder	Type of relationship
SEDA	SMMEs support
COGHSTA (Thembaletu)	CWP implementation in GTM
Tzaneen Business Chamber	Destination Marketing (Tzaneen Newspaper)
Department of Agriculture	Partnership in agricultural development e.g. Agri Expo
LEDA	Development of Nkowankowa Industrial Park
Mopani District Municipality	Support for various events e.g. Tourism Indaba, Rand Easter Show, Agri Expo, etc
Magoebaskloof Tourism	Support for various events and destination marketing e.g. Food and Wine festival, Berry festival and Spring Fair
Limpopo Tourism Agency	Partnership on Tour de Limpopo
TVET	Update on skills development in the area.
LEDET	SMMEs support through exhibitions in various events e.g. Marula festival.

Expanded Public Works Programme

The 2017/18 EPWP Incentive Grant allocation was R 4 918 000. **Table 70** below, depicts job creation achievements.

Table 70: Jobs creation through EPWP projects				
Year	Work opportunities	FTE,s	Beneficiaries	Percentage performance per financial year
2013/2014	1 291	445	588	45%
2014/2015	803	282	629	78.3%
2015/2016	712	232	892	125%
2016/2017	860	282	1025	119%
2017/2018	1084	351	986	90.96%

The project for EPWP was done through Construction of Tar roads, electrification of households and rural and urban waste collection projects. The community now have access road, electricity and living in a healthy and clean environment.

Greater Tzaneen Economic Development Agency (GTEDA)

The 2017/18 Annual Report for the Greater Tzaneen Economic Development Agency is herewith attached as **Annexure D**. The 2017/18 Audit Opinion for GTEDA can be found as a part of the GTEDA Annual Report.

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Table 71: Targets for LED as contained in the SDBIP for 2017/18

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2018		
					Actual	R	Reason for deviation
D201	Community Works Programme	No of cooperatives established and still functional in wards where the CWP is implemented	Number	4	2	R	No Reason for Deviation
D202	Community Works Programme	Number of job opportunities sustained through the CWP	Number	2,100	2,154	G2	No Reason for Deviation
D203	Marketing and Investor Targeting	# of Agricultural Expos held	Number	1	1	G	
D205	Marketing and Investor Targeting	# of jobs created through municipal LED initiatives including Capital Projects	Number	600	986	B	The registered EPWP projects only created the number of jobs during the month
D206	Marketing and Investor Targeting	# of GTM LED forum meetings arranged	Number	4	2	R	Meeting was postponed due to unavailability of the Mayor and Councillor responsible LED Forum; and stakeholders could not turn up as expected.
D207	SMME support	# of meetings held with informal traders	Number	4	4	G	No Reason for Deviation
D208	SMME support	# of Local Tourism Association Meetings	Number	4	3	O	One meeting did not take place due to the non-availability of key stakeholders
D209	Tourism	# of Tourism SMMEs exposed to the market	Number	45	34	O	Information on SMMEs attendance to Tourism Indaba and Tourism Transformation Workshop were not considered during reporting
D176	Expanded Public Works	# of jobs created through municipal EPWP initiatives (FTE)	Number	1,084	990	O	Targets for EPWP are set at national level and there is generally a challenge of non-compliance by municipalities. Targets seem to be too high

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Table 72: Employees - Local Economic Development services						
Job level	2016/17			2017/18		
	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%	2	1	50%
Level 7-9	1	1	0%	3	2	33%
Level 10-15	5	3	40%	2	1	50%
Level 16-17	0	0	0%	0	0	0%
Total	10	7	30%	8	5	50%

The position for Snr. Economic Development Officer was advertised but not appointed by the end of the year.

Table 73: Financial Performance 2017/18: Local Economic Development Services (R'000)					
Detail	2016/17	2017/2018			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue (excluding tariffs)	151	414	414		414
Expenditure:					
Employees	4 306	4 847	4 847	4 554	292
Repairs & Maintenance		98	98		98
Other	1 319	8 704	8 704	8 702	1
Total Operational Expenditure	5 625	13 648	13 648	13 256	392
Net Operational (Service) Expenditure	(5 474)	(13 235)	(13 235)	(13 256)	22

COMPONENT D: COMMUNITY & SOCIAL SERVICES

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

3.12 LIBRARIES; MUSEUM; COMMUNITY FACILITIES

LIBRARIES

Library Services is the joint responsibility of Municipal authorities and the Dept. of Sport, Arts and Culture. The Greater Tzaneen Municipality runs quality library services in the following towns and villages: Tzaneen (Main library) and branch libraries at Haenertsburg; Letsitele; Shiluvane and Mulati. Two new libraries are in the advanced planning stage: The Runnymede Library, which is to be built through the Department of Sport, Arts and Culture; and the Motupa Library, which is to be built as a donation by the Rand Water Foundation.

The libraries offer full library services, including: Access to balanced book collections; Lending services; Information services, with the emphasis on school project help; User education; Assistance with online applications for tertiary placement, bursaries and jobs; Holiday programmes and book-related arts and craft events, including reading competitions; Safe, quiet and comfortable room to study; Free public access to the Internet and free Wi-Fi. The GTM libraries are highly utilized: In 2017/2018 library user statistics totaled 126,599. Respected GTM library outreach programmes were presented as a PowerPoint presentation at the IBBY (International Board on Books for Young People) AFRICA Congress, 17-21 August 2017, in Kampala, Uganda. The figures in **Table 74** represent the number of posts for all GTM libraries.

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Table 74: Employees – Libraries						
Job level	2016/17			2017/18		
	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%	2	0	100%
Level 7-9	28	13	53%	28	14	50%
Level 10-15				0	0	0%
Level 16-17	2	0	100%	0	0	0%
Total	31	14	54%	31	15	52%

Table 75: Financial Performance: Libraries (R'000)					
Detail	2016/17	2017/18			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue (excluding tariffs)	78	68	68	46	21
Expenditure:					
Employees	7 310	8 289	8 289	8 562	(273)
Repairs & Maintenance		13	13	1	12
Other	336	517	517	303	213
Total Operational Expenditure	7 646	8 819	8 819	8 867	(48)
Net Operational (Service) Expenditure	(7 568)	(8 751)	(7 889)	(8 820)	932

MUSEUM: The museum is managed by a private curator since the municipality only owns the building but the artefacts are privately owned. GTM pays an annual grant to the curator, provided that the curator provides the municipality with an audited financial statement. Many visitors from different countries and school kids visit the museum.

OTHER COMMUNITY FACILITIES: The GTM mandate is to provide community facilities, herein GTM provides community halls and sports facilities in needy communities. The main challenge is that, although funding can be secured to build more sport facilities, community halls and libraries there is insufficient operational funds and personnel, to operate and maintain these facilities.

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Table 76: Library and Parks Service Delivery Targets as set out in the SDBIP for 2017/18

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2018		
					Actual	R	Reason for deviation
D121	Library Services	Number of library users	Number	96,000	126,599	G2	No deviation - Users in June 2018: 11374 Circulation in June 2018: 5013
D123	Maintenance and upgrade of parks and open spaces	m² of parks and open-spaces maintained	Number	395,000	1,654,477.92	B	Contractor expired in May 2018 and the funds were finished. The whole work was done internally and we are not having enough machinery to cut grass. We have budgeted R 300 000 to buy machines for 2018 to 2019. The aim is to insource so that we can save money for the municipality.
D124	Maintenance and upgrade of parks and open spaces	# of developed parks maintained	Number	18	18	G	There was no deviation but the work went very slow because the contractor expired and the internal personnel had to fit in their schedule the gardens too which is not possible with few personnel we have.

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Delays in the filling of vacancies result in the budget, allocated for personnel, being re-allocated elsewhere. As a result the Parks and Cemetery maintenance function is greatly understaffed. **Table 77** represents the number of posts for Parks & Community Facility management.

Table 77: Employees – Parks & Community Facilities						
Job level	2016/17			2017/18		
	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	14	8	42%	14	6	57%
Level 16-17	75	56	25%	75	52	31%
Total	97	70	27%	97	64	34%

The Greater Tzaneen municipality has 13 formal parks and a large areas of open space that needs to be maintained. Due to the high rainfall in the area regular grass cutting and bush clearing is required. The efficiency of the unit is however constrained by aged equipment.

Table 78: Financial Performance 2017/18: Parks, Sports and Community Facilities (R'000)					
Detail	2016/17	2017/18			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue (excluding tariffs)⁵	161	561	561	149	412
Expenditure:					
Employees	17 530	19 611	19 611	18 395	1 216
Repairs & Maintenance	1 010	1 183	1 183	1 068	114
Other	4 681	6 222	6 222	4 216	2 006
Total Operational Expenditure	23 221	27 015	27 015	23 678	3 336
Net Operational (Service) Expenditure	(23 060)	(26 454)	(26 454)	(23 529)	(2 925)

⁵Payments made are deposited into a general account and not ring-fenced for parks and community facilities

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Table 79: Capital Expenditure 2017/18: Parks & Community Facilities (R'000)					
Capital Projects	2017/18				
	Budget	Adjustment budget	Actual Expenditure	Variance from original budget	Total Project value*
Upgrading of Burgersdorp Sport Ground	R12,920,324	R0	R12,920,324	R0	R12,920,324
Upgrading of Juliesburg Sport Ground	R11,640,613	R0	R11,640,613	R0	R11,640,613
Relela Cluster Community Hall	R1,140,624	R0	R1,140,624	R0	R15,956,639.67
Total	R25,701,561		R25,701,561	R0	R40,517,576.67

3.13 CEMETERIES

The Constitution (Act 106 of 1996) grants the municipality the power to establish, develop and maintain cemeteries within its area of jurisdiction. There are 136 cemeteries in the GTM are of which only 8 are being maintained. The main challenge relates to insufficient funding to extend cemeteries that are full and to maintain cemeteries in villages. Cemeteries also do not have sufficient ablution facilities or fences.

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Table 80: Cemetery service delivery targets as set out in the SDBIP for 2017/18

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2018		
					Actual	R	Reason for deviation
D122	Maintenance and upgrade of parks and open spaces	# of cemeteries developed or extended	Number	1	1	G	Environmental Impact Assessment report is complete and successful.

Table 81: Capital Expenditure 2017/18: Cemetery services (R'000)

Capital Projects	2017/18				
	Budget	Adjustment budget	Actual Expenditure	Variance from original budget	Total Project value*
None					
Total	0	0	0	0	0

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3.14 CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

The Child care, aged care and social programmes function is located in the Office of the Mayor. During 2017/18 GTM assisted 82 students to register with institutions of higher learning. It also facilitated the opening of local NYDA offices. The office also assisted in securing learnership opportunities for 130 young people (from the Greater Tzaneen area) with the Department of Environmental Affairs.

Table 82: Employees - Youth, Gender, Disability & Social programmes (2017/18)						
Job level	2016/17			2017/18		
	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	3	25%	4	3	25%
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	3	25%	4	3	25%

Table 83: Financial Performance 2017/18: Youth, Gender, Disability & Social programmes (R'000)					
Detail	2016/17	2017/18			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue (excluding tariffs)					
Expenditure:					
Employees					
Repairs & Maintenance					
Other	317	250	250	266	(16)
Total Operational Expenditure	317	250	250	266	(16)
Net Operational (Service) Expenditure	(317)	(250)	(250)	(266)	16

The expenditure on personnel cost for youth, Gender, disability & social programmes is included under Council expenditure division seeing that the above programmes are not yet classified as a separate administrative division.

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Table 84: Youth, Gender & Disability programmes targets as set out in the SDBIP for 2017/18

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2018		
					Actual	R	Reason for deviation
D42	Youth, Gender & Disability support	# of Jobs created by Municipal Capital projects for youth	Number	473	2,663	B	Very projects were implemented during the month of June.
D43	Youth, Gender & Disability support	# of Jobs created by Municipal Capital projects for women	Number	473	4,661	B	Only small projects were implemented.
D44	Youth, Gender & Disability support	# of Jobs created by Municipal Capital projects for disabled persons	Number	17	65	B	Projects implemented during the month of June were not suitable for people with disability.

COMPONENT E: ENVIRONMENTAL HEALTH SERVICES

GTM is responsible for environmental management through the monitoring air quality, handling of human remains, vector control and food quality control.

3.15 ENVIRONMENTAL HEALTH SERVICES

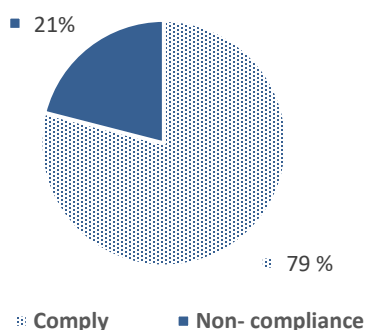
During 2017/18 GTM provided the following services in terms of environmental management:

- **Air quality:** Inspections was conducted on industrial premises and major hazardous installations. Small scale brick making and treatment of timber is on the increase and these activities have contributed to the increase in air quality related complaints.
- **Management of human remains:** GTM processed 4 applications for the establishment of mortuaries/ funeral undertakers and monitored four (4) exhumations and four (4) reburials.
- **Vector control:** During the financial year there was an increase in the reported cases of Malaria wherein GTM supported the Department of Health to raise awareness and larviciding was up-scaled.
- **Food Control:** The third and fourth quarter of the 2017/18 financial year the focus shifted from routine monitoring of food handling premises to responding to the outbreak of Listeriosis. Screening surface swabs were collected from seven (7) food processing plants and 2 abattoirs respectively. The laboratory results indicated that two (20%) of the samples were positive with *Listeria monocytogens* (see Figure 5), In the meantime we made sure that all whole sales and retailers complied with the National Food Recall of Enterprise processed food products. GTM also placed pamphlets on Listeriosis and the WHO five keys on food safety at the five Libraries.
- **Environmental management:** GTM attended to Environmental crimes cases that were referred to us by DEA, as well as by other interest groups. The on-going rehabilitation

of a stream near the R71 is a clear commitment by the municipality to do environmental compliance and monitoring.

GTM participated in various Committees which seek to address Environmental, Climate Change and Environmental Health Issues. We also reviewed 12 Basic Assessment Reports for developments in our area. There is sustained interest in the Cleanest School Competition which is hosted annually. As a result of all the efforts to manage our environment GTM was the 1st runner up in the National Greenest Municipality Competition during 2017/18.

**Figure 5: Percentage Overall Compliance
(Microbiological Agents Surface Swabs)**



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Table 85: Outcome of Water samples taken during 2017/18

Result	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June
Complying	11	25	24	23	26	24	25	25	25	22	14	19
Not complying	1	5	5	3	2	4	3	3	4	3	2	2
Total	12	30	29	26	28	28	28	28	29	25	16	21

Monthly water samples are taken at selected areas to monitor water quality. The compliance of the water samples to the water quality standards (SANS 0241) are presented in **Table 85**.

Figure 6: Results of Water quality samples

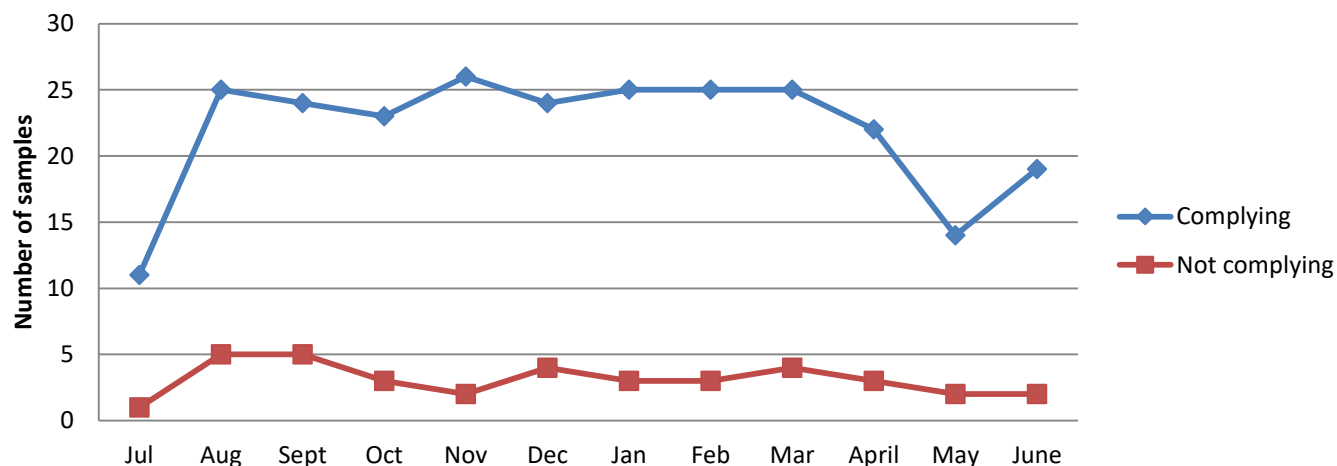


Table 86: Environmental Health Service Delivery targets as set out in the SDBIP for 2017/18							
Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2018		
					Actual	R	Reason for deviation
D110	Environmental Health Management	# of contravention notices issued to improve level compliance to Environmental Management legislation (5 formal towns)	Number	112	148	G2	2 notices issued to industries. 3 notices issued to schools.
D111	Environmental Health Management	% compliance to the environmental legislation checklist	Percentage	90%	93.50%	G2	Introduction of an Environmental Internal Audit team comprising of different stakeholders has led to the improved results.
D112	Environmental Health Management	% of water samples that comply with SANS 0241	Percentage	85%	86.66%	G2	Consistent implementation of the Water Quality monitoring schedule.

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Table 87: Employees - Environmental Health services (2017/18)						
Job level	2016/17			2017/18		
	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	2	67%
Level 7-9	0	0	0%	0	0	0%
Level 10-15	5	2	60%	5	1	80%
Level 16-17	27	18	33%	27	19	30%
Total	39	24	38%	39	23	41%

Table 88: Financial Performance 2017/18: Environmental Health services (R'000)					
Detail	2016/17	2017/18			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue (excluding tariffs)	46	255	255	24	231
Expenditure:					
Employees	7 578	9 517	9 517	8 119	1 398
Repairs & Maintenance	5	3	3		3
Other	460	954	954	539	415
Total Operational Expenditure	8 043	10 474	10 474	8 658	1 816
Net Operational (Service) Expenditure	(7 997)	(10 219)	(10 219)	(8 634)	(1 585)

Table 89 : Capital Expenditure 2017/18: Environmental Health services (R'000)					
Capital Projects	2017/18				
	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 17/18

COMPONENT F: SECURITY AND SAFETY

The GTM Safety and Security section provides safety measures for Councillors, Employees, Customers and Communities in the jurisdiction of the Greater Tzaneen Municipality. This is done by providing Physical Security, Cash In Transit (CIT) services, Access Control, Surveillance Cameras and Alarm Systems. The Safety and Security section also 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.

Table 90 : Infrastructure theft cases for 2017/18				
Infrastructure theft	Date	Estimated R-value	Case reported to SAPD Case number	Successful prosecutions (yes/no)
Other				
1.Damaged Toilet System and Stolen Copper Cables	19/02/2018	R18000	Maake SAPS CAS: 174/02/2018	No – Still under investigation
Electricity Infrastructure				
1.Electrical Cables	10/07/2017	R1m	Tzaneen SAPS CAS: 135/7/2017	Filed and waiting for more information.
2.Electrical Cables	14/08/2017	R4,800	Tzaneen SAPS CAS: 156/8/2017 125/8/2017	Under Investigation and waiting for more information.
3.Electrical Copper Cables	22/10/2018	R100 000	Tzaneen SAPS CAS: 11/11/2018	Under investigation

The Safety and Security Policy was approved by Council in April 2018. GTM has also been very successful in the establishment of Community Safety Forums, Street/Village committees and the Young Civilian on Patrol (YCOP) initiative. On the 30th November 2017 the Greater Tzaneen Municipality obtained the 1st Position in the Best Support Category during the annual Premier's Excellence Award for Community Safety Initiatives.

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3.16 TRAFFIC LAW ENFORCEMENT

GTM is responsible for the provision of traffic law enforcement services in the municipal area.

Table 91: Traffic Law Enforcement service data (2013/14- 2017/18)					
	2013/2014	2014/2015	2015/16	2016/17	2017/18
Number of road traffic accidents	69	111	50	94	76
Number of by-law infringements attended	182	225	4121	14778	10331
Number of traffic officers on duty on an average day	12	14	13	12	13
R-value revenue from traffic fines	R19 565 630	R38 560 880	R37 814 250	R54 499 700	R 37 451 500

The traffic law enforcement statistics contained in Table 93, reflects a reduction in the number of road accidents and by-law infringements from the previous year. By-law infringements are however an increasing concern since the volume of traffic cannot be accommodated by the limited number of parking bays available in the towns. The collection of traffic fine payments remain a challenge with little support from other law enforcement agencies to secure warrants of arrest for offenders who default on payments. GTM receives support from the Provincial Traffic Department but the number of traffic officers remain insufficient to enforce traffic laws in the entire municipal jurisdiction.

Table 92: Employees - Law Enforcement						
Job level	2016/17			2017/18		
	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	2	60%	5	2	60%
Level 7-9	30	12	60%	30	12	60%
Level 10-15	2	0	100%	2	0	100%
Level 16-17	3	1	66%	3	1	66%
Total	41	16	60%	41	16	61%

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Table 93: Law Enforcement targets as set out in the SDBIP for 2017/2018

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2018		
					Actual	R	Reason for deviation
D119	Traffic Services	Traffic fine collection rate [(Rand value received for fines/ R value of fines issued as %]	Percentage	70%	9.68%	R	Fewer warrants were issued due to insufficient assistance from the Magistrate court and no permission to blacklist from the province (AARTO)
D120	Traffic Services	R-value of traffic fines issued	R-value	R 5,400,000	R 64,070,345	B	Collection is low because we not allowed by Province to blacklist those who are not paying through eNATIS. The master of the court is taking time to issue warrant of arrest to enforce payments.

Table 94: Financial Performance 2017/18: Law Enforcement (R'000)

Detail	2016/17	2017/18			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue (excluding tariffs)	43 444	5 001	5 001	37 452	(32 451)
Expenditure:					
Employees	13 645	16 157	16 157	14 166	1 991
Repairs & Maintenance	22	28	28	21	7
Other (Security Services)	12 317	10 560	10 560	8 090	2 470
Total Operational Expenditure	25 984	26 744	26 744	22 277	4 467
Net Operational (Service) Expenditure	17 460	(21 743)	(21 743)	15 175	(36 918)

3.17 DISASTER MANAGEMENT

GTM's Disaster Management 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 the threat of impending situations abnormally affecting the lives and property of societies. During 2017/18 the GTM Disaster Management team arranged 9 disaster management awareness campaigns and attended to:

- 20 special events,
- 94 incidents were assessed
- Provided relief material in the form of tents, mattresses and blankets
- Coordinated food parcels from SASSA.

The efficiency of the disaster management function is constrained by human resource limitations, delays in the response time from fire and rescue services, communities continuing to construct houses in flood lines and delays in reporting incidences to the unit.

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Table 95: Disaster management targets as set out in the SDBIP for 2017/18							
Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2018		
					Actual	R	Reason for deviation
D38	Disaster Management	Annual Disaster Management report submitted to Mopani District by 30 Sept	Number	1	1	G	
D39	Disaster Management	Annual Disaster Management report submitted to Council by 31 Aug	Number	1	1	G	
D40	Disaster Management	% Disaster incidences responded to (relieved) within 72-hours	Percentage	100%	100%	G	All the incidences were attended to
D41	Disaster Management	# of disaster awareness campaigns conducted at schools	Number	9	12	G2	

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Table 96: Employees - Disaster Management						
Job level	2016/17			2017/18		
	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%

The budget for the Disaster Management function caters for personnel and basic operations only, however Council policy does make provision for a percentage of the municipal budget to be set aside for disaster management should one be declared.

Table 97: Financial Performance 2017/18: Disaster Management (R'000)					
Detail	2016/17	2017/18			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue (excluding tariffs)					
Expenditure:					
Employees	1 588	1 725	1 725	1 502	222
Repairs & Maintenance		1	1		1
Other	633	814	814	641	173
Total Operational Expenditure	2 221	2 540	2 540	2 143	397
Net Operational (Service) Expenditure	(2 221)	(2 540)	(2 540)	(2 143)	(397)

COMPONENT G: SPORT AND RECREATION

In terms of the National Sport and Recreation Act no 110 of 1998, section 3 (a), a municipality may carry out sporting or recreational activities or activities relating to physical education, sport and recreation, including training programmes and development of leadership qualities. The Sport, Arts and Culture Parks division supports the activities that are initiated by the Department of Sport Arts and Culture for district, provincial and national as per MOU signed by the GTM and the Department of Sport Arts and Culture. GTM organizes activities such as Indigenous games, Club development, Visual and Performing Arts and South African Football Association activities that are done from clusters level of GTM and the Mayors Cup annually. Greater Tzaneen municipality is utilising the MIG funding for developing sport facilities of a good standard.

3.18 SPORT, RECREATION, ARTS AND CULTURE

GTM maintains numerous sports facilities e.g. Nkowankowa Stadium, Nkowankowa Club House, Lenyenye Stadium, Julesburg stadium, Burgersdorp artificial turf, Runnymede Sport Centre, Relela Community Hall, Nkowankowa Indoor sport Centre and the Tzaneen Swimming pool. The fees charged for the usage of these facilities are insufficient to cover the cost of maintenance.

Table 98: Employees - Sport, Arts & Culture						
Job level	2016/17			2017/18		
	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%
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%

It should however be noted that the budget for the Sport, Arts and Culture section forms part of the budget for Parks and Recreation (See **Table 78 & 79**).

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Table 99: Sports and recreation targets as set out in the SDBIP for 2017/18

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2018		
					Actual	R	Reason for deviation
D177	Sport and Recreation	Burgersdorp Sports Facility	Q1: Appointment of contractor finalised and site handover (50%) Q2: Construction in progress (65%) Q3: Physical Construction at 75% (75%) Q4: Physical Construction completed (100%)	100%	100%	G	The project has reached practical completion stage.
D178	Sport and Recreation	Relela Community Hall	Q1 : Specifications submitted and Tender Evaluation in process (60%) Q2: Appointment of contractor finalised and site handover (65%) Q3: Construction in progress at (85%) Q4: Physical Construction	100%	100%	G	The project has reached completion stage.
D179	Sport and Recreation	Upgrading of Juliesburg Sports Facility (Phase 1 od 2)	Q1: Physical construction at 25% (25%) Q2: Physical construction at 40% (40%) Q3: Physical construction at 75% (75%) Q4: Sports facility at Runnymede completed (100%)	100%	100%	G	The project has reached practical completion stage.

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COMPONENT H: CORPORATE POLICY OFFICES AND OTHER SERVICES

This component includes: corporate policy offices, financial services, human resource services and ICT services.

3.19 EXECUTIVE AND COUNCIL

Council is composed of 69 councillors of which 35 are ward councillors and 34 party representatives. Council is responsible, amongst others for passing budgets, consideration of reports from different portfolios and consider and approve policies. Council established a number of committees, amongst which is the Executive Committee. The Executive Committee is made up of 10 Councillors who are the Mayor, 7 Heads of Portfolios and 2 ordinary councillors.

The Executive committee considers reports and disposes of those which the committee is authorised to do, in terms of its delegated powers, and forwards the remainder of the reports, together with its recommendations to the municipal council for decision.

During the financial year under review, improvements were made in the timeous submission of departmental report to Council. Council has completed the appointment of all senior managers which will ensure that performance is significantly improved.

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Table 100: Executive and Council targets as set out in the SDBIP for 2017/18							
Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2018		
					Actual	R	Reason for deviation
D192	Council Support	# of Council meetings held	Number	4	13	B	
D193	Council Support	# of Exco meetings held	Number	26	17	R	2 EXCO meetings were held on 5 and 26 June 2018.
D194	Council Support	# of Portfolio Committee meetings held	Number	99	77	O	Only four Portfolio Committees' meetings were held during the month of June 2018.
D191	Council Support	# of days taken to make MPAC oversight reports available to the public following Council approval	Number	7	3.08	B	Due to the printing and scanning of documentation challenges, the MPAC resolution reports were not publicized on the website within the regulated period.

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Table 101: Employees – Executive and Council (Mayor & MM offices)						
Job level	2016/17			2017/18		
	No of Posts	Positions Filled	Vacancy rate	No of Posts	Positions Filled	Vacancy rate
Level 0-3	4	3	25%	4	3	25%
Level 4-6	11	5	54%	11	6	45%
Level 7-9	10	4	60%	10	2	80%
Level 10-15	2	2	0%	1	1	50%
Level 16-17	0	0	0%	0	0	0%
Total	27	14	48%	28	12	57%

Table 102: Financial Performance 2017/18: Executive & Council (MM & Mayor office) (R'000)					
Detail	2016/17	2017/18			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue (excluding tariffs)		1	1		1
Expenditure:					
Employees	7 112	8 951	8 951	8 016	936
Repairs & Maintenance	258	672	672	100	572
Other	26 968	30 542	30 542	29 557	985
Total Operational Expenditure	34 338	40 165	40 165	37 673	2 492
Net Operational (Service) Expenditure	(34 338)	(40 164)	(40 164)	(37 673)	(2 491)

3.20 FINANCIAL SERVICES

The top five priorities of financial services are as follows:

- A. Revenue enhancement:** Herein GTM embarked on the capturing of new connections on council's financial system and bill accordingly, in-house data verification, day to day follow up on outstanding accounts, continuous adjusting of deposits, debt collection register was drafted and debtors handed over for collection.

- B. Credit control and debt collection:** The appointment of debt collectors took place during the 2016/2017 financial year and yields good results over the past two years.
- C. Debt recovery:** GTM endeavoured to recover debt owed to the Municipality by residents but also by other Government institution.
- D. Expenditure Management:** A priority since Greater Tzaneen Municipality experienced excessive expenditure on overtime and legal fees during 2017/2018 financial year. Actions have been taken to determine the root cause for the high expenditure in order to address them
- *Overtime:* A system of preapproving overtime was implemented and an internal committee was established to investigate the overtime payments.
 - *Legal fees:* With regard to the legal fees the excessive expenditure is under investigation.
 - *Other expenditure:* activities that the municipality embarked on were:
Payments of services providers were made within 30 days with the exception of Eskom due to financial constraints. GTM further implementation of cost containment measures and appointed external VAT reconciliations to ensure VAT owed to council is maximised.
- E. Procurement:** A general assessment of the supply chain unit activities has been performed and procedures and controls have been put in place to ensure general compliance of all the division's activities. The supply chain committees met on a regular basis and delays in the recommendation of service providers have been minimized.

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Table 103: Debt Recovery (R'000)

Details of the types of account raised and recovered	2015/16			2016/17			2017/18		
	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	74052	59258	80.02%	80788	69153	85.60%	99 289	78 140	78.70%
Electricity Consumption	392618	411464	104.80%	417248	459628	110.16%	439 375	495 111	112.68%
Refuse	26475	24663	93.15%	27782	27368	98.51%	31 385	28 214	89.90%
Other	15082	16273	107.89%	13332	12612	94.60%	14 257	18 069	126.73

The electricity payment rate is 100% due to the fact that credit control and debt collection actions taken. For other services the collection rate is lower since only debt collection has an effect on other recoveries.

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Table 104: Financial Services targets as set out in the SDBIP for 2017/18

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2018		
					Actual	R	Reason for deviation
D1	Budget management	% of capital spent on projects as prioritised in IDP for specific year	Percentage	100%	90.31%	O	Expenditure on roll-over projects
D28	Supply Chain Management	% equitable share received	Percentage	100%	100%	G	None
D29	Supply Chain Management	% of Capital Budget spent	Percentage	100%	128.03%	G2	Performance target not achieved due to non-implementation of Electrical projects budgeted for in 2017/2018 which were supposed to be financed through a loan. Loan was not secured by end of June 2018.
D30	Expenditure Management	% of Operational budget spent	Percentage	100%	75.75%	O	Performance target not achieved due to under expenditure on Personnel Budget. Posts were advertised but not filled due to the moratorium imposed on advertised positions as a result of cash flow problems.
D31	Budget management	% Operating budget spent on Personnel costs (excl Salaries of councillors)	Percentage	35%	29.75%	B	Personnel expenditure was low due to vacancies
D69	Expenditure Management	% creditors paid within 30 days	Percentage	100%	95.94%	O	Target not achieved. 5 creditors not paid at end of July 2018, but not yet due as per Statement of Account
D76	Expenditure Management	% of Finance Management Grant Spent	Percentage	100%	129%	G2	Performance target achieved. The total allocation for 2017/2018 which amounted to R 2145000 was spent in full at end of June 2018.

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Table 104: Financial Services targets as set out in the SDBIP for 2017/18

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2018		
					Actual	R	Reason for deviation
D87	Capacity building and Training	% of municipal budget spent on implementing the Work Place Skills Plan	Percentage	1%	0.20%	R	0,002% spent on WSP for Council.
D97	Human Resource Management	% of personnel budget spent	Percentage	100%	89.04%	O	Not all vacancies were filled during the period under review.
D15	Sound Governance	# of AG audit queries	Number	0	0	G	
D35	Financial Reporting	Submission of AG Action Plan to Council by 31 January	Number	1	1	G	None required
D62	Regulatory Framework	# of finance related policies revised annually	Number	17	17	G	
D64	Budget management	Draft Budget submitted to Council by 31 March	Number	1	1	G	
D65	Budget management	Annual Budget tabled by 31 May annually	Number	1	1	G	
D66	Budget management	Annual Adjustment budget approved by Council by 28 Feb	Number	1	1	G	
D67	Budget management	Cost coverage	Ratio	1.6	0.17	R	The overspending on inter alia Legal fees, Insurance claims, Marumofase bridge and standing time on the Rita to Mariveni road project
D68	Budget management	Debt coverage	Ratio	18.3	19.9	G2	The debt coverage demonstrates how many times debt service payments can be accommodated. The

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Table 104: Financial Services targets as set out in the SDBIP for 2017/18

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2018		
					Actual	R	Reason for deviation
							actual is higher than the target which means that the target has been met
D71	Financial Reporting	Annual Financial statements submitted to AG, PT and NT by 31 August annually	Number	1	1	G	
D72	Revenue Management	# of Households billed	Number	24,000	22,982	O	Accounts closed and consolidated
D73	Revenue Management	# of revenue generation policies reviewed and approved	Number	6	6	G	All Revenue related policies were attached to budget report May 2018 and approved
D74	Revenue Management	% of revenue collected monthly	Percentage	92%	94.42%	G2	Follow up on accounts in arrears and credit control and debt collection
D75	Revenue Management	Outstanding service debtors to revenue	Ratio	10	13.09	R	Average payment rate of 94%, debt accumulate on monthly basis
D81	Revenue Management	# of indigents registered	Number	37,000	25,963	R	Target not met due to applicants disqualified through external validation process, new applications in process. Total applications received 35892, approved 25963.

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Table 105: Employees -Financial Services						
Job level	2016/17			2017/18		
	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	11	45%	24	14	42%
Level 7-9	46	34	26%	50	30	40%
Level 10-15	0	0	0%	0	0	0%
Level 16-17	3	2	33%	3	2	33%
Total	75	53	30%	83	52	37%

The actual operational revenue amounts to R474 million, whilst the actual operating expenditure amounts to R196 million, (see table 108). This represents a surplus of R278 million. The R57 million variance between the budgeted and actual revenue amounts are mainly the results of higher actual amounts than budgeted on the following items:

- Property rates R29,8 million
- Operational grants and subsidies R19,0 million
- Other Revenue R15,4 million

The actual income of R474 million includes a grant allocation of R314 million

Operational Expenditure

The variance between the budget and actual amounts to R103 million, (see **Table 106**). The variance is mainly due to the overspending of provision for bad debt a non-cash item which is one of the item included in operating expenditure.

Table 106: Financial Performance 2017/18 for Financial Services (R'000)					
Detail	2016/17:	2017/18			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue	443 107	416 749	416 749	473 881	(57 133)
Expenditure:					
Employees	30 211	39 104	39 104	32 893	6 212

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Table 106: Financial Performance 2017/18 for Financial Services (R'000)					
Detail	2016/17:	2017/18			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Repairs & Maintenance	12	271	271	31	240
Other	64 426	53 378	53 378	163 413	(110 035)
Total Operational Expenditure	94 649	92 753	92 753	196 337	(103 584)
Net Operational (Service) Expenditure	348 458	323 996	323 996	277 545	46 451

3.21 HUMAN RESOURCE SERVICES

Recruitment process for the senior level managers was one of the priorities of the Human Resource Services in the year under review. The filling of position at senior level resulted in new initiatives being taken to ensure high performance of the municipality in fulfilling its mandate. Other than the recruitment for senior level manager, the HR Services were seized with facilitation of Human Resource Development initiatives for employees. The Skills Development Plan was successfully implemented and as a result employees were capacitated to improve their performance. The Occupational Health and Safety (OHS) was one of the priorities which received attention during the course of the financial year. Dormant OHS Committees were resuscitated and became effective.

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Table 107: Human Resource Management targets as set out in the SDBIP for 2017/18							
Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2018		
					Actual	R	Reason for deviation
D87	Capacity building and Training	% of municipal budget spent on implementing the Work Place Skills Plan	Percentage	1%	0.20%	R	0,002% spent on WSP for Council.
D97	Human Resource Management	% of personnel budget spent	Percentage	100%	89.04%	O	Not all vacancies were filled during the period under review.
D16	Customer Care	% of employees that Received paid overtime (12 month average)	Percentage	10%	62.34%	R	Non-compliance with the Overtime policy in terms of limiting overtime to 40 hrs and the salary threshold
D82	Sound Governance	# of employees complying with financial minimum competency requirements	Number	35	21	R	21 Employees completed and passed competency
D83	Capacity building and Training	# of employees successfully trained	Number	90	149	B	Customer Care Training was implemented
D84	Capacity building and Training	# of senior managers complying with the minimum competency levels	Number	5	5	G	Only Municipal Manager and Director Corporate Services don't have the certificate but are currently enrolled on the programme.
D86	Capacity building and Training	Work place skills plan submitted to LGSETA by 30 Apr	Number	1	1	G	
D88	Labour Relations	# of Local Labour Forum meetings	Number	12	6	R	Local Labour Forum was postponed due to bargaining process ongoing.

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Table 107: Human Resource Management targets as set out in the SDBIP for 2017/18							
Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2018		
					Actual	R	Reason for deviation
D89	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	26.92	O	None is the target was achieved. However the delay in appointment was due to cash flow of the municipality.
D90	Human Resource Management	# of MM & Director posts vacant for more than three months	Number	0	1	R	By June the target was met. No deviation.
D91	Human Resource Management	Development of an Institutional Plan finalised by 30 May	Number	1	1	G	
D92	Human Resource Management	# of critical posts filled (MM, CFO, Engineer, Town Planner, Corp, Communications)	Number	6	5	O	The only post vacant is for Communication Manager due to Job Evaluation.
D98	Occupational Health and Safety	# of OHS committee meetings	Number	4	3	O	There was challenge of none attendance of OHS scheduled meetings early in the financial year. However 2 meetings were held at the end of the financial year adding to the one held in the first half. Due to the challenge mentioned above, there is one outstanding meeting.
D104	Human Resource Management	% Staff turnover	Percentage	1.80%	3.50%	B	The increase on staff turnover is due to 7 death, 5 resignation, 9 pension and 2 medical.
D105	Human Resource Management	% Employees that are female	Percentage	37%	38.85%	G2	Target met.

Table 107: Human Resource Management targets as set out in the SDBIP for 2017/18							
Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2018		
					Actual	R	Reason for deviation
D106	Human Resource Management	% Employees that are youth	Percentage	21%	19.31%	O	The employee s age progression had an impact on the decrease of youth percentage. Vacancy were not filled as expected due to cash flow of the municipality.
D107	Human Resource Management	% Employees that are disabled	Percentage	2%	2.20%	G2	Target Met.

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Table 108: Employees - Human Resource Services						
Job level	2016/17			2017/18		
	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	6	14%	10	7	30%
Level 7-9	4	2	50%	4	2	50%
Level 10-15	3	3	0%	3	2	33%
Level 16-17	0	0	0%			
Total	15	12	20%	18	12	33%

Some of the vacant positions reflected in **Table 108** are critical for the Human Resources Services to provide support to the organisation. Critical vacancies are the position of Performance Management Officer, required for provision of support when performance management system would be implemented for the entire organisation. The position of a recruitment officer is an important one which will ensure that recruitment processes are carried efficiently and effectively.

Table 109: Financial Performance 2017/18: Human Resource Services (R'000)					
Detail	2016/17	2017/18			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue	1				
Expenditure:					
Employees	6 101	8 082	8 082	7 286	795
Repairs & Maintenance					
Other	2 684	4 204	4 204	2 818	1 386
Total Operational Expenditure	8 784	12 286	12 286	10 104	2 182
Net Operational (Service) Expenditure	(8 784)	(12 286)	(12 286)	(10 104)	(2 182)

3.22 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

The Information Technology (IT) Division is responsible for the management of ICT Services in the Greater Tzaneen Municipality under the Corporate Services Department. Major roles of IT Division are to:

- Align IT with Services with the GTM's Business Objectives;
- Foster compliance with IT Standards, Frameworks, best practices and other related legislations and requirements;
- Manage Enterprise wide IT Risks and deliver services in accordance with Council's business requirements.

The following were achieved during the financial year:

- Council adopted the Municipal Corporate Governance of ICT Policy framework.
- Council approved the IT Strategic Plan (IT Plan) and other ICT Policies.
- Implemented the Anti-Fraud and Corruption Hotline.
- Upgraded the Internet Services.
- Implemented Call Centre System in the Control Room at Tzaneen power station.

Obsolete ICT Infrastructure will be refurbished in the 2018/19 financial year together with Tools of Trade (Desktops, Laptops and Tablets). The Rural Broadband Network will be upgraded extended to other areas in the 2018/19 financial year.

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Table 110: Information Technology targets as set out in the SDBIP for 2017/18

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2018		
					Actual	R	Reason for deviation
D93	Information Technology	# Of ICT Steering Committee Meetings	Number	4	5	G2	Target met
D94	Information Technology	Internet services procured by 30 Dec	Number	1	103	B	Vodacom has not yet submitted an SLA , although services are up and running. Service are paid to Vodacom using the document that the Municipality for services.
D95	Information Technology	% of Network Availability at Satellite Offices	Percentage	80%	86.35%	G2	Target met
D96	Information Technology	Leasing of Desktops and Laptops & Councillor tablets	Percentage	100%	100%	G	Target met

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Table 111: Employees - Information Technology Services						
Job level	2016/17			2017/18		
	Positions Filled	Positions Filled	Vacancy rate	No of Posts	Positions Filled	Vacancy rate
Level 0-3	1	1	1	1	1	1
Level 4-6	2	2	2	2	2	2
Level 7-9	3	3	3	3	3	3
Level 10-15	0	0	0	0	0	0
Level 16-17	0	0	0	0	0	0
Total	6	6	6	6	6	6

There is no vacancy within IT services (refer to **Table 111**), however technician positions should be considered, to accommodate the workforce of the municipality and satellite office. IT budget for repairs and maintenance was overspend as a result of obsolete ICT equipment such as:

- i. The Uninterruptable Power Supply (UPS) used for the network backbone, where core switches, firewalls, routers and servers get power.
- ii. The Broadband equipment damaged by thunderstorms at Nkowankowa Testing Ground and Letsitele.
- iii. The fire suppression equipment installed in the server room which was maintained on quarterly basis.
- iv. The routine maintenance of other IT equipment (servers, desktops, laptops, tablets, switches) and other accessories.

Over expenditure on employees budget (See **Table 112**) was instigated by overtime paid to IT officials as part of maintaining ICT services outside working hours to avoid service disruption during normal working hours.

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Table 112: Financial Performance 2017/18: Information Technology Services (R'000)					
Detail	2016/17	2017/18			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue					
Expenditure:					
Employees	4 215	4 276	4 276	4 500	(224)
Repairs & Maintenance	552	511	511	1 010	(499)
Other	6 962	8 814	8 814	5 576	3 238
Total Operational Expenditure	11 729	13 600	13 600	11 085	2 515
Net Operational (Service) Expenditure	(11 729)	(13 600)	(13 600)	(11 085)	(2 515)

3.23 LEGAL SERVICES

The Legal Services unit manages and administers litigation flow; progress and finalisation for the whole Municipality. The Division perform drafting of service level agreements, memorandums of understanding, lease agreements, legal opinions, policies and By-laws of the Municipality. The Division further represent the Municipality in different Courts within South Africa.

Table 113: Litigations handled during 2017/18				
Type of legal case	Name of Case	Date Registered	Status at 30 June '18	Total Cost to Council to date
Civil Case	Malunga Tax Consultants // GTM	September 2015	Ongoing in High Court at Pleading Stage.	±R850 000
Civil Case	Mapheto Business Enterprise // GTM (01)	September 2015	Ongoing in High Court at Pleading Stage.	±R1 850 000

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Table 113: Litigations handled during 2017/18

Type of legal case	Name of Case	Date Registered	Status at 30 June '18	Total Cost to Council to date
Civil Case	Mapheto Business Enterprise // GTM (02)	August 2016	Ongoing in High Court at Pleading Stage.	±R1 220 000
Civil Case	Letaba Pakkers // GTM	September 2017	Ongoing in Magistrate Court at Pleading Stage.	±R 450 000
Civil Case	C Van Der Merwe // GTM	October 2017	Ongoing in High Court at Pre-Trial Stage.	±R408 000
Civil Case	Phadima Group Holdings // GTM	April 2007	Ongoing in High Court at Pleading Stage.	±R3 850 000

Table 114: Contract Management for 2017/18

No of Service Providers appointed	No of Contracts concluded	No of Contracts extended	No of Contracts Withdrawn by Service Providers
6	None	3	None

The municipality has no dedicated contract management unit but the number of contracts entered into for 2017/18 is presented in **Table 114**.

Table 115: Service Delivery protests 2017/18

Date	Stakeholder/Ward	Reason for protest	Office Protested against	Approved / Not Approved
12 March 2018	EFF (Political Party)	Grievances of Corruption	Office of the Mayor.	Not Approved.
09 February 2018	Mopani Borehole Operators	Grievance of None Payment of Salaries	Office of the Speaker	Not Approved.
18 May 2018	SACTWU (Union)	Grievance of Unfair Labour Practice.	Office of the Speaker	Not Approved.

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Table 115: Service Delivery protests 2017/18

Date	Stakeholder/Ward	Reason for protest	Office Protested against	Approved / Not Approved
11 July 2018	Makgoba Youth Structure	Complaint about Land Disputes	Office of the Speaker	Not Approved.
08 August 2018	Evangelical Lutheran Church	Complaint about Women and Children Abuse	Office of the Speaker	Approved.
31 August 2018	Sasekani CPF	Opposition of Bail of Suspected Criminals	Office of the Speaker	Approved.
26 September 2018	SACTWU (Union)	Grievance of Unfair Labour Practice.	Office of the Speaker	Approved.
16 October 2018	COSATU (Federation)	Complaint about Corruption and Unfair Labour Practice.	Office of the Mayor	Approved.
17 October 2018	EFF (Political Party)	Grievances of Corruption	Office of the Mayor	Approved.
15 November 2018	Nkowankowa Community: Ward 18 and 21	Complaint about Corruption and Unfair Labour Practice.	Office of the Municipal Manager	Approved.

Table 116: Employees – Legal Services

Job level	2016/17			2017/18		
	No of Posts	Positions Filled	Vacancy rate	No of Posts	Positions Filled	Vacancy rate
Level 0-3	1	1	0%	1	0	100%
Level 4-6	1	1	0%	3	1	67%
Level 7-9	1	1	0%	1	1	0%
Level 10-15	0	0	0%			
Level 16-17	0	0	0%			
Total	3	3	0%	5	2	60%

Council passed resolution on Legal Tariffs to control the expenditure which attorneys and advocates can charge the Municipality to scale down the legal fees. Settlement of disputes and avoidance of legal disputes, before they reach litigation stage, may also contribute in scaling down the amount of legal expenditure paid by the Municipality.

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Table 117: Legal support targets as set out in the SDBIP for 2017/18

Ref	Programme	KPI	Unit of Measurement	Annual Target	Year-To-Date As At June 2018		
					Actual	R	Reason for deviation
D56	Legal support	% SLAs signed within 10 days after information is provided	Percentage	100%	79.17%	O	Delay in securing appointments with service providers to sign agreements

The over expenditure on legal fees (reflected in **Table 118**) is due to a high volume of litigation against the Municipality from various service providers. The other expenditure emanates from Warrant of Execution, Court Costs and emergency legal interventions such as interdicts due to service delivery related community protests and riots.

Table 118: Financial Performance 2017/18: Legal Services (R'000)

Detail	2016/17	2017/18			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue					
Expenditure:					
Employees	2 098	2 166	2 166	2 196	(30)
Repairs & Maintenance					
Other	25 656	9 415	9 415	17 072	(7 657)
Total Operational Expenditure	27 753	11 581	11 581	19 268	(7 688)
Net Operational (Service) Expenditure	(27 753)	(11 581)	(11 581)	(19 268)	7 688

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COMPONENT I: ORGANISATIONAL PERFORMANCE SCORECARD

The full Annual Performance Report for 2017/18 is included as [Annexure E.](#)

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CHAPTER 4 – ORGANISATIONAL DEVELOPMENT & PERFORMANCE MANAGEMENT

The organisational development function aims to develop and review organisational structure annually, in terms of section 66 of Municipal System Act 2000, coordinate the development of job descriptions/profiles, and conduct job evaluation using a prescribed TASK software. Greater Tzaneen Municipality, jointly with SALGA is conducting job evaluation process for equal pay of equal work. And this is a multi-year process which involves other municipalities and is anticipated to be complete by 2020. The organisational structure was minimally reviewed in 2017/18. It is however acknowledged that a thorough review will have to be undertaken using the services of independent expert to arrive at an objective organogram.

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

The municipality took considerable time to fill senior management posts. The previous Municipal Manager left the employ of the municipality in April 2017 and the position was filled in April 2018. The previous CFO left the municipality in May 2017 the position was filled in May 2018. The position of the PED Director was vacant since August 2017 and was filled in March 2018. The position of Community Services Director was vacant since November 2017 and was filled in April 2018. The position of Corporate Services Director was filled in June 2017 after long period of vacancy which commenced in June 2015. The position of Electrical Engineering Director was filled in April 2017 after the previous incumbent terminated service 31 July 2016. The position of the Engineering Services Director was filled in June 2018 after it

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was vacant since April 2017. The reasons for turnover in the senior management level was due to expiry of contracts and resignations. Overall, the turnover in the organisation was attributed to retirement and resignations.

Table 119: Employee turnover 2017/18

Department (functions)	2016/17	2017/18			
	No of Employees	Approved positions	No of Employees	No of Vacancies	% Vacant
Engineering Services (Roads& Stormwater, Water & Sanitation, PMU, Building & Fleet Maintenance)	153	605	157	448	74%
Electrical Services	104	182	102	80	43%%
Community Services (Waste management, Libraries, Parks & Cemeteries, Sports & Recreation, Environmental Health & HIV/AIDS, Licensing, Traffic)	262	426	250	176	41%
Planning & Economic Development (LED, Town Planning, Housing, Youth, Gender & Disability)	20	33	19	14	42%
Chief Financial Officer (Expenditure, Revenue, Financial Services and budgeting, Supply Chain Management)	53	84	53	31	41%
Corporate Services (Legal, Communication, Archives & Records, HR, Public Participation & IT, Council Admin Support)	54	80	52	28	35%
Municipal Manager (Disaster Management, Internal Audit, IDP, Performance Management)	11	28	13	15	53%
Office of the Mayor (Administration and Special Programs)	7	8	5	3	37%
Total	664	1446	651	795	54%

Table 120: Vacancy Rate - managerial (2017/18)

Designation	Total Approved posts	Vacancies	Variances (as % of total posts in each category)
Municipal Manager	1	0	0%
CFO	1	0	0%

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Table 120: Vacancy Rate - managerial (2017/18)			
Designation	Total Approved posts	Vacancies	Variances (as % of total posts in each category)
Other Section 57 Posts	5	0	0%
Middle Management: Financial (Level 3 & 4)	13	3	23%
Middle Management: non-Financial (Level 3 & 4)	50	16	32%
Highly skilled supervision: Financial (Level 5-6)	14	4	29%
Highly skilled supervision: Non-Financial (Level 4-6)	167	79	47%
Total	251	102	41%

Employee turnover has been growing over a period of time as depicted on the table below, the growing turnover rate was not matched by recruitment process because due regard had to be given to cashflow challenges. The 6.61% turnover in 2017/2018 was largely due to retirement and death. The turnover has had a negative impact to the organisation which resulted in limited capacity in some service areas. The shortage of staff has to certain extent contributed more overtime hours.

Table 121: Employee Turnover rate 2013/14 – 2016/17			
Year	Total No of posts filled at the beginning of the financial year	Terminations during the financial year	Turnover Rate*
2013/2014	681	19	2.8
2014/2015	687	41	5.7
2015/2016	655	24	2.7
2016/2017	659	26	3.94
2017/2018	650	43	6.61

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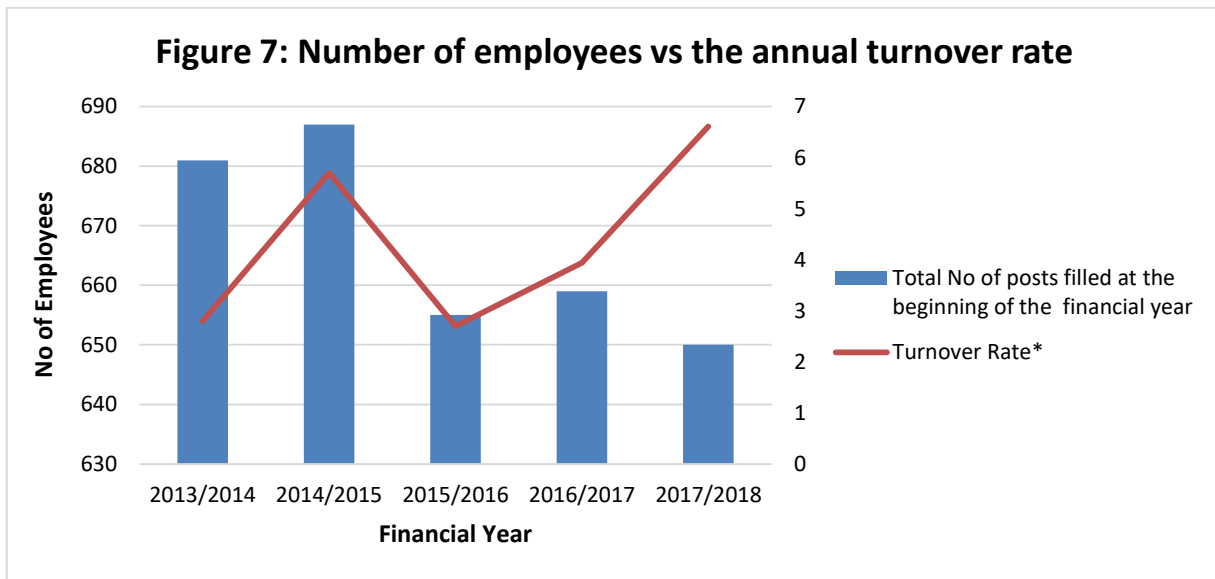


Figure 7 presents the number of employees versus the annual turnover rate showing the impact of the delay in filling vacant posts due to financial constraints.

Table 122: Employment Equity Plan Progress 30 June 2018									
Occupational Categories Levels	Male				Female				Total Posts per Level
	African	Coloured	Indian	White	African	Coloured	Indian	White	
1	6	0	0	0	1	0	0	0	7
2	0	0	0	0	0	0	0	0	0
3	11	0	0	5	10	0	0	3	29
4	9	0	0	2	7	0	0	2	20
5	16	0	0	4	9	0	0	4	33
6	35	0	0	5	19	0	0	4	63
7	5	0	0	0	6	1	1	3	16
8	33	0	0	1	49	0	1	6	90
9	8	0	0	0	9	0	0	1	18
10	9	0	0	0	3	0	0	0	12
11	16	0	0	0	1	0	0	0	17
12	39	0	0	0	3	0	0	0	42
13	15	0	0	0	13	0	0	0	28
14	18	0	1	1	1	0	0	0	21
15	9	0	0	0	2	0	0	0	11
16	29	0	0	0	3	0	0	0	32

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Table 122: Employment Equity Plan Progress 30 June 2018									
Occupational Categories Levels	Male				Female				Total Posts per Level
	African	Coloured	Indian	White	African	Coloured	Indian	White	
17	118	0	0	1	91	0	0	0	210
TOTAL PERMANENT	376	0	1	19	227	1	2	23	650
<i>Non-permanent employees</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
TOTAL	376	0	1	19	227	1	2	23	650

Council managed to reach a target of 2.4 % on employing people with disabilities, for the financial year. However the need to improve beyond target cannot be overemphasised. Women remain underrepresented in almost all occupational categories.

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COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

Workforce management still has a great room for improvement in the organisation. Efficiency and productivity are matters which require great attention. Issues of workload and required staff, and management of working times are matters amongst which have identified as requiring intervention.

4.2 POLICIES

GTM reviews its policies regularly to ensure alignment with relevant legislation and the organisational environment. **Table 123** reflects the status of Corporate service related policies.

Table 123: Corporate Services Policies and Plans (2017/18)			
	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, Under review
2	Code of Conduct for Employees	100%	No policy, Council uses SALGBC disciplinary procedure collective agreement. National document
3	Delegations, Authorisation and Responsibility	100%	30 April 2014 (A 24 of 2014)
4	Disciplinary Code and Procedures	100%	No policy, Council uses SALGBC disciplinary Procedure collective agreement. National document.
5	Essential Services	40%	On hold due to bargaining at SALGBC
6	Employee Assistance/ Wellness	100%	A29, 2013 June 28, Under review
7	Employment Equity	100%	A29, 2013 June 28 Adopted by Committee as per legislation
8	Exit management	0%	No policy
9	HIV/AIDS for Employees	50%	The draft policy is still under discussion by the HIV/AIDS committee.
10	Human Resources Development	100%	31/03/2015. Under review
11	Information Technology	50%	27 February 2018
12	Job Evaluation	100%	Guided by SALGBC. Job Evaluation completed. PAC to moderate.
13	Leave	100%	31/03/2015. Under review
14	Occupational Health and Safety	100%	28/06/2013. Under review

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Table 123: Corporate Services Policies and Plans (2017/18)			
Name of Policy		% Completed	Date adopted by Council (or comment on failure to adopt)
15	Official Housing	100%	Local Government Bargaining Council Collective Agreement serves as a guideline for official housing.
16	Official Journeys	100%	The draft policy is still under discussion by the Local Labour Forum.
17	Bereavement Policy	100%	28 June 2013
18	Official Working Hours and overtime	100%	31/03/2015. Under review
19	Organisational Rights	100%	Main Collective Agreement. SALGABC
20	Payroll deductions	0%	No Policy
21	Performance Management and Development	100%	A29, 28 June 2013
22	Personnel Provisioning	100%	28/06/2013. Under review
23	Remuneration Scales and Allowances	100%	Guided by SALGBC
24	Sexual Harassment	100%	31/03/2015. Under review
25	Training and Development	100%	31/03/2015. Under review
26	Smoking	100%	31/03/2015. Under review
27	Special skills	0%	Matters regarding Special Skills attended to using the Training and Development Policy
28	Work organisation	0%	No policy
29	Uniforms and Protective Clothing	100%	Awaiting for comments from management
30	Policy on Granting of Bursaries to Employees	100%	25 April 2018
31	Policy on Temporary Employment of Students	100%	31/03/2015. Under review
32	Anti-Corruption Policy	100%	A30 of 18 June 2013
33	Policy for Labour Relations	100%	No policy, Council uses SALGBC disciplinary Procedure collective agreement. National document
34	Language Policy	0%	Language matters are incorporated in the Communication Policy and Strategy.
35	Risk Management Policy	100%	A30 of 18 June 2013
36	COIDA	100%	No policy, however COIDA issues are included in OHS Policy.
37	Integrated Performance Monitoring and Evaluation Framework	100%	A3 of 25 Jan 2018

4.3 INJURIES, SICKNESS AND SUSPENSIONS

The number of injuries on duty during 2017/18 is presented in **Table 124**, reflecting a total of 23 days sick leave occurred due to injury-on-duty cases which are lower than the 53 days of the previous year. This constitutes a decrease of 43% of employees who were involved in such incidences.

Table 124: Number and cost of injuries on duty (2017/18)				
Type of Injury	Days Injury leave taken	No of employees	% of Employees using sick leave	Average injury leave per employee⁶
Required basic medical attention only	18	22	3.4	0.12
Temporary total disablement	06	1	0.2	6
Permanent Disablement	0	0	0	0
Fatal	0	0	0	0
Total	24	23	3.6	6.12

The OHS Section is continuously conducting awareness campaigns regarding safe working conditions and the role that each and every individual can play in limiting the occurrence of injuries-on-duty. The OHS Committees are also used as a platform to propagate a safe working environment. Inspections of workplaces are being conducted throughout the year and where necessary, follow-ups are being done to monitor compliance. During the induction program of new entrants, time is being spent on OHS and EWP matters.

Table 125: Number of days and cost of sick leave (excluding injuries on duty) for 2017/18					
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)	1779	2.58%	177	R998 158-	R140 269-

⁶ Not determinable

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Table 125: Number of days and cost of sick leave (excluding injuries on duty) for 2017/18

Designation	Total sick leave (days)	% of sick leave without medical certification	Employees using sick leave*	Estimated cost@ basic salary	Average per job category
Semi-skilled - discretionary decision making (level 10-14)	609	3.28%	60	R458 414-	R188 183-
Skilled, technical and academically qualified workers (7-9)	1259	6.34%	106	R1 656 979-	R329 027-
Professionally qualified and experienced specialists (middle management) level 4-6	693	8.51%	82	R1 239 578-	R447 178-
Management (level 3)	198	9.59%	25	R646 009-	R815 669-
Senior Management (level 0-2)	9	11.11%	2	R37 081-	R1 030 035-
Total	4547	N/A	452	R5 036 219-	N/A

Table 125 represents only normal sick leave taken by employees and not leave necessitated by injury on duty. Only the basic salary was used in the analysis and does not include total cost to council.

Table 126: Number and Period of Suspensions, 2017/2018

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 '17)	Date Finalised
General Worker Electrical	Fraud and Gross dishonesty	n/a	Disciplinary hearing held and the matter was finalised	13/03/2018
General Worker	Fraud and Gross dishonesty	n/a	Disciplinary hearing held and the matter was finalised	13/03/2018
Sports, Arts and Culture Officer	Fraud and Gross dishonesty	n/a	Under investigation, investigation report currently being compiled	In process
Artisan assistant	Non-compliance with OHS prescript	n/a	Disciplinary hearing was scheduled 4 th September 2018 but could not proceed as Mr Hutamo's rep raised points in limine. Points in limine were dismissed and the hearing was provisionally scheduled for the 19 th Oct 2018. Other accused employees represented by SAMWU entered a plea bargain with the employer to get 6 months written warnings and to be witnesses of the	In process

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Table 126: Number and Period of Suspensions, 2017/2018				
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 '17)	Date Finalised
			employer. Awaiting new date for Disciplinary hearing	
Indigent officer	Fraud and Gross dishonesty	n/a	The official submitted his statement and investigation report is currently being compiled	In process
Examiners	Fraud and Corruption	21/12/2017	Case involving acts of corruption. All four officials were placed on precautionary suspensions effectively from the 21/12/2017. Accused 1 resigned Accused 2 referred back to the Provincial Department Accused 3 appeared on the 11 th and 12 June 2018 Accused 4 appeared on the 18 th and 20 th July 2018 Accused 5 to appear for a disciplinary hearing scheduled for the 1 st -3 rd of August 2018	In process
Machine operator	Intimidation Verbal assault/threat to kill a fellow employee	n/a	Separate interviews were done with the complainant and six witnesses to obtain their statements. Employee has provided his statement, Investigation report still to be compiled	In process
Electrician	Intimidation/Verbal assault/threat to attack a fellow employee	n/a	Statements have been obtained from the accused employee, victim and witnesses. Investigation report due to be compiled	In process
Skills Development Facilitator	Fraud and misrepresentation- Forgery of signature/ Abuse of authority- misleading a member of the public	n/a	Investigation report compiled and approved, awaiting charge sheet to be finalised	In process
Cashier	Fraud and dishonesty and Contravention of leave policy	n/a	Under investigation	In process
Artisan assistant	Fraud and misrepresentation/ Altering of payslip	n/a	Under investigation	In process

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The general **root cause** of reported cases involves officials ignoring adherence to the code of good conduct and the integrity that is expected of them. Efforts are made to address such misconducts including taking corrective measures in the form of subjecting such officials to disciplinary hearings and the severity of the sanctions is always equal the gravity of the offence.

4.4 PERFORMANCE MANAGEMENT

GTM approved an Integrated Performance Monitoring and Evaluation Framework during 2017/18. This framework outlines how the municipality's performance process, for the organisation as a whole will be conducted, organised and managed by clarifying the following:

- Processes of implementation;
- Legislative prescripts;
- Processes to roll-out the system;
- Roles and responsibilities of various stakeholders;
- Promoting accountability and transparency.
- The linkage between the IDP, Budget, SDBIP and individual performance management;
- Monitoring service provider performance.

The implementation of the framework is underway and during 2017/18 the following was achieved:

- Service Delivery and Budget Implementation Plan (SDBIP) was approved by Council
- Quarterly progress reports on the implementation of the SDBIP was submitted to Council.
- Annual Performance Assessments for Directors were conducted.
- Monthly Back-to-Basics Statistical Reports were submitted to CoGTA
- Quarterly Back-to-Basics progress reports were submitted to COGHSTA
- Performance Management Training was provided to all Directors and Managers.
- The electronic performance reporting & auditing process was implemented for the 3rd year, showing a marked improvement in the quality of performance reporting.

The cascading of the performance management system to employees that are permanently employed did not yet take place.

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

The Greater Tzaneen Municipality accepted 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 2017/2018 an amount of R 1 545 800 was allocated for the implementation of the training needs projected and approved. The WSP for 2017/2018 was submitted to LGSeta by 28 April 2017. 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:

- Employees projected to be trained was 281
- Actual trained = 183
- 64.05% of WSP implemented

Challenges relate to the fact that Management did not achieve 100% of the budget allocation due to cash flow. All training interventions were withheld and not approved. Although Council should strive to commit 1% of its total payroll to fund the WSP and training plan, as submitted to LGSETA. Budget limitations however does not allow for this to take place. A summary of the beneficiaries trained during the financial year, per occupational category, is presented in

Table 127.

Table 127: Training interventions by occupational category, gender and race for 2017/18									
Occupational Categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, Snr officials and managers	9	0	0	3	10	0	0	1	23
Professionals	6	0	0	0	12		0	2	20

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Table 127: Training interventions by occupational category, gender and race for 2017/18									
Occupational Categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Technicians and associate professionals	19	0	0	0	9	0	1	1	30
Clerks	10	0	0	0	17	1	0	2	30
Service and sales workers	2	0	0	0	1	0	0	0	3
Skilled agricultural and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	38	0	0	0	39	0	0		77
Total Permanent	0	0	0	0	0	0	0	0	0
Non-permanent employees	0	0	0	0	0	0	0	0	0
Total	84	0	0	3	88	1	1	6	183

As per the 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. Twenty Five (25) learners were appointed in different kinds of 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. There was a great improvement with appointment of student for practical exposure as compared to other financial year. The following (see **Table 128**) is comprehensive data of learners who were assisted through the experiential programme in the Municipality to acquire their qualifications for the 2017/2018 financial year:

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Table 128: Students trained through experiential programme (2017/18)				
No	Surname & initials	Stream/qualification	Department	Period
1	Mukhari FJ	N6 Public Management	Community Services	2018/05/01 - 2019/10/31
2	Baloyi S	N6 Human Resource Management	Corporate Services	2017/01/01 -2018/06/30
3	Ndzobela HM	N6 Public Management	Community Services	2018/05/01 - 2019/10/31
4	Makhubele G	N6 Public Management	Community Services	2018/05/01 - 2019/10/31
5	Pilusa MK	N6 Public Management	Community Services	2018/05/01 - 2019/10/31
6	Maswanganye W	N6 Journalism	Office of the Mayor	2017/03/01 – 2017/05/31
7	Chauke T	N6 Public Management	Office of the Mayor	2017/03/01 – 2017/05/31
8	Mateta P	N6 Human Resource Management	Corporate Services	2017/03/01 – 2018/08/31
9	Maponya MS	N6 Human Resource Management	Corporate Services	2017/04/01 – 2018/10/31
10	Mkhari W	N6 Human Resource Management	Corporate Services	2017/04/01 – 2018/10/31
11	Tumiso K	N6 Human Resource Management	Corporate Services	2018/02/01 – 2019/07/31
12	Seimela K	N6 Public Management	Budget and Treasury	2017/04/01 – 2018/10/31
13	Malepe TS	N6 Engineering Services	Engineering Services	2017/06/01 – 2019/05/31
14	Malatjie M	N6 Public Management	Budget and Treasury	2016/ 07/01 - 2017/12/31
15	Nkhwashu T	N6 Engineering Services	Budget and Treasury	2017/02/01-2018/01/31
16	Malema DS	N6 Financial Management	Budget and Treasury	2017/07/01 – 2018/12/31
17	Marutha PR	N6 Public Management	Community Services	2018/05/01 - 2019/10/31
18	Senyolo T	N6 Financial Management	Budget and Treasury	2018/02/12- 2019/01/31
19	Ngoako M	N6 Financial Management	Budget and Treasury	2018/02/12- 2019/01/31
20	Mahasha L	N6 Financial Management	Budget and Treasury	2018/02/12- 2019/01/31
21	Lejeku TW	N6 Human Resource Management	Corporate Services	2018/06/01 – 2019/11/30
22	Masingi P	N6 Public Management	Community Services	2018/05/01 - 2019/10/31
23	Mathekga MG	Phase 1,2& 3 Plumbing	Engineering Services	2018/09/01 - 2019/02/28
24	Selepe MC	N6 Engineering Services	Engineering Services	2017/06/01 – 2019/05/31
25	Peta AK	Bachelor of Administration in Local Government	Corporate Services	2018/06/01 - 2018/08/31

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4.5 SKILLS DEVELOPMENT AND TRAINING

Table 129: Skills Matrix														
Management level	Gender	Employees in post as at 30 June 2018	Number of skilled employees required and actual as at 30 June 2018											
			Learnerships			Skills programmes & other short courses			Other forms of training			Total		
		No.	Actual 30 June 2017	Actual 30 June 2018	Target 18/19	Actual 30 June 2017	Actual 30 June 2018	Target 18/19	Actual 30 June 2017	Actual 30 June 2018	Target 18/19	Actual 30 June 2017	Actual 30 June 2018	Target 18/19
MM and S57	Female	1	0	0	0	0	1	0	0	0	0	0	1	0
	Male	6	0	0	0	0	0	2	0	0	0	0	0	2
Councillors, senior officials and managers	Female	45	0	0	0	0	10	10	0	0	0	0	10	10
	Male	54	0	0	0	0	12	10	0	0	0	0	12	10
Technicians and associate professionals	Female	37	0	0	0	18	11	20	0	0	0	18	11	20
	Male	43	0	0	0	24	19	25	0	0	0	24	19	25
Professionals	Female	39	0	0	0	0	14	20	0	0	0	0	14	20
	Male	46	0	0	0	1	6	15	0	0	0	1	6	15
Sub total	Female	122	0	0	0	28	36	35	0	0	0	28	36	35
	Male	149	0	0	0	45	37	52	0	0	0	45	37	52
Total		271	0	0	0	116			0	0	0	116		0

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It must be noted that the bulk of the money for training was utilised to cater for the MFMP programme as per legislation (See **Table 130** for progress made in this regard).

Table 130: Financial Competency Development: Progress Report (2017/18)*				
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	1	1	1
<i>Senior managers</i>	5	4	5	4
<i>Any other financial officials</i>	51	44	0	44
Supply Chain Management Officials				
<i>Heads of supply chain management units</i>	1	0	0	0
<i>Supply chain management senior managers</i>	0	0	0	0
TOTAL	59	49	7	49

The training needs request are annually submitted by various departments, in order to develop Workplace Skills Plan (WSP) as per requirements of the Skill Development Act (Act 97 of 1998). The training interventions for the financial year 2017/18 are tabled for reference (see **Table 131**). The cash flow also affected the implementation of the WSP/ training plan.

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Table 131: Training interventions during 2017/18

No	Course Name	Type of Intervention	Occupational Category	Department	No of Employees Trained
1	Protocol and Etiquette Training	Short Course	Professionals	Corporate Services	12
2	Facilitation Training	Short Course	Professionals	Corporate Services	13
3	Events Management Training	Short Course	Clerical Support	Corporate Services	2
4	Linux Essential Training	Skills programme	Technicians and Associate Professionals	Corporate Services	1
5	Windows Server Administration	Skills Programme	Clerical Support	Corporate Services	1
6	EC-Council Certified Security Analyst / LPT Bootcamp	Skills Programme	Professionals	Corporate Services	1
7	Advanced Report Writing Training	Short Course	Professionals	Corporate Services	1
8	Advanced Report Writing Training	Short Course	Clerical Support	Corporate Services	1
9	Customer Care Training	Short Course	Clerical Support	Corporate Services	1
10	Linux Administrator	Skills Programme	Professionals	Corporate Services	1
11	Truck Mounted Crane training	Skills Programme	Technicians and Associate Professionals	Electrical Engineering Services	11
12	First Aid Training	Short Course	Elementary Workers	All Departments	27
13	OHS Training	Short Course	Elementary Workers	All Departments	35
14	Firefighting Training	Short Course	Elementary Workers	All Departments	20
15	Ethics Training	Short Course	Manager	Office of the Mayor	1
16	Ethics Training	Short Course	Clerical Support	Office of the Mayor	1
17	Computer Skills Training	Short Course	Clerical Support	Corporate Services, Community Services, Engineering Services, Budget and Treasury	20

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Table 131: Training interventions during 2017/18					
No	Course Name	Type of Intervention	Occupational Category	Department	No of Employees Trained
18	Municipal Governance Training for Councillors	Leanship	Legislators(Councillors)	Office of the Mayor	9
19	MFMA	Leanship	Managers , Professional, Technicians and Associate Professionals & Clerical Support	Corporate Services, Community Services, MM's Office, Engineering Services, Electrical Engineering	25

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Table 132: Skills Development Expenditure (R'000) for 2017/18

Management level	Gender	Employees as at the beginning of the financial year	Original Budget and Actual Expenditure on skills development 2017/2018							
			Learnerships		Skills programmes & other short courses		Other forms of training		Total	
		No.	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual
Top management (level 0-2)	Female	1	0	0	R35 000	R44 348	0	0	R35 000	R44 348
	Male	6	0	0	R60 000	R49 674	0	0	R60 000	R49 674
Senior Management (level 3)	Female	14	0	0	R80000	R 20 000	0	0	R80000	R 20 000
	Male	15	0	0	R30 800	R20 700	0	0	R30 800	R20 700
Professionally qualified and experienced specialists (middle management) level 4-6	Female	76	0	0	R110 000	R100 870	0	0	R110 000	R100 870
	Male	89	0	0	R690 969	R489 235		0	R690 969	R489 235
Skilled, technical and academically qualified workers (7-10)	Female	57	0	0	R70 000	R70 000	0	0	R70 000	R70 000
	Male	37	0	0	R55 000	R55 000	0	0	R55 000	R55 000
Semi-skilled - discretionary decision making (level 10-15)	Female	7	0	0	R29 000	R20 809	0	0	R29 000	R20 809
	Male	94	0	0	R150 000	R90 000	0	0	R150 000	R90 000
Unskilled and defined decision making (level 16-17)	Female	78	0	0	R70016	R20 002	0	0	R70016	R20 002
	Male	110	0	0	R76015	R20 002	0	0	R76015	R20 002
Sub total	Female	233	0	0	R394016	R276 029	0	0	R394016	R276 029
	Male	351	0	0	R106 2784	R724 611	0	0	R106 2784	R724 611
Total		584	0	0	R1 456 800	R1 000 640	0	0	R1 456 800	R1 000 640
% and *R value of municipal salaries (original budget) allocated for workplace skills plan.									0.62 %	R236 493 598

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COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

It is important that thorough planning is undertaken to ensure that workforce or personnel expenditure is within available resources and should not be such that mandate areas of Council are compromised. Endeavours are made to synergise and integrate organogram reviews with both the IDP and Budget Processes to ensure alignment. Council experiences high expenditure on overtime, which erode much needed financial resources. Mechanisms have been put in place to reduce overtime to acceptable levels. Initiatives are at their early stages to develop performance management system which will ensure that the municipality derive maximum value for money from the personnel expenditure.

4.6 EMPLOYEE EXPENDITURE

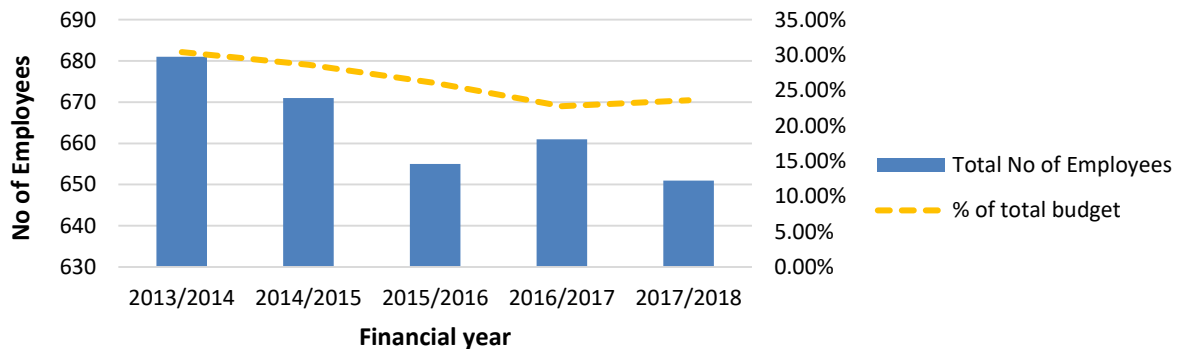
Table 133 below presents the expenditure on the workforce during the past 5 years. Although the total number of employees have remained fairly constant during this period the expenditure on the workforce did increase due to annual salary increases.

Table 133: Workforce Expenditure (R'000)- 5 year trend			
Year	Total No of Employees	Total Workforce Expenditure	% of total budget
2013/2014	681	247 063 144	30.42%
2014/2015	671	244 723 266	28.65%
2015/2016	655	258 534 208	26.06%
2016/2017	661	267 338 994	22.76%
2017/2018	651	282 016 266	23.58%

As can be seen in **Figure 8** the workforce expenditure, as a percentage of the total operational budget, showed a steady decline during the past 3 years. This, mainly due the fact that vacancies were not filled as the funds were required to address salary disparities at lower salary levels.

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Figure 8: 5 year trend Workforce expenditure vs total no of employees



The Job Evaluation process is not yet finalised and therefore no positions were upgraded during 2017/18 (see Table 134).

Table 134: Number of employees whose salaries were increased due to their positions being upgraded during 2017/18

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

Table 135: Financial Interests declared 2017/18

	Position	Name	Description of Financial Interest
1	Executive Secretary	Anna Susanna Scheepers	• Payment from Workman's Compensation
2	Database Administrator	Milton Sibuyi	• 100% Hlongwani ICT Solutions • Director Hlongwani ICT Solutions
3	Manager IT	Tshembani Godwill Maluleke	• VBS Mutual Bank
4	Data Capturing Clerk	Isaac Raseokga	• Greenworld Product Distributor

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Table 135: Financial Interests declared 2017/18

	Position	Name	Description of Financial Interest
5	Manager Office of the Mayor	Sonia Nokuthula Ngobeni	<ul style="list-style-type: none"> MTN Shares Asonge Shares
6	Manager SED Tourism LED	Dimakatso Freddy Rammahlo	<ul style="list-style-type: none"> Board Member of an Yoleng Leulane
7	Manager Land & Human Settlement	Ntlhochayi Handswell Phakula	<ul style="list-style-type: none"> Pension and Provident funds outside the Employee, but are Suspended.
8	HIV/ AIDS Co-Ordinator	Christinah Basambilu Zulu	<ul style="list-style-type: none"> Old Mutual Pension Fund
9	Senior Clerk	Dietja Maite Leah Mokgalaotse	<ul style="list-style-type: none"> Old Mutual Retirement Annuity
10	Performance Manager Officer	Frieda Marié Human	<ul style="list-style-type: none"> Mahaju Cr 4 (Tzangeni) Rental Home PPS Annuity
11	Manager Risk Management	Manthibu Mavis Mpyana	<ul style="list-style-type: none"> Business Accountant Tax Practitioner
12	IDP Officer	Joe Headman Cross Mkhari	<ul style="list-style-type: none"> Mpfumo Holdings (PTY) Ltd Shikalazi Holdings (PTY) LTD Telkom SA LTD Metropolitan Life Chairperson of Finance Com. (Valoyi Trust)
13	Library Assistant	Tinyiko Alinah Nkuna	<ul style="list-style-type: none"> House Nkowankowa
14	Manager Liabilities	Christina Johanna Nel	<ul style="list-style-type: none"> Owner House Owner Empty Stand
15	Library Assistant	Rhulani Comfort Mathebula	<ul style="list-style-type: none"> Own House
16	Librarian	Rosina Matjemana Rachidi	<ul style="list-style-type: none"> Joint Ownership with spouse, House in Gauteng.
17	Library Assistant/Cashier	Nompumelelo Beryl Mhlaba	<ul style="list-style-type: none"> Shares and Securities Company, but not operational. Directorship Company but not operating, no income. Own , rented Property
18	Principal Clerk	Funiwe Stella Makhubele	<ul style="list-style-type: none"> Stand 5099 Ext.84
19	Communications Officer	Ntsako Neville Ndlala	<ul style="list-style-type: none"> Food Vendor
20	Senior Accountant	Arnold Nicholas Mathebula	<ul style="list-style-type: none"> Chairperson, Pastor, non-profit
21	Compliance Officer	Xikombiso Prudence Sibisi	<ul style="list-style-type: none"> Trustee of Rivisi Family Trust Old Mutual Insurance Husband conducts business with Council from time to time. (Married ANC)
22	Senior Clerk	Lizl Le Grange	<ul style="list-style-type: none"> Owner Property Lushof 22
23	Assistant Accountant	Catharina Natalia Brummer	<ul style="list-style-type: none"> Co-Owner Stand 587/2

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Table 135: Financial Interests declared 2017/18

	Position	Name	Description of Financial Interest
24	Assistant Accountant	Mabakhona Antoinette Ramaphoko	<ul style="list-style-type: none"> Network Marketer at forever lining Products.
25	Clerk	Lorraine Mokgadi Malatji	<ul style="list-style-type: none"> Mokwape Services and Investments Selling Cakes
26	Hr Admin Officer	Johanna Catharina Liversage	<ul style="list-style-type: none"> Husband Renting Driving Range
27	Manager Human Resources	Ntebatse Maggy Hellen Maake	<ul style="list-style-type: none"> Boabab Promotions and White Hall Trading Both for Husband.
28	Administrator	Makati Trucy Dinga	<ul style="list-style-type: none"> Lekwadu Trading PTY LTD House 1004 Lenyenye, Stand 2145/6 Tzaneen Old Mutual Provident Fund.
29	Executive Secretary	Mnenwasi Masu Mathye	<ul style="list-style-type: none"> Manuati Susanu IJ and Security Services
30	Vehicle Inspector & Testing Officer	Sinah Dimakatso Maake	<ul style="list-style-type: none"> Shares & Securities (MTN, SASOL) Masilo Family Trust 39 Pieter Joubert Street Aquapark, Tzaneen 0850
31	Manager Licensing & Testing	Cornelius Andries Johannes Liversage	<ul style="list-style-type: none"> Renting Golf Range from Agri Letaba.
32	Vehicle Inspector & Testing Officer	Nomsa Constance Bango	<ul style="list-style-type: none"> Founder of Just Ladies Ministries Christian Gatherings for Women. Owning a Combi which is used mainly for church purposes and sometimes operating for income.
33	Vehicle Inspector & Testing Officer	Dinah Molaudzi	<ul style="list-style-type: none"> Everyday Share VODACOM
34	Senior Clerk	Mmasutane Annikie	<ul style="list-style-type: none"> Mpereke General Services PTY LTD.
35	Vehicle Inspector & Testing Officer	Victoria Tsakani Twala	<ul style="list-style-type: none"> Family Business Responsible for payments of Company
36	Law Enforcement Officer	Willem Du Toit	<ul style="list-style-type: none"> Owner Agatha Unit 19, Velmont Flats. Tzaneen 0850
37	Vehicle Inspector & Testing Officer	Seabela Matthews Modjela	<ul style="list-style-type: none"> Universal Vison Travel CC
38	Manager Law Enforcement	Makokori Johannes Malatji	<ul style="list-style-type: none"> Yebo Yethu Share Holder Old Mutual Group
39	Safety & Security Officer	Mfundhisi Kennith Makhubele	<ul style="list-style-type: none"> Stand 5099 Golden Acres, Tzaneen 0850
40	Law Enforcement Officer	Michael Shikhibane	<ul style="list-style-type: none"> Shikani Holdings Directorship Partnership
41	Law Enforcement Officer	Eva Mamodike Malatji	<ul style="list-style-type: none"> House 1444, Industrial Street Lenyenye Retirement Old Mutual Sanlam.

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Table 135: Financial Interests declared 2017/18

	Position	Name	Description of Financial Interest
42	Law Enforcement Officer	Mogotlo Lazarus Mogoboya	<ul style="list-style-type: none"> Own Gospel Choir Based Lenyenye Holy Revival Gospel Choir.
43	Executive Secretary	Dina Carolina Botes	<ul style="list-style-type: none"> Church Evangelist Reformed Church.
44	Engineering Technician	Ranti Kholofelo Dikgale	<ul style="list-style-type: none"> Lethebe Building Construction CC Bakane Development Trust Fund Lethebe General Services PTY Shingwedzi L102 Shingwedzi K102 Farming of Live Stock.
45	Cleaner	Rosina Semina Mohlobuka	<ul style="list-style-type: none"> Retirement Old Mutual
46	Manager Parks & Recreation	Xoliswa Gala	<ul style="list-style-type: none"> MCS Meger Chain Solution 25% Share Registered Property Company not active yet.
47	Senior Labourer	Suzan Gavaza Nlangwini	<ul style="list-style-type: none"> Stand 474 Dan Villages Annuity Fund Old Mutual
48	Superintendent	Adriaan Stefanus Jacobs	<ul style="list-style-type: none"> Own House
49	Driver Operator	Maboreketla Charles Molopa	<ul style="list-style-type: none"> Own House
50	Manager Roads & Stormwater	Hulisani Olga Tshisevhe	<ul style="list-style-type: none"> 100% Sani Creations Directorship Sani Creations
51	Foreman	Nhlavutelo Brenda Mbali Mathebula	<ul style="list-style-type: none"> Trust
52	Foreman	Ntsako Glenys Nkwini	<ul style="list-style-type: none"> Shares NG Civils PTY LTD 100% Directorship NG Civils Aparliment to Wild Fig 52/32 Hoedspruit Own House
53	Manager Maintenance Services	Mawelewelle Ludic Mahyai	<ul style="list-style-type: none"> Golden Acres Home Owner non profit org. Board Member Home-Owners. Rental Income.
54	Manger Water Services	Aluwani Gangashe	<ul style="list-style-type: none"> Nzuvha Foundation
55	Regional Municipal Waste Management Officer	Eugene Adriaan Schutte	<ul style="list-style-type: none"> Non-Active Night Breeze Investment 24800 National Fund For Municipal Workers Tzangeni Home Owner Association Co-Owner Stand 3052 Tzaneen
56	Senior Labourer	Maje Phillip Malemela	<ul style="list-style-type: none"> Yes Employment and Remuneration Yes Investment in Property Yes Other (Not Stated)
57	Manager Waste Management	Hendrik Lodewyk Mienie	<ul style="list-style-type: none"> Old Mutual Shares x700 Sanlam Shares X502 Receive Annual Dividends

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Table 135: Financial Interests declared 2017/18

	Position	Name	Description of Financial Interest
			<ul style="list-style-type: none"> Investment Advantage Business Undertaking Return Investment ABSA Bank 2nd Home @ Boet Booysen No.8 Sentrapark
58	Regional Municipal Waste Management Officer	Abel Papani Seweya	<ul style="list-style-type: none"> Baropodi Trading Enterprise closed. Bropodi Directorship closed.
59	Manager Community & Environmental	Tasnwani Maggy Machumele	<ul style="list-style-type: none"> Telkom, Vodacom, Sasol and Multichoice shares. Partnership Ka Hina Bed and Breakfast House 1103A Bankuna Street (Ka hina) Bed and Breakfast 809 Mariveni Road 608 Crescent Street Britania Bay Vacant Site 423/1 Modjadjiskloof.
60	Environmental Health Practitioner	Nhlamulo Lloyd Mthebule	<ul style="list-style-type: none"> Mtebal incorporated Hygiene Solutions Company.
61	Team Leader	Siza Moses Ngobeni	<ul style="list-style-type: none"> Retirement Annuity Sanlam
62	Cleaner	Mmamauba Pinkie	<ul style="list-style-type: none"> Stand 93 Matshe-Lapala Villages
63	Cleaner	Jeaneth Ntombi Shibambo	<ul style="list-style-type: none"> Own House Dan Villages
64	Cleaner	Masape Nelly Matshokga	<ul style="list-style-type: none"> Retirement Fund Old Mutual
65	Cleaner	Manana Lesley Rikhotso	<ul style="list-style-type: none"> Old Mutual
66	Cleaner	Matsie Nurse Makgoba	<ul style="list-style-type: none"> Old Mutual
67	Cleaner	Motlatso Jane Mahasha	<ul style="list-style-type: none"> Forever Living Communising from selling products.
68	Cleaner	Mapula Margaret Leswiswi	<ul style="list-style-type: none"> Stand 7 Moleketla
69	Senior Labourer	Mankhiti Rosina Ramokoto	<ul style="list-style-type: none"> Pension and Provident Fund Outside the Employee
70	Director Electrical Engineering	Moswatse Samuel Lelope	<ul style="list-style-type: none"> Afure Electrical (Resigned) 1077 Ext 12 own Property.
71	Electrical Engineering Assistant	Phillipus Jacobus Wilhelmus Schutte	<ul style="list-style-type: none"> House in Tzaneen Plot in Potchefstroom Small Annuity at Liberty Life Tzaneen Laundry (Wife)
72	Planner Electrical	Jim Timothy	<ul style="list-style-type: none"> Yes Building, Renting Out, Selling (Subsidies grants and Sponsorships)
73	Chief Financial Officer	Mikateko Palesa Mkhubela	<ul style="list-style-type: none"> Co-Owner 872 Sekete Drive Spruite 1425 Investec Annuity Living
74	MPAC Researcher	Raymond Hlangwane	<ul style="list-style-type: none"> Shares and Securities (Rayza Trading and Project)

Chapter 4

Table 135: Financial Interests declared 2017/18

	Position	Name	Description of Financial Interest
			<ul style="list-style-type: none"> Membership Close Corporation (Rayza Trading and project).
75	Manager Public Participation and Public Support	Moroka Fourie Malale	<ul style="list-style-type: none"> Directorship
76	Director Community Services	Hendry Aleck	<ul style="list-style-type: none"> Shares and Securities Own farm and Chicken Braai Place R15 000 pm form Farm and Chicken Braai 2 Sites (Residential) MeweLe Villages 9 H and Lemoenfontein 89Hh Member of a non-profit Making Tournaments, Khaisongo Tournaments.
77	Supervisor Driver	Lovers Shipalana	<ul style="list-style-type: none"> Paluxani Trading Enterprise Own Business but in process of Resigning.
78	Manager Land & Human Settlement	Ntlhochayi Handswell Phakula	<ul style="list-style-type: none"> Directorship Pension/Provident Fund currently suspended
Councillors			
1	Councillor PR	Makgabane Josephina Mokgoloboto	<ul style="list-style-type: none"> Max Investment with Old Mutual
2	Councillor PR	Mkateko Fortunate Mbhalati	<ul style="list-style-type: none"> Pension and Provident Fund outside Employee
3	Part Time Councillor	Rene Edna Pohl	<ul style="list-style-type: none"> Old Mutual Shares Own House Annuity Funds at FNB
4	Exco Parttime Councillor	Marthinus Prinsloo	<ul style="list-style-type: none"> BEC Construction BEC Management Cross Atlantic Corp Kingdom Air (Shares) Laagwater Bellegins Tzanair Tzaneen Staal Industrieë (Membership) BEC Construction Laagwater Be-leggings. Die Vossie Bond Trust (Directorship) BEC Construction Cross Atlantic Corp. Kingdom Air Laagwater Be-leggings Tzanair Tzaneen Staal Industrieë (Interest in property)

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Table 135: Financial Interests declared 2017/18			
	Position	Name	Description of Financial Interest
			<ul style="list-style-type: none"> Erf 1824 Phalaborwa Hentiq 2587 Princess Gran Erf 103
5	Part Time Councillor	Selaelo Betty Ramoshaba	<ul style="list-style-type: none"> Kgopi Trading Enterprice (Trust)
6	Councillor (Section 79) Budget Treasury	Ngwako Abram Masila	<ul style="list-style-type: none"> Owning 1 Residential site No.92 Serare Villages, Ga Maake. Old Mutual
7	Part Time Councillor	Nicco Nkhwashu	<ul style="list-style-type: none"> Part Time Shoe Repair and Welding Headman Receive stipend Own House.
8	Part Time Councillor	Moore Sarah Baloyi	<ul style="list-style-type: none"> Own House
9	Part Time Councillor	Mokgadi Margaret Thlokwa	<ul style="list-style-type: none"> Non-Executive Director of Manareng Day Care Centre. 4 Properties (Own House) NPO Organisation ECD
10	Part Time Councillor	Ngwako Given Maunatlala	<ul style="list-style-type: none"> Tjima Construction & Enterprice AVBOB, Lindeni Undertakers. 45/50 Alotment Sole Properties
11	EX-CO Member	Ntlhanu Jameson Mbhalati	<ul style="list-style-type: none"> Choice Trust Tzaneen
12	Part Time Councillor	Nkhensani Roniel Rikhotso	<ul style="list-style-type: none"> MTN Zakhele Shares of R10 000
13	Part Time Councillor	Solomon Ngwako Mohonone	<ul style="list-style-type: none"> Malemela Café, Manager and Distributor
14	Section 79 Councillor/ Health Environmental.	Given Marvin Malatji	<ul style="list-style-type: none"> Shares, Sekgatho Trading Enterprice. Directorship, Mlatji Optometrist Directorship, Sekgatho Trading Enterprise
15	Speaker Full Time	Dikeledi Josephine Mmetle	<ul style="list-style-type: none"> Old Mutual Pension Fund
16	Section 79 Councillor	Mahlare Charlotte Nkwashu	<ul style="list-style-type: none"> Catering (Directorship) Own House (2.5 Million)
17	Speaker Full Time	Dikeledi Josephine Mmetle	<ul style="list-style-type: none"> Old Mutual
18	Part Time Councillor	Thabiso Leon Mathita	<ul style="list-style-type: none"> Mathita Biznet Investment Great Power Investment Directorship Matita Biznet Investment Grace Network Partnership Pwer Investment Financial Interest Mathita Transport Logistics. Dwphile Lebone Properties
19	Part Time Councillor	Makoma Constance Morwatshehla	<ul style="list-style-type: none"> Bokone General Construction GEPI (From Husband ,passed on)

Declarations of interest forms are attached to salary advices yearly at the end of June.

CHAPTER 5 – FINANCIAL PERFORMANCE

Inflationary pressures is 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. The most expensive consultancy arrangements include the following:

- i. *Legal consulting fees* resulting from litigations and defending the Municipality in court matters
- ii. *MScoa*- Assisting the Municipality with the complies of Treasury regulations and implementation of Mscoa (Municipal standard chart of accounts)
- iii. *Asset management*- ARMS consultant has been appointed as service provider to ensure that all assets related functions and transactions are performed according to the requirements of all GRAP standards
- iv. *Insurance portfolio of Council*- an insurance broker was appointed to ensure that Council is insured against any loss or damages to assets contained in councils insurance portfolio
- v. *Electrical consultants*- A Consultant has been appointed to provide professional electricity assistance to the department and meter audits

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 J**.

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5.1 FINANCIAL SUMMARY

The financial position of the municipality is positive, as the total assets exceeds the total liabilities. It can therefore be assumed that the liabilities of the municipality can be settled. A summary of the GTM financial performance for the 2017/18 financial year is presented below.

Table 136: Financial Summary 2017/18 (R'000)

Description	2016/2017	Current year 2017/18			2017/18 Variance to actual	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Financial Performance						
Property rates	88 946	90 500	90 500	107 493	16%	16%
Service charges	447 481	532 683	532 683	485 060	-10%	-10%
Investment revenue	8 253	3 501	3 501	4 427	21%	21%
Transfers recognised - operational	438 486	348 837	348 837	398 714	13%	13%
Other own revenue	114 411	83 276	83 276	111 704	25%	25%
Total Revenue (excluding Capital transfers & contributions)	1 097 577	1 058 797	1 058 797	1 107 399	4%	4%
Employee costs	267 339	316 680	316 680	282 016	-12%	-12%
Remuneration of councillors	22 457	24 684	24 684	24 432	-1%	-1%
Depreciation & asset impairment	130 170	128 909	128 909	129 453	0%	0%
Finance charges	12 933	12 771	12 771	11 014	-16%	-16%
Materials and bulk purchases	321 520	386 060	398 866	370 388	-4%	-8%
Transfers and grants	123 609	39 179	39 179	113 264	65%	65%
Other expenditure	240 698	196 597	196 597	291 134	32%	32%
Total Expenditure	1 118 726	1 104 879	1 117 686	1 221 701	10%	9%
Surplus/(Deficit)	(21 149)	(46 083)	(58 889)	(114 302)	60%	48%
Transfers Recognised- Capital	35 069	91 145	113 005	29 978	-204%	-277%
Contributions recognised - capital & contributed assets				49	100%	100%
Surplus/(Deficit) after capital transfers & contributions	13 920	45 062	54 116	(84 275)	153%	164%
Share of surplus/ (deficit) of associate						
Surplus/(Deficit) for the year	13 920	45 062	54 116	(84 275)	153%	164%

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Table 137: Financial Summary 2017/18 (R'000)

Description	2016/2017	Current year 2017/18			2017/18 Variance to actual	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustment Budget
<u>Capital expenditure & funds sources</u>						
Capital expenditure	76 411	140 890	168 926	48 788	-189%	-246%
Transfers recognised - capital	35 069	91 145	113 005	29 978	-204%	-277%
Public contributions and donations				49	100%	100%
Borrowing	12 192	34 745	30 000	5 016	-593%	-498%
Internally generated funds	29 149	15 000	25 921	13 744	-9%	-89%
Total sources of capital funds	76 411	140 890	168 926	48 788	-189%	-246%
<u>Financial position</u>						
Total current assets	453 106	374 624	372 114	461 472	19%	19%
Total non-current assets	1 810 014	2 018 944	2 040 951	1 713 471	-18%	-19%
Total current liabilities	274 649	232 610	232 610	284 028	18%	18%
Total non-current liabilities	194 649	230 551	230 551	181 366	-27%	-27%
Community wealth/Equity	1 793 823	1 930 407	1 949 903	1 709 548	-13%	-14%
<u>Cash flows</u>						
Net cash from (used) operating	143 811	128 553	134 583	122 072	-5%	-10%
Net cash from (used) investing	(135 094)	(139 610)	(167 646)	(123 897)	-13%	-35%
Net cash from (used) financing	(31 247)	10 170	10 170	(22 523)	145%	145%
Cash/cash equivalents at year end	31 839	11 457	8 947	7 491	-53%	-19%
<u>Asset management</u>						
Asset register summary (WDV)	1 784 840	1 995 244	2 023 281	1 686 584	-18%	-20%
Depreciation and asset impairment	130 170	128 909	128 909	129 453	0%	0%
Renewal of Existing Assets	21 733	83 039	89 659	21 733	-282%	-313%
Repairs and Maintenance	35 019	41 060	53 866	44 932	9%	-20%
<u>Free services</u>						
Cost of Free Basic Services provided	2 994	5 011	5 011	4 054	-24%	-24%
Revenue cost of free services provided	23 170	24 109	24 109	24 000	0%	0%
<u>No. of Households below minimum service level</u>						
Water						
Sanitation/sewerage						
Energy	13 110	14 100	14 100	14 197	1%	1%
Refuse	100 150	100 150	100 150	99 992	0%	0%
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A1						T5.1.1

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The financial performance results for the municipality closed with a deficit of R84 million for 2017/18. The overspending is mainly the result of the overspending on the Budget of provision for Bad Debts which is a non-cash item. The total capital expenditure for the year is less than the budgeted amount, due to the projects that were constructed on behalf of RAL. Roads to the value of R77 million were constructed by the municipality and transferred to RAL as grants from the operational expense.

The municipality further closed the 2017/2018 financial year with a positive Bank balance of R7.5 million. If the unspent conditional grant of R2.9 million is taken into consideration the municipality still closes the year with a positive Bank balance of R4.6 million.

The expenditure on renewal of asset is also less than budgeted and the municipality was advised by Provisional Treasury to increase repairs and maintenance on the renewal of assets to ensure that the assets are properly maintained. The variance between the budget and actual expenditure is 9% and will have to be addressed to ensure that the total available amount is spent.

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Table 138: Financial Performance of Operational Services (R'000) for 2017/2018

Description	2016/2017	Current year 2017/18			2017/18 Variance to actual	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Operating Cost						
Water						
Waste Water (Sanitation)						
Electricity	482 189	507 510	517 888	465 539	41 970	52 349
Waste Management	69 658	80 066	80 066	78 988	1 077	1 077
Housing	10 940	16 422	16 422	12 234	4 188	4 188
Component A: sub-total	562 787	603 997	614 376	556 761	47 236	57 615
Waste Water (Storm water Drainage)						
Roads	220 384	132 671	135 099	221 647	(88 976)	(86 549)
Transport	20 258	43 861	43 861	27 184	16 678	16 678
Component B: sub-total	240 642	176 533	178 960	248 831	(72 299)	(69 871)
Planning	21 349	22 424	22 424	20 206	2 218	2 218
Local Economic Development						
Component B: sub-total	21 349	22 424	22 424	20 206	2 218	2 218
executive & council	34 351	40 415	40 415	37 939	2 476	2 476
budget & treasury office	94 531	92 753	92 753	170 412	(77 660)	(77 660)
corporate services	90 078	85 373	85 373	89 993	(4 619)	(4 619)
Component C: sub-total	218 960	218 541	218 541	298 344	(79 803)	(79 803)
Community & Social Services	7 646	8 848	8 848	8 867	(19)	(19)
Environmental Protection					–	–
Health	8 171	10 674	10 674	8 696	1 978	1 978
public safety	28 205	29 285	29 285	24 420	4 865	4 865
Sport and Recreation	23 221	27 015	27 015	23 678	3 336	3 336
waste water	6 821	7 563	7 563	5 973	1 590	1 590
Component D: sub-total	74 064	83 385	83 385	71 635	11 750	11 750
Total Expenditure	1 117 803	1 104 879	1 117 686	1 195 777	(90 897)	(78 091)

The budget has been drafted to be compliant with legislative requirements and a special effort has been made to ensure that the actual expenditure is within the approved budget. The municipality however experienced challenges with regards to unauthorised and irregular expenditure. But is confident that the implementation of the cost containment measures as determined by National Treasury will curb this challenge.

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5.2 GRANTS

The performance of GTM on the expenditure on grants is presented in **Table 139** below:

Table 139: Grant Performance 2017/18 (R'000)						
Description	2016/17	2017/18			2017/18 Variance	
	Actual	Budget	Adjusted Budget	Actual	Original Budget (%)	Adjusted Budget (%)
Operating Transfers and Grants						
National Government:						
Equitable share	291 113	291 141	291 141	291 113	0%	0%
Municipal Systems Improvement						
Integrated National Electrification Programme	25 000	25 000	25 000	25 000	0%	0%
Levy replacement						
EPWP	1 949	1 949	1 949	1 949	0%	0%
Financial management grant	1 810	1 810	1 810	1 810	0%	0%
Provincial Government:						
Health subsidy						
Housing						
Ambulance subsidy						
Sports and Recreation						
Seta	1	26	26	1	-2586%	-2586%
District Municipality:						
<i>[insert description]</i>						
Other grant providers:						
<i>[insert description]</i>	0	0	0	0	100%	100%
Total Operating Transfers and Grants	319 873	319 926	319 926	319 873	(0)	(0)
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.						T5.2.1

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An amount of R461, 8 million was allocated to the municipality for the 2017/2018 financial year. This amount was allocated in terms of the Division of Revenue Act promulgated every financial year.

Table 140: Conditional Grants: excluding MIG (R'000) - 2017/18

Details	Budget	Adjustment Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustment Budget	
Neighbourhood Development Partnership Grant		8 200	5 361	100%	-53%	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	1 810	1 810	1 810	0%	0%	The grant is utilised for capacity building, minimum competency level, financial training as well as the remuneration of Interns
Municipal Systems Improvement	1 949	1 949	1 949	0%	0%	The grant is used to upgrade the financial systems of the municipality and to provide training to officials.
National Electrification (INEP) & Neighbourhood	25 000	25 000	25 000	0%	0%	INEP funds must be utilised within the allocated period and the network must comply with ESKOM standards
Total	28 759	36 959	34 120	28 759	36 959	

5.3 ASSET MANAGEMENT

The assets management division has improved the updating of assets register in line with GRAP standards, as is evident with the clean audit on assets. The division also serves to provide guidance to departments on asset movement processes and bar coding assets. There are however challenges with the management of infrastructure assets for the electricity network

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as the location of transformers are not always reported upon installation, thereby compromising the accuracy of the asset register.

Table 141: Treatment of the three largest assets acquired 2017/18				
Asset 1				
Name	Runnymede Sports Complex			
Description	Sports centre			
Asset Type	Infrastructure/ Recreational facility			
Key Staff Involved	Community services			
Staff Responsibilities	Maintenance			
	2014/15	2015/16	2016/17	2017/18
Asset Value				R32 244 573.70
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 2				
Name	Lenyenye Stadium			
Description	Stadium			
Asset Type	Infrastructure (PPE)			
Key Staff Involved	Community services			
Staff Responsibilities	Maintenance			
	2014/15	2015/16	2016/17	2017/18
Asset Value				R 16 256 897
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	Marumofase Pedestrian Bridge			
Description	Pedestrian Bridge in Marumofase			
Asset Type	Infrastructure			
Key Staff Involved	Infrastructure			
Staff Responsibilities	Maintenance			
	2014/15	2015/16	2016/17	2017/18
Asset Value				R 7 192 734.28

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Table 141: Treatment of the three largest assets acquired 2017/18

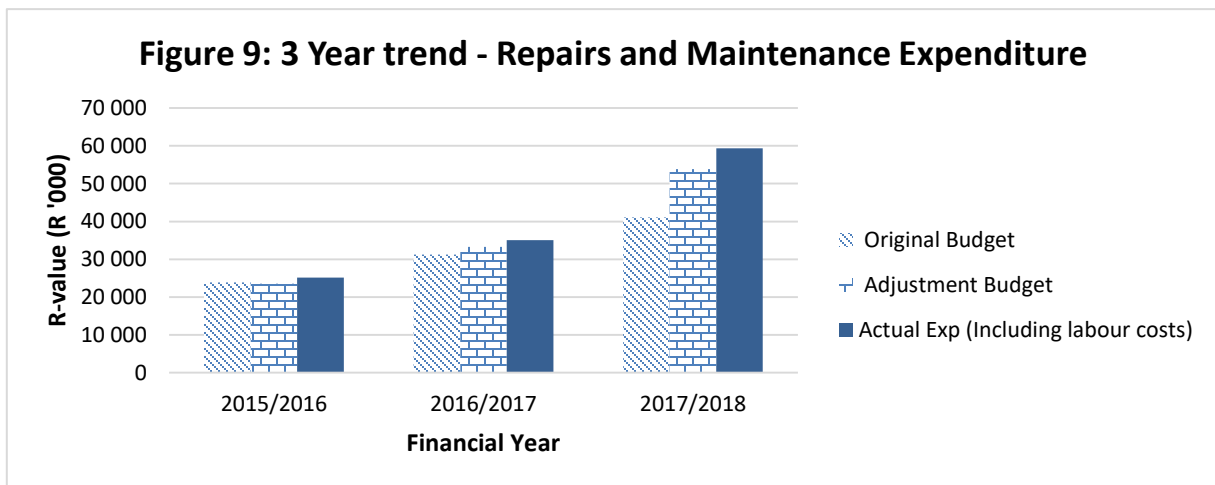
Capital Implications	Item is not a revenue generating project.
Future Purpose of Asset	The bridge will improves service delivery as the community will now be safer and the quality of the road is high as it can even withstand the rain
Describe Key Issues	Improved service delivery
Policies in Place to Manage Asset	Asset management policy in place

GTM currently uses own funding to subsidise all maintenance and repairs related programmes, these are based in services departments mostly in electricity department, roads and storm water and also municipal vehicles. However, large capital projects requires renewal repairs and maintenance funding such as those currently funded by DBSA for the electrical network.

Table 142: Repairs and Maintenance Expenditure (R'000)

Year	Original Budget	Adjustment Budget	Actual Exp (Including labour costs)	Budget variance
2015/2016	23 877	23 581	25 111	(1 530)
2016/2017	31 214	33 255	35 019	-1 763
2017/2018	41 060	53 866	59 327	-5 461

According to **Table 142**, above, the actual repairs and maintenance cost differ with the budgeted amount. The difference is R5.4 million or 10.1% overspending, which was incurred by service departments. This continued trend of overspending on repairs in maintenance is reflected in **Figure 9**.



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5.4 FLEET MANAGEMENT

The Greater Tzaneen Municipal fleet consist of yellow machines, trucks LDV's and sedan vehicles. The average age of these vehicles are approximately seven years. The last time that vehicles were procured was during the 2011/ 2012 financial year.

During the 17/18 financial year the GTM Fleet Policy was reviewed and a new policy is being drafted. Provision was made for the procurement of vehicles as prioritized for the service departments during the budget process for 2018/2019.

Table 143: Fleet Management Expenditure

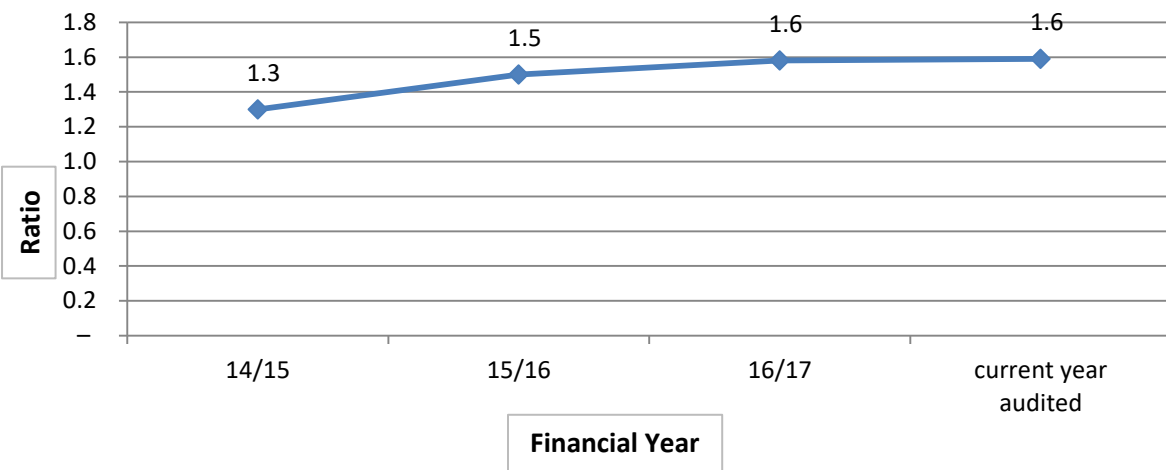
Financial Year	No of vehicles	Asset value of fleet	R-value spent on maintenance	R-value spent on procurement of new vehicles	Challenges
2014/15	152	15 274 910	2 473 202	820 987	No funding for replacement of fleet
2015/16	152	11 637 395	2 426 143	0.00	
2016/17	153	8 984 379	2 758 860	1 180 900	
2017/18	153	5 462 375	34 62 873	none	

The vehicles and equipment in the GTM Fleet are all very old, which have the effect that annually there are na increase on the maintenance cost. During the 2017/18 financial year the vehicles in the service departments (mostly electrical and solid waste) which are used for daily service delivery, had a lot of breakdowns which necessitated repairs.

5.5 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

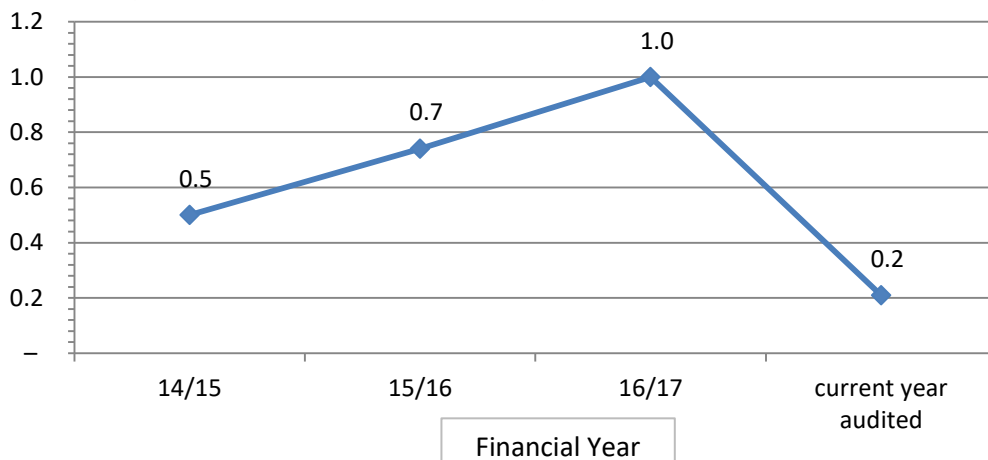
The financial rations presented below presents the financial health of the municipality. *Firstly*, the liquidity ratio, as demonstrated for Greater Tzaneen Municipality in **Figure 10**, measures the Municipality's ability to pay its bills and is calculated by dividing the monetary assets by the Municipality's current liabilities

Figure 10: Liquidity Ratio, 2014/15 - 2017/18



A higher liquidity ratio is better. Greater Tzaneen Municipality has a positive liquidity ratio which increased from 1.3 in 2014/2015 to 1.6 in the current financial year. *Secondly*, the Cost coverage ration as presented below:

Figure 11: Cost Coverage, 2014/15 - 2017/18

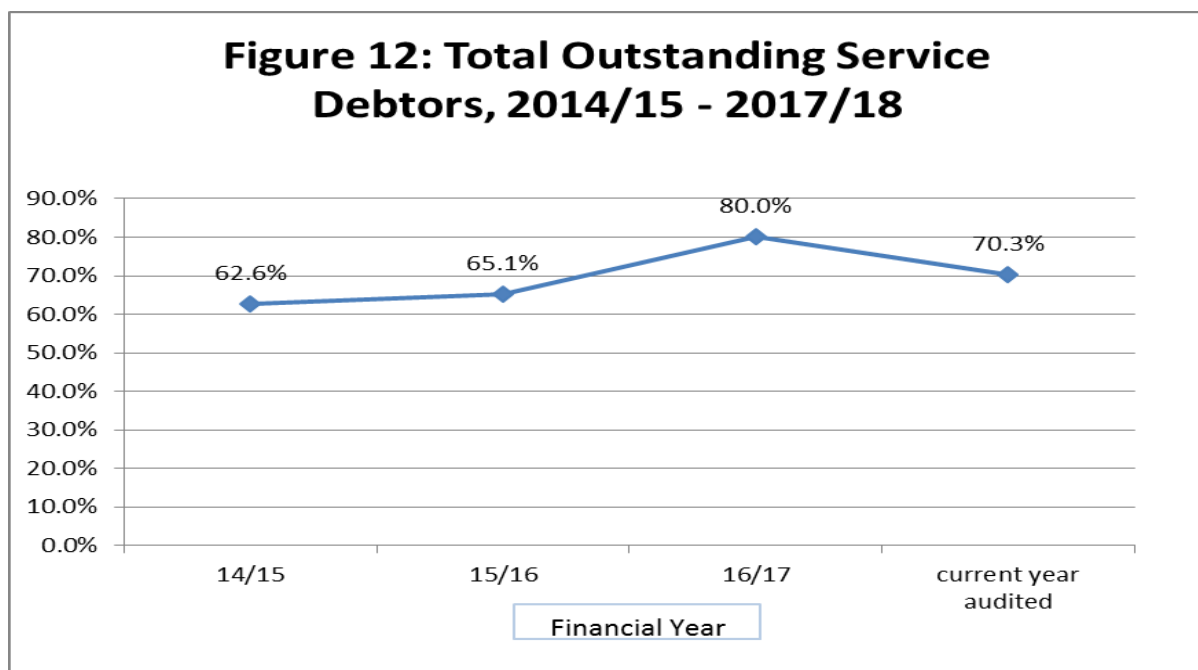


The Cost Coverage, as demonstrated for Greater Tzaneen Municipality in **Figure 11** above, explains how many months expenditure can be covered by the cash and other liquid assets available to the Municipality excluding utilisation of grants. This graph indicates that Greater

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Tzaneen Municipality's monthly operational costs are not covered by available cash as determined by MFMA circular 71. The decline on the cost coverage is the result of an increase in provision for bad debt. 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.

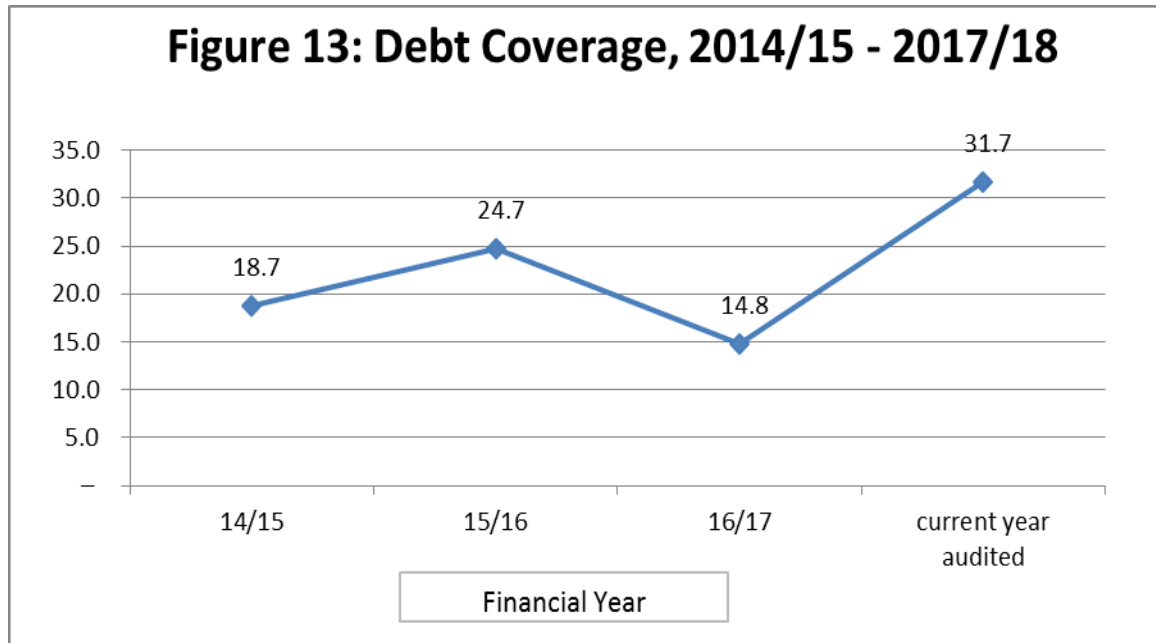
The baseline score as per the LGMIM results identified weaknesses of the municipality which includes the cost coverage. The municipality scored level 1 against the initial self-assessment score of level 4. The weakness identified is that the municipality did not ensure that the cash/cost coverage ratio remains between 1 and 3 months as per the MFMA circular 71. The municipality will have to address this issue during its next budget process.



The outstanding service debtors, as expressed for Greater Tzaneen Municipality in **Figure 12** 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 the graph that the total

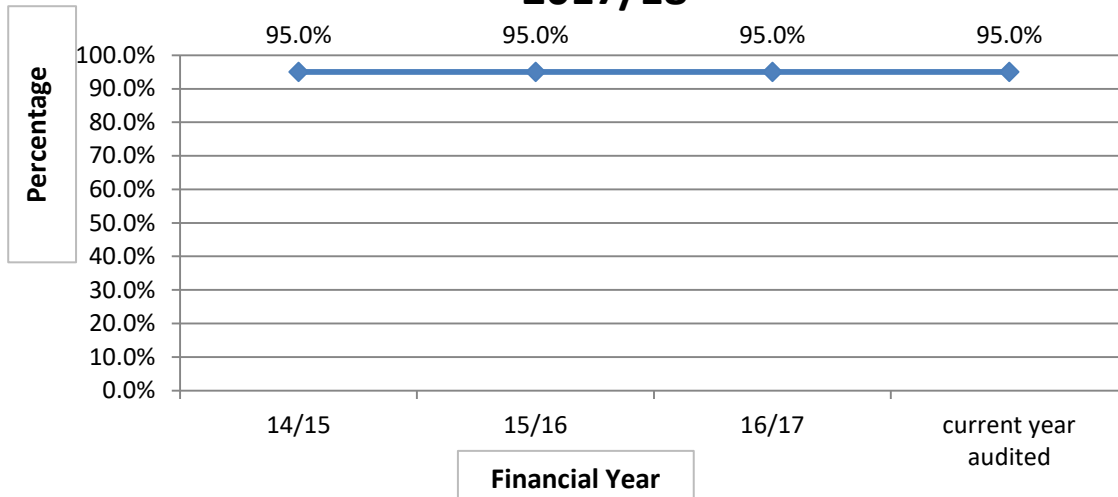
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outstanding service debtors decreased from 80% in the previous year to 70.3% in the current year. This means that 70.3% of services billed are not recovered on time. Although the outstanding service debtors decreased it is still a serious matter of concern and special attention will have to be given to outstanding service debtors to ensure an affordable rate.



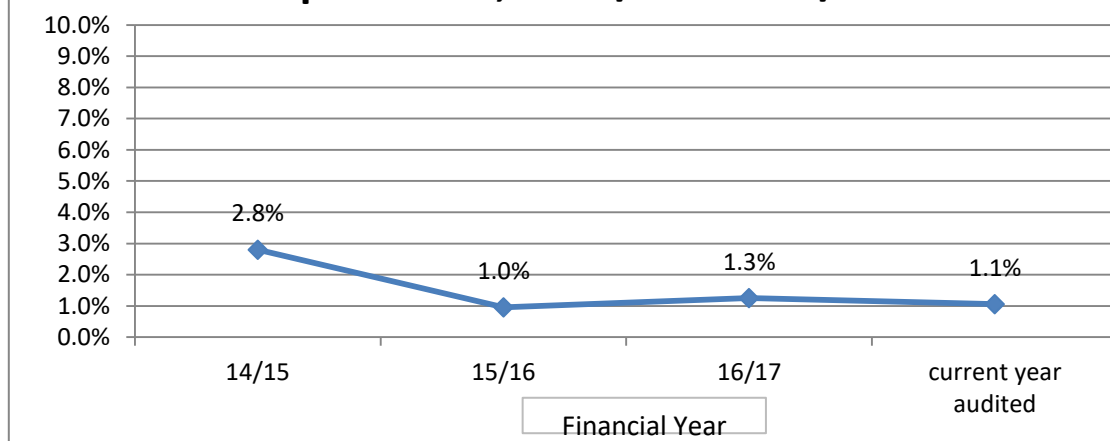
Debt coverage, as expressed for Greater Tzaneen Municipality in **Figure 13** above, is the number of times debt payments can be accommodated within Council Operating revenue (excluding grants). This, in turn represents the ease with which payments can be accommodated by the Municipality. The current operating revenue of Greater Tzaneen Municipality covers all payments due for debt services within 31 days.

**Figure 14: Creditors System Efficiency, 2014/15
- 2017/18**



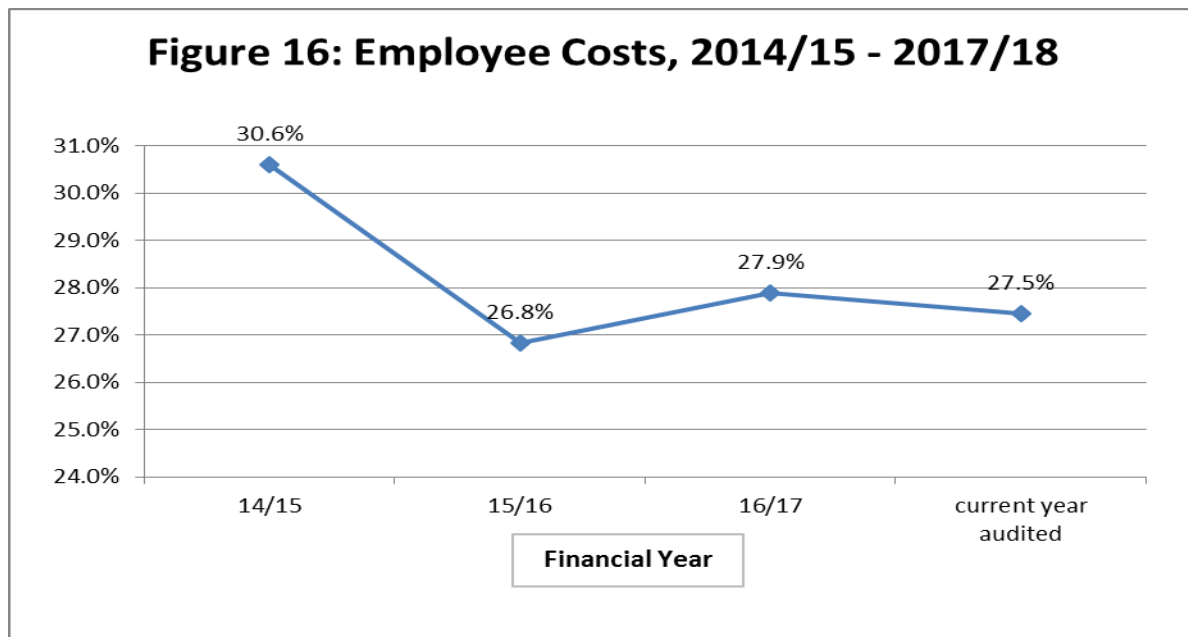
The Creditor System Efficiency, as demonstrated for Greater Tzaneen Municipality in **Figure 14** above, is the proportion of creditors paid within terms (30 days). This ratio is calculated by outstanding trade creditors divided by credit purchases. The fact that 95% of Councils creditors are paid within 30 days is proof that good expenditure management is exercised.

**Figure 15: Capital Charges to Operating
Expenditure, 2014/15 - 2017/18**



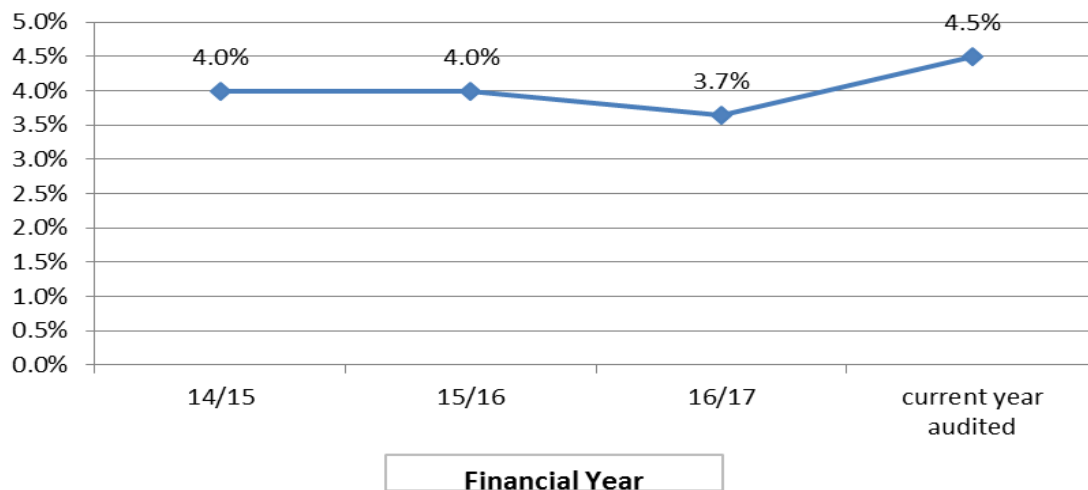
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The capital charges to operating expenditure ratio are calculated by dividing the sum of capital interest and principle by the total operating expenditure. **Figure 15** presents the percentage expenditure spent on the repayment of loans against total expenditure. Only 1.1% of the expenses were spent on the repayment of loans during the 2017/2018 financial year



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 (MIG). The employee cost ratio of 27.5% (also see **Figure 16**) for Greater Tzaneen Municipality is well within the acceptable ratio of 35%.

Figure 17: Repairs & Maintenance, 2014/15 - 2017/18



The repairs and maintenance ratio, as demonstrated for Greater Tzaneen Municipality in **Figure 17** above, represents the proportion of operating revenue against repairs and maintenance. The ratio of 4.5% 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 6,2% if the labour cost is added to this amount.

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COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

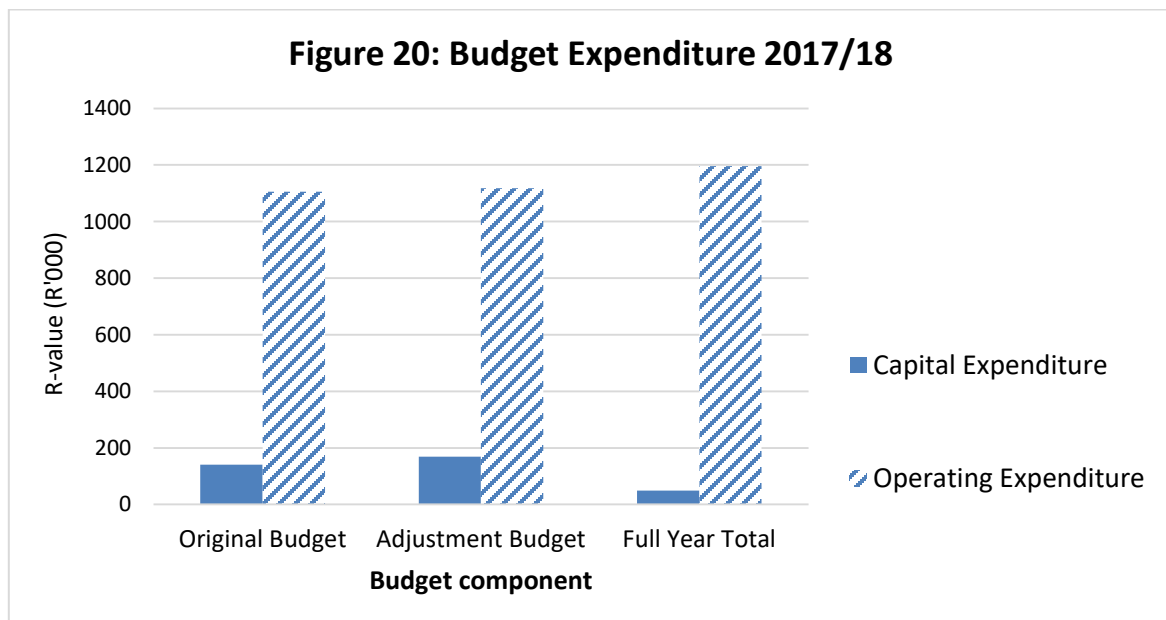
5.6 CAPITAL EXPENDITURE

The capital expenditure for 2017/18 is presented below in **Table 144** and in **Figure 20**.

Table 144: Budget Expenditure 2017/18 ('000)

	Original Budget		Adjustment Budget		Full Year Total		% of Expenditure Budget	
	16/17	2017/18	16/17	2017/18	16/17	2017/18	16/17	2017/18
Capital Expenditure	133	141	221	169	76	49	6.40%	3.92%
Operating Expenditure	1 040	1 105	1 050	1 118	1 118	1 196	93.60%	96.08%
Total expenditure	1 174	1 246	1 270	1 287	1 194	1 245	100.00%	100.00%

The Municipality incurred expenditure on road projects, amounting to R77million, which is not included in the total capital expenditure. This is the result of the RAL roads financed from MIG funding, which have been transferred to Roads agency Limpopo.



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5.7 SOURCES OF FINANCE

The Capital budget for the year 2017/2018 Financial year of R 141,0 million was financed as follows: Budgeted amounts.

- Own sources R 15,2 Million
- Loans R34,7 Million
- Grants R 91,1 Million
- Total:** **R 141,0 Million**

Although the municipality applied for an R 34,7 million loan, it was not approved in time and no loan has been taken up to finance Capital projects. An amount of R126 million including RAL roads was spent on capital projects. A request for the roll-over of the capital projects, which were not finalized during the 2016/2017 financial year, was submitted to National Treasury.

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

- Rates and Service Charges R 642 Million
- Grants and subsidies R 440 Million
- Sundry Income R 68 Million
- Budgeted Revenue R 1,150 Billion

Table 145: Capital Expenditure - Funding Sources 2016/17 – 2017/18 (R'000)

Details		2016/17	2017/18				
		Actual	Original Budget (OB)	Adjustment Budget	Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)
Source of finance							
	External loans	12 192	34 745	30 000	5 016	-592.68%	-498.09%
	Public contributions and donations				49	100.00%	100.00%

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Table 145: Capital Expenditure - Funding Sources 2016/17 – 2017/18 (R'000)

Details		2016/17	2017/18				
		Actual	Original Budget (OB)	Adjustment Budget	Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)
	Grants and subsidies	35 069	91 145	113 005	29 978	-204.04%	-276.96%
	Other	29 149	15 000	25 921	13 744	-9.14%	-88.59%
Total		76 411	140 890	168 926	48 788	-188.78%	-246.25%
Percentage of finance							
	External loans						
	Public contributions and donations	0.00%	0.0%	0.0%	0.0%	0.1%	100.00%
	Grants and subsidies	45.90%	45.9%	64.7%	66.9%	61.4%	-5.28%
	Other	38.15%	38.1%	10.6%	15.3%	28.2%	62.21%
Capital expenditure							
	Electricity	13 160					
	Housing		13 160	45 000	47 025	13 837	-225.22%
	Roads and storm water	41 958			820	826	100.00%
	Other	21 293	41 958	95 890	120 851	34 125	-181.00%
Total		76 411	21 293		230		
Percentage of expenditure							
	Electricity	17.22%	17.2%	31.9%	27.8%	28.4%	-12.62%
	Housing	0.00%	0.0%	0.00%	0.5%	1.7%	100.00%
	Roads and storm water	54.91%	54.9%	68.1%	71.5%	69.9%	2.70%
	Other	27.87%	27.9%	0.0%	0.1%	0.0%	

5.8 CAPITAL SPENDING ON 5 LARGEST PROJECTS

The details regarding the five largest capital projects are presented in Table 146 below.

Table 146: Capital Expenditure of 5 largest projects*R'000) 2017/18

Name of Project	Current Year			Variance Current Year	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
A: Rita to Mariveni tar road	R3,173,183	R0	R3,173,183	0%	0%

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Table 146: Capital Expenditure of 5 largest projects*(R'000) 2017/18

Name of Project	Current Year			Variance Current Year	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
B: Moruji to Matshwi tar road	R51,444,770	R57,244,770	R57,244,770	11%	0%
C: Tickyline to Mafarana tar road	R13,570,000	R0	R13,570,000	0%	0%
D: Upgrading of Runnymede Sports ground	R6,500,000	R0	R6,500,000	0%	0%
E: Julesburg Sports Ground	R11,640,613	R0	R11,640,613	0%	0%

Project details below:

A - Rita to Mariveni Upgrading of Road from Gravel to Tar

Objective of Project	Upgrading of Road from Gravel to Tar (12km)
Delays	Community did not want the road to go through Zangoma village as per the approved designs.
Future Challenges	The remaining portion in Zangoma still need to be constructed.
Anticipated citizen benefits	Easy access to schools, clinics, neighbouring villages and smooth riding during rainy seasons

B - - Moruji to Maswi Upgrading of Road from Gravel to Tar

Objective of Project	Upgrading of Road from Gravel to Tar (12km)
Delays	None
Future Challenges	Unfavourable weather conditions
Anticipated citizen benefits	Easy access to schools, clinics, neighbouring villages and smooth riding during rainy seasons

C – Tickyline to Mafarana Upgrading of Road from Gravel to Tar

Objective of Project	Upgrading of Road from Gravel to Tar (12km)
Delays	None
Future Challenges	None
Anticipated citizen benefits	Easy access to schools, clinics, neighbouring villages and smooth riding during rainy seasons

D – Upgrading of Burgersdorp Sports Ground

Objective of Project	Upgrading of the existing sport ground and construction of new combi courts
Delays	Request for provision of water storage, stand pipe points by the community and inclement weather.
Future Challenges	None

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Table 146: Capital Expenditure of 5 largest projects*(R'000) 2017/18

Name of Project	Current Year			Variance Current Year	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
Anticipated citizen benefits	It will supports positive mental health and improves social skills along with promoting physical health. Hosting of sports activities for schools and the community at large.				
E Upgrading of Juliesburg Sports Ground					
Objective of Project	Upgrading of the existing sport ground and construction of new combi courts (court for combined sporting codes e.g tennis, volley ball, netball)				
Delays	Inclement weather.				
Future Challenges	None				
Anticipated citizen benefits	It will supports positive mental health and improves social skills along with promoting physical health. Hosting of sports activities for schools and the community at large.				

5.9 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. The Municipality has managed to obtain R90million from DBSA to assist in addressing the backlog in asset renewal and maintenance in the electrical department and the Municipality is currently engaged in sourcing alternative funding from private public partnership (PPP) which will assist the engineering department.

Table 147: Service Backlogs as at 30 June 2018

	Service level above minimum standard		Service level below minimum standard	
	No. HHs	% HHs	No. HHs	% HHs
Water	17 723	16%	26 373	25.1%
Sanitation	14 480	13.29%	1 836	1.7%
Electricity	107 628	99%	1 298	1%0
Waste management	8 695	8%	52 170	48%

* GTM does not supply Electricity Below minimum standard, these signify no access

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Table 148: Municipal Infrastructure Grant (MIG)* Expenditure 2017/18 on Service backlogs (R'000)

Details	Budget	Adjustment Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustment Budget	
Infrastructure - Road transport						MIG only to be spent on eradicating backlogs
Roads, Pavements & Bridges	R65,443,339	R5,800,000	R71,243,339	R5,800,000	R0	
Community Halls	R1,140,624	R0	R1,140,624	R0	R0	
Infrastructure - Other						
Sports Grounds	R24,560,937	R0	R24,560,937	R0	R0	
Total	R91,144,900	R5,800,000	R96,944,900	R5,800,000	R0	

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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.

5.10 CASH FLOW

GTM closed with a positive bank balance at year and all unspent conditional grants money were fully cash backed. However, challenges remain in the sense that R16.4million for equitable share was, erroneously, deducted by National Treasury, which affected the cash flow for the Municipality. Also GTM incurred fruitless and wasteful expenditure due to late payments of Eskom accounts and lastly, the ongoing low payment rate most especially in Nkowankowa and Lenyenye Townships affects the cashflow negatively.

Table 149: Cash Flow Outcomes (R'000)				
Description	2016/17	2017/18		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Ratepayers and other	557 773	579 173	602 393	602 393
Government - operating	324 390	319 259	348 837	348 837
Government - capital	157 307	157 307	91 145	97 175
Interest	10 501	8 253	11 551	11 551
Dividends				
Payments				
Suppliers and employees	(814 597)	(784 082)	(873 423)	(873 423)
Finance charges	(14 876)	(12 490)	(12 771)	(12 771)
Transfers and Grants	(35 673)	(123 609)	(39 179)	(39 179)

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Table 149: Cash Flow Outcomes (R'000)				
Description	2016/17	2017/18		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
NET CASH FROM/(USED) OPERATING ACTIVITIES	184 824	143 811	128 553	134 583
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE	2 006	185	2 200	2 200
Decrease (Increase) in non-current debtors				
Decrease (increase) other non-current receivables				
Decrease (increase) in non-current investments	(6 920)	(4 758)	(920)	(920)
Decrease (increase) in Financial Assets				
Payments				
Capital assets	(220 782)	(130 521)	(140 890)	(168 926)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(225 696)	(135 094)	(139 610)	(167 646)
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Short term loans				
Borrowing long term/refinancing	20 000		34 745	34 745
Increase (decrease) in consumer deposits	3 000		3 000	3 000
Payments				
Repayment of borrowing	(14 879)	(31 247)	(27 575)	(27 575)
NET CASH FROM/(USED) FINANCING ACTIVITIES	8 121	(31 247)	10 170	10 170
NET INCREASE/ (DECREASE) IN CASH HELD	(32 750)	(22 530)	(886)	(22 892)
Cash/cash equivalents at the year begin:	55 477	54 369	12 343	31 839
Cash/cash equivalents at the yearend:	22 727	31 839	11 457	8 947

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It is evident from **Table 149** above that Councils' cash flow status has deteriorated from R31 839 at the beginning of the year under review to R7 491 at the end of the year. Although a decrease of R24 348 in the cash position of council is registered, financial management is essential since this amount should be viewed in the light of the fact that R2,9 million grant funds received were not spent.

5.11 BORROWING AND INVESTMENTS

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 administrative costs. The current outstanding external loans of Greater Tzaneen Municipality amounts to R101.9 million. This amount includes R45 million loan stock and R47.3 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 and R30 million which been borrowed from DBSA and Standard Bank respectively. 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, note 4 of the annual financial statement. The valuation of unlisted investments are as follows:

- Liberty R10 762 079
- Standard Bank R16 125 319

Excelsior 1000 Investment

An annual investment of R855 619 has been made with Liberty to repay a loan of R15 million on a maturity date. The loan bears interest on variable rate and the value of the investment

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amounts to R10 762 079. The investment has been ceded to liberty as security to repay the loan on 30 September 2019.

Loan stock: Standard Bank

An investment of R11 350 000 has been made with Standard bank to repay a loan R30 million on maturity date. The loan bears interest at a rate of 12.09% per annual, and the value of the investment amounts to R16 125 319. The investment has been ceded to standard Bank as security to repay the loan on 16 October 2025

Table 150: Actual Borrowings 2013/14-2017/18 (R'000)

Instrument	2013/14	2014/15	2015/16	2016/17	2017/18
Municipality					
Long-Term Loans (annuity/reducing balance)	104 646	92 631	110 491	74 493	56 901
Long-Term Loans (non-annuity)					
Local registered stock	15 000	15 000	45 000	45 000	45 000
Instalment Credit					
Financial Leases					
PPP liabilities					
Finance Granted By Cap Equipment Supplier					
Marketable Bonds					
Non-Marketable Bonds					
Bankers Acceptances					
Financial derivatives					
Other Securities					
Municipality Total	119 646	107 631	155 491	119 493	101 901

Loan repayment have been effected timeously with no default however in the next financial period the R90million loan secured will increase borrowings. The decrease in borrowings (reflected in Table 151) is as a result of repayment of loans

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Table 151: Municipal Investments (R'000)

Investment* type	Actual				
	2013/14	2014/15	2015/16	2016/17	2017/18
<u>Municipality</u>					
Securities - National Government					
Listed Corporate Bonds					
Deposits - Bank	6 646	7 557	20 940	25 174	26 887
Deposits - Public Investment Commissioners	-				
Deposits - Corporation for Public Deposits	-				
Bankers Acceptance Certificates	-				
Negotiable Certificates of Deposit - Banks	-				
Guaranteed Endowment Policies (sinking)	-				
Repurchase Agreements - Banks	-				
Municipal Bonds	-				
Other	-				
Municipality sub-total	6 646	7 557	20 940	25 174	26 887
Consolidated total:	<u>6 646</u>	<u>7 557</u>	<u>20 940</u>	<u>25 174</u>	<u>26 887</u>

5.12 PUBLIC PRIVATE PARTNERSHIPS

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

COMPONENT D: OTHER FINANCIAL MATTERS

5.13 SUPPLY CHAIN MANAGEMENT

The Supply chain management policy has been approved by Council. The implementation was done by establishing Supply Chain Management Division under the direct supervision of the CFO. The structure for this division was established to cover all elements of supply chain. Two

sections are fully functional, that is Acquisition and demand sections. Both bid specification and evaluation committees were established, which comprises of members appointed by Municipal Manager on temporary basis depending on the bids under consideration. The Bid Adjudication Committee was also established, which is composed of senior managers and a senior supply chain official and secretariats. Councillors are not part of bid committees and they are not participating in supply chain processes.

The municipality is currently drafting the SIPD policy (Standard for Infrastructure Procurement and Delivery management) as required by national Treasury, for all infrastructure related services. All officials in supply chain have completed the See MFMP Competency requirements, with exception of the supply chain manager finalizing the outstanding modules. The municipality is in consistently monitoring compliance and internal controls in ensuring that we minimise irregular expenditures. At present all irregular expenditures are being investigated by MPAC for 17/18. Council has condoned prior year's irregular expenditure.

5.14 GRAP & MSCOA COMPLIANCE

The municipality is constantly reviewing and embarking on processes to ensure compliance with GRAP standards. This in order to comply with the major objectives of GRAP, which are:

- To ensure consistency in the accounting treatment of transactions and classification of account balances in municipalities
- To enhance comparability between similar-sized municipal bodies on a national basis
- To enable users of financial statements to make more accurate assessments of risks and returns

GTM implemented MSCOA on the SEBATA EMS System, whereby financial information generated on the Fujitsu Legacy System are brought onto the EMS Financial System with journals where after reports strings are extracted and submitted to Treasury monthly. Activities completed in this respect are:

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- MSCOA budget, and strings were submitted and verified (6.1 version);
- Monthly report strings verified and submitted for all months
- Mid-year report and adjustment budget

All reports were submitted to Treasury as required, but with the changes to 6.2 and the fact that the SEBATA System was not fully operational, the institution could not fully implement the financial system as required to trans-act in full. The standing of the institution was communicated with Provincial Treasury and National Treasury because of the of the SEBATA financial system not being fully developed and tested in the live municipal environment. Various meetings were conducted between the service providers, National, and Provincial Treasury and Greater Tzaneen Municipality as client.

5.15 DEBT OWED BY COUNCILLORS AND OFFICIALS

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

Table 152: Arrears owed to the municipality by Councillors and Officials 2017/18				
Name	Position	30 Days +	60 Days +	90 Days +
Councillors				
J T Makhubela	Councillor	883.25	410.37	74190.80
C Machimane	Councillor	1238.72	629.08	597.75
F T Mohlaba	Councillor	660.69	326.12	674.78
Senior officials				
None				

The amount owed by Cllr. C Machimane account was paid in full after 30 June 2018, while for Cllr J T Makhubela and F T Mohlaba the debt is being recovered from their salary on a monthly basis, at an arranged amount.

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 2015/16 & 2016/17

6.1 AUDITOR GENERAL REPORTS 2016/17

Greater Tzaneen Municipality submitted its Annual Financial Statements to the Auditor General on 31 August 2017. The municipality received an unqualified Audit Opinion for the 2016/2017 financial year. The progress with correcting the findings of the Auditor General for 2016/17 is presented in **Table 153** below:

Table 153: Auditor-General Report on Financial Performance 2016/17	
Audit Report Status*: Unqualified	
Non-Compliance Issues	Remedial Action taken
Annual financial statements, performance and annual reports Material misstatements of non-current assets identified by the auditors in the submitted financial statement were subsequently corrected	An audit action plan has been drafted and implemented to address the oversight. After implementation the action plan was discussed with COGHSTA and Provincial Treasury and the implementation progress was monitored on a weekly basis. Which resulted that no audit qualification on this finding was received from the Auditor General
Procurement and contract management • Some of the goods and services of a transaction value above R200 000 were	An audit action plan has been drafted and implemented to address the oversight. After implementation the action plan was discussed with COGHSTA and Provincial

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Table 153: Auditor-General Report on Financial Performance 2016/17

Audit Report Status*: Unqualified

Non-Compliance Issues	Remedial Action taken
<p>procured without inviting competitive bids, as required by Supply chain management regulations (SCM regulation) 19(a).</p> <ul style="list-style-type: none"> • Deviations were approved by the accounting officer even though it was not impractical to invite competitive bids. • Awards were made to providers who are in the service of other state institutions or whose directors were in the service of other state institutions 	<p>Treasury and the implementation progress was monitored on a weekly basis. Which resulted that no audit qualification on this finding was received from the Auditor General</p> <p>Training has been provided to all key role players to ensure that officials comply with SCM processes in line with the deviation requirements</p>
<p>Expenditure management</p> <p>Effective steps were not taken to prevent irregular expenditure amounting to R 26 024 000, as required by section 62(1)(d) of the MFMA.</p> <ul style="list-style-type: none"> • Effective steps were not taken to prevent fruitless and wasteful expenditure amounting to R 6 060 000, as required by section 62(1)(d) of the MFMA. • Reasonable steps were not taken to prevent unauthorised expenditure to the amount of R 32 399 991, as prescribed by section 62(1) (d) of the MFMA 	<p>An audit action plan has been drafted and implemented to address the oversight. After implementation the action plan was discussed with COGHSTA and Provincial Treasury and the implementation progress was monitored on a weekly basis. Which resulted that no audit qualification on this finding was received from the Auditor General.</p> <p>The controls put in place resulted into fruitless and wasteful as well as Irregular expenditure decreased from the 2016/2017 financial year to the 2017/2018 financial year.</p>
<p>Consequence management</p> <p>Losses resulting from unauthorised, Irregular as well as fruitless expenditure were not</p>	<p>An audit action plan has been drafted and implemented to address the oversight. After implementation the action plan was discussed with COGHSTA and Provincial Treasury and the implementation progress was</p>

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Table 153: Auditor-General Report on Financial Performance 2016/17	
Audit Report Status*: Unqualified	
Non-Compliance Issues	Remedial Action taken
recovered from the liable person, as required by section 32(2) of the MFMA	<p>monitored on a weekly basis. Which resulted that no audit qualification on this finding was received from the Auditor General</p> <p>An informal finding was raised during the 2017/2018 financial year and the Director Corporate Service confirmed that a consequence management policy is in progress and will be tabled to council during the 2018/2019 financial year.</p>
Asset management An effective system of internal control for assets was not in place, as required by section 96(2)(b) of the MFMA	<p>An audit action plan has been drafted and implemented to address the oversight. After implementation the action plan was discussed with COGHSTA and Provincial Treasury and the implementation progress was monitored on a weekly basis. Which resulted that no audit qualification on this finding was received from the Auditor General</p> <p>No finding on Assets were issued by the Auditor General during the 2017/2018 financial year.</p>
Liability management An effective system of internal control for liabilities including a liability register was not in place as required by section 63(2)(c) of the MFMA	<p>An audit action plan has been drafted and implemented to address the oversight. After implementation the action plan was discussed with COGHSTA and Provincial Treasury and the implementation progress was monitored on a weekly basis. Which resulted that no audit qualification on this finding was received from the Auditor General</p>
Revenue management An adequate management, accounting and information system which accounts for	<p>An audit action plan has been drafted and implemented to address the oversight. After implementation the action plan was discussed with COGHSTA and Provincial Treasury and the implementation progress was</p>

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Table 153: Auditor-General Report on Financial Performance 2016/17

Audit Report Status*: Unqualified

Non-Compliance Issues	Remedial Action taken
revenue was not in place, as required by section 64(2)(e) of the MFMA	monitored on a weekly basis. Which resulted that no audit qualification on this finding was received from the Auditor General

Table 154: Auditor-General Report on Service Delivery Performance 2016/17

Audit Report Status*: No opinion expressed

Non-Compliance Issues	Remedial Action to be Taken
Indicators not clearly defined (method of calculation not clear)	KPI manual was developed
Inadequate record keeping to support claimed performance	Internal Audit unit auditing verifying evidence on a month to month basis
Inaccurate reporting	Internal Audit unit auditing reported performance on a month to month basis
Indicator Target not specific (project names)	Project names tested against SMART principle
PMS controls inadequate and performance monitoring is not taking place	PME Framework adopted by Council Standard Operating Procedures Developed

COMPONENT B: AUDITOR-GENERAL OPINION 2017/18

6.2 AUDITOR GENERAL REPORT 2017/18

Greater Tzaneen Municipality submitted its Annual Financial Statements to the Auditor General on 31 August 2018. The municipality received an qualified Audit Opinion for the 2017/2018 financial year. The progress with correcting the findings of the Auditor General for 2017/18 is presented in **Table 155** below:

Table 155: Auditor-General Report on Financial Performance 2017/18	
Audit Report Status*: Qualified	
Non-Compliance Issues	Remedial Action to be taken
<p><u>Annual Financial Statement, performance and annual reports</u></p> <ul style="list-style-type: none"> The financial Statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA Material misstatements of revenue and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected and the supporting records were provided subsequently, but the uncorrected material misstatements and supporting records that could not be provided resulted in the financial statements receiving a qualified audit opinion. 	An Audit Action Plan will be drafted to address the non-compliance matters for approval by Council by the end of January 2019.
<p><u>Procurement and Contract management</u></p> <ul style="list-style-type: none"> Some of the goods and services with a transaction value of below R200 000 were procured without obtaining the required price quotations, in contravention of SCM regulation 17(a) and (c) Some of the goods and services of a transaction value above R200 000 were procured without inviting competitive bids, as required by SCM regulation 19(a). Deviations were approved by the accounting officer even though it was not impractical to invite competitive bids, in contravention of regulation 36(1) 	

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Table 155: Auditor-General Report on Financial Performance 2017/18

Audit Report Status*: Qualified

Non-Compliance Issues	Remedial Action to be taken
<ul style="list-style-type: none"> The preference point system was not applied to some of the procurement of goods and services above R30 000 as required by section 2(a) of the Preference Procurement Policy Framework Act. Similar non-compliance was also reported in the prior year. Some of the construction contracts were awarded to contractors that did not qualify for the contract in accordance with section 18(1) of the CIDB Act and CIDB regulation 17 and 25(7A). 	
<p><u>Expenditure Management</u></p> <ul style="list-style-type: none"> Money owed by municipality was not always paid within 30 days an agreed period, as required by section 65(2)(e) of the MFMA. Reasonable steps were not taken to prevent irregular expenditure amounting to R12 252 915 as disclosed in note 45 of the annual financial statements, as required by section 62(1)(d) of MFMA Reasonable steps were not taken to prevent unauthorised expenditure to the amount of R111 909 266 as disclosed in note 43, as required by section 62(1)(d) of the MFMA> <p>Reasonable steps were not taken to prevent fruitless and wasteful expenditure amounting to R2 551 489, as disclosed in note 44 of the annual financial statement, in contravention of section 62(1) (d)/ 95(d) of the MFMA. The majority of the fruitless and wasteful expenditure was caused by payments relating to legal fees.</p>	
<p><u>Human Resource Management</u></p> <ul style="list-style-type: none"> Appropriate system and procedures to monitor, measure evaluate performance to staff were not developed and adopted, as required by section 67(1)(d) of the MSA 	

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Table 155: Auditor-General Report on Financial Performance 2017/18

Audit Report Status*: Qualified

Non-Compliance Issues	Remedial Action to be taken
Utilisation of grant funding Performance in respect of programmes funded by municipal Infrastructure Grant was not evaluated, as required by section 12(5) of the DoRA	

Table 156: Auditor-General Report on Service Delivery Performance 2016/17

Audit Report Status*: Qualified

Non-Compliance Issues	Remedial Action to be Taken
Performance indicators were not well defined, targets were not specific and measurable	Audit Action Plan will be drafted and submitted to Council for approval by end January '19.
Reported achievement did not agree with the evidence provided	

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 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 Q).

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

Table 157: Councillors, Committees Allocated And Council Attendance (2017/18)					
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 DJ Mmetle	Ft	Council And Programming	PR	100%	0%
Cllr MG Mangena	Ft	Council And Exco	PR	100%	0%
Cllr CS Nhemo	Ft	Council And Programming And Rules And Ethics Committee	PR	92%	8%
Cllr MM Letsoalo	Pt	Council, Exco And Sports Arts And Culture	Ward	92.3%	7.7%
Cllr C Machimana	Ft	Council, Exco, Public Transport And Special Programme	PR	69.2%	30.8%
Cllr TT Maunatlala	Ft	Council , Exco And Budget And Treasury And Programming And Rules And Ethics Committee	PR	100%	0%
Cllr NJ Mbhalati	Ft	Council, Exco And Corporate Governance	PR	100 %	0%
Cllr GE Ntimbane	Pt	Council, Exco And Infrastructure	Ward	84.6%	15.4%
Cllr M Prinsloo	Pt	Council, Exco And Infrastructure And Special Programme	Ward	76.9%	23.1
Cllr MM Sekhwela	Pt	Council, Exco And Planning And Economic Development	PR	92.3%	7.7%
Cllr MS Tiba	Pt	Council Exco And Planning And Economic Development	PR	100	0
Cllr MI Hlangwane	Pt	Council, Exco And Health, Environmental And Social Development	Ward	84.6	15.4
Cllr MS Baloyi	Pt	Council, Health, Environmental And Social Development And Budget And Treasury	Ward	100	0
Cllr J Banyini	Pt	Council And Corporate Governance	Ward	100	0
Cllr OK Banyini	Pt	Council, Planning And Economic Development	Ward	100	0

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Table 157: Councillors, Committees Allocated And Council Attendance (2017/18)

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 PW Cronje	Pt	Council, Health, Environmental And Social Development And Sports Arts And Culture	Ward	61.5%	38.5%
Cllr DF Kgafane	Pt	Council And Budget And Treasury	PR	61.5%	38.5%
Cllr MR Kgatla	Pt	Council And Corporate Governance And Special Programme	Ward	100%	0%
Cllr MG Kgatla	Pt	Council, Planning And Economic Development And Corporate Governance	PR	84.6	15.4
Cllr LK Lepulana	Pt	Council, Health, Environmental And Social Development	Ward	92.3	7.7
Cllr MJ Maake	Pt	Council And Infrastructure And Public Transport	PR	100	0
Cllr MH Mafokwane	Pt	Council And MPAC	Ward	100	0
Cllr NM Mahasha	Pt	Council And Corporate Governance And Special Programme	PR	84.6	15.4
Cllr JT Makhubele	Pt	Council, Health, Environmental And Social Development	Ward	84.6	15.4
Cllr GP Makhubele	Pt	Council And MPAC	Ward	84.6	15.4
Cllr MM Makwala	Pt	Council And Sports Arts And Culture	PR	84.6	15.4
Cllr SC Makwala	Pt	Council And Public Transport	Ward	46.15	53.85
Cllr MA Makwela	Pt	Council And Programming And Rules And Ethics Committee	PR	69.2	30.8
Cllr MM Makwela	Pt	Council And Budget And Treasury	Ward	100	0
Cllr TE Malatji	Pt	Council And Infrastructure	Ward	84.6	15.4
Cllr GM Malatji	Pt	Council, Health, Environmental And Social Development And Budget And Treasury	Ward	61.5	38.5
Cllr D Malemela	Pt	Council And MPAC	PR	84.6	15.4
Cllr SM Mapiitja	Pt	Council And Infrastructure And Public Transport	Ward	84.6	15.4

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Table 157: Councillors, Committees Allocated And Council Attendance (2017/18)

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 SP Masetla	Pt	Council And Corporate Governance	Ward	76.9	23.1
Cllr NA Masila	Pt	Council And Budget And Treasury	Ward	84.6	15.4
Cllr NP Mathebula	Pt	Council And Infrastructure	PR	92.3	7.7
Cllr MM Mathekga	Pt	Council, Planning And Economic Development And Special Programme	Ward	76.9	23.1
Cllr TI Matita	Pt	Council And Sports Arts And Culture	Ward	76.9	23.1
Cllr NG Maunatlala	Pt	Council And MPAC	Ward	92.3	7.7
Cllr MF Mbhalati	Pt	Council And Special Programme	PR	84.6	15.4
Cllr TJ McClintock	Pt	Council, And Budget And Treasury	PR	84.6	15.4
Cllr DG Mkhabele	Pt	Council And MPAC	PR	46.2	53.8
Cllr MF Mochabela	Pt	Council And Corporate Governance	PR	100	0
Cllr F Mohlaba	Pt	Council, Planning And Economic Development And Public Transport	PR	84.6	15.4
Cllr SN Mohonone	Pt	Council And MPAC	PR	84.6	15.4
Cllr MJ Mokgoloboto	Pt	Council And MPAC	PR	92.3	7.7
Cllr MC Morwatshehla	Pt	Council And Budget And Treasury	PR	92.3	7.7
Cllr T Mpenyana	Pt	Council And Corporate Governance	Ward	92.3	7.7
Cllr NG Mukansi	Pt	Council, Health, Environmental And Social Development	Ward	61.5	38.5
Cllr TH Mushwana	Pt	Council And MPAC	Ward	84.6	15.4
Cllr ET Ngobeni	Pt	Council	Ward	76.9	23.1
Cllr SE Ngobeni	Pt	Council And MPAC	Ward	100	0
Cllr JL Ngobeni	Pt	Council And Corporate Governance	Ward	92.3	7.7
Cllr MC Nkhwashu	Pt	Council And Infrastructure And Budget And Treasury And Special Programme	PR	84.6	15.4

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Table 157: Councillors, Committees Allocated And Council Attendance (2017/18)

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 N Nkhwashu	Pt	Council And Public Transport And Programming And Rules And Ethics Committee	PR	100	0
Cllr ME Phakula	Pt	Council And Budget And Treasury	Ward	84.6	15.4
Cllr RE Pohl	Pt	Council And Corporate Governance And Programming And Rules And Ethics Committee	PR	92.3	7.7
Cllr ML Pudikabekwa	Pt	Council, Planning And Economic Development	PR	92.3	7.7
Cllr MS Rakganya	Pt	Council And Infrastructure	Ward	69.2	30.8
Cllr PJ Ramodipa	Pt	Council And Sports Arts And Culture, Programming And Rules And Ethics Committee	Ward	92.3	7.7
Cllr SB Ramoshaba	Pt	Council And Corporate Governance	PR	100	0
Cllr KI Rapatsa	Pt	Council And MPAC	PR	76.9	23.1
Cllr RS Rapitsi	Pt	Council And Infrastructure And Special Programme And Public Transport	Ward	100	0
Cllr O Raolane	Pt	Council And Special Programme	PR	61.5	38.5
Cllr JM Ratopola	Pt	Council, Health, Environmental And Social Development Programming And Rules And Ethics Committee	PR	84.6	15.4
Cllr NR Rikhotso	Pt	Council, Planning And Economic Development And Public Transport	Ward	92.3	7.7
Cllr CT Shisinga	Pt	Council And Sports Arts And Culture	PR	76.9	23.1
Cllr O Sithole	Pt	Council	PR	69.2	30.8
Cllr NH Zandamela	Pt	Council And Infrastructure	Ward	53.8	46.2

APPENDICES

ADDENDUM B – COMMITTEES AND COMMITTEE PURPOSES

Table 158: Committees (other than Mayoral / Executive Committee) and Purposes of Committees			
Municipal Committees	Purpose of Committee	Name of Councillor	Percentage of meetings attended
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.	Maunatlala TT	75%
		Masila NA	92%
		Makwela MM	50%
		Phakula E	42%
		Morwatshehla C	75%
		Malatji G	25%
		Kgafane F	42%
		Baloyi S	100%
		Nkhwashu MC	45%
		McClintock T	75%
Infrastructure Committee	To discuss matters related to Electricity and Energy including network operations, distribution, sales and customer services.	Ntimbana EG	12%
		Nkhwashu MC	89%
		Malatji E	78%
		Rapitsi R	100%
		Rakganya S	78%
		Mapitsa MM	56%
		Maake J	89%
		Mathebula N	89%
		Sithole O	23%
		Prinsloo M	78%
		Zandamela NH	12%
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	Tiba MS	90%
		Pudikabekwa L	80%
		Kgatla M	90%
		Mathekga M	90%

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Table 158: Committees (other than Mayoral / Executive Committee) and Purposes of Committees			
Municipal Committees	Purpose of Committee	Name of Councillor	Percentage of meetings attended
	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.	Rikhotso R	90%
		Sekhwela M	80%
		Mohlaba F	70%
		Banyini J	0%
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.	Mbhalati NS	80%
		Banyini O	87%
		Ngobeni J	73%
		Ramoshaba B	93%
		Masetla P	54%
		Mpenyana T	60%
		Mochabela F	80%
		Kgatla M	60%
		Kgatla R	67%
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.	Pohl R	54%
		Machimana C	75%
		Makwala SC	50%
		Nkhwashu N	63%
		Mohlaba F	63%
		Rapitsi R	50%
		Mapitja MM	63%
		Rikhotso NR	88%
		Maake J	88%
		Morwatshehla M	75%

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Table 158: Committees (other than Mayoral / Executive Committee) and Purposes of Committees			
Municipal Committees	Purpose of Committee	Name of Councillor	Percentage of meetings attended
Sports Recreation, Arts & Culture	To discuss matters concerning sports and recreation, arts and culture.	Letsoalo MM	100%
		Makwala MM	90%
		Cronje P	10%
		Matita L	40%
		Shisinga C	40%
		Makhubele J	60%
		Ramodipa PJ	80%
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.	Hlangwane ML	67%
		Malatji G	100%
		Mkansi N	44%
		Baloyi S	66%
		Makhubele TJ	66%
		Lepulana K	66%
		Ratopola J	100%
Special Programmes	To discuss matters related to youth, elderly, gender and disabilities including HIV/AIDS programmes.	Cronje P	34%
		Machimana C	100%
		Mbhalati MF	100%
		Mahasha NM	60%
		Nkhwashu MC	20%
		Mathekga M	100%
		Raolane O	60%
		Rapitsi R	100%
		Prinsloo M	60%
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	Kgatla MR	100%
		Derick Mkhabela	60%
		Thomas Mushwana	87%
		Ngwako Maunatlala	80%
		Malesele Mafokwane	47%
		Josephine Mokgoloboto	93%
		Irene Rapatsa	73%
		Ngwako Mohonone	93%
		Dumisani Malemela	40%

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Table 158: Committees (other than Mayoral / Executive Committee) and Purposes of Committees			
Municipal Committees	Purpose of Committee	Name of Councillor	Percentage of meetings attended
	of Council within its area of responsibility.	Edward Ngobeni	80%
Rules & 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	Ramodipa PJ	100%
		Nhemo SC	25%
		Maunatlala TT	75%
		Mahasha NM	75%
		Pohl R	75%
		Shising C	50%
		Makwela A	50%
		Nkhwashu N	75%
Programming Committee	Responsible for considering and routing items/motions to Council Committees for oversight purposes and ultimately to Council. Agreeing on the allocation of speaking time for the items and motions contained in the Council Agenda.	Mmetle DJ	100%
		Maunatlala TT	94%
		Nhemo CS	60%
		Shisinga C	74%
		Pohl R	65%
		Mahasha NM	94%
		Makwela A	47%
		Nkhwashu N	54%
Chairpersons Committee	To discuss the challenges experienced in all committees of Council and the solutions thereof, in line with the Standing Rules and Orders of Council.	Mahasha NM	100%
		Makwela C	84%
		Mbhalati MF	50
		Banyini O	100
		Nkhwashu C	67%
		Pudikabekwa L	84%
		Masila A	100%
		Malatji G	34%
		Makwela M	50%
		Ramodipa J	84%
		Mkhabela G	0%

APPENDICES

ADDENDUM C –THIRD TIER ADMINISTRATIVE STRUCTURE

Table 159: Third Tier Administrative Structure (2017/18)	
Directorate	Director/Manager (State title and name)
Office of the Mayor	Manager (Office of the Mayor) Ms SN Ngobeni
Office of the Municipal Manager	Manager (Internal Audit) Ms HS Manyike
	Senior Officer (Disaster Management) Mr MM Rabothata
	Manager (Strategic Support) Vacant
	Manager (Risk Management) Mrs. MM Mpyana
	Manager (Legal Services) Vacant
Corporate Services	Manager (Human Resources) Mrs. NMH Maake
	Manager (Adm. Support & Records Management) Mrs MW Baloyi
	Manager (IT) Mr. TG Maluleke
	Manager (Community Participation and Project Support)) Mr. F Malale
	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) Ms Z Modjadji
	Manager (Finance) Mr. J. Biewenga
	Manager (Asset Management) Mr. TA Ramokgano
	Manager (Income) Mrs. PM Viljoen
	Manager (Expenditure) Mrs. ME Sono
	Manager (Stores and Fleet Management) Mr A le Grange
Electrical Engineering Services	Manager (Operations and Maintenance) Mr. AG Laubscher
	Manager (Customer and Retail Services) PB Tshawe
	Manager (Electrical Planning and Projects) Vacant
Engineering Services	Manager (PMU) Mr. MJ Matlala
	Manager (Building Maintenance Services) Mr. ML Mahayi
	Manager (Water & Sanitation) Ms A Gangashe
	Manager (Roads and Storm Water) Mrs. H.O. Tshisevhe
Community Services	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 160: 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 160: 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 161: Functionality of Ward Committees (2017/18)					
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	Ngwako Maunatlala (Ward Cllr) <u>Ward committee</u> 1. Cedrick Kgobane 2. Mohlatlego Kgatla 3. Pikisile Manyama 4. Thabang Mogale 5. Amos Mkansi 6. Meriam Selowa 7. Hellen Mashao 8. Jeaneth Senyolo 9. Ramonyathi Modjadji 10. Molele Justice	Yes	12	12	04
2	Malesela Mafokwane (Ward Cllr) <u>Ward committee</u> 1. Sontaga Reuben Sebashe 2. Dipuo Phaladi 3. Marcia Xalati Mhlongo 4. Matshidiso Agnes Mohale 5. Thembi Lucia Rikhotso 6. Refilwe Reginah Manyama 7. Thupedi David Shai 8. Nkhashaka Tompson Shikhwapane 9. Sarah Thakho 10. Isaac Saki Mohale	Yes	11	11	03
3	Pessyna Masetla (Ward Cllr) <u>Ward committee</u> 1. Richard Thomas Mongwe 2. Phetole Velly Machaba 3. Mpheri Rakgwale 4. Mmatlala Patricia Machete 5. Michael Magezi Masinge 6. Nwahloma Evelyn Khosa 7. Mhanani Fridah Nkuna 8. Rejoyce Mokgadi Rampedi 9. Modibe Wiseman Sekgule 10. Dikeledi Sehlwane	Yes	11	11	03

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Table 161: Functionality of Ward Committees (2017/18)					
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	Mavis MMapitja (Ward Cllr) <u>Ward committee</u> 1. Jabulani Vincent Shiburi 2. Mmabsalwa Tiny Manyemula 3. Pontsho Jane Mokgwathi 4. Sesana Violet Mpenyana 5. Thulani Mapfumari 6. Matsie Victoria Mahasha 7. George Mokgwakgwa Molokwane 8. Weldar Pronkie Mongwe 9. Nwajajani Winny Bvuma 10. Regina Sewape	Yes	12	12	04
5	Jele Ngobeni (Ward Cllr) <u>Ward committee</u> 1. Derrick Tonny Ngobeng 2. Nurse Tinyiko Mabunda 3. Honisi Kenett Mamitwa 4. Boy Wilson Zitha 5. Jopi Daisy Malubana 6. Gloria Nukeri 7. Gezani Hansie Usiba 8. Melta Katekani Mathebula 9. Tennyson Ngobeni 10. Lucy Makumbila	Yes	10	10	02
6	Emma Ngobeni (Ward Cllr) <u>Ward committee</u> 1. Ntwanano Khosa 2. Mfundhisi James Ngobeni 3. Joyce Ramawila 4. Sonia Mhlongo 5. Ntsikiwane Victor Ngobene 6. Gwevani Jonas Mathebula 7. Masenyani George Makhubela 8. Mkhensani Christinah Manyikl 9. Masangu Maggie Mathebula 10. Mavis Mnisi	Yes	10	10	02

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Table 161: Functionality of Ward Committees (2017/18)					
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	LEON MATITA (Ward Cllr) <u>Ward committee</u> 1. Justice Malatji 2. Mamaila Ratlabala 3. Christina Mametja 4. Semosa Edward 5. Lesego Malatji 6. Rose Sekhula 7. Eddy Makgobatlou 8. Benjamin Mokwena 9. Mailula Cecilia 10. Ramalepe Mapula	Yes	12	12	04
8	MOKGADI MATHEKGA (Ward Cllr) <u>Ward committee</u> 1. MV Leshoka 2. Grace Sekgobela 3. Evans Lebea 4. Chaos Makgobatlou (deceased) 5. Makoma Selowa 6. Ngwako Sebetola 7. Ngwako Mopai 8. Richard Malatji 9. Josephina Raolane 10. Kate Makgoakgoa	Yes	12	12	04
9	MARTHA MOHALE (Ward Cllr) <u>Ward committee</u> 1. Meshack Rabotha 2. Ignatius Masedi 3. Lawrence MOKgwathi 4. Mohale Samuel 5. Pinky Mamokhere 6. Forence Maenetja 7. Edna Rapelwana 8. Sophy Lepebe 9. Johanna Maenetja 10. Freddy Pilusa	Yes	12	12	03

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Table 161: Functionality of Ward Committees (2017/18)					
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	SARA BALOYI (Ward Cllr) <u>Ward committee</u> 1. Sello Maake`` 2. Agnes Mokhabukhi 3. Mosebudi Machaba 4. Aaron Monyela 5. Dikeledi Maake 6. Moshe Sebopetsa 8. Mokgadi Mabulana 9. Moses Maake 10. Malabela Petunia	Yes	12	12	03
11	LYDIA HLANGWANI (Ward Cllr) <u>Ward committee</u> 1. P Ramoshaba 2. Matome Machethe 3. E Malatji 4. S Nkuna 5. M B Sathekge (deceased) 6. E Baloyi 7. Themba Baloyi 8. S Mashayi 9. H Peta 10. Mathews Malatji	Yes	12	12	03
12	Edney Ntimbane (Ward Cllr) <u>Ward committee</u> 1. Stoney Maluleke 2. Agnes Sevwengwana Tivana 3. Rivalani Christinah Mathebula 4. Thelani Jameson Mathonsi 5. Grace Tintswalo Sambo 6. Annah Agreeneth Chauke 7. Edwin John Mongwe 8. Patience Tsakani Ngomane 9. Gezani Joseph Nwamitwa 10. Rinehilwe Kwetsima Sithole	Yes	10	10	01

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Table 161: Functionality of Ward Committees (2017/18)

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	Edward Ngobeni (Ward Cllr) <u>Ward committee</u> 1. Elizabeth Nwamabundz Mthombeni 2. Denderemuka Daniel Rikhotso 3. Alfred Maringa 4. Rhulani Casswell Baloyi 5. Thomas Baloyi 6. Esther Fanisa Mayimele 7. Clara Biswick 8. Tlangelani Mboweni 9. Rapson Nkuna 10. Monica Manthonsi (resigned November)	Yes	11	11	02
14	Pierre Cronje (Ward Cllr) <u>Ward committee</u> 1. Constance Sally Shingange 2. Matome Strike Motloutsi 3. Malephoto Gloria Mabapa 4. Mapule Lydia Maenetje 5. Maite Sylvia Mashao 6. Mohale Peter Ramoshaba 7. Letheba Raolane 8. Mantsi Malebate 9. Matome Silas Phoshoko 10. Skokie Michael Makgoba	Yes	12	12	02
15	Marthinus Prinsloo (Ward Cllr) <u>Ward committee</u> 1. David Ramatsoma 2. Paul Zeenyman 3. Isac Mohale 4. Marius Jacobs 5. Pertunia Manti Sebela 6. Jan Mashele 7. Kholofelo Shai 8. Oupa Nathaniel Sedibe 9. Godfrey Ndlovu 10. Thereza Majozi	Yes	12	12	0

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Table 161: Functionality of Ward Committees (2017/18)					
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	Roniel Rikhotso (Ward Cllr) <u>Ward committee</u> 1. Suzan Ramoreti 2. Doreen Shilembe 3. Phineas Mocheki 4. Densile Mhlari 5. Yvonne Tshelane 6. Petrus Thobejane 7. Stemere Makwela 8. Emely Sathekge 9. Irene Mboweni 10. Mmutle Mogoboya	Yes	12	12	03
17	Tsakani Makhubele (Ward Cllr) <u>Ward committee</u> 1. Sipho Mhlango 2. Nyiko Mickin Mkhabele 3. Jan Justice Sekhobela 4. Tintswalo Lizzy Sambo 5. Thelma Sesma Mushwana 6. Thanyani Norman Munyai 7. Samaria Precious Mkhabela 8. Hilda Masesi Ngobeni	Yes	10	10	01
18	Norman Mukansi (Ward Cllr) <u>Ward committee</u> 1. Leslina Mhlari 2. Makaepea Maria Johan Shiluvane 3. Mmathari Anna Raburabu 4. Masilo Peter Mokhalabone 5. Gladys Mushwana 6. Masale Melita Makete 7. Cecilia Mhlari 8. Mihloti Euphelia Ramalepe 9. Mphahlela George Mbhaalati 10. Phakula RP	Yes	12	12	02

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Table 161: Functionality of Ward Committees (2017/18)					
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	Homegirl Zandamela (Ward Cllr) <u>Ward committee</u> <ol style="list-style-type: none"> 1. Tivoni Suzan Chauke 2. Sammy Sello Bulala (resigned) 3. Patience Margaret Tshibeyahobe 4. Benjamin William Pilusa 5. Mokgadi Elsie Moyana 6. Nonhlanhla Benedicto Mathabela 7. Mallale Elizabeth Makwela 8. Iris Mhikane Matcheke 9. Dannis Shingange 10. Wisani Mathobela 	Yes	12	12	04
20	Orgaine Banyini (Ward Cllr) <u>Ward committee</u> <ol style="list-style-type: none"> 1. Aubrey Modiba 2. Wisani Tracy Phiri 3. Thabo Maluleke 4. Khanyisa Victoria Chuma 5. Andries Matume Makhubele 6. Masesana Nomsa Nhlanguwini 7. Zaria Makana 8. Nkhensani Betty Baloyi 9. Eddie Makasana Nhlanguwini 10. Ngobeni Norah 	Yes	10	10	0
21	Thandy Mpyenyana (Ward Cllr) <u>Ward committee</u> <ol style="list-style-type: none"> 1. Mfana Gideon Sambo 2. Tengani Geoffrey Ndhuna 3. Mafemani Livas Shipalana 4. Thabo Manghezi Mhlongo 5. Agnes Mularisi Mnisi 6. Violet Tsakani Mhlongo 7. Mumsy Mhloti Mathye 8. Joy Mpenyama 9. Hellen Mthombeni 10. Sekhwari P 	Yes	12	12	03

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Table 161: Functionality of Ward Committees (2017/18)					
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	Christopher Makwala (Ward Cllr) <u>Ward committee</u> 1.Edwin Ramalepe 2.Mankwana Letsoalo 3.Michael Rabothata 4.Micheal Maponya 5.Millicent Mopai 6.Princess Shebodze 7.Tsakani Risiba 8.Jim Khunwane 9.Daniel Maenetja 10.Malatji Charles	Yes	12	12	04
23	Given Malatjie (Ward Cllr) <u>Ward committee</u> 1. Norman Monyai 2.Samaria Mkhabele 3. Not Yet Elected 4. Lizzy Sambo 5. Sipho Mhlongo 6. Hildah Ngobeni 7. Not Yet Elected 8. Thelma Mushwana 9. Jan Sekgobela 10.Nyiko Mkhabele	Yes	12	12	03
24	Thomas Mushwana (Ward Cllr) <u>Ward committee</u> 1. Nomsa Ntsako Mathonsi 2. Constance Tinyiko Mlondobozi 3. Linah Mkhari 4. Khomisani George Malungana 5. Percy Cukumetani Mabunda 6. Noel Maakana 7. Marth Malatji 8. Mmoye Ronny Sebele 9. Beaty Alletah Mathye 10. Heti Hilguard Muhlava	Yes	12	12	04

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Table 161: Functionality of Ward Committees (2017/18)					
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	Josta Banyini (Ward Cllr) <u>Ward committee</u> 1. Topisa Sylvia Muhlari 2. Tibiya Erick Makhubela 3. Harris Bill 4. Tinyiko Joyce Mongwe 5. Hetisani Alwyn Baloyi 6. Masilo Alfred Ramaano 7. Theo Namloti Mongwe 8. Tiyeeni Ngomane 9. Mukhavhana Samuel Shikwambana 10. Berthron Mechabe	Yes	12	12	03
26	Elias Malatji (Ward Cllr) <u>Ward committee</u> 1.Nelly Gana 2.Peter Rikhotso 3.Gilbert Ncha 4.Emelia Malatji 5.Sanneth Mbhalati 6. Ephodia Maila 7.Michael Ramphadi 8.Stephina Rakgoale 9.Constance Shipalana 10.Ishmael Nkhwashu	Yes	10	10	02
27	Gezani Makhubele (Ward Cllr) <u>Ward committee</u> 1.Bethuel Mmola 2.Walter Monyela 3.Ireen Mailula 4.Collen Masete 5.John Seoka 6.Tinny Mpholoane 7.Selina Molewa 8.Rebecca Moropana 9.Phumzile Maatla 10.Maleke Mangena	Yes	12	12	03

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Table 161: Functionality of Ward Committees (2017/18)					
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	Klaas Lepulana (Ward Cllr) <u>Ward committee</u> 1.Nkhesani Sithole 2.Alex Mateta 3.Dumisani Shamango 4.Tlangelani Mlangeni 5.Paulina Masia 6.Vincent Moropane 7.Pertunia Makhubela 8.Rulf Mangena 9.Mapula Malatji 10.Professor Nkgapele	Yes	12	12	03
29	Erick Phakula (Ward Cllr) <u>Ward committee</u> 1.Charmaine Myakayaka 2.Albert Ramapuputa 3.Maria Ramoshaba 4.Rose Mahlare 5.Gloria Mboweni 6.Willy Nkhwashu 7.Rejoice Mathonsi 8.Ephraim Maake 9.Peter Hlokwe 10.Sophy Ramatseba		12	12	03
30	Ramothibi Rapitsi (Ward Cllr) <u>Ward committee</u> 1.Solly Moagi 2.Prince Hlokwe 3.Sipho Molepo 4.Dimakatso Khunwane 5.Emmah Rolepele 6.Andrew Mahudu 7.Methews Machete 8.Janneth Seokoma 9.Christina Manyama 10.Melita Bopape	Yes	12	12	02

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Table 161: Functionality of Ward Committees (2017/18)					
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	Justice Ramodipa (Ward Cllr) <u>Ward committee</u> <ol style="list-style-type: none"> 1. Maropeng Albert Mogale 2. Soro Alice Rakgoale 3. Sikedi Amission Lefothe 4. Prince Shingweyana 5. Boitumelo Joy Makwela 6. Venia Mangena 7. Phetole Peter Mmola 8. Yoby Jairos Gama 9. Maite Nurse Mmola 10. Makomela R 	Yes	12	12	03
32	Rachel Kgatla (Ward Cllr) <u>Ward committee</u> <ol style="list-style-type: none"> 1. Mpho Violet Kekana 2. Matome Phineas Mokwena 3. Mmasape Joyce Matlou 4. Mmamere Marywell Maenetja 5. Dan Jacob Machimana 6. Percy Brianely Mashabana 7. Puleng Johannes Ramatsoma 8. Jabulani Brian Mashabana 9. Maake S 10. Mlondobozi b 	Yes	12	12	03
33	Sophy Raganya (Ward Cllr) <u>Ward committee</u> <ol style="list-style-type: none"> 1. Masilo Jeffrey Leseilana 2. Thibedi Jeremiah Phalane 3. Mokhenethe Silas Mogoboya 4. Mmamathola Dinah Peu 5. Mmabjala Florence Patji 6. Mogotlo Lucky Sekgotlaboraga 7. Marusane Julia Ralepelle 8. Matale Bridgette Maake 9. Moore Winny Seerane 10. Mmamodike Althea Matsebatlela 	Yes	12	12	03

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Table 161: Functionality of Ward Committees (2017/18)					
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	Margeret Letsoalo (Ward Cllr) <u>Ward committee</u> 1. Cheyeza Ritah Bvuma 2. Mapula Racheal Shoka Shokane 3. Thato Amon Letsoalo 4. Makoma Magdeline Malatji 5. Mapula Linda Letsoalo 6. Mosibudi Ireen Magoro 7. Mmakole Rosina Ragedi 8. Thabe Abel Mogoboya 9. Matsidiso Lucy Moagi	Yes	12	12	02
35	Abram Masila (Ward Cllr) <u>Ward committee</u> 1.Oscar Maenetja 2.Ngwako Ratopola 3.Millicent Mangena 4.Nkabaneng Sebopetja 5.Kagiso Rakomana 6.Mokgadi Bopape 7.Peter Mokoena 8.Kedibone Batji 9.Rachel Maake 10.Maria Moagi	Yes	07	07	03

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ADDENDUM F – WARD INFORMATION

Table 162: Capital Projects: Seven Largest in 2017/18 - R' 000					
Ward No.	Project Name and detail	Start Date	Estimated/ End Date	Actual Expenditure	Progress by 30 June '18
22,23,24	Rita to Mariveni tar road	22/09/2015	22/08/2018	R3,173,183	98%
7,8	Moruji to Matshwi tar road	31/10/2016	16/01/2019	R57,244,770	80%
29,30	Tickyline to Mafarana tar road	08/08/2016	18/03/2018	R13,570,000	98%
5,6,11,12,13	Upgrading of Runnymede Sports ground	14/03/2016	16/03/2018	R6,500,000	100%
26	Julesburg Sports Ground	05/07/2017	28/06/2018	R11,640,613	97%
28,29	Burgersdorp Sport Ground	11/07/2017	16/04/2018	R12,920,324	98%
14,15,13	Replace 2 x 20 MVA 66/11 kV at Tzaneen main sub (Project start rolled over to 18/19)	01/07/2017	30/06/2021	R24,000,000	15% Project dependant on DBSA loan approval

APPENDICES

ADDENDUM G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2017/18

TABLE 163: Municipal Audit Committee Recommendations (2017/18)			
Date of Committee	Committee recommendations	Recommendations adopted (enter Yes); not adopted (provide explanation)	Implemented (Yes/No)
05/07/2017	Each Department must submit a report on how they manage overtime during Audit Committee meetings.	Yes	Yes
	MSCOA circulars must be submitted to Council for approval	Yes	Yes
	King IV report must be submitted to Council for adoption	Yes	No
	Councillors must be trained on the King IV report.	Yes	No
	The Performance Management Officer (PMO) must send the annual report format to Internal Audit in order to populate the AC resolutions.	Yes	Yes
	The Performance Management Framework must be send to AC Members to give inputs by Wednesday the 12 July 2017.	Yes	Yes
	Interns for Risk and Performance units must be appointed and not look at the office space as a challenge.	Yes	No
	Risk Manager must look at the complaints register and make recommendations and report to Council and to the Audit Committee	Yes	Yes
	Month to month movement phases in the Dashboard report must be submitted in the next Audit Committee Meeting Items that are red must be explained at the back of the Dashboard report	Yes	Yes
	Risk Manager must look at the ethics of the connection and disconnection company.	Yes	No
	Risk Report for GTM and GTEDA must be separated. The risk report must have timeframes with specific dates and specific responsible person	Yes	Yes
	Feedback on the Financial Management Capability Model must be given in the 4 th quarter Audit Committee meeting.	Yes	Yes
	Internal Audit must email the AG action plan audit report to Audit Committee when done with the audit	Yes	Yes
	The audit projects on the annual plan that could not be outsourced must be deferred to the next financial year	Yes	Yes
	Audit Committee Members must intervene between Management and Internal Audit on Legal Management audit report within 14 Days.	Yes	Yes

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TABLE 163: Municipal Audit Committee Recommendations (2017/18)

Date of Committee	Committee recommendations	Recommendations adopted (enter Yes); not adopted (provide explanation)	Implemented (Yes/No)
	The SDBIP recommendations progress report must be added under MM's reports on the agenda	Yes	Yes
	A report on the performance of the VAT consultants must be submitted in the next Audit Committee meeting.	Yes	Yes
	A summary of the debt collectors report must include the following: <ul style="list-style-type: none"> – The appointed 5 debt collectors. – The percentage they recover – Process on how they evaluate – Comparison between the 5 as to who is performing or not. – Government portion that is part of the collection 	Yes	Yes
	The MSCOA skills transfer report must be submitted in the next AC meeting	Yes	No
	A year-end preparation plan with the progress attached to it must be submitted in the next Audit Committee meeting	Yes	Yes
	In the 4 th quarter Audit Committee meeting overspending on the budget must be reported.	Yes	Yes
	Additional information must be included in the finance report to indicate the number of invoices received and number settled within 30 days.	Yes	Yes
	Report on fuel expenditure management must be submitted in the next Audit Committee meeting.	Yes	Yes
	When SCM issues tenders or quotation adverts they must include that suppliers must be registered on CSD and also on tender briefing they must include CSD requirements.	Yes	Yes
	A register of all the contracts that the Municipality is currently having must be submitted in the next Audit Committee meeting.	Yes	Yes
	Investigation must be done on the missing assets relating to Electrical Engineering	Yes	Yes
	The asset register must be updated and reported in the next Audit Committee meeting.	Yes	Yes
	Clear definition of Unauthorized, Irregular, Fruitless and Wasteful expenditure must be forwarded to all Directors and Managers.	Yes	Yes
	As and when the UIF expenditure is incurred it must be reported to Council.	Yes	Yes
	PMU must develop the following documents and submit them in the next Audit Committee meeting: Project Management Policy	Yes	Yes

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TABLE 163: Municipal Audit Committee Recommendations (2017/18)

Date of Committee	Committee recommendations	Recommendations adopted (enter Yes); not adopted (provide explanation)	Implemented (Yes/No)
23/08/2017 AFS Review	Project Management Strategy Project Management Implementation Plan Project Management Monitoring and Evaluation		
	PMU must do the 5 level Project Management Maturity Assessment and submit in the next Audit Committee meeting	Yes	Yes
	Summary of year to date analysis of fleet must be submitted in the next Audit Committee meeting The fleet report must include the user department, type of vehicle, year model and kilometres.	Yes	Yes
	The water service authority status must be incorporated in the water report and submitted in the next AC meeting.	Yes	Yes
	Master plans for Roads and Storm Water must be submitted to Council for approval and the implementation must be reported in the Audit Committee meeting.	Yes	Yes
	SDF must be submitted to Internal Audit within three days and Internal Audit should submit to AC members	Yes	Yes
	Quality assurance on Council resolutions must be performed and Directors' comments must be supported by portfolio of evidence	Yes	Yes
	OHS report must be submitted in the fourth quarter AC meeting indicating all challenges that are not addressed by the Directors.	Yes	Yes
	Full report on the status of the litigation on consultants must be submitted in the next AC meeting.	Yes	Yes
	The Municipality must get an independent forensic audit company to do the assets investigation.	Yes	Yes
	20/09/2017		
	UIFW must be investigated immediately as it is incurred.	Yes	Yes
	The reopening of the performance Management System must stop.	Yes	No
	The Risk Manager must conduct a thorough Risk Maturity Level Assessment.	Yes	Yes
	The Compliance Officer, the Risk Manager, the Internal Audit Manager and the Performance Management Officer must develop the combine assurance plan indicating the alignment and must be submitted in the next AC meeting.	Yes	Yes
	The Debt Collectors must be evaluated to see how effective and efficient they are.	Yes	Yes

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TABLE 163: Municipal Audit Committee Recommendations (2017/18)

Date of Committee	Committee recommendations	Recommendations adopted (enter Yes); not adopted (provide explanation)	Implemented (Yes/No)
	Report on investigation of assets should be submitted in the next AC meeting.	Yes	Yes
	<p>A report on how IT manages risks related to :</p> <ul style="list-style-type: none"> ▪ Social media ▪ Cloud computing ▪ Private email exchange ▪ USB ▪ Private device <p>Must be submitted in the next AC</p>	Yes	Yes
11/12/2017	The AC resolutions must be implemented and there must be an improvement on responding to the resolutions in the next meeting.	Yes	Yes
	Solutions must be identified to resolve the challenges with the lift and fire escape	Yes	Yes
	Consequence management must be implemented on employees who are not reporting on the performance system.	Yes	Yes
	MSCOA risks must be prioritized during the 2018/2019 risk assessment.	Yes	Yes
	The MSCOA risk register must be submitted during the quarterly AC meetings.	Yes	Yes
	The investigation of Irregular and fruitless expenditure must be finalized by the end of the financial year (June 2018) with corrective measures to avoid recurrence.	Yes	Yes
	On a quarterly basis the impact of the indicated mitigation activities on the Risk Monitoring Report must be measured and reported on during AC meetings.	Yes	Yes
	An awareness must be conducted to let employees know of the requirement to submit attendance registers within 10 days after an official trip.	Yes	Yes
	A follow up must be done towards the end of the financial year to ensure that all the attendance registers are submitted.	Yes	Yes
	The compliance report must include compliance with legislation in terms of overtime.	Yes	Yes
	The progress on the Financial Management Maturity Capability Model must be reported in the next AC meeting.	Yes	Yes

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TABLE 163: Municipal Audit Committee Recommendations (2017/18)			
Date of Committee	Committee recommendations	Recommendations adopted (enter Yes); not adopted (provide explanation)	Implemented (Yes/No)
	The AGSA must be invited to the audit steering committee meetings to assess if the findings are properly addressed.	Yes	Yes
	The Acting CFO and GTEDA must meet in January 2018 to discuss MSCOA progress and the inclusion of GTEDA with the Municipality on the MSCOA system.	Yes	Yes
	A Comprehensive progress report on MSCOA implementation must be presented in the next Audit Committee meeting.	Yes	Yes
	The AGSA audit action plan must be submitted to management and the AGSA.	Yes	Yes
	The quarterly AFS must be submitted every quarterly AC meeting starting from the second quarter.	Yes	Yes
	GTM must sign the Library Services SLA with the Department of Sports Arts and Culture to avoid services rendered being regarded as irregular. Progress report must be reported in the next AC meeting	Yes	Yes
	The agreement between GTEDA and GTM must be submitted to AC within 7 days.	Yes	Yes
	Human Resources (HR) must give report on the progress of filling of senior management positions in the next AC meeting	Yes	Yes
	The Litigation Report must include the claimed amounts and the costs of the lawyers.	Yes	Yes
13/04/2018	A Consequence Management Framework must be developed and be subjected to Corporate Services and Labour forum on issues around the suction.	Yes	Yes
	All Departments must report on the 10 highest earning employees on overtime. The report must include the amounts, hours and the days worked.	Yes	Yes
	An ethics risk register must be developed during the next risk assessment	Yes	Yes
	In the 4th quarter the Compliance Officer must engage all Departments in terms of internal controls and give feedback in the 4th quarter Audit Committee meeting.	Yes	Yes
	The Risk and Compliance office must perform a spot check exercise on leave and report in the next Audit Committee meeting.	Yes	Yes
	The Risk Manager must give a progress report on the Business Continuity Plan in the next AC meeting.	Yes	Yes

APPENDICES

TABLE 163: Municipal Audit Committee Recommendations (2017/18)

Date of Committee	Committee recommendations	Recommendations adopted (enter Yes); not adopted (provide explanation)	Implemented (Yes/No)
	In the next Audit Committee meeting the Risk Manager must report on the root cause of each transaction of the UIF. The Risk Manager must submit a separate report for GTEDA.	Yes	Yes
	The Asset Manager must report on the status of the assets including challenges in the next Audit Committee meeting.	Yes	Yes
	There must be an indication in the summary to explain why expenses were below/over the target. (Reasons for deviation per Department)	Yes	Yes
	On the service delivery report the Engineering Services must report on how many people are supposed to get services from the Municipality and how many are getting the services.	Yes	Yes
	In the next service delivery report challenges on the delay in approving building plans must be included in the report.	Yes	Yes
	Electrical Engineering service delivery report must include the following: <ul style="list-style-type: none"> The targeted number of households. The number of households including farmers that are serviced by the Municipality. The number of households not serviced by Municipality, the deficit. 	Yes	Yes
	The Licensing Division must test what the consumers go through by deploying a mystery shopper to get a view of the type of services that the Municipality provides to the community.	Yes	Yes
	The Human Resources report must include the average turnaround time on filling of vacant positions.	Yes	Yes
	In the next Audit Committee meeting the HR report must include the following: <ul style="list-style-type: none"> Number of disciplinary cases Employees with excessive leave days. Employees who owe the Municipality leave days. 	Yes	Yes
	A proposal on items for consideration by Management on how to make the town smart must be drafted.	Yes	Yes
	IT must report on the implementation progress of the LGCICT in the next Audit Committee meeting.	Yes	Yes
19/06/2018	The Chief Risk Officer must look into: <ul style="list-style-type: none"> The impact of theft on the Insurance Policy The risks of when an employee work till late in the Municipality (how safe are the employees) This must be discussed in the Risk Committee.	Yes	Yes

APPENDICES

TABLE 163: Municipal Audit Committee Recommendations (2017/18)

Date of Committee	Committee recommendations	Recommendations adopted (enter Yes); not adopted (provide explanation)	Implemented (Yes/No)
	The top risks must be on service delivery and must address the infrastructure and revenue challenges.	Yes	Yes
	Issues/matters that transpired in the previous financial year need to be considered when reviewing the risks, e.g. public protests, the electricity issues, illegal water connections and theft of water pumps.	Yes	Yes
	The CFO must on a quarterly basis submit an invoice tracking register indicating: - The date the invoice was received - The date the invoice was processed.	Yes	Yes
	Depreciation must be done on a monthly basis in order to record the cost allocation correctly and for the other Departments to report accordingly.	Yes	No
	The Asset Manager must: – Invite AGSA in one of the asset count session. – Ensure appointment of the asset disposal committee.	Yes	Yes
	The Asset Manager must submit to the Audit Committee the final investigation report indicating the assets which are being investigated and the challenges by the 14 th of July 2018.	Yes	Yes
	The CFO must consider the following: – Debtor's per ward in the mSCOA configuration – Positive debt collection strategy – Negative debt collection strategy	Yes	No
	The CFO must monitor the year end process and engage Mopani to get the final water related figures.	Yes	Yes
	There must be a quick response on the Municipal call centre number when members of the public are calling.	Yes	Yes
	Systems must be in place to calculate the electricity losses and submit to the CFO.	Yes	Yes
	A report on traffic fines issued and traffic fines paid must be submitted to the CFO by the 16 th of July 2018.	Yes	Yes
	The Acting Legal Manager and the Acting Safety and Security Manager must meet tomorrow (20 June 2018) to resolve on the money that was robbed through the cash in transit company.	Yes	Yes
	There must be information security awareness to educate employees on their role on the preservation of information security.	Yes	Yes

APPENDICES

ADDENDUM H – LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

Table 164: Long Term Contracts (Largest Contracts Entered into 2017/18) - 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	Performance rating for 2017/18
Rivisi electrical	SCMU 17/2017	Maintenance and refurbishment of overhead lines and other related equipment	03 /01/2018	03/01/2021	A Laubscher	Rates	4
Theuwedi trading enterprise	SCMU 16/2017	Treatment and disposal management	05/12/2017	05/12/2020	H Mienie	R 557 240.00 per months	4
Molebong trading enterprise cc	SCMU 18/2017	Integrated waste management in southern west services region	18/01/2018	18/01/2021	H Mienie	R 442 053.24	4
Mavambo ITS (PTY)LTD	SCMU 14/2017	Operational support and maintenance of turnkey digital red-light and speed law enforcement	06/12/2017	06/12/2020	MJ Malatji	Rates	4

APPENDICES

ADDENDUM I– PERFORMANCE OF SERVICE PROVIDERS

Table 165: Evaluation of Service Provider Performance for 2017/18													
Dept	Project name	Name of Service provider	Source of funding	Start date	End date	Physical Progress to date - (Narrative required)	Challenges and interventions	Assessment of service provider				Assessment comments (future utilisation of service provider)	R-value of contract (total period)
								(Scale 1-5) Fair Good	1 - Poor 3 -Average 5 - Excellent	2 - 4 -			
								Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4		
MM	Electronic Performance Reporting System	ActionIT	Own funds	1/07/2015	1/04/2018	ActionAssist is assisting in performance reporting and limited the audit findings on the AOPO for 16/17	Contract extended on a month to month basis until the audit is concluded as the AG will audit performance information on the system	5	5	5	5	System is user-friendly and easy to manage in-house. Continued use would be to the benefit of the organisation	R495 917
CFO	Travel agency services	Uniglobe travel agency	Own funds	1/02/2017	31/01/2020	Booking of accommodation and travel arrangements done as and when required	Additional expense putting pressure on the limited budget	3	3	3	3	Bookings delayed at times	rates
CFO	Credit control and debt collection	Physon Business solutions	Own funds	4/2015	4/2018	Credit control and debt collection	None	3	3	3	2	No challenges	R3 200 000
CFO	Debt collection	Altimax Zandile Monene Business, Trifecta	Own funds	10/2015	9/2018	Contract for new debt collectors to be appointed with a more aggressive collection strategy. Current contracts expire October 2018.	None	3	3	3	2	Slow recovery turnaround time on debt handed over	R3 200 000
CFO	Meterreading	Electrocuts	Own funds	7/2015	7/2018	Reading meters on behalf of Council	LPU Readings not done effectively in some months, thus revenue loss.	2	2	3	2	Challenged with access to large power users	R1 600 000

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								(Scale 1-5) 1 - Poor Fair Good	2 - 3 -Average 4 - 5 - Excellent				
CFO	Valuation roll	Uniqeco	Own funds	1/2017	6/2022	Updates valuation roll on request by municipality- properties under property value objections-matter is still with the CoGSTA valuation board.	None	4	4	4	3	No challenges on insured assets recovery	R2 100 000
CFO	Insurance	Lateral Unison (Insurance Brokers)	Own funds	7/2015	6/2018	Providing insurance cover	None	4	3	3	4	No challenges	R1 814 951
CFO	Assets Management Consultants	ARMS	Own funds	04/2017	04/2020	Asset Verification done	None	5	5	4	4	Challenges on delayed times but will wit testing phase for fuller evaluation	
CFO	MSCOA	SEBATA	Own funds	06/2017	06/2020	Setting up users	Revised implementation plan again	4	3	3	3	No challenges	
CFO	VAT Consultants	PK Consulting	Own funds	02/2017	01/2020	Submitting VAT 201 returns to SARS	Matter under litigation however, service provider will resume duties from July 2018, to curb unnecessary legal costs	1	1	n/a	4	No challenges on insured assets recovery	R 1 102 375
CORP	Managed printing service	Phinnet Communications	GTM	2016/11/01	30-Oct-19	The Municipality re-appointed Phinnet Communications through a settlement agreement to curb Legal Fees and service delivery issues.	The service provider will resume work with effect from 1st August 2018.	1	1	1	N/A	Service suspended for the 4th quarter to review service standard	
CORP	Managed printing service	Anaka Group	GTM	01/12/2017	31/05/2018	Anaka Group contract terminated due to the re-appointment of Phinnet Communications.	Not all offices have printing services and this affects service delivery in the Municipality	N/A	3	3	3	The service provider can be appointed in the future.	

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								(Scale 1-5) Fair Good	1 - Poor 3 - Average 5 - Excellent	2 - 4 -			
CORP	Paperless Council Meetings	Telkom Mobile	GTM	01-Apr-15	31-Mar-17	Paperless Council Services on going.	None.	3	4	n/a	4	Services can be utilized in the future as their service are good	
CORP	Mimecast : Unified Email Management System	EOH	GTM	01-Jul-18	30-Jun-21	The Municipality extended Mimecast with another 36 Months. Mimecast provides a comprehensive email security and archives solution.	None.	4	4	n/a	4	The service provider can be appointed in the future as they provide great services more especially on email security.	
CORP	Unified Communication System (Telephone System)	Callsave	GTM	01-May-17	30-Apr-20	All offices have access to telephones and have implemented a Call Centre System for the Anti-Fraud Hotline, Electrical Department and Engineering Department.	The network not stable due to obsolescence. Council in the process of procuring network equipment to address all network issues.	3	3	3	4	The service provider can be utilized by the Municipality as their services are good.	
CORP	Website Services	SITA	GTM	01-May-15	31-May-18	Website maintenance services on going	None.	4	4	4	4	The service provider can be utilized by the Municipality as their services are good.	
CORP	MFMA Training	Kamanga Skills Projects	GTM	28-Jun-16	31-Dec-17	MFMA training Finalised waiting for Certificates	None	4	n/a	n/a	n/a	Service provider meet all expectation during the course	R966 000
CORP	Truck Monuted Crane Training	Gumela Projects	GTM	01-Nov-17	11-Nov-17	Once off training service: Truck Mounted Crane Training	None	n/a	4	n/a	n/a	Service provider meet expectations and all certificates are back	R120 000
CORP	OHS Training	Gumela Projects	GTM	09-Nov-17	10-Nov-17	Once off OHS training service	None	n/a	4	n/a	n/a	Service provider meet expectations and all certificates are back	R70 000.00
CORP	Firefighting Training	Gumela Projects	GTM	09-Nov-17	10-Nov-17	Once off firefighting training service	None	n/a	4	n/a	n/a	Service provider meet expectations and all certificates are back	R75 000.00

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								(Scale 1-5)	1 - Poor	2 - Fair	3 - Average	4 - Good	5 - Excellent
CORP	First Aid Training	Gumela Projects	GTM	09-Nov-17	10-Nov-17	Once off First Aid training service	None	n/a	4	n/a	n/a	Services can be utilised in the future their services are excellent	R100 000
CORP	Linux Administrator Training	Torque IT	GTM	12-Feb-18	16-Feb-18	Training - Once off service (1 employee trained as Linux System administrator)	None	n/a	n/a	4	n/a	Services can be utilised in the future their services are excellent	R14 986.01
CORP	EC-Council Certified Security Analyst / LPT Bootcamp Training	Torque IT	GTM	05-Feb-18	09-Feb-18	Electronic Council Training - Once off service (1 employee trained)	None	n/a	n/a	4	n/a	Services can be utilised in the future their services are excellent	R28 386.00
CORP	Windows Server Administration Training	Business Optimization Training Institute (BOTI)	GTM	19-Feb-18	21-Feb-18	Windows server Training - Once off service (1 employee trained)	None	n/a	n/a	4	n/a	Services can be utilised in the future their services are excellent	R18 012. 00
CORP	Linux Essential Training	Torque IT	GTM	05-Mar-18	09-Mar-18	Linux server Training - Once off service (1 employee trained)	None	n/a	n/a	4	n/a	Services can be utilised in the future their services are excellent	R9 058
CORP	Advanced Report Writing Training	Imisimbi Training	GTM	13-Mar-18	16-Mar-18	Advanced report writing Training - Once off service (2 employees trained)	None	n/a	n/a	4	n/a	Services can be utilised in the future their services are excellent	R17 111.40
CORP	Events Management Training	CBM Training	GTM	11-Mar-18	12-Mar-18	Events management Training - Once off service (2 employees trained)	None	n/a	n/a	4	n/a	Services can be utilised in the future their services are excellent	R9 006
CORP	Customer Care Training	Staff Training	GTM	27-Feb-18	28-Feb-18	Customer care Training - Once off service (1 employee trained)	None	n/a	n/a	4	n/a	Services can be utilised in the future their services are excellent	R4 590

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								(Scale 1-5) Fair Good	1 - Poor 3 - Average 5 - Excellent	2 - 4 -			
CORP	Electronic Records Management System (Collaborator)	Business Engineering	GTM	23-May-18	22-May-21	The support service is rendered according to the signed SLA with no challenges experienced.	None	4	4	4	4	The service provider can be utilized by the Municipality as their services are good.	R7 650 908
CORP	Municipal Governance Training For Councillors	South African Institute of Learning	GTM	29-Mar-17	31-Dec-17	Municipal Governance Training For Councillors	None	4	4	n/a	n/a	The services provider meet expectations and councillors waiting for Results	R13 859 064
CORP	MFMA Training	Gumela Projects	GTM	09-Apr-18	31-Jul-19	Classes in progress	n/a	n/a	n/a	n/a	4	Yes the Service Provider is recommended to be used in future.	R1,309,985
CORP	Protocol and Etiquette Training	DTM Consulting	GTM	19-Jun-18	20-Jun-18	Protocol and Etiquette Training	n/a	n/a	n/a	n/a	4	Yes the Service Provider is recommended to be used in future.	R55 000
CORP	Facilitation Training	Paseka Business Enterprise	GTM	09-Apr-18	11-Apr-18	Facilitation Training		n/a	n/a	n/a	4	Yes the Service Provider is recommended to be used in future.	R 67 500.00
CSD	Treatment & Disposal Management	Mmatshope J.V. Theuwedi C.C.	GTM	1/08/2014	31/07/2017	Service is being provided, regular penalties applied in areas of under performance.	Constant supervision and training required from GTM personnel to ensure that service is sustainable.	4	n/a	n/a	n/a	Service provider must be subjected to a "Waste Management Skills-rating" by the BAC during procurement.	R20 060 640
CSD	Treatment & Disposal Management	Theuwedi Trading Enterprise	GTM	1/12/2017	30/11/2020	They are responsible for landfill management at Tzaneen Landfill site	None	4	4	4	4	Municipal services providers must be subjected to a waste management skills-rating during SCM-processes. Norms & standard regulations had to be promulgated	R20 060 640

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								(Scale 1-5) Fair Good	1 - Poor 3 - Average 5 - Excellent	2 - 4 -			
												(sec. 7 of Nat waste management Act 59/2008)	
CSD	Litterpicking Region-North	Molebogeng Trading Enterprise C.C.	GTM	1/08/2015	31/07/2018	They are responsible for litterpicking in Tzaneen Town and Industrial sites	None	4	4	4	4	Municipal services providers must be subjected to a waste management skills-rating during SCM-processes. Norms & standard regulations had to be promulgated (sec. 7 of Nat waste management Act 59/2008)	R20 060 640
CSD	Litterpicking Region-South	Selema Planthire Construction C.C.	GTM	1/08/2015	31/07/2018	Responsible for Litterpicking at the Southern Region	None	4	4	4	4	Municipal services providers must be subjected to a waste management skills-rating during SCM-processes. Norms & standard regulations had to be promulgated (sec. 7 of Nat waste management Act 59/2008)	R8 675 726
CSD	Collection & Transportation Nkowankowa	Ingwe Waste Management	GTM	1/08/2014	31/07/2017	Contract has expired and a new service provider has been appointed	None	4	4	4	n/a	n/a tender expired	R17 458 429
CSD	Collection & Transportation Nkowankowa & Rural Bulk-waste	Molebogeng Trading Enterprise C.C.	GTM	01/03/2018	28/02/2021	Collection of waste at Nkowankowa	None	n/a	n/a	n/a	4	Municipal services providers must be subjected to a waste management skills-rating during SCM-processes. Norms &	R15 913 917

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

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CSD	Parking	BCIT	GTM	31/09/2013	01/08/2017	Collecting payment for parking in CBD	None	3	3	3	2	Their contract has expired and their payment rate is low	R5
CSD	Speed Law Enforcement	Mavamboits	GTM	2017/01/07	30/06/2017	Provision of speed cameras and sending tickets to transgressors	None	4	4	4	4	Their support toward service delivery is great and appreciated	R69.54
EEM	Specialist emergency services for GTM (electrical department)	Rhino Consulting Engineers	GTM	2017/03/22	2020/03/22	Maintenance of electricity network	Shortage of vehicles and personnel caused the Electrical Department to rely more on this service contract	4	4	4	4	Consultant is on standard with excellent service	R4 871 577
EEM	Metering Audit and determining causes for Revenue losses (NERSA directive)	HAMSA	GTM	2017/03/17	2019/06/30	Metering Audit and determining causes for Revenue losses (NERSA directive) The 1st year of the 2 year scope is completed. The second phase will start in July 2018	Access to properties to audit meters was a challenge in many areas	4	4	4	4	Consultant is on standard with excellent service	R8 487 072
EEM	Electrification of 541 units at Xihoko/ Radoo/ Thapana/ Mavele Phase2	Calibre Consulting Engineers and Tshabalala Multi Service Workshop	DoE Grant	01-07-2017	30-06-2018	Project completed and households energised (100%)	None	5	5	5	5	Performed above standard. Service Providers can be utilised in future	R6 897 904
EEM	Electrification of 330 units at Leolo/ Legobareng/Serare/ Mogabe/ Tshidinko Phase2	IZEW Engineering investments and Kedibone Electrical	DoE Grant	01-07-2017	30-06-2018	Project completed and households energised (100%)	None	5	5	5	5	Performed above standard. Service Providers can be utilised in future	R4 993 176

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EEM	Electrification of 425 units at Julesburg area	Simollola Engineering services and Rivisi Electrical	DoE Grant	01-07-2017	30-06-2018	Project completed and households energised (100%)	None	4	4	4	4	Good performance. Service Providers can be utilised in future	R5 951 952
EEM	Electrification of 25 units at Cannars Settlement	AES Consulting and Manco Business Enterprise	DoE Grant	01-07-2017	30-06-2018	Physical construction completed. Project energized (98%)	Busy with house connections. House connections to be completed by end of July 2018.	4	4	4	4	Good performance. Service Providers can be utilised in future	R385 612
EEM	Electrification of 100 units at the Schultz Settlement	AES Consulting and Manco Business Enterprise	DoE Grant	01-07-2017	30-06-2018	Service providers appointed. Designs completed. Material Delivered. Physical Construction on hold	Physical construction on hold due to delay with approval to electrify the area by the new owner of the land. Project to be rolled over to 2018/19 Financial year	4	4	4	4	Good performance. Service Providers can be utilised in future	R1 048 866
EEM	Electrification of 90 units at Masoma and Hweetsi	AES Consulting and The Great Rocks Trading	DoE Grant	01-07-2017	30-06-2018	Physical Construction Completed. Busy with updating of ENS (92%)	Delays with updating of ENS. Project to be rolled over to 2018/19 Financial year.	4	4	4	3	Average performance. Service Providers can be utilised in future	R2 483 345
EEM	Electrification of 20 units at Pulaneng	AES Consulting and Manco Business Enterprise	DoE Grant	01-07-2017	30-06-2018	Physical construction completed. Awaiting Energization (97%)	Rejected power outages by Eskom. Busy negotiating with Eskom to speed up energization processes.	4	4	4	4	Good performance. Service Providers can be utilised in future	R925 470
EEM	Electrification of 218 units at Vento Park	AES Consulting Moagi Electrical and Building	DoE Grant	01-07-2017	30-06-2018	Physical construction completed. Project energized. Busy with house connections. (97%)	Additional households outside the designs. Project to be rolled over to 2018/19 financial year	4	4	4	4	Good performance. Service Providers can be utilised in future	R2 313 675

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EEM	Upgrading of Waterbok 33/11kV substation	Chule Projects	DBSA	01-07-2017	30-06-2018	Designs were completed. Project on hold till DBSA loan is approved.	Project to be rolled over to 2018/19 Financial year	4	4	4	4	Consultant is on standard with excellent service	R1 000 000
EEM	Upgrading of Blacknoll 33/11kV substation	Chule Projects	DBSA	01-07-2017	30-06-2018	Designs were completed. Project on hold till DBSA loan is approved.	Project to be rolled over to 2018/19 Financial year	4	4	4	4	Consultant is on standard with excellent service	R130 434
EEM	Replace 2x20 MVA 66/11 kV	Chule Projects	DBSA	01-07-2017	30-06-2018	Designs were completed. Project on hold till DBSA loan is approved.	Project to be rolled over to 2018/19 Financial year	4	4	4	4	Consultant is on standard with excellent service	R332 608 696
EEM	Substation fencing (Tarentaal rand Main, Letsitele Main)	Chule Projects	DBSA	01-07-2017	30-06-2018	Designs were completed. Project on hold till DBSA loan is approved.	Project to be rolled over to 2018/19 Financial year	4	4	4	4	Consultant is on standard with excellent service	R130 434
EEM	Replacing of old SS1 electrical substation circuit breakers with compact switchgear	Chule Projects	DBSA	01-07-2017	30-06-2018	Designs were completed. Project on hold till DBSA loan is approved.	Project to be rolled over to 2018/19 Financial year	4	4	4	4	Consultant is on standard with excellent service	R782 608
EEM	Substation tripping batteries	Chule Projects	DBSA	01-07-2017	30-06-2018	Designs were completed. Project on hold till DBSA loan is approved.	Project to be rolled over to 2018/19 Financial year	4	4	4	4	Consultant is on standard with excellent service	R52 174
EEM	Replacing 11kV cables for increased capacity	Chule Projects	DBSA	01-07-2017	30-06-2018	Designs were completed. Project on hold till DBSA loan is approved.	Project to be rolled over to 2018/19 Financial year	4	4	4	4	Consultant is on standard with excellent service	R130 434
EEM	Rebuilding of Valencia 11Kv lines (6km)	Calibre Consulting Engineers	DBSA	01-07-2017	30-06-2018	Designs were completed. Project on hold till DBSA loan is approved.	Project to be rolled over to 2018/19 Financial year	4	4	4	4	Consultant is on standard with excellent service	R130 344

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								(Scale 1-5)	1 - Poor	2 - Fair	3 - Average		
EEM	Rebuilding of Lushof South 11kv line (3km)	Calibre Consulting Engineers	DBSA	01-07-2017	30-06-2018	Designs were completed. Project on hold till DBSA loan is approved.	Project to be rolled over to 2018/19 Financial year	4	4	4	4	Consultant is on standard with excellent service	R65 217
EEM	Rebuilding of Rooikoppies 11kv lines (6km)	Calibre Consulting Engineers	DBSA	01-07-2017	30-06-2018	Designs were completed. Project on hold till DBSA loan is approved.	Project to be rolled over to 2018/19 Financial year	4	4	4	4	Consultant is on standard with excellent service	R130 344
EEM	Rebuilding of Mabiet 11kv line (6km)	Calibre Consulting Engineers	DBSA	01-07-2017	30-06-2018	Designs were completed. Project on hold till DBSA loan is approved.	Project to be rolled over to 2018/19 Financial year	4	4	4	4	Consultant is on standard with excellent service	R130 344
EEM	Rebuilding of Haenertsburg 11kV lines (6km)	Calibre Consulting Engineers	DBSA	01-07-2017	30-06-2018	Designs were completed. Project on hold till DBSA loan is approved.	Project to be rolled over to 2018/19 Financial year	4	4	4	4	Consultant is on standard with excellent service	R130 344
EEM	Rebuilding of Campsies Glen 11kV lines (6km)	Calibre Consulting Engineers	DBSA	01-07-2017	30-06-2018	Designs were completed. Project on hold till DBSA loan is approved.	Project to be rolled over to 2018/19 Financial year	4	4	4	4	Consultant is on standard with excellent service	R130 344
EEM	Rebuilding of Politsi Valley 11kV lines (6km)	Calibre Consulting Engineers	DBSA	01-07-2017	30-06-2018	Designs were completed. Project on hold till DBSA loan is approved.	Project to be rolled over to 2018/19 Financial year	4	4	4	4	Consultant is on standard with excellent service	R130 344
EEM	Rebuilding of CP Minnaar 11kV lines (2km)	Calibre Consulting Engineers	DBSA	01-07-2017	30-06-2018	Designs were completed. Project on hold till DBSA loan is approved.	Project to be rolled over to 2018/19 Financial year	4	4	4	4	Consultant is on standard with excellent service	R52 174
EEM	Rebuilding of Mieliekloof/Deerpark 11kV lines (3km)	Calibre Consulting Engineers	DBSA	01-07-2017	30-06-2018	Designs were completed. Project on hold till DBSA loan is approved.	Project to be rolled over to 2018/19 Financial year	4	4	4	4	Consultant is on standard with excellent service	R65 217
EEM	Houtbosdorp 11kv Ring (10km)	Calibre Consulting Engineers	DBSA	01-07-2017	30-06-2018	Designs were completed. Project on hold till DBSA loan is approved.	Project to be rolled over to 2018/19 Financial year	4	4	4	4	Consultant is on standard with excellent service	R195 652
EEM	Refurbishment of the Ebenezer 33kv Feeder (5km)	Calibre Consulting Engineers	DBSA	01-07-2017	30-06-2018	Designs were completed. Project on hold till DBSA loan is approved.	Project to be rolled over to 2018/19 Financial year	4	4	4	4	Consultant is on standard with excellent service	R130 344

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EEM	New Entrance Street R36 streetlights	Calibre Consulting Engineers	DBSA	01-07-2017	30-06-2018	Designs were completed. Project on hold till DBSA loan is approved.	Project to be rolled over to 2018/19 Financial year	4	4	4	4	Consultant is on standard with excellent service	R143 478
EEM	Area Lighting at Tarentaal rand crossing	Calibre Consulting Engineers	DBSA	01-07-2017	30-06-2018	Designs were completed. Project on hold till DBSA loan is approved.	Project to be rolled over to 2018/19 Financial year	4	4	4	4	Consultant is on standard with excellent service	R39 130.00
ESD	Construction of Agatha Cemetery low-level bridge	Mosomo Consulting Engineers	GTM	28/07/2015	Depends on the approval of the WULA	Clearing and grubbing of access road, clearing for graves, Excavations for culvert slab and foundations	None	5	5	n/a	5	We are happy with the performance of the service provider and can be utilised in future	R255 259.54
ESD	Construction of Khubu to Lwandlamuni low-level bridge	Sky High	GTM	30/03/2015	14/06/2017	Bridge Complete	None	5	5	n/a	n/a	We are happy with the performance of the service provider and can be utilised in future	
ESD	Construction of Khubu to Lwandlamuni low-level bridge	Ndoni Properties	MIG	02-Feb-17	14/06/2017	Bridge is Complete	None	5	5	n/a	n/a	We are happy with the performance of the service provider and can be utilised in future	R2 138 556
ESD	Rita to Mariveni: Upgrading of Road from Gravel to Tar: Phase 3 of 4	Tangos Engineering Consultant	MIG	22/09/2015	31/09/2018	Project is 86% in progress	None	5	5	5	5	We are happy with the performance of the service provider and can be utilised in future	17% of the contract value
ESD	Rita to Mariveni: Upgrading of Road from Gravel to Tar: Phase 3 of 4	Selby Construction	MIG	22/09/2015	31/09/2018	Project is 86% in progress	None	5	5	5	5	We are happy with the performance of the service provider and can be utilised in future	R104 474 437.40
ESD	Moruji to Maswi: Upgrading of Road from	Makasela Engineering and Projects	MIG	05/09/2016	04/09/2018	Project is 80% in progress	Shortage of funds. To request for additional funds	5	5	5	5	We are happy with the performance of the service provider and can be utilised in future	17% of the contract value

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Table 165: Evaluation of Service Provider Performance for 2017/18

Dept	Project name	Name of Service provider	Source of funding	Start date	End date	Physical Progress to date - (Narrative required)	Challenges and interventions	Assessment of service provider				Assessment comments (future utilisation of service provider)	R-value of contract (total period)
								(Scale 1-5) Fair Good	1 - Poor 3 - Average 5 - Excellent	2 - 4 -			
	Gravel to Tar: Phase 3 of 4												
ESD	Moruji to Maswi: Upgrading of Road from Gravel to Tar: Phase 3 of 4	Quality Plant Hire/Expectra 388 CC JV	MIG	05/09/2016	04/09/2018	Project is 80% in progress	Shortage of funds. To request for additional funds	5	5	5	5	We are happy with the performance of the service provider and can be utilised in future	R71 347 670
ESD	Upgrading of Mafarana to Burgersdorp Road From Gravel to Tar	Southern Ambition Consulting Engineers	MIG	28/02/2018	28/02/2018	Upgrading of road is Completed	None	5	5	n/a	5	We are happy with the performance of the service provider and can be utilised in future	17% of the contract value
ESD	Upgrading of Mafarana to Burgersdorp Road From Gravel to Tar	Selby Construction	MIG	28/02/2018	28/02/2018	Upgrading of road is Completed	None	5	5	n/a	5	We are happy with the performance of the service provider and can be utilised in future	R70 713 306.75
ESD	Tickyline to Makhwibidung Tar Road	Southern Ambition Consulting Engineers	MIG	23/11/2015	03/06/2016	Upgrading of road is Completed	None	5	5	n/a	n/a	The Project is complete	17% of the contract value
ESD	Tickyline to Makhwibidung Tar Road	Makasana Construction	MIG	23/11/2015	03/06/2016	Upgrading of road is Completed	None	5	5	n/a	n/a	The Project is complete	R14 474 173.12
ESD	Upgrading of Runnymede Cluster Sports Facility: Phase 2 of 2	Uranus Consulting ENGINEERS CC	MIG	14/03/2016	30/08/2017	Sport Facility is Completed	None	5	5	5	5	We are happy with the performance of the service provider and can be utilised in future	17% of the contract value
ESD	Upgrading of Runnymede Cluster Sports Facility: Phase 2 of 2	Selby Construction	MIG	14/03/2016	30/08/2017	Sport Facility is Completed	None	5	5	5	5	We are happy with the performance of the service provider and can be utilised in future	R30 008 546.00

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Table 165: Evaluation of Service Provider Performance for 2017/18

Dept	Project name	Name of Service provider	Source of funding	Start date	End date	Physical Progress to date - (Narrative required)	Challenges and interventions	Assessment of service provider				Assessment comments (future utilisation of service provider)	R-value of contract (total period)
								(Scale 1-5) 1 - Poor Fair Good	2 - 3 -Average 4 - 5 - Excellent				
ESD	Relela Community Hall: Phase 2 of 2	Melco Consulting and Projects	MIG	15/11/2013	24/11/2016	Community Hall is Completed	N/A	5	n/a	n/a	n/a	The Project is complete	17% of the contract value
ESD	Relela Community Hall: Phase 2 of 2	Masrik Social Development Consultancy	MIG	24/11/2016	24/11/2016	Community Hall is Completed	N/A	5	n/a	n/a	n/a	The Project is complete	17% of the contract value
ESD	Upgrading of Julesburg Sports Complex	Sky High Consulting Engineers	MIG	13/01/2014	5/12/2017	Sport Facility is Completed	N/A	5	5	5	5	We are happy with the performance of the service provider and can be utilised in future	17% of the contract value
ESD	Upgrading of Julesburg Sports Complex	Moepeng Trading 40	MIG	29/06/2017	5/12/2017	Sport Facility is Completed	N/A	5	5	5	5	We are happy with the performance of the service provider and can be utilised in future	R11 561 753
ESD	Upgrading of Burgersdorp Sports Complex	Sky High Consulting Engineers	MIG	13/01/2014	2017/12/06	Sport Facility is Completed	N/A	5	5	5	5	We are happy with the performance of the service provider and can be utilised in future	17% of the contract value
ESD	Upgrading of Burgersdorp Sports Complex	Leb P	MIG	29/06/2017	2017/12/06	Sport Facility is Completed	N/A	5	5	5	5	We are happy with the performance of the service provider and can be utilised in future	R10 820 101
ESD	New ablution block and upgrading of existing at parks	F And A Consulting engineers	own	24/07/2017	24/10/2017	New ablution block and the upgrading of existing ablution are completed	N/A	4	4	n/a	n/a	We are happy with the performance of the service provider and can be utilised in future	17% of the contract value
ESD	New ablution block and upgrading of existing at parks	Mandebale and family	own	24/07/2017	24/10/2017	New ablution block and the upgrading of existing ablution are completed	N/A	4	4	n/a	n/a	We are happy with the performance of the service provider and can be utilised in future	R700 000

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Table 165: Evaluation of Service Provider Performance for 2017/18

Dept	Project name	Name of Service provider	Source of funding	Start date	End date	Physical Progress to date - (Narrative required)	Challenges and interventions	Assessment of service provider				Assessment comments (future utilisation of service provider)	R-value of contract (total period)
								(Scale 1-5) Fair Good	1 - Poor 3 -Average 5 - Excellent	2 -	4 -		
ESD	Refurbishment of Tzaneen Airfield runway	AES Consulting Engineers	own	08/2016	Depends on the contractor's appointment	Project at 70% physical progress and behind schedule due to contractor's poor performance	Contractor's contract terminated	n/a	3	3	3	Performance affected by challenged involving the contractor	R340 940
ESD	Refurbishment of Tzaneen Airfield runway	Modulaodira Trading Enterprise	own	01/10/2017	31/01/2018	Project at 70% physical progress and behind schedule	Contract terminated	n/a	2	1	1	We are not happy with the performance of the service provider	R1 786 249
ESD	Maintenance of tarred roads	Moepeng Trading 40	own	05/2017	05/2020	Tarred roads patching on request	None	5	5	5	5	We are happy with the performance of the service provider	Orders issued as need arise
ESD	Maintenance of tarred roads	Makasana Construction	own	05/2017	05/2020	Tarred roads patching on request	None	3	4	4	5	We are happy with the performance of the service provider	Orders issued as need arise
ESD	Maintenance of tarred roads	Selby Construction	own	05/2017	05/2020	Tarred roads patching on request	None	4	4	4	4	We are happy with the performance of the service provider	Orders issued as need arise
ESD	Maintenance of tarred roads	Kamojoe Trading & Projects	own	05/2017	05/2020	Tarred roads patching on request	None	3	4	4	4	We are happy with the performance of the service provider	Orders issued as need arise
ESD	Machine hire	Selby Construction	Own	05/2017	05/2020	Grading of gravel roads, regravelling and TLB hire on request	None	4	4	4	4	We are happy with the performance of the service provider	Orders issued as need arise
ESD	Machine hire	Kamojoe Trading & Projects	Own	05/2017	05/2020	Grading of gravel roads, regravelling and TLB hire on request	None	4	4	4	4	We are happy with the performance of the service provider	Orders issued as need arise
ESD	Machine hire	Selema Planthire Construction C.C.	Own	05/2017	05/2020	Grading of gravel roads, regravelling and TLB hire on request	None	4	4	4	4	We are happy with the performance of the service provider	Orders issued as need arise
ESD	Machine hire	Bukuta BK	Own	05/2017	05/2020	Grading of gravel roads, regravelling and TLB hire on request	None	4	4	4	4	We are happy with the performance of the service provider	Orders issued as need arise

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Table 165: Evaluation of Service Provider Performance for 2017/18

Dept	Project name	Name of Service provider	Source of funding	Start date	End date	Physical Progress to date - (Narrative required)	Challenges and interventions	Assessment of service provider				Assessment comments (future utilisation of service provider)	R-value of contract (total period)
								(Scale 1-5) Fair Good	1 - Poor	2 - Average	3 - Excellent		
ESD	Supply and delivery of water treatment chemicals	Zamangwane	GTM	01/04/2016	30/04/2019	Supply chemicals to purify water at the water and waste water treatment plants.	None	5	5	5	5	We are happy with the performance of the service provider and can be utilized in future	36 months contract. Orders issued as and when needed.
ESD	Supply and delivery of water treatment chemicals	Zamandlambili Trading	GTM	01/04/2016	30/04/2019	Supply chemicals to purify water at the water and waste water treatment plants.	None	5	5	5	5	We are happy with the performance of the service provider and can be utilized in future	36 months contract. Orders issued as and when needed.
ESD	Supply and delivery of water treatment chemicals	Indlela Construction	GTM	01/04/2016	30/04/2019	Supply chemicals to purify water at the water and waste water treatment plants.	None	5	5	5	5	We are happy with the performance of the service provider and can be utilized in future	36 months contract. Orders issued as and when needed.
ESD	Supply and delivery of water treatment chemicals	Ifa Lethu	GTM	01/04/2016	30/04/2019	Supply chemicals to purify water at the water and waste water treatment plants.	None	5	5	5	5	We are happy with the performance of the service provider and can be utilized in future	36 months contract. Orders issued as and when needed.
ESD	Water tankers hire	Hulelasi	Own	05/2017	05/2020	Delivering/ supplying water to villages, schools clinics and crèches.	None	3	5	5	5	We are happy with the performance of the service provider and can be utilized in future	R0
ESD	Water tankers hire	Selby Construction	Own	05/2017	05/2020	Delivering/ supplying water to villages, schools clinics and crèches.	None	3	5	5	4	We are happy with the performance of the service provider and can be utilized in future	R0
ESD	Water tankers hire	Bukuta BK	Own	05/2017	05/2020	Delivering/ supplying water to villages, schools clinics and crèches'.	None	4	5	5	5	We are happy with the performance of the	R562 787

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Table 165: Evaluation of Service Provider Performance for 2017/18

Dept	Project name	Name of Service provider	Source of funding	Start date	End date	Physical Progress to date - (Narrative required)	Challenges and interventions	Assessment of service provider				Assessment comments (future utilisation of service provider)	R-value of contract (total period)
								(Scale 1-5)	1 - Poor	2 - Fair	3 - Average	4 - Good	5 - Excellent
												service provider and can be utilized in future	
ESD	Water tankers hire	Mathothoka	Own	05/2017	05/2020	Delivering/ supplying water to villages, schools clinics and crèches'.	None	3	5	5	5	We are happy with the performance of the service provider and can be utilized in future	R0
ESD	Repair and Maintenance of all Equipment	BMK Electro mechanical (PTY) Ltd	Own	09/2017	09/2020	The contractor are used as and when there are pumps breakdown and for emergency work.	None	4	5	5	5	We are happy with the performance of the service provider and can be utilized in future	R520 245
ESD	Repair and Maintenance of all Equipment	TLM Engineering services	Own	09/2017	09/2020	The contractor are used as and when there are pumps breakdown and for emergency work.	The company did not complete the job order	5	5	1	0	We are happy with the performance of the service provider and can be utilized in future	R245 065
ESD	Repair and Maintenance of all Equipment	CLS-Rodecon JV	Own	09/2017	09/2020	Not yet utilised	None	N/a	N/a	N/a	N/a	N/a	R0
ESD	Repair and Maintenance of all Equipment	Mlindela water solution	Own	09/2017	09/2020	Not yet utilised	None	N/a	N/a	N/a	N/a	N/a	R0
ESD	Repair and Maintenance of all Equipment	MM Industries Lindokuhle JV	Own	09/2017	09/2020	Not yet utilised	None	N/a	N/a	N/a	N/a	N/a	R0
ESD	Repair and Maintenance of all Equipment	Akhon-Kha projects management TV Mafundzwani	Own	09/2017	09/2020	Not yet utilised	None	N/a	N/a	N/a	N/a	N/a	R0
ESD	Repair and Maintenance of all Equipment	Belta Services cc	Own	09/2017	09/2020	Not yet utilised	None	N/a	N/a	N/a	N/a	N/a	R0
ESD	Repair and Maintenance of all Equipment	Eternity Star Investment 231	Own	09/2017	09/2020	Not yet utilised	None	N/a	N/a	N/a	N/a	N/a	R0

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Table 165: Evaluation of Service Provider Performance for 2017/18

Dept	Project name	Name of Service provider	Source of funding	Start date	End date	Physical Progress to date - (Narrative required)	Challenges and interventions	Assessment of service provider				Assessment comments (future utilisation of service provider)	R-value of contract (total period)
								(Scale 1-5) Fair Good	1 - Poor	2 - Average	3 - Excellent		
ESD	Repair and Maintenance of all Equipment	Wanga Power projects cc	Own	09/2017	09/2020	Not yet utilised	None	N/a	N/a	N/a	N/a	N/a	R0
ESD	Repair and Maintenance of all Equipment	MancoBusiness Enterprise (PTY) Ltd	Own	09/2017	09/2020	Not yet utilised	None	N/a	N/a	N/a	N/a	N/a	R0
ESD	Repair and Maintenance of all Equipment	Magnavolt Trading 819 cc	Own	09/2017	09/2020	Not yet utilised	None	N/a	N/a	N/a	N/a	N/a	R0
ESD	Supply and delivery of water treatment chemicals	Zamangwane	GTM	01/04/2016	30/04/2019	Supply and delivery of water treatment chemicals	None	5	5	5	5	We are happy with the performance of the service provider and can be utilized in future	R 81 841.08
PED	Review of the LED Strategy	Urban-Econ	Own	15/03/2017	30/06/2017	Project completed. LED Strategy to be approved by Council	N/A	4	4	n/a	n/a	Can be recommended for future engagements	R449 559

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ADDENDUM J: REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE

ADDENDUM J (I): REVENUE COLLECTION PERFORMANCE BY VOTE

Table 166: Revenue Collection Performance by Vote (R' 000) - 2017/18						
Vote Description	2016/17	2017/18 Current year			2017/18 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Vote 1: Municipal Manager						
Vote 2: Planning & Economic Development	5 512	564	564	221	-155%	-155%
Vote 3: Financial Services	444 281	414 549	414 549	473 881	13%	13%
Vote 4: Corporate Services	1	1	1	–		
Vote 5: Community Services	89 006	107 293	107 523	88 846	-21%	-21%
Vote 6: Electrical Engineering Services	472 400	527 098	527 098	462 750	-14%	-14%
Vote 7: Engineering Services	120 904	98 237	119 868	101 284	3%	-18%
Total Revenue	1 132 104	1 147 742	1 169 602	1 126 982	-2%	-4%

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ADDENDUM J (ii): REVENUE COLLECTION PERFORMANCE BY SOURCE

Table 167: Revenue Collection Performance by Source - R '000 (2017/18)						
Description	2016/2017	2017/2018			2017/18 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Property rates	80 788	84 000	84 000	99 290	15%	15%
Property rates - penalties & collection charges	8 158	6 500	6 500	8 204	21%	21%
Service Charges - electricity revenue	417 829	502 098	502 098	452 023	-11%	-11%
Service Charges - water revenue						
Service Charges - sanitation revenue						
Service Charges - refuse revenue	27 526	27 435	27 435	30 990	11%	11%
Service Charges - other	2 126	3 150	3 150	2 047	-54%	-54%
Rentals of facilities and equipment	1 644	1 372	1 372	1 782	23%	23%
Interest earned - external investments	8 253	3 501	3 501	4 427	21%	21%
Interest earned - outstanding debtors	15 321	13 000	13 000	18 396	29%	29%
Dividends received						
Fines	43 643	5 503	5 503	37 987	86%	86%
Licences and permits	824	701	701	1 006	30%	30%
Agency services	6 305	50 264	50 264	7 988	-529%	-529%
Transfers recognised - operational	438 486	348 837	348 837	398 714	13%	13%
Other revenue	46 131	10 235	10 235	34 102	70%	70%
Gains on disposal of PPE		2 200	2 200			
Environmental Protection						
Total Revenue (excluding capital transfers and contributions)	1 097 035	1 058 797	1 058 797	1 096 955	3%	3%

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

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

Table 168: Capital Expenditure - New Assets Programme* (R'000)							
Description	2016/2017	2017/18			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2018/19	2019/2020	2020/2021
Capital expenditure by Asset Class							
Infrastructure - Total	49 738	57 850	79 037	26 618	65 364	86 557	87 851
Infrastructure: Road transport - Total	39 931	42 850	62 012	14 504	35 864	67 607	67 501
<i>Roads, Pavements & Bridges</i>	39 931	39 350	58 512	32 358	35 864	67 607	67 501
<i>Storm water</i>		3 500	3 500	1 722			
Infrastructure: Electricity - Total	9 728	15 000	17 025	12 114	29 500	18 950	20 350
<i>Generation</i>							
<i>Transmission & Reticulation</i>	9 728	15 000	17 025	12 114	29 500	18 950	20 350
<i>Street Lighting</i>							
Infrastructure: Water - Total	–	–	–	–	–	–	–
<i>Dams & Reservoirs</i>							
<i>Water purification</i>							
<i>Reticulation</i>							
Infrastructure: Sanitation - Total	–	–	–	–		–	–

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Table 168: Capital Expenditure - New Assets Programme* (R'000)

Description	2016/2017	2017/18			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2018/19	2019/2020	2020/2021
<i>Reticulation</i>							
<i>Sewerage purification</i>							
Infrastructure: Other - Total	80	–	–	–	–	–	–
<i>Waste Management</i>							
<i>Transportation</i>							
<i>Gas</i>							
<i>Other</i>	80	–	–	–			
<u>Community - Total</u>	12 503	–	–	–	–	–	–
Parks & gardens							
Sports fields & stadia							
Swimming pools							
Community halls							
Libraries							
Recreational facilities	5 361		–	–			
Fire, safety & emergency							
Security and policing							
Buses							
Clinics							
Museums & Art Galleries							
Cemeteries	7 142	–	–	–			
Social rental housing							

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Table 168: Capital Expenditure - New Assets Programme* (R'000)

Description	2016/2017	2017/18			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2018/19	2019/2020	2020/2021
Other							
<u>Heritage assets - Total</u>	–	–	–	–	–	–	–
Buildings							
Other							
<u>Investment properties - Total</u>	–	–	–	–	–	–	–
Housing development							
Other							
<u>Other assets</u>	10 508	–	230	437	2 500	–	–
General vehicles	1 181		–	–			
Specialised vehicles					1 500		
Plant & equipment					300		
Computers - hardware/equipment							
Furniture and other office equipment	7 889	–	–	437	700		
Abattoirs							
Markets							
Civic Land and Buildings							
Other Buildings							
Other Land							
Surplus Assets - (Investment or Inventory)							

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Table 168: Capital Expenditure - New Assets Programme* (R'000)

Description	2016/2017	2017/18			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2018/19	2019/2020	2020/2021
Other	1 438	–	230	–	–	–	–
<u>Agricultural assets</u>	–	–	–	–	–	–	–
<i>List sub-class</i>							
<u>Biological assets</u>	–	–	–	–	–	–	–
<i>List sub-class</i>							
<u>Intangibles</u>	631	–	–	–	–	–	–
Computers - software & programming	631	–	–	–			
Other (<i>list sub-class</i>)							
Total Capital Expenditure on new assets	73 381	57 850	79 267	27 055	67 864	86 557	87 851
<u>Specialised vehicles</u>	–	–	–	–	–	–	–
Refuse							
Fire							
Conservancy							
Ambulances							

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

Table 169: Capital Expenditure - Upgrade/Renewal Programme*- R '000

Description	2016/2017	2017/18			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2018/2019	2019/2020	2020/21
<u>Capital expenditure by Asset Class</u>							
<u>Infrastructure - Total</u>	3 030	83 039	88 839	20 907	52 011	26 050	24 650
Infrastructure: Road transport - Total	469	53 039	58 839	19 577	26 511	–	–
<i>Roads, Pavements & Bridges</i>	469	53 039	58 839	19 577	26 511		
<i>Storm water</i>							
<u>Infrastructure: Electricity - Total</u>	2 561	30 000	30 000	1 330	25 500	26 050	24 650
<i>Transmission & Reticulation</i>	2 561	30 000	30 000	1 330	25 500	26 050	24 650
<i>Street Lighting</i>							
<u>Community</u>							
Other							
<u>Infrastructure: Other - Total</u>							
<i>Waste Management</i>							
<i>Transportation</i>							
<u>Other assets</u>							
Computers - hardware/equipment							
Furniture and other office equipment							
Total Capital Expenditure on renewal of existing assets	3 030						

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ADDENDUM L – CAPITAL PROGRAMME BY PROJECT 2017/18

Table 170: Capital Programme by Project 2017/18 (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					
Purchase of office furniture and equipment for Electrical Engineering Dpt	300 000	300 000			
Replace 10x11kv and 6x 33 kv Auto Reclosers	2 025 000	2 025 000	1 273 524	(751 476)	(751 476)
Replacing 600m LV cables	450 000	450 000	0	(450 000)	
Procure 5 Meterboxes (Own Funding).	200 000	200 000	0	(200 000)	(200 000)
Procure 5 Meterboxes (Loan)	50 000	50 000	0	(50 000)	(50 000)
Provision of Capital Tools (Customer and Retail Services)	200 000	100 000			
Provision of Capital Tools (Customer & retail Services)	200 000	100 000			
New Entrance Street R36 streetlights	1 100 000	1 100 000	62 929	(1 037 071)	(1 037 071)
Area Lighting at Tarentaal rand crossing	300 000	300 000	17 162	94	94
Replace 2x 20 MVA 66/11 KV at Tzaneen main sub	6 550 000		170 009	97	97
New Electricity Connections	15 000 000	14 700 000	149 130	99	99
Renewal, Repairs and Maintenance on pre-paid meters (Tzaneen, Letsitele & Politsi)	0	300 000			
Replacing 11kv cables for increased capacity	1 000 000	1 000 000	57 208	94	94

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Table 170: Capital Programme by Project 2017/18 (R'000)					
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
Substation Tripping Batteries	400 000	400 000	22 883	94	94
Replacement of Existing Air conditioners	250 000	250 000	0	100	100
Rebuidling Letsitele Valley Substation- Bosbou and all T-off's (3km)	500 000	500 000	28 604	94	94
Rebuilding of Valencia 11Kv lines (6km)	1 000 000	1 000 000	57 208	94	94
Rebuilding of Lushof South 11kv line (3km)	500 000	500 000	28 604	94	94
Rebuilding of Rooikoppies 11kv lines (6km)	1 000 000	1 000 000	57 208	94	94
Rebuilding of Mabiet 11kv line (6km)	1 000 000	1 000 000	57 208	94	94
Rebuilding of Haenertsburg 11kv lines(6km)	1 000 000	1 000 000	57 208	94	94
Rebuilding of Campsies Glen 11kv lines (6km)	1 000 000	1 000 000	57 208	94	94
Rebuilding of Politsi Valley 11kv lines (6km)	1 000 000	1 000 000	57 208	94	94
Rebuilding of CP Minnaar 11kv lines (2km)	400 000	400 000	22 883	94	94
Rebuilding of Mieliekloof/ Deerpark 11kv lines (3km)	500 000	500 000	28 604	94	94
Upgrading of Waterbok 33/11kv substation	1 000 000	1 000 000	57 208	94	94
Upgrading of Blacknoll 33/11kv substation	1 000 000	1 000 000	57 208	94	94

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Table 170: Capital Programme by Project 2017/18 (R'000)					
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
Houtbosdorp 11kv Ring (10km)	1 500 000	1 500 000	0	100	100
Replace 2x20MVA 66/11kv Transformers	2 550 000	2 550 000	145 855	94	94
Substation fencing (Tarentaal rand Main, Letsitele Main)	1 000 000	1 000 000	57 208	94	94
Replacing of old SS1 electrical substation circuit breakers with compact switchgear	6 000 000	6 000 000	343 322	94	94
Replacement of auto-reclosers (11kv and 33kv)	3 000 000	3 000 000	2 129 957	29	29
Refurbishment of the Ebenezer 33kv Feeder	1 000 000	1 000 000	57 208	94	94
ROADS & STORMWATER					
Upgrading of Runnymede Cluster Sports Facility	0	6 500 000	7 522 052	15,7	0
Moruji to Matshwi , Kheshokolwe Tar Road	39 584 590	45 384 590	62 254 924	37,2	57,3
Khubu to Lwandlamuni Low Level Bridge	0	3 181 438	1 206 658	62,1	0
Rita to Mariveni Ugrading from gravel to tar	0	3 173 194	2 790 630	12,1	0
Upgrading of Tickeyline, glassworks, Myakayaka, Burgersdorp, Gavaza to Mafarana from Gravel to Tar	36 637 342	36 637 342	12 471 465	66	66
Burgersdorp Sports Facility	0	12 920 332	10 201 125	21	0
Relela Community Hall	0	3 188 640	1 722 330	46	0
Upgrading of Juliesburg Sports Facility	0	6 534 282	9 375 526	43,5	0
Khwekhwe Low Level Bridge	0	1 300 000	1 973 235	51,8	0

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Table 170: Capital Programme by Project 2017/18 (R'000)					
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
Refurbishment of Tzaneen Airfield Runway	2 031 385	2 031 385	1 562 943	23,1	23,1
PARKS & CEMETERIES	n/a				
NONE					
MUNICIPAL BUILDINGS					
Construction of Ablution Facilities for Parks Division	0	817 903	826 160	1	
FLEET					
NONE	n/a				
ECONOMIC DEVELOPMENT & TOWN PLANNING					
NONE	n/a				
SPORTS, ARTS & CULTURE					
NONE	n/a				
ENVIRONMENTAL HEALTH					
NONE					
ICT AND OTHER	n/a				
MSCOA Equipment and Programmes	235 000	235 000	0	100	100
TOTAL	163 330 906				

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ADDENDUM M – CAPITAL PROGRAMME BY PROJECT BY WARD 2017/18

Table 171: Capital Programme by Project by Ward 2017/18*		
Capital Project	Ward(s) affected	Works completed (Yes/No)
ELECTRICITY		
Streetlights R36	13,14	No
Area Lighting at Tarentaal rand Crossing	13	No
Replace 2 x 20 MVA 66/11 kV at Tzaneen main sub	13,14,15	No
Renewal and Repairs of Prepaid Meters	13,14,15	No
Replacing 11kv cables	13,14,15	No
Substation Tripping Batteries (Item B53 6/14)	13,14,15	No
Replace Minisubs	13,14,15	No
Provision of Capital Tools (Customer and Retail Services)	All	No
Provision of Capital tools (Operations and Maintenance)	All	No
Replacement of Existing Air Conditioners	13,14,15	No
Rebuilding of lines – Letsitele Valley substation – Bosbou and all T offs	16 & 34	No
Rebuilding of Valencia 11kv lines	17	No
Rebuilding of Lushof South 11kv lines	13	No
Rebuilding of Rooikoppies 11kv lines	14	No
Rebuilding of Mabet 11kv lines	Ba-Phalaborwa	No
Rebuilding of Haenertsburg 11kv lines	16	No
Rebuilding of Campsies Glen 11kv lines	14	No
Rebuilding of Politsi Valley 11kv lines	14	No
Rebuilding of CP Minnaar 11kv lines	15	No
Rebuilding of Mieliekloof / Deerpark 11kv lines	15	No
Upgrading of Waterbok 33/11KV Substation	Ba-Phalaborwa	No
Upgrading of Blacknoll 33/11KV Substation	16	No
Houtbosdorp 11KV Ring	14	No
Substation Fencing	13	No
Replacing of old SS1 electrical substation circuit breakers with compact switchgear	13,14,15	No
Replace 11 kV and 33 kV Auto reclosers per annum (Item B53 6/14)	13,14,15	No
Refurbishment of the Ebenhezer 33kV Feeder	13	No
ROADS & STORMWATER		
Rita to Mariveni: Upgrading of Road from Gravel to Tar	22,23,24	Yes

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Table 171: Capital Programme by Project by Ward 2017/18*

Capital Project	Ward(s) affected	Works completed (Yes/No)
Moruji to Maswi: Upgrading of Road from Gravel to Tar	7,8	No
Tickyline to Mafarana: Upgrading of Road from Gravel to Tar	29,30	Yes
Khubu to Lwandlamuni Low Level Bridge	12	Yes
TOWN PLANNING		
None		
SPORTS & RECREATION FACILITIES		
Upgrading of Burgersdorp Sports Ground	28	Yes
Upgrading of Juliesburg Sports Ground	26	Yes
Relela community Hall	11	Yes
Runnymede Sport Facility	6	Yes
WASTE MANAGEMENT		
None		

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ADDENDUM N – SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS

Table 172: Service Backlogs: Schools and Clinics (2017/18)				
Establishments lacking basic services	Water	Sanitation	Electricity⁷	Solid Waste Collection
Schools (NAMES, LOCATIONS)				
N/a	No backlog	No backlog	No backlog	Backlog @ 36% of rural-areas
Clinics (NAMES, LOCATIONS)				
N/A	No backlog	No backlog	No backlog	No backlogs <ul style="list-style-type: none"> Rural clinics are serviced by a Provincial service provider Urban clinics serviced by G.T.M.

Schools and clinics rely on own boreholes or water supply networks which provide the local communities. Boreholes because of their unreliability, do run dry at some instances and this results with health hazards for the affected schools and clinics. The municipality was incorporating the affected schools and clinics in the programme for water supply at villages through water tankers, which had a considerable financial implication

⁷ Complaints regarding schools and clinics without electricity use to be submitted to GTM by Ward Councilors. No such complaints was received during 2017/18

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

Table 173: 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 i..to of Sec.84 of the Municipal Structures Act (Act 117 of 1998), is required from the District Municipality)
Clinics: Ward 1, 2, 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 an increase in curable diseases
Housing: Ward 1, 2, 4, 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 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 Secondary): Ward 1, 3, 4, 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 and gangsterism.
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

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

Table 174: Declaration of Loans and Grants made by the Municipality 2017/18				
All Organisation or Person in receipt of Loans */Grants* provided by the Municipality	Nature of project	Conditions attached to funding	Value 2017/18	Total Amount committed over previous and future years
Sports and Recreation Council	Sports & Recreation	Submission of Annual Financial Statements	106 644	319 332
Tzaneen Museum	Arts & Culture	Submission of Annual Financial Statements	33 326	99 978
SPCA	Animal Protection Services	Submission of Annual Financial Statements	130 000	307 500

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

Table 175: MFMA Section 71 Returns Not Made During 2017/18 According to Reporting Requirements	
Return	Reason Return has not been properly made on due date
C6-Monthly Budgeted Statement - Financial Position	Caseware financial system was purchased, which will be able to produce monthly statements. This will be done during 2018/19

VOLUME II

VOLUME II: ANNUAL FINANCIAL STATEMENTS 2017/18

Audited Annual Financial Statements attached as **Annexure B**.

<The end>