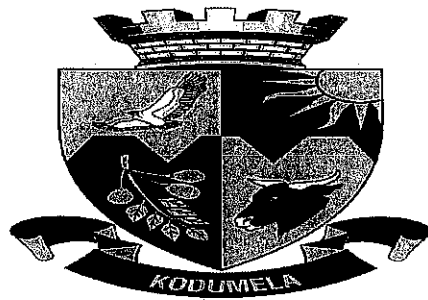


# BLOUBERG LOCAL MUNICIPALITY



## APPROVED ANNUAL REPORT 2019/20

### VISION

A Municipality that turns prevailing challenges into opportunities For growth and development through optimal utilization of available resources

### MISSION

To ensure delivery of quality services through community participation and creation of enabling environment for economic growth and job creation

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## **ANNUAL REPORT 2019/20**

### **BLOUBERG LOCAL MUNICIPALITY**

**COUNCILOR: PHEEDI M.S**

**MAYOR OF BLOUBERG LOCAL MUNICIPALITY**



#### **1. OUR VISION**

A participatory municipality that turns prevailing challenges into opportunities for growth and development through optimal utilization of available resources.

#### **2. OUR MISSION**

To ensure delivery of quality services through community participation and creation of an enabling environment for economic growth and job creation

#### **3. OUR MOTTO**

Kodumela Moepa Thutse

#### 4. OUR VALUES

Transparency, Diligence and Honesty

##### GENERAL INFORMATION

NAME OF ORGANISATION	BLOUBERG LOCAL MUNICIPALITY
TYPE OF ORGANISATION	LOCAL GOVERNMENT/ MUNICIPALITY CATEGORY B
PROVINCE	LIMPOPO
DISTRICT	CAPRICORN
REGISTERED PHYSICAL ADDRESS	MOGWADI/ DENDRON ROAD SENWABARWANA 0790
POSTAL ADDRESS	BOX 1593 SENWABARWANA 0790
TELEPHONE	015 505 7100
FAX	015 505 0296
EMAIL	<a href="mailto:INFO@BLOUBERG.GOV.ZA">INFO@BLOUBERG.GOV.ZA</a>
WEBSITE	<a href="http://WWW.BLOUBERG.GOV.ZA">WWW.BLOUBERG.GOV.ZA</a>
BANKERS	ABSA BANK LIMITED
SATELLITE OFFICES	ALLDAYS SATELLITE ELDORADO SATELLITE TOLWE SATELLITE LANGLAAGTE SATELLITE INVERAAN SATELLITE HARRISWICH SATELLITE
AUDITORS	AUDITOR GENERAL OF SOUTH AFRICA
MAYOR	CLR MASEKA SOLOMON PHEEDI
ACCOUNTING OFFICER/ MUNICIPAL MANAGER	MACHABA JUNIAS



## **A. FOREWORD BY THE HONORABLE MAYOR: CLR PHEEDI M.S**

The year 2019/20 was a year that represented a turning point due to the discovery of COVID-19 in City of Wuhan in China. This pandemic reached our shores on during March 2020. The country was on lockdown in line with risk adjusted strategy on alert levels and it was business unusual. We had to quickly adapt to the new normal and come up with measures to ensure uninterrupted service to our communities. And this greatly affected our performance as the Municipality.

The municipality planned to implement the IDP/Budget 2019/2020 along the Six Key Performance Areas. And summary of key highlights is as follows:

### **1. KEY PERFORMANCE AREA 01: SPATIAL PLANNING AND RATIONAL.**

The year under review saw the municipality experiencing challenges with regard to the land issues. Land invasions were experienced in Senwabarwana and Alldays.

The Municipality has put more budget towards the township establishment in order to address the challenge of land invasion. The following projects were implemented

- Opening of Township Register in Senwabarwana Extension 5 Township
- Supplementary valuation Roll
- Township establishment for Senwabarwana, Alldays and Bochem 145 were not achieved due to COVID-19

### **2. KEY PERFORMANCE AREA 02: BASIC SERVICES DELIVERY.**

The Municipality has successfully implemented all capital projects and rolled over electrification of Cluster 1 extensions and construction of Senwabarwana sub-station. Lockdown and shortage of materials contributed to the challenge. The following projects were successfully implemented and completed:

- 125 hh electrified at Witten completed and energised
- Electrification of 143 extensions at Raweshi, Cracow, Early dawn, Lekgwara, and Oldlongsigne completed and energised.
- Tarring of 0,35 km Senwabarwana Internal streets completed
- Tarring of 2.4 km of internal Streets from gravel to tar and storm water control at Kromhoek phase 5
- Tarring of 1,5 km internal street at Avon phase 5 Completed
- Senwabarwana Sports complex phase 4 completed
- Upgrading of Cooperspark Community hall phase 3 completed
- Provided Free basic services such electricity, waste and water

### **3. KEY PERFORMANCE AREA 03: GOOD GOVERNANCE AND PUBLIC PARTICIPATION.**

Council has a functional ward committee system and the ward committee conference was convened at Miami Lodge in Polokwane.

The council had committed to address the issues raised in the Auditor- General report.

The municipality had still received the qualified audit opinion.

Towards the end of third quarter the Municipality had to adapt to new ways of conducting business due to COVID-19. Community consultation was now on social media, radio and website. The 2020/21 IDP/Budget, management, portfolio committees, executive committee and Council meetings were conducted in line with COVID-19 regulations

#### **4. KEY PERFORMANCE AREA 04: LOCAL ECONOMIC DEVELOPMENT.**

The municipality had not fully utilized the four pillars of the economy maximally. Unemployment remains the highest in the in the municipality with the youths more affected.

Council had approved the Spatial Development Framework and Blouberg Growth and Development Strategy (VISION 2040)

The collaboration with the mining houses had improved especially with Venetia mine and new mining opportunities around Ward 01 are being finalised. These initiatives will be game changers for the Municipality.

The construction of new mall around the showground is still on track and challenges and delays are being attended  
Local Economic Development summit was successfully held

#### **5. KEY PERFORMANCE AREA 05: FINANCIAL VIABILITY AND MANAGEMENT.**

The municipality had not improved on the area of revenue collection and management while further failing on the expansion of revenue base. Revenue collection remains a big challenge while billing system has not improved which discourages customers to pay their accounts.

However we appreciate the improved payment of assessment rates by rural development and public works.

The municipality continue to lose money due to electricity loss. A turnaround plan needs to be developed in order to address this challenge.

#### **6., KEY PERFORMANCE AREA 06: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPOMENT.**

All senior managers except Technical service have been appointed. However the Community services director became vacant due to resignation of the director during the last quarter of the financial. The Municipal administration had to adapt to new ways of business due to COVID-19. The majority had to work from home and only essential service workers were on duty during the last quarter of the year.

## 7. SUMMARY OF PERFORMANCE FOR THE 2019\20 FINANCIAL YEAR

The table below indicate the summary of Annual SDBIP Performance 2019/20 per KPA. Out of 169 targets for the year, 130 targets were achieved while 39 targets were not achieved. The overall Annual Performance stands at 77 %

Department	Total Annual Targets	Total Annual Targets Achieved	Total Annual Targets not Achieved	Overall Percentage of Targets achieved
Basic Service and Infrastructure Development	27	19	8	70 %
Institutional Transformation and Organisational Development	47	39	8	83 %
Local Economic Development	6	2	4	33 %
Financial Viability and Management	38	31	7	81 %
Good Governance and Public Participation	37	27	10	73 %
Spatial Planning and Environment	14	12	2	86 %
<b>Overall Total Municipal Targets</b>	<b>169</b>	<b>130</b>	<b>39</b>	<b>77 %</b>



CLLR. MASEKA PHEEDI

MAYOR OF BLOUBERG LOCAL MUNICIPALITY

# **CHAPTER ONE: OVERVIEW AND EXECUTIVE SUMMARY**

## CHAPTER ONE: OVERVIEW AND EXECUTIVE SUMMARY

### 1.1 NOTICE OF ESTABLISHMENT AND BRIEF BACKGROUND

Blouberg Local Municipality was established in terms of the demarcation notice as NP351 in the Extraordinary Gazette 100 of October 2000. The municipality is a category B as determined in terms of section 4 of the Local Government: Municipal Structures Act No 117 of 1998.

Blouberg is the municipality with a collective executive system contemplated in section 2(a) of the Northern Province Determination of Types of Municipalities Act (4) of 2000. The boundaries are indicated in map 13 of the demarcation notice. The name of the municipality is Blouberg named after the Blouberg Mountains. Blouberg Local Municipality was originally established in the year 2000 after the amalgamation of the Moichum- My-Darling TLC, Alldays –Buysdorp TLC and other portions of Moletji- Matlala TLC. This municipality is one of the four municipalities constituting Capricorn District municipality. Other municipalities constituting the Capricorn District municipality are: Lepelle- Lkumpi, Molemole and Polokwane.

Blouberg Local Municipality is situated approximately 95 kilometers from Polokwane towards the far northern part of the Capricorn District municipality. It is bordered by Polokwane on the south, Molemole on the southwest, Makhado on the northeast, Lephalale on the northwest, Mogalakwena on the southwest and Musina on the north.

Variable	Community Survey 2007	Census 2011	Community Survey 2016
Wards	19	21	22
Number of Villages	125	125	137
Number of Households	35 595	41 416	43 747
Population	194 119	162 625	172 601

### 1.2 REGIONAL CONTEXT

Blouberg Local municipality is a predominantly rural municipality situated to the north-western boundary of the Republic of South Africa, with Botswana and Zimbabwe. Roads **R521 (P94/1 and P94/2)** provides a north-south link between Blouberg and Molemole, Polokwane and Makhado municipality. To the east the municipality is served by road **R523 (D1200)** which provides access to the towns such as Mogwadi, Morebeng, Duiwelskloof, Tzaneen and Lephalale. There is another important road (**N11**) from Mokopane town to Botswana that passes through the municipality, which has the potential to stimulate economy.

These road networks serves as key important linkages, which serve as corridors and gateways to major economic destinations (Venetia Mine, Coal of Africa and Lephalale such as Coal mines and Medupi power station).

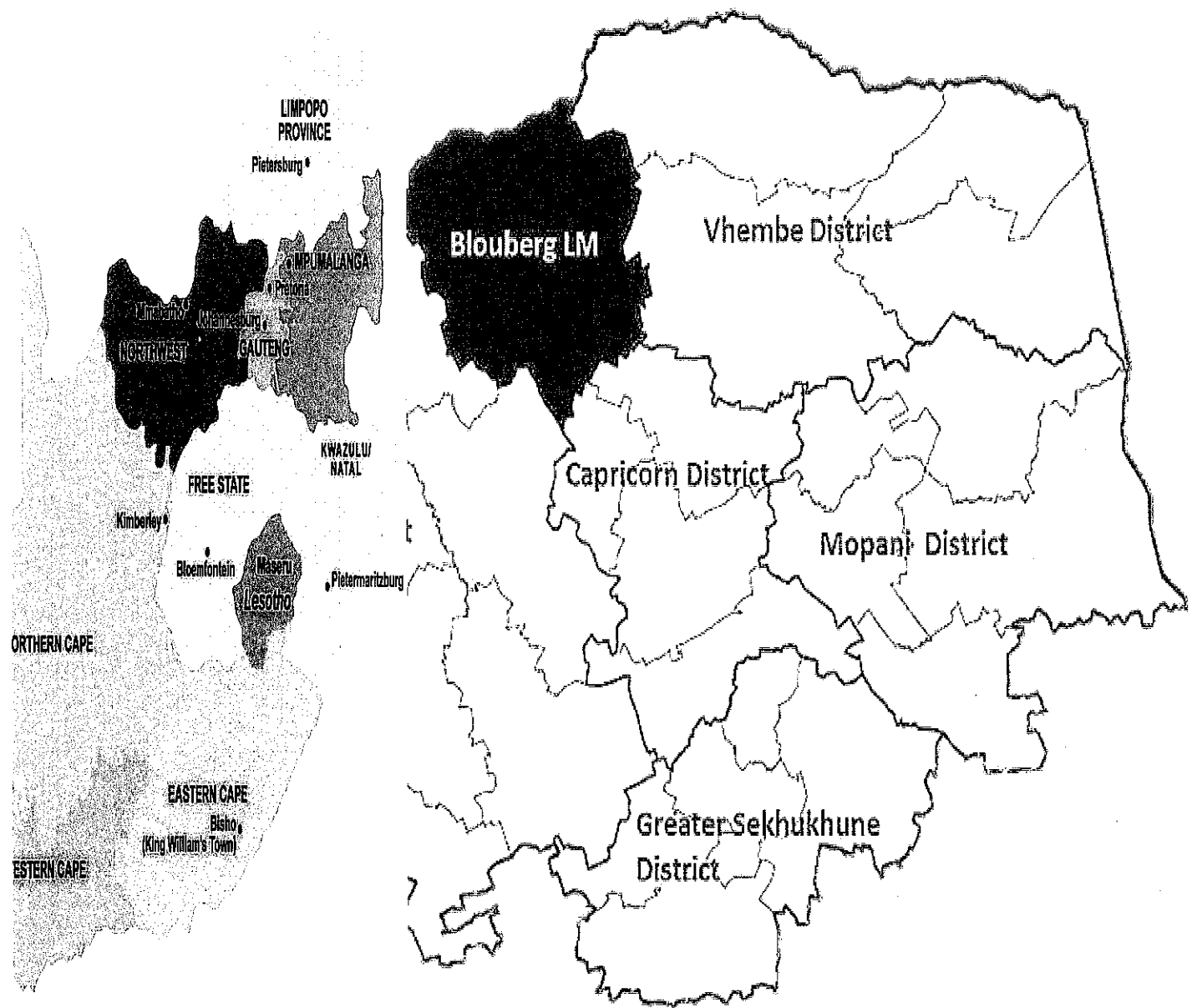
It is therefore imperative for the municipality to optimize the potential these important routes pose not only for access and mobility but also for economic development, especially for stimulating tourism development.

There are big rivers and tributaries that traverse the municipality with Mogalakwena being the biggest one. The Limpopo River serves as the border between the municipality and the neighbouring country of Botswana. As a result, the municipality is a gateway to the neighbouring countries. The rivers in the main are used for agricultural purposes by farmers, but again for domestic use by communities, which experience water shortages.

There are various mountain ranges found within the municipality with the Blouberg Mountain being the biggest mountain. The other mountains are the Makgabeng, which was declared the national heritage site because of its historical significance. The municipality is divided into three visible categories of land ownership. There is a portion of land owned by private individuals, which consists mainly of farms that are used for agricultural purposes, land owned by traditional leaders where large communities reside and live and state land.

Large parts of the municipality consist of private farms used for agricultural purposes

**Map 1) Map of South Africa and Limpopo Province depicting the location of Blouberg Municipality within the Limpopo Province, in particular, and the country, in general.**



Map 2: Blouberg map depicting its wards and outer boundaries





The provision and maintenance of child care facilities	Cleansing
Development of local tourism	Control of public nuisances
Municipal Planning	Control of undertaking that sell liquor to the public
Municipal Public Works	Fencing and fences
Municipal Public Transport	Ensuring the provision of facilities for accommodation, care and burial of animals
Storm Water management system	Licensing of dogs
Administration of trading regulations	Licensing and control of undertakings that sell food to the public
Provision and maintenance of water and sanitation (need to amend the notice of establishment as the function lies with the CDM at present)	Administration and maintenance of local amenities
Administration of billboards and display of advertisements in public areas	Development and maintenance of sports facilities
Administration of cemeteries, funeral parlours and crematoria	Development and administration of markets
Cleansing	Development and maintenance of municipal parks and recreation
Regulation of noise pollution	
Administration of pounds	
Development and maintenance of public places	
Refuse removal, refuse dumps and solid waste disposal	
Administration of street trading	
Provision of municipal health services (need to amend the notice of establishment as the function lies with the CDM at present)	
Electricity Provision	
Regulation of noise pollution	

### .3 ENERGY PROVISION

The municipality is the energy services authority as it has license and is responsible for implementation and reticulation of electricity in all the areas of jurisdiction alongside Eskom. To date all the settlements in the municipal areas except for the extensions that do not have access to electricity. However the Municipality with the assistance of ESKOM annual connects extensions.

#### **.4 ROADS AND PUBLIC TRANSPORT**

The municipality is responsible for municipal roads only while there are roads assigned to RAL and SANRAL.

The municipality has developed and approved the Integrated Transport Plan

#### **.5. WATER AND SANITATION**

Mapicorn District municipality is both the water services authority and provider for water and sanitation.

The district is also responsible for operation and maintenance

#### **.6. REFUSE REMOVAL /WASTE COLLECTION**

The municipality has approved the integrated waste management plan and is the only authority that manages waste removal and collection. The exercise is done in the towns of Senwabarwana and Alldays and in other 11 villages. The function is rendered on daily basis in both Senwabarwana and Alldays and bi-weekly in other villages.

The municipality has two landfill sites and one transfer station.

#### **.7. HOUSING PROVISION**

The provincial department of CoGHSTA renders the function while the municipality coordinates and identifies beneficiaries. To date about 200 low cost houses have been completed in the municipality

#### **.8. LOCAL ECONOMIC DEVELOPMENT**

The pillars of the economy in the municipality are agriculture, mining, tourism and retail development.

To date mining prospects are growing in both wards 01, 02, and 03, while Venetia mine has moved from being open cast to underground mining activity. Agriculture remains the strongest pillar as it contributes two-thirds of the local GDP.

The second sector is the retail development, which is hampered by lack of land for development.

Most of the employment created was through municipal capital works program and EPWP.

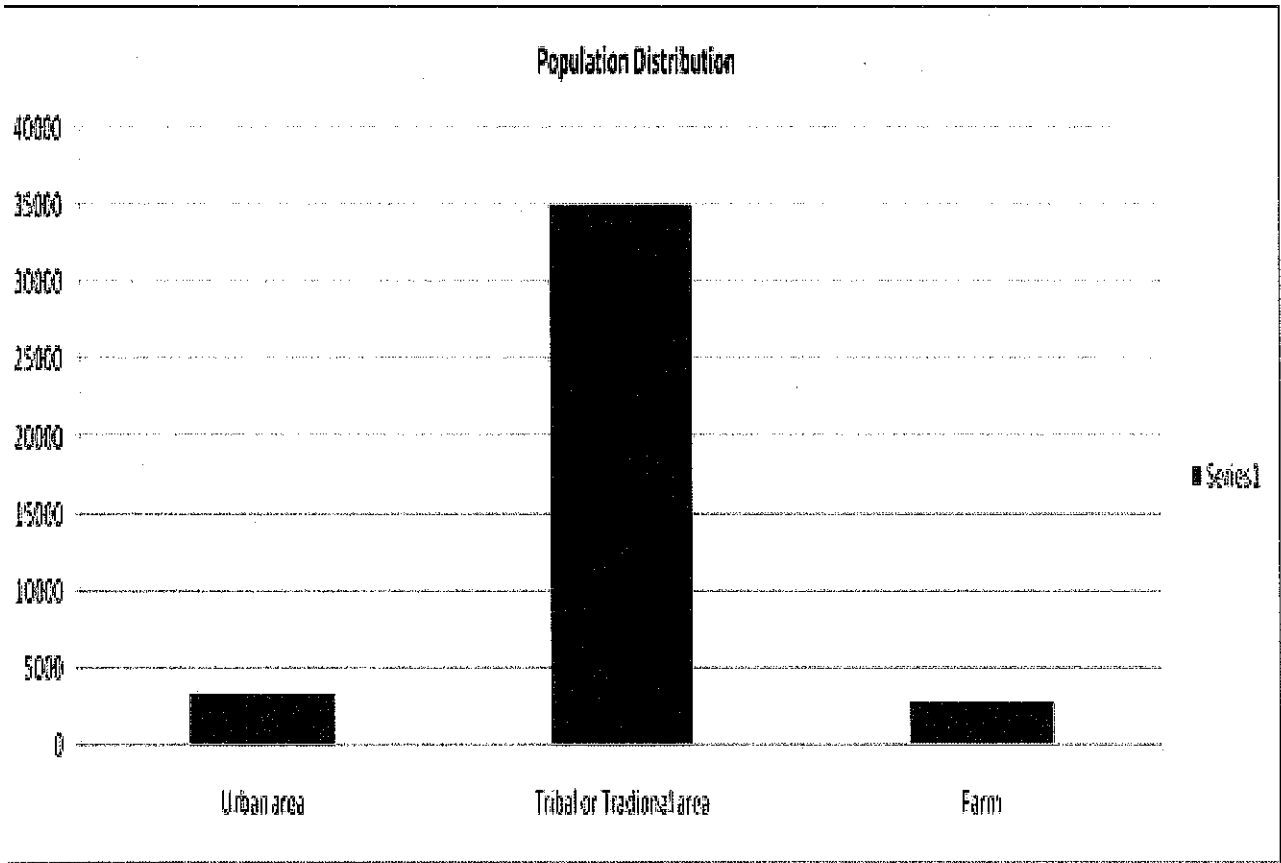
#### **.9. NATURAL RESOURCES**

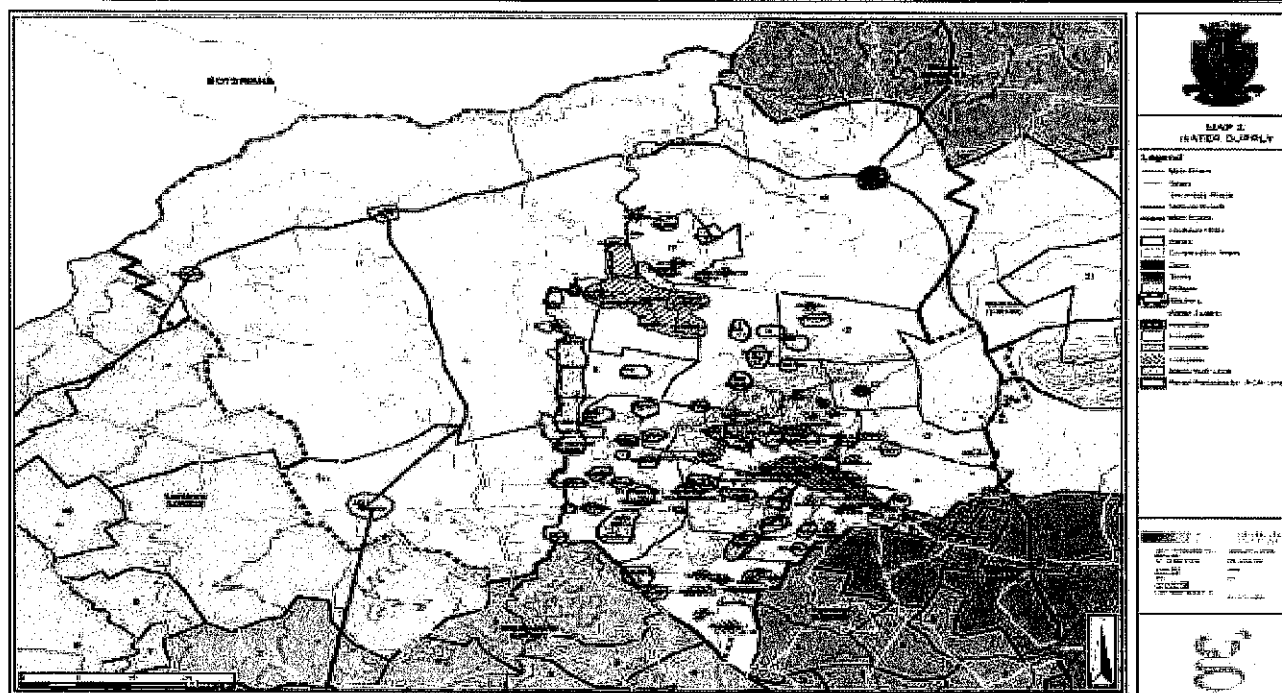
Rivers and Streams	Livestock water and farming
Mountains and Hills	Heritage and Historical sites
Game Reserves and Farms	Wild game preservation and conservation
Wetlands and Swamps	Heritage sites

#### **.10 DEMOGRAPHICS**

According to Stats SA the municipality has five national groupings that residing within its area of jurisdiction and they are: Black Africans, Coloured, Indians and Whites. The majority is Black Africans who constitute 98% of the total population and live in the tribal areas. The female folk are dominant and the majority is youths.

The graph below clearly indicates the population distributions of the municipal population.





## 11. STATISTICAL INFORMATION AND WARD PROFILING

### 11.1. STATISTICS SOUTH AFRICA (Census 2011 & Community Survey 2016)

ITEM	(Census Stats) 2001	2007(Community Survey)	Census Stats SA 2011	Community Survey 2016
POPULATION	171 721	194 119	162 629	172 601
HOUSEHOLDS	33 468	35 595	41 192	43 747

### 11.2. POPULATION GROUP BY GENDER

GROUP	MALE	FEMALE	TOTAL
BLACK AFRICAN	73195	87 880	161075
COLOURED	40	26	65
INDIAN	129	22	151
WHITE	540	466	1006
OTHER	249	83	332

## **. SERVICE DELIVERY OVERVIEW**

For the year under view all the capital projects were completed in time except for electricity extension Senwabarwana sub-station. All these projects were rolled over to 2020/21 financial year.

The beneficiaries of the free basic alternative energy continued to access the services.

### **.1. COMMENT ON ACCESS TO BASIC SERVICES**

Electricity provision is currently at 98% as the municipality has license.

There is still a huge backlog on the access to sanitation services while water sources remain the challenge.

The problem of the illegal water connection and vandalism of the infrastructure persist.

There is also a remarkable backlog in the provision of low cost houses.

The provision of free basic Services is also not adequately done.

The municipality is having the backlog in the maintenance and upgrading of the roads.

The roads are mainly the provincial and national roads.

Access to land for both residential and business development is a challenge.

Waste and refuse management is a challenge due to limited resources.

The municipal turnaround time in addressing disruptions and complaints has improved tremendously.

### **.1.2. FINANCIAL HEALTH OVERVIEW**

Flouberg is a rural municipality and one of the poorest in the province. The table above showed that 90% of the population lives in the rural areas. The report by Statistics South Africa indicated the bleak state of affairs with high poverty levels, unemployment and illiteracy rates. The status definitely have a bearing on the financial state of the municipality. The municipality is dependent on the grants from national treasury while only 30% is own revenue.

The grants are equitable shares, Municipal Infrastructure grant, integrated electrification programme, Municipal Infrastructure grant and PWP grant.

The sources for own revenue are: Sale of electricity( Pre-paid and Conventional), Sale of Sites, Assessment Rates, Traffic services, Refuse collection and removal, Pound Services and Service Charges.

The revenue collection is relatively low as there is limited revenue base. The majority of the population comprise of the indigents. It is a challenge in the payment of the services and the municipality applies debt control measures.

The austerity measures had to be applied to manage cash flow in the municipality.

Without reliable revenue sources the municipality is not financially viable and sustainable.

### 1.3. AUDITOR GENERAL REPORT FOR 2019/20 AND PREVIOUS FINANCIAL YEARS

The auditor general's office audits the municipalities for the period July- June every year in line with their financial cycle. The focus of the audit is always on Statement of financial position, Statement of financial performance, Statement of changes in net assets and cash flow statements, performance information and implementation of policies.

For the financial years 2015/2016, 2016/2017, 2017/18 and 2018/19 the opinion is thus

2015/2016	2016/2017	2017/18	2018/19	2019/20
QUALIFIED OPINION	QUALIFIED OPINION	QUALIFIED OPINION	QUALIFIED OPINION	PENDING

The issues raised in the auditor general report are addressed through the development of the Action Plan.

The full report is contained in the Chapter 5 of the Auditor General report.

### 1.4. STATUTORY ANNUAL REPORT PROCESS

01	Consideration of the next financial years IDP/Budget process plan	August
02	Compilation of the fourth quarter performance report and annual performance report	August
03	Compilation of the Annual Financial Statements	August
04	Audit Activity by the Office of the Auditor General	August- November
05	Submission of the draft Annual report to council	January
	Draft Annual report is submitted to COGHSTA and treasury	January
06	Council publishes the annual report and embark on the public participation	February- March
07	Comments and inputs are consolidated	February- March
08	Oversight report is developed and tabled before council for approval	March
09	Oversight report is submitted to COGHSTA and Treasury	April

MACHABA JUNIAS

MUNICIPAL MANAGER

# **CHAPTER TWO: GOVERNANCE**

## **5. CHAPTER TWO: GOVERNANCE**

### **COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE**

The first Council of the municipality consisted of 16 proportionally elected and 16 ward Councilors as determined in the Provincial Notice 5 dated 11 May 2000. The second Council consisted of 18 proportionally elected and 18 Ward Councilors (2006) while the third Council consists of 20 proportionally elected and 21 Ward Councilors, which makes the total of 41 Councilors (2011). Currently after the 2016 municipal elections, the Municipality has 22 Ward Councilors and 22 proportionally elected Councilors, which makes the total of 42 Councilors.

### **2.2. FULL-TIME COUNCILORS AND MEMBERS OF THE EXECUTIVE COMMITTEE**

The Council has designated the following Councilors in terms of section 18 (4) of Act 117 of 1998 as full time.

The Mayor: Cllr Maseka Pheedi:

The Speaker: Cllr Thamaga M.N

The Chief Whip: Cllr Choshi M.M

Infrastructure Development Chairperson: Cllr Mashalane M.S

Budget and Treasury Chairperson: Cllr Cllr Makobela S.R

Corporate Services: Cllr Morapedi M.A

The following Councilors are the executive committee members and are not full time.

. Cllr Ntlatla M.W: (Economic Development and Planning)

. Cllr Rangata M.J :( Community Services)

. Cllr Makhura M.H :( Special Focus)

. Cllr Maila M.P (Without Portfolio)



### 3. FULL COUNCIL OF BLOUBERG MUNICIPALITY

WARD COUNCILORS	PROPORTIONAL REPRESENTATIVES COUNCILORS
1. CLLR. SEEMA M.I	1. CLLR PHEEDI M.S.
2. CLLR. LEHONG M.V	2. CLLR THAMAGA M.N
3. CLLR. MAIFO M.L	3. CLLR CHOSHI M.M
4. CLLR. MOKOBODI C.S	4. CLLR SELAMOLELA S
5. CLLR. MOSHOKOA M.S	5. CLLR MATHIDZA S.E
6. CLLR. MURATHI M.S	6. CLLR MORAPEDI M.A
7. CLLR. RASERUTHE M.A	7. CLLR MADIBANA S.S
8. CLLR. MAKOBELA S.R	8. CLLR MAKHURA M.H
9. CLLR MOLEMA M.N	9. CLLR MASEKWAMENG R.M
10. CLLR. SEBETHA M.J	10. CLLR MOETJI N.T
11. CLLR. MAKGAKGA P.J	11. CLLR RANGATA M.J
12. CLLR RAMOBA M.R.	12. CLLR MAILA MP
13. CLLR SEKGOLOANE M.J	13. CLLR TLOUAMMA NC
14. CLLR MOLOKOMME M.M	14. CLLR TJUMANA MM
15. CLLR. NTLATLA M.W	15. CLLR MADZHIE A.E
16. CLLR MPHAGO M.A	16. CLLR MADIOPE TM
17. CLLR MOJODO M.D	17. CLLR PHOSHOKO NC
18. CLLR MODINGWANA M.G	18. CLLR MABOLOLA SJ
19. CLLR SETWABA D.S	19. CLLR MORUDU MF
20. CLLR MASHALANE M.S	20. CLLR CHULA MI
21. CLLR MALEKA N.G	21. CLLR TEFO LT
22. CLLR MAGWAI T.R	22. CLLR MADIBANA MR

## POLITICAL STRUCTURE AND RESPONSIBILITIES

POSITION	RESPONSIBILITIES
MAYOR: CLLR PHEEDI MS	Chairperson of the Executive Committee  Promote image of Municipality Lead Municipal IDP Promotes Social and Economic Development Convene Public Meetings Promote Inter- Governmental relations Implement Council decisions Performs Ceremonial role
SPEAKER: CLLR THAMAGA MARIA	Presides over Council meetings Performs duties and exercises powers delegated to the Speaker in terms of section 59 of MSA Ensures that Council meet Quarterly Maintain orders during the meeting
CHIEF WHIP: CLLR CHOSHI MM	Political management of Council and Committee meetings Maintains discipline of councilors Advices the Speaker on the amount of time allocated

## ADMINISTRATIVE GOVERNANCE

### TOP ADMINISTRATIVE STRUCTURE

#### TOP ADMINISTRATIVE STRUCTURE

1. MUNICIPAL MANAGER

MR MPHEEHE JUNIUS MACHABA APPOINTED

2. DIRECTOR, ECONOMIC DEVELOPMENT AND PLANNING

MS CHARITY MAPHOLI APPOINTED

3. DIRECTOR, CORPORATE SERVICES

MR REFILWE RAMOTHWALA : APPOINTED

4. CHIEF FINANCIAL OFFICER( BUDGET AND TREASURY)

MR JACK MABOTE: APPOINTED

5. DIRECTOR ,TECHNICAL SERVICES:

MR MAFALA JACOB MALEKA- ACTING

MS HERMINAH RABUMBULU ACTING

6. DIRECTOR, COMMUNITY SERVICES.

MS MABORE MAMPA: APPOINTED and resigned towards the end of third in 2019/20

MR JIMMY MPYA APPOINTED AS ACTING

For the period under view, about three officials acted on the senior management positions. The above table illustrates the names and the positions for which acting was effected.

## **COMPONENT B: INTERGOVERNMENTAL RELATIONS**

### **INTRODUCTION TO CO –OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS**

#### **3.3 INTERGOVERNMENTAL RELATIONS**

##### **NATIONAL INTERGOVERNMENTAL STRUCTURES**

The Municipality participates in national intergovernmental structures such as the following:

National municipal manager's forum

South African Local Government Association sessions including working groups.

##### **PROVINCIAL INTERGOVERNMENTAL STRUCTURES**

The Municipality participates in the following provincial intergovernmental structures:

- Premier –Mayor's forum(3)
- Monitoring and evaluation forum (4 x per annum)
- Provincial planning forum ( 4 x meetings)
- Provincial municipal manager's forum (4 x meetings)

##### **RELATIONSHIP WITH MUNICIPAL ENTITIES**

THERE WERE NO MUNICIPAL ENTITIES DURING THE PERIOD UNDER REVIEW:

##### **DISTRICT INTERGOVERNMENTAL STRUCTURES**

The Municipality Participated In the Following District

GR structure during the period under review:

- District Speakers Forum
- District Mayors' Forum
- District Chief Whips Forum
- District Municipal Manager's Forum
- District CFOs Forum
- District Planning Forum
- District Monitoring and Evaluation Forum

The existence of the above IGR structures has assisted in the sharing of challenges, best practices and resources mobilization. Alignment of programmes and standardization of activities were also achieved from the district IGR structures. These forums contribute to learning and development

## **COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION**

### **OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION**

The municipality has organized its administration in such a way that accountability of its staff is realized and that a system of participatory governance is entrenched. The establishment of a unit to deal with community participation was done during the inception of the municipality. The unit is located in corporate services department various tools of communicating with the community were used in the period under review and the paragraphs supra explain in details the functionality of such tools.

The municipality also used its local IGR structures such as sector forums to ensure sector specific programmes are aligned with those of other roles players in the sector and the following sector forums held four quarterly meetings during the period under review:

- Energy Forum
- Roads and Transport Forum
- Local Economic Development and Tourism
- Housing Forum
- Disaster Management Forum
- Waste Management Forum

#### 4 PUBLIC MEETINGS

##### COMMUNICATION , PARTICIPATION AND FORUM

The Municipality prides itself on its communication and stakeholders. Participation structures. The Municipality has a communication strategy which indicates who communicates to who, when and how. There is a communications unit established and such is located in the Office of Municipal Manager. The Municipality's Community participation model is one of the best models in the country and through such models, council and its committees are able to reach out to the Municipal constituencies. EXCO and Council meeting are held in public at venues rotated throughout the municipal area. After every EXCO and Council, meeting outreach programme is held. Views and issues raised by community members are recorded and feedback is provided to the members of the community who raised such matters. All eleven EXCO meetings and four council meetings for the period under review were followed by public outreach programme referred to as Imbizo.

The Municipal Website and Facebook are also useful tools, which the municipality employed to communicate with its stakeholders to cover the cyberspace community.

The Municipal Newsletter – Blouberg News – published four quarterly Municipal programmes.

Other forms of communication and public participation during the 2019/20 financial year include the usage of monthly Ward Public meetings for the 22 wards where in ward Councilors provide feedback and progress report to ward members.

The use of social media, radio and other COVID-19 compliant were applied during the last quarter of 2019/20 due to COVID-19 lockdown regulations

**WARD COMMITTEES**

The Municipality has a fully functional ward committee system. All the 22 wards have functioning ward committees with 220 participants translating into 10 ward committee members for the 22 wards

Ward committee held their meetings bi-monthly with the support from Administration, which plays a secretariat role. Resolutions and issues raised at ward committee are escalated to the office of Municipal Manager and then to all relevant departments.

The 16<sup>th</sup> ward committee conference was successfully held at Miami Lodge during the period under review.

**5 IDP PARTICIPATION AND ALIGNMENT**

The IDP is reviewed annually and in-house. Council approved the 2019/20 revised IDP/Budget. Like previous IDPs, the 2019/20 IDP was rated high in terms of credibility by the provincial Department of Co-Operative Government, Human Settlements and Traditional Affairs.

The IDP is reviewed in line with required standard and template and it is aligned to the budget. The IDP Process Plan is developed and approved by council as the road map for the review of the IDP/Budget. The IDP Steering Committee is responsible for the review of the IDP and Budget. The IDP is aligned to the budget. The draft IDP/Budget is tabled before the council for public participation process to unfold and wards are clustered for the purpose of the community accessibility and inputs. The IDP representative's forum where all stakeholders are represented is also conducted to interrogate the IDP document. The other stakeholders that are consulted are the traditional authorities and farmers unions. Inputs to the IDP are also submitted physically to the office of the Accounting Officer or faxed and emailed through.

All the inputs and comments are consolidated and the report is developed based on the inputs. The process of prioritization takes place to account the available resources and capacity of the Municipality.

IDP PARTICIPATION AND ALIGNMENT CRITERIA	YES/NO
Does the Municipality have impact, outcome, input, and output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they be calculated into a score?	Yes
Does the Budget align directly to the KPI's on the 12 outcomes?	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes

## **COMPONENT D: CORPORATE GOVERNANCE**

### **OVERVIEW OF CORPORATE GOVERNANCE**

For the 2019/20 financial year, like the 2018/19, the Blouberg Municipality took leaf from King III report on good Governance by including in its operations the functionality of risk function as well as the development and implementation of corruption and anti – fraud strategies. Risk register was developed and its focus was on strategic risks, operational risks and Human Resources risks.

Through IGR, the Municipality used the District Hotline, Premier and Presidential hotline to track areas of noncompliance to its Corporate Governance matters.

### **RISK MANAGEMENT**

The Municipality regards risks management as one of the pillars required for the sustainability and Corporate Management. In compliance with the MFMA Sec 62 c (i) and sec 95 c (i) require the Municipality to have and maintain an effective, efficient and transparent system of financial, risk management and internal controls. Risk assessment sessions were conducted by municipality through risk management unit where the risk are identified, mitigated and monitored. The Accounting Officer had appointed a functional Risk Management Committee inclusive of the external member of the committee in accordance with the Public Sector Risk Management framework. The committee reports to Audit Committee where afterwards the report is presented to the municipal Council on a quarterly basis as required by Treasury Regulations.

Top five risks identified are the following:

- Loss of financial and physical resources (fraud and corruption)
- Ineffective mSCOA implementation
- Unfavourable audit outcome
- Obsolete IT infrastructure
- Insufficient land for development

### **FRAUD AND ANTI – CORRUPTION STRATEGY**

The Municipality has an anti – corruption and risk management strategies in place. Fraud and corruption identified risks are reviewed on a quarterly basis by the municipality.

The Internal Audit Unit has been established and is led by Manager Internal audit.

The Internal Audit Committee is in place and comprised of four members who have relevant experience and qualifications to discharge their responsibilities. For the period under review the audit committee also performed the role of the performance audit committee. The Audit Committee concluded politicians and officials as voting members performance assessments of top management. The period under review did not have any reported cases of fraud and corruption encountered by the municipality and submitted to authorities.



## **.7 SUPPLY CHAIN MANAGEMENT**

### **OVERVIEW OF SUPPLY CHAIN MANAGEMENT**

During the 2018/19 financial year the Supply Chain Management, (policy was tabled to council for revision alongside other budget related policies. The revision took into account the BBBEEE codes and changing supply chain regime. For the record, no councilors take part in the supply chain committees. Functionality of SCM committees was also enhanced. New security services contract was entered into for a period of three years. Efforts were made to curb the procurement of services from suppliers who are in the service of the state and the municipal records do not have any indication of services awarded to suppliers in the service of the state.

<b>BY- LAWS INTRODUCED DURING 2019/20</b>				
Newly Developed	Revised	Public Participation conducted prior to adoption of By-Laws (Yes/No)	Dates of Public Participation	By- Laws gazette (Yes/No)
N/A	N/A	N/A	N/A	N/A

## **.10 WEBSITES**

	<b>YES/NO</b>
Current annual and adjustment budgets and all budget related document.	YES
All current budget related policies	YES
The previous Annual Report (2018/19)	
The Annual Report ( 2018/19) published to be published	YES
All current performance agreements required in terms of section 57 (1) (b) of the MSA and resulting score cards	YES
All service delivery agreements (2019/20)	N/A
All long term borrowing contracts (2019/20)	N/A
All supply chain management contracts above a prescribed value (give value) for 2019/20)	N/A
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 2019/20	
Contracts agreed in 2019/20 to which subsection (1) of section 33 apply, subject to subsection (3) of that section.	
PPP agreements referred to in section 120 made in 2019/20	
All quarterly reports tabled in the council in terms of section 52 (d) During 2019/20	YES

## **MUNICIPAL WEBSITE CONTENT AND ACCESS**

Most of prescribed key website content materials were placed on the municipal website such as IDP, Budget, Annual Report, Performance Agreements and Budget related policies.

## **PUBLIC SATISFACTION ON MUNICIPAL SERVICES PUBLIC SATISFACTION LEVELS**

No formal public participation surveys were conducted during the period under review. The Municipality relied on public participation sessions referred to above, as well as the usage of the Premier and Presidential Hotlines to gauge the level of satisfaction and / dissatisfaction with municipal services.

There were no changes to issues raised in the previous years' engagements.

Key general areas of dissatisfaction include:

- State of road conditions
- Water and sanitation supply
- Unemployment
- Health and education services

## **COMPONENT A: BASIC SERVICES**

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

### **1. WATER PROVISION**

Polokwane Municipality will not include Water and Sanitation in its 2019/20 Annual Report as such Powers and Functions lie at The Limpopo District Municipality and any attempts to include such information may result in non – alignment with the information provided by the District Municipality.

## **ELECTRICITY**

### **INTRODUCTION TO ELECTRICITY**

Electricity is one of our greatest achievements as we have electrified all settlements within the Municipality. The Municipality is now busy with electrification of extensions

As the electrification programme continues, the Municipality connected approximately 268 households for the 2019/20 financial year and other incomplete projects were rolled over to 2020/21 financial year.

#### 4 WASTE MANAGEMENT (THIS SECTION INCLUDES REFUSE COLLECTIONS, WASTE DISPOSAL, STREET CLEANING AND RECYCLING)

##### WASTE MANAGEMENT

##### STATUS QUO

The Municipality has developed and adopted an Integrated Waste Management Plan (IWMP) in 2008 and reviewed in 2013 and 2019 respectively. The plan serves as a roadmap for the management of solid waste for the entire Municipality with R293 towns and nodal points, plus some rural villages, used as starting points since the capacity available cannot cover the entire municipal wide area. For the 2018\19 financial year the function was rendered in eleven settlements on a weekly basis while the towns of Alldays and Senwabarwana receive the service on a daily basis. Currently there are two landfill sites in Alldays and Senwabarwana. A waste management team is in place and three waste removal trucks, plus a tractor, have been purchased. To augment the waste and environmental section the Municipality enlisted the use of short term EPWP participants and distributed them across areas of high volume waste generation. For the 2019\20 period the number of EPWP participants was increased from **200** to **210** with the budget of R3,5 million. In Senwabarwana and Alldays two Recycling initiatives were established with PEACE Foundation playing a leading role in assisting with recycling initiatives at an identified location in Senwabarwana.

##### THE TABLE BELOW REFLECTS WARD WASTE REMOVAL SERVICE ROLL OUT AND BACKLOGS

WARD	AVAILABLE	BACKLOG
1	0	11
2	0	7
3	0	6
4	0	9
5	0	7
6	0	5
7	0	6
8	1	6
9	0	6
10	1	0
11	0	6
12	2. INDERMARK UP TO DIKGOMONG	0
13	2 (BURGERUGHT AND MOTLANA)	5
14	0	7
15	2 (KROMHOEK AND DEVREDE)	0
16	0	5
17	2 (GROOTPAN AND LONGDEN)	6

18	2 (TAAIBOSCH AND ALLDAYS)	0
19	1 (SENWABARWANA)	1
20	0	7
21	0	8
TOTAL	11	112

20.

## CHALLENGES

Capacity constraints: this involves lack of resources (financial and human) to roll out the service to the entire municipal area. Available plant and personnel are not enough to render the service for all areas. For the past two financial years, the Municipality could not purchase plant due to budgetary constraints.

The Taaibosch transfer station is fully utilised.

Lack of education on the part of members of the community on waste matters does not help the situation. Lot of littering occurs in the town of Senwabarwana around the CBD mainly because much business activities are taking place there.

## INTERVENTIONS

Blouberg Municipality renders the refuse removal service in 11 settlements with the households serviced standing at 11 549. The backlog is 24 139. Challenges are funding for roll out of the refuse service to all settlements.

The Environmental Management Plan (EMP) is partially implemented; the Solid waste and refuse removal by laws are not fully implemented due to capacity challenges that are currently being ironed out. Integrated Waste Management Plan is currently under review. The neighbourhood funding from the National Treasury earmarked for urban renewal shall come in handy to address some of the waste management challenges encountered.

## INTRODUCTION TO HOUSING

The powers and functions for the provision and construction of housing lies with the provincial government under the Department of Cooperative Governance, Human Settlements and Traditional Affairs. The role of the municipality is to identify housing demands needs through the development of the Housing Chapter and identification of beneficiaries. For the 2019/20 financial year a total of 400 housing units were approved and successfully implemented within the municipality.

Blouberg Municipality renders the service on behalf of the municipality.

## 6 FREE BASIC SERVICES AND INDIGENT SUPPORT

### INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

The Municipality provides free basic services in the form electricity, waste and water (as assisted by Capricorn District Municipality). The indigent register is updated annually although for the year under review it was not done due to COVID-19.

### COMMENT ON FREE BASIC SERVICES AND INDIGENT SUPPORT:

Indigents shall mean (in terms of municipal policy) residents of Blouberg Local Municipality, who cannot afford to pay for services they receive from the Municipality, the category of people being unemployed, disabled and pensioners who are unable to, pay the full costs of the average Municipal accounts. Conditions for qualification are that support is provided to households earning a joint income of NOT more than R 3,500 per month. Council reviews the threshold on an annual basis, taking into consideration the economic conditions of its citizens in line with the national policy

## INTRODUCTION TO ROADS

The municipality is not responsible for public transport but the Department of Roads, Transport, and Capricorn District municipality have the powers and functions related to roads and transport. There was no road-upgrading project implemented by the Department of Roads and Transport through Roads Agency Limpopo (RAL).

Gravel road infrastructure Kilometers				
	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar	Gravel roads graded/maintained
2015\16	786.98km	0	0	488.44
2016\17	786.98km	0	0	488.44
2017\18	786.98km	0	0	488.44
2018\19	786.98km	0	0	488.44
2019/20	786.98km	0	0	488.44
Source : Department of Public Works, Roads and Infrastructure				

## 8. TRANSPORT (INCLUDING VEHICLE LICENSING & PUBLIC BUS OPERATION)

### INTRODUCTION TO TRANSPORT

#### PUBLIC TRANSPORT

There is one mode of public transport in the municipal area viz road transport. The dominant public transport mode is the minibus taxi while no other form of public transport is the bus transport with Great North and Mmabi bus being the main operators. The challenge with the municipal public transport is that it is only available between 6H00 in the morning and 20H00 leaving most commuters stranded outside these stipulated times. The movements of these modes of public transport is towards all the nodal points of Blouberg, viz, Alldays, Senwabarwana, Tolwe and Eldorado while outside Blouberg the major destinations are Musina, Louis Trichardt, Lephalale, Steilop and Polokwane.

#### STATUS OF TAXI RANK FACILITIES

LOCATION	STATUS	DESTINATIONS
Senwabarwana	The rank is formal with the following facilities: shelter, loading bays, ablution blocks and hawkers' facilities	The rank covers the rest of Blouberg and destinations such as Polokwane, Johannesburg,
Eldorado	The rank is formal with the following facilities: shelter, loading bays, ablution blocks	The rank covers the rest of Blouberg and areas such as Senwabarwana and it connects to Polokwane via Kromhoek taxi rank

Kromhoek	The rank is formal with the following facilities: shelter, loading bays, ablution blocks and hawkers' facilities	The rank covers the rest of Blouberg and destinations such as Polokwane, Johannesburg and Louis Trichardt
Alldays	The rank is formal with the following facilities: shelter, loading bays, ablution blocks	The rank covers the rest of Blouberg and destinations such as Musina and Louis Trichardt
Windhoek	The rank is informal	It covers Senwabarwana, Steilloop
Avon	The rank is informal	It covers Senwabarwana, Vivo, Indermark
Buffelshoek	The rank is informal	It covers Senwabarwana
Vivo	The rank is informal	It covers Senwabarwana, Alldays, Mogwadi and Louis Trichardt
Letswatla	The rank is informal	It covers Senwabarwana

#### **.5.4.2 PUBLIC TRANSPORT CHALLENGES**

The challenge with the municipal public transport is that it is only available between 6H00 in the morning and 20H00 leaving most commuters stranded outside these stipulated times. The other main challenge is the bad state of roads that increases the operation and maintenance costs of public transport operators. Lack of formal taxi ranks with all related amenities in some strategic areas such as Avon, Vivo, Buffelshoek, Windhoek and Harriswich remains a challenge. Disputes over operating routes occasionally occur resulting in conflicts among taxi associations.

Poor road conditions that negatively affect the taxi industry

#### **PERFORMANCE OF TRANSPORT OVERALL:**

#### **PUBLIC TRANSPORT INTERVENTIONS**

The roads and transport forum has been established and all taxi associations operating within Blouberg are members of the forum... The matter of accessibility of public transport outside the 6H00 and 20H00 time periods has been referred to the operators for rectification. The state of poor road conditions has been highlighted to the MEC for Roads and Transport for intervention. The municipality and the CDM in collaboration with public transport operators will develop a priority list for formalization of taxi ranks. Taxi and bus shelters have been constructed along major routes such as D1200 (Senwabarwana-Windhoek road), Wegdraai to Eldorado road, Letswatla to Windhoek road and D1598 (Kibi to Schiermoonikoog road). The Municipality should explore the introduction of Blouberg Bus as part of the Bus Rapid Transport System as is the case in the City of Joburg and Polokwane Municipalities.

Local integrated Transport Plan

The plan has been developed and adopted by council..

Licensing and registering authority

The municipality has a Licensing and Registering authority unit at head office Senwabarwana. The process of opening these services at Alldays and Eldorado Satellite Offices was continued in the period under review and culminated in the functioning of the Alldays learners licensing centre while other full licensing services remained unfulfilled.

#### Law Enforcement unit

For the period under review, the municipality had a Law Enforcement Unit at head office, Senwabarwana and Alldays Satellite Office, which shares the service with Eldorado Satellite Office.

## 10. PLANNING

### INTRODUCTION TO PLANNING

The responsibility of the municipal planning function relates to the following functions: settlement establishment and formalization, processing of land development applications, Approval of land use rights applications such as rezoning, consolidation, subdivisions and consent use applications, implementation of building regulations and enforcement of building By-law.

During the 2014\15 financial year, the following were achieved: pre- approval of Tolwe layout plan and the pre-approval of the surveyor-diagram for the subdivision of the farm Monmouth. A total of 300 low cost houses were constructed and handed over to beneficiaries even though the Limpopo Provincial Government had made an allocation of 500 units to the Blouberg Municipality. Such could not be attained due to supply chain challenges in the Department responsible for housing provision, viz, CoGHSTA but only 300 units were approved and implemented.

Main challenges experienced in the financial year 2018\19 are as follows:- None compliance to Land use policies, building regulations and legal invasion of land in Senwabarwana, Borkum and Alldays. Three main Service delivery priorities -: Service delivery and Infrastructure development, LED and spatial Planning. The attraction of investors e.g. Establishment of the third mall in Alldays (Gillfillian) and Senwabarwana

Measures taken to improve the performance: Improved community engagement/public participation

## 11. LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

### INTRODUCTION TO ECONOMIC DEVELOPMENT

The municipality approved Local Economic Development Strategy and growth strategy.. The strategy identifies the key sectors of the Blouberg Economy being retail development, agricultural development, SMME development, manufacturing, tourism development and community based public works. Amongst anchor projects identified in the strategy there is the development of retail centres in nodal points, the exploration of alternative energy sources and agricultural development initiatives.

The period under review witnessed the implementation of the following key service delivery priorities:

Implementation of the Venetia mine underground project with a budget of over R16 billion and the resultant work opportunities for the mine's core labour sending areas, viz, Blouberg Municipality and Musina Municipality. The expansion has also resulted in an increased population in the town of Alldays.

Exploration of mineral resources by Ironveld\ HACRA at Harriet's wish, Cracouw and Aurora with strong positive prospects of mining continued. The exploration has yielded positive results, a mining license has been granted, and construction is expected to commence soon. The new explorations by Sylvania Platinum and Platinum Group Metals has brought some hope in the people of the municipality in terms of job creation.

The creation of over 1387 job opportunities through Community Works Programme, EPWP(210), and implementation of municipal capital works programme through labour-intensive methods was maintained.

#### **COMPONENT D: COMMUNITY & SOCIAL SERVICES**

The municipality did not play much role on community and social services such as libraries and archives; museums, arts and galleries; community halls; cemeteries and crematoria; childcare; aged care; social programmes, theatres due to capacity challenges. This statement only excludes cemeteries wherein the municipality coordinates the function in Alldays, Senwabarwana and, to a smaller extent, R293 towns of Witten, Dilaeneng, Puraspan and Indermark.

##### **.55 CEMETORIES AND CREMATORIUMS**

The Municipality operated the cemetery function in the two R293 towns of Senwabarwana and Alldays.

##### **.56. CHILD CARE; AGED CARE; SOCIAL PROGRAMMES**

##### **INTRODUCTION TO CHILD CARE; AGED CARE; SOCIAL PROGRAMMES**

During the period under review, there were no IDP targets for the provision of Aged Care and Social Programmes. The municipality only played a coordination role with the Department of Health and Social Development, Public Works and Education.

#### **COMPONENT F: HEALTH**

The provincial department of Health and Social Development renders the clinics and ambulance services.

#### **COMPONENT G: SECURITY AND SAFETY**

Law enforcement: there is a law enforcement service within our municipality, which has been decentralized to Alldays Satellite Office, covering both Eldorado and Tolwe satellite offices.

Licensing and Registering Authority: our municipality has this function, which was also decentralized to both Eldorado and Alldays Satellite.

Fire and disaster management services are functions of the district municipality; however, our municipality plays a coordinating with regard to disaster management. A disaster coordinator was employed to that effect.

The licensing of animals is a function of the department of Agriculture; however, our municipality has a pounding function, which deals with the control of stray animals out of the public roads and at unauthorized places.

We have a by-law that deals with the control of public nuisances but it is not implemented due to capacity constraints.

#### **THE TABLE BELOW REFLECTS AVAILABILITY AND BACKLOG OF STANDARD SPORTS FACILITIES WITHIN WARDS**

WARD	AVAILABLE	BACKLOG
1	0	1
2	0	1
3	0	1
4	0	1



5	0	1
6	0	1
7	0	1
8	0	1
9	0	1
10	0	1
11	0	1
12	0	1
13	0	1
14	1 BEN SERAKI	0
15	0	1
16	1 STANDARD SPORTS FACILITY	0
17	0	1
18	1 ALLDAYS SPORTS COMPLEX	0
19	0(SENWABARWANA RECREATIONAL PARK)	1
20	0	1
21	0	1
TOTAL	3	18

THE TABLE BELOW REFLECTS THE AVAILABILITY AND BACKLOG OF COMMUNITY HALLS WITHIN WARDS

**WARD COMMUNITY HALLS**

WARD	AVAILABLE	BACKLOG
------	-----------	---------

1	0	1
2	0	1
3	0	1
4	0	1
5	1	0
6	1	0
7	0	1
8	0	1
9	1	0
10	0	1
11	1	0
12	1	0
13	0	1
14	0	1
15	1	0
16	1	0
17	1	0
18	1	0
19	2 (institution-linked)	0
20	0	1
21	0	1
22	1	0
TOTAL	11 WARDS	12

## **.5.2 CHALLENGES**

The challenge is that sports and recreation facilities available do not have enough facilities such as high mast lights for night games; athletic rubber tracks etc. Another challenge with the amenities is on the available halls, which are not used as multi-purpose community centres but are only used scarcely as normal halls.

## **.5.3 INTERVENTIONS**

The municipality, together with SAFA and private partners, construct and upgrades sports and recreational facilities annually. SAFA has to construct an artificial soccer facility as part of its 2010 legacy projects. With regard to community halls, the plan is to move away from normal standard halls and build multi-purpose centres. The Municipality is busy with the construction Senwabarwana sports complex.

## **.67 OTHER (DISASTER MANAGEMENT, ANIMAL LICENCING AND CONTROL, CONTROL OF PUBLIC NUISANCES AND OTHER)**

### **INTRODUCTION TO DISASTER MANAGEMENT, ANIMAL LICENCING AND CONTROL, CONTROL OF PUBLIC NUISANCES, ETC**

The municipality has a unit that specifically deals with disaster incidents and the rehabilitation of disaster victims. The unit is working in collaboration with Capricorn District Municipality (CDM). The budget is set aside annually to attend to disaster issues. The District provides locals with resources and personnel for proper execution of their duties. The municipality has a credible Disaster Management Plan, which gave the municipality areas that need an urgent attention. The municipality held Disaster Management Advisory Forum sitting on a quarterly basis to inform communities about performance regarding incidents that occurred under the period review.

### **COMMENT ON THE PERFORMANCE OF DISASTER MANAGEMENT, ANIMAL LICENCING AND CONTROL OF PUBLIC NUISANCES, ETC OVERALL:**

Disaster management is a district function; however, our municipality plays a coordinating role to this effect. A disaster coordinator has been employed at officer level to assist in coordination of disaster issues between the district municipality and the local communities.

### **INTRODUCTION TO SPORT AND RECREATION**

#### **COMPONENT H: SPORT AND RECREATION**

All settlements have access to cemeteries though such are not formalized. There is one standard sports facility at Eldorado while a semi standard sports facility is at Ben Seraki (Buffelshoek). For the 2019\20 financial year the municipality made a provision in its budget for the construction of the Senwabarwana sports complex.

The Blouberg area has 11 community halls. There is one Thusong service centre at Eldorado and it hosts the municipal offices, Department of Education, Department of Agriculture, Department of Labour, SAPS and Department of Health.

## **COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES**

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

### **INTRODUCTION TO CORPORATE POLICY OFFICES, Etc.**

The components comprises Secretariat, Auxiliary Services, Human Resources, ICT Services and Communications, The main objective is to provide support and auxiliary services to all departments and the political components of the municipality. Some of the functions include fleet control, Office accommodation, Cleaning Services Effective security Services reliable and efficient telecommunication services, timely and well-collated qualitative documents

## **.69 EXECUTIVE AND COUNCIL**

The Components includes The Mayor, Councilors and Municipal Manager, Introduction to executive council Blouberg Local Municipality was established in terms of demarcation notice as NP351 in the Extraordinary Gazette 100 of October 2000. The Municipality is a category 1 as determined in terms of section 4 of the Local Government Municipal Structures Act No 117 of 1998

is a Municipality with a collective executive system as contemplated in section 2(a) of northern province Determination of types of municipalities act (4) of 2000 Blouberg Municipality has however an approved delegation system that seeks to decentralize decision making within the institution and improve the pace at which services are delivered to the community. This is intended to maximize administrative and operational efficiency and provide adequate checks and balances for line with the delegation system, some decisions making powers have been cascaded from council to the executive committee, its portfolio committee and full time councilors. Other powers have been delegated to the Municipal Manager

Component includes executive office (mayor; councilors; and municipal manager)

### **INTRODUCTION TO EXECUTIVE AND COUNCIL**

#### **THE PERFORMANCE OF THE EXECUTIVE AND COUNCIL:**

The support for councilors' policy is in place and councilors receive support in respect of the various aspects of their daily activities as public representatives, in-house workshops on governance and presentations. Tools of trade were provided in line with upper limits for Councillors

## **.70 FINANCIAL SERVICES**

### **INTRODUCTION FINANCIAL SERVICES**

The financial services of the municipality are in the Budget and Treasury office, which is responsible for the following Units: 1) Revenue services, 2) Expenditure Management, 3) Supply Chain Management, 4) Budget Management, and Assets Management. For the period under review, SCM and Assets Management were housed in one unit.

Most revenue on the finance department comes from equitable shares, financial management grants and the other sources of revenue, including interest earned, Rent received, development fund and other sundry income. A full report on financial performance is contained in chapter 4 of this report, which deals with Annual Financial Statements and performance.

## **.71. HUMAN RESOURCE SERVICES**

### **INTRODUCTION TO HUMAN RESOURCE SERVICES**

Human Resources Unit is comprised of Human Resources Management, Skills Development, Occupational Health and safety, Employment Equity, Labour Relations, Compensation For Injuries and Diseases, and Employees wellness. The unit priorities includes timely filling of

vacancies to support municipal vision and objectives, improving working conditions and skills development. Not all the funded positions for 2019\20 were filled. All Human Resources committee including the Occupational Health and Safety Committee were established comprising of employees from all levels and work stations and were crucial in helping Management identify and address working conditions that posed threat to the health and safety of employees.

## **SERVICE STATISTICS FOR HUMAN RESOURCE SERVICES**

**Human Resources Development** – The Workplace Skills Plan (WSP) and Annual Training Report were developed and submitted in April 2019 for implementation in the 2019\20 financial year as per the Local Government SETA directives. The municipality has developed training programmes for councilors and employees, bursaries for employees, internships and learner ships as informed by the WSP. There were no bursaries for employees during the year under review.

**Labour Relations and Occupational Health and Safety** – The Local Labour Forum was revived and helped in sustaining employer-employee peace while the OHS had a committee established which met its full quota of meetings, which had a positive impact.

**Employees Health and Wellness** – Employee Wellness Day was held and employees participated in activities that included among other various forms of testing e.g. HIV, High Blood Pressure, Sugar Diabetes etc. and a few presentations were made in respect of employee welfare by different banking institutions, insurance companies etc.

**Compensation for Injuries and Diseases** – there was no reported injuries on duty during the period under review.

**Employment Equity** – One aspect that we were found wanting on is the Employment Equity. Though the Employment Equity Committee is in place, it could not influence employment/hiring of people from the designated groups.

**Organizational Design** – Council approved the Organizational Structure.

**Compensation and employees benefits** – all pension payouts were done within fourteen days of application receipt.

**Recruitment, selection and placement** – all funded posts were filled.

**Condition of Services** – all employees employed during the period in issue signed their contracts of employment.

**Leave Management** – all leaves were captured

## **COMMENT ON THE PERFORMANCE OF HUMAN RESOURCE SERVICES OVERALL:**

The Human Resource Division performed relatively well particularly on the aspect of recruitment. All the budgeted positions were filled. Employment Equity is the area where the division was found more wanting with middle management the most glaring. Out of twenty five (25) managers, only four (4) are female and none of those was employed during the period under review. Capacity building was also compromised by the non-functionality of the Training Committee, which managed to hold only one meeting out of a possible four for the financial year. Training programmes were consequently not that well-coordinated. The Employment Equity and Occupational Health and Safety Committee did relatively well by complying with the schedule of meetings completing their quota though implementation of resolutions taken in those for remain a challenge. The Workplace Skills Plan and Annual Training Report were timeously compiled and submitted and programmes thereof were accordingly followed

## **7.2 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES**

This component includes Information and Communication Technology (ICT) services.

### **INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES**

Information and Communication Technology is but one area that is cardinal in ensuring that communication lines from within and outside the municipality are maintained. Its major service delivery priorities include i. improvement of citizen participation within the municipality governance; ii. To enable and support technology integration throughout the municipality. To deploy technology for cost effective,

responsive service delivery to citizens, business, employees and government. Council and the Executive Committee respectively adopted the IT Governance Framework and a number of policies and plans notably Business Continuity, Electronic Records Management Systems and E-Mail, IT Equipment's and Systems Maintenance Plans. The Corporate Services Portfolio Committee was favoured with compliance monitor reports to track progress in that regard.

#### **PERFORMANCE OF ICT SERVICES OVERALL:**

The ICT did not perform well mainly due to lack of budget. The Disaster Recovery and Business Continuity Plans could not put to a test due to constraints relating to time and resources. There was also a lack of sufficient environmental control equipment – no fire suppression, water and smoke detectors. Lack of user account management procedures also contributed to the not so great performance. These safety and environmental controls could not be fitted due to lack of funds. Council however, approved IT Governance Framework, IT Monitoring framework, Operating System Security (Server) Baseline Policy and Environmental Controls Policy

# **CHAPTER 3:**

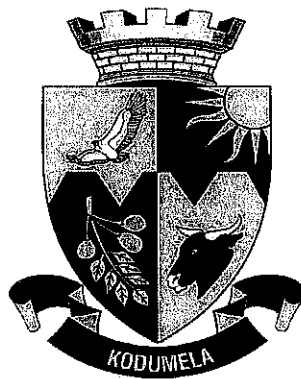
# **2019/20 ANNUAL**

# **PERFORMANCE**

# **REPORT**

# **BLM ANNUAL PERFORMANCE REPORT 2019/20**

## **Blouberg Municipality**



### **VISION**

**A participatory municipality that turns prevailing challenges into opportunities for growth and development through optimal utilization of available resources**

### **MISSION**

**To ensure delivery of quality services through community participation and creation of an enabling environment for economic growth and job creation**



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## 1. GLOSSARY OF WORDS

1	SDBIP	: Service Delivery and Budget Implementation Plan
2	KPA	: Key Performance Area
3	DKPA	: Departmental Key Performance Area
4	DKPI	: Departmental Key Performance Indicator
5	BASELINE	: Current Status
6	BSID	: Basic Service and Infrastructure Delivery
7	MTOD	: Municipal Transformation and Organisational Development
8	LED	: Local Economic Development
9	FVM	: Financial Viability and Management
10	GGPP	: Good Governance and Public Participation
11	SPE	: Spatial Planning and Environment
12	ANNUAL TARGET	: Scope of work in relation to the KPA
13	SYMBOL #	: Number
14	QUARTER	: Period of three months
15	SYMBOL %	: Percentage
16	SYMBOL h/h	: Households
17	RoD	: Record of Decisions
18	C	: Correction
19	Fy	: Financial year
20	Exp	: Expenditure

## 2. INTRODUCTION AND LEGISLATIVE BACKGROUND

The Blouberg Municipality 2019/20 Annual Performance Report highlights the service delivery and developmental achievements, challenges, measures to improve on the performance. The Report has been compiled in terms of legislative provisions; amongst others, these include Municipal Systems Act (MSA) No. 32 of 2000, Municipal Finance Management Act (MFMA) No 56 of 2003, and National Treasury Circulars (circulars 11 and 63). Section 46 of MSA states that a Municipality must prepare for each financial year a Performance Report and further that the said report must form part of the Municipality's Annual Report for each financial year in terms of chapter 12 of the MFMA. This Annual Performance Report is a reflection of the Municipality's actual performance in relation to what was planned for in the Integrated Development Plan (IDP) and Service Delivery and Budget Implementation Plan (SDBIP). It is therefore a post-reflection of planned targets and their actual performance with a provision for reasons for variance as well as mitigating and corrective measures taken. The Annual Performance Report 2019/20 is aligned to the Municipal IDP and Budget for the 2019\20 financial year and that it is further aligned to the Service Delivery and Budget Implementation Plan and in-year reports.

The Annual Performance Report 2019/20 evolved over time. It is a product of the in-year engagements monthly, quarterly, half-yearly and ultimately annual basis. These reports served at various committees namely Management, Steering Committee, Portfolio committees, and Review Sessions, Executive Committee, Audit Committee, Municipal Public Accounts Committee (MPAC) and Municipal Council.

## 3. PURPOSE OF THE ANNUAL INSTITUTIONAL PERFORMANCE REPORT 2019/20

The Annual Performance Report serves the following Purposes:

- The provision of a report on performance in service delivery and budget implementation plan for the 2019\20 financial year
- To promote transparency and accountability for the activities and programmes of the municipality vis-à-vis the six key performance areas
- To provide a record of activities of the municipality for the 2019\20 financial year to which this report relates.

## 4 SUMMARY OF PERFORMANCE FOR THE 2019\20 FINANCIAL YEAR.

### a. SUMMARY OF PERFORMANCE FOR THE 2019\20 FINANCIAL YEAR

The table below indicate the summary of Annual SDBIP Performance 2019/20 per KPA. Out of 169 targets for the year, 130 targets were achieved while 39 targets were not achieved. The overall Annual Performance stands at 77 %

Department	Total Annual Targets	Total Annual Targets Achieved	Total Annual Targets not Achieved	Overall Percentage of Targets achieved
Basic Service and Infrastructure Development	27	19	8	70 %
Institutional Transformation and Organisational Development	47	39	8	83 %
Local Economic Development	6	2	4	33 %

Financial Viability and Management	38	31	7	81 %
Good Governance and Public Participation	37	27	10	73 %
Spatial Planning and Environment	14	12	2	86 %
<b>Overall Total Municipal Targets</b>	<b>169</b>	<b>130</b>	<b>39</b>	<b>77 %</b>

**b. COMPARISON OF 2019/20 AND 2018/19 SDBIP PERFORMANCE**

The table below illustrate comparison of 2019/20 and 2018/19 performance

Department	Total Targets		Total Targets Achieved		Total Targets not Achieved		Overall Percentage of Targets achieved		Remarks
	2019/20	2018/19	2019/20	2018/19	2019/20	2018/19	2019/20	2018/19	
Basic Service and Infrastructure Development	27	19	19	14	8	05	70 %	74 %	Dropped by 4%
Institutional Transformation and Organisational Development	47	55	39	49	8	06	83 %	89 %	Dropped by 6 %
Local Economic Development	6	10	2	09	4	01	33 %	90 %	Dropped by 57 %
Financial Viability and Management	38	29	31	24	7	05	81 %	83 %	Dropped by 2 %
Good Governance and Public Participation	37	48	27	44	10	04	73 %	92 %	Dropped by 19 %
Spatial Planning and Environment	14	19	12	17	2	02	86 %	89 %	Dropped by 3 %
<b>Overall Total Municipal Targets</b>	<b>169</b>	<b>180</b>	<b>130</b>	<b>157</b>	<b>39</b>	<b>23</b>	<b>77 %</b>	<b>87%</b>	<b>Dropped by 10 %</b>

**Comment:** Performance was highly affected by COVID-19 regulations and measures . Across all KPA's dropped from the previous year performance. In order to improve performance we need to align KPI's to COVID-19 regulations and measures in 2020/21 and implement identified measures to improve performance under Item 8 below.

## 8. PERFORMANCE OF EACH EXTERNAL SERVICE PROVIDER

The municipality is compelled in terms section 46 (1) (a) of Municipal Systems Act of 2000 to prepare for each financial year a performance report reflecting performance of each external service provider during that financial year. Here under follows the performance of each external service provider during the referred to financial year

### 5.1 PERFORMANCE RATING IN RESPECT OF CONTRACTED SERVICE PROVIDERS DURING 2019/20.

#### THE ASSESSMENT OF THE PERFORMANCE OF SERVICE PROVIDERS WILL BE+ BASED ON THE FOLLOWING RATING SCALE.

LEVEL	TERMINOLOGY	DESCRIPTION
5	Excellent/Outstanding Performance	Performance far exceeds the standard expected of the service provider at this level. The appraisal indicates that the service provider has achieved above fully effective results against all performance criteria and indicators as specified in the awarded contract.
4	Very Good/Performance significantly above expectations	Performance is significantly higher than the standard expected in the job awarded. The appraisal indicates that the service provider has achieved above the fully effective results against more than half of the performance criteria and indicators and fully achieved all others throughout the period of the contract awarded.
3	Good/fully effective	Performance fully meets the standard expected in all areas of the job awarded. The appraisal indicates that the service provider has fully achieved effective results against all significant performance criteria and indicators as specified in the awarded contract.
2	Fair /not effective	Performance is below the standard required for the specified job. Performance meets some of the standards expected for the job and the assessment indicates that the service provider has achieved below fully effective results against more than half of the key performance criteria and indicators as specified in the awarded contract.
1	Poor /unacceptable	Performance does not meet the standard expected for the job awarded. The assessment indicates that the service provider has achieved below fully effective results against all of the performance criteria and indicators as specified in the awarded contract. Further that the service provider failed to demonstrate the commitment or ability to bring performance up to the level expected in the job despite management efforts to encourage improvement.

PROJECT NAME	APPOINTED SERVICE PROVIDERS	VALUE FOR THE CONTRACT AWARDED	EXPENDITURE TO DATE	ACTUAL PERFORMANCE (COMPLETED OR INCOMPLETED)	REASON FOR NON-COMPLETION	SERVICES PROVIDERS PERFORMANCE (i.e. Poor, fair, good etc.)	COMMENTS AND RECOMMENDATION
Construction of Senwabarwana internal street and storm water phase 10 ext	Nyeleti Consulting Patrick Makgoka Construction	R4,127, 742.45	R4,127, 742.45	Completed	N/A	Good	The project was completed on time.
Construction of Avon internal street and storm water phase 5	T2 Tech consulting engineers PJMJ Engineering and Plant hire	R16,509 103.45	R16,509 103.45	Completed	N/A	Good	The project was completed on time.
Construction of Kromhoek internal street and storm water management phase 5	Morula consulting engineers Balo Holdings	R 17 920 036.00	R 17 920 036.00	Completed	N/A	Good	The project was completed on time.
Rehabilitation of Aldays landfill site	Elimash trading	R 1, 500, 000.00	R 1, 500, 000.00	Completed	N/A	Good	The project was completed on time.
Construction of Towerfontein Creche	Dikgabo Engineers Bakone Mathekga wide services	R2,000,000.00	R 1,002,167.10	Incomplete	The national lockdown affected the completion of the project.	Good	The project is under construction stage and will be completed by end of November 2020

PROJECT NAME	APPOINTED SERVICE PROVIDERS	VALUE FOR THE CONTRACT AWARDED	EXPENDITURE TO DATE	ACTUAL PERFORMANCE (COMPLETED OR INCOMPLETED)	REASON FOR NON-COMPLETION	SERVICES PROVIDERS PERFORMANCE (i.e. Poor, fair, good etc.)	COMMENTS AND RECOMMENDATION
Construction of Sports complex for Senwabarwana Phase 3	Sizeya Consulting Engineers PIN AFRICA	R 2, 075 617.59	R 2,034,149.45	Completed	N/A.	Good	The project was completed on time.
Construction of Cooperspark community hall phase 2	Bakone Mathekga wide services	R 187,808.80	R 187,808.80	Completed	N/A	Good	The project was completed on time.
Post Connections of Ward 1 Projects.	NSK Electrical	R 728,000.00	R 728,000.00	Completed	N/A	Good	The project was completed on time
Electrification of 125 household extensions at Witten Ext. 08	Tladi Consulting Services Tumishi Electrical	R2,150,000.00	R 1 817 503.33	Completed	N/A	Good	The project was completed on time
Cluster 1-Post connections of 155 households connection at (Arrie (23), Sias (25), Thorpe (57), Motadi (20) and Gideon (30))	Math Engineering Batlase Enterprise	R 1,131,500.00	R 668 701.41	Incomplete	The national lockdown affected the completion of the project and delivery of materials from the suppliers	Good	The revised completion date is the end of 2 <sup>nd</sup> quarter 2021.
Cluster 2 -Post connections of 132 households at (Diepsloot (50), Silvermine (45), (Nailiana (22), Innes(15))	Lefokane Consulting and Projects Management Batlase Enterprise	R 963,600.00	R 80 942.40	Incomplete	The national lockdown delayed the completion of the project and delivery of materials from the suppliers	Good	The revised completion date is the end of 2 <sup>nd</sup> quarter 2021.



PROJECT NAME	APPOINTED SERVICE PROVIDERS	VALUE FOR THE CONTRACT AWARDED	EXPENDITURE TO DATE	ACTUAL PERFORMANCE (COMPLETED OR INCOMPLETED)	REASON FOR NON-COMPLETION	SERVICES PROVIDERS PERFORMANCE (i.e. Poor, fair, good etc.)	COMMENTS AND RECOMMENDATION
Cluster 3 – Post connection of 120 household at (Kgokonyane(30), Milbank (55), Mosehleng (35))	NSK Electrical Batlase Enterprise	R876,000.00	R 73 584.00	Incomplete	The national lockdown delayed the completion of the project and delivery of materials from the suppliers	Good	The revised completion date is the end of 2 <sup>nd</sup> quarter 2021.
Bochum Substation	Volt Consulting Engineers  Leboneng North Investment	R10,000,000.00	R 4 242 308.64	Incomplete	The national lockdown delayed the completion of the project and delivery of material from the suppliers and community disruption	Good	The revised completion date is the end of 2 <sup>nd</sup> quarter 2021.
Energy Efficiency and Demand site management	Xsemble Engineers	R2,000,000.00	R 2 000 000.00	Completed	N/A	Good	The project was completed on time

## 5.2. COMPARISON OF PERFORMANCE OF SERVICE PROVIDERS FOR 2019/20 AND 2018/19

The performance of service providers for 2019/20 was affected by national lockdown and four projects will be rolled over to the 2020/21fy. One service provider was terminated due to poor performance in the 2018/19fy

Year	Service providers rated good	Service providers rated fair	Service providers rated poor	Service provider/s terminated
2019/20	13	06	0	0
2018/19	07	01	02	01

## 9. CAPITAL GRANT SPENDING

### a. CAPITAL GRANTS SPENDING FOR 2019/20

The Municipality was allocated R 44,350,000.00 for MIG and for INEP R 15,000,000.00 for the financial year 2019/20. The Municipality has managed to spend 99.9% for Municipal Infrastructure grant and 45.9% Integrated National Energy Programme.

### b. COMPARISON OF CAPITAL GRANTS SPENDING FOR 2019/20 AND 2018/19

Municipality has managed to spend 99.9 % of MIG grant while INEP grant spending is at 45.9 % for 2019/20 compared to 2018/19 Financial year where MIG spending was 100 % and INEP 83%

Grant	2019/20 Allocation	2019/20 Spending	Percent	2018/19 Allocation	2018/19 Spending	Percent	Comments
MIG	R 44,350,000.00	99.9%		R 43 491 000	100 %		None
INEP	R 15,000,000.00	45.9 %		R 4 295 000	83 %		Four projects were affected by national lockdown

EEDSM	R2,000,000.00	100%	R5,000,000.00	98%	The project completed successfully
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#### 10. OPERATING REVENUE COLLECTION

##### a. 2019/20 OPERATING REVENUE COLLECTION

The Municipality has managed to collect R 109 547 459.92 out of R 70 300 000 Operating Revenue budget for 2019/20. This represent 156 % of money collected.

##### b. COMPARISON OF 2019/20 AND 2018/19 OPERATING REVENUE COLLECTION

Item	2019/20		2018/19		Comments
Operating Revenue Collection	2019/20 Operating budget	2019/20 Actual Collection	2018/19 Operating budget	2018/19 Actual Collection	The 2019/20 collection has surpassed the previous year due to payment by sector departments on property rates even though collection targets on traffic revenue sources were no met due to COVID-19
	R 70,300,000.00	R 109,547,459.92	R 76 368 607	R 43 005 983	
Overall Percentage	156 %		56 %		

## 11. PERFORMANCE CHALLENGES AND MEASURES FOR IMPROVEMENT

Despite overall performance, there are challenges that needs to be highlighted in order to improve going forward.

The table below illustrate some of the challenges and measures for improvement.

Challenges/s	Measures for Improvement
Inadequate collection i.e. electricity collection, and traffic revenue sources	Improve on billing system and collection measures Identification of additional revenue sources. Support the work of revenue management committee
Shortage of staff	Fast-track employment of staff
Land invasions	Implement forward planning and proactive land use measures that will alleviate land invasions, for example township establishment and registration
Plant breakdown affected	Timeous system of plant repair to avoid shortage plant i.e term contractors
Incomplete projects or rollover particularly with regard to electrification of households	Forward planning and monitoring of performance of contractors

## 9. DETAILED SDBIP REPORT 2019/20

### 9.1. BASIC SERVICES AND INFRASTRUCTURE DELIVERY

SDBIP KPI NO.	PROJECT DETAILS			KEY PERFORMANCE INDICATOR	2018/19 ACTUAL	2019/20 ANNUAL TARGET/ PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE	LOCATION								
BSID 1	Upgrading of Avon village internal street and storm water phase 5	Upgrading of gravel to tar surface and Stormwater channel	Improvem ent of Roads infrastruct ure and storm water managem ent	Avon village Ward 09	Phase 1- 4 complete d	Upgrading of 1.5 km of internal Streets from gravel to tar surface and storm water channel at Avon village Phase 5 by 30 June 2020	Target achieved Upgrading of 1.5 km of internal Streets from gravel to tar surface and storm water channel at Avon village Phase 5 completed by 30 June 2020	N/A	N/A	Budget: R16,5 M Exp: R R16,5 M	Advert, appointment letters, site hand over minutes, Quarterly Progress reports, pictures and Completion Certificate	Technical services

Project Details				Key Performance Indicators	2019/20 Budget	Annual Budget Performance Indicators	Target	Season	Corrective Measure	Budget	Reported/Actual Evidence	Responsibility
Self Rating	Project	Project Description	Intervention Objective									
BSID 2	Upgrading of Kromhoek internal street and storm water management phase 5	Upgrading of gravel road to tar surface and Stormwater channel	Improvement of Roads infrastructure and storm water management	Kromhoek village Ward 15	Number of kilometres upgraded for internal street and storm water control at Kromhoek phase 5 by June 2020	Phase 1-4 completed	Upgrading of 2.4 km of internal Streets from gravel to tar and storm water control at Kromhoek phase 5 by June 2020	Target achieved Upgrading of 2.4 km of internal Streets from gravel to tar and storm water control at Kromhoek phase 5 completed by June 2020	N/A	Budget R17,9M Exp R17,9M	Advert, appointment letters, site hand over minutes, Quarterly Progress reports, pictures and Completion Certificate SLA for contractor	Technical services

BSID SPRING	PROJECT DETAILS			PERFORMANCE INDICATOR	2019/20 BUDGET RECOMMENDED NATIONAL	2019/20 ACTUAL NATIONAL	2019/20 ACTUAL NATIONAL	CORRECTIVE MEASURE	BUDGET EXPENSE	PORTFOLIO EVIDENCE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	LOCATION								
BSID 3	Extension of Senwabarwana Internal Street and storm water management	Upgrading of gravel road to tar surface and Stormwater management	Senwabar wana village Ward 19	Number kilometres of Senwabarwana Internal Streets and Stormwater phase 10 constructed by June 2020	Phase 1- 10 complete d	0,35 kilometres of Senwabarwan a Internal Streets and Stormwater phase 10 constructed by June 2020	Target achieved 0,35 kilometres of Senwabarwa na Internal Streets and Stormwater phase 10 constructed by June 2020	N/A	Budget R 4.1 M Exp: R 4.1 M	Appointment of extension letter, Service level agreement, site hand over minutes, Quarterly Progress reports, pictures and Completion Certificate.	Technical Services
BSID 4	Construction of crèche at Towerfontein village	Construction of crèche	Towerfont ein Ward 16	Number of crèche constructed at Towerfontein village by June 2020	New Indicator	Construction of crèche at Towerfontein village completed by July 2020	Target not achieved Contractor appointed, handed over site and established	Delay in delivery of materials from the suppliers and the national	Budget: R 1,7M Exp: R 1,002,16 7.10	Appointment letter. Site handover report, Completion certificate.	Technical Services

SUB-PROJECT NO.	PROJECT DETAILS		KEY PERFORMANCE INDICATOR	TARGET	ACTUAL	COMPLETION DATE	VARIANCE	REASON FOR VARIANCE	CORRECTIVE ACTION	BUDGET	PORTFOLIO OF EXPENDITURE	RESPONSIBILITY
	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE										
		al facility services						COVID-19 lockdown delayed the construction of project	November 2020		Extension letter and Consultant signing of appointment letter	
BSID 5	Construction of Sports complex for Senwabarwana Phase 4	To provide safe and sustainable recreational and social facilities	Senwabarwana Township Ward 19	Percent of completed construction work for the Senwabarwana Sports Complex phase 4 by June 2020	Phase 1 - 3 Sports complex constructed.	100% supply and installation of 2 high mast light and 15 Perimeter lights at Senwabarwana sports complex phase 4 by 30 June 2020	Target achieved 100% supply and installation of 2 high mast light and 15 Perimeter lights at Senwabarwana sports complex phase 4 by	N/A	N/A	Budget : R 2.1 M Budget : R 2.1 M	Advert, appointment letters, site hand over minutes, Quarterly Progress reports, pictures and Completion Certificate.	Technical Services



SDBIP KPI NO	PROJECT DETAILS			KEY PERFORMANCE INDICATOR	2018/19 ACTUAL	2019/20 ANNUAL TARGET/ PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE	LOCATION								
BSID 6	Construction of Cooperspark community hall phase 3	Construction of Community Hall	To provid e safe and sustai nable comm unity hall	Coopersp ark Ward 21	Phase 1 and 2 complete d	100% installation of doors, borehole, concrete pillars, concrete ramp and Painting at Cooperspark Community hall phase 3 by June 2020	Target achieved 100% installation of doors, borehole, concrete pillars, concrete ramp and Painting at Cooperspark Community hall phase 3 by June 2020	N/A	N/A	R163,31 2.00 Exp: R163,31 2.00	Advert, issuing of order, site hand over minutes, Quarterly Progress reports, pictures and Completion Certificate	Technical Services

PROJECT DETAILS				KEY PERFORMANCE INDICATOR	2018/19 ACTUAL	2019/20 ANNUAL TARGET/ PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
SBIIP/ KPI NO	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE									
BSID 7	Installation of Culverts, construction of Wing walls and Patching of Port holes in various villages	Installation of Culverts and construction of wing walls.	Improvement of Roads infrastructure and storm water management	Number of culverts with wing walls constructed in four villages by June 2020	Four Culverts with Wing Walls constructed at four villages by 2018/19	Construction of 04 culverts with wing walls one in each of the four villages by June 2020	Not Achieved 06 culverts installed only 02 complete with wing-walls.	Delay in procurement of materials for construction of wing-walls and shortage of staff. During rainy season Avon village was affected by floods and two culvert were	Wing-walls materials for construction has been procured and construction will be completed by August 2020.	R 550 000.00 Exp: R 500 000.00	Signed Project Progress Report	Technical Services

SDBIP KPI NO	PROJECT DETAILS			KEY PERFORMANCE INDICATOR	2018/19 ACTUAL	2019/20 ANNUAL TARGET/ PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE									
BSID 8	Patching of port holes and road maintenance	Identify critical road conditions of our internal streets	Patching of potholes and road maintenan ce.	BLM	Percent potholes patched on surfaced internal streets maintained	100% potholes patched on surfaced internal streets maintained	Target achieved 100% potholes patched on surfaced internal streets maintained	N/A	N/A	OPEX	Signed Project Progress Report	Technical Services
					New	100% potholes patched on surfaced internal streets maintained	Target achieved 100% potholes patched on surfaced internal streets maintained	installed to channel water away from yards				

SDBIP KPI NO	PROJECT DETAILS			KEY PERFORMANCE INDICATOR	2018/19 ACTUAL	2019/20 ANNUAL TARGET/ PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE									
BSID 9	Grading of internal street and access road within Blouberg Municipality	Identification of critical areas, assessment, specification, procurement /maintenance of internal streets and storm water.	To ensure maintenan ce of all surfaced and gravel internal streets and access Roads and storm water control	Number of KM of internal street and access road graded within Blouberg Municipality by June 2020	600km internal Street graded	400km internal Street graded within Blouberg Municipality by June 2020	Target achieved 572.6 km internal Street graded within Blouberg Municipality by June 2020	172.6 km internal street and access road over achieved due to damaged internal streets and access road affected by heavy rain/flood s	N/A	OPEX	Reports on internal street graded, ward councillor's confirmation letter and Pictures	Technical Services

PROJECT OBJECTIVES				PERFORMANCE INDICATOR		TARGET		ACTUAL		REMARKS		OPEX		FOR THE YEAR		RESPONSIBILITY	
BSID	PROJECT	PROBLEM IDENTIFICATION	TO	BLM	NUMBER OF KM	OPERATION	20km of	TARGET	ACHIEVED	REMARKS	CONSTANT	CONSTANT	OPEX	Ward	FOR THE YEAR	RESPONSIBILITY	
10	Re-gravelling of internal street and access road within Blouberg Municipality	Identification of critical areas, assessment and re-gravelling of roads	To improve the conditions of gravel roads	BLM	Number of KM of internal street and access road re-gravelled within Blouberg Municipality by June 2020	Operation maintenance Plan 2018/19 actual performance	20km of internal street and access roads re-gravelled within Blouberg Municipality by June 2020	Target not Achieved 12.75km km of internal street and access roads re-gravelled within Blouberg Municipality by June 2020	Constant breakdown of machinery and shortage of staff.	Constant maintenance of machinery and employment of staff.	OPEX	Ward councillor's confirmation letter and Pictures	Technical Services				

SDP/PROJECT	PROJECT DETAILS			KEY PERFORMANCE INDICATOR	2018/19 ACTUAL	2019/20 ANNUAL TARGET/PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE	LOCATION								
BSID 11	Post connections of ward 01 at Raweshi (22), Cracouw (40), Early dawn (40), Oldlongsigne (20) and Lekgwara (21)	Post connections of ward 01 at Raweshi (22), Cracouw (40), Early dawn (40), Oldlongsigne (20) and Lekgwara (21)	To connect and provide sustainable energy by 2020	Raweshi (22), Cracouw (40), Early dawn (40), Oldlongsigne (20) and Lekgwara (21)	Rolled over project from 2018/19 PLANNING STAGE - Inception, Concept and Viability, Design Development, Tender Stage and Site Handover for CONSTRUCTION	143 households connected to electricity grid and energized by Post connections of ward 01 at Raweshi (22), Cracouw (40), Early dawn (40), Oldlongsigne (20) and Lekgwara (21) at 30 June 2020	Target achieved 143 households connected to electricity grid and energized at Post connections of ward 01 at Raweshi (22), Cracouw (40), Early dawn (40), Oldlongsigne (20) and Lekgwara (21)	N/A	N/A	Budget R 728 000.00 Exp. R 728 000.00	Completion Certificate,	Technical Services

SDBIP KPI NO	PROJECT DETAILS			KEY PERFORMANCE INDICATOR	2018/19 ACTUAL	2019/20 ANNUAL TARGET/ PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE									
					STAGE - Establish ment, Surveyin g , Pegging digging of holes and pole planting		(21) by 30 June 2020					
BSID 12	Electrification of 125 household connection at Witten	125 households on CONSTRUCTION STAGE - Transformer mounting and household connections	To connect and provide sustainable energy by 2020	Witten Village Ward 19	New Indicator	125 households connected to electricity grid and energized by at Witten village 30 June 2020	Target achieved 125 households connected to electricity grid and energized at Witten	N/A	N/A	Budget :R 2 150 000.00 Budget :R 2 150 000.00	Advert, appointment letters, site hand over minutes, Quarterly Progress reports, pictures and	Technical Services



SDRP KP NO	PROJECT DETAILS			KEY PERFORMANCE INDICATOR	2018/19 ACTUAL	2019/20 ANNUAL TARGET/ PERFORMANCE INDICATOR	2019/20/AGTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE									
		<u>COMPLETED</u> <u>ON STAGE:</u> Testing and commissioning, Practical Completion, Close-up Reports and As-Built Drawings Development of 125 household connections at Witten village					village by 30 June 2020				Completion Certificate,	
BSID 13	Electrification of Cluster 1 Post connections at Arrie (23),	Electrification of Post Connections at Cluster 1.	To connect and provide sustainable	Arrie, Sias, Thorpe, Motadi	Number of households connected to electricity grid and energized	New Indicator	155 households connected to electricity grid and energized	Target not achieved On construction	National lockdown and shortage of	Contractor to expedite progress to complete project by	Advert, appointment letters, site hand over minutes,	Technical Services



SUB-PROJECT	PROJECT DETAILS				KEY PERFORMANCE INDICATOR	2018/19 ACTUAL	2019/20 ANNUAL TARGET/ PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE	LOCATION									
	Sias(25), Thorpe(57), Motadi(20), Gedion(30)		electric energy by 2020	and Gedion.	at Arrie, Sias, Thorpe, Motadi and Gedion by 30 June 2020		at Arrie, Sias, Thorpe, Motadi and Gedion by 30 June 2020	stage currently awaiting delivery of meters and transformer.	materials from suppliers.	end of 2 <sup>nd</sup> quarter 2020.		Quarterly Progress reports, pictures and Completion Certificate,	
BSID 14	Electrification of Cluster 2 Post connections at Diepsloot(50), Silvermine(45), Nailana(22) and Innes(15)	Electrification of Post Connections at Cluster 2	To connect and provide sustainable energy by June 2020	Diepsloot, Silvermine, Nailana and Innes	Number of households connected to electricity grid and energized at Diepsloot, Silvermine, Nailana and Innes by 30 June 2020	New Indicator	132 households connected to electricity grid and energized at Diepsloot, Silvermine, Nailana and Innes by 30 June 2020	Target not achieved Contractor appointed, awaiting delivery of material by suppliers	National lockdown and shortage of materials from suppliers.	Contractor to expedite progress to complete project by end of 2 <sup>nd</sup> quarter 2020.	Budget :R 963 600.00 Exp: 80 942.40	Advert, appointment letters, site hand over minutes, Quarterly Progress reports, pictures and Completion Certificate,	Technical Services

PROJECT DETAILS				PERFORMANCE INDICATOR		2019/20 Actual		2019/20 Target		REASON FOR VARIANCE		COMPLETION STATUS		BUDGET		PROVISION OF SUPPLY		RESPONSIBILITY
SBSID RANGE	PROJECT DESCRIPTION	PROJECT OBJECTIVE	LOCATION	Number of households connected to electricity grid and energized	New Indicator	2019/20 Actual	2019/20 Target	REASON FOR VARIANCE	COMPLETION STATUS	BUDGET	PROVISION OF SUPPLY	RESPONSIBILITY						
3SID 15	Electrification of Cluster 3 Post connections at Kgokonyane (30), Milbank(55) and Mosehleng35)	To connect and provide sustainable energy by June 2020	Kgokonyane, Milbank, and Mosehleng	Number of households connected to electricity grid and energized at Kgokonyane, Milbank, and Mosehleng by 30 June 2020	New Indicator	120 households connected to electricity grid and energized at Kgokonyane, Milbank, and Mosehleng by 30 June 2020	Target not achieved Contractor appointed, awaiting delivery of material by suppliers	National lockdown and shortage of materials from suppliers	Contractor to expedite progress to complete project by end of 2 <sup>nd</sup> quarter 2020.	Budget :R 876 000.00 Exp: R 73 584.00	Advert, appointment letters, site hand over minutes, Quarterly Progress reports, pictures and Completion Certificate,	Technical Services						
3SID 16	Senwabarwana Substation	To provide reliable and sustainable energy to Senwabarwana Villages	Ward 19	% of Perimeter fence, Drilling and equipment of boreholes and Building of Senwabarwana Substation House	New Indicator	100 % Construction of phase 1 Senwabarwana Substation completed by June 2020	Target not achieved Site established and bore hole drilled	National lockdown and community protest due to incorrect site allocated and	Contractor to expedite progress to complete project by end of 2 <sup>nd</sup> quarter 2020.	Budget :R 10 M Exp :R 4 242 308.64	Advert, Appointment letters, completion certificate Close out report. Pictures	Technical Services						

SDBIP KPI NO	PROJECT DETAILS			KEY PERFORMANCE INDICATOR	2018/19 ACTUAL	2019/20 ANNUAL TARGET/ PERFORMANCE INDICATOR	2018/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE	LOCATION								
					constructed by June 2020			demarcation issues				
BSID 17	Energy Efficiency demand Site management programme	Installation of energy saving meters at Main building, Senwabarwana old and New Traffic, Eldorado Satellite office, Witten office, Ben Seraki sports complex, Senwabarwana sports complex and Eldorado sports complex, Inveraan Satellite office,	To provide Renewable Energy at Municipal buildings.	BLM	New Indicator	100% of Installation of energy saving meters at Main building, Senwabarwana old and New Traffic station, Eldorado Satellite office, Witten office, Ben Seraki sports complex, Senwabarwana a sports complex and Eldorado	Target achieved 100% of Installation of energy saving meters at Main building, Senwabarwana old and New Traffic station, Eldorado Satellite office, Witten office, Ben	N/A	N/A	Budget R 2 M Exp: R 2 000 000.00	Advert, Appointment letters, completion certificate Close out report. Pictures	Technical Services

PROJECT DETAILS			KEY PERFORMANCE INDICATORS		2014/15	2015/16	2016/17	2017/18	2018/19	REASON FOR DELAY	CORRECTIVE MEASURE	BUDGET	REMITTANCE	RESPONSIBILITY
SLIP KEY	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE	LOCATION											
	Eldorado sports complex, Inveraana Satellite office, Langlagte community hall and Raweshi satellite office, Tourism center, Alldays satellite office, Alldays community hall, Senwabarwana street			Langlagte community hall and Raweshi satellite office, Tourism center Alldays satellite office, Alldays community hall, Senwabarwana street light and installation solar Roof Top PVs at Municipal main building.		sports complex, Inveraana Satellite office, Langlagte community hall and Raweshi satellite office, Tourism center Alldays satellite office, Alldays community hall, Senwabarwana street light and installation solar Roof Top PVs at	Seraki sports complex, Senwabarwana sports complex, Eldorado sports complex, Inveraana Satellite office, Langlagte community hall and Raweshi satellite office,							

SBID KPIID	PROJECT DETAILS			KEY PERFORMANCE INDICATOR	2018/19 ACTUAL	2019/20 ANNUAL TARGET/ PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE									
BSID 18	Response to electricity breakdowns and cut offs	Submission of request, assessment, procurement and electrical maintenance	To ensure proper maintenan ce of the Electrical network and addressin g reported	BLM	Existing Electrical network	100% electricity breakdown responded and addressed within 14 days of request by June 2020	Target achieved 100% electricity breakdown responded and addressed	N/A	N/A	R 1,087 000.00 Exp: R 1 087 000.00	Proof of Purchase	Technical Services
		light and installation solar Roof Top PVs at Municipal main building.				Municipal main building	All days community hall Senwabarw ana street light and installation solar Roof Top PVs at Municipal main building					

SBBP KEYING	PROJECT DETAILS			KEY PERFORMANCE INDICATOR	2018/19 ACTUAL	2019/20 ANNUAL TARGET/ PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE									
			breakdowns				within 14 days of request by June 2020					
BSID 19	Installation of Emergency Transformers	Submission of request, assessment, procurement and maintenance	To ensure installation of emergency Transformers within 24 hours of request.	BLM	Transformer breakdowns register	100% emergency Transformers installed within 24 hours of request	Target achieved 100% emergency Transformers installed within 24 hours of request	N/A	N/A	R500,000.00 Exp: R 438 882.81	Proof of purchase and transformer installation register	Technical services
BSID 20	Purchasing of Three Phase pre-paid meters at Blouberg	Purchasing Three phase pre-paid metres to replace the existing	To improve control of electricity usage	BLM	New Indicator	20 three phase Pre-paid meters purchased at June 2020	Target achieved 20 three phase Pre-paid meters purchased	N/A	N/A	R 200 000.00 Exp R 78,634.00	Proof of purchase	Technical Services

SDBIP KPI NO	PROJECT DETAILS			KEY PERFORMANCE INDICATOR	2018/19 ACTUAL	2019/20 ANNUAL TARGET/ PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE									
	area of Supply	Conventional meters					by June 2020					
BSID 21	Installation of Three Phase pre- paid meters at Blouberg area of Supply	Installation of Three phase pre- paid metres to replace the existing Conventional meters	To improve control of electricity usage	Percentage of three phase pre- paid meters installed by June 2020	New Indicator	100 % Three phase pre- paid meters Installed at Blouberg area of Supply by June 2020	Target achieved 100 % Three phase pre- paid meters Installed at Blouberg area of Supply by June 2020	N/A	N/A	OPEX	Data collection forms	Technical Services
BSID 22	Rehabilitatio n of Alldays landfill site phase 2	Appointment of contractor and construction of landfill site	To increase capacity of the landfill site	% of painting, tilling, ceiling, guardhouse, burglars, electricity and sewer	Existing	100% of painting, tilling, ceiling, guardhouse, burglars, electricity and	Target achieved 100% of painting, tilling, ceiling,	N/A	N/A	Budget: R 1 500 000	Advert, appointment letters, site visit report and pictures,	Technical Services



PROJECT DETAILS					KEY PERFORMANCE INDICATOR	2018/19 ACTUAL	2019/20 ANNUAL TARGET/ PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
SBBIP KPI NO	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE	LOCATION									
					connections Construction of landfill completed at Alldays		sewer connections Completed at Alldays landfill site by June 2020	guardhouse, burglars, electricity and sewer connections Completed at Alldays landfill site by June 2020			Exp: R 1 500 000.00	completion certificate	
BSID 23	Purchase of road maintenance equipment	Development of specification and purchasing of road maintenance equipment	To improve municipal maintenance capacity	BLM	Number road maintenance equipment purchased	New Indicator	Two road maintenance equipment purchased	Not Achieved Procurement processes (Specification and evaluation report) completed	Budget constraint	Deferred to 2020/2021 Financial Year.	R 1 110 000.00	Proof of purchase	Technical services



SIP RINO	PROJECT DETAILS			PERFORMANCE INDICATOR		2019/2020 COMPLETED PERFORMANCE INDICATOR	2019/2020 TARGET	PERCENT ACHIEVED	CORRECTIVE MEASURE	SUBJECT	REPORTING FREQUENCY	RESPONSIBILITY
	PROJECT DESCRIPTION	SUB-PROJECT DESCRIPTION	INDICATOR	NUMBER OF HOUSEHOLDS PROVIDED WITH FREE BASIC ELECTRICITY	NEW INDICATOR							
33SID 24	Free Basic Services	Identification of indigent households and provision of free services	To provide indigent household s with free basic electricity	Number of households provided with free basic electricity	New Indicator	3872 provided with FBE by June 2020	Target achieved 3872 provided with FBE by June 2020	N/A	N/A	R 1 450 000.00 Exp R 1 272 839.36	Reports	Budget and Treasury
33SID 25	Free Basic Services	Identification of indigent households and provision of free services	To provide indigent household s with free basic waste removal	Number of households provided with free basic waste removal	New Indicator	3872 provided with FBWR by June 2020	Target achieved 3872 provided with FBWR by June 2020	N/A	N/A	OPEX	Reports	Budget and Treasury
33SID 26	Free Basic Services	Identification of indigent households and provision of free services	To provide indigent household s with free basic water	Number of households provided with free basic water	New Indicator	18410 provided with FBW by June 2020	Target achieved 18410 provided	N/A	N/A	OPEX	Reports	Budget and Treasury

SDBIP KPI NO	PROJECT DETAILS			KEY PERFORMANCE INDICATOR	2018/19 ACTUAL	2019/20 ANNUAL TARGET/ PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE									
BSID 27	Free basic Services	Identification and registration of indigent beneficiaries	To provide free basic services to the deserving customers	BLM			with FBW by June 2020	N/A	N/A	OPEX	Indigent register	Budget and Treasury
				Number of reports on indigent management by June 2020	Indigent register updated 2018/19	2 x reports compiled and indigent register updated by June 2020	Target achieved 2 x reports compiled and indigent register updated by June 2020	N/A				

## 9.2. KEY PERFORMANCE AREA: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

SUBPROJECT NO	PROJECT DETAILS			KEY PERFORMANCE INDICATOR	2018/19 ACHIEVEMENT	2019/20 ANNUAL TARGET/ PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE									
MTOD 1	Gender Programmes	Coordination of activities with regard to gender	To promote the needs and interests of special focus groupings and gender mainstreaming	Number of days of activism event against women coordinated by June 2020	2 events held in 2018/19	2 events on 16 days of activism against women coordinated by June 2020	Target achieved 2 events on 16 days of activism against women coordinated by June 2020	N/A	N/A	R101 980 Exp R 95 050.00	Reports, Attendance register	Municipal Manager's Office
MTOD 2	Children Programmes	Coordination of activities with regard to children	Ensure that children programmes are coordinated	Number of children's day celebrated by June 2020	One children's day celebrated in 2018/19	1 Children's day celebrated by June 2020	Target achieved 1 Children's day celebrated by June 2020	N/A	N/A	R 80 000 Exp R 124 299.0	Report on the hosting and celebration of children's day Pictures	Municipal Manager's Office

SDB/KPI NO	PROJECT DETAILS			KEY PERFORMANCE INDICATOR	2018/19 ACHIEVEMENT	2019/20 ANNUAL TARGET/ PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE									
MTOD 3	Take a girl child programme	Coordination of activities with regard to children	Ensure that children programmes are coordinated	Number of Take a girl child to work campaign coordinated by June 2020	One event held in 2018/19	One (1) Take a girl child to work campaign coordinated by June 2020	Target not achieved. One (1) Take a girl child to work campaign coordinated by June 2020	Affected by COVID-19 Regulations	Revise the KPI in line with COVID-19 measures		Report ,attendance register and pictures	Municipal Manager's Office
MTOD 4	Special focus forums	Coordination of Special focus forums meetings	Ensure that special focus forum meetings are held as per schedule	Number of Special Councils (disability, elderly, men, youth & gender) meetings coordinated	20 special focus council held in 2018/19	20 Special Councils (disability, elderly, men, youth & gender) meetings coordinated and supported by June 2020	Target not achieved. 15 Special Councils (disability, elderly, men, youth & gender) meetings coordinated and supported by June 2020	Affected by COVID-19 Regulations	Revise the KPI in line with COVID-19 measures	OPEX	Minutes, Report Attendance Register and Resolution register.	Municipal Manager's Office

SDB/IKP NO	PROJECT DETAILS				KEY PERFORMANCE INDICATOR	2018/19 ACHIEVEMENT	2019/20 ANNUAL TARGET/ PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE	LOCATION									
MTOD 5	Disability and Elderly Program mes	Coordination of Disability and Elderly activities	Promote disability and elderly program es through commemor ations	BLM	Number of disability and elderly commemorati on event by June 2020	One(1) disability and elderly commemor ation event by June 2019	One(1) disability and elderly commemoratio n event by June 2020	Target achieved. One(1) disability and elderly commemor ation event by June 2020	N/A	N/A	R 43 000.00 Exp R 38 442.00	Report and attendance register	Municipal Manager's Office
MTOD 6	HIVAIDS PROGR AMMES	Developmen t of schedule of meetings, issue to all relevant stakeholders , development	To reduce the number of HIVAIDS infections	BLM	Number of Local HIV/AIDS Council meeting coordinated by June 2020	Four HIV/AIDS Council held in 2018/19	Four (4) Local HIV/AIDS council meetings held by June 2020	Target not achieved. Three Local HIV/AIDS council meetings	Affected by COVID- 19 Regulatio ns	Revise the KPI in line with COVID-19 measures	R 200 000 Exp R 197 635.0	Minutes, Attendance Register	Municipal Manager's Office

SDB/KPI NO	PROJECT DETAILS			KEY PERFORMANCE INDICATOR	2018/19 ACHIEVEMENT	2019/20 ANNUAL TARGET/ PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE									
		of documentation with invitation for a meeting, distribution, reminders and meeting					held by June 2020					
MTOD 7	AIDS Council meetings	Coordination of meetings as per schedule	Promote advocacy and stakeholder collaboration	Number of Ward Aids Council meetings organized by June 2020	16 ward Aids Council cluster meetings organized by June 2019	16 ward Aids Council cluster meetings organized by June 2020	Target not achieved. 1 2 ward Aids Council cluster meetings organized by June 2020	Affected by COVID-19 Regulations	Revise the KPI in line with COVID-19 measures		Minutes, Attendance Register	Municipal Manager's Office

SDB/PP/NO	PROJECT DETAILS				KEY PERFORMANCE INDICATOR	2018/19 ACHIEVEMENT	2019/20 ANNUAL TARGET/ PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE	LOCATION									
MTOD 8	HAST Program mes	Coordination of HAST activities	Prevent spread of communicable diseases	BLM	Number of HAST(HIV AND AIDS STI AND TB) awareness campaigns and preventions held by June 2020	Calendar events	Four (4) HAST awareness campaigns by June 2020	Target not achieved. Three HAST awareness campaigns by June 2020	Affected by COVID-19 Regulations	Revise the KPI in line with COVID-19 measures	Part of spending under MTOD 06	Report Attendance Register	Municipal Manager's Office
MTOD9	Back to School Program mes	Coordination of back to school activities	Promote and support educational programmes	BLM	Number of schools visited through Back to school programmes by June 2020	15 Schools visited through back to school programme by June 2020	10 Schools visited through back to school programme by June 2020	Target achieved 10 Schools visited through back to school programme by June 2020	N/A	N/A	R 35 000.00 Exp R 29 825.00	Reports ,Attendance register	Municipal Manager's Office



SDB/PRP NO	PROJECT DETAILS			KEY PERFORMANCE INDICATOR	2018/19 ACHIEVEMENT	2019/20 ANNUAL TARGET/ PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE									
MTOD 10	Performance Management	Development and signing of performance agreements and plans and submission to CoGHSTA	To ensure compliance with Municipal systems Act	BLM	Percent Section 56/57 managers with signed performance plans and agreements by June 2020	PMS policy framework approved.	100 % Sec 56/57 managers with signed performance plans and agreements by June 2020	Target achieved 100 % Sec 56/57 managers with signed performance plans and agreements by June 2020	N/A	OPEX	Signed performance agreements and plans for 2019/20	Municipal manager
MTOD 11	Individual Performance Assessments	Coordination of performance assessments sessions	Ensure that employee performance as	BLM	Number of performance assessment for section 54A and 56 managers conducted by June 2020	Two sessions conducted during 2018/19	Two sessions of performance assessment conducted for 54A and 56 managers by June 2020	Target achieved Two sessions of performance assessment	N/A	R 20 000 (R 10 332)	Individual performance Assessment Report and Attendance Registers	Municipal Manager's Office



SD/IR/KPI NO	PROJECT DETAILS			KEY PERFORMANCE INDICATOR	2018/19 ACHIEVEMENT	2019/20 ANNUAL TARGET/ PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE									
							conducted for 54A and 56 managers by June 2020					
MTOD 12	Back to Basics(B 2B)	B2B Action Plan	Ensure focus on basic programmes and interventions	Number Back to basic Action plan 2019/20 compiled and approved by June 2020	B2B Action plan approved during 2018/19	One B2B Action plan 2019/20 developed and approved by June 2020	Target achieved One B2B Action plan 2019/20 developed and approved by June 2020	N/A	N/A	OPEX	Approved B2B Action Plan 2018/19	Municipal Manager's Office

SDBIR/KPI NO	PROJECT DETAILS			KEY PERFORMANCE INDICATOR	2018/19 ACHIEVEMENT	2019/20 ANNUAL TARGET/ PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE									
MTOD 13	Back to Basics(B2B)	B2B Quarterly and annual report Reports	Ensure regular reporting and accountability	Number of quarterly and annual B2B Reports compiled by June 2020	Four Quarterly B2B Reports compiled during 2018/19	1 annual and 3 Quarterly B2B Reports compiled by June 2020	Target achieved 1 annual and 3 Quarterly B2B Reports compiled by June 2020	N/A	N/A	OPEX	Quarterly Reports	Municipal Manager's Office
MTOD 14	Development of SDBIP	Compilation of SDBIP 2019/20	To have a clear plan for implementation of IDP/Budget	Number 2020/21 SDBIP developed and approved by June 2020	2019/20 SDBIP Compiled Approved	One 2020/21 SDBIP Developed and approved of by June 2020	Target achieved One 2020/21 SDBIP Developed and approved	N/A	N/A	OPEX	Approved 2019/20 SDBIP	Municipal Manager's Office

SDBIP/KPI NO	PROJECT DETAILS				KEY PERFORMANCE INDICATOR	2018/19 ACHIEVEMENT	2019/20 ANNUAL TARGET/ PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE	LOCATION									
MTOD 15	SDBIP Reports	Quarterly SDBIP Reports	To assess the quarterly performance of the institution against the set targets.	BLM	Number of Quarterly SDBIP Reports compiled by June 2020	Quarterly SDBIP Reports compiled	Four Quarterly SDBIP Reports compiled by June 2020	Target achieved Four Quarterly SDBIP Reports compiled by June 2020	N/A	N/A	OPEX	Quarterly SDBIP Reports	Municipal Manager's Office
MTOD 6	Annual Performance Reports	Compilation of Annual Performance Report	To assess the annual performance of the institution against the set targets	BLM	Number Annual Performance Report compiled 2018/19 and submit to	Annual Performance Report 2017/18 compiled and submitted to AGSA	Annual Performance Report 2018/19 compiled and submitted to AGSA by June 2020	Target achieved Annual Performance Report 2018/19 compiled and	N/A	N/A	OPEX	Annual Performance Report 2018/19	Municipal Manager's Office



SUBJECT NO.	PROJECT DESCRIPTION			KEY PERFORMANCE INDICATOR	GOALS AND OBJECTIVES	MILESTONES	EVALUATION CRITERIA	TECHNICAL NEEDS	BUDGET	RECOMMENDED EXPENSE	RESPONSIBILITY
	PROJECT DESCRIPTION	SUBJECT NO.	SUBJECT NO.								
MTOD 18	Compliance of licensing and registration on reports	Implementati on of the licensing service action plan.	To ensure the provision of licensing services in an efficient, effective and economical manner.	BLM	Number monthly reports on the implementation of the licensing plan by June 2020	Approved action plan	11 monthly reports on the implementation of the licensing plan by June 2020	Target achieved 11 monthly reports on the implementation of the licensing plan by June 2020	N/A	N/A	Community Services
MTOD 19	Traffic Management	Implementati on of the traffic management operational plan	To ensure the provision of traffic services in an efficient, effective and	BLM	Number monthly reports on the implementation of the operational plan.	Approved action plan	11 monthly reports on the implementation of the operational plan.	Target achieved 11 monthly reports on the implementation of the operational plan.	N/A	N/A	Community Services

SPECIAL No	PROJECT DETAILS			KEY PERFORMANCE INDICATOR	2018/19 ACHIEVEMENT	2019/20 ANNUAL BUDGET PERFORMANCE INDICATOR	2020/21 ANNUAL BUDGET	REASON FOR VARIANCE	CORRECTIVE MEASURES	BUDGET VARIANCE	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE	PROBATION									
MTOD 20	Joint Operatio ns	economical manner.	BLM	Number of joint operations conducted by June 2020	2018/19 traffic and licensing managemen t operational plan	12 Joint operations conducted by June 2020	Target achieved 12 Joint operations conducted by June 2020	N/A	N/A	OPEX	Attendance registers Reports Pictures	Community Services
MTOD 21	Pound manage ment	Ensure provision of pound services in an efficient, effective and economic manner.	BLM	Number of Reports on pounding of stray animals compiled	Existing pound operation plan.	Four Reports on pounding of stray animals compiled	Target achieved Four Reports on pounding of stray animals compiled	N/A	N/A	R 80 450.00 Exp R 27 500.00	Reports on impounding of stray animals	Community Services

SDB/PP/NO	PROJECT DETAILS				KEY PERFORMANCE INDICATOR	2018/19 ACHIEVEMENT	2019/20 ANNUAL TARGET/ PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE	LOCATION									
MTOD 22	Drilling of Borehole for the pound	Appointment of service provider for drilling and equipping of borehole	To ensure continuous water supply at the pound	BLM Pound	Number borehole drilled and equipped at the pound by June 2020	New indicator	One borehole drilled and equipped at the pound by June 2020	Target achieved One borehole drilled and equipped at the pound by June 2020	N/A	N/A	R 77,600.00 Exp R 77 600.0	Photos	Community services.
MTOD 23	Community Safety Plan	Safety education and awareness campaigns	To ensure the safety of the local communities.	BLM	Number of safety awareness campaigns by June conducted by June 2020	Community Safety Plan	3 safety awareness campaigns conducted by June 2020	Target achieved 3 safety awareness campaigns conducted by June 2020	N/A	N/A	R 120 000.00 Exp 98 446.00	Report and attendance registers of awareness campaigns conducted	Community services.





SDB/KPI NO	PROJECT DETAILS			KEY PERFORMANCE INDICATOR	2018/19 ACHIEVEMENT	2019/20 ANNUAL TARGET/ PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE									
MTOD 26	Training of Councillo rs and employe es	Distribution of Skills Audit Form to employees for completion, Consolidate the form and submit to training committee, Training committee approve , submit to MM for signing off and submit to LGSETA	To improve the capacity of the employees	BLM	Number of employees trained by June 2020	15 employees trained	37 Councilors and 09 employees trained by June 2020	Target achieved 37 Councilors and 09 employees trained by June 2020	N/A	R 238 395.00 Exp R 250 857.48	Names of beneficiary and training programmes	Corporate Services

PROJECT DETAILS				KEY PERFORMANCE INDICATOR	2018/19 ACHIEVEMENT	2019/20 ANNUAL TARGET/ PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
SBIRKP NO	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE									
MTOD 27	Learner ship/ Internship programmes	Applications for learnership program from SETAS	To absorb as many unemployed graduates in the system	BLM	20 learners assisted in 2018/19	20 Learners Recruited for learner ship programme by June 2020	Target achieved 20 Learners Recruited for learner ship programme by June 2020	N/A	N/A	OPEX	Names of beneficiaries on learnership programme	Corporate Services
MTOD 28	Purchase of furniture	Development of specification and appointment of the service provider	To purchase furniture for the offices	BLM	100% spending on furniture budget by 2018/19	100% Budget spend on purchase of furniture by June 2020	Target achieved 100% Budget spend on purchase of furniture by June 2020	N/A	N/A	R 150 000.00 Exp R 79 300.00	Proof of purchase Section 71 report Delivery note	Corporate Services

SUBJECT NO	PROJECT DETAILS			KEY PERFORMANCE INDICATOR	GOALS ACHIEVEMENT	INDICATOR REFERENCE (BENCHMARK)	GOAL ACHIEVEMENT	REGION	QUALITY MEASURE	BUDGET	ACTED VALUE	RESPONSIBILITY
	PROJECT DESCRIPTION	SERVICES PROVIDED	LOCATION									
MTOD 29	Registration and licensing of vehicles	To keep vehicle road worthy.	BLM	Percent Registration and licensing of vehicles by June 2020	Service records and certificate of registration	100 % Registration and licensing of vehicles by June 2020	Target achieved 100 % Registration and licensing of vehicles by June 2020	N/A	N/A	R 79 500 Exp R 70 856.68	Service report, registrations certificate and delivery report.	Corporate Services
MTOD 30	Maintenance of Fleet and plant	To keep vehicles and plant in working condition	BLM	Percent maintenance of fleet and plant by June 2020	100% maintenance of fleet and plant by June 2019	100% maintenance of fleet and plant by June 2020	Target achieved 100% maintenance of fleet and plant by June 2020	N/A	N/A	R 2 000 000.00 Exp R1 485 185.92	Maintenance reports	Corporate Services

SUBJECT NO	PROJECT DETAILS				KEY PERFORMANCE INDICATOR	2018/19 ACHIEVEMENT	2019/20 ANNUAL TARGET PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE	LOCATION									
VTOD 31	Maintenance office equipment	Assessment and routine maintenance of office equipment	To keep Office equipment in good working condition	BLM	Number office equipment maintained and operational by June 2020	Maintenance plan	04 quarterly office equipment maintenance report generated by June 2020	Target achieved 04 quarterly office equipment maintenance report generated by June 2020	N/A	N/A	R 100 000 Exp R 91 500.00	Service reports, invoices, and payments made.	Corporate Services
VTOD 32	Employee Wellness	Organize and present Employee Assistance campaigns to all staff members	To promote Employee Wellness, sports and manage Injuries on duty (IOD)	BLM	Number of Medical Surveillance, and wellness campaigns by June 2020	Two medical surveillance and campaigns activities by June 2019	1 medical surveillance and 1 campaigns by June 2020	Target not achieved. 1 medical surveillance and 1 campaigns by June 2020	N/A Cash flow problems, the spec was compiled	N/A To be catered for in the financial year 2020/2021	R 13 085.00 Exp R 13 085.00	Invitation/Notices Attendance register	Corporate Services

SDB/PI/CP No	PROJECT DETAILS			KEY PERFORMANCE INDICATOR	2018/19 ACHIEVEMENT	2019/20 ANNUAL TARGET/ PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE	LOCATION									
MTOD 33	Develop ment review of Policies	Review and development of policies	To ensure availability of updated policies	BLM	Number HR policies reviewed and approved by Council by June 2020	Policies reviewed annually by June 2019	25 HR policies reviewed and approved by Council by June 2020	Target achieved 25 HR policies reviewed and approved by Council by June 2020	N/A	OPEX	List of approved policies and Council resolution	Corporate Services
								,advertis ed but not appointe d due to cash flow problems				



PROJECT DETAILS					KEY PERFORMANCE INDICATOR	2018/19 ACHIEVEMENT	2019/20 ANNUAL TARGET/ PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
SDB/EKPI No	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE	LOCATION									
MTOD 36	Labour Relations	Coordination of Local Labour forum meetings	Ensure regular sittings of LLF to strengthen labour relations	BLM	Number of LLF Meetings held by June 2020	4 LLF Meetings held by June 2019	4 LLF meetings held by June 2020	Target achieved 4 LLF meetings held by June 2020	N/A	N/A	OPEX	Report and Attendance Registers	Corporate Services
MTOD 37	OHS Inspection	Compilation of quarterly reports and payment of COIDA	To ensure compliance with OHS regulation	BLM	Percent compliant with Health and safety regulations by June 2020	100 % compliance with Health and safety regulations by June 2019	100 % compliance with Health and safety regulations by June 2020	Target achieved 100 % compliance with Health and safety regulations by June 2020	N/A	N/A	R 50 000.00 Exp R 29 260.42	Letter of Good standing	Corporate Services
MTOD 38	Uniform and	Purchasing uniform and	To ensure health and	BLM	Percent provision of uniform and protective	100 % provision of uniform and protective	100 % provision of uniform and protective	Target achieved	N/A	N/A	R 700 000 Exp R 565 565.00	Recipient register	Corporate service







SDP/PR/NO	PROJECT DETAILS			KEY PERFORMANCE INDICATOR	2018/19 ACHIEVEMENT	2019/20 ANNUAL TARGET PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
	PROJECT NO	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE									
ATOD 1		Ethics and Disciplinary Committee	Ensure compliance with code of conduct by Councillors	BLM		Number of Ethics and Disciplinary committee meetings held per quarter by June 2020	3 ethics and disciplinary committee meetings held by June 2019	2 Ethics and Disciplinary committee meetings held by June 2020	system installed Target not achieved 2 Ethics and Disciplinary committee meetings held by June 2020	OPEX	Minutes and registers	Corporate Services
ATOD 2		HR committees	To harmonize working environment and ensure compliance with labour regulations	BLM		Number of EE, OHS and Training committee meetings held per committee by June 2020	4 meetings of EE, 4 OHS and 4 Training committee held	4 meetings of EE, 4 OHS and 4 Training committee held by June 2020	Target not achieved. 2 meetings of EE, 2 OHS and 2 Training committee held by June 2020	OPEX	Notice, minutes and Attendance Registers	Corporate Services

STRATEGIC PRIORITY	PROJECT DETAILS			PERFORMANCE INDICATOR	2019/20 ACHIEVEMENT	2019/20 ANNOUNCED BUDGET	2019/20 ACTUAL	REASON FOR VARIANCE	INTERIM MEASURE	BUDGET	PORTFOLIO OF EXPENSE	RESPONSIBILITY
	PROJECT DESCRIPTION	PROJECT DESCRIPTION	PROJECT DESCRIPTION									
MTOD 43	IT Manage ment	IT Backup Systems	Renewal of backup system	Number of IT backup system report produced by June 2020	New indicator	12 IT backup system reports by June 2020	Target achieved 12 IT backup system reports by June 2020	N/A	N/A	R300,000 Exp R 248 592.94	IT Backup System Quarterly reports	Corporate Services
MTOD 44	Computers Acquisition	Purchase of Computers	Ensure availability of computers to staff and Councillors	Number of Computers purchased June 2020	Computers purchased during 2018/19	15 Laptops purchased by June 2020	Target achieved 15 Laptops purchased by June 2020	N/A	N/A	R500 000 Exp R 186 254.68	Specification POP	Corporate Services department
MTOD 45	IT infrastructure Acquisition	Purchase of IT infrastructure	Ensure that the IT system of the institution is efficient	Percent installation of Switch cabinets, Switches and Cat 6 cabling	New Indicator	100 % Installation of Switch cabinets, Switches and	Target achieved A100 % Installation of Switch	N/A	N/A	R 510 000 Exp R 352 184.37	Specifications	Corporate Services department

SUBPROGRAM	PROJECT DETAILS			KEY PERFORMANCE INDICATOR	2018/19 ACHIEVEMENT	2019/20 TARGET PERFORMANCE INDICATOR	2019/20 ACTUAL	PERCENTAGE VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE	PROVISON									
MTOD 16	Installation of Software	and operational	BLM	purchased and installed by June 2020		Cat 6 cabling by June 2020	cabinets, Switches and Cat 6 cabling by June 2020				Purchas order or appointment letter	
	Purchase ,renewal and installations	Ensure availability of renewed soft wares		Number of Soft wares installed by June 2020	Two soft wares installed by 2018/19	Two Soft wares installed by June 2020	Target achieved Two Soft wares installed by June 2020	N/A	N/A	R 630 000 Exp R 647 944.56	Specification POP	Corporate Services department
MTOD 17	Network installation	Improve ment of municipal uptime	BLM	Percent networking installation done by June 2020	New Indicator	100 % Networking installation done by June 2020	Target achieved 100 % Networking installation done by June 2020	N/A	N/A	R 510 000 Exp R 352 184.37	Specification POP	Corporate Services department

### 9.3. ECONOMIC DEVELOPMENT AND PLANNING

SDBIP KPI NO	PROJECT DETAILS			KEY PERFORMANCE INDICATOR	2018/19 ACHIEVEMENT	2019/20 ANNUAL TARGET/ PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO EVIDENCE	RESPONSIBILITY
	PROJECT ID	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE									
LED1	LED summit	Hosting of LED summit	To build relationships with potential investors to support SMMs and LED initiatives	Number of LED summits held by June 2020	New indicator	01 LED summit held by June 2020	Target achieved LED Summit held on the 5th December 2019	N/A	N/A	R 167 880.00 Exp R 167 880	SPEC,PSC establishm ent report, BEC & BAC reports Advert Appointme nt letter of service provider LED summit report and Pictures	Economic Development and Planning

SDG KPI NO	PROJECT DETAILS				KEY PERFORMANCE INDICATOR	2018/19 ACHIEVEMENT	2019/20 ANNUAL TARGET/ PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE	LOCATION									
LED2	Flea Markets	Hosting flea markets exhibition s sessions.	To show case the handwork and artefacts of the locals	Senwabar wana	Number of flea markets exhibitions conducted by June 2020	SMMES' Database in place by June 2019	4 flea markets exhibitions conducted by June 2020	Target not achieved Flea market was held on the 29 and 30 August 2019 in the first quarter and 28 <sup>th</sup> and 29 <sup>th</sup> November 2019 in the second quarter	COVID- 19 Lockdown Directives	The Flea market will only be held if gathering are permitted during this lockdown levels	R100 000 Exp R34 300	Reports, pictures and Attendance registers	Economic Development and Planning
LED3	Tourism developm ent and	Provide support to tourism activities within the	To promote tourism potential of	BLM	Number of tourism events coordinated	Tourism month launch	4 quarterly tourism events coordinated	Target not achieved. Tourism road show	COVID- 19 Lockdown	The event will only be done when the lockdown	R106 000 Exp R 92 500	Reports and Attendance registers	Economic Development and Planning

PROJECT DETAILS				KEY PERFORMANCE INDICATOR	2018/19 ACHIEVEMENT	2019/20 ANNUAL TARGET/ PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
SDBIP KPI NO	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE									
	Coordination	Municipality. Coordination of shows	Blouberg Municipality	and held by June 2020	during 2018/19	and held by June 2020	event held on the 3 <sup>rd</sup> September 2019, 17 <sup>th</sup> December 2019 and 3 <sup>rd</sup> quarter there was no road show due to Coronavirus pandemic outbreak	n directives	regulations permit gatherings			
LED 4	Job creation through Capital projects	Recruitment and appointment	Create a conducive environment for job creation	Number of jobs created through capital projects implemented	100 jobs created by June 2019	191 job created through capital projects implemented	Target not Achieved. 152 jobs created through capital	Job creation was affected by COVID-	EPWP data must be collected within the first month	CAPEX	Quarterly job creation reports.	Technical services





SDIP KPI NO	PROJECT DETAILS			KEY PERFORMANCE INDICATOR	2018/19 ACHIEVEMENT	2019/20 ANNUAL TARGET/ PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE									
				by June 2020		conducted by June 2020	held on the 30 <sup>th</sup> September 2019 in the 1 <sup>st</sup> Quarter and 15th November 2019 in the 2 <sup>nd</sup> quarter	gathering s	are permitted		building Reports	
LED 6	Job Creation and coordination of job creation initiatives	Recruitment and coordination of participants	Ensure creation of job opportunities through EPWP	Number of Job opportunities created and sustained through municipal EPWP by June 2020	200 EPWP job opportunities created in the 2018/19 FY	210 jobs created and sustained through EPWP project by June 2020	Target achieved 210 jobs created and sustained through EPWP project by June 2020	The EPWP term of contract were extended by a month of June 2020	The EPWP term of contract were extended by a month of June 2020	R 3 000 000 ( R 3 546 271.70)	Records of EPWP Participant s (I.e. list ,ID's and contracts)	Community services



#### 9.4. FINANCIAL VIABILITY AND MANAGEMENT

SME NUMBER	PROJECTS		PERFORMANCE INDICATOR	IMPACT ACHIEVEMENT	ACTION PLAN AND MONITORING	BUDGET AVAILABLE	CAPITAL EXPENDITURE (MUR)	OPEX AVAILABLE	BUDGET	PORTFOLIO EVIDENCE	RESPONSIBILITY
	PROJECT DESCRIPTION	PERFORMANCE GOALS									
FVM1	Financial Management	Monitoring of the financial management	To effectively and efficiently manage the financial affairs of the municipality	BLM	Number of Budget Steering Committee meetings by June 2020	4 x Budget steering meetings held by June 2019	4 x Budget Steering meetings held by June 2020	Target achieved 4 x Budget Steering meetings held by June 2020	N/A	N/A	Budget and Treasury
FVM2	Revenue Enhancement strategy.	Collection of revenue on electricity sales	To activate meters in the prepaid system	BLM	Percent meters activated in the prepaid system as per data forms by June 2020	New Indicator	100% of meters activated in the prepaid system as per data forms by June 2020	Target achieved 100% of meters activated in the prepaid system as per data	N/A	OPEX	Budget and Treasury

FUNDING	PROJECT PURPOSES			KEY PERFORMANCE INDICATOR	2019/20 AGREEMENT	2019/20 ANNUAL TARGETS (Municipal)	2019/20 (Actual)	VARIATION (Municipal)	ADDITIONAL COMMENTS	BUDGET	BUDGETED DELIVERABLE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE									
FVM3	Revenue collection	Billing of properties	To bill all customers as per the valuation roll	BLM	Percent customers billed as per the valuation roll by June 2020	All customers are billed as per the valuation roll by June 2020	100% Customers Billed as per the valuation roll by June 2020	Target achieved 100% Customers Billed as per the valuation roll by June 2020	N/A	OPEX	Billing Reports	Budget & Treasury
FVM4	Municipal income collection	Collection of revenue	To collect development fund levy in all villages	BLM	R Amount of revenue collected from Rural development	R 851 274 collected by June 2019	R 800 000 amount of Rural development income	Target achieved R 800 000 amount of Rural	N/A	OPEX	Revenue Report	Budget and Treasury

SUBP KEY NO	PROSPECTING			KEY PERFORMANCE INDICATOR	2019 ACTUAL VALUE	2020 FINANCIAL PERFORMANCE INDICATOR	2020 CAPITAL APPROVAL	CREATION FOR VARIANCE	CORRECTIVE MEASURE	BUDGET VARIANCE	PORTFOLIO OF VARIANCE	RESPONSIBILITY
	Project	Project Description	Strategic Objective									
				as budgeted by June 2020		collected by June 2020	development income collected by June 2020					
FVM5	Revenue Enhancement Strategy	Review the revenue enhancement strategy	To have a proper guiding tool for revenue enhancement	Number revenue enhancement strategy reviewed by June 2020	Revenue enhancement strategy approved June 2019	One revenue enhancement strategy reviewed by June 2020	Target achieved One revenue enhancement strategy reviewed by June 2020	N/A	N/A	OPEX	Reviewed Revenue enhancement Strategy	Budget and Treasury
FVM6	Revenue Management	Coordinate the established	To abreast the committee	Number Revenue management committee	New Indicator	4 Revenue management committee	Target not Achieved. 3	Affected by COVID- 19	Convene visual meetings of	OPEX	Invitation, Agenda, Minutes and	Budget and Treasury

SOP/KEY	PROJECT DETAILS		KEY PERFORMANCE INDICATOR	2019/20 ADHLE V-MEAS	2019/20 ANNUAL BUDGET/REVENUE INITIATIVE	2019/20 REVENUE MANAGEM ENT COMMITTEE MEETINGS HELD BY JUNE 2020	ACTION PLAN	CORRECTIVE MEASURE	BUDGET OFFENCE	PORTFOLIO RESPONSIBILITY
	PROJECT DESCRIPTION	STRATEGIC GOAL								
FVM7	Accounting for the Revenue Transactions	To receipt and account for monies properly	BLM	Number Debtors reconciliation s and age analysis conducted by June 2020	New Indicator	12 Debtors reconciliations and age analysis conducted by June 2020	Target achieved 12 Debtors reconciliation s and age analysis conducted by June 2020	N/A	N/A	Budget and Treasury
	Accounting for the Revenue Transactions	To receipt and account for monies properly	BLM	Number Debtors reconciliation s and age analysis conducted by June 2020	New Indicator	12 Debtors reconciliations and age analysis conducted by June 2020	Target achieved 12 Debtors reconciliation s and age analysis conducted by June 2020	N/A	N/A	Budget and Treasury
	Revenue Managem ent committee	e with revenue issues		meetings held by June 2020		meetings held by June 2020	Revenue managem ent committee meetings held by June 2020	the committee	Resolution s	

ASBIP KEY	PROJECT DETAILS			KEY PERFORMANCE INDICATOR	2019/20 ACHIEVEMENT	2020/21 ANNUAL BUDGET PART B AND C (MILLION)	2020/21 TARGET	REASON FOR VARIATION	CORRECTIVE MEASURES	BUDGET VARIATION	CONTROL MECHANISM	RESPONSIBILITY
	PROJECT DESCRIPTION	SUBJECT OFFICER	LOCATION									
FVM8	Expenditure Management	Process Salary and third party payments as per payroll report submission by HR	To processed salaries and third party payments as per submission	BLM	Number of salary and third party payment performed by June 2020	New Indicator	12 Salary Payment performed by June 2020	Target achieved 12 Salary Payment performed by June 2020	N/A	OPEX	Bank Statements	Budget and Treasury
FVM9	Expenditure Management	Timeous payment of creditors	To comply with the legislation	BLM	Percent Payment of creditors within 30 days by June 2020	100 % payment of creditors within 30 days	100% payment of creditors within 30 days of receipt of invoice by June 2020	Target achieved 100% payment of creditors within 30 days of receipt of invoice by	N/A	OPEX	Invoice register	Budget and Treasury Office

SBAID NUMBER	PROPOSED DETAILS				KEY PERFORMANCE INDICATOR	2019/2020 ACHIEVEMENT	ANNUAL BUDGETED PERFORMANCE INDICATOR	2019/2020 ACHIEVEMENT	CORRECTIVE MEASURE	SILENCE PERIOD (MONTHS)	BUDGET	PORTFOLIO EVIDENCE	RESPONSIBILITY
	AREA/ACTIVITY	DESCRIPTION	STRATEGIC OBJECTIVE	FUNCTION									
FVM 10	VAT Management	VAT 201 submitted within legislated timeframes	To manage the VAT returns	BLM	Number VAT returns submitted within legislated timeframe by June 2020	12 VAT returns submitted on time by June 2019	12 VAT returns submitted on monthly by June 2020	Target achieved 12 VAT returns submitted on monthly by June 2020	N/A	N/A	OPEX	VAT 201 Submitted	Budget and treasury
FVM 11	Accounting for the Expenditure Transactions	Accounting of Expenses	To account for expenditure transactions	BLM	Number VAT reconciliations conducted by June 2020	VAT reconciliations conducted by June 2019	12 VAT reconciliations conducted by June 2020	Target achieved 12 VAT reconciliations conducted by June 2020	N/A	N/A	OPEX	VAT Reconciliations Reports	Budget and Treasury

PROJECT DETAILS				KEY PERFORMANCE INDICATOR	2019/2020 ACHIEVEMENT	2019/2020 ANNUAL BUDGET INDICATOR	2019/2020 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OFFENSE	RESPONSIBILITY
SUB-PROJECT	PROJECT DESCRIPTION	SUPPLEMENTARY OBJECTIVE	LOCATION									
FVM 12	Accounting for the Expenditure Transactions	To account for expenditure transactions	BLM	Number Retention Reconciliations conducted by June 2020	Retention Reconciliations conducted by June 2019	12 Retention Reconciliations conducted by June 2020	Target achieved 12 Retention Reconciliations conducted by June 2020	N/A	N/A	OPEX	Retention Reconciliations reports	Budget and Treasury
FVM 13	Accounting for the Expenditure Transactions	To account for expenditure transactions	BLM	Number Creditors Reconciliations conducted by June 2020	Creditors Reconciliations conducted by June 2019	12 Creditors Reconciliations conducted by June 2020	Target achieved 12 Creditors Reconciliations conducted by June 2020	N/A	N/A	OPEX	Creditors Reconciliations reports	Budget and Treasury

FUNDING STREAM	PROJECT DETAILS			KEY PERFORMANCE INDICATOR	2019/20	2019/20 ANNUAL TARGET (BUDGET/EXPENDITURE)	2019/20 ACTUAL	REGION FOR VARIANCE	CORRECTIVE MEASURE	BUDGET DEPENDENCE	SPENDING DEPENDENCE	RESPONSIBILITY
	REQUEST	PROJECT DESCRIPTION	SPENDING OBJECTIVE									
FVM 14	Accounting for the Expenditure Transactions	Accounting of Expenses	To account for expenditure transactions	BLM	Number Petty Cash Reconciliations performed by June 2020	Petty Cash Reconciliations performed by June 2019	12 Petty Cash Reconciliations performed by June 2020	N/A	N/A	OPEX	Petty cash Reconciliations reports	Budget and Treasury
FVM15	FMG Management	Capture spending FMG project and compile spending report in terms of section 71 report.	To account for the grant received	BLM	Percent FMG Spending accounted for - monthly spending reports by June 2020	100% FMG Spending accounted for - Spending Reports June 2019	100% FMG spending accounted for - 12 x spending reports June 2020	N/A	N/A	OPEX	Spending Reports	Budget and Treasury



SBIP KPIING	PROJECT DETAILS				KEY PERFORMANCE INDICATOR	2018/19 ACHIEVEMENT	2019/20 ANNUAL TARGET/ PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE	LOCATION									
FVM 16	Operational Expenditur e Manage ment	Capture spending on capital project Compile spending reports in terms of section 71 report.	To ensure on operational budget	BLM	Percent Operational budget spent by 30 June 2020	100% Operational expenditure spend by June 2019	100% Operational expenditure spends by June 2020	Target achieved 100% Operational expenditu re spends by June 2020	N/A	N/A	OPEX	Quarterly Financial Report	Budget and Treasury
FVM 17	Capital Expenditur e Manage ment	Compile spending reports in terms of section 71 report.	To manage capital spending	BLM	Percent capital expenditure reports compiled by June 2020	100% Capital expenditure	100 % capital expenditure reports compiled by June 2020	Target achieved 100 % capital expenditu re reports compiled	N/A	N/A	OPEX	Quarterly Capital Expenditur e Reports	Budget and Treasury

SDBIP KPI No	PROJECT DETAILS				KEY PERFORMANCE INDICATOR	2018/19 ACHIEVEMENT	2019/20 ANNUAL TARGET/ PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO EVIDENCE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE	LOCATION									
FVM 18	Assets Management	Physical Asset Verification	To verify the existence and conditions of the assets and inventory	BLM	Number of assets verifications conducted by June 2020	2 x assets verifications conducted by June 2019	2 x assets verification conducted by June 2020	Target achieved 2 x assets verification conducted by June 2020	N/A	N/A	OPEX	Asset Verification Report	Budget and Treasury
FVM 19	Inventory Management	Develop stock taking schedule and do stock counting	To update the register.	BLM	Number of stock taking performed per annum by June 2020	7 Stock count conducted June 2019	12 Monthly stock count conducted by June 2020	Target achieved 12 Monthly stock count conducted by June 2020	N/A	N/A	OPEX	Report	Budget and Treasury

PROJECT DETAILS					KEY PERFORMANCE INDICATOR	2018/19 ACHIEVEMENT	2019/20 ANNUAL TARGET/ PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
SDP/KPI No	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE	LOCATION									
FVM 20	Accounting for the Assets and Inventory	Accounting of Assets Transactions	To account for newly acquired assets	BLM	Number Assets Reconciliations conducted by June 2020	Assets Reconciliations conducted June 2019	12 x Asset Reconciliations by June 2020	Target achieved 12 x Asset Reconciliations by June 2020	N/A	N/A	OPEX	Assets Reconciliations Report	Budget and Treasury
FVM 21	Inventory transaction	Accounting of inventory transactions	To ensure accounting on inventory transaction	BLM	Number Inventory Reconciliations conducted by June 2020	Inventory Reconciliations	12 x Inventory Reconciliations conducted by June 2020	Target achieved 12 x Inventory Reconciliations conducted by June 2020	N/A	N/A	OPEX	Inventory Reconciliations report	Budget and Treasury

SDBIP KPI No	PROJECT DETAILS				KEY PERFORMANCE INDICATOR	2018/19 ACHIEVEMENT	2019/20 ANNUAL TARGET/ PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE	LOCATION									
FVM 22	Adjustment Budget	Preparation and approval of adjustment budget	To amend the budget positively or negatively.	BLM	Number Adjustment budget approved by Council by June 2020	Adjustment budget for 2018/19	Adjustment budget approved by Council by June 2020	Target achieved Adjustme nt budget approved by Council by June 2020	N/A	N/A	OPEX	Council resolution and adjusted budget	Budget and treasury office
FVM 23	Investment s	Interests on Investment received as budgeted	To report on the interests on investments.	BLM	R amount Interest on investment received as budgeted by June 2020	R 2 475 497 received as investment income	R1 700 000 Received as interest on investment by June 2020	Target achieved R1 700 000 Received as interest on investme nt by	N/A	N/A	OPEX	Investment register	Budget and Treasury

SDRIP KPI No	PROJECT DETAILS			KEY PERFORMANCE INDICATOR	2018/19 ACHIEVEMENT	2019/20 ANNUAL TARGET/ PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE									
FVM 24	Draft and Final Budget 2019/20	Table budget to Council on or before 31 March 2019 and council Approve the final budget on or before 31 March	To allow the public participation and council approve the budget	BLM	Number draft & final budget submitted to Council for approval by June 2020	One Draft and Final Budget submitted to Council for approval by June 2020	Target achieved One Draft and Final Budget submitted to Council for approval by June 2020	N/A	N/A	OPEX	Council Resolution s draft and Final	Budget and Treasury
FVM 25	Section 71 Report	Compile the section 71 report. Submit to treasury within 10 days after month end.	To report financial performance of the municipality.	BLM	Number Section 71 reports compiled and submitted to	12 x section 71 reports compiled and submitted to Treasury by June 2020	Target achieved 12 x section 71 reports compiled	N/A	N/A	OPEX	Copy of acknowled gement of receipt by treasuries	Budget and Treasury

SOBIP KPI No	PROJECT DETAILS			KEY PERFORMANCE INDICATOR	2018/19 ACHIEVEMENT	2019/20 ANNUAL TARGET/ PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE									
		Submit to council for approval.		Treasury by June 2020			and submitted to Treasury by June 2020					
FVM 26	Annual Financial Statements	Compilation of AFS, Present to audit committee and submit to AG.	To report the annual financial status of the Municipality	BLM	2018/19 Financial statements submitted to the Auditor General by 31 <sup>st</sup> August 2019	One set of AFS compiled and submitted by 31 August 2020	Target achieved One set of AFS compiled and submitted by 31 August 2020	N/A	N/A	OPEX	Acknowledgement of receipt of annual financial statements by Auditor General	Budget and Treasury
FVM 27	SCM – Demand	Development of	To guide the Municipal spending	BLM	procurement Plan developed	One procurement	Target achieved	N/A	N/A	OPEX	Procurement plan	Budget and Treasury

SDBIP KPI No	PROJECT DETAILS				KEY PERFORMANCE INDICATOR	2018/19 ACHIEVEMENT	2019/20 ANNUAL TARGET PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE	LOCATION									
	Management	Procurement plan			compiled by June 2020.		plan compiled by June 2020	One procurement plan compiled by June 2020					
FVM 28	Procurement Management	Coordination of procurement processes	To adhere to the SCM regulation	BLM	Percent adherence to the SCM regulation by June 2020	Adherence to the regulation	100 % adherence to the SCM regulation by June 2020	Target achieved 100 % adherence to the SCM regulation by June 2020	N/A	N/A	OPEX	SCM performance Report	Budget and Treasury



FUNDING ACTIVITY	PROJECT DETAILS				KEY PERFORMANCE INDICATOR	2019 ACHIEVEMENT	2020 ANNUAL TARGET PERFORMANCE INDICATOR	2020 ACTUAL PERFORMANCE	FUNDING AVAILABILITY	CAPITIVE MATCH	BUDGET	PORTFOLIO EVIDENCE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE	PROJECT TEAM									
FVM 29	Contract Management	Maintenance of the contract register	To Manage contracts effectively and efficiently	BLM	Updated contract register compiled by June 2020	Updated Contract Register	Updated Contract Register compiled by June 2020	Target achieved Updated Contract Register compiled by June 2020	N/A	N/A	OPEX	Credible Contract Register	Budget and Treasury
FVM 30	Unauthorized, Irregular and Fruitless & Wasteful (UIF) Expenditure Management	Management of UIF expenditure register	To identify and report the occurrence of UIF to stakeholders	BLM	Percent UIF register updated by June 2020	UIF Expenditure register updated	100% updated UIF register by June 2020	Target achieved 100% updated UIF register by June 2020	N/A	N/A	OPEX	UIF Register	Budget and Treasury



PROJECT DETAILS				KEY PERFORMANCE INDICATOR	2018/19 ACHIEVEMENT	2019/20 ANNUAL TARGET/ PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
SDP/KPI No	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE									
FVM 31	Finance Policies	Review of finance policies and strategies	Budget related policies submitted to council for adoption in May 2020	Number of policies reviewed by June 2020	13 budget related policies and 1 strategy reviewed and approved by June 2019	13 budget related policies reviewed for 2019/20 financial year by June 2020	Target achieved 13 budget related policies reviewed for 2019/20 financial year by June 2020	N/A	N/A	OPEX	Budget adopted policies and council resolution	Budget and Treasury
FVM 32	Municipal property disposal in Alldays and Senwabarwana	Advertisement and disposal of sites at Alldays Extension 2 and Senwabarwana Ext 5	To raise revenue through sale of sites	R amount collected through sale of sites at Alldays and Senwabarwana June 2020	New indicator	R2M collected from sale of sites at Alldays and Senwabarwana by June 2020	Target not achieved. R 571 000 collected from sale of sites at	Lack of demand for new sites from the public	Advertise available sites in the FY 2020/21	OPEX	Advert and land disposal register	Economic development and planning



SUB-PROGRAM	PROJECT DETAILS			KEY PERFORMANCE INDICATOR	2019/20 ACHIEVEMENT	2019/20 ANNUAL BUDGET ESTIMATE	2019/20 TARGET ACHIEVEMENT	REASON FOR VARIANCE	ACHIEVEMENT	BUDGET	PORTFOLIO OVERVIEW	RESPONSIBILITY	
	PROJECT	PROJECT DESCRIPTION	OBJECTIVE										
FVM 34	Driver licence applications	Provision of driver licence application service	To promote road safety	BLM	R amount revenue raised through driver licence applications fees by June 2020	New indicator	R 1 821 086 revenue raised through driver licence applications fees by June 2020	Target not achieved R 1 787 316.29 revenue raised through driver licence applications fees by June 2020	e-Natis offline and COVID-19 disruptions	Improve Communication with the Dept. of Transport	OPEX	Report on driver licenses application fees	Community services
FVM 35	Learner licence applications	Provision of learners licences applications service	To promote road safety	BLM	R amount revenue raised through driver licence applications	New indicator	R 1 040 000 revenue raised through driver licence applications	Target not achieved. R 723 150.96 revenue	e-Natis offline and COVID-19 disruptions	Improve Communication with the Dept. of Transport	OPEX	Report on learner licenses application fees	Community services

SUBIP KPI No	PROJECT DETAILS				KEY PERFORMANCE INDICATOR	2018/19 ACHIEVEMENT	2019/20 ANNUAL TARGET/ PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE	LOCATION									
					fees by June 2020		fees by June 2020	raised through driver licence applicatio ns fees by June 2020					
FVM 36	Motor vehicle licences	Provision of motor vehicle licences applications service	To promote road safety	BLM	R amount revenue raised through motor vehicle licences by June 2020	New indicator	R 1 138 914 revenue raised through motor vehicle licences by June 2020	Target not achieved R 861 841,90 revenue raised through motor vehicle licences	e-Natis offline and COVID- 19 disruptio ns	Improve Communicati on with the Dept. of Transport	OPEX	Report on motor vehicle licences income	Community services

SDBIP KPI No	PROJECT DETAILS				KEY PERFORMANCE INDICATOR	2018/19 ACHIEVEMENT	2019/20 ANNUAL/TARGET/ PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE	LOCATION									
FVM 37	Refuse collection	collection	To increase municipal income through refuse removal	BLM	R Amount generated through refuse removal by June 2020	New indicator	R 250 000 generated through refuse removal by June 2020	Target not achieved R 509 632.93 generated through refuse removal by June 2020	COVID- 19 disruptio ns	Continuous inspection of the fleet	OPEX	Report on waste collected	Community Service
FVM 38	Skills levy refund	Submission of skills development refunds	To promote sustainable skills development	BLM	R amount revenue raised through skills development refund by June 2020	New indicator	R 106 000 revenue raised through skills development refund by June 2020	Target achieved R 106 000 revenue raised through	N/A	N/A	OPEX	Report on skills levy refund	Corporate Services

SDBIP KEY NO	PROJECT DETAILS			KEY PERFORMANCE INDICATOR	2018/19 ACHIEVEMENT	2019/20 ANNUAL TARGET/ PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO EVIDENCE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE									
							skills developm ent refund by June 2020					

## 9.5. GOOD GOVERNANCE AND PUBLIC PARTICIPATION

KPI No	PROJECT DETAILS			KEY PERFORMANCE INDICATOR	2018/19 ACHIEVEMENT	2019/20 ANNUAL TARGET / PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE									
GGPP1	Management and Coordination of Municipal Audit programmes	Develop risk Internal Plan for approval	To provide independent objective assurance and consulting activities of the internal control systems, risk management and governance processes.	BLM	Number of risk based internal audit plan developed and submit to Audit Committee for approval by June 2020	Approved Risk based audit plan	1 Approved risk based audit plan by 30 June 2020	Target achieved 1 Approved risk based audit plan by 30 June 2020	N/A	OPEX	Risk Based Internal Audit Plan & Council resolution	Municipal Manager's office



ID	PROJECT DETAILS			KEY PERFORMANCE INDICATOR	2019/2020 ACHIEVEMENT	2019/2020 TARGET	2019/2020 ACHIEVEMENT	REASON FOR VARIANCE	CORRECTIVE ACTION	BUDGET	PORTFOLIO OF EXPENDITURE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	ISSUE/PROBLEM IDENTIFIED									
GGPP2	Management and Coordination of Municipal Audit programmes	Develop risk audit plan, identify risks and mitigate them	To provide assurance and consulting activities of the internal control systems, risk management and governance processes.	BLM	Percent implementation of risk based internal audit plan	Risk based audit plan	100% implementation of approved risk based audit plan	Target achieved 100% implementation of approved risk based audit plan	N/A	OPEX	Action Based Internal Audit plan & Implementation on plan	Municipal Manager's Office
GGPP3	Management and Coordination of Municipal Audit programmes	Sitting of Audit Committee meetings	Ensure regular sitting of Audit Committee	BLM	Number of audit committee meeting held by June 2020	Audit committee meeting are held as per MFMA	4 audit committee meeting held by June 2020	Target achieved 4 audit committee meeting	N/A	R 505 000.00 for allowance and	Attendance register, minutes, reports	Municipal Manager's Office



CHIPS	PROJECT DETAILS			KEY PERFORMANCE INDICATOR	2019/2020 ACHIEVEMENT	2019/2020 ANNUAL TARGET/ HELD PLANNED INDICATOR	2019/2020 ACTUAL	REASON FOR VARIANCE	CORRECTIVE ACTION	BUDGET	SUPPORTING EVIDENCE	RESPONSIBILITY
	PROJECT	GOVERNANCE	STRATEGIC OBJECTIVE									
GGPP 4	Risk Committee Meetings	Coordination of risk committee meetings	To adhere to the schedule of meetings.	Number of risk committee meetings coordinated by June 2020	Risk Implementation Plan	4 risk committee meetings coordinated by June 2020	held by June 2020	N/A	N/A	Exp R 453 843.33	Minutes of the meeting Attendance register Risk Management report	Municipal Manager's Office
GGPP 5	Audit, Risk and financial misconduct board Committee allowance	Paying allowances to audit & risk committee members	To ensure that Audit & Risk Committee Members are paid	Percent of payment of Audit & Risk Committee allowances	Schedule of meetings	100% payment of Audit & Risk Committee allowance	Target achieved 100% payment of Audit & Risk Committee allowance	N/A	N/A	Part of spending under GGPP 3	Expenditure Report	Municipal Manager's Office

CASHING	PROJECT DETAILS				PERFORMANCE INDICATOR	2018/19 COMPLETION	2019/20 ANNUAL PERFORMANCE INDICATOR	2019/20 ACTUAL	PLANNED VARIATION	CAPITAL/REVENUE	BUDGET	PORTFOLIO OF EXPENDITURE	RESPONSIBILITY
	PROJECT	DESCRIPTION	THE MEASUREMENT	DESCRIPTION									
GGPP 6	Management and Coordination of Municipal Audit programmes	Coordination and sitting of Audit Steering Committee	To deal with all the issues in the Audit Action plan	BLM	Number of audit steering committee meeting coordinated by June 2020	Audit Action plan	18 audit steering committee meeting coordinated by June 2020	Target achieved 18 audit steering committee meeting coordinated by June 2020	N/A	N/A	OPEX	Attendance Register Reports/Minutes Invitation	Municipal Manager's Office
GGPP7	Management and Coordination of Municipal Audit programmes	Development and submission of AGSA action plan to council for approval.	To improve municipal internal controls and systems	BLM	Number of AGSA action plan developed by June 2020	2017/18 Action plan in place	1 AGSA Action plan developed by June 2020	Target achieved 1 AGSA Action plan developed by June 2020	N/A	N/A	OPEX	2018/19 AGSA Action plan	Municipal Manager.

KEY	Project Details			KEY PERFORMANCE INDICATOR	TARGET ACHIEVEMENT	ACTION PLAN / SUBJECT MATTER FOR INVESTIGATION	TARGET ACHIEVEMENT	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO EVIDENCE	RESPONSIBILITY
	PROJECT DESCRIPTION	INITIATIVE GOAL	LOCATION									
GGPP8	Management and Coordination of Municipal Audit programmes	Implement AGSA Audit Action Plan	To address all queries raised by the external audit	BLM	% of AGSA audit queries resolved by June 2020	83 % of Audit Action Plan issues resolved	100% Audit Action Plan issues for 2017/18 resolved by June 2020	Target achieved 100% Audit Action Plan issues for 2017/18 resolved by June 2020	N/A	N/A	External Audit Action Plan	Municipal Manager's Office
GGPP9	Management and Coordination of Municipal Audit programmes	Implement AGSA Audit Action Plan	To address all queries raised by the external audit	BLM	% of AGSA audit queries resolved by June 2020	83 % of Audit Action Plan issues resolved	100% AGSA 2018/19 audit queries resolved by June 2020	Target achieved 100% AGSA 2018/19 audit queries resolved	N/A	N/A	External Audit Action Plan	Municipal Manager's Office

KP No	PROJECT DETAILS				KEY PERFORMANCE INDICATOR	2018/19 ACHIEVEMENT	2019/20 ANNUAL TARGET/ PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE	LOCATION									
GGPP10	Management and Coordination of Municipal Audit programmes	Develop Internal Audit Action plan, capture all issues raised by internal audit, attend to issues and report on progress	To address all queries raised by the internal audit	BLM	% of internal audit queries resolved by June 2020	Internal audit unit in place and annual audit plan annually developed	100% Internal Audit queries resolved by June 2020	Target achieved 100% Internal Audit queries resolved by June 2020	N/A	N/A	OPEX	Internal Audit Action	Municipal Manager's Office

ID	PROJECT DETAILS			KEY PERFORMANCE INDICATOR	2018/19 ACHIEVEMENT	2019/20 ANNUAL TARGET PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE									
GGPP 11	Municipal physical Security	Provision of Municipal physical Security	To protect the municipal properties and employees against potential threats.	BLM	Percent security management reports compiled and submitted to EXCO and council by June 2020	Security contracts in place	100% security incidents reported and investigated by June 2020	Target achieved 100% security incidents reported and investigated by June 2020	N/A	R 13 805 000 Ex 13 099 032	Security management reports	Municipal Manager's Office
GGPP 12	Risk Register	Development and Regular updating of Risk Register	To ensure reduction and mitigation of risks within the municipality	BLM	Number Risk register developed by the 30 June 2020	2018/19 Risk Register developed and updated	1 Risk register developed by the 30 June 2020	Target achieved 1 Risk register developed by the 30 June 2020	N/A	OPEX	Risk register Report on risk assessment Attendance register	Municipal Manager's Office

PROJECT DETAILS				KEY PERFORMANCE INDICATOR	2018/19 ACHIEVEMENT	2019/20 ANNUAL TARGET/ PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
KPI No	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE									
GGPP 13	Anti-Fraud and Corruption and Risk awareness campaign	Coordination of Anti-Fraud & Corruption and risk awareness campaign	To provide independent assurance and consulting activities of the internal control system, risk management and governance processes	Number of fraud and corruption awareness Campaigns Coordinated and Supported by June 2020	2 anti-fraud & corruption and 2 risk awareness campaign held	2 anti-fraud & corruption and 2 risk awareness campaign held by June 2020	Target not achieved 2 anti-fraud & corruption and 1 risk awareness campaign held by June 2020	Affected by COVID-19 Regulations	Revise the KPI in line with COVID-19 measures	OPEX	Attendance register	Municipal Manager's Office

COUNCIL	PROJECT DESCRIPTIONS			KEY PERFORMANCE INDICATORS	2018/19 ACHIEVEMENT	2019/20 BUDGET PERFORMANCE	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURES	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	SUB-LEAD OBJECTIVE									
GGPP 14	Development of IDP/budget Review Process plan	Development and approval of IDP Process plan by Council.	To ensure proper coordination of IDP/Budget review process	BLM	Number IDP/Budget Process plan developed and approved by June 2020	2018/19 Process plan Developed and approved	One 2019/20 IDP/Budget Process plan by June 2020	Target achieved . One 2019/20 IDP/Budget Process plan by June 2020	N/A	OPEX	Approved Process plan and Resolution	Economic Development and Planning
GGPP 15	Development and approval of IDP 2020/21	Development and approval of Draft and Final IDP/Budget 2020/21	To review and approve IDP/Budget that is aligned to the budget for 2020/21	BLM	Number draft and final IDP/Budget 2020/21	2019/20 IDP/Budget approved	2020/21 draft and final IDP/Budget approved	Target achieved 2020/21 draft and final IDP/Budget approved	N/A	R 70 000 Exp R 0	Draft and Final IDP 2020/21 and Council resolution	Economic Development and Planning
GGPP 16	IDP/Budget Stakeholder	IDP/Budget 2019/2020 Public	To consult communities and stakeholder	ALL WARDS	Number IDP/Budget Stakeholder engagement	08 meetings held	10 IDP/Budget Stakeholder engagement	Target achieved	N/A	R 300 000.00	Attendance registers and reports	Economic Development and Planning

ID	PROJECT DETAILS			KEY PERFORMANCE INDICATOR	2019/2020 ACHIEVEMENT	2019/2020 BUDGETED PERFORMANCE	2019/2020 ACTUAL	PERSON RESPONSIBLE	CORRECTIVE MEASURE	BUDGET	PARTICULAR OF EXPENDITURE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	RELEVANT OBJECTIVE									
	engagements meetings	Participation	Participation on the draft revised IDP/Budget	s meetings held by June 2020		s meetings held by June 2020	10 IDP/Budget Stakeholder engagements meetings held by June 2020			R 286 820.64		
GGPP 17	Arts & Culture Programmes	Develop schedule to relevant stakeholders as per calendar	To give Support on Heritage celebration of all traditional houses	Percent heritage events coordinated and supported by June 2020	05 Coordination and financial support heritage events by traditional authorities that host the	Coordination and financial support heritage events by traditional authorities that host the events by June 2020	Target achieved Coordination and financial support heritage events by traditional authorities	N/A	N/A	R 150 000.00Ex p R125000 .00	Report	Municipal Manager's Office



PROJECT DETAILS				KEY PERFORMANCE INDICATOR	2018/19 ACHIEVEMENT	2019/20 ANNUAL TARGET	2019/20 ANNUAL ACHIEVEMENT	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	SUPPORTING EVIDENCE	RESPONSIBILITY	
IRBING	PROJECT	PROJECT DESCRIPTION	INITIATED OBJECTIVE										
					events by June 2019		that host the events by June 2020						
GGPP 18	Mayor/Magoshi engagements	Development of schedule of meetings, issue to all relevant stakeholders, development of documentation with invitation for a meeting, distribution	Ensure regular engagements with Magoshi	BLM	Number of Mayor/Magoshi meetings coordinated and supported by June 2020	Four meetings of Mayor Magoshi held during 2017/18	4 Mayor/Magoshi meetings coordinated and supported by June 2020	Target not Achieved. 2 Mayor/Magoshi meetings coordinated and supported by June 2020	Affected by COVID-19	Coordinate visual meetings	R 50 000 Exp R 32 351.26	Attendance Registers Reports/Minutes Notice of the meetings	Municipal Manager's office

KPI No	PROJECT DETAILS				KEY PERFORMANCE INDICATOR	2018/19 ACHIEVEMENT	2019/20 ANNUAL TARGET/ PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE	LOCATION									
			reminders and meeting										
GGPP 19	Media statements of articles	Secure slots/ space with media houses	To ensure stakeholder engagement thorough media.	BLM	Number of media statements /articles issued by June 2020	16 media statements/a lerts issued to various media houses by June 2019	16 media statements/a lerts issued to various media houses by June 2020	Target achieved 16 media statements /alerts issued to various media houses by June 2020	N/A	N/A	OPEX	Media articles	Municipal Manager's Office
GGPP 20	Municipal Diaries and Calendars	Develop of specification, Submit to SCM for procureme	To produce quarterly municipal newsletter	BLM	Number of corporate diaries (550) and calendars (1000)	550 corporate diaries (550) and calendars (1000)	350 corporate diaries and calendars (850)	Target achieved 350 corporate diaries and	N/A	N/A	R 250 000 R 144 323.20	Delivery note	Municipal Manager's Office

KPI No.	PROJECT DETAILS			KEY PERFORMANCE INDICATOR	2018/19 ACHIEVEMENT	2019/20 ANNUAL TARGET/ PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE									
		nt processes		provided by June 2020	provided by June 2019	provided by June 2020	calendars (850) provided by June 2020					
GGPP 21	Municipal Newsletter	Development of draft newsletter and circulate it to all departments for inputs, finalization of the newsletter and submit to service	To ensure regular publication of Municipal newsletter	Number of community newsletters editions printed by June 2020	2 Editions of newsletter developed and printed by June 2019	2 Editions of newsletter developed and printed by June 2020	Target not achieved. 1 Edition of newsletter developed and printed by June 2020	N/A	N/A	R120,000 Exp R 108 146.24	Delivery note Copy of newsletter	Municipal Manager's Office

KPI No	PROJECT DETAILS			KEY PERFORMANCE INDICATOR	2018/19 ACHIEVEMENT	2019/20 ANNUAL TARGET PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE									
GGPP 22	Advertisements	provider for printing Securing advertisement slots on radio and print and media	To advertise posts, tenders, IDP/Budget and Council adverts.	BLM	Percent municipal events publicized	100 % advertisements	100% advertisement of posts, tenders and adverts done	Target achieved 100% advertisement of posts, tenders and adverts done	N/A	R 450 000 Exp R 411 189.72	Proof of advert	Municipal Manager's Office
GGPP 23	Development of Annual report 2018/19	Distribute report template to all departments to update, consolidate	To generate report on the annual performance of the institution.	BLM	Number of Annual Report 2018-19 prepared and submitted to Council for	2017/18 Annual Report developed and approved	1 annual report 2018/19 developed and submitted to all	Target achieved 1 annual report 2018/19 developed and	N/A	OPEX	Annual report, council resolution and acknowledgment letters	Municipal Manager's Office

PROJECT INFORMATION				KEY DELIVERABLES	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	PERSON RESPONSIBLE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	2019/2020 VARIANCE	2019/2020 BUDGET	2019/2020 ACTUALS	20
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KPI No	PROJECT DETAILS				KEY PERFORMANCE INDICATOR	2018/19 ACHIEVEMENT	2019/20 ANNUAL TARGET PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE	LOCATION									
GGPP 25	Complaints management	Develop complaints management register	To ensure complaints received are resolved.	BLM	% of Complaints resolved by June 2020	Customer care register book, suggestion boxes /presidential & premier hotline	100% of complaints received resolved by June 2020	Target not achieved. 90 % of complaints received resolved by June 2020	Affected by COVID-19 regulations	Revise the KPI in line with COVID-19 measures	OPEX	Complaints management register, customer care reports	Corporate services
GGPP 26	Ward committee meetings	Provide support for effective and functional ward committees in all wards	To ensure continues support to all ward committees for effectiveness and	ALL WARDS	Number of ward committees sanctioned meetings coordinated and supported by June 2020	Schedule of meetings	88 ward committee meetings coordinated and supported by June 2020	Target not achieved 66 ward committee meetings coordinated and supported	Affected by COVID-19 regulations	Revise the KPI in line with COVID-19 measures	OPEX	Bi-monthly ward committee Reports, Minutes attendance register	Corporate services

KPI No	PROJECT DETAILS				KEY PERFORMANCE INDICATOR	2018/19 ACHIEVEMENT	2019/20 ANNUAL TARGET/ PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE	LOCATION									
GGPP 27	Out of Pockets Expenses for Ward committees	Develop payment roll forward committees	functionality To Comply with guidelines on allocation of our pocket expenses for ward committees	BLM	Number of ward committee members paid stipend monthly by June 2020	220 ward committees members paid stipend monthly by June 2020	220 ward committees members paid stipend monthly by June 2020	Target achieved. 220 ward committee members paid stipend monthly by June 2020	N/A	N/A	R4,240,000,00 Exp R 3 945 107.15	Proof of payment/ payment roll for Ward Committees	Corporate Services
GGPP 28	Mayoral Public Participation program	To engage in programmes that foster participation, interaction	To enable the public to interact with the Mayor	BLM	Number Mayoral public participation conducted by June 2020	4 Mayoral Public participation programmes	4 Mayoral public participation programmes conducted by June 2020	Target not achieved 3 Mayoral public participation programmes	Affected by COVID-19 regulations	Revise the KPI in line with COVID-19 measures	OPEX	Notice of public participation, Reports and Attendance register	Corporate Services



PROJECT DETAILS				KEY PERFORMANCE INDICATOR	2018/19 ACHIEVEMENT	2019/20 ANNUAL TARGET/ PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
KPI No	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE									
		and partnership					conducted by June 2020					
GGPP 29	MPAC Programme	Develop, issue and distribute schedule of meetings to members and stakeholders	To build accountable and transparent governance structures responsive to the need of the community	Number of oversight meetings coordinated by June 2020	Approved Schedule of meetings	4 Oversight meetings coordinated and held by June 2020	Target achieved 4 Oversight meetings coordinated and held by June 2020	N/A	N/A	R 500 000.00 Exp R 361 752.14	Attendance registers, minutes & Reports, Resolution register	Corporate Services



KPI NO	PROJECT DETAILS				KEY PERFORMANCE INDICATOR	2018/19 ACHIEVEMENT	2019/20 ANNUAL TARGET PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE	LOCATION									
GGPP 30	Mayors Bursary Fund	Compilation of quarterly reports on bursary	To provide financial assistance to needy community members and compile quarterly reports	BLM	Number of quarterly bursary reports compiled by June 2020	Three students awarded	Four quarterly bursary reports compiled by June 2020	Target achieved Four quarterly bursary reports compiled by June 2020	N/A	N/A	R 100 000.00 Exp R83 856.96	Bursary advert Signed contract and award letters	Corporate Services
GGPP 31	Council Support	Development of schedule of meetings, issue to all relevant stakeholders, development of	To provide strategic and administrative support to the through coordination of strategic	BLM	Number of Council meetings coordinated and supported by June 2020	Approved schedule of meetings/ Council Calendar	Five (6) Ordinary Council meetings coordinated and supported by June 2020	Target achieved Five (6) Ordinary Council meetings coordinated and supported	N/A	N/A	OPEX	Attendance Registers Reports/Minutes Notice of the meetings	Corporate Services



PROJECT DETAILS				KEY PERFORMANCE INDICATOR	2018/19 ACHIEVEMENT	2019/20 ANNUAL TARGET/ PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
KPI No	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE									
GGPP 33	Portfolio Committee meetings	Development of schedule of meetings, issue to all relevant stakeholders, development of documentation with invitation for a meeting, distribution, reminders and meeting	To allow the portfolio committee members to deal with departmental issues.	BLM	Number of portfolio committee meetings coordinated and supported by June 2020	11 portfolio committee meetings coordinated and supported by June 2020	Target achieved 11 portfolio committee meetings coordinated and supported by June 2020	N/A	N/A	OPEX	Attendance Registers Reports/Minutes Notice of the meetings	Corporate Services

SPEKING	PROJECT DETAILS			KEY PERFORMANCE INDICATOR	2018/19 ACTUAL	2019/20 ACTUAL	2019/20 TARGET	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTION OF EVIDENCE	RESPONSIBILITY
	PROJECT	DESCRIPTION	STRATEGIC OBJECTIVE									
GGPP 34	Executive Committee meetings	Development of schedule of meetings, issue to all relevant stakeholders, development of documentation with invitation for a meeting, distribution, reminders and meeting	To enable Executive committee to identify issues for council decisions.	BLM	Number of Executive Committee meetings Coordinated and Supported by June 2020	Meetings of EXCO held during 2017/18	11 executive Committee meetings coordinated and supported by June 2020	Target achieved 11 executive Committee meetings coordinated and supported by June 2020	N/A	OPEX	Attendance Registers Reports/Minutes Notice of the meetings	Corporate Services

KPI No	PROJECT DETAILS				KEY PERFORMANCE INDICATOR	2018/19 ACHIEVEMENT	2019/20 ANNUAL TARGET/ PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE	LOCATION									
GGPP 35	Petitions and Public Participation Committee meetings	Coordination of Petitions and Public Participation Committee meetings	Ensure regular sitting of Petitions and Public Participation Committee	BLM	Number of Petitions and Public Participation Committee meetings coordinated and supported by June 2020	4 Petitions and Public Participation Committee meetings coordinated and supported by June 2019	4 Petitions and Public Participation Committee meetings coordinated and supported by June 2020	Target not achieved 4 Petitions and Public Participation Committee meetings coordinated and supported by June 2020	Affected by COVID-19 regulations	Revise the KPI in line with COVID-19 measures	OPEX	Attendance Registers Reports/Minutes Notice of the meetings	Corporate services
GGPP 36	Ward Committee Conference	Convene all ward committees on a 3 days information sharing session to have	To engage on the issues raised by ward committees and to give feedback on the	BLM	Number of Ward Committee conference held June 2020	Corporate calendar	1 Annual ward committees conference coordinated and held by June 2020	Target achieved 1 Annual ward committee conference	N/A	N/A	R 1 600 000 Exp R 1 469 052.77	Agenda, conference report and conference declaration, attendance register	Corporate services

PROJECT DETAILS					KEY PERFORMANCE INDICATOR	2018/19 ACHIEVEMENT	2019/20 ANNUAL TARGET/ PERFORMANCE INDICATOR	2019/20 ACTUAL	REASON FOR VARIANCE	CORRECTIVE MEASURE	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
KPI No	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE	LOCATION									
		resolution to deal with service delivery challenges encountered	previous conference					coordinate d and held by June 2020					
GGPP 37	IDP Retreat session	Appointment of service provider and conducting of the	To improve municipal strategic planning	BLM	Number retreat session conducted by June 2020	New Indicator	One IDP retreat session conducted by June 2020	Target achieved One IDP retreat session conducted by June 2020	N/A	N/A	R 300 000 Exp R 16 660.00	Appointment letter and Retreat session report	Economic Development and planning

## 9.6. SPATIAL PLANNING AND ENVIRONMENT

KPI NO	PROJECT DETAILS			KEY PERFORMANCE INDICATOR	2018/19 BASELINE/STATUS Q400	2019/20 ANNUAL TARGET/PERFORMANCE INDICATOR	2019/20 ACTUAL	Reason for Variance	Corrective Measures	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE									
SPE1	Township establishments	The Establishment of newly proclaimed Townships	To formalize rural and urban settlements (Senwabarwana, Alldays and Bochem 145 LS)	Senwabarwana, Alldays and Bochem 145	New indicator	3 Proclaimed Townships (Senwabarwana, Alldays and Bochem 145) complied by June 2020	Target not Achieved. Final documentation submitted to the tribunal for approval	COVID-19 Lockdown directive delayed the completion of the project	Extension of the contract to FY 2020/21	R 720 000 Exp R 719 500.00	Reports on 6 phases of the projects	Economic Development and Planning
SPE2	Opening of Township Register in Senwabarwana Extension	Appointment of service provider and compilation of report on Proclamation of Senwabarwana	To compile a report on phase 1 of the Proclamation of Senwabarwana Extension 5 Township	BLM	Draft General Plan	Report on phase 1 of the proclamation of Senwabarwana Extension 5 compiled	Target achieved Report on phase 1 of the proclamation of Senwabarwana Extension	N/A	N/A	R296,632.00 Exp R 257 940.87	Appointment letter Report on phase 1 of the proclamation of Senwabarwana Extension 5	Economic Development and Planning



KPI No	PROJECT DETAILS				KEY PERFORMANCE INDICATOR	2018/19 BASELINE/ STATUS/ QOQ	2019/20 ANNUAL TARGET/ PERFORMANCE INDICATOR	2019/20 ACTUAL	Reason for Variance	Corrective Measure	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE	LOCATION									
	n 5 Township	a Extension 5 Township			compiled by June 2020		by 30 June 2020	5 compiled by 30 June 2020					
SPE 3	Supplementary valuation Roll	Appointment and monitoring of service provider	To have an updated valuation roll for proper billing as per Municipal Property Rates Act.	BLM	Number supplementary valuation roll developed and approved by June 2020	General valuation Roll in place 2018/19 actual performance	1 Supplementary Valuation roll developed and approved by June 2020	Target achieved 1 Supplementary Valuation roll developed and approved by June 2020	N/A	N/A	R600 000 Exp R 521 626.0	Supplementary Valuation roll and Council resolution	Economic Development and Planning
SPE 4	Procurement of land survey office and site	Procurement of land survey office and site equipment	To ensure that all Survey office and site equipment function efficiently for	BLM	Number of land Survey office and site equipment purchased	New Indicator	Nine land survey office and site equipment purchased or repaired	Target achieved Nine land survey office and site	N/A	N/A	R100,000.00	Reports on procurement process and pictures of equipment purchased	Economic Development and Planning



KPI No	PROJECT DETAILS				KEY PERFORMANCE INDICATOR	2018/19 BASELINE/ STATUS QUO	2019/20 ANNUAL TARGET/ PERFORMANCE INDICATOR	2019/20 ACTUAL	Reason for Variance	Corrective Measures	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE	LOCATION									
	equipment		effective service delivery		by June 2020		by June 2020	equipment purchased or repaired by June 2020					
SPE 5	Environmental Education and Awareness	Coordination of awareness session	To educate communities on environmental issues	BLM	Number of Environmental Education and Awareness campaigns conducted by June 2020	Approved Environmental Plan	12 Environmental Education and awareness campaigns conducted by June 2020	Target achieved 12 Environmental Education and awareness campaigns conducted by June 2020	N/A	N/A	OPEX	Reports and attendance registers.	Community Services
SPE 6	Management of	Routine monitoring and compilation of report with	To ensure a proper management of	BLM	Number of quarterly Senwabarwana landfill	Landfill site operated	4 quarterly Senwabarwana landfill site	Target not achieved. 4 quarterly Senwabarwana	COVID-19	Virtual meeting	R3 M	Available Landfill site operational plan	Community Services



SPE	PROJECT DETAILS			KEY PERFORMANCE INDICATOR (KPI)	CURRENT STATUS	TARGET	COMPLETION DATE	RESPONSIBLE OFFICER	BUDGET	REVISIONS/REVISIONS	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	PROJECT GOALS								
SPE 08	Fencing of Taalibosch transfer station	Appointment of service provider and fencing of transfer station	To improve Taalibosch transfer facility Transfer station	Percent fencing of Taalibosch transfer station by June 2020	New Indicator	100 % fencing of Taalibosch transfer station by June 2020	Target achieved 100 % fencing of Taalibosch transfer station by June 2020	N/A	R 100 000 Exp R 0	Construction report	Community Services
SPE 09	Implementation of an Integrated Waste Management Plan	Development of an action plan and implementation reports.	To ensure a safe and clean environment by implementing the IWMP	Number of reports compiled on implementation of an IWMP by June 2020	Approved IWMP	11 reports compiled on implementation of an IWMP by June 2020	Target achieved 11 reports compiled on implementation of an IWMP by June 2020	N/A	OPEX	Available transfer station operational plan and monthly reports	Community Services

KPI No	PROJECT DETAILS				KEY PERFORMANCE INDICATOR	2018/19 BASELINE/STATUS Q1 Q2	2019/20 ANNUAL TARGET/PERFORMANCE INDICATOR	2019/20 ACTUAL	Reason for Variance	Corrective Measures	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE	LOCATION									
SPE 10	Municipal Waste removal and Refuse Collection	Weekly waste collection service.	Number of households with access to waste removal services.	BLM	Number of households receiving weekly waste collection by June 2020	Waste collection schedule	18544 households receiving weekly waste collection by June 2020	Target achieved 18544 households receiving weekly waste collection by June 2020	N/A	N/A	OPEX	Implementation reports and collection registers	Community Services
SPE 11	Purchase of Tractor	Specifications and Purchase of Tractor	To increase waste collection equipment	BLM	Number tractor purchased	New indicator	One tractor purchased	Target achieved One tractor purchased	N/A	N/A	R 338,000.00 Exp R 304 847.83	Appointment letter and delivery note	Community Services
SPE 12	Fencing of Senwaba	Appointment of service provider and	To ensure a safe and clean environment	BLM	Percent fencing of Senwabarwana park	New Indicator	100 % fencing of Senwabarwana park	Target achieved 100 % fencing of	N/A	N/A	R 200 000	Order form and reports.	Community Services

PROJECT DETAILS				KEY PERFORMANCE INDICATOR	2018/19 BASELINE/ STATUS quo	2019/20 ANNUAL TARGET/ PERFORMANCE INDICATOR	2019/20 ACTUAL	Reason for Variance	Corrective Measure	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
KPI No	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE									
	rwana park	fencing of the park	by implementing the Environmental Management Plan (EMP)	completed by June 2020.		completed by June 2020.	Senwabarwana park completed by June 2020.			Exp R 191 724.96		
SPE 13	Planting of trees	Purchase and planting of trees	To promote greening of the environment	Number of trees planted by June 2020	50 trees planted	50 trees planted by June 2020	Target achieved 50 trees planted by June 2020	N/A	N/A	OPEX	Report on planting of trees	Community services.

PROJECT DETAILS				KEY PERFORMANCE INDICATOR	2018/19 BASELINE/STATUS QUD	2019/20 ANNUAL TARGET/PERFORMANCE INDICATOR	2019/20 ACTUAL	Reason for Variance	Corrective Measure	BUDGET	PORTFOLIO OF EVIDENCE	RESPONSIBILITY
KPI No	PROJECT	PROJECT DESCRIPTION	STRATEGIC OBJECTIVE									
SPE 14	Fencing of Alldays Cemetery	Appointment of service provider and fencing of Alldays cemetery	To improve the state of Alldays cemetery	Percent fencing work done at Alldays cemetery by June 2020	New Indicator	100 % fencing work done at Alldays cemetery by June 2020	Target achieved 100 % fencing work done at Alldays cemetery by June 2020	N/A	N/A	R 270.00 0.00 Exp R 23440 0.00	Order form and reports	Community services.

**12. CERTIFICATION OF ANNUAL REPORT 2019/20**

The Annual Performance report 2019/20 has been compiled in line in terms of Section 46 of Municipal System Act no 32 of 2000, circular 11 and 63 of Municipal Finance Management Act no 56 of 2003.

I therefore certify that this report represents the highlights of the performance of the Municipality during 2019/20

**MACHABA JUNIAS**

**MUNICIPAL MANAGER BLOUBERG LOCAL MUNICIPALITY**

# **CHAPTER 4: ORGANIZATIONAL DEVELOPMENT AND PERFORMANCE (HUMAN RESOURCES)**



## INTRODUCTION

The municipal Organizational structure was aligned to IDP and budget. The council also adopted the Organisational structure as part of IDP/Budget 2019/20. All skills gaps that were crucial in work performance were identified and training interventions were made to address skills gap. The institution comply with the national legislations

### 4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Employees						
Description	2019/20			2018/19		
	no. of employees	no. of vacancies	% of vacancies	no. of employees	no. of vacancies	% of vacancies
Water	0	0	0	0	0	0
Waste Water (sanitation)	0	0	0	0	0	0
Electricity	9	3		9	6	
Waste Management	5	3		4	7	
Housing	1	0		1	0	
Waste Water (Storm water Drainage)				0	0	
Roads	21	7		21	13	
Transport	6	1		6	1	
Planning	4	3		4	2	

Local Economic Development	3	1		3	1	
Planning (Strategic & Regulatory)	1	1		1	1	
Community & social services						
Environmental protection				3	2	
Health						
Security & safety	38	7		38	4	
Sport & recreation						
Corporate Policy offices & other				101	15	
<b>Totals</b>				<b>143</b>	<b>32</b>	



Turn-over Rate			
Details	Total Appointments at the beginning of financial year No.	Terminations during the financial year No.	Turn-over Rate
2012/13	163	12	
2013/14	166	9	
2014/15	165	7	
2015/16	181	15	
2016/2017	179	11	
2017/18	191	8	
2018/19	191	7	
2019/20	181	2	

**COMMENT ON VACANCIES AND TURNOVER:**

Unavailability of Succession Plan/Policy makes it impossible to ideally source personnel from the institution to fill the vacated posts. The Plan will come in handy in preparing potential incumbents of the challenges that lie ahead

## COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

### INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

The Municipality has taken into cognizance the history of apartheid laws and practices with the resultant disparities and inequalities, in the spirit of Employment Equity Act is geared towards achieving employment equity across all occupational levels and categories and therefore in order to redress the imbalance of the past and move towards a humane and representative Labour market underpinned by Equity, Equality redress and Affirmative Action. The Municipality has Employment Equity Plan and active/functional Employment Equity Committee. 2019/20 Employment Equity report was timeously submitted to the Department of Labour. HR Policies are in place.

#### 4.2 POLICIES

HR Policies & Plans				
	Name of Policy	Completed %	Reviewed %	Date adopted by Council or comment on failure to adopt
1	Affirmative Action	0%	0	Using employment equity policy
2	Attraction & Retention	100	100%	Rural allowance and waiver applied for Snr Managers
3	Code of conduct for employees	100%	100%	Using the Disciplinary code collective agreement.
4	Delegations, Authorization & responsibility	100	100	Done by council for the entire council term.

5	Disciplinary Code & Procedures	0	0	0	Using the disciplinary code collective agreement
6	Essential Services	100	100	100	As per collective agreement
7	Employee Assistance/ wellness	100	100	100	Programmes implemented annually
8	Employment Equity	100%	100%	100%	As per equity targets
9	Exit Management	100%	100%	100%	Exit interviews
10	Grievance Procedures	100%	100%	100%	As per collective agreement
11	HIV/AIDS	100%	100%	100%	As per national policy
12	Human Resource & Development	100%	100%	100%	WSP developed annually
13	Information Technology	100%	100%	100%	Approved ICT policies
14	Job Evaluation	100%	100%	100%	2018/19 financial year
15	Leave	100%	100%	100%	As per basic conditions and collective agreements
16	Occupational Health & Safety	100%	100%	100%	
17	Official Housing	0	0	0	N/A
18	Official Journeys	100%	100%	100%	Using treasury guidelines
19	Official Transport to attend funerals	100	100	100	Approved policy
20	Official working hours and overtime	100	100	100	Using main collective agreement

21	Organisational rights	100	100	100	Using main collective agreement
22	Payroll Deductions	100		100	Approved policy
23	Performance Management & Development	100		100%	Approved policy
24	Recruitment, selection & Appointments	100%		100%	Approved policy
25	Remuneration Scales & Allowances	100		100	Approved policy
26	Resettlement	0		0	n/a
27	Sexual Harassment	100%		100%	Approved policy
28	Skills development	100%		100%	WSP
29	Smoking	100%		0	Approved policy
30	Special skills	0		0	n/a
31	Work Organization	0		0	N/A
32	Uniforms & protect clothing	100		100	Approved policy
33	Other				N/A

#### **COMMENT ON WORKFORCE POLICY DEVELOPMENT:**

Over the years the Municipality has managed to develop all priority human resource policies, procedures and systems in line with the MSA 2000 (S67) to ensure fair, efficient, effective and transparent personnel administration. During the year in issue emphasis was placed on improving implementation of the policies and amendment of those policies that were becoming outdated. The Corporate Services Portfolio Committee had developed a monitoring tool and monthly received and considered policy implementation progress report. Policies were developed and adopted by the council. There is a need to develop a detailed implementation plan that will outline the processes to be followed in implementing the plan. Bursaries will be issued to eligible employees for career development purposes. The municipality will continue to make funds available on each financial year to ensure that capacity building is funded and both organization and employees benefit from the project

#### **4.3 INJURIES, SICKNESS AND SUSPENSIONS**

<b>Number and cost of injuries or duty</b>						
<b>Type of injury</b>	<b>Injury leave taken Days</b>	<b>Employees using injury leave</b>	<b>Proportion employees using sick leave %</b>	<b>Average injury leave per employee Days</b>	<b>Total estimated cost R 000</b>	
Required basic medical attention only	0	0				
Temporary total disablement	0	0				
Permanent disablement	0	0				
Fatal						
<b>Total</b>						



Number of days and cost of sick leave (excluding injuries on duty)						
Designations	Total sick leave Days	Proportion of sick leave without medical certification	Employees using sick leave No.	Total employees in post <sup>*</sup> No.	Average sick leave per employees Days	Estimated cost R'000
Unskilled	117	01	17	49		77428.29
Semi-skilled	130	8	32	43		124308.92
Skilled	192	12	42	30		308163.82
Management	74	3	17	38		170247.76
MM & S57	0	0	0	0		0
<b>Total</b>	<b>513</b>	<b>24</b>	<b>160</b>	<b>191</b>		
*Number of employees in post at the beginning of the year						
*Average calculated by taking sick leave in column 2 divided by total employees in column 5						

**COMMENT ON INJURY AND SICK LEAVE:**

Minor injuries were encountered which only needed basic medical attention during the year under review. Occupational Health and Safety Committee conducted risk assessment. Recommendations to minimize risks were made and implemented to minimize risks.

Number and period of suspensions				
Position	Nature of alleged misconduct	Date of suspension	Details of disciplinary action taken or status of case and reasons why not finalized	Date finalized

Disciplinary action taken on cases of financial misconduct			
Position	Nature of alleged misconduct and total value of any loss to the municipality	Disciplinary action taken	Date finalized
0	0	0	0

**COMMENT ON SUSPENSIONS AND CASES OF FINANCIAL MISCONDUCT:**

There were no cases related to financial misconduct during 2019/20

#### 4.4 PERFORMANCE REWARDS

Performance Rewards by Gender (Where there were no performance rewards for the period under review)						
Designation	Beneficiary Profile					
	Gender	Total number of employees in group	Number of beneficiaries	Expenditure on rewards 2018/19 R1000	Proportion of beneficiaries within group %	
Lower skilled (levels 1-2)	Female	0	0	0	0	0
	Male	0	0	0	0	0
Skilled (levels 3-5)	Female	0	0	0	0	0
	Male	0	0	0	0	0
Highly skilled production (levels 6-8)	Female	0	0	0	0	0
	Male	0	0	0	0	0
Highly skilled supervision (levels 9-12)	Female	0	0	0	0	0
	Male	0	0	0	0	0
Senior Management (levels 13-15)	Female	0	0	0	0	0

	Male	0	0	0	0	0
MM and S57	Female	0	0	0	0	0
	Male	0	0	0	0	0
<b>Total</b>						
Has the statutory municipal calculator been used as part of the evaluation process?						
<p>Note: MSA 2000 S51 (d) requires that ... 'performance plans, on which rewards are based should be aligned with the IDP...' (IDP objectives and targets are set out in chapter 3) and that service delivery and budget implementation plans (developed under MFMA S69 and Circular 13) should be consistent with the higher level IDP targets and must be incorporated appropriately in personal performance agreements as the basis of performance rewards. Those with disability are shown in brackets '(x)' in the 'number of beneficiaries' column as well as in the numbers at the right hand side of the column (as illustrated above).</p>						

# COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

## INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

The Work Skills Plan and Annual Training Report were developed and submitted to LGSETA within required time frame. The municipality complies with the plan. Mandatory and discretionary grants were claimed and received to assist training interventions

## SKILLS DEVELOPMENT AND TRAINING

Skills Ward													
Management	Gender	Employment as at 30 June 2019	Number of skilled employees required and achieved as at 30 June 2019										
			Skills programme & other short courses				Other forms of training				Total		
			Actual 30 June 2019	Target 30 June 2019	Actual 30 June 2020	Target 30 June 2020	Actual 30 June 2019	Target 30 June 2019	Actual 30 June 2020	Target 30 June 2020	Actual 30 June 2019	Actual 30 June 2020	Target
MM & S57	Female	02	0	0	0	0	0	0	0	0	0	01	02
	Male	02	0	0	0	0	0	0	0	0	0	02	02
	Female	27	0	0	0	0	0	23	22	0	08	22	23

Councilors, senior officials & managers	Male	40	0	00	00	00	12	23	24	0	0	12	23	24
Technicians & associate professionals	Female	27	0	0	0	12	0	0	0	0	0	00	00	0
	Male	67	0	0	0	18	0	0	0	0	0	00	00	0
Professionals	Female	12	0	0	0	04	01	0	0	0	0	04	01	06
	Male	22	0	0	0	08	02	0	0	0	0	08	02	22
Sub Total	Female	68	00	00	00	24	24	0	0	0	0	12	24	31
	Male	131	00	00	00	38	27	0	0	0	0	20	27	48
Total		199	00	00	00	62	51	0	0	0	0	32	51	79

# COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

## 4.6. EMPLOYEE EXPENDITURE

Number of employees whose salaries were increased due to their positions being upgraded			
Beneficiaries	Gender	Total	
Lower skilled (level 1-2)	Female		
	Male	1	
Skilled (level 3-5)	Female		
	Male		
Highly skilled production (levels 6-8)	Female		
	Male		
Highly skilled supervision (level 9-12)	Female		
	Male		
(levels 13-15)	Female	1	
	Male		
MM & S57	Female		
	Male		
Total			



Employees whose salary levels exceed the grade determined by Job Evaluation (NONE)				
Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
0	0	0	0	0

Employees appointed to posts not approved (NONE)				
Level	Date of appointment	No. appointed	Reason for appointment when no established post exists	
0	0	0	0	

**COMMENT ON UPGRADED POSTS AND THOSE THAT ARE AT VARIANCE WITH NORMAL PRACTICE:**

There were no upgraded posts during the period under review.

**DISCLOSURES OF FINANCIAL INTERESTS**

All Senior Managers and Councillors Completed and Submitted their Disclosure of Financial Interests and submitted same to The Office of the Municipal Manager

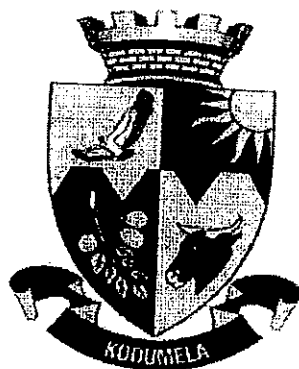
# **CHAPTER: 05**

## **2019/20 ANNUAL**

### **FINANCIAL**

### **STATEMENTS**

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**Blouberg Local Municipality  
Annual Financial Statements  
for the year ended 30 June 2020**

# Blouberg Local Municipality

(Registration number LIM351)

Annual Financial Statements for the year ended 30 June 2020

## General Information

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Legal form of entity	Local Municipality Category B
Nature of business and principal activities	Local Government and the provision of basic services to the local community
Executive committee	
Mayor	Pheedi Ms
Speaker	Thamaga MN
Chief Whip	Tshoshi MM
Members of executive committee	
	Makobela SR
	Mashalane MS
	Morapedi AM
	Makhura MH
	Rangata MJ
	Maila MP
	Ntlatla MW
Councillors	Mathidza SE
	Masekwameng MR
	Raseruthe MA
	Lehong MV
	Tiouamma NM
	Moetjie NT
	Mojodo MD
	Seema MI
	Maifo ML
	Mokobodi CS
	Moshokoa MS
	Murathi MS
	Molema MN
	Sebetha MJ
	Makgakga JP
	Ramoba MR
	Sekgoloane MJ
	Molokomme MM
	Mphago MA
	Modingwana MG
	Setwaba DS
	Maleka NG
	Magwai RT
	Madzhie AE
	Selamolela S
	Madibana SS
	Phoshoko NC
	Mabolola SJ
	Chula MI
	Morudu MF
	Madibana MR
	Madiopo MT

# **Blouberg Local Municipality**

(Registration number LIM351)

Annual Financial Statements for the year ended 30 June 2020

## **General Information**

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	Tefo LT
	Tjumana MM
<b>Grading of local authority</b>	Grade 3
<b>Municipal Manager</b>	Machaba MJ
<b>Chief Finance Officer (CFO)</b>	Mabote NJ
<b>Registered office</b>	2nd Building Dendron Road Senwabarwana 0790
<b>Business address</b>	2nd Building Dendron Road Senwabarwana 0790
<b>Postal address</b>	P.O.Box 1593 Senwabarwana 0790
<b>Bankers</b>	ABSA
<b>Auditors</b>	Auditor- General of South Africa

# **Blouberg Local Municipality**

(Registration number LIM351)

Annual Financial Statements for the year ended 30 June 2020

## **Index**

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The reports and statements set out below comprise the annual financial statements presented to the provincial legislature:

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# Blouberg Local Municipality

(Registration number LIM351)

Annual Financial Statements for the year ended 30 June 2020

## Index

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MFMA	Municipal Finance Management Act
AFS	Annual Financial Statements
AGSA	Auditor General South Africa
CFO	Chief Financial Officer
DcoG	Department of Corporative Governance
GRAP	Generally Recognised Accounting Practice
FMCMM	Financial Management Capability Maturity Model
FMG	Financial Management Grants
IAS	International Accounting Standards
CIGFARO	Chartered Institute of Government Finance, Audit and Risk Officers (previously IMFO)
IPSAS	International Public Sector Accounting Standards
IDP	Integrated Development Plan
MEC	Member of the Executive Council
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant (Previously CMIP)
VAT	Value Added Tax
LED	Local Economic Development
CDM	Capricorn District Municipality
WIP	Work In Progress
IFRS	International Financial Reporting Standards
MISA	Municipal Infrastructure Support Agent
MM	Municipal Manager
NT	National Treasury
LPT	Limpopo Provincial Treasury
SDBIP	Service Delivery Budget and Implementation Plan



# Blouberg Local Municipality

(Registration number LIM351)

Annual Financial Statements for the year ended 30 June 2020

## Accounting Officer's Responsibilities and Approval

The accounting officer is required by the Municipal Finance Management Act (Act 56 of 2003), to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the accounting officer to ensure that the annual financial statements fairly present the state of affairs of the municipality as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the annual financial statements and was given unrestricted access to all financial records and related data.

The annual financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The accounting officer acknowledges that he is ultimately responsible for the system of internal financial control established by the municipality and place considerable importance on maintaining a strong control environment. To enable the accounting officer to meet these responsibilities, the sets standards for internal control aimed at reducing the risk of error or deficit in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the municipality and all employees are required to maintain the highest ethical standards in ensuring the municipality's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the municipality is on identifying, assessing, managing and monitoring all known forms of risk across the municipality. While operating risk cannot be fully eliminated, the municipality endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The accounting officer is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

The accounting officer has reviewed the municipality's cash flow forecast for the year to 30 June 2021 and, in the light of this review and the current financial position, he is satisfied that the municipality has or has access to adequate resources to continue in operational existence for the foreseeable future.

The municipality is wholly dependent on the municipality for continued funding of operations. The annual financial statements are prepared on the basis that the municipality is a going concern and that the municipality has neither the intention nor the need to liquidate or curtail materially the scale of the municipality.

The external auditors are responsible for independently reviewing and reporting on the municipality's annual financial statements. The annual financial statements have been examined by the municipality's external auditors and their report is presented on page 6.

The annual financial statements set out on pages 6 to 67, which have been prepared on the going concern basis, were approved by the on \_\_\_\_\_ and were signed on its behalf by:

\_\_\_\_\_  
Machaba MJ  
Municipal Manager

Date: \_\_\_\_\_

# Blouberg Local Municipality

(Registration number LIM351)

Annual Financial Statements for the year ended 30 June 2020

## Statement of Financial Position as at 30 June 2020

Figures in Rand

	Note(s)	2020	2019 Restated*
<b>Assets</b>			
<b>Current Assets</b>			
Inventories			
Receivables from exchange transactions	8	6,839,131	6,798,794
Receivables from non-exchange transactions	9	1,535,890	3,395,574
VAT receivable	10	74,384,426	91,333,760
Consumer debtors	11	1,802,310	3,263,395
Cash and cash equivalents	12	9,952,680	11,350,252
	13	38,422,558	7,563,567
		<b>132,936,995</b>	<b>123,705,342</b>
<b>Non-Current Assets</b>			
Investment property			
Property, plant and equipment	3	8,544,772	9,760,000
Intangible assets	4	910,264,634	896,318,997
Investments	5	372,489	543,961
	6	3,085,203	3,090,652
		<b>922,267,098</b>	<b>909,713,610</b>
<b>Total Assets</b>		<b>1,055,204,093</b>	<b>1,033,418,952</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Finance lease obligation			
Payables from exchange transactions	14	303,748	517,382
Unspent conditional grants and receipts	17	53,667,881	55,048,913
Provisions	15	7,057,920	1,139,232
	16	12,825,271	10,233,214
		<b>73,854,820</b>	<b>66,938,741</b>
<b>Non-Current Liabilities</b>			
Finance lease obligation			
Employee benefit obligation	14	-	303,747
Provisions	7	6,150,587	5,827,618
	16	614,326	339,072
		<b>6,764,913</b>	<b>6,470,437</b>
<b>Total Liabilities</b>		<b>80,619,733</b>	<b>73,409,178</b>
<b>Net Assets</b>		<b>974,584,360</b>	<b>960,009,774</b>
Accumulated surplus		<b>974,584,360</b>	<b>960,009,774</b>

\* See Note 39

# Blouberg Local Municipality

(Registration number LIM351)

Annual Financial Statements for the year ended 30 June 2020

## Statement of Financial Performance

Figures in Rand

	Note(s)	2020	2019 Restated*
<b>Revenue</b>			
Revenue from exchange transactions			
Service charges	19	31,515,126	22,984,085
Rental of facilities and equipment	20	799,051	684,825
Licences and permits		3,372,309	3,699,166
Photocopies & Electricity illegal connections		28,626	43,807
CDM - Commissions received		362,884	244,088
Cemetery, Burial and Plans approval fees		145,443	140,643
Valuation Services		288	2,535
Interest charged on outstanding debtors		461,208	258,920
Sale of Inventory - Sites/Land	22	363,010	3,250,360
Cattle Grazing		50,634	52,942
Interest received - investment	23	1,700,717	1,307,931
Actuarial gains	16	73,113	-
<b>Total revenue from exchange transactions</b>		<b>38,872,409</b>	<b>32,669,302</b>
Revenue from non-exchange transactions			
Taxation revenue			
Property rates	24	27,328,970	25,084,421
Transfer revenue			
Government grants & subsidies	25	248,704,311	234,299,022
Fines		1,018,920	1,784,480
<b>Total revenue from non-exchange transactions</b>		<b>277,052,201</b>	<b>261,167,923</b>
<b>Total revenue</b>	18	<b>315,924,610</b>	<b>293,837,225</b>
<b>Expenditure</b>			
Employee related costs	26	(111,434,519)	(104,169,203)
Remuneration of councilors	27	(16,975,680)	(16,186,992)
Depreciation and amortisation	28	(35,725,380)	(35,257,582)
Finance costs	29	(517,154)	(1,080,965)
Provision for Debt Impairment	30	(11,679,385)	2,313,302
Bulk purchases	31	(37,670,974)	(31,566,419)
Contracted services	32	(17,337,064)	(14,345,769)
Loss on disposal of assets and liabilities		(114,439)	(119,130)
Fair value adjustments		(860,000)	-
Actuarial losses		-	(265,962)
General Expenses	33	(69,035,430)	(79,935,001)
<b>Total expenditure</b>		<b>(301,350,025)</b>	<b>(280,613,721)</b>
<b>Surplus for the year</b>		<b>14,574,585</b>	<b>13,223,504</b>

\* See Note 39

# Blouberg Local Municipality

(Registration number LIM351)

Annual Financial Statements for the year ended 30 June 2020

## Statement of Changes in Net Assets

Figures in Rand	Accumulated surplus	Total net assets
Opening balance as previously reported	957,097,022	957,097,022
Adjustments		
Correction of errors - Refer to note 39	(10,310,752)	(10,310,752)
<b>Balance at 01 July 2018 as restated*</b>	<b>946,786,270</b>	<b>946,786,270</b>
Changes in net assets		
Surplus for the year	13,223,504	13,223,504
<b>Total changes</b>	<b>13,223,504</b>	<b>13,223,504</b>
Opening balance as previously reported	946,677,407	946,677,407
Adjustments		
Correction of prior period errors (Note 39)	13,332,368	13,332,368
<b>Restated* Balance at 01 July 2019 as restated*</b>	<b>960,009,775</b>	<b>960,009,775</b>
Changes in net assets		
Surplus for the year	14,574,585	14,574,585
<b>Total changes</b>	<b>14,574,585</b>	<b>14,574,585</b>
<b>Balance at 30 June 2020</b>	<b>974,584,360</b>	<b>974,584,360</b>
Note(s)		

\* See Note 39

# Blouberg Local Municipality

(Registration number LIM351)

Annual Financial Statements for the year ended 30 June 2020

## Cash Flow Statement

Figures in Rand

	Note(s)	2020	2019 Restated*
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Cash receipts from rate payers and other		75,507,872	42,416,367
Grants		254,623,000	234,738,469
Interest income		1,700,717	1,307,931
		<u>331,831,589</u>	<u>278,462,767</u>
<b>Payments</b>			
Employee costs		(128,410,199)	(120,356,195)
Suppliers		(121,919,329)	(117,287,173)
Finance costs		(456,719)	(419,776)
		<u>(250,786,247)</u>	<u>(238,063,144)</u>
<b>Net cash flows from operating activities</b>		<u>81,045,342</u>	<u>40,399,623</u>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(49,613,984)	(46,831,695)
Purchase of other intangible assets		-	(457,941)
Increase in Short term investments		5,449	(1,114)
<b>Net cash flows from investing activities</b>		<u>(49,608,535)</u>	<u>(47,290,750)</u>
<b>Cash flows from financing activities</b>			
Finance lease payments		(577,816)	(1,128,708)
<b>Net increase/(decrease) in cash and cash equivalents</b>		<u>30,858,991</u>	<u>(8,019,835)</u>
Cash and cash equivalents at the beginning of the year		7,563,567	15,583,402
<b>Cash and cash equivalents at the end of the year</b>		<u>38,422,558</u>	<u>7,563,567</u>

\* See Note 39

# Blouberg Local Municipality

(Registration number LIM351)

Annual Financial Statements for the year ended 30 June 2020

## Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
<b>Statement of Financial Performance</b>						
<b>Revenue</b>						
<b>Revenue from exchange transactions</b>						
Service charges	33,086,400	-	33,086,400	31,515,126	(1,571,274)	Refer to note 50 (1)
Rental of facilities and equipment	200,000	-	200,000	799,051	599,051	
Agency services	3,150,000	(3,150,000)	-	-	-	
Licences and permits	4,109,929	-	4,109,929	3,372,309	(737,620)	Refer to note 50 (2)
Photocopies & Electricity Illegal connections	75,343	-	75,343	28,626	(46,717)	Refer to note 50 (2)
Commissions received	-	-	-	362,884	362,884	
Cemetery, Burial and Building Plans approval	208,540	-	208,540	145,443	(63,097)	Refer to note 50 (2)
Valuation Services	-	-	-	288	288	
Interest received on outstanding debtors	616,820	-	616,820	461,208	(155,612)	Refer to note 50 (3)
Other income	3,075,060	150,000	3,225,060	363,010	(2,862,050)	Refer to note 50 (4)
Cattle Grazing	100,000	-	100,000	50,634	(49,366)	
Interest received - investment	1,700,000	-	1,700,000	1,700,717	717	Refer to note 50 (5)
<b>Total revenue from exchange transactions</b>	<b>46,322,092</b>	<b>(3,000,000)</b>	<b>43,322,092</b>	<b>38,799,296</b>	<b>(4,522,796)</b>	
<b>Revenue from non-exchange transactions</b>						
<b>Taxation revenue</b>						
Property rates	28,090,001	-	28,090,001	27,328,970	(761,031)	Refer to note 50 (6)
<b>Transfer revenue</b>						
Government grants & subsidies	251,265,000	4,086,170	255,351,170	248,704,311	(6,646,859)	
Fines	3,390,343	-	3,390,343	1,018,920	(2,371,423)	Refer to note 50 (7)
<b>Total revenue from non-exchange transactions</b>	<b>282,745,344</b>	<b>4,086,170</b>	<b>286,831,514</b>	<b>277,052,201</b>	<b>(9,779,313)</b>	
<b>Total revenue</b>	<b>329,067,436</b>	<b>1,086,170</b>	<b>330,153,606</b>	<b>315,851,497</b>	<b>(14,302,109)</b>	
<b>Expenditure</b>						
<b>Personnel</b>						
Remuneration of councillors	(120,627,836)	-	(120,627,836)	(111,434,519)	9,193,317	Refer to note 50 (8)
Depreciation and amortisation	(17,090,931)	-	(17,090,931)	(16,975,680)	115,251	
Finance costs	(41,673,731)	556,012	(41,117,719)	(35,725,380)	5,392,339	
Debt impairment	-	-	-	(517,154)	(517,154)	
Bulk purchases	(8,330,407)	-	(8,330,407)	(11,679,385)	(3,348,978)	Refer to note 50 (9)
	(35,000,000)	-	(35,000,000)	(37,670,974)	(2,670,974)	

# Blouberg Local Municipality

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## Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
Contracted Services	(42,105,356)	(4,579,476)	(46,684,832)	(17,337,064)	29,347,768	Refer to note 50 (10)
General Expenses	(48,852,449)	3,107,408	(45,745,041)	(69,035,430)	(23,290,389)	Refer to note 50 (10)
<b>Total expenditure</b>	<b>(313,680,710)</b>	<b>(916,056)</b>	<b>(314,596,766)</b>	<b>(300,375,586)</b>	<b>14,221,180</b>	
<b>Operating surplus</b>	<b>15,386,726</b>	<b>170,114</b>	<b>15,556,840</b>	<b>15,475,911</b>	<b>(80,929)</b>	
Loss on disposal of assets and liabilities	-	-	-	(114,439)	(114,439)	
Fair value adjustments	-	-	-	(860,000)	(860,000)	
Actuarial gains/losses	-	-	-	73,113	73,113	
	-	-	-	(901,326)	(901,326)	
<b>Surplus before taxation</b>	<b>15,386,726</b>	<b>170,114</b>	<b>15,556,840</b>	<b>14,574,585</b>	<b>(982,255)</b>	
<b>Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement</b>	<b>15,386,726</b>	<b>170,114</b>	<b>15,556,840</b>	<b>14,574,585</b>	<b>(982,255)</b>	

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## Statement of Comparison of Budget and Actual Amounts

### Budget on Cash Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
<b>Statement of Financial Position</b>						
<b>Assets</b>						
<b>Current Assets</b>						
Inventories	4,171,383	-	4,171,383	6,839,131	2,667,748	
Receivables from exchange transactions	1,011,486	1,928,525	2,940,011	1,535,890	(1,404,121)	
Receivables from non-exchange transactions	13,743,798	93,464,102	107,207,900	74,384,426	(32,823,474)	
VAT receivable	5,753,746	-	5,753,746	1,802,310	(3,951,436)	
Consumer debtors	1,712,888	11,648,422	13,361,310	9,952,680	(3,408,630)	
Cash and cash equivalents	54,689,033	(42,068,399)	12,620,634	38,422,558	25,801,924	
	<b>81,082,334</b>	<b>64,972,650</b>	<b>146,054,984</b>	<b>132,936,995</b>	<b>(13,117,989)</b>	
<b>Non-Current Assets</b>						
Investment property	205,000	2,805,000	3,010,000	8,544,772	5,534,772	
Property, plant and equipment	327,782,775	611,011,294	938,794,069	910,264,634	(28,529,435)	
Intangible assets	390,077	153,884	543,961	372,489	(171,472)	
Investments	-	-	-	3,085,203	3,085,203	
	<b>328,377,852</b>	<b>613,970,178</b>	<b>942,348,030</b>	<b>922,267,098</b>	<b>(20,080,932)</b>	
<b>Total Assets</b>	<b>409,460,186</b>	<b>678,942,828</b>	<b>1,088,403,014</b>	<b>1,055,204,093</b>	<b>(33,198,921)</b>	
<b>Liabilities</b>						
<b>Current Liabilities</b>						
Finance lease obligation	-	-	-	303,748	303,748	
Payables from exchange transactions	3,114,879	58,815,343	61,930,222	53,667,881	(8,262,341)	
Unspent conditional grants and receipts	-	-	-	7,057,920	7,057,920	
Provisions	18,555,265	-	18,555,265	12,825,271	(5,729,994)	
Other liability	721,060	-	721,060	-	(721,060)	
	<b>22,391,204</b>	<b>58,815,343</b>	<b>81,206,547</b>	<b>73,854,820</b>	<b>(7,351,727)</b>	
<b>Non-Current Liabilities</b>						
Employee benefit obligation	5,827,618	(5,827,618)	-	6,150,587	6,150,587	
Provisions	-	-	-	614,326	614,326	
	<b>5,827,618</b>	<b>(5,827,618)</b>	<b>-</b>	<b>6,764,913</b>	<b>6,764,913</b>	
<b>Total Liabilities</b>	<b>28,218,822</b>	<b>52,987,725</b>	<b>81,206,547</b>	<b>80,619,733</b>	<b>(586,814)</b>	
<b>Net Assets</b>	<b>381,241,364</b>	<b>625,955,103</b>	<b>1,007,196,467</b>	<b>974,584,360</b>	<b>(32,612,107)</b>	
<b>Net Assets</b>						
<b>Net Assets Attributable to Owners of Controlling Entity</b>						
<b>Reserves</b>						
Accumulated surplus	381,241,364	625,955,103	1,007,196,467	974,584,360	(32,612,107)	



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## Statement of Comparison of Budget and Actual Amounts

### Budget on Cash Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
<b>Cash Flow Statement</b>						
<b>Cash flows from operating activities</b>						
<b>Receipts</b>						
Grants	262,747,500	(11,482,500)	251,265,000	254,623,000	3,358,000	
Interest income	2,316,820	-	2,316,820	1,700,717	(616,103)	
Other receipts	60,553,555	(3,262,219)	57,291,336	75,507,872	18,216,536	
	<b>325,617,875</b>	<b>(14,744,719)</b>	<b>310,873,156</b>	<b>331,831,589</b>	<b>20,958,433</b>	
<b>Payments</b>						
Suppliers and employees	(262,409,104)	17,980,079	(244,429,025)	(250,786,247)	(6,357,222)	
<b>Net cash flows from operating activities</b>	<b>63,208,771</b>	<b>3,235,360</b>	<b>66,444,131</b>	<b>81,045,342</b>	<b>14,601,211</b>	
<b>Cash flows from investing activities</b>						
Purchase of property, plant and equipment	64,215,057	(170,090)	64,044,967	(49,613,984)	(113,658,951)	
Increase in investments	-	-	-	5,449	5,449	
<b>Net cash flows from investing activities</b>	<b>64,215,057</b>	<b>(170,090)</b>	<b>64,044,967</b>	<b>(49,608,535)</b>	<b>(113,653,502)</b>	
<b>Cash flows from financing activities</b>						
Finance lease payments	-	-	-	(577,816)	(577,816)	
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>127,423,828</b>	<b>3,065,270</b>	<b>130,489,098</b>	<b>30,858,991</b>	<b>(99,630,107)</b>	
Cash and cash equivalents at the beginning of the year	-	(32,109,188)	(32,109,188)	7,563,567	39,672,755	
<b>Cash and cash equivalents at the end of the year</b>	<b>127,423,828</b>	<b>(29,043,918)</b>	<b>98,379,910</b>	<b>38,422,558</b>	<b>(59,957,352)</b>	

# Blouberg Local Municipality

(Registration number LIM351)

Annual Financial Statements for the year ended 30 June 2020

## Accounting Policies

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### 1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 122(3) of the Municipal Finance Management Act (Act 56 of 2003).

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand.

Assets, liabilities, revenues and expenses were not offset, except where offsetting is either required or permitted by a Standard of GRAP.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these annual financial statements, are disclosed below.

#### 1.1 Presentation currency

These annual financial statements are presented in South African Rand, which is the functional currency of the municipality.

#### 1.2 Going concern assumption

These annual financial statements have been prepared based on the expectation that the municipality will continue to operate as a going concern for at least the next 12 months.

#### 1.3 Comparative figures

Budget information in accordance with GRAP 1 and 24 has been provided in the statement of comparison of the budget and actual and forms part of the financial statements.

When the presentation or classification of the items in the annual financial statements is amended, prior period comparative amounts are restated. The nature and reason for the classification is disclosed. Where accounting errors have been identified in the current year, the correction is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly. Where there has been a change in the accounting policy in the current year, the adjustment is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly. The municipality's material variance is considered when there is a 6% deviation from the budget and actual.

#### Available-for-sale financial assets

The municipality follows the guidance of IAS 39 to determine when an available-for-sale financial asset is impaired. This determination requires significant judgment. In making this judgment, the municipality evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost; and the financial health of and near-term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flow.

If all of the declines in fair value below cost were considered significant or prolonged, the municipality would suffer an additional deficit of - in its 2020 annual financial statements, being a reclassification adjustment of the fair value adjustments previously recognised in other comprehensive income and accumulated in equity on the impaired available-for-sale financial assets to surplus or deficit.

#### 1.4 Investment property

Investment property is property (land or a building - or part of a building - or both) held to earn rentals or for capital appreciation or both, rather than for:

- use in the production or supply of goods or services or for
- administrative purposes, or
- sale in the ordinary course of operations.

Owner-occupied property is property held for use in the production or supply of goods or services or for administrative purposes.

# Blouberg Local Municipality

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Annual Financial Statements for the year ended 30 June 2020

## Accounting Policies

### 1.4 Investment property (continued)

Investment property is recognised as an asset when, it is probable that the future economic benefits or service potential that are associated with the investment property will flow to the municipality, and the cost or fair value of the investment property can be measured reliably.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

Where investment property is acquired through a non-exchange transaction, its cost is its fair value as at the date of acquisition.

Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property. If a replacement part is recognised in the carrying amount of the investment property, the carrying amount of the replaced part is derecognised.

#### Fair value

Subsequent to initial measurement investment property is measured at fair value.

The fair value of investment property reflects market conditions at the reporting date.

A gain or loss arising from a change in fair value is included in net surplus or deficit for the period in which it arises.

### 1.5 Property, plant and equipment

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one period.

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits or service potential associated with the item will flow to the municipality; and
- the cost of the item can be measured reliably.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment, where the entity is obligated to incur such expenditure, and where the obligation arises as a result of acquiring the asset or using it for purposes other than the production of inventories.

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Items such as spare parts, standby equipment and servicing equipment are recognised when they meet the definition of property, plant and equipment.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

# Blouberg Local Municipality

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Annual Financial Statements for the year ended 30 June 2020

## Accounting Policies

### 1.5 Property, plant and equipment (continued)

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses except for X,X and X which is carried at revalued amount being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Any increase in an asset's carrying amount, as a result of a revaluation, is credited directly to a revaluation surplus. The increase is recognised in surplus or deficit to the extent that it reverses a revaluation decrease of the same asset previously recognised in surplus or deficit.

Any decrease in an asset's carrying amount, as a result of a revaluation, is recognised in surplus or deficit in the current period. The decrease is debited directly to a revaluation surplus to the extent of any credit balance existing in the revaluation surplus in respect of that asset.

The revaluation surplus in equity related to a specific item of property, plant and equipment is transferred directly to retained earnings when the asset is derecognised.

The revaluation surplus in equity related to a specific item of property, plant and equipment is transferred directly to retained earnings as the asset is used. The amount transferred is equal to the difference between depreciation based on the revalued carrying amount and depreciation based on the original cost of the asset.

Property, plant and equipment are depreciated on the straight line basis over their expected useful lives to their estimated residual value.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Property, plant and equipment is carried at revalued amount, being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are made with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

Any increase in an asset's carrying amount, as a result of a revaluation, is credited directly to a revaluation surplus. The increase is recognised in surplus or deficit to the extent that it reverses a revaluation decrease of the same asset previously recognised in surplus or deficit.

Any decrease in an asset's carrying amount, as a result of a revaluation, is recognised in surplus or deficit in the current period. The decrease is debited in revaluation surplus to the extent of any credit balance existing in the revaluation surplus in respect of that asset.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Infrastructure		5 - 60
Roads and paving		5 - 50
Concrete		5 - 80
Electricity		5 - 50
Computer Equipment		5 - 16
Plant and Machinery		5 - 17
Buildings		5 - 50
Recreational facilities		5 - 50
Security		5 - 50
Halls		5 - 50
Libraries		5 - 50
Parks and gardens		5 - 50
Other assets		5 - 50
Other property, plant and equipment		5 - 50
Specialist vehicles		5 - 15
Office equipment		5 - 10
Furniture and fittings		5 - 16
Motor vehicles		5 - 22
Bins and Containers		10 - 20

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Annual Financial Statements for the year ended 30 June 2020

## Accounting Policies

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### 1.5 Property, plant and equipment (continued)

Specialised past and equipment	5 - 10
Other items of plant and equipment	5 - 15
Leased assets	3 - 5
Emergency equipment	5 - 10
Paintings and artifacts	5 - 50

The residual value, and the useful life and depreciation method of each asset are reviewed at the end of each reporting date. If the expectations differ from previous estimates, the change is accounted for as change in the accounting estimate..

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

### 1.6 Intangible assets

An asset is identifiable if it either:

- is separable, i.e. is capable of being separated or divided from an entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the entity intends to do so; or
- arises from binding arrangements (including rights from contracts), regardless of whether those rights are transferable or separable from the municipality or from other rights and obligations.

A binding arrangement describes an arrangement that confers similar rights and obligations on the parties to it as if it were in the form of a contract.

An intangible asset is recognised when:

- it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the municipality; and
- the cost or fair value of the asset can be measured reliably.

The municipality assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.

Where an intangible asset is acquired through a non-exchange transaction, its initial cost at the date of acquisition is measured at its fair value as at that date.

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

An intangible asset arising from development (or from the development phase of an internal project) is recognised when:

- it is technically feasible to complete the asset so that it will be available for use or sale.
- there is an intention to complete and use or sell it.
- there is an ability to use or sell it.
- it will generate probable future economic benefits or service potential.
- there are available technical, financial and other resources to complete the development and to use or sell the asset.
- the expenditure attributable to the asset during its development can be measured reliably.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight line basis over their useful life.

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## Accounting Policies

### 1.6 Intangible assets (continued)

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

Internally generated goodwill is not recognised as an intangible asset.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

Item	Depreciation method	Average useful life
Computer softwares	Straight line	3 to 5 years

Intangible assets are derecognised:

- on disposal; or
- when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of an intangible assets is included in surplus or deficit when the asset is derecognised (unless the Standard of GRAP on leases requires otherwise on a sale and leaseback).

### 1.7 Investments

The municipality recognise investments at fair value. Interest on investments are recognised on statement of financial performance.

### 1.8 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity.

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

A concessionary loan is a loan granted to or received by an entity on terms that are not market related.

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Derecognition is the removal of a previously recognised financial asset or financial liability from an entity's statement of financial position.

A derivative is a financial instrument or other contract with all three of the following characteristics:

- Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract (sometimes called the 'underlying').
- It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors.
- It is settled at a future date.

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Annual Financial Statements for the year ended 30 June 2020

## Accounting Policies

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### 1.8 Financial instruments (continued)

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, an entity shall estimate cash flows considering all contractual terms of the financial instrument (for example, prepayment, call and similar options) but shall not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate (see the Standard of GRAP on Revenue from Exchange Transactions), transaction costs, and all other premiums or discounts. There is a presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably. However, in those rare cases when it is not possible to reliably estimate the cash flows or the expected life of a financial instrument (or group of financial instruments), the entity shall use the contractual cash flows over the full contractual term of the financial instrument (or group of financial instruments).

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction.

A financial asset is:

- cash and cash equivalent;
- a residual interest of another entity; or
- a contractual right to:
  - receive cash or another financial asset from another entity; or
  - exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

A financial liability is any liability that is a contractual obligation to:

- deliver cash or another financial asset to another entity; or
- exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the entity.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Liquidity risk is the risk encountered by an entity in the event of difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

A financial asset is past due when a counterparty has failed to make a payment when contractually due.

A residual interest is any contract that manifests an interest in the assets of an entity after deducting all of its liabilities. A residual interest includes contributions from owners, which may be shown as:

- equity instruments or similar forms of unissued capital;
- a formal designation of a transfer of resources (or a class of such transfers) by the parties to the transaction as forming part of an entity's net assets, either before the contribution occurs or at the time of the contribution; or
- a formal agreement, in relation to the contribution, establishing or increasing an existing financial interest in the net assets of an entity.

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument.

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### **1.8 Financial instruments (continued)**

Financial instruments at amortised cost are non-derivative financial assets or non-derivative financial liabilities that have fixed or determinable payments, excluding those instruments that:

- the entity designates at fair value at initial recognition; or
- are held for trading.

Financial instruments at cost are investments in residual interests that do not have a quoted market price in an active market, and whose fair value cannot be reliably measured.

Financial instruments at fair value comprise financial assets or financial liabilities that are:

- derivatives;
- combined instruments that are designated at fair value;
- instruments held for trading. A financial instrument is held for trading if:
  - it is acquired or incurred principally for the purpose of selling or repurchasing it in the near-term; or
  - on initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short term profit-taking;
  - non-derivative financial assets or financial liabilities with fixed or determinable payments that are designated at fair value at initial recognition; and
  - financial instruments that do not meet the definition of financial instruments at amortised cost or financial instruments at cost.

#### **Initial recognition**

The entity recognises a financial asset or a financial liability in its statement of financial position when the entity becomes a party to the contractual provisions of the instrument.

The entity recognises financial assets using trade date accounting.

#### **Initial measurement of financial assets and financial liabilities**

The entity measures a financial asset and financial liability initially at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

The entity measures a financial asset and financial liability initially at its fair value [if subsequently measured at fair value].

The entity first assesses whether the substance of a concessionary loan is in fact a loan. On initial recognition, the entity analyses a concessionary loan into its component parts and accounts for each component separately. The entity accounts for that part of a concessionary loan that is:

- a social benefit in accordance with the Framework for the Preparation and Presentation of Financial Statements, where it is the issuer of the loan; or
- non-exchange revenue, in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers), where it is the recipient of the loan.

Statutory receivables are receivables that arise from legislation, supporting regulations, or similar means, and require settlement by another entity in cash or another financial asset.

Carrying amount is the amount at which an asset is recognised in the statement of financial position.

The cost method is the method used to account for statutory receivables that requires such receivables to be measured at their transaction amount, plus any accrued interest or other charges (where applicable) and, less any accumulated impairment losses and any amounts derecognised.

Nominal interest rate is the interest rate and/or basis specified in legislation, supporting regulations or similar means.

The transaction amount (for purposes of this Standard) for a statutory receivable means the amount specified in, or calculated, levied or charged in accordance with, legislation, supporting regulations, or similar means.

### **1.9 Inventories**

Inventories are initially measured at cost except where inventories are acquired through a non-exchange transaction, then their costs are their fair value as at the date of acquisition.



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### 1.9 Inventories (continued)

Subsequently inventories are measured at the lower of cost and net realisable value.

Inventories are measured at the lower of cost and current replacement cost where they are held for;

- distribution at no charge or for a nominal charge; or
- consumption in the production process of goods to be distributed at no charge or for a nominal charge.

Net realisable value is the estimated selling price in the ordinary course of operations less the estimated costs of completion and the estimated costs necessary to make the sale, exchange or distribution.

Current replacement cost is the cost the municipality incurs to acquire the asset on the reporting date.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost of inventories of items that are not ordinarily interchangeable and goods or services produced and segregated for specific projects is assigned using specific identification of the individual costs.

The cost of inventories is assigned using the first-in, first-out (FIFO) formula. The same cost formula is used for all inventories having a similar nature and use to the municipality.

When inventories are sold, the carrying amounts of those inventories are recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expenses are recognised when the goods are distributed, or related services are rendered. The amount of any write-down of inventories to net realisable value or current replacement cost and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value or current replacement cost, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

### 1.10 Employee benefits

#### Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of surplus sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

### 1.11 Provisions and contingencies

Provisions are recognised when:

- the municipality has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

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### 1.11 Provisions and contingencies (continued)

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the municipality settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised.

Provisions are not recognised for future operating surplus.

If an entity has a contract that is onerous, the present obligation (net of recoveries) under the contract is recognised and measured as a provision.

A constructive obligation to restructure arises only when an entity:

- has a detailed formal plan for the restructuring, identifying at least:
  - the activity/operating unit or part of a activity/operating unit concerned;
  - the principal locations affected;
  - the location, function, and approximate number of employees who will be compensated for services being terminated;
  - the expenditures that will be undertaken; and
  - when the plan will be implemented; and
- has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

A restructuring provision includes only the direct expenditures arising from the restructuring, which are those that are both:

- necessarily entailed by the restructuring; and
- not associated with the ongoing activities of the municipality

No obligation arises as a consequence of the sale or transfer of an operation until the municipality is committed to the sale or transfer, that is, there is a binding arrangement.

After their initial recognition contingent liabilities recognised in entity combinations that are recognised separately are subsequently measured at the higher of:

- the amount that would be recognised as a provision; and
- the amount initially recognised less cumulative amortisation.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 37.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Loan commitment is a firm commitment to provide credit under pre-specified terms and conditions.

The municipality recognises a provision for financial guarantees and loan commitments when it is probable that an outflow of resources embodying economic benefits and service potential will be required to settle the obligation and a reliable estimate of the obligation can be made.

Determining whether an outflow of resources is probable in relation to financial guarantees requires judgement. Indications that an outflow of resources may be probable are:

- financial difficulty of the debtor;
- defaults or delinquencies in interest and capital repayments by the debtor;
- breaches of the terms of the debt instrument that result in it being payable earlier than the agreed term and the ability of the debtor to settle its obligation on the amended terms; and

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## Accounting Policies

### 1.11 Provisions and contingencies (continued)

- a decline in prevailing economic circumstances (e.g. high interest rates, inflation and unemployment) that impact on the ability of entities to repay their obligations.

Where a fee is received by the municipality for issuing a financial guarantee and/or where a fee is charged on loan commitments, it is considered in determining the best estimate of the amount required to settle the obligation at reporting date. Where a fee is charged and the municipality considers that an outflow of economic resources is probable, an municipality recognises the obligation at the higher of:

- the amount determined using in the Standard of GRAP on Provisions, Contingent Liabilities and Contingent Assets; and
- the amount of the fee initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the Standard of GRAP on Revenue from Exchange Transactions.

### 1.12 Capital Commitments

Items are classified as commitments when an entity has committed itself to future transactions that will normally result in the outflow of cash.

Disclosures are required in respect of unrecognised contractual commitments.

Commitments for which disclosure is necessary to achieve a fair presentation should be disclosed in a note to the financial statements, if both the following criteria are met:

- Contracts should be non-cancellable or only cancellable at significant cost (for example, contracts for computer or building maintenance services); and
- Contracts should relate to something other than the routine, steady, state business of the entity – therefore salary commitments relating to employment contracts or social security benefit commitments are excluded.

### 1.13 Revenue from exchange transactions

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

An exchange transaction is one in which the municipality receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

#### Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

#### Sale of goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the municipality has transferred to the purchaser the significant risks and rewards of ownership of the goods;
- the municipality retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

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## **Accounting Policies**

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### **1.13 Revenue from exchange transactions (continued)**

#### **Rendering of services**

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality;
- the stage of completion of the transaction at the reporting date can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When services are performed by an indeterminate number of acts over a specified time frame, revenue is recognised on a straight line basis over the specified time frame unless there is evidence that some other method better represents the stage of completion. When a specific act is much more significant than any other acts, the recognition of revenue is postponed until the significant act is executed.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Service revenue is recognised by reference to the stage of completion of the transaction at the reporting date. Stage of completion is determined by services performed to date as a percentage of total services to be performed.

#### **Interest**

Revenue arising from the use by others of entity assets yielding interest, royalties and dividends or similar distributions is recognised when:

- It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality, and
- The amount of the revenue can be measured reliably.

Interest is recognised, in surplus or deficit, using the effective interest rate method.

Royalties are recognised as they are earned in accordance with the substance of the relevant agreements.

Dividends or similar distributions are recognised, in surplus or deficit, when the municipality's right to receive payment has been established.

Service fees included in the price of the product are recognised as revenue over the period during which the service is performed.

### **1.14 Revenue from non-exchange transactions**

Revenue comprises gross inflows of economic benefits or service potential received and receivable by an municipality, which represents an increase in net assets, other than increases relating to contributions from owners.

Conditions on transferred assets are stipulations that specify that the future economic benefits or service potential embodied in the asset is required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor.

Control of an asset arise when the municipality can use or otherwise benefit from the asset in pursuit of its objectives and can exclude or otherwise regulate the access of others to that benefit.

Exchange transactions are transactions in which one entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of cash, goods, services, or use of assets) to another entity in exchange.

Expenses paid through the tax system are amounts that are available to beneficiaries regardless of whether or not they pay taxes.

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### **1.14 Revenue from non-exchange transactions (continued)**

Fines are economic benefits or service potential received or receivable by entities, as determined by a court or other law enforcement body, as a consequence of the breach of laws or regulations.

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, an municipality either receives value from another municipality without directly giving approximately equal value in exchange, or gives value to another municipality without directly receiving approximately equal value in exchange.

Restrictions on transferred assets are stipulations that limit or direct the purposes for which a transferred asset may be used, but do not specify that future economic benefits or service potential is required to be returned to the transferor if not deployed as specified.

Stipulations on transferred assets are terms in laws or regulation, or a binding arrangement, imposed upon the use of a transferred asset by entities external to the reporting municipality.

Tax expenditures are preferential provisions of the tax law that provide certain taxpayers with concessions that are not available to others.

The taxable event is the event that the government, legislature or other authority has determined will be subject to taxation.

Taxes are economic benefits or service potential compulsorily paid or payable to entities, in accordance with laws and or regulations, established to provide revenue to government. Taxes do not include fines or other penalties imposed for breaches of the law.

Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes.

#### **Recognition**

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As the municipality satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

#### **Measurement**

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the municipality.

When, as a result of a non-exchange transaction, the municipality recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability. Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue.

#### **Fines**

Fines are recognised as revenue when the receivable meets the definition of an asset and satisfies the criteria for recognition as an asset.

Assets arising from fines are measured at the best estimate of the inflow of resources to the municipality.

Where the municipality collects fines in the capacity of an agent, the fine will not be revenue of the collecting entity.

#### **Gifts and donations, including goods in-kind**

Gifts and donations, including goods in kind, are recognised as assets and revenue when it is probable that the future economic benefits or service potential will flow to the municipality and the fair value of the assets can be measured reliably.

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## **Accounting Policies**

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### **1.15 Investment income**

Investment income is recognised on a time-proportion basis using the effective interest method.

### **1.16 Borrowing costs**

Borrowing costs are interest and other expenses incurred by an entity in connection with the borrowing of funds.

Borrowing costs are recognised as an expense in the period in which they are incurred.

### **1.17 Accounting by principals and agents**

#### **Identification**

An agent is an entity that has been directed by another entity (a principal), through a binding arrangement, to undertake transactions with third parties on behalf of the principal and for the benefit of the principal.

A principal is an entity that directs another entity (an agent), through a binding arrangement, to undertake transactions with third parties on its behalf and for its own benefit.

A principal-agent arrangement results from a binding arrangement in which one entity (an agent), undertakes transactions with third parties on behalf, and for the benefit of, another entity (the principal).

#### **Identifying whether an entity is a principal or an agent**

When the municipality is party to a principal-agent arrangement, it assesses whether it is the principal or the agent in accounting for revenue, expenses, assets and/or liabilities that result from transactions with third parties undertaken in terms of the arrangement.

The assessment of whether an municipality is a principal or an agent requires the municipality to assess whether the transactions it undertakes with third parties are for the benefit of another entity or for its own benefit.

#### **Binding arrangement**

The municipality assesses whether it is an agent or a principal by assessing the rights and obligations of the various parties established in the binding arrangement.

Where the terms of a binding arrangement are modified, the parties to the arrangement re-assess whether they act as a principal or an agent.

#### **Assessing which entity benefits from the transactions with third parties**

When the municipality in a principal-agent arrangement concludes that it undertakes transactions with third parties for the benefit of another entity, then it is the agent. If the municipality concludes that it is not the agent, then it is the principal in the transactions.

The municipality is an agent when, in relation to transactions with third parties, all three of the following criteria are present:

- It does not have the power to determine the significant terms and conditions of the transaction.
- It does not have the ability to use all, or substantially all, of the resources that result from the transaction for its own benefit.
- It is not exposed to variability in the results of the transaction.

Where the municipality has been granted specific powers in terms of legislation to direct the terms and conditions of particular transactions, it is not required to consider the criteria of whether it does not have the power to determine the significant terms and conditions of the transaction, to conclude that it is an agent. The municipality applies judgement in determining whether such powers exist and whether they are relevant in assessing whether the municipality is an agent.

#### **Recognition**

The municipality, as a principal, recognises revenue and expenses that arise from transactions with third parties in a principal-agent arrangement in accordance with the requirements of the relevant Standards of GRAP.

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## Accounting Policies

### 1.17 Accounting by principals and agents (continued)

The municipality, as an agent, recognises only that portion of the revenue and expenses it receives or incurs in executing the transactions on behalf of the principal in accordance with the requirements of the relevant Standards of GRAP.

The municipality recognises assets and liabilities arising from principal-agent arrangements in accordance with the requirements of the relevant Standards of GRAP.

### 1.18 Unauthorised expenditure

Unauthorised expenditure means:

- overspending of a vote or a main division within a vote; and
- expenditure not in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.

All expenditure relating to unauthorised expenditure is recognised as an expense in the statement of financial performance the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

### 1.19 Fruitless and wasteful expenditure

Fruitless expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

### 1.20 Irregular expenditure

Irregular expenditure as defined in section 1 of the PFMA is expenditure other than unauthorised expenditure, incurred in contravention of or that is not in accordance with a requirement of any applicable legislation, including -

- (a) this Act; or
- (b) the State Tender Board Act, 1968 (Act No. 86 of 1968), or any regulations made in terms of the Act; or
- (c) any provincial legislation providing for procurement procedures in that provincial government.

National Treasury practice note no. 4 of 2008/2009 which was issued in terms of sections 76(1) to 76(4) of the PFMA requires the following (effective from 1 April 2008):

Irregular expenditure that was incurred and identified during the current financial and which was condoned before year end and/or before finalisation of the financial statements must also be recorded appropriately in the irregular expenditure register. In such an instance, no further action is also required with the exception of updating the note to the financial statements.

Irregular expenditure that was incurred and identified during the current financial year and for which condonement is being awaited at year end must be recorded in the irregular expenditure register. No further action is required with the exception of updating the note to the financial statements.

Where irregular expenditure was incurred in the previous financial year and is only condoned in the following financial year, the register and the disclosure note to the financial statements must be updated with the amount condoned.

Irregular expenditure that was incurred and identified during the current financial year and which was not condoned by the National Treasury or the relevant authority must be recorded appropriately in the irregular expenditure register. If liability for the irregular expenditure can be attributed to a person, a debt account must be created if such a person is liable in law. Immediate steps must thereafter be taken to recover the amount from the person concerned. If recovery is not possible, the accounting officer or accounting authority may write off the amount as debt impairment and disclose such in the relevant note to the financial statements. The irregular expenditure register must also be updated accordingly. If the irregular expenditure has not been condoned and no person is liable in law, the expenditure related thereto must remain against the relevant programme/expenditure item, be disclosed as such in the note to the financial statements and updated accordingly in the irregular expenditure register.

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## Accounting Policies

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### 1.20 Irregular expenditure (continued)

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the economic entity's supply chain management policy. Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

### 1.21 Budget information

Municipality are typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising legislation, appropriation or similar.

General purpose financial reporting by municipality shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

The approved budget is prepared on a accrual basis and presented by functional classification linked to performance outcome objectives.

The approved budget covers the fiscal period from 2019/07/01 to 2020/06/30.

The budget for the economic entity includes all the entities approved budgets under its control.

The annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the Statement of comparison of budget and actual amounts.

### 1.22 Related parties

A related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Joint control is the agreed sharing of control over an activity by a binding arrangement, and exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control (the venturers).

Related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party, regardless of whether a price is charged.

Significant influence is the power to participate in the financial and operating policy decisions of an entity, but is not control over those policies.

Management are those persons responsible for planning, directing and controlling the activities of the municipality, including those charged with the governance of the municipality in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are considered to be those family members who may be expected to influence, or be influenced by, that management in their dealings with the municipality.

The municipality is exempt from disclosure requirements in relation to related party transactions if that transaction occurs within normal supplier and/or client/recipient relationships on terms and conditions no more or less favourable than those which it is reasonable to expect the municipality to have adopted if dealing with that individual entity or person in the same circumstances and terms and conditions are within the normal operating parameters established by that reporting entity's legal mandate.

Where the municipality is exempt from the disclosures in accordance with the above, the municipality discloses narrative information about the nature of the transactions and the related outstanding balances, to enable users of the entity's financial statements to understand the effect of related party transactions on its annual financial statements.



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### **1.23 Events after reporting date**

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The municipality will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The municipality will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

### **1.24 VAT**

VAT is accounted for on accrual basis in the financial records.

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## Notes to the Annual Financial Statements

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### 2. New standards and interpretations

#### 2.1 Standards and interpretations effective and adopted in the current year

In the current year, the municipality has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• GRAP 20: Related parties	01 April 2019	Unlikely there will be a material impact
• GRAP 108: Statutory Receivables	01 April 2019	Unlikely there will be a material impact
• GRAP 109: Accounting by Principals and Agents	01 April 2019	Unlikely there will be a material impact
• IGRAP 18: Interpretation of the Standard of GRAP on Recognition and Derecognition of Land	01 April 2019	Unlikely there will be a material impact
• IGRAP 19: Liabilities to Pay Levies	01 April 2019	Unlikely there will be a material impact

#### 2.2 Standards and Interpretations issued, but not yet effective

The municipality has not applied the following standards and interpretations, which have been published and are mandatory for the municipality's accounting periods beginning on or after 01 July 2020 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• GRAP 104 (amended): Financial Instruments	01 April 2020	Not expected to impact results but may result in additional disclosure
• IGRAP 20: Accounting for Adjustments to Revenue	01 April 2020	Unlikely there will be a material impact
• GRAP 1 (amended): Presentation of Financial Statements	01 April 2020	Unlikely there will be a material impact

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### 3. Investment property

	2020			2019		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Investment property	8,544,772	-	8,544,772	9,760,000	-	9,760,000

#### Reconciliation of investment property - Other notes to the financial statements

	Opening balance	Transfers	Fair Value adjustment	Total
Investment property	9,760,000	(355,228)	(860,000)	8,544,772

#### Reconciliation of investment property - 2019

	Opening balance	Transfers	Total
Investment property	-	9,760,000	9,760,000

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

#### Details of valuation

The effective date of the revaluations was Wednesday, 08 July 2020. Revaluations were performed by an independent valuer, Mod Hope Properties by Modiba Kholofelo, registered as a Professional Associated Valuer in terms of the Property Valuer's Professional Act, 2000 (Act No 47 of 2000). Mod Hope Properties are not connected to the municipality and have recent experience in location and category of the investment property being valued.

The valuation was based on open market value for existing use.

These assumptions are based on current market conditions.

# Blouberg Local Municipality

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## Notes to the Annual Financial Statements

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### 4. Property, plant and equipment

	2020		2019	
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation
Land	8,026,290	-	8,026,290	8,026,290
Buildings	39,719,478	(22,171,583)	17,547,895	39,575,957
Infrastructure	1,040,066,225	(398,743,922)	641,322,303	1,011,446,161
Community Assets	189,537,870	(54,387,060)	135,150,810	188,948,433
Other Assets	37,303,812	(15,342,512)	21,961,300	36,139,036
WIP - Community Assets	23,373,917	-	23,373,917	19,424,044
WIP - Infrastructure	62,882,119	-	62,882,119	47,983,277
<b>Total</b>	<b>1,400,909,711</b>	<b>(490,645,077)</b>	<b>910,264,634</b>	<b>1,351,543,198</b>
				<b>(455,224,201)</b>
				<b>896,318,997</b>

### Reconciliation of property, plant and equipment - Other notes to the financial statements

	Opening balance	Additions	Disposals	Transfers	Depreciation	Total
Land	8,026,290	-	-	-	-	8,026,290
Buildings	18,994,514	143,521	-	-	(1,590,140)	17,547,895
Infrastructure	635,907,873	438,883	(114,439)	28,428,653	(23,338,667)	641,322,303
Community	142,115,967	589,437	-	-	(7,554,594)	135,150,810
Other Assets	23,867,032	1,164,775	-	-	(3,070,507)	21,961,300
WIP - Community assets	19,424,044	3,949,873	-	-	-	23,373,917
WIP - Infrastructure	47,983,277	43,327,495	-	(28,428,653)	-	62,882,119
<b>Total</b>	<b>896,318,997</b>	<b>49,613,984</b>	<b>(114,439)</b>	<b>-</b>	<b>(35,553,908)</b>	<b>910,264,634</b>

# Blouberg Local Municipality

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Annual Financial Statements for the year ended 30 June 2020

## Notes to the Annual Financial Statements

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### 4. Property, plant and equipment (continued)

#### Reconciliation of property, plant and equipment - 2019

	Opening balance	Additions	Disposals	Transfers	Depreciation	Total
Land	17,786,290	-	-	(9,760,000)	-	8,026,290
Buildings	20,577,552	-	-	-	(1,583,038)	18,994,514
Infrastructure	654,739,415	708,928	-	3,340,451	(22,880,921)	635,907,873
Community	143,081,481	-	-	6,592,304	(7,557,818)	142,115,967
Other Assets	26,706,179	1,075,040	(119,130)	-	(3,795,057)	23,867,032
WIP Community Assets	19,951,505	6,064,843	-	(6,592,304)	-	19,424,044
WIP Infrastructure	12,340,844	38,982,884	-	(3,340,451)	-	47,983,277
	<b>895,183,266</b>	<b>46,831,695</b>	<b>(119,130)</b>	<b>(9,760,000)</b>	<b>(35,816,834)</b>	<b>896,318,997</b>

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

# Blouberg Local Municipality

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### 5. Intangible assets

	2020			2019		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software, other	750,685	(378,196)	372,489	750,685	(206,724)	543,961

### Reconciliation of intangible assets - Other notes to the financial statements

	Opening balance	Amortisation	Total
Computer software, other	543,961	(171,472)	372,489

### Reconciliation of intangible assets - 2019

	Opening balance	Additions	Amortisation	Total
Computer software, other	233,394	457,941	(147,374)	543,961

### 6. Investments

Name of company	Held by	Carrying amount 2020	Carrying amount 2019
ABSA Bank	Blouberg Municipality	3,085,203	3,090,652

During the current year the municipality invested in NEDBANK fixed deposit account number 037-8811-376-14 which earned interest totalling R784 405 included in finance income from investments. The first investment of R40 000 000 was invested from 15 July 2019 to 16 September 2019 which earned the municipality a total interest of R533 688 which was withdrawn. The second investment was for R20 000 000 was invested from 3 December 2019 to 3 February 2020 which earned the municipality a total interest of R250 718 which was also withdrawn.

The Municipality has a long term investment in an ABSA fixed deposit as Eskom Guarantee to an amount of R3 085 203 (2019: R3 090 652) as at 30 June 2020. The municipality does not have access to the account, only receives interest on investment. During the year an amount of R209 306 (2019: R229 120) interest was earned from the investment.

### 7. Employee benefit obligations

The amounts recognised in the statement of financial position are as follows:

Carrying value		
Present value of fund obligation	5,827,618	5,111,351
Current service costs	522,622	523,847
Interests costs	456,719	419,776
Benefits paid	(583,259)	(493,318)
Acturial (gains)/losses	(73,113)	265,962
Balance as at 30 June	6,150,587	5,827,618
Current assets	-	-
Non-current liabilities	(6,150,587)	(5,827,618)
	(6,150,587)	(5,827,618)

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## Notes to the Annual Financial Statements

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### 7. Employee benefit obligations (continued)

#### Key assumptions used

##### Rate of interest

Discount rate	8.25 %	8.25 %
CPI	4.47 %	4.47 %
General salary inflation (long term)	5.47 %	5.47 %
Net effective Discount Rate applied to Long Service Bonuses	2.64 %	2.64 %

##### Provision for long - service awards

The employees of Blouberg Municipality qualifies for the following long service award additional leave for various periods of uninterrupted service:

- 10 years uninterrupted service: 10 working day's leave
- 15 years uninterrupted service: 20 working day's leave
- 20 years uninterrupted service: 30 working day's leave
- 25 years uninterrupted service: 30 working day's leave
- 30 years uninterrupted service: 30 working day's leave
- 35 years uninterrupted service: 35 working day's leave
- 40 years uninterrupted service: 30 working day's leave
- 45 years uninterrupted service: 30 working day's leave

The Long Service Awards are defined benefits plans. As at year end 30 June 2020 181 (2019: 186) employees were eligible for Long Service Bonuses.

The Employer's Unfunded Accrued Liability as at 30 June 2020 is estimated at R6 150 587 (2019: R5 827 618). The current cost for the year ending 30 June 2020 is estimated at R522 622 (R523 847).

The actual expense cost for the year ending 30 June 2020, and the net change in the accrued obligation over the financial year ending 30 June 2020 are determined as follows:

##### Net change in the accrued obligation

Current service cost	522,622	523,847
Current interest cost	456,719	419,776
Actuarial (gain)/loss	(73,113)	265,962
<b>Net expense recognised in income statement as at 30 June 2020</b>	<b>906,228</b>	<b>1,209,585</b>
Actual benefit payments	(583,259)	(493,318)
<b>Net change in the accrued liability over the financial year ending</b>	<b>322,969</b>	<b>716,267</b>

### 8. Inventories

Inventory sites	3,194,275	3,517,411
Consumable stores	3,644,856	3,281,383
	<b>6,839,131</b>	<b>6,798,794</b>

### 9. Receivables from exchange transactions

Prepaid electricity Accrued	371,994	270,392
CDM Commission	1,163,175	1,163,175
Other Receivables	721	312,007
CDM Grant Receivables	-	1,650,000
	<b>1,535,890</b>	<b>3,395,574</b>

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## Notes to the Annual Financial Statements

Figures in Rand	2020	2019
<b>10. Receivables from non-exchange transactions</b>		
Traffic Fines	1,018,920	1,784,479
Other receivable- Senior Managers	19,337	19,337
Equitable share	1,063,859	1,063,859
Other receivables from non-exchange transactions	1,300,187	861,257
Rates	70,982,123	87,604,828
	<b>74,384,426</b>	<b>91,333,760</b>

Included in the Traffic fines receivables there is a provision for impairment of R4 747 357 (2019: R3 247 363). Included also is a debt write off of R- (2019: R-)

Included in the property rates receivable there is a provision for impairment of R13 288 031 (2019: R10 788 025). Included also is a debt write off of R- (2019: R-)

### Receivables from non-exchange transactions

The ageing of these receivables is as follows:

<b>Rates</b>		
Current	314,361	298,023
31-60 days	510,030	195,265
61-90 days	192,685	192,016
91-120 days	201,358	183,576
121-365 days	14,493,549	20,157,047
>365 days	68,286,056	77,140,170
<b>Traffic fines</b>		
Current	8,800	192,250
31-60 days	16,600	214,700
61-90 days	60,600	218,850
91-120 days	64,500	173,600
121-365 days	92,800	1,835,050
>365 days	5,522,977	2,396,393

### Reconciliation of provision for impairment of receivables from non-exchange transactions

Opening balance	(14,035,388)	(15,566,661)
Provision for impairment	(3,992,938)	1,531,273
	<b>(18,028,326)</b>	<b>(14,035,388)</b>

### 11. VAT receivable

VAT	1,802,310	3,263,395
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### 12. Consumer debtors

<b>Gross balances</b>		
Electricity	13,695,177	9,489,749
Refuse	1,827,921	1,086,932
Interest	2,787,697	2,340,178
VAT on Services	2,357,338	1,646,092
Sundries	1,976,534	1,792,841
	<b>22,644,667</b>	<b>16,355,792</b>



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## Notes to the Annual Financial Statements

Figures in Rand

	2020	2019
<b>12. Consumer debtors (continued)</b>		
Less: Allowance for impairment		
Electricity		
Refuse	(8,609,149)	(2,666,645)
Interest	(788,502)	(500,758)
Sundries	(2,126,058)	(858,687)
	(1,168,278)	(979,450)
	<u>(12,691,987)</u>	<u>(5,005,540)</u>
Net balance		
Electricity		
Refuse	5,086,028	6,823,104
Interest	1,039,419	586,174
VAT on Services	661,639	1,481,491
Sundries	2,357,338	1,646,092
	808,256	813,391
	<u>9,952,680</u>	<u>11,350,252</u>
Electricity		
Current (0 -30 days)		
31 - 60 days	778,803	547,223
61 - 90 days	1,256,210	421,700
91 - 120 days	317,956	235,509
121 - 365 days	933,025	380,491
> 365 days	2,165,329	2,840,600
	7,573,071	6,056,541
	<u>13,024,394</u>	<u>10,482,064</u>
Refuse		
Current (0 -30 days)		
31 - 60 days	112,615	47,457
61 - 90 days	205,947	46,332
91 - 120 days	100,039	45,615
121 - 365 days	99,074	44,672
> 365 days	502,864	364,251
	713,731	612,307
	<u>1,734,270</u>	<u>1,160,634</u>
Sundries		
Current (0 -30 days)		
31 - 60 days	16,464	18,913
61 - 90 days	32,892	18,784
91 - 120 days	16,334	45,151
121 - 365 days	14,450	18,631
> 365 days	115,964	172,355
	1,504,849	1,489,530
	<u>1,700,953</u>	<u>1,763,364</u>
Reconciliation of allowance for impairment		
Balance at beginning of the year	(5,005,540)	(5,787,571)
Contributions to allowance	(7,686,447)	782,031
	<u>(12,691,987)</u>	<u>(5,005,540)</u>

# Blouberg Local Municipality

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## Notes to the Annual Financial Statements

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### 13. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	7,421	1,643
Bank balances	33,143,826	7,561,924
Short-term investment	5,271,311	-
	<b>38,422,558</b>	<b>7,563,567</b>

The municipality had the following bank accounts

Account number / description	Bank statement balances			Cash book balances		
	30 June 2020	30 June 2019	30 June 2018	30 June 2020	30 June 2019	30 June 2018
ABSA BANK - Current Account - 11 5016 9476	32,986,061	7,401,497	14,275,810	32,986,061	7,401,497	14,275,810
ABSA BANK - Current Account - 40 5735 0474	157,765	160,428	1,308,114	157,765	160,428	1,308,114
<b>Total</b>	<b>33,143,826</b>	<b>7,561,925</b>	<b>15,583,924</b>	<b>33,143,826</b>	<b>7,561,925</b>	<b>15,583,924</b>

### 14. Finance lease obligation

Minimum lease payments due

- within one year	315,303	576,622
- in second to fifth year inclusive	-	316,458

less: future finance charges

	315,303	893,080
	(11,555)	(71,985)

Present value of minimum lease payments

	<b>303,748</b>	<b>821,095</b>
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Present value of minimum lease payments due

- within one year	303,748	516,193
- in second to fifth year inclusive	-	304,902
	<b>303,748</b>	<b>821,095</b>

Non-current liabilities

	-	303,747
Current liabilities	303,748	517,382
	<b>303,748</b>	<b>821,129</b>

It is municipality policy to lease certain equipment under finance leases.

The average lease term was 3 years and the average effective borrowing rate was 10% (2019: 10%).

Interest rates are linked to prime at the contract date. All leases have fixed repayments and no arrangements have been entered into for contingent rent.

### Defaults and breaches

In the current financial year the municipality never defaulted and/or breached any terms and conditions of the lease contract.

# Blouberg Local Municipality

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Annual Financial Statements for the year ended 30 June 2020

## Notes to the Annual Financial Statements

Figures in Rand	2020	2019
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### 14. Finance lease obligation (continued)

#### Market risk

The carrying amounts of finance lease liabilities are denominated in the following currencies:

Rand	303,748	821,095
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For details of sensitivity of exposures to market risk related to finance lease liabilities, as well as liquidity risk refer to note .

The fair value of finance lease liabilities approximates their carrying amounts.

### 15. Unspent conditional grants and receipts

Unspent conditional grants and receipts comprises of:

#### Unspent conditional grants and receipts

Capricorn District Municipality Grant (CDM)	135,395	67,895
National Skills Fund Grant (NSF)	157,764	160,428
Integrated National Empowerment Programme Grant (INEP)	6,630,008	776,156
Energy Efficient Municipal Grant (EEDMP)	134,753	134,753
	<b>7,057,920</b>	<b>1,139,232</b>

#### Movement during the year

Balance at the beginning of the year	1,139,232	699,785
Additions during the year	5,918,688	439,447
	<b>7,057,920</b>	<b>1,139,232</b>

#### Non-current liabilities

Current liabilities	-	-
	<b>7,057,920</b>	<b>1,139,232</b>
	<b>7,057,920</b>	<b>1,139,232</b>

The nature and extent of government grants recognised in the annual financial statements and an indication of other forms of government assistance from which the municipality has directly benefited; and

Unfulfilled conditions and other contingencies attaching to government assistance that has been recognised.

See note for reconciliation of grants from National/Provincial Government.

These amounts are invested in a ring-fenced investment until utilised.

### 16. Provisions

#### Reconciliation of provisions - 2020

	Opening Balance	Additions	Total
Environmental rehabilitation	10,233,214	2,592,057	12,825,271
Provision for performance bonus	339,072	275,254	614,326
	<b>10,572,286</b>	<b>2,867,311</b>	<b>13,439,597</b>

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Annual Financial Statements for the year ended 30 June 2020

## Notes to the Annual Financial Statements

Figures in Rand

### 16. Provisions (continued)

#### Reconciliation of provisions - 2019

	2020	2019
Provision for restoration cost for landfill site	Opening Balance	Total
Provision for performance bonus	9,055,115	1,178,099
Total Provisions	316,861	22,211
	9,371,976	1,200,310
Non-current liabilities		10,572,286
Current liabilities		614,326
		339,072
		12,825,271
		13,439,597
		10,572,286

The provision represents management's best estimate of the municipality's liability on the experience and knowledge.

#### Provision for performance bonus

Performance bonus is the benefit paid to the senior management after performance assessment are being done and expectations or targets are met. Performance bonus is calculated at 14% of total package.

#### Environmental rehabilitation provision

The Alldays and Senwabarwana land fill sites are permitted facilities in terms of section 20 of Environmental Conservation Act 73 of 1989. The provision for rehabilitation of landfill sites relates to the legal obligation to rehabilitate landfill sites used for waste disposal. It is calculated as the present value of the future obligation discounted at 10%, which is the prime rate as at June 2018. Both landfill sites are expected to be in operation for a period of 5 years from July 2019.

### 17. Payables from exchange transactions

Trade payables	12,979,902	17,158,754
Payments received in advance	4,416,700	3,575,976
Retentions	14,625,851	14,313,487
13th cheque provision	2,173,222	2,118,302
Accrued leave pay	9,796,370	8,798,104
Prepaid electricity accrual	6,529	130,850
Sale of stands deposits	358,393	171,610
Other Creditors	1,787,364	1,270,716
Landfill site	4,942,105	4,835,719
Unallocated deposits	2,581,445	2,675,395
	53,667,881	55,048,913

#### Sale of sites

Included in payables from exchange transactions is the amount of R358 393 (2019: R171 610) relating to monies paid by customers for the sale of stands. Once ownership has been transferred to customers, a reallocation will be made from payables to sale of stands in the statement of financial performance thereby realising the revenue from sale of stands.

#### Accrued for leave

Provision is made for employees who are having leave credit at the end of the financial period and is provided up to 48 days in terms of SALBC agreement. The leave provision is calculated by taking the total basic salary divide by number of working days per year multiply by the number of days unused/remaining.

# Blouberg Local Municipality

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Annual Financial Statements for the year ended 30 June 2020

## Notes to the Annual Financial Statements

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### 17. Payables from exchange transactions (continued)

#### Unallocated deposits

This relate to monies received from individuals and companies with either incorrect reference numbers or without references which cannot be allocated when identified as received for less than three years. This relates to monies both received in current year and prior years, the municipality policy is to recognise the monies received unallocated as revenue when it is not claimed for more than a period of three years. All those monies which have been received for more than three years, an advert in the local newspaper is done to allow those who deposited monies in the municipality account to come forward and provide supporting documentations so that the municipality can allocate funds for a reasonable period of time. Failure of individuals to provide evidence will result in the municipality recognising the monies as revenue.

### 18. Revenue

Service charges	31,515,126	22,984,085
Rental of facilities and equipment	799,051	684,825
Licences and permits	3,372,309	3,699,166
Photocopies & Electricity Fines - Illegal connections	28,626	43,807
CDM - Commissions received	362,884	244,088
Cemetery, Burial and Plans approval fees	145,443	140,643
Valuation services	288	2,535
Interest charged on Outstanding Debtors	461,208	258,920
Sale of Inventory - Sites/Land	363,010	3,250,360
Cattle Grazing	50,634	52,942
Interest received - Investments & Current accounts	1,700,717	1,307,931
Property rates	27,328,970	25,084,421
Government grants & subsidies	248,704,311	234,299,022
Fines	1,018,920	1,784,480
	<b>315,851,497</b>	<b>293,837,225</b>

The amount included in revenue arising from exchanges of goods or services are as follows:

Service charges	31,515,126	22,984,085
Rental of facilities and equipment	799,051	684,825
Licences and permits	3,372,309	3,699,166
Photocopies & Electricity Illegal connections	28,626	43,807
CDM - Commissions received	362,884	244,088
Cemetery, Burial & Plans approval fees	145,443	140,643
Valuation Services	288	2,535
Interest on Outstanding Debtors	461,208	258,920
Sale of Inventory - Sites/Land	363,010	3,250,360
Cattle Grazing	50,634	52,942
Interest received - investment	1,700,717	1,307,931
	<b>38,799,296</b>	<b>32,669,302</b>

The amount included in revenue arising from non-exchange transactions is as follows:

Taxation revenue		
Property rates	27,328,970	25,084,421
Transfer revenue		
Government grants & subsidies	248,704,311	234,299,022
Fines	1,018,920	1,784,480
	<b>277,052,201</b>	<b>261,167,923</b>

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## Notes to the Annual Financial Statements

Figures in Rand	2020	2019
<b>19. Service charges</b>		
Sale of electricity	30,338,900	22,470,453
Sewerage and sanitation charges	896,229	249,046
Refuse removal	279,997	264,586
	<b>31,515,126</b>	<b>22,984,085</b>
<b>20. Rental of facilities and equipment</b>		
Facilities and equipment		
Rental of facilities	799,051	684,825
<b>21. Other revenue</b>		
Electricity Fines - illegal connections	28,626	43,807
CDM - Commissions received	362,884	244,088
Cemetery and Burial fees	145,443	140,643
Valuation Services	288	2,535
Interest charges on overdue account	461,208	258,920
Cattle Grazing	50,634	52,942
	<b>1,049,083</b>	<b>742,935</b>
<b>22. Sale of inventory - Sites/Stand</b>		
Sale of inventory - Sites/Stand	363,010	3,250,360
<b>23. Interest received - Investment</b>		
Interest revenue		
Investments	1,700,717	1,307,931
<b>24. Property rates</b>		
<b>Rates received</b>		
Residential	1,801,865	1,625,118
Commercial	2,097,171	1,980,537
State-owned	20,304,348	19,155,045
Small Holdings & Farms	1,363,981	1,295,727
Interest charges on overdue account	1,761,605	1,027,994
	<b>27,328,970</b>	<b>25,084,421</b>
<b>Valuations</b>		
Residential	467,408,820	467,408,820
Commercial	362,313,000	362,313,000
State-owned	376,160,000	376,160,000
Municipalities	54,244,200	54,244,200
Other	5,620,500	5,620,500
Small Holdings and farms	3,199,802,565	3,199,802,565
	<b>4,465,549,085</b>	<b>4,465,549,085</b>

Valuations on land and buildings are performed every 5 years. The last general valuation came into effect on 1 July 2016. Interim valuations are processed on an annual basis to take into account changes in individual property values due to alterations and subdivisions.

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## Notes to the Annual Financial Statements

Figures in Rand	2020	2019
<b>25. Government grants and subsidies</b>		
<b>Operating grants</b>		
Equitable share	186,309,000	167,730,000
Financial Management Grant (FMG)	2,534,000	2,534,000
Municipal Systems Improvement Grant (MSIG)	-	1,055,000
Expanded Public Works Programme (EPWP)	1,072,000	1,089,000
Capricorn District Municipality Grant (CDM)	2,932,500	3,232,105
National Skills Fund Grant (NSFG)	-	6,783,826
Disaster Relief Grant	358,000	-
National Skills Fund Grant (NSF)	2,663	-
	<b>193,208,163</b>	<b>182,423,931</b>
<b>Capital grants</b>		
Municipal Infrastructure Grant (MIG)	44,350,000	43,491,000
Integrated National Empowerment Programme (INEP)	9,146,148	3,518,844
Energy Efficiency Demand Management Grant (EEDMG)	2,000,000	4,865,247
	<b>55,496,148</b>	<b>51,875,091</b>
	<b>248,704,311</b>	<b>234,299,022</b>

### Equitable Share

In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members.

### Financial Management Grant (FMG)

Current-year receipts	2,534,000	2,534,000
Conditions met - transferred to revenue	(2,534,000)	(2,534,000)
	-	-

To promote and support reforms in financial management by building capacity in municipalities to implement the Municipal Finance Management Act (MFMA).

Grant provides direct support to municipalities to develop financial management and technical capacity for the implementation of the MFMA, its regulations and associated financial reforms.

### Municipal Systems Improvement Grant (MSIG)

Current-year receipts	-	1,055,000
Conditions met - transferred to revenue	-	(1,055,000)
	-	-

### Expanded Public Works Programme (EPWP)

Current-year receipts	1,072,000	1,089,000
Conditions met - transferred to revenue	(1,072,000)	(1,089,000)
	-	-

Conditions still to be met - remain liabilities (see note 15).

To provide Expanded Public Works Programme (EPWP) incentive funding to expand job creation efforts in specific focus areas, where labour intensive delivery methods can be maximised.

# Blouberg Local Municipality

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## Notes to the Annual Financial Statements

Figures in Rand	2020	2019
<b>25. Government grants and subsidies (continued)</b>		
<b>Capricorn District Municipality (CDM)</b>		
Balance unspent at beginning of year	67,895	-
Current-year receipts	3,000,000	1,650,000
Conditions met - transferred to revenue	(2,932,500)	(3,232,105)
Other	-	1,650,000
	<b>135,395</b>	<b>67,895</b>

Conditions still to be met - remain liabilities (see note 15).

CDM grant - disposal of unwanted waste through compaction inside the working cell.

### National Skills Fund Grant (NSF)

Balance unspent at beginning of year	160,428	699,786
Current-year receipts	-	6,244,469
Conditions met - transferred to revenue	(2,664)	(6,783,827)
	<b>157,764</b>	<b>160,428</b>

Conditions still to be met - remain liabilities (see note 15).

National skills fund is geared towards funding of skills development or training through various SETAS inline with priority skills for the economy.

### Integrated National Empowerment Programme (INEP)

Balance unspent at beginning of year	776,156	-
Current-year receipts	15,000,000	4,295,000
Conditions met - transferred to revenue	(9,146,148)	(3,518,844)
	<b>6,630,008</b>	<b>776,156</b>

Conditions still to be met - remain liabilities (see note 15).

To implement the Integrated National Electrification Programme (INEP) by providing capital subsidies to municipalities to address the electrification backlog of all existing and planned residential dwellings (including informal settlements, farm dwellers, new and existing dwellings) and the installation of relevant bulk infrastructure.

### Energy Efficient and Demand Management Grant (EEDMG)

Balance unspent at beginning of year	134,753	-
Current-year receipts	2,000,000	5,000,000
Conditions met - transferred to revenue	(2,000,000)	(4,865,247)
	<b>134,753</b>	<b>134,753</b>

Conditions still to be met - remain liabilities (see note 15).

To provide subsidies to municipalities to implement energy efficiency and demand side management (EEDSM) initiatives within municipal infrastructure in order to reduce electricity consumption and improve energy efficiency.



# Blouberg Local Municipality

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Figures in Rand

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### 25. Government grants and subsidies (continued)

#### Municipal Infrastructure Grant ( MIG)

Current-year receipts	44,350,000	43,491,000
Conditions met - transferred to revenue	(44,350,000)	(43,491,000)
	-	-

Conditions still to be met - remain liabilities (see note 15).

To provide specific capital finance for eradicating basic municipal infrastructure backlogs for poor households, microenterprises and social institutions servicing poor communities. To Improved access to basic services infrastructure for poor communities, through the use of labour-intensive construction methods where it is technically feasible. To Improved reliability of basic services infrastructure for poor communities.

#### Disaster Relief Grant

Current-year receipts	358,000	-
Conditions met - transferred to revenue	(358,000)	-
	-	-

Conditions still to be met - remain liabilities (see note 15).

To provide for the immediate release of funds for disaster response.

### 26. Employee related costs

Basic Salary	61,862,031	58,481,340
Bonus	5,452,341	4,651,477
Medical aid - company contributions	4,183,758	3,881,927
Unemployed Insurance Fund (UIF)	348,369	398,491
Skills Development Levy (SDL)	858,771	920,899
Leave pay provision charge	-	72,274
Leave payout	1,485,528	524,316
Pension Fund contributions	13,760,547	12,828,426
Travel, motor car, accommodation, subsistence and other allowances	15,014,716	14,171,800
Overtime payments	2,275,768	2,535,506
Long-service awards	522,622	523,847
Acting allowances	393,046	195,937
Housing benefits and allowances	177,015	156,016
Daily Allowances	65,791	66,558
Bargaining Council	20,588	19,766
Standby allowance	533,869	586,749
Telephone & CellPhone allowances	2,047,699	1,881,118
	109,002,459	101,896,447

# Blouberg Local Municipality

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Annual Financial Statements for the year ended 30 June 2020

## Notes to the Annual Financial Statements

Figures in Rand	2020	2019
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### 26. Employee related costs (continued)

#### Remuneration of municipal manager

Annual Remuneration	734,828	860,636
Car Allowance	293,326	286,070
13th Cheque	60,809	-
Contributions to UIF, Medical and Pension Funds	134,165	130,928
Other allowances	75,569	26,071
Back pay	35,982	-
	<b>1,334,679</b>	<b>1,303,705</b>

#### Remuneration of chief finance officer

Annual Remuneration	608,214	634,156
Car Allowance	219,733	191,549
13th Cheque	50,600	22,211
Contributions to UIF, Medical and Pension Funds	136,355	99,493
Other allowances	64,593	22,241
Back pay	17,886	-
	<b>1,097,381</b>	<b>969,650</b>

#### Remuneration of Senior Management

There is no acting allowances paid during the year on the Director Technical Services because the managers acting on the position were earning above the minimum entry notch for the directors.

Remuneration of Senior Management 2020 (included in employee related cost)	Technical Services	Economic Development and Planning	Corporate Services	Community Services	Total
Annual Remuneration	-	601,453	608,214	455,396	1,665,063
Leave Pay out	-	-	-	68,006	68,006
13th Cheque	-	49,927	50,600	67,466	167,993
Travel, motor car, accomodation, substance and other allowances	-	217,042	219,733	163,554	600,329
Contributions to UIF, Medical and Pension Funds	-	64,145	145,071	109,458	318,674
Other allowances	-	29,702	64,593	48,303	142,598
Back pay	-	143,607	17,886	16,098	177,591
	-	<b>1,105,876</b>	<b>1,106,097</b>	<b>928,281</b>	<b>3,140,254</b>

Remuneration of Senior Management 2019	Technical Services	Economic Development and Planning	Corporate Services	Community Services	Total
Annual Remuneration	-	693,594	667,889	640,559	2,002,042
Acting allowance	14,398	-	-	-	14,398
Travel, motor car, accomodation, substance and other allowances	-	234,375	215,216	213,006	662,597
Contributions to UIF, Medical and Pension Funds	-	131,380	99,588	99,588	330,556
	<b>14,398</b>	<b>1,059,349</b>	<b>982,693</b>	<b>953,153</b>	<b>3,009,593</b>

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## Notes to the Annual Financial Statements

Figures in Rand	2020	2019
<b>27. Remuneration of councillors</b>		
Mayor	904,075	872,029
Chief Whip	688,990	676,157
Executive Committee Members	2,913,020	3,298,251
Speaker	723,557	706,817
Councillors	11,746,038	10,633,738
	<b>16,975,680</b>	<b>16,186,992</b>
<b>In-kind benefits</b>		
The Mayor, Chief Whip, Speaker and three Executive Committee Members are full-time. Each is provided with an office and secretarial support at the cost of the Council		
The Mayor and the Speaker each have the use of separate Council owned vehicles for official duties.		
<b>28. Depreciation and amortisation</b>		
Property, plant and equipment	35,553,908	35,111,135
Intangible assets	171,472	146,447
	<b>35,725,380</b>	<b>35,257,582</b>
<b>29. Finance costs</b>		
Finance leases	60,435	661,189
Long Service Awards	456,719	419,776
	<b>517,154</b>	<b>1,080,965</b>
The interest paid is made up of Long service award and the finance lease on the office equipment.		
<b>30. Provision for debt impairment</b>		
Debt impairment	11,679,385	(2,313,302)
<b>31. Bulk purchases</b>		
Electricity - Eskom	37,670,974	31,566,419
<b>32. Contracted services</b>		
Presented previously		
Information Technology Services	-	1,698,644
Fleet Services	347,200	459,520
Operating Leases	1,259,137	959,789
Other Contractors	15,730,727	11,227,816
	<b>17,337,064</b>	<b>14,345,769</b>

# Blouberg Local Municipality

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## Notes to the Annual Financial Statements

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	2020	2019
<b>33. General expenses</b>		
Administration and management fees	-	2,810,526
Advertising	1,031,132	507,850
Audit fees	3,146,201	3,660,739
Bank charges	416,583	395,849
Provision for restoration costs of landfill site	2,698,443	855,655
EPWP costs	3,278,082	3,122,974
Consulting and professional fees	11,302,420	10,605,969
Land donation to CDM	546,000	-
Workmens Compensation Costs	310,389	452,900
PMS Cost	286,821	569,436
MPAC expenses	380,562	485,751
Insurance	836,507	771,755
Conferences, Accomodation and seminars	1,169,454	2,413,274
IT expenses	1,000,129	375,616
NSFG Costs	-	6,153,863
Fuel Costs	2,384,799	5,697,000
Postage Costs	5,015	12,440
Printing and stationery	1,903,760	1,902,254
Promotions	144,323	280,979
Master Plans for LDP	815,215	818,194
Repairs and maintenance	3,380,589	2,314,459
Poverty Alleviation	167,880	497,510
Staff welfare	13,085	1,630,956
Subscriptions and membership fees	2,296,517	2,609,835
Telephone and fax	1,745,606	1,636,968
Training Costs	334,714	622,124
Subsistence and travel	10,172,716	13,015,797
Group Insurance	113,308	132,765
Special Focus	128,466	114,741
Tourism event promoters	92,500	-
Audit committee fees	871,114	481,566
Bursaries	82,970	180,980
Public participation	540,910	1,379,866
Licence fees - vehicles	70,857	120,294
Refreshments	191,846	242,357
Remuneration of ward committee members	3,945,107	3,905,080
Free basic services electricity	1,272,839	1,016,643
Support of ward committee	1,469,053	1,329,046
Sport Development	20,500	655,853
Other expenses	10,469,018	6,155,137
	<b>69,035,430</b>	<b>79,935,001</b>
<b>34. Auditors' remuneration</b>		
Fees	3,146,201	3,660,739

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## Notes to the Annual Financial Statements

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### 35. Cash generated from operations

Surplus	14,574,585	13,223,504
Adjustments for:		
Depreciation and amortisation	35,725,380	35,964,208
Loss on sale of assets and liabilities	114,439	119,130
Fair value adjustments	860,000	-
Finance costs - Finance leases	60,435	661,189
Debt impairment	11,679,385	(2,313,302)
Movements in employee benefits obligation	322,969	716,267
Movements in provisions	2,867,311	1,200,310
Changes in working capital:		
Inventories	314,892	2,508,561
Receivables from exchange transactions	1,859,684	(2,111,462)
Consumer debtors	(10,281,813)	(297,150)
Receivables from non-exchange transactions	16,949,334	(23,830,757)
Payables from exchange transactions	(1,381,032)	3,694,214
VAT	1,461,085	10,425,464
Unspent conditional grants and receipts	5,918,688	439,447
	<b>81,045,342</b>	<b>40,399,623</b>

### 36. Commitments

#### Authorised capital expenditure

##### Already contracted for but not provided for

- Property, plant and equipment

8,684,724 1,302,346

##### Total capital commitments

##### Already contracted for but not provided for

8,684,724 1,302,346

#### Authorised operational expenditure

##### Already contracted for but not provided for

- Security services
- Consulting services
- Special Development Framework
- Operation and Maintenance of Senwabarwana Landfill site
- Township Registration
- Establishment of Bochum, Alldays and Senwabarwana
- Mobile Communication Services
- MSCOA Project Management
- Supply and Installation of Electronic Record Management System

38,595,325 7,618,328  
- 885,613  
- 111,755  
7,827,500 -  
1,783,368 -  
1,468,438 2,225,062  
1,523,346 2,225,108  
- 1,740,401  
616,193 616,193

**51,814,170 15,422,460**

##### Total operational commitments

##### Already contracted for but not provided for

51,814,170 15,422,460

#### Total commitments

##### Total commitments

##### Authorised capital expenditure

##### Authorised operational expenditure

8,684,724 1,302,346  
51,814,170 15,422,460  
**60,498,894 16,724,806**

# Blouberg Local Municipality

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Annual Financial Statements for the year ended 30 June 2020

## Notes to the Annual Financial Statements

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### 36. Commitments (continued)

This committed expenditure relates to Security, consulting, growth strategy and special development services and property, plant and equipments and will be financed by available bank facilities, retained surpluses, rights issue of shares, issue of debentures, mortgage facilities, existing cash resources, funds internally generated, etc.

### 37. Contingencies

Litigation claims are in progress against the municipality relating to various matters who alleges that the municipality has infringed on certain laws and regulations and they are seeking damages totaling 5,025,901. The municipality's lawyers and management consider the likelihood of the actions against the municipality being successful is unlikely, and the case should be resolved within the next two years.

Should the action be successful the municipality does have insurance cover to cover litigation costs and claims.

There is no reimbursement from any third parties for potential obligations of the municipality.

#### Contingent Liabilities

Below is a detail explanation of the nature and financial impact:

1. Kgamaki Jonas Mangweta: Case No. LP/PLK/RC 499/2015 - The plaintiff is suing the municipality for defamation. The matter is still pending due to the plaintiff not having legal representative.	300,000	300,000
2. Machuene Charlese Keetse - The plaintiff is suing the Municipality and the Minister of Police for unlawful arrest and detention. The matter is still pending with no indication of the court date.	300,000	300,000
3. Joseph Manaka - The plaintiff is suing both the municipality and Eskom after he was electrocuted by a half fallen electrical pole after a disaster caused by heavy rainfalls and Winds.	3,800,000	3,800,000
4. IN-SUTU Consulting cc - The plaintiff is suing various entities including the Municipality as the Eighth defendant in a contractual dispute relating to a water boreholes drilled around the Municipality's jurisdiction. The Municipality was not party to the contract but merely involved for the sake of formality in terms of the Uniform Rules of Court. The matter is still pending as we await the Applicant to apply for a court date. However it looks like the plaintiff has abandoned the matter. The matter has been settled.	-	223,419
5. Overland cruises and logistics - The plaintiff is suing the Premier of Limpopo and the Municipality for non-payment of service rendered, the Premier's office procured transport services to ferry residents of Blouberg Municipality to Polokwane during a memorial service of the late former President Nelson Mandela. N J Morero Attorneys has been appointed to act on behalf of the municipality. Still waiting for the matter to be set down.	574,800	574,800
Tebogo Mokoboti - The plaintiff is suing the Municipality for damages which she claim to have suffered as a results of a collision which between her vehicle and the Council's grader. The matter is still pending. Awaiting further particulars.	51,101	51,101
Masilo Rapetsoa - The plaintiff seeks is suing the Municipality after his cattle dies after allegedly eating something from the landfill site. The Municipality appointed N.J Morero Attorneys to defend the matter. The matter has been settled.	180,000	180,000

5,205,901	5,429,320
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# Blouberg Local Municipality

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## Notes to the Annual Financial Statements

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### 38. Related parties

#### Relationships

Controlled by the same government - legislatively (MFMA Act)

Department of Transport

Controlled by the same government - legislatively (MFMA Act)

Capricorn District Municipality (CDM)

The municipality is involved in an agency relationship with Capricorn District Municipality for the provision of water services and also receives a Grant from the Municipality.

#### Related party transactions

##### Debtors balance with key management

	Opening balance	Closing balance
Tshoshi M	4,084	4,084
Thamaga NM	3,459	3,459
Selamolela S	9,003	9,003
	<b>16,546</b>	<b>16,546</b>

The above executive members have balances included in the Receivables from exchange and non-exchange transactions relating to the assessment rates, refuse, water and interest charged on overdue accounts. Payables as and when the members pay to the municipality.

##### Compensation to accounting officer and other key management

Short-term employee benefits	2,066,698	2,007,099
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#### Key management information

Class	Description	Number
Chief Financial Officer	Mabote J	1
Executive Committee members	Refer below under councillors/Mayoral committee members	7
Mayor	Pheedi MS	1
Councillors	Refer below under Councillors/Mayoral committee members	34
Municipal Managers	Machaba MJ	1

#### Remuneration of management

##### Municipal Manager and Chief Financial Officer

2020

Name	Basic salary	Bonuses and performance related payments	Other short-term employee benefits	Post-employment benefits	Other benefits received	Total
Machaba MJ	734,828	60,809	368,895	134,165	35,982	1,334,679
Mabote NJ	608,214	50,600	284,326	136,355	17,886	1,097,381
	<b>1,343,042</b>	<b>111,409</b>	<b>653,221</b>	<b>270,520</b>	<b>53,868</b>	<b>2,432,060</b>

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### 38. Related parties (continued)

2019

	Basic salary	Other short-term employee benefits	Post-employment benefits	Total
Name				
Machaba MJ	860,638	312,141	130,928	1,303,707
Mabote NJ	634,156	213,096	122,398	969,650
	<u>1,494,794</u>	<u>525,237</u>	<u>253,326</u>	<u>2,273,357</u>



# Blouberg Local Municipality

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## Notes to the Annual Financial Statements

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### 38. Related parties (continued)

#### Councillors/Executive Committee Members

2020

	Basic salary	Allowances	S & T	Total
Pheedi MS	624,090	279,985	1,742	905,817
Tshoshi MM	468,068	221,048	188,626	877,742
Thamaga MN	499,272	232,837	73,844	805,953
Mathidza SE	197,501	118,876	33,899	350,276
Makobela SR	468,068	221,048	164,004	853,120
Mashalane MS	468,068	221,048	126,253	815,369
Morapedi AM	468,068	221,048	145,277	834,393
Makhura MH	261,126	142,884	131,040	535,050
Rangata MJ	261,126	142,884	181,271	585,281
Maila MP	261,126	142,884	163,569	567,579
Ntlatla MW	261,126	142,884	147,963	551,973
Masekwameng MR	197,501	123,549	78,118	399,168
Raseruthe MA	197,501	123,549	112,281	433,331
Lehong MV	197,501	123,549	113,434	434,484
Tlouamma MM	197,501	123,549	77,178	398,228
Moetjie NT	197,501	123,549	165,788	486,838
Mojodo MD	197,501	123,549	156,012	477,062
Seema MI	197,501	123,549	113,343	434,393
Maifo ML	197,501	123,549	184,902	505,952
Mokobodi CS	197,501	123,549	66,507	387,557
Moshokoa MS	197,501	123,549	107,280	428,330
Murathi MS	197,501	123,549	112,585	433,635
Molema MN	197,501	123,549	111,678	432,728
Sabetha MJ	197,501	123,549	116,125	437,175
Makgakga JP	197,501	123,549	102,477	423,527
Ramoba MR	197,501	123,549	121,482	442,532
Sekgoloane MJ	253,460	123,549	166,219	543,228
Molokomme MM	197,501	123,549	112,607	433,657
Mphago MA	197,501	123,549	94,637	415,687
Mondingwana MG	197,501	123,549	125,195	446,245
Setwaba DS	197,501	123,549	133,621	454,671
Maleka NG	197,501	123,549	54,172	375,222
Magwadi RT	197,501	123,549	108,965	430,015
Madzhie AE	197,501	123,549	67,338	388,388
Selamolela S	197,501	123,549	134,492	455,542
Madibana SS	197,501	123,549	70,958	392,008
Phoshoko NC	197,501	123,549	73,875	394,925
Mabolola SJ	197,501	123,549	73,244	394,294
Chula MI	197,501	123,549	72,585	393,635
Morudu MF	197,501	123,549	69,461	390,511
Madibana MR	197,501	123,549	72,173	393,223
Madiope MT	197,501	123,549	75,945	396,995
Tefo LT	197,501	123,549	97,305	418,355
Tjumanana MM	197,501	123,549	95,527	416,577
	10,811,131	6,164,543	4,794,997	21,770,671

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## Notes to the Annual Financial Statements

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### 38. Related parties (continued)

2020

2019

2019

Name	Basic salary	Allowances	S & T	Total
Pheedi MS	608,873	203,282	-	812,155
Tshoshi MM	456,656	152,663	152,711	762,030
Thamaga MN	487,100	162,810	147,277	797,187
Mathidza SE	192,686	64,672	85,634	342,992
Makobela SR	456,656	152,663	182,589	791,908
Mashalane MS	456,676	152,663	176,766	786,105
Morapedi AM	456,656	152,663	141,103	750,422
Makhura MH	254,759	128,466	156,011	539,236
Rangata MJ	254,759	85,345	200,520	540,624
Maila MP	254,759	128,466	132,888	516,113
Ntlatla MW	254,759	85,345	141,378	481,482
Masekwameng MR	192,686	64,672	59,424	316,782
Raseruthe MA	192,686	64,672	124,461	381,819
Lehong MV	192,686	64,672	144,903	402,261
Tlouamma NM	192,686	64,672	66,421	323,779
Moetjie NT	192,686	64,672	176,189	433,547
Mojodo MD	192,686	64,672	202,262	459,620
Seema MI	192,686	64,672	114,697	372,055
Maifo ML	192,686	64,672	195,798	453,156
Mokododi CS	192,686	64,672	38,566	295,924
Moshokoa MS	192,686	64,672	109,612	366,970
Murathi MS	192,686	64,672	127,840	385,198
Molema MN	192,686	64,672	126,840	383,998
Sebetha MJ	192,686	64,672	126,894	384,252
Makgakga JP	192,686	64,672	113,239	370,597
Ramoba MR	192,686	64,672	134,515	391,873
Sekgoloane MJ	192,686	64,672	147,546	521,653
Molokomme MM	247,280	126,827	121,003	378,361
Mphago MA	192,686	64,672	132,018	389,376
Modingwana MG	192,686	64,672	141,918	399,276
Setwaba DS	192,686	64,672	158,430	415,788
Maleka NG	192,686	64,672	78,427	335,785
Magwai RT	192,686	64,672	124,905	382,263
Madzhie AE	192,686	64,672	143,593	400,951
Selamolela S	192,686	64,672	90,794	348,152
Madibana SS	192,686	64,672	122,147	379,505
Phoshoko NC	192,686	64,672	65,603	322,961
Mabolola SJ	192,686	64,672	92,305	349,663
Chula MI	192,686	64,672	76,985	334,343
Morudu MF	192,686	64,672	74,426	331,784
Madibana MR	192,686	64,672	89,734	327,092
Madioppe MT	192,686	64,672	115,087	372,445
Tefo LT	192,686	64,672	114,259	371,617
Tjumana MM	192,686	64,672	125,221	382,579
	10,547,571	3,665,369	5,372,739	19,585,679

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### 38. Related parties (continued)

Management class: Senior management

2020

Name	Local Economic Development	Corporate Services	Community Services	Total
Annual remuneration	601,453	608,214	455,396	1,665,063
Leave pay out	-	-	68,006	68,006
13th Cheque	49,927	50,600	67,466	167,993
Travel, Motor Car, Accommodation	217,042	219,733	163,554	600,329
Contribution to UIF and Medical Aid	64,145	145,071	109,458	318,674
Other allowances	29,702	64,593	48,303	142,598
Back pay	143,607	17,886	16,098	177,591
	<b>1,105,876</b>	<b>1,106,097</b>	<b>928,281</b>	<b>3,140,254</b>

2019

Name	Technical Services	Local Economic Development	Corporate Services	Post- employment benefits	Total
Annual remuneration	-	693,594	667,889	640,559	2,002,042
Acting Allowances	14,398	-	-	-	14,398
Travel, Motor Car, Accommodation and other allowances	-	234,375	215,216	213,006	662,597
Contribution to UIF and Medical Aid	-	2,106	1,732	1,732	5,570
Contribution to Pension Funds	-	129,274	97,857	97,857	324,988
	<b>14,398</b>	<b>1,059,349</b>	<b>982,694</b>	<b>953,154</b>	<b>3,009,595</b>

### 39. Prior period errors

Presented below are those items contained in the statement of financial position, statement of financial performance and cash flow statement that have been affected by prior-year adjustments:

#### Property, Plant and Equipment

Property Plant and Equipment as at 30 June 2019 was understated by R309 091, R13 476 209.29 and R154 390. The misstatement was corrected by restating the opening balance. The error of R309 091 was as a result of invoice that were captured in the current financial period that relates to prior year WIP project, the mistatement of R13 476 209.29 was as a result of WIP that was double counted and impairment that was not taken into account and the R154 390 was due to the opening balances that were adjusted that were not agreeing to the fixed asset register.

#### VAT Receivable

VAT Receivable as at 30 June 2019 was understated by R50 552. The misstatement was corrected by restating the opening balance. The error was as a result of the invoices that were incorrectly captured in the incorrect financial period.

#### Payables from exchange transactions and Receivables from non-exchange transaction

Payables from exchange transactions as at 30 June 2019 were understated by R3 281 464. The misstatement was corrected by restating the opening balance. The error was as a result of the invoices that were not accrued for in the prior year financial period. The invoices relates to amount of R309 091 for property, plant and equipment WIP, R1 777 314 for general expenses that was not accrued for in the previous financial period and an equitable share of R1 063 859 was with held by National Treasury on behalf of the municipality, it also included R62 467 which relates to employee costs that were suppose to be refunded to the municipality and it was incorrectly classified under retentions in the previous financial period instead of Receivables from non-exchange transactions. The misclassification was corrected by mapping the amount under receivables.

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### Finance lease obligation

Finance lease obligation as at 30 June 2019 was understated by R34. The misstatement was corrected by restating the opening balance.

### Other financial liabilities

Unallocated deposits of R2,675,395 where incorrectly classified as other financial liabilities have been reclassified to trade and other payables from exchange transactions.

### Accumulated surplus

Accumulated surplus as at 30 June 2019 was understated by R286 230. The misstatement also includes R8 850 which was refunded for the services that were not provided. The payment was made through reducing the accumulated surplus. The misstatement was corrected by restating the opening balance. The error was as a result of general expenses that was not accrued for in the prior year financial period and property, plant and equipment opening balances adjustments and land inventory adjustments.

### Provisions

Leave accrual of R8,798,104 and long service awards of R5,827,616 were incorrectly classified as provisions and they have been reclassified as follows leave accrual as trade and other payables from exchange transactions and long service awards to employee benefits.

### Employee Cost - Overtime

Overtime amount of R 142,388.19 for 2018/19 financial year was incorrectly allocated to financial year 2019/20. The amount should have been accrued in 2018/2019 financial year.

### Revenue from exchange transactions (Interest on property rates)

Interest on outstanding debtors of property rates of R1,027,994 was incorrectly classified under revenue from exchange transactions and has been correctly classified to revenue from non-exchange transactions.

### Cash flow

Cash flow from operating activities and Cash flow from investing activities were affected by R309 091 which was a result of the WIP transactions that were not recorded in the correct financial period.

### Inventory

Inventory as at 30 June 2018 was understated by R22 000, R546 000 and R1 350 000 due to land inventory that was not included in the inventory register. The properties were identified in the beginning of the prior year due to the nature of the asset it was restated from year end 2018. The misstatement was corrected by restating the opening balance in 2019 financial period. Inventory as at 30 June 2019 was understated by R22 000, R546 000, R1 350 000 and R18 211. The R18 211 was due to incorrect calculations that were used on the cost of land that was sold.

### Contingencies

Contingencies as at 30 June 2019 were understated by R231 101. The misstatement was corrected by restating the opening balance. The error was as a result of 2 cases that were not included in the prior year financial period.

### Employee costs and General expenses

Employee cost as at 30 June 2019 were overstated by R494 410 which relates to travel and subsistence expenses that were incorrectly mapped under General expenditure which was understated by the same amount. The misclassification was corrected by mapping the amounts under General expenses.

### CDM Commission

CDM Commission was overstated with an amount of R864 755 as at 30 June 2019 the amount relates to the CDM Commission that was not recognised in the prior periods from 2016 financial period. The misstatement was corrected by adjusting the CDM Commission income account and the Accumulated Surplus.

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### Statement of financial position

2018

	Note	As previously reported	Correction of error	Restated
Inventories		7,389,355	1,918,000	9,307,355
Property, plant and equipment		908,506,009	(13,321,819)	895,184,190
Receivables from exchange transactions		770,634	1,101,912	1,872,546
Payables from exchange transactions		(37,871,863)	(8,845)	(37,880,708)
Accumulated surplus		(957,097,022)	10,310,752	(946,786,270)
		<b>(78,302,887)</b>	<b>-</b>	<b>(78,302,887)</b>

2019

	Note	As previously reported	Correction of error	Reclassification	Restated
VAT Receivable	11	3,212,843	50,552	-	3,263,395
Receivables from non-exchange transactions	17	90,207,434	-	1,126,326	91,333,760
Inventories	8	4,862,583	1,936,211	-	6,798,794
Property, plant and equipment	4	909,332,649	(13,013,653)	-	896,318,996
Intangible assets	5	543,034	927	-	543,961
Payables from exchange transactions	17	(40,142,717)	(2,306,371)	(12,599,825)	(55,048,913)
Other financial liabilities	17	(2,675,395)	-	2,675,395	-
Provisions	17&16	(25,198,008)	-	14,625,722	(10,572,286)
Employee benefit obligation	16&7	-	-	(5,827,618)	(5,827,618)
Finance lease obligation	14	(303,713)	(34)	-	(303,747)
Accumulated surplus		(973,342,142)	13,332,368	-	(960,009,774)
		<b>(33,503,432)</b>	<b>-</b>	<b>-</b>	<b>(33,503,432)</b>

### Statement of financial performance

2019

	Note	As previously reported	Correction of error	Reclassification	Restated
CDM Commissions received	18	1,346,000	(1,101,912)	-	244,088
Employee cost	26	104,521,224	142,389	(494,410)	104,169,203
General expenditure	33	77,663,277	1,777,314	494,410	79,935,001
Revenue from exchange transactions		34,799,209	-	(1,027,994)	33,771,215
Revenue from non-exchange transactions		260,139,929	-	1,027,994	261,167,923
Surplus for the year		<b>478,469,539</b>	<b>817,791</b>	<b>-</b>	<b>479,287,430</b>

### Cash flow statement

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2019

	Note	As previously reported	Correction of error	Restated
<b>Cash flow from operating activities</b>				
Cash receipts from rate payers and other		38,222,788	4,193,579	42,416,367
Taxation		20,243,866	(20,243,866)	-
Employee costs		(120,708,216)	352,021	(120,356,195)
Payments to Suppliers		(131,884,032)	14,596,859	(117,287,173)
Employee costs		-	-	-
		<b>(194,125,594)</b>	<b>(1,101,407)</b>	<b>(195,227,001)</b>
<b>Cash flow from investing activities</b>				
Property, plant and equipment	4	46,522,604	309,091	46,831,695
Movement in other investments		-	1,114	1,114
		<b>46,522,604</b>	<b>310,205</b>	<b>46,832,809</b>
<b>Cash flow from financing activities</b>				
Finance lease payments		(467,553)	(661,155)	(1,128,708)
Movement of other financial liabilities		(2,072,766)	2,072,766	-
		<b>(2,540,319)</b>	<b>1,411,611</b>	<b>(1,128,708)</b>

### Other notes to the financial statements

	Note	As previously reported	Correction of error	Restated
Contingencies	37	5,198,219	231,101	5,429,320

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### 40. Risk management

#### Financial risk management

In running its operations the city is exposed to variety of financial risks: market, liquidity, credit and interest rate risks. Section 62.(1)(c)(i) Of MFMA states that the Accounting Officer of a municipality is responsible for managing the financial administration of the municipality, and must for this purpose take all reasonable steps to ensure that the municipality has and maintains effective, efficient and transparent systems of financial and risk management and internal control in response to this the municipality's adopted National Treasury Public Sector Risk Management Framework and is committed to the effective management of the risks. The process is called risk monitoring and control. It involves monitoring the identified risks including the above mentioned financial risks, identifying new risks, and evaluating the overall effectiveness of the risk management plan in reducing the risks.

The municipality's Treasury is committed to the effective management of the financial risks, with Treasury office responsible for management of market, liquidity, and interest rate risks. The Revenue office is responsible for credit risk management. In the course of the municipality's business operations it is exposed to interest rate, credit, liquidity and market risk. The Municipality has developed a comprehensive risk management process to monitor and control these risks. The risk management process relating to each of these risks is discussed under the headings below.

There was no change in the exposure to risks and how they arise since the previous financial year, with the exception for the impact of the COVID-19 pandemic which also contributed towards the credit risk due to the effect that it had on consumers' ability to pay for their municipality accounts. The objectives, policies and processes for managing the risk and the methods used to measure the risk since the previous financial year remained the same.

The municipality's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

#### Liquidity risk

The municipality's risk to liquidity is a result of the funds available to cover future commitments. The municipality manages liquidity risk through an ongoing review of future commitments and credit facilities.

#### At 30 June 2020

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Trade and other payables	53,667,881	-	-	-

#### At 30 June 2019

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Trade and other payables	55,048,913	-	-	-

#### Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The municipality only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Trade receivables comprise a widespread customer base. Management evaluates credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The utilisation of credit limits is regularly monitored. Sales to retail customers are settled in cash or using major credit cards. Credit guarantee insurance is purchased when deemed appropriate.

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### 40. Risk management (continued)

#### Market risk

#### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will be negatively affected by the adverse changes in interest rates. Interest rate risk arises from the fluctuations in the economic market due to the economic climate. The Municipality manages its interest rate risk by maintaining an appropriate mix between fixed and floating interest rate borrowings and investments, as well as by entering into interest rate swap contracts on outstanding borrowings. The Municipality's exposure to interest rate risk and the effective interest rates on financial instruments at statement of financial position date are as follows:

The Municipality has significant exposure to interest rate risk due to the volatility in South African interest rates, fluctuations in interest rates on bonds issued and short-term investment will impact the Municipality's cash flow negatively. The municipality's interest rate risk arises from interest that is being earned on the cash deposits and investments that the municipality has invested with the ABSA bank. Investments issued at variable rates expose the municipality to cash flow interest rate risk.

### 41. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The ability of the municipality to continue as a going concern is dependent on a number of factors. The most significant of these is that the accounting officer continue to procure funding for the ongoing operations for the municipality to remain in force for as long as it takes to restore the solvency of the municipality.

### 42. Events after the reporting date

The municipality have not identified any material non-adjusting events after the reporting date relating to the financial period then ended 30 June 2020.

### 43. Impact of COVID-19

The World Health Organisation declared the outbreak of COVID-19 a global pandemic during March 2020. As COVID-19 started to spread around the world governments implemented various measures to contain the spread of the virus. In many countries this resulted in the temporary closure of businesses and restrictions on the movement of people and goods. The pandemic has had a significant impact on the global economy in terms of growth and unemployment. The Municipality's country of trading, South Africa has been hit hard by lockdown regulations.

The South African government declared a nationwide lockdown with effect from 26 March 2020, requiring all non-essential businesses to close temporarily. South African lockdown regulations have since been relaxed and many parts of the economy were allowed to reopen from 1 May 2020, including the Local Government's limited operations.

Under the initial Stage 5 lockdown which was in place from 26 March 2020 to 16 April 2020 and was extended from 16 April 2020 to 1 May 2020, the operations of the Municipality, apart from maintenance, was shut down. During this shutdown, the Municipality's operations largely came to a halt and the operations were not fully operational other than deploying a limited number of employees into the system, although the Municipality still paid the staff's salaries.

It is off-course impossible to predict when normality will return, and the country will be able to re-commence normal economic activity. The Municipality has been affected with regards to lost collection revenue for the services the Municipality provide to the public in the area. This was a result of economic hardships such as increase in unemployment which resulted in reduced income to spend and also limited economic activities.



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### 43. Impact of COVID-19 (continued)

The Municipality acted swiftly and decisively to mitigate the impact of COVID-19 on its operations, including steps to reduce operational expenditure and conserve cash, access available government support schemes, and to minimise the disruption of account collections. In addition, strict COVID-19 protocols have been implemented across all areas of operation to ensure the safety of employees and customers. Notwithstanding these measures, the pandemic has had a severe impact on the Municipality's performance for the current period, most notably on revenue generation. These impacts are covered in more detail throughout the annual financial statements. The impact of the pandemic on the Municipality's significant judgements and estimates applied in the preparation of its financial statements is discussed in the notes.

While the uncertainty around COVID-19 is expected to continue for many months ahead, the Municipality's strong balance sheet and ability to manage margins and costs effectively positions it to succeed in these challenging times.

### 44. Unauthorised expenditure

Opening balance as previously reported

Opening balance as restated

Add: Expenditure identified - current

Less: amount written off

Closing balance

-	-
-	-
3,348,006	-
-	-
3,348,006	-

Unauthorised expenditure for the 2020 financial year under review amounts to R3 348 006 (2019: R - ) which was a result of provision for impairment on the debtors which was more than budgeted. During the financial year under review, the council writes off expenditure of an amount of R- (2019: R-) relating to the prior years unauthorised expenditure.

### 45. Fruitless and wasteful expenditure

Opening balance as previously reported

Correction of prior period error

3,415 286,631

Opening balance as restated

Add: Expenditure identified - current

Less: Amounts recoverable - current

Less: Amount written off - current

Closing balance

-	2,393
3,415	289,024
2,492	1,022
(2,393)	-
-	(286,631)
3,514	3,415

Fruitless and wasteful expenditure is as a result of interest expenses incurred due to late payments of supplier invoice. It was resolved by MPAC that the amount of R2 393 which was paid to an employee as normal time instead of overtime be recovered from the employee concerned and the current year amount of R1 022 is still under investigation and decision will be taken once the outcome of the investigation is known.

Fruitless and wasteful expenditure is as a result of interest expenses incurred due to late submission of payment listing to pension fund in July 2019 of an amount of R 2 491.96 for Consolidated retirement fund for local government (CRF).

### 46. Irregular expenditure

Opening balance as previously reported

Correction of prior period error

12,586,204 13,959,006

Opening balance as restated

Add: Irregular Expenditure - current

Less: Amount written off - current

Closing balance

-	(1,339,400)
12,586,204	12,619,606
11,442,433	25,292,789
(20,532,486)	(25,326,191)
3,496,151	12,586,204

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### 46. Irregular expenditure (continued)

#### Amounts written-off

##### Opening Balance: 12,586,204.00

The Municipality has an opening balance of R12,586,204.00 that is composed of R10,457,398.00 and R2,091,006.00 from MIG Road Infrastructure and Vat Recovery respectively.

An amount of R12,586,204.00 was discovered by AGSA during Audit Execution of 2018/2019 financial year was also written off by the council. (Refer to resolution C (116)2019/2020). This is because of the followed investigation processes by the appointed council committee (MPAC).

##### Current Year Expenditure:

The current year irregular expenditure amount is because of Security Services tender that was found by AGSA in 2016/2017 financial year. In 2017/2018 and 2018/2019 the council has written off the Irregular Expenditure pertaining to the said security services tender through resolution C145 and C21 respectively. The same council resolution is used as and when the expenditure is incurred in line with the security services tender. Therefore the municipality has written off an amount of R7,946,282.00 as it was incurred the year under review.

Municipality entered into a three year contract worth R10,760,000.00 with Ingwe Waste Management in July 2019. The contract of this nature must be advertised for a minimum period of 30 days as per SCM regulation 22(b). In contrast, municipality advertised the contract for shorter period of 19 days as it was considered an emergency. The non-compliance was deemed to have arisen from poor planning and the expenditure of R3,496,151 which has been incurred to date was deemed irregular by auditors.

### 47. Additional disclosure in terms of Municipal Finance Management Act

#### Contributions to organised local government

Current year subscription / fee	1,337,728	1,244,343
Amount paid - current year	(1,337,728)	(1,244,343)
	-	-

#### Audit fees

Current year subscription / fee	3,146,201	3,660,739
Amount paid - current year	(3,146,201)	(3,660,739)
	-	-

The difference relate to an accrual raised for an invoice which was paid and not reversed in the prior year.

#### PAYE and UIF

Current year subscription / fee	22,727,772	18,772,964
Amount paid - current year	(22,727,772)	(18,772,964)
	-	-

#### Pension and Medical Aid Deductions

Current year subscription / fee	25,166,704	20,047,610
Amount paid - current year	(25,166,704)	(20,047,610)
	-	-

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<b>47. Additional disclosure in terms of Municipal Finance Management Act (continued)</b>		
<b>VAT</b>		
VAT receivable	1,247,263	3,263,395

VAT output payables and VAT input receivables are shown in note .

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### 48. Deviation from supply chain management regulations

Paragraph 12(1)(d)(i) of Government gazette No. 27636 issued on 30 May 2005 states that a supply chain management policy must provide for the procurement of goods and services by way of a competitive bidding process.

Paragraph 36 of the same gazette states that the accounting officer may dispense with the official procurement process in certain circumstances, provided that he records the reasons for any deviations and reports them to the next meeting of the and includes a note to the annual financial statements.

Water services and gym equipment Plant Machinery were procured during the financial year under review and the process followed in procuring those goods deviated from the provisions of paragraph 12(1)(d)(i) as stated above. The reasons for these deviations were documented and reported to the who considered them and subsequently approved the deviation from the normal supply chain management regulations.

Supplier name	Reason	Amount
Workshop Electronics - Vehicle Testing Equipments	Sole Provider for the service	19,345
Pin Afrika Consulting Engineers - Purchase of Transformers (32 KVA Makgari and 16 KVA Ga-Iekgwara Village)	Emergency(Co mmunity was without electricity)	101,772
Malapane Enterprise - Fixing of Water Pump	Emergency(Mu nicipality was without Water)	23,000
Pin Afrika Consulting Engineers - Purchase of Transformers ( 50 KVA Ga-ramaswikana Village plus 11M pole and 3 x Surge arresters)	Emergency(Co mmunity was without electricity)	128,096
BB Truck & Tractor Service(Pty)ltd - Purchase of Truck Parts for BVM 392 L and DXG 527 L	Sole Provider for the service	55,139
Lefokane Consulting and Project Management - Purchase of Transformers ( 50 KVA Ga-Nailana Village plus and 3 x hV Surge arresters)	Emergency(Co mmunity was without electricity)	125,539
Bell (Pty)Ltd - Fixing and Servicing 2 x TLBs	Sole Provider for the service	111,893
Madjabeng Training Academy - Training of 5 Peace Officers	Sole Provider for the service(Govern ment Institution )	13,495
NTR Investments (Pty)Ltd - Purchase of Sanitizers	Emergency for Covid-19	57,200
Conlog(Pty)LTD - Procurement of 194 x Faulty Meters	Sole Provider for the service	199,059
Gold Circle (Pty)Ltd - Purchase of Transformer ( 32 KVA Kgokonyane Village plus and 3 x hV Surge arresters)	Emergency(Co mmunity was without electricity)	85,000
Pin Afrika Consulting Engineers - Purchase of Transformers (16 KVA and 2 Surge arrestors at Cracow Village)	Emergency(Co mmunity was without electricity)	51,608
Henry Schein Dental Warehouse - Purchase of Sanitizers and Hand gloves for Covid -19 Emergency	Emergency for Covid-19	230,937
Khutela Carpentry and Maintenance - Supply and Installation of Floor Tiles at Main Office	Impossible to advertise due to Covid-19	34,826
Solly and Tumi Construction & Projects cc - Purchase of 30 x Thermometers	Emergency for Covid-19	73,500

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<b>48. Unauthorised expenditure (continued)</b>		
CTP LTD Nothern Media Group - IDP / Budget and Valuation roll advert	Only local News paper available(sole provider)	5,170
Batsibi Technologies(PTY)LTD - CISCO VPN Application	Impossible to advertise due to Covid-19 Regulations	76,396
SABC - IDP and Budget Presentation on national radio station	Impossible to advertise due to Covid-19	64,400
Mohodi Commnity Radio Station - IDP and Budget Presentation on local radio station	Impossible to advertise due to Covid-19	45,000
SMT Care Centre (Pty)Ltd - Supply and Delivery of 15 x Sanitizer Stands	Emergency for Covid-19	59,850
Mpei Holding - Supply and Delivery of 11 x Disinfection Basins	Emergency for Covid-19	69,000
Kwena Wa tlou - Supply and Delivery of 4 x Sanitzers booth	Emergency for Covid-19	160,000
Government Printing - Inspection of Supplementary Valuation Roll	Government Entity	2,018
CTP LTD Nothern Media Group - Advert for Final IDP Council Meeting	Only local News paper available(sole provider)	2,450
Voltex PTY(Ltd) - Purchase of Link Stick	Link Stick urgently needed in order for the technicians to attend to maintenance calls	11,817
Med Golding Consultants - Provision of Audit Services for landfill Sites	Impossible to advertise due to Covid-19	198,280
Abomark Travelling - Supply and Delivery of Cleaning Material	Impossible to advertise due to Covid-19	159,770
SMT Care Centre (Pty)Ltd - Rental of 9 Toilets for 5 days at Showground for community queing to enter at Shopping complex	Emergency for Covid-19	63,250
Subtotal		<u>2,227,810</u>
		<u>2,227,810</u>

## 49. Distribution Losses

Electricity	3,696,940	3,054,194
-------------	-----------	-----------

The municipality purchased units 20 966 321 (2019: 21 321 325 units) from Eskom and sold 18 735 868 units (2019: 19 177 731 units) resulting in a difference of 2 230 453 units (2019: 2 143 594 units) between the purchases and sales. This amounts to a distribution loss of 10.64% (2019: 10.05%).

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50. Explanation of Variances on Actual Costs Versus Budgeted Costs

Note 1 - The decrease is as a result of non-payment by business customers and CDM boreholes.  
Note 2 - The decrease in license permits and other income items was due to the effects of lockdown regulations which resulted in reduced activities.  
Note 3 - The increase is as a result of interest charged on outstanding debts for government properties which was not included in the budgeted figure.

Note 4 - The decrease is due to budgeting on disposal of land (Alldays sites)

Note 5 - The decrease is due to availability of cash in the bank and interest rate received from the bank for the purpose of investing.

Note 6 - The decrease is due to the municipality planned supplementary roll not covering all properties.

Note 7 - The decrease is due to number of fines withdrawn or reduced by the prosecutor and lockdown regulations.

Note 8 - The decrease in employee cost was due to unfilled vacant post during the financial period.

Note 9 - The increase in debt impairment is due to increase in accounts not being paid in time due to economic challenges and lockdown regulations that impacted the customers.

Note 10 - The budget for contracted services also includes part of expenditure that was incurred under the general expenses of which the two budgets combined.

51. Accounting by principals and agents

The entity was a party to a principal-agent arrangement(s).

Details of the arrangement(s) is/are as follows:

Water Service Authority (WSA) and Water Service Provider (WSP) Service Level Agreement

WSA (CDM) was authorized in terms of Structures Act Section 84(1) b and 84(1) to perform functions and exercises the powers as Water Service Authority. The District Municipality appointed Local Municipalities as WSPs in line with Water Service Provider Contract Regulations (R980 of 19th July 2002) on interim basis. The contract commenced on the 1st July 2018 and remain effective until revised, reviewed, changed or amended by the parties. In terms of SLA, WSP shall account for the revenue collected as commission earned from the agency services in line with paragraph 8.3 titled Revenue Collection and implement credit Control and Debt Collection in line with paragraph 8.4 of the Service Level Agreement.

Memorandum of Understanding between Department of Roads and Transport (DRT) and Blouberg Local Municipality (BLM)

DRT is responsible for general motor vehicle registration and drivers' licenses in terms of applicable National and Provincial Road Traffic legislations. MOC formalizes the relationship between the two state organs and establishes the terms and conditions which the Municipality shall provide functions on behalf of DRT, in line with applicable legislations to the citizens of the republic and as envisaged by Batho Pele Principles. In terms of the MOC, BLM shall collect and retain monies as per annexure B and C of the MOC and pay to DRT a percentage agreed in the annexures, within a period of 30 days of each calendar month.

Memorandum of Understanding between Ontec (Pty) Ltd and Blouberg Local Municipality (BLM)

Ontec is contracted to the municipality, to provide on line vending service to pre paid customers. The agent manages pre paid meters and collects revenue on behalf of the municipality from third party vendors. The agent is paid (10,25%) based on commission of revenue collected on a monthly basis.

# Blouberg Local Municipality

(Registration number LIM351)  
Annual Financial Statements for the year ended 30 June 2020

## Notes to the Annual Financial Statements

Figures in Rand

Entity as agent	2020	2019
-----------------	------	------

### Revenue recognised

The aggregate amount of revenue that the entity recognised as compensation for the transactions carried out on behalf of the principal (WSA) is R 362,884 (2019: R 244,088).

The aggregate amount of revenue that the entity recognised as compensation for the transactions carried out on behalf of the principal (DRT) is R4,391,229 (2019: R5,483,646).

### Entity as principal

#### Fee paid

The aggregate amount of compensation fee that the entity recognised as fees for the transactions carried out on behalf of the agent is R 2,245,894.

# **CHAPTER 7: AUDIT COMMITTEE REPORT 2019/20**



# Blouberg Municipality



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## ANNUAL AUDIT COMMITTEE REPORT TO COUNCIL.

### 1. PURPOSE

1.1 The Audit Committee is pleased to present our report Financial Year ended 30 June 2020.

### 2. MEMBERS AND ATTENDANCE

The Audit Committee composition is four (4) independent members and meet at least four times a year or once a quarter.

Name of Member	Qualifications	No of Meetings held	No Attended
Trevor Boltman	Postgraduate Diploma in Internal Auditing, Certified Internal Auditor, Certified Government Auditing Professional, BTech Internal Auditing, Certification in Control Self-assessment, Certificate in Forensic Examination	7	7
Dan Poopedi	Hons BCom Accounting, Certified Professional Accountant and Auditor	7	7
Moloto Mokwele	Hons BCom Accounting, Certified Internal Auditor	7	6
Sekepe Thobejane	LLB	Resigned	Resigned

### 3. AUDIT COMMITTEE RESPONSIBILITY

3.1 We report that we have been able to comply with our responsibilities as contained in the approved Audit Committee Charter and Section 166 of the Local Government: Municipal Finance Management Act, 2000.

### 4. INTERNAL AUDIT

4.1 The Audit Committee is responsible for ensuring that the Municipal Internal Audit function is independent and has the necessary resources, standing and authority within the Municipality to

enable it to discharge its duties. Furthermore, the Committee oversees cooperation between the Internal Audit, Management and Auditor General South Africa (AGSA), and serves as a link between the Council and these functions.

4.2 Audit Committee reviewed and approved the Internal Audit Charter and Risk based Internal Audit Plan.

4.3 Internal Audit completed all their audits as per Annual Risk Based Audit Plan approved by Audit Committee.

## **5. MANAGEMENT REPORTS**

5.1 The Audit Committee reviewed quarterly management reports submitted and made, where necessary, recommendations to improve the reports as well as the systems of internal control, governance and risk management.

## **5. EFFECTIVENESS OF INTERNAL CONTROL**

5.1 The Audit Committee has overseen a process by which internal audit performed a written assessment of the effectiveness of the company's system of internal control and risk management, including internal financial controls. This written assessment by internal audit formed the basis for the audit committee's recommendation in this regard to the Council.

5.2 From reports of Internal Auditors, it was noted that there are significant deficiencies found in the system of internal control.

5.3 The Internal Audit reports reflected areas where there were deficiencies in the effective implementation of internal controls. Management developed an action plan to address these deficiencies and the action plan was monitored by during Audit Committee meetings.

## **6. RISK MANAGEMENT**

6.1 Council has assigned oversight of the municipal risk management function to the Risk Management Committee which functions as Sub-Committee of the Audit Committee. The chairman of the Risk Management Committee is also a member of the Audit Committee and reports to the Audit Committee regarding the progress made with mitigating risks. The Audit Committee fulfils an oversight role regarding financial reporting risks, non-financial risks, internal financial controls, fraud risk as it relates to financial reporting and information technology risks as it relates to financial reporting.

6.2 Based on the Internal Audit, AGSA and Risk Management Unit reports we conclude that internal controls in place, though vastly improved, was not always effective and efficient to reduce the risks identified by Management to an acceptable or tolerable level.

## **7. ANNUAL FINANCIAL STATEMENTS AND ACCOUNTING PRACTICES**

7.1 Audit Committee reviewed and discussed the audited Annual Financial Statements with Management and the AGSA.

## **8. AUDITOR GENERAL SOUTH AFRICA**

8.1 The AGSA completed its 2019/2020 regulatory audit and have issued an unqualified audit opinion regarding the Annual Financial Statements.

## **9. AUDIT IMPROVEMENT PLAN**

9.1 Management prepared an audit improvement plan which seeks to address root causes of the findings raised by both AGSA and the Internal Auditors.

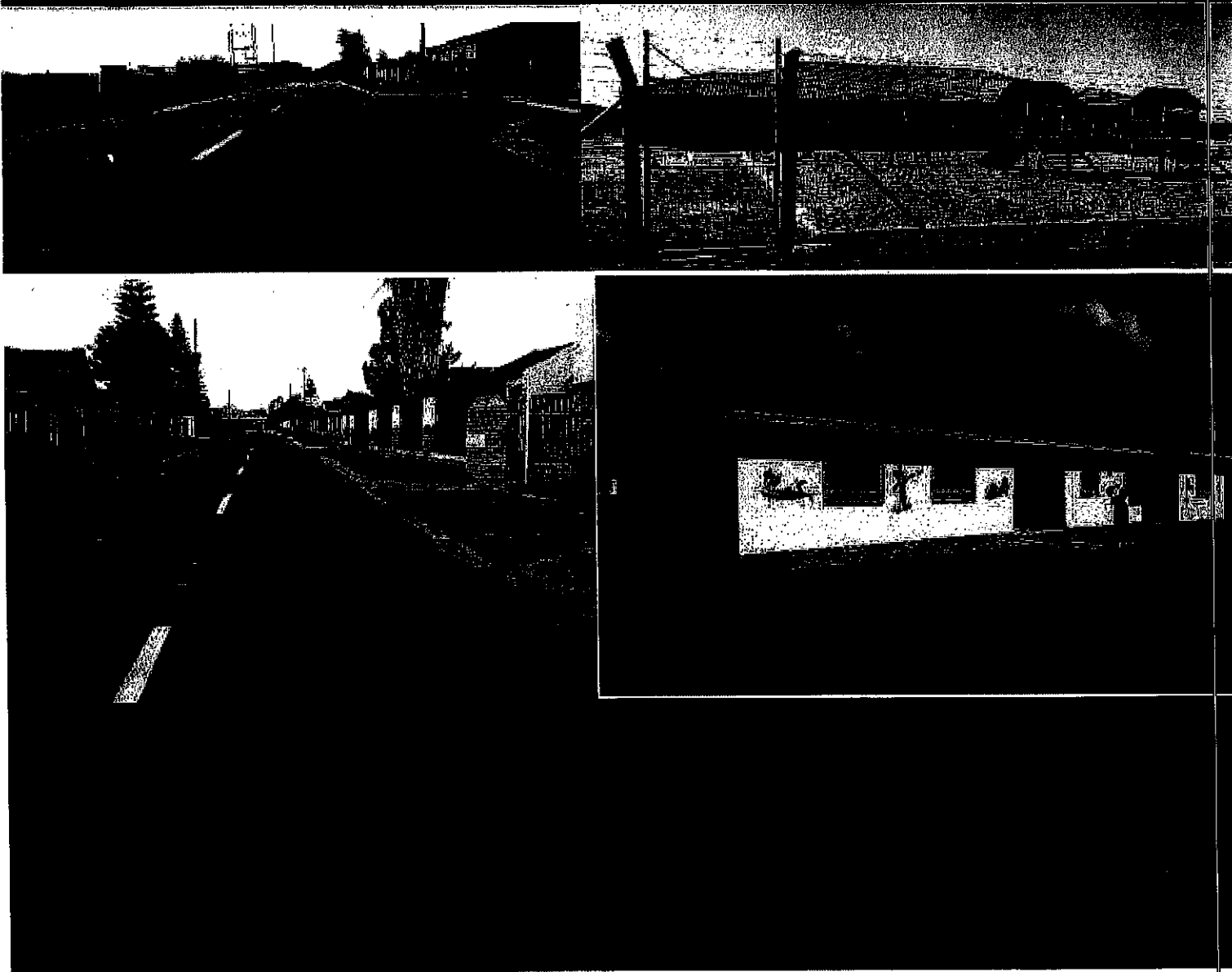
9.2 This improvement plan will be monitored by the Audit Committee meetings on a quarterly basis.

## **10. RECOMMENDATION**

That the Council consider the report.



**Trevor Boltman**  
**Chairperson: Audit Committee**  
**Date: 21 April 2021**



## VISION

A participatory municipality that turns  
Prevailing challenges into opportunities  
for growth and development through  
Optimal utilization of available resources.

## MISSION

To ensure delivery of quality services  
through community participation and  
Creation of enabling environment for economic growth  
and job creation.

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## **MUNICIPAL PUBLIC ACCOUNTS COMMITTEES OVERSIGHT REPORT ON THE 2019 / 2020 DRAFT ANNUAL REPORT TO COUNCIL.**

### **1. PURPOSE OF THE REPORT**

The purpose of this report is to present the Municipal Public Accounts Committee's Oversight Report on the 2019/2020 Draft Annual Report to the Blouberg Municipality Council for consideration and adoption.

### **2. BACKGROUND**

The Draft Annual Report 2019/ 2020 was tabled before the council of Blouberg Municipality's Council sitting held on the 29th January 2021 through Visual for the adoption and for the Public including Stakeholders to make inputs and comments.

### **3. LEGISLATIVE AND REGULATIONS**

The Municipal Public Accounts Committee of the Blouberg Local Municipality is guided by the following pieces of legislations and regulations in order for it to table the Draft Annual Report on the 2019 / 2020 Financial year: -

- i. Local Government: Municipal Systems Act, 2000
- ii. Draft Annual Report 2019/ 2020
- iii. Audited Financial Statements 2019/ 2020
- iv. Municipal Finance Management Act (Section 121)
- i. Draft IDP Review 2019/ 2020
- v. Service Delivery and Budget Implementation Plan 2019/ 2020

### **4. MUNICIPAL PUBLIC ACCOUNTS COMMITTEES PROGRAMME OF ACTION**

- a. The Municipal Public Accounts Committee as the committee responsible for the oversight role had a responsibility of playing an oversight on the Draft Annual Report 2019/ 2020 and engaging the public at large including different stakeholders in line with Section 33 and Section 79 of the Municipal Structure Act of 2000 as amended.
- b. The Municipal Public Accounts Committee visited the three Projects during the 04<sup>th</sup> Quarter (May 2021), namely: Bayswater to Sadu Access Road, Regravelling of Gideon Internal Streets and Electrification Extension of Diepsloot.

- c. The Municipal Public Accounts Committee developed the programme of action for the purpose of Public Consultation Programme which is aimed to be presented to all identified Clusters (Cluster A, B, C and D) and the Public Hearing Sessions which also aimed to take the course after the completion and finalization of the said Public Consultations to execute the mandate to be addressed on the Draft Annual Report 2019/2020.

The committee managed to develop the programme of action to unpack and deliberate on the draft annual report and to be able to interact with the stakeholders and members of the public. The programme is hereunder attached as "ANNEXURE A".

#### ANNEXURE "A"



	DATE	VENUE	TIME	MAIN CONSIDERATION
MPAC Portfolio Meeting (Ordinary)	20 <sup>th</sup> April 2021	Municipal Boardroom	10h00	MPAC Public Hearing Recommendations on the 04 <sup>th</sup> Quarter SDBID Report 2019/2020.
District MPAC Forum Meeting	30 <sup>th</sup> April 2021	Virtual	11h00	Functionality of MPAC's
MPAC Portfolio Meeting (Ordinary)	03 <sup>rd</sup> May 2021	Municipal Boardroom	10h00	Interrogation of the Draft Annual Report 2020/2021 and Mid – Year Organizational Performance Report.
MPAC Meeting with the Auditor – General	04 <sup>th</sup> May 2021	Municipal Boardroom	10h00	Presentation of the Audit Report
MPAC Meeting with Management	05 <sup>th</sup> May 2021	Municipal Boardroom	10h00	Unpacking of the Draft Annual Report and Clarification of Issues on the Draft Annual Report 2020/2021 and Mid –Year Organizational Performance Report.
MPAC Project Visit	06 <sup>th</sup> May 2021	Bayswater to Sadu Access Road		Projects Visits
MPAC Project Visit	07 <sup>th</sup> May 2021	Gideon Internal Street	10h00	Projects Visits
		Diepsloot Electrification Extension	12h00	

<b>MPAC Working Session</b>	<b>10<sup>th</sup> &amp; 11<sup>th</sup> May 2021</b>	<b>Garden Court Polokwane/ Park Inn Hotel / Polokwane Royal Hotel</b>	<b>10h00</b>	<b>Formulation of Questions to Management on the Draft Annual Report 2020/2021 and Mid – Year Organizational Performance Report.</b>
<b>MPAC Project Visit</b>	<b>12<sup>th</sup> May 2021</b>	<b>Towerfontein Creche</b>  <b>Towerfontein to Essouringa Access Road</b>	<b>10h00</b>  <b>12h00</b>	<b>Projects Visits</b>
<b>MPAC Public Participation (Cluster A)</b>	<b>13<sup>th</sup> May 2021 Wards: 01,02,21&amp;22</b>	<b>Cooperspark Community Hall</b>	<b>11h00</b>	<b>Solicit Inputs from Stakeholders and Community</b>
<b>MPAC Public Participation (Cluster B)</b>	<b>17<sup>th</sup> May 2021 Wards: 03, 04, 05, 06, 07 &amp; 20</b>	<b>Langlaagte Satellite Office</b>	<b>11h00</b>	<b>Solicit Inputs from Stakeholders and Community</b>
<b>MPAC Public Participation (Cluster C)</b>	<b>18<sup>th</sup> May 2021 Wards: 08, 09, 10, 11, 12, 14 &amp; 19</b>	<b>Ga – Machaba Community Hall</b>	<b>11h00</b>	<b>Solicit Inputs from Stakeholders and Community</b>
<b>MPAC Public Participation (Cluster D)</b>	<b>19<sup>th</sup> May 2021 Wards: 13, 15, 16, 17 &amp; 18</b>	<b>Kromhoek Community Hall</b>	<b>11h00</b>	<b>Solicit inputs from Stakeholders and Community</b>
<b>MPAC Project Visit</b>	<b>20<sup>th</sup> May 2021</b>	<b>Ga – Hlako to Thabananhlanga Access Road</b>	<b>10h00</b>	<b>Projects Visits</b>
<b>MPAC Public Hearing</b>	<b>24<sup>th</sup> May 2021</b>	<b>Municipal Chamber</b>	<b>10h00</b>	<b>Public Hearing (Draft Annual Report 2020/2021) and Mid-Year Organizational Performance Report</b>
<b>MPAC Portfolio Meeting (Special)</b>	<b>25<sup>th</sup> May 2021</b>	<b>Tolwe Satellite Office</b>	<b>10h00</b>	<b>Consolidation and Adoption of the Final MPAC Report to Council</b>
<b>Council Meeting</b>	<b>31 May 2021</b>	<b>Council Chamber</b>	<b>12h00</b>	<b>Tabling of the Oversight Report to Council.</b>



## **5. PUBLIC CONSULTATIONS ON THE DRAFT ANNUAL REPORT 2019/2020**

- a. The Public Participation Meetings were arranged according to Four (4) Clusters namely: -
- i. **Cluster A** was convened at **Cooperspark Community Hall** on the **13<sup>th</sup> May 2021** and the following Wards attended: **Wards: 01, 02, 21 & 22**. A total number of **151** registered their attendance for the Public Participation meeting at **Cooperspark Community Hall**.
  - ii. **Cluster B** convened at **Langlaagte Satellite Office** on the **17<sup>th</sup> May 2021** and the following Wards attended: **Wards: 03, 04, 05, 06, 07 & 20**. A total number of **218** registered their attendance for the Public Participation meeting at **Langlaagte Satellite Office**.
  - iii. **Cluster C** convened at **Ga – Machaba Community Hall** on the **18<sup>th</sup> May 2021** and the following Wards attended: **Wards: 08, 09, 10, 11, 12, 14 & 19**. A total number of **137** registered their attendance for the Public Participation at **Machaba Community Hall**.
  - iv. **Cluster D** convened at **Kromhoek Community Hall** on the **19<sup>th</sup> May 2021** and the following Wards attended: **Wards: 13, 15, 16, 17 and 18**. A total number of **118** registered their attendance for the Public Participation at **Machaba Community Hall**.

## **6. PUBLIC HEARING ON THE DRAFT ANNUAL REPORT 2019/2020 AND THE MID – YEAR ORGANIZATIONAL PERFORMANCE REPORT**

- i. The Public Hearing on the Draft Annual Report 2019/2020 and the Mid – Year Organizational Performance Report was successfully held on the 26<sup>th</sup> May 2021 in the Blouberg Municipal Chamber to allow the Management to respond and Clarify the committee on issues raised by the Auditor – General and also on issues pertaining to the Draft Annual Report 2019 / 2020.
- ii. The Management of Blouberg Municipality, the Executive Committee, Councillors and Community Members managed to attend the Public Hearing.
- iii. The Responses from the Management with regard to the Questions raised by the Municipal Public Accounts Committee on the Draft Annual Report 2019/2020 and the Mid – Year Organizational Performance Report are attached as “Annexure B”

**7. MUNICIPAL PUBLIC ACCOUNTS COMMITTEE'S RECOMMENDATIONS TO COUNCIL ON THE 2020/ 2021 DRAFT ANNUAL REPORT**

**The Municipal Public Accounts Committee Recommended as Follows: -**

- i. That there should be a working relationship amongst the department.
- ii. The Management should have a realistic Key Performance Area's in Future.
- iii. That there should be an equal Capacity Building of both Councillors and Officials.
- iv. That Fruitless Expenditure incurred by both Councillors and Officials during their academic studies be recovered.
- v. That the Late payment of Service Providers be avoided.
- vi. That the Capacity Building Policy be developed

**8. CONCLUSION**

That the Council of Blouberg Municipality adopts the 2019 / 2020 Draft Annual Report based on the above mentioned Recommendations from the Municipal Public Accounts Committee.

*M.J. Sekgoloane*

CLLR. SEKGOLOANE M.J

CHAIRPERSON: MPAC

*30 June 2021*

DATE

# Blouberg Municipality



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## RESPONCES TO QUESTIONS RAISED BY THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE TO THE MANAGEMENT ON THE DRAFT ANNUAL REPORT 2020/2021

TO: THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE  
 FROM: MANAGEMENT  
 DATE: 20<sup>TH</sup> MAY 2021

### QUESTION 01

#### INTRODUCTION

#### KEY PERFORMANCE AREA 03: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

- a. Can you clarify the following sentence on Page 6 "The municipality had still the received the Qualified audit opinion"

#### MANAGEMENT RESPONSE:

- a. It was a typo. The sentence should read " The Municipality had still received Qualified audit opinion

### QUESTION 02

#### KEY PERFORMANCE AREA 04: LOCAL ECONOMIC DEVELOPMENT (PAGE 06)

- a. What is the plan in place regarding the collaboration of the mining houses especially with Venetia mine and new mining opportunities?

#### MANAGEMENT RESPONSE:

- a) The plan is to have quarterly meetings with the mining houses.
  - i) This will build close relationship between the mine and the municipality
  - ii) The meetings will also ensure that their SLPs speak to each other and there are no duplicates of activities.

### QUESTION 03

#### KEY PERFORMANCE AREA 05: FINANCIAL VIABILITY AND MANAGEMENT (PAGE 06)

- a. What is a turnaround plan to improve the billing system?
- b. How is of the municipality aimed to address the issue of the electricity loss and What is the plan in place to address such in future?
- c. When will the turnaround plan be developed?

#### MANAGEMENT RESPONSE:

- a. The billing system 's information is being captured directly from the valuation roll and that's were reliability of information should come from as a result of that the budget has been set aside to trace the debtors and updating of information in the valuation roll.

- b. Smart metering system has been introduced and budgeted for.
- c. The plan is in place through the revenue management committee while the challenge of non-payment of services is an on-going project being implemented by different stakeholders (management & political components, Cogsta, Treasury and CDM)

#### QUESTION 04

##### STATUS OF TAXI RANK FACILITIES (PAGE 32)

What is the plan in place to change the informal Taxi Ranks to be considered as the formal

##### MANAGEMENT RESPONSE:

The construction of all Taxi Ranks is the responsibility of District Municipality, however Blouberg Municipality will approach Capricorn District Municipality to assist in this regards

#### QUESTION 05

##### COMPARISON OF CAPITAL GRANTS SPENDING FOR 2019/20 AND 2018/19 (AR PAGE 53)

GRANT	2019/20 ALLOCATION	2019/20 SPENDING	2018/19 ALLOCATION	2018/19 SPENDING /PERCENT	COMMENTS
INEP	R15,000,000.00	45.9%	R4 295 000	83%	Four projects were affected by national lockdown

- a. Looking at the above column, what are the four projects which were affected by the National Lockdown?

**MANAGEMENT RESPONSE:** a) Cluster 1(Thorpe, Gedion, Motadi, Arrie and Sias)

b) Cluster 2 (Silvermine, Nallana, Diepsloot and Innes)

c) Cluster 3 (Mosehleng, Kgokonyane and Milbank)

d) Senwabarwana Substation

#### QUESTIONS 6

##### DETAILED SDBIP REPORT 2019/20

##### BASIC SERVICES AND INFRASTRUCTURE DELIVERY

Installation of Culverts, Construction of Wing Walls and patching of Potholes in Various Villages (Page 61)

- a. Why the target was not achieved on the installation of Culverts was not achieved?
- b. When is the municipality planning to complete the 06 Outstanding Culverts?

##### MANAGEMENT RESPONSE:

- a. Shortage of staff. We didn't have enough personnel,  
The 06 culverts were installed as compared to the target of 04 culverts- target was achieved. Target not achieved was the construction of wing-walls.
- b. The target was achieved. The outstanding target was the construction of wing-walls.

#### QUESTION 7

**Patching of Potholes and Road Maintenance (AR PAGE 62)**

- a. Since the municipality managed to patch the potholes, how was the 100% target measured while there are still many potholes which are not yet patched / fixed?
- b. The target for the KPI is indicated as 100%. In which villages and when were the potholes patched?

**MANAGEMENT RESPONSE:**

- a. Patching of potholes is part of routine maintenance.
- b. The potholes targeted were in Senwabarwana and Avon and they were patched as per the assessment during February and April 2020

**QUESTION 8**

**Re – gravelling of internal street and access road within Blouberg Municipality (PAGE 64)**

**“Constant breakdown of machinery and shortage of staff”**

- a. Is it not possible for the municipality to purchase new machines and replace the old ones?

**MANAGEMENT RESPONSE:**

- a. Request for purchase of new machinery submitted to Corporate Services, Corporate Services is in the process of finalizing fleet assessment.

**QUESTION 9**

**Electrification of Cluster 1 Post Connections at Arrie (23), Sias(25), Thorpe(57), Motadi(20) and Gedion (30) (PAGE 67-68)**

- a. What is the current status of the Electrification of Post Connections at the above mentioned villages?

**MANAGEMENT RESPONSE: The project is completed and energized**

**QUESTION 10**

**Senwabarwana Substation (PAGE 69)**

- a. Why did the municipality allocate the incorrect site of the Senwabarwana Substation?
- b. How much did the municipality incur in terms of the fruitless expenditure?
- c. What is the progress in place to address the said matter?

**MANAGEMENT RESPONSE:**

- a) Lack of supervision from the Engineer.
- b) The cost were incurred by the Engineer not the Municipality as it was his fault.
- c) The Engineer agreed to bear the cost of the Incorrect allocated site and the project is 95% practically completed.

**QUESTION 11**

**Purchase of road maintenance equipment (PAGE 75)**

- a. Because we are already in the fourth quarter, is the road maintenance equipment already purchased?
- b. If not purchased, when will they be purchased?

**MANAGEMENT RESPONSE:**

- a. No, the machinery not purchased due to budget constraints. The budget was negatively adjusted.
- b. 2020/21 FY

#### **QUESTION 12**

**Take a girl child programme (PAGE 79)**

**Special focus forums (PAGE 79)**

**HIV/AIDS Programmes (PAGE 80)**

**AIDS Council meetings (PAGE 81)**

- a. Due to the fact that the projects for the said items have been revised in line with the COVID - 19, is the budget already available?

**MANAGEMENT RESPONSE:** Yes, the budget has been allocated as per the SDBIP and the programs are attended to as per the revised plan. In terms of budget depletion the MFMA allows for budget virement

#### **QUESTION 13**

##### **FINANCIAL VIABILITY AND MANAGEMENT**

**Municipal Property disposal in Alldays and Senwabarwana (AR PAGE 124)**

- a. Why did the municipality mention Senwabarwana while there were no sale of sites in Senwabarwana?
- b. Provide the committee with an advert indicating the advertisement of the Municipal Property disposal in Senwabarwana?

##### **MANAGEMENT RESPONSE:**

The management had tabled a report on sale of sites in Senwabarwana new Extension (9). Unfortunately the township has not been approved by external stakeholders (CDM) and that stopped the disposal of Senwabarwana sites. The aim was to do forward planning

#### **QUESTION 14**

**Driver licence applications (PAGE 126)**

**Learner licence applications (PAGE 126)**

**Motor vehicle licences (PAGE 127)**

- a. Is it not possible for the Municipal traffic licence department to be independent and not depend under the department of Transport?
- b. If not possible, what is the plan in place to avoid and improve the offline disruptions?

##### **MANAGEMENT RESPONSE:**

- a. It is not possible as the Computer systems are solely owned and maintained. by the department of Transport.
- b. This matter needs Political intervention as it does not affect only Blouberg but a nation wide challenge

#### **QUESTION 15**

**Mayor / Magoshi engagements (PAGE 140)**

- a. Why was the target not achieved?

- b. The total budget for the Mayor / Magoshi meetings was R50 000 with the expenditure of R32 351, 26 and the remaining balance is R17 648, 74. And only 2 meetings were held. Is the remaining budget going to cater for the 2 outstanding meetings which were not held?

**MANAGEMENT RESPONSE:**

- a) The budget was not achieved due to Covid 19 pandemic regulations  
b) No, the remaining budget is not enough but MFMA policy allows for votes virement in terms of needs.

**QUESTION 16**

**Municipal Diaries and Calendars (PAGE 141)**

- a. How did the municipality achieve the target while the Municipal Diaries and Calendars were not procured?

**MANAGEMENT RESPONSE:**

- a. The diaries for the financial year 2019-20 were procured and dispatched accordingly during the beginning of 2020 including the 2020 calendars. However policy on Cost containment affected the KPI during the 2020-21 Financial year.

**QUESTION 17**

**Out of Pockets Expenses for Ward Committees (PAGE 147)**

- a. Why was the target not achieved while the Ward Committees were fully paid their monthly stipend?

**MANAGEMENT RESPONSE:** It was a typing error, the target was achieved.

**QUESTION 18**

**In – house Training Workshop of Councillors (PAGE 149)**

- a. The target was not achieved and Why?  
b. When was the Councillors In – house training workshop conducted?  
c. How many Councillors were trained and Provide list of Councillors who attended the Workshop / Training?

**MANAGEMENT RESPONSE:**

- a. Because not all councilors were trained as per the expectation.  
b. during the period, 2018-19, 2019-20.  
c. See attached list.

**QUESTION 1**

**Petitions and Public Participation Committee Meetings (PAGE 152)**

- a. Why do you say that the target was not achieved because of petitions and public participation committee meetings were coordinated?

**MANAGEMENT RESPONSE:** The meetings were supposed to have been four, but were affected by COVID-19.

## **QUESTION 19**

### **Management of Landfill sites (PAGE 157)**

- a. Why was the R3.3 M budget allocated for the management of Landfill sites only and the expenditure of R2 550 000,00

### **MANAGEMENT RESPONSE:**

- a. It was a typing error. The money allocated for management of Land fill site is R3 M with the monthly expenditure of R 244 775-00 which lead to annual expenditure of R2 932 500-00.

## **QUESTIONS RAISED BY THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE TO THE MANAGEMENT ON THE MID – YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT 2020/2021**

### **QUESTION 01**

#### **CORPORATE SERVICES**

#### **MAYORS BURSARY FUND AND NON EMPLOYEES BURSARY FUND**

- a. What is the difference between the Mayor's Bursary Fund and the Non Employees Bursary Fund?
- b. Is the Bursary already advertised or not?
- c. If the Bursary has been advertised, how many students benefited?
- d. What is the progress to date?
- e. Because you were supposed to advertise on the 2<sup>nd</sup> Quarter, the report was reported on January, which 2<sup>nd</sup> Quarter are you referring to?

**MANAGEMENT RESPONSE: a. Mayors Bursary fund and Non-employees bursary fund – It is one and the same thing, it is just that it is a fund whose vote it is allocated to the Mayoral office votes meant for the assistance of learners who have just completed matric with good grades.**

- b. It is not.
- c. None benefited.
- d. It will only be advertised in the new financial year 2021/22
- e. No budget allocated

#### **KPI 03 – MAYORS BURSARY FUND**

- a. How many Student were funded during the previous years?
- b. What is the use to budget for the Mayors Bursary because it is not implemented?

### **MANAGEMENT RESPONSE:**

- a. Ten.
- b. . No budget allocated

### **QUESTION 02**

#### **3.4 KPI 2 WARD COMMITTEE CONFERENCE**

**Purchase of Ward Committee material**



- a. Since we approach the year end and the budget is R1.6M and why don't you take the budget and use it for service delivery
- b. What kind of method do you think will be suitable for hosting the Ward Committee Conference as we are already in the third wave of the Covid 19 and towards the end of financial year?

**MANAGEMENT RESPONSE:**

- a. Material for the Ward committee conference has already been purchased, the remainder of the funds will be utilized for transportation, catering and outsourcing the PA system.
- b. Cluster method

**QUESTIONS 03**

**3.4 KPI 4 PROCUREMENT OF SERVERS (DRP)**

- a. Why the advertisement for the procurement of servers was not done?
- b. When will the advertisement be done?

**MANAGEMENT RESPONSE:**

- a. Advert was done in Nov/Dec and withdrawn during budget adjustment since the money was negatively adjusted. It was almost at appointment stage when it was withdrawn and it was a target for third quarter.
- b. Next advert will be done in the 1<sup>st</sup> quarter of the new financial year.

**QUESTION 04**

**3.6 MUNICIPAL MANAGERS OFFICE**

**KPI 1 Access Control – Reason for variance – Unresponsive bid**

**KPI 2 Audit Committee Meeting**

- a. Did the meeting arranged for January 2020 materialize?
- b. What is the plan in place to avoid the clash of programmes in future?
- c. What was the cause of the clash?

**MANAGEMENT RESPONSE:**

- a. The meeting was successfully held in January 2021. It's purpose was to approve audit strategy, which it did.
- b. Meeting schedule is in place
- c. Audit Committee members and AG personnel attending to other scheduled professional programs

**QUESTION 05**

**3.5 ECONOMIC DEVELOPMENT AND PLANNING**

**KPI 1 LED 1: TOURISM CENTRE RENOVATION**

- a. Why was the delay in the appointment of the Service Provider?
- b. What causes the delay in the Supply Chain Management?

**MANAGEMENT RESPONSE:**

- a. The term contractors appointment was delayed due to shift from appointment of a contractor to using the term contractors

- b. The late change of method of appointing the contractor and misalignment with the KPI's quarterly targets

#### **QUESTION 06**

##### **SPE 1: TOWNSHIP ESTABLISHMENT**

- a. What is the impact in the delay of the appointment of Service Providers in the appointment of the Tribunal and Budget Constrains at the District?
- b. What is the plan in place to address the issue of the tribunal?

##### **MANAGEMENT RESPONSE:**

- a. The delay impacts expenditure of the municipality
- b. It also affects the finalization of the project to make the Township legible for disposal
- c. The plan is a long term plan to have the municipality establish its own Tribunal in the next 5years
- d. Currently we will just keep pushing CDM to set the sitting date

#### **QUESTION 07**

##### **SPE 13: PROHIBITION SIGNBOARDS**

- a. What caused the error on the specification?
- b. When did you detect that there was an error?
- c. How long does it take to correct the specification?
- d. Why two reasons are given on one item?

##### **MANAGEMENT RESPONSE:**

- a. New work breakdown was supposed to be added in the specification
- b. Error detected in December 2020
- c. Looking at this case specifically, it took 14 days from 3 December 2020, then due to December holidays, the Specification was only corrected in January, so the correction took long since there were technical designs to be done and be Included in the specification.
- d. The report only shows one reason for variance which is correction of error on specification

#### **QUESTION 08**

##### **FINANCIAL VIABILITY MANAGEMENT.**

##### **KPI FVM 07 – MSCOA IMPLEMENTATION**

- a. Why the target on the implementation of the MSCOA not achieved?
- b. What is the plan in place to achieve the target in future?

##### **MANAGEMENT RESPONSE:**

- a. The target was not archived due to deferred submission of the AFS and the audit time due to Covi-19 outbreak.
- b. There will be no disruption of the project implementation as the restriction of covid19 are lowered.

#### **QUESTION 09**

##### **KPI FVM 17 – TRAFFIC FINE PROVISION**

- a. Why is the manual tracking system not used?

- b. What is your plan in place to address the problem in future?

**MANAGEMENT RESPONSE:**

- a. Manual tracking system is available and is been used.  
b. The national Department of Transport is planning to roll out the nation wide tracking system called ARRT0 by 01 July 2021.

**QUESTION 10**

**KPI 04 – PROCUREMENT OF SERVERS**

- a. Why the advertisement for the procurement of servers was not done?  
b. When will the procurement be fulfilled?

**MANAGEMENT RESPONSE:**

- a. Advert was done in Nov/Dec and withdrawn during budget adjustment since the money was withdrawn. It was almost at appointment stage when it was withdrawn and it was a target for third quarter.  
b. Next advert will be done in the 1<sup>st</sup> quarter of the new financial year.

**QUESTION 11**

**EMPLOYEE BURSARY**

- a. Because the target for advertising the employee bursary was not achieved, what is the use of advertising the said fund in the 2<sup>nd</sup> Quarter?  
b. How many employees already awarded the bursary?  
c. Since we have four Councilors who attend at North West University, how is the progress of those student?  
d. How much was the total expenditure for their payments?

**MANAGEMENT RESPONSE:**

- a. COVID-19 distractions.  
b. No budget allocated for the employees.  
c. One has registered for postgraduate, one dropped out and the other two are doing their final year.  
d. R40 905.00 per annum per leaner.

**QUESTION 12**

**COMMUNITY SERVICES**

**KPI: MTOD 34 CEMETERY STANDARDIZATION**

- a. What is your plan in place to address the delay of benchmarking with other municipalities?  
b. What was the time frame on the matter?

**MANAGEMENT RESPONSE:**

- a. Constantly Inter act with SCM unity to resolve all the snacks/ challenges regarding this matter.  
b. The matter was planned to have been achieved by third QUARTER.

**QUESTION 13**

**KPI: MTOD 38 MANAGEMENT OF TAAIBOSCH TRANSFER STATION**

- a. Why the delay is always in the SCM and what are the main duties performed by the SCM to avoid further delays in future?
- b. What is the plan in place to address SCM delays?

**MANAGEMENT RESPONSE:**

- a. SCM is the office responsible for all procurement of goods and services in the Municipality and always advises the user departments on the processes towards the procurement.
- b. Continuous engagement with SCM unit to fast track the procurement processes.

**QUESTION 14**

**SPATIAL PLANNING AND RATIONAL**

**KPI: SPR 05 – SUPPLEMENTARY VALUATION ROLL**

- a. What is the reason for the delay to appoint Service Provider in the Compilation of a Supplementary Valuation Roll?

**MANAGEMENT RESPONSE:**

- a. This was disturbed by the Covid-19 lock-down, and the service provider has been appointed at a later stage.

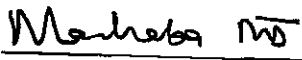
**QUESTION 15**

**KPI: SPR 06 – GIS SYSTEM**

- a. What are the reasons for the delay of the Service Providers in the purchase and installation of GIS System?

**MANAGEMENT RESPONSE:**

- a. The Terms of reference were drafted in the 1<sup>st</sup> quarter and submitted to finance for advertisement. The project had to be delayed due to procurement plan that proposed expenditure on capital projects rather than operational items.

  
**MACHABA JUNIAS**

**MUNICIPAL MANAGER**

**21 May 2021**  
**DATE:**