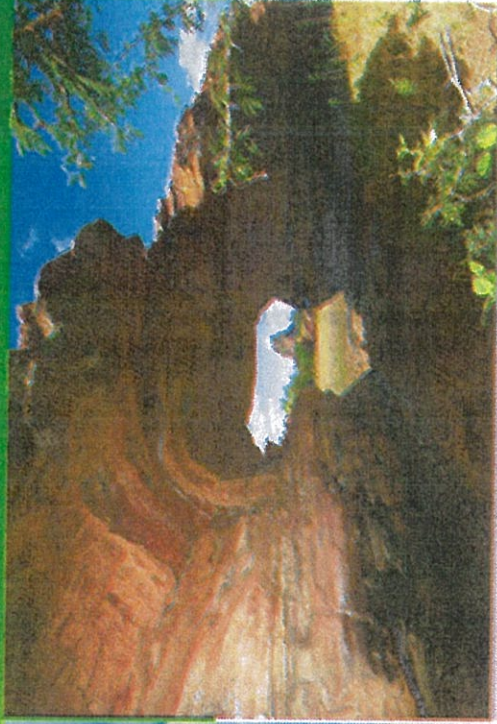


BLOUBERG MUNICIPALITY'S 2015/16 ANNUAL REPORT



Kodumela

Vision

A participatory municipality that turns prevailing

challenges into opportunities for growth and resources development through optimal utilization of available

Mission

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





Blouberg Municipality



2015/16 ANNUAL REPORT

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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TABLE OF ACRONYMS AND ABBREVIATION

BLM	Blouberg Local Municipality
CDM	Capricorn District Municipality
EER	Employment Equity Report
EPWP	Expanded Public Works Programme
ESKOM	Electricity Supply Commission
LGSETA	Local Government Sector Education and Training Authority
LED	Local Economic development
MEC	Member of the Executive Council
MFMA	Municipal Finance Management Act ,2003
MIG	Municipal Infrastructure Grant
MSA	Municipal System Act ,2000
MTREF	Medium Term Expenditure and Revenue Framework
N/A	Not Applicable
SAMWU	South African Municipal Workers Union
SPLUMA	Spatial Planning and Land Use Management Act
STATSA	Statistics South Africa
SCM	Supply Chain Management
WSP	Work place Skill Plan
WSA	Water Services Authority
WSP	Water Services Provider





Chapter 1



Chapter 1

CHAPTER 1: MAYOR'S FOREWORD

On behalf of the council of Blouberg we present the annual performance report for the financial year 2015/16. The report demonstrates the hard work attained by the collective of our administration, council and communities that we serve with pride. This annual report comes at a time when we have just completed third term of council from the then Transitional Local Councils (TLCs). Looking back from where we come from we can surely put a smile on our faces as the ANC-led government has made a huge dent on the triple challenges facing our communities, viz, poverty, inequality and unemployment. Indeed, the Blouberg communities of today are better than communities of yesterday.

This annual report is presented at a time when we had a new born child on the 16th August 2016 which brought new Political leadership in the office of the Mayor and office of the Chiefwhip and additional two wards from the disestablished Aganang Municipality and further acknowledge presence of the opposition parties in the council of the Blouberg Municipality i.e Economic Freedom Fighters (as official opposition party), Democratic Alliance and Congress of the People. It is the resolve of the ruling party, the African National Congress, to keep on reviewing the work of all its employees and, where the need arises, to effect changes to accelerate service delivery and bring stability to both the political and administrative component of the institution.

On the service delivery aspect, especially the implementation of capital projects this report clearly indicates that all capital projects were implemented accordingly. The Municipality was able to successfully implement all its six (6) Preschool projects at Thorpe, Papegaa, Ditatsu, Indermark B, Kgatlu, Thalaane village and. All four (4) internal street and storm water control projects were successfully completed at Senwabarwana, Indermark, Avon and Kromhoek. Further completed four (4) Senwabarwana high masts lights, one (1) Taaibosch Waste Transfer station and electrification projects (Witten, Mongalo, Gedion, Alldays, Diepsloot and Silvermine). The period under review saw the Municipality going in full throttle to construct five (5) internal street and stormwater control, Alldays Land fill site, expand access to electricity to its communities of Witten, ward 01 settlements of Norma Aurora, byswater and Aullongsyne, Kgatlu, ward 03, dithabaneng New Jerusalem, Lekgwara, Ward 04; Swartz, Montz, Normandy Nonparallel and Sadu, Ward 17 Sipson and Grootpan and construction of high mast light in Letswatta, Inveraan and Taaibosch village. However, in general the Municipality's performance on the implementation of capital projects resulted in the National Treasury allocating an additional **R24,8 million** for infrastructure rollout.

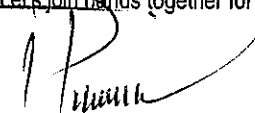
Working together with our communities we have been able to cover much grounds in the provision of electricity, better schools, improved health facilities, decentralization of municipal services, development of infrastructure for nodal points especially internal streets upgrade, as well as economic development through construction of two retail nodes in Senwabarwana plus the construction of the first renewable energy station at Zuurbult near Vivo. The construction of a modern retail node at Alldays town by the Gilfillan Trust is on completion stage and it is anticipated that the initiative is in line with the municipality's spatial Development Framework and the Local Economic Development Strategy. In 2002 council adopted the Blouberg Decentralization plan to accelerate access to government services within a walking distance. To date we have constructed satellite offices in Alldays, Eldorado, Tolwe, Witten and Harriswhich, Laanglagte and Inveraan. The 2016/17 financial year should be dedicated towards staffing those offices by mainly redeploying personnel from head office to such offices.

This annual report acknowledges that backlogs and challenges still exist with regard to the provision of critical strategic infrastructure in the form roads, water and sanitation. It is our belief that all hands must be on deck to help in resolving challenges that continue to trouble our communities. We challenge our people to ask not what the Municipality can do for them but rather to ask what they can do for the municipality to better the lives of its people.

On behalf of our council I would like to pass my sincere gratitude to communities of our municipality who stood behind us and understood that against all odds we will prevail. Our religious leaders ward committees, Traditional leadership, our business community and leaders from all walks of lives the achievements that we all celebrate today have been made possible by your support and active contribution.

We are confident that the municipality will work hard in the 2016\17 financial year to complete programmes that were not fully-achieved in the 2015\16 financial year.

Let's join hands together for the journey to continue....


.....
CLR MASEKA PHEEDI
MAYOR

Chapter 2



MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

COMPONENT B: EXECUTIVE SUMMARY

Blouberg municipality is one biggest municipality in Capricorn district in terms of hectors because it is measured at 9257.8 square kilometers. The large hectors of square kilometers is either under traditional authority and private farms. There are 125 settlements, 21 wards with the population of 162 625 as per STATSSA. The number of households is 41 416. The 2011 Census indicate the decline in populations compared to the community survey conducted in 2007 by Stats SA which indicted a growth in population of 194 119. The municipality has identified four nodal points which are: Senwabarwana, Alldays, Eldorado and Tolwe while Harriswhich, Buffelshoek and Laanglagte have been identified as service points.

The municipality had powers and functions assigned to it by the law and the MEC but not all the powers and functions were performed either because of capacity constraints and budget. Blouberg municipality is a rural municipality and the poverty level is high. The infrastructure backlog is huge resulting in capacity challenges with low revenue base.

POWERS AND FUNCTIONS

The municipality has the following powers and functions assigned to it in terms of section 84(2) of the Act.

The provision and maintenance of child care facilities	Control of public nuisances
Development of local tourism	Control of undertaking that sell liquor to the public
Municipal Planning	Fencing and fences
Municipal Public Works	Ensuring the provision of facilities for accommodation, care and burial of animals
Municipal Public Transport	Licensing of dogs
Storm Water management system	Licensing and control of undertakings that sell food to the public
Administration of trading regulations	Administration and maintenance of local amenities
Provision and maintenance of water and sanitation	Development and maintenance of sports facilities
Refuse removal, refuse dumps and solid waste disposal	
Administration of street trading	
Provision of municipal health services	
Electricity Provision	

Of all these powers and functions assigned to the municipality only eleven are being undertaken.

1.1.1 ENERGY PROVISION

The Blouberg Municipality is the authority on the implementation and reticulation of electricity to its areas of jurisdiction alongside ESKOM.

1.1.2 ROADS AND PUBLIC TRANSPORT

The Municipality is responsible for municipal roads while there are roads assigned to the District and Provincial government.

1.1.3 WATER AND SANITATION

The Capricorn District Municipality is the Water Services Authority while the Blouberg Municipality is the Water services provider. The WSA-WSP arrangements make it the responsibility of the District Municipality to implement all major capital projects on water and sanitation while the completed project are handed over to the local municipality for operation, maintenance and management.

1.1.4 REFUSE REMOVAL

The municipality is the only entity that renders the services of refuse removal and general waste management to its communities. During the period under review a total of eleven settlements were benefitting from the provision of the services with two towns, Senwabarwana and Alldays, receiving the services on a daily basis.

1.1.5 HOUSING

The provision of the service is implemented by the Provincial Department of Co-operative Governance, Human Settlements and Traditional Affairs while the municipality plays the role of identification of beneficiaries and development of housing chapters. A total of 300 households benefitted from the provision of low cost housing.

1.1.6 LOCAL ECONOMIC DEVELOPMENT

Major investments were realized through a conducive environment rendered by the municipality through facilitation of land transfers and rezoning. This culminated with the implementation of the Soutpan energy renewable project at Zuurbult near Vivo and the opening of the second major retail outlet in Senwabarwana. As part of the Venetia mine's social and labour plan ways were paved for the recruitment of local labour and the procurement of goods and services from local suppliers. 617 Jobs were created through the Solar Park Project and Over 180 through Municipal Capital Projects.

The Municipality's Economic Development and Planning, through its spatial planning and land use division, has facilitated the approval of the first modern retail outlet in Alldays by the Gilfillan Trust and at the closure of the 2015\16 financial year construction was nearing Completion.

1.2 POPULATION DYNAMICS

The municipality has a population of about 162 625 and 41 416 households (Stats SA) with 123 settlements, 21 wards and 41 councillors. The majority of the population lives in the rural areas and few scattered in the farms. The majority of the population comprises the youths and women. Unemployment according to census 2011 is at 38% and the most affected group is women and youths.

Overview of neighborhoods within the Municipality		
Settlements Type	Households	Population
Towns		
ALLDAYS	750	8848
Sub-Total		
Townships		
SENWABARWANA	2300	10 000
Sub-total		
Rural Settlements		
121	32 595	133204
Sub-total		

Informal Settlements		
	N/A	N/A
N/A		
Sub-total		
Total		

Natural Resources	
Major Natural Resource	Relevance to Community
Rivers	livestock water and farming
Mountains	heritage sites/historical sites
game reserves	wild game preservation
Wetlands	heritage sites

The majority of the population lives in the rural areas with high poverty levels and unemployment.

The illiteracy level is also high. The economic pillars of the municipality are agriculture and tourism. The major challenge is with regard to the infrastructure backlog and dependency on underground water source.

SERVICE DELIVERY OVERVIEW

For the year under view all the capital projects were completed in time. The road maintenance team has done well to construct the culverts and road maintenance. For the year under view the towns of Alldays and Senwabarwana were maintained thanks to the deployment of EPWP and CWP workers.

SERVICE DELIVERY INTRODUCTION

The Municipality managed to achieve some of the key performance objectives and indicators in the IDP. Electricity is our major achievement as we have electrified all settlements within the Municipality. Hananoa Village which is located at the Mountains of the Bahananoa was provided with Solar Panels as a source of Energy, and now we are continuing with the electrification programme for new extensions for the already electrified

settlements. Witten Extension was the first Village to be accommodated in 2011/12 financial year whereby 400 households were connected to the electricity supply. The programme proceeded in the 2012/ 13 financial year whereby another 400 households were connected to the Electricity supply in Witten Extension. In the 2014\15 financial year a minimum of 250 households were connected in settlements such as Motadi, Gideon, Silvermyn, Diepsloot, Mongalo and ward 17 extensions.

Challenges still remained with Water Services Delivery and Road Conditions. The Roads and Storm water maintenance unit established in 2010, continued to operate in three (3) Clusters being Buffelshoek/ Scheiding, Eldorado and Indermark. We still remain with the challenge of limited resources, but they are utilized to the maximum as we also increase them every financial year. The Municipality piloted to regravelling of internal streets at Inveraan and Mokhumela.

Despite the intervention by the Capricorn District Municipality, some communities within the Municipality are still experiencing insufficient water service delivery. This is due to the fact that we rely entirely on Boreholes that are not sustainable and aged infrastructure in need of thorough rehabilitation. The Minimal Operation and Maintenance Budget allocated to our Municipality from Capricorn District Municipality as our Water Services Authority does not allow us to perform preventative maintenance but reactionary one when breakdowns occur. From this the Capricorn District Municipality has realized that there is a need for an investigation of the Infrastructure and thereby quantify all that needs to be replaced and thereby have a well informed Maintenance plan, that will also inform Operations and Maintenance budget for all its Local Municipalities that it has appointed as Water Services Providers. The mine has also committed itself to the solution of water related challenges hence the implementation of Alldays water augmentation project which capacitate the resources that draw water from Kromhoek village in ward 15.

COMMENT ON ACCESS TO BASIC SERVICES:

The Municipality was directly responsible for the provision of electricity and waste management; and indirectly for water and waste water (sanitation) as a Water Services Provider on behalf of the Capricorn District Municipality. It further coordinated housing provision on behalf of the Department of Cooperative Governance, Human Settlements and Traditional Affairs. Free basic services were provided as follows:

FREE BASIC SERVICE	NO. OF INDIGENTS
Free Basic Electricity	1726
Free Basic Water	6734

FINANCIAL HEALTH OVERVIEW

The Municipality is rural in nature and information from Statistics South Africa indicates a larger percentage of unemployment, illiteracy levels and poverty levels. This has a huge bearing on the revenue raising capacity of the Municipality. The bulk of the municipality's revenue basis is grant dependent with over 70% of the municipal

income being derived from grants provided by the National Treasury. Such grants include the Equitable Share, Municipal Infrastructure Grant, Electrification Grant and Municipal Systems Improvement Grant (MSIG).

The following are key sources of the municipality's own revenue:

- user charges on electricity
- user charges on waste services
- sporadic sale of sites
- assessment rates and development fund
- land development applications and processing of building plans
- traffic service

The financial health of the municipality on own revenue performance was compromised by poor payments which necessitated council to invoke the use of debt collectors in the implementation of its credit control and debt management policies

To sustain its financial health the municipality developed budget related policies and tariffs structure through a process of public participation.

On the expenditure part council had to enforce austerity measures to control and manage municipal spending

ORGANISATIONAL DEVELOPMENT OVERVIEW

The 2015/16 organizational structure was approved by council alongside the adoption of the IDP and Budget 10th May 2016 at Indermark Community Hall in ward 12. For the period under review all Senior Management positions were duly filled save for position of Chief Financial officer . The Municipality went on to activate the operation of the Harriet's Wish MPCC on a skeletal scale. That is in line with the approved decentralization plan. The period under review saw the municipality kick starting the decentralization of licensing services to Eldorado and Alldays satellite offices.

Performance management system was implemented through the conducting of quarterly institutional review session and the assessment of senior managers who signed performance contracts with the Municipal Manager who, in turn, signed the agreement with the Mayor.

The expansion of innovation through usage of IT saw the Municipality using Facebook as an additional tool of communication with its communities who are part of the cyberspace.

AUDITOR GENERAL REPORT 15/16 AND PREVIOUS FINANCIAL YEARS

The office of the Auditor-General of South Africa annually audits Municipalities and their entities for the period July to June in alignment with their financial year cycle. As usual the focus of the auditing is on the statement of

financial position, statement of financial performance, statement of changes in net assets and cash flow statement for the year, audit of performance information and implementation of policies, especially accounting policies.

For the period July-June 2015\16 financial year the Municipality retained a qualified audit opinion. The Municipality regressed even on the audit of predetermined objectives. Major areas of the A-G's dissatisfaction included the following;

1) Property Plant Equipment

2) Irregular expenditure for the previous years

For the record, the 2012\13 report of the Auditor-General saw a slight improvement from a disclaimer opinion in the 2011\12 to a qualified opinion, with three matters of emphasis, viz, contingent liability, unauthorized expenditure and asset management

The municipality got the disclaimer opinion in the 2011/2012 financial year after getting the qualified opinion for two consecutive years 2009/10 and 2010/11. The disclaimer opinion indicates that according to the Auditor-General 'the accounts of this municipality were too deficient in essential detail for the Auditor General to form an opinion as the financial viability or rectitude of this municipality'.

The majority of issues that led to a disclaimer include the following:

Management of assets and inventory especially property, plant and equipment

Poor internal controls

Unauthorized and irregular expenditure

IT governance

Human Resources deficiencies such as leave management and record keeping

Lack of supporting documents

Distribution losses of electricity

Non-disclosures

Suspense account

The municipality had since developed the Action Plan to address the issues raised in the Auditor General's report.

STATUTORY ANNUAL REPORT PROCESS

The municipality has adopted the PMS policy to manage performance of the institution and employees. On quarterly basis the municipality generates reports and the institutional performance review sessions are conducted. The reports also go to council meeting for noting. The MPAC had been established to conduct oversight on quarterly basis and on the annual report and half yearly report. The annual report public meetings

were conducted in all the wards and the oversight report was generated. The reports are all submitted to the relevant departments (COGHSTA and TREASURY) section 71, 72 and all other reports such as MTAS/OUTCOME 09. Ward committees and CDWs have been established in all the wards and they are functional. The ward committees meet bimonthly and reports of the CDWs are submitted to the MEC. Issues raised in the ward public meetings are forwarded to the management for response and attention. The portfolio committees and the executive committee meet on monthly basis while council meet on quarterly basis, save for special council meetings the majority of which were convened in May and June during the change of the Political Management Team.

No.	Activity	Timeframe
1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period.	July
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
3	Finalise 4th quarter Report for previous financial year	
4	Submit draft Annual Report to Internal Audit and Auditor-General	
5	Municipal entities submit draft annual reports to MM (not applicable to the Blouberg Municipality)	
6	Audit/Performance committee considers draft Annual Report of municipality and entities (where relevant)	August
8	Mayor tables the unaudited Annual Report	
9	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General.	
10	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	
11	Auditor General assesses draft Annual Report including consolidated Annual Financial Statements and Performance data	September - October
12	Municipalities receive and start to address the Auditor General's comments	November
13	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report	
14	Audited Annual Report is made public and representation is invited	

15	Oversight Committee assesses Annual Report	
16	Council adopts Oversight report	January-February
17	Oversight report is made public	
18	Oversight report is submitted to relevant provincial councils	
19	Commencement of draft Budget/ IDP finalisation for next financial year. Annual Report and Oversight Reports to be used as input.	January-May

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MACHABA MJ
ACTING MUNICIPAL MANAGER

CHAPTER 2 – GOVERNANCE

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

POLITICAL STRUCTURE

MAYOR

CLR SELAMOLELA S.

Powers and functions of the Mayor :

Promote the image of the municipality

To ensure that the executive committee performs its functions properly

To lead and promotes social and economic development in the municipality

To preside over public meetings and hearings

To convene public meetings and hearings

To promote inter-governmental and inter-institutional relations

To identify those of the municipality 's activities .that need a specific committee of councillors to investigate, discuss, evaluate report and make recommendations to the executive committee after consultation with the municipal manager.

To ensure in consultation with the municipal manager ,that a proper committee service responsible for the agendas and minutes is in place for the executive and other committees meet regularly and that they submit reports to the executive committee timely

To take responsibility for the quality and speed of decision making in the executive committee

To build, maintain and enhance sound relationships between the council councillors and the administration in consultation with the municipal manager

To be available on a regular basis to interview the public and visitors to the municipal offices, and to interact with prominent business people as well as developers,

SPEAKER

THAMAGA MARIA NKHOLOANE

To perform such ceremonial role as the council may determine by resolution from time to time

To assess the performance of the municipal manager in terms of the relevant performance agreement.

THE SPEAKER OF A MUNICIPAL COUNCIL MUST:

Presides at meetings of council

Performs the duties and exercises the powers delegated to the speaker in terms of section 59 of the Local Government: Municipal system Act, 2000 (Act 32 of 2000);

Must ensure that the council meets at least quarterly

Must Maintain order during meetings

Must ensure compliance in the council and council committee with the code of conduct set out in schedule 1 to the local Government: Municipal system Act, 2000 (Act 32 of 2000); and must ensure that council meetings are conducted in accordance with the rules and orders of the council.

CHIEF WHIP

CLR SEDUMA MD)

DUTIES OF THE WHIP TO OUR MUNICIPAL COUNCIL:

Political management of council meetings and committee meetings

Maintains discipline of councillors

Advises the speaker on the amount of time to be allocated to the speaker and the order of such speakers addressing the council

ensures that councillors motions are prepared and timorously tabled in terms of the procedural rules of council

THE EXECUTIVE COMMITTEE

For the period under review the Executive Committee comprised of the following:

NAME	PORTFOLIO COMMITTEE	POSITION
Clr Selamolela S	Executive Committee	Chairperson
Clr Ratladi SD	Infrastructure and Engineering	Chairperson
Clr Morapedi MA	Economic Development and planning	Chairperson
Clr Tutja TP	Community Services	Chairperson
Clr Sithukga E	Corporate Services	Chairperson
Clr Moetji N.T	Special Focus	Chairperson
Clr Masekwameng	Budget and Treasury	Chairperson
Clr Tjuma M	EXCO	Member

COUNCILLORS

Blouberg Council constitutes 41 Councillors, 21 Ward councillors and 20 Public Representatives. It is comprised of five full time councillors that are the mayor, the chief whip, the speaker, chairperson of Infrastructure, and chairperson budget and treasury. Ward councillors represents communities in wards they are voted in ensuring that service delivery is brought to the people. Public Representatives play political role in wards they are deployed together with respective ward councillors. Ward councillors and Public Representative Councillors both form council committees. They all attend quarterly arranged council meetings and monthly portfolio committee meetings and special meetings if arranged.

POLITICAL DECISION-TAKING

Political decisions are taken based on administration report generated by management led by the accounting officer. Each of the six directorates are linked to portfolio committees which are chaired by politicians or councillors. For example, the finance department led by CFO is linked to a council committee called by Finance chaired by a politician who is a councillor. All reports of portfolio committees originates from administration and after the portfolio committee has interrogated the report, such reports are recommended to Executive committee which with delegated powers the Executive Committee took decisions and other matters are referred to council as the council is the highest decision making body. The council established the MPAC committee which plays an oversight role on the functions of council as well as compliance to all applicable legislations.

The council appointed the audit committee which assist, advice and alerting the municipality on issues of compliance.

2.2 ADMINISTRATIVE GOVERNANCE

TOP ADMINISTRATIVE STRUCTURE

1. MUNICIPAL MANAGER

THOKA MAKOROANE PATRICK KGOALE (PUT ON
SUSPENSION)

2. DIRECTOR, ECONOMIC DEVELOPMENT AND PLANNING

KGORANE MJ

3. DIRECTOR, CORPORATE SERVICES

MAGABANE TG

4. CHIEF FINANCIAL OFFICER (BUDGET AND TREASURY):

Ms MEIKIE CONNY RAGANYA(LATER
RESIGNED)

5. DIRECTOR, TECHNICAL SERVICES :

MOROKOLO MP

6. DIRECTOR, COMMUNITY SERVICES:

MR MACHABA MJ

For the period under review or 2015/ 2016 financial year all positions of section 56 and 57 managers were filled save for Chief financial Officer , the Municipal Manager, Director Economic Development & planning, Director Corporate Services and the Director technical Services.

COMPONENT B: INTERGOVERNMENTAL RELATIONS

INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

The municipality participated in various co-operative governance and intergovernmental structures at all levels from the local sphere, district, provincial and national sphere. Participation in such forums and IGR structures assisted service delivery in the sense that integration and alignment of various role players is realised to avoid the silo mentality existing in the public sector. While remarkable progress has been realised in IGR structures challenges still existed in the 2015\16 financial year with regard to the provision of reliable and accurate information from other public sector players and this has negatively affected the municipality's planning especially the accuracy of the information in the IDP.

2.3 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-mayors' forum (3)
- monitoring and evaluation forum (4 x per annum)
- provincial planning forum (4 x meetings)
- provincial municipal manager's forum (4x meetings)

RELATIONSHIPS WITH MUNICIPAL ENTITIES

There were no municipal entities during the period under review

DISTRICT INTERGOVERNMENTAL STRUCTURES

The municipality participated in the following District IGR structures 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 resource mobilization. Alignment of programmes and standardization of activities were also achieved from the district IGR structures.

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 realised 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 the 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 role 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 Forum
- Housing Forum
- Disaster Management Forum
- Waste Management Forum

2.4 PUBLIC MEETINGS

COMMUNICATION, PARTICIPATION AND FORUMS

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 Corporate Services Department. The municipality's Community participation model is one of the best models in the country and through such model council and its committees are able to reach out to the municipal constituencies. EXCO and Council meetings are held in public at venues rotated throughout the municipal area. After every EXCO and Council meeting an outreach programme is held. Views and issues raised by community members are recorded and feedback is provided to members of the community who raised such matters. All twelve 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 face book 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 editions to communicate municipal programmes.

Other forms of communication and public participation during the 2014\5 financial years include the usage of bi-monthly ward public meetings for the 21 wards wherein ward councillors provide feedback and progress report to ward members.

WARD COMMITTEES

The municipality has a fully functional ward committee system. All the 21 wards have functioning ward committees with a total of 210 participants translating into 10 ward committee members for the 21 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 12th ward committee conference was successfully held at Elephant Spring Hotel during the period under review.

2.5 IDP PARTICIPATION AND ALIGNMENT

The IDP is reviewed annually and in-house. The 2015\16 revised IDP was approved by council on the 10 May 2016 at Indermark Community hall in ward 12. Like previous IDPs the 2015\16 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 representatives' forum where all the stake holders 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 taking into account the available resources and capacity of the municipality.

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

COMPONENT D: CORPORATE GOVERNANCE

OVERVIEW OF CORPORATE GOVERNANCE

For the 2015\16 financial year, like the 2014\15, the Blouberg Municipality took leaf from the 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 non-compliance to its corporate governance matters.

RISK MANAGEMENT

The Municipality regards risk management as one of the pillars required for the sustainability and corporate management. In compliance with the MFMA which S62 (i) (c) requires a municipality to have and maintain an effective, efficient and transparent system of risk management. Risk assessment sessions were conducted with the assistance of the provincial Treasury and COGHSTA to help the municipal management with the identification and profiling of risks within the municipality.

Top five risks identified are the following:

- loss of revenue
- bad publicity
- fraud and corruption
- litigation and its associated costs
- poor records management and resultant information loss

FRAUD AND ANTI-CORRUPTION STRATEGY

The municipality has an anti-corruption and risk management strategy in place. A risk management unit is in place and is manned by one female officer. The internal audit unit has been established and is manned by two personnel, the manager, internal audit and the assistant manager, audit.

The internal audit committee is in place and it 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 excluded politicians and officials as voting members. The Audit Committee also participated in the performance assessments of top management. The period under review did not have any reported case of fraud and corruption encountered by the municipality and submitted to authorities.

2.8 SUPPLY CHAIN MANAGEMENT

OVERVIEW SUPPLY CHAIN MANAGEMENT

During the 2015\16 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 councillors take part in the supply chain committees. Functionality of SCM committees was also enhanced. No long term contracts were entered into except for the continuation of the 2 year contracts such as security services provision which was a continuation of a contract awarded in the 2012\13 financial year. 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.

By-laws introduced during 2013/14					
Newly Developed	Revised	Public Participation conducted prior to adoption of By-Laws (Yes/no)	Dates of Public Participation	By-Laws gazette (yes/no)	Date of Publication
N/A	N/A	N/A	N/A	N/A	N/A

2.10 WEBSITES

Municipal website: content and currency of material		
Documents published on the municipality's /entity's website	Yes/No	Publishing date
Current annual and adjustment budgets and all budget related documents	YES	
All current budget related policies	YES	
The previous annual report (2014/15)	YES	
The annual report (2015/16) published / to be published	NO	
All current performance agreements required in terms of section 57 (1) (b) of the MSA and resulting score cards	YES	
All service delivery agreements (2015/16)		
All long term borrowing contracts (2015/16)		
All supply chain management contracts above a prescribed value (give value) for 2013/14		
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during 2015/16		
Contracts agreed in 2015/16 to which subsection (1) of section 33 apply, subject to subsection (3) of that section		
PPP agreements referred to in section 120 made in 2014/15	N/A	
All quarterly reports tabled in the council in terms of section 52 (d) during 2013/14	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; waste water (sanitation); electricity; waste management; and housing services; and a summary of free basic services.

.1. WATER PROVISION

BLOUBERG MUNICIPALITY WILL NOT INCLUDE WATER AND SANITATION IN ITS 2014/5 ANNUAL REPORT AS SUCH POWERS AND FUNCTIONS LIE AT THE CAPRICORN 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 Hananoa Village located at the Mountains of the Bahananoa was the last Village to be provided with energy by means of an alternative source, being the Solar panels for the 43 Households in the 2012/13 Financial Year.

New extensions for the already electrified settlements remain with a backlog for electrification. However, our electrification programme has already started with addressing the new extensions and Witten was the first village to be prioritized in the 2011/12 financial year, with 400 Households connected to the electricity supply. Another 400 households were connected in the 2012/13 financial year and 665 Connections connected in 2013/14 Financial Year

As the electrification programme continues, approximately 250 Households were connected by the Municipality for the 2014\15 financial year through the Integrated National Electrification Programme (INEP) funded from the Department of Energy from 2015 to 2016, while Eskom covered approximately 840 households between 2015 and 2016.

3.4 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 (WMP) in 2008 and reviewed in 2013. 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 2015\16 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 two 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 2015\16 period the number of EPWP participants was increased from 140 to 200 with the budget of R3 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 and refuse bins due to budgetary constraints.

The two landfill sites available are not licensed since they don't comply with all legal requirements for a proper landfill site.

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.

3. 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. Intergraded 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.

The Municipality rolled out the function to eleven settlements with the recruitment of two (200) general workers who were employed from the 2015/16 financial year. The programme was augmented by the integration of EPWP and Community Works Programme. Such general workers were used to clean settlements, roads, cemeteries and any other work identified by members of the community.

INTRODUCTION TO HOUSING

The powers and functions for the provision and construction of housing lies with the provincial government under the Department of Co-operative 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 2015/16 financial year a total of 300 housing units were approved and successfully implemented within the municipality.

No municipal entity renders the service on behalf of the municipality.

3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

INTRODUCTION TO 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 2,600 per month. The threshold is reviewed by Council on an annual basis, taking into consideration the economic conditions of its citizens in line with the national policy

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 2,600 per month. The threshold is reviewed by Council 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 and 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
2011/12	786.98km	0	0	488.44
2012/13	786.98km	0	0	488.44
2013/14	786.98km	0	0	488.44
2014/15	786.98km	0	0	488.44
2015/16	786.98km	0	0	488.44
Source : Department of Public Works, Roads and Infrastructure				

3.8 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 another 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, Steilop
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

3.5.4.2 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 Harris which remains a challenge. Disputes over operating routes occasionally occur resulting in conflicts among taxi associations.

TRANSPORT PLANNING

Right now transport planning is still a function of the district municipality. More information could be found from the District Annual Report



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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. Recent conflicts between Letswatla and Bochum Taxi associations have been resolved through the intervention of the municipality, SAPS and the District Taxi Council. 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. A priority list for formalization of taxi ranks will be developed by the municipality and the CDM in collaboration with public transport operators. 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 on the 31st May 2013. The strategy assists the municipality to provide a proper transport plan for our municipality.

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.

3.10 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 2015\16 financial year the following were achieved: pre- approval of Tolwe lay-out plan and the pre-approval of the surveyor-diagram for the subdivision of the farm Monmouth. A total of 400 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 400 units were approved and implemented.

Main challenges experienced in the financial year 2015\16 are as follows:- None compliance to Land use policies, building regulations and illegal invasion of land in Senwabarwana and Borkum. 3 main Service delivery priorities -: Service delivery and Infrastructure development, LED and spatial Planning. The attraction of investors e.g. Establishment of Bloùberg Mall resulted to job creation for local people to total of over 584 employees' part time/full time.

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

3.11 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

INTRODUCTION TO ECONOMIC DEVELOPMENT

The municipality approved its revised Local Economic Development Strategy for the period under review during the council meeting of the third quarter alongside the approval of the annual report 2011\12. 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 previous financial year 2014\15 witnessed the implementation of the following key service delivery priorities:

Completion of the implementation of Soutpan renewable energy plant at Zuurbult near Vivo. The project involves the harvesting of sunlight to generate green energy. Further, beneficiation of the project to the community will be realised through the development and implementation of the operation's social and labour plan. In the 2013\14 a total of over 617 local participants benefitted from short-term job opportunities from the project while the employment figures scaled down towards the beginning of 2015\16 financial year due to the commissioning of the project.

Implementation of the Venetia mine underground project with a budget of over R16 billion and the resultant work opportunities for the mine's two labour sending areas, viz, Blouberg Municipality and Musina Municipality. The expansion has also resulted in an increased population for 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 and a mining licence has been granted and construction is expected to commence soon

The creation of over 1387 job opportunities through Community Works Programme, EPWP, and implementation of municipal capital works programme through labour-intensive methods was maintained. Another community job creation initiative was introduced through the Rakibang Development Forum which yielded over 600 job opportunities in the EPWP, Health, Environment and Education sector.

Facilitation of the re-establishment and functionality of the Blouberg Business Forum

Place marketing through the development and distribution of the Blouberg Citizens' Report which covered development and opportunities available in the Municipality over a thirteen year period since the inception of the BLM in its current form

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; child care; 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.

3.55 CEMETORIES AND CREMATORIALS

The Municipality operated the cemetery function at Alldays and Senwabarwana town while some R293 towns of Witten, Indermark and Avon were provided with a skeletal level of service.

3.56 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 playing.

However the municipality had four IDP targets for the child care centres at Slaaphoek, Devilliersdale, Motlana, and Bognafarm and all were successfully completed. Venetia mine constructed two centres at Grootpan and Sias as part of its social and labour plan. However, Sias was completed in the beginning of the 2015\16 financial year.

COMPONENT F: HEALTH

The clinics and ambulance services are rendered by the provincial department of Health and Social Development.

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 SPORTS COMPLEX	0
15	0	1
16	1 ELDORADO 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
TOTAL	10 WARDS	11

5.5.2 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.

5.5.3 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.

3.67 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 its 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 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 2014\15 financial year the municipality made a provision in its budget for the upgrade of the Ben Seraki sports complex for the completion of phase 1 and 2. The project was completed after a delay from the previous year which resulted in the relocation of the facility from Buffelshoek to Scheiding and anticipate to complete 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 department s 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

3.69 EXECUTIVE AND COUNCIL

This component includes: Executive office (mayor, councillors; and municipal manager)

INTRODUCTION TO EXECUTIVE AND COUNCIL

The Components includes: The Mayor, Councillors 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 B as determined in terms of section 4 of the Local Government municipal Structures Act No 117 of 1998

It is a Municipality with a collective executive system as contemplated in section 2(a) of northern province Determination of types of municipalities ct (4) of 2000 Blouberg Municipality has however and approved delegation system that seeks to decentralise decision making within the institution and improve the pace at which services are delivered to the community . This is intended to maximise 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 councillors. Other powers have been delegated to the Municipal Manager

THE PERFORMANCE OF THE EXECUTIVE AND COUNCIL:

The support for councilors' policy is in place and councillors receive support in respect of the various aspects of their daily activities as public representatives, in-house workshops on governance and presentations

3.70 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, eg interest earned, Rent received, development fund and other sundry income. A full report on financial performance is contained in chapter 5 of this report which deals with Annual Financial Statements and performance.

3.71 HUMAN RESOURCE SERVICES

INTRODUCTION TO HUMAN RESOURCE SERVICES

Human Resources Unit is comprises 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. All the funded positions for 2015\16 were all 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

i. Human Resources Development – The Workplace Skills Plan (WSP) and Annual Training Report were developed and submitted in April 2015 for implementation in the 2015\16 financial year as per the Local Government SETA directives. The municipality has developed training programmes for councillors 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 while two learners, one enrolled for an MBChB (Medicine) while the other did Urban and Rural Planning as per municipal priorities benefitted from the Mayor's Bursary Fund. an additional learner was enrolled for civil engineering. ii. 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.

Organisational Design – the Organisational Structure was approved by Council.

Compensation and employees benefits – all pension pay outs 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

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

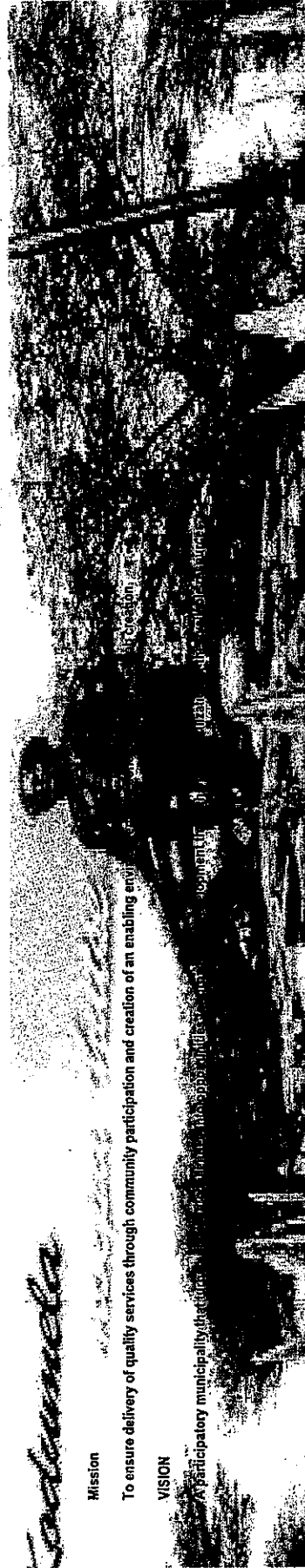
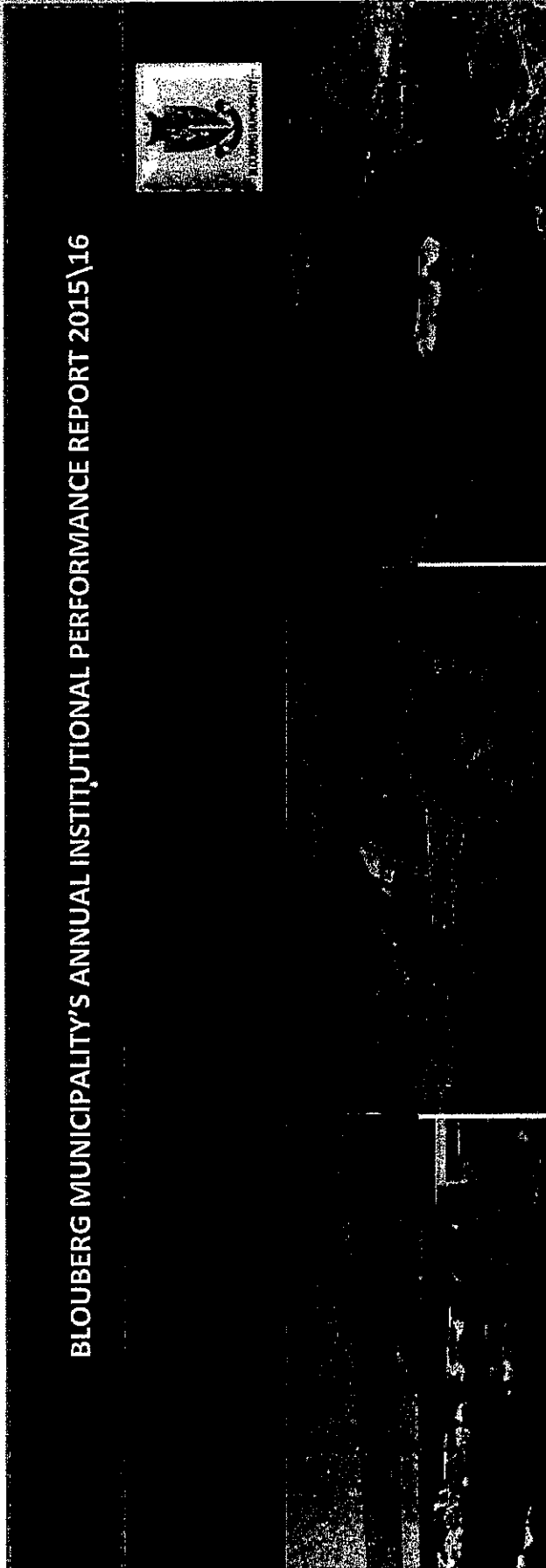
PERFORMANCE OF ICT SERVICES OVERALL:

There was improvement on ICT challenges wherein Auditor General picked up during the 2014/15 audit report whereby the ICT did not perform well mainly due to want of budget and the Council approved enough budget during 2015/16 financial year for the smooth running of the system. 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

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

BLOUBERG MUNICIPALITY'S ANNUAL INSTITUTIONAL PERFORMANCE REPORT 2015\16



Mission

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

VISION

A participatory municipality that ensures the delivery of quality services through community participation and creation of an enabling environment for economic growth and job creation

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LIST OF ACRONYMS

AFS	Annual Financial Statements
AG	Auditor-General
AIDS	Acquired Immunodeficiency Syndrome
CBO	Community Based Organization
COGHSTA	Cooperative Governance, Human Settlements and Traditional Affairs
CWP	Community Work Programme
DMP	Disaster Management Plan
ECDC	Early Childhood Development Centre
EE	Employment Equity
EMP	Environmental Management Plan
EDP	Economic Development and Planning
EPWP	Expanded Public Works Programme
EXCO	Executive Committee
EXT	Extensions
FY	Financial Year
GRAP	Generally Recognized Accounting Practice
HAST TB	HIV AIDS and Sexually Transmitted Diseases and Tuberculosis
HIV	Human Immunodeficiency Virus
IDP	Integrated Development Plan
IGR	Inter-Governmental Relations
IOD	Injury on Duty
IT	Information Technology
ITP	Integrated Transport Plan
IWMP	Integrated Waste Management Plan
KPA	Key Performance Area
KM	Kilometer
KPI	Key Performance Indicator
LACTC	Local Aids Council Technical Committee
LED	Local Economic Development
LGNC	Local Geographical Names Committee
LUMS	Land Use Management Scheme
LV	Low Voltage
MEC	Member for Executive Council
MFMA	Municipal Finance Management Act

MIG	Municipal Infrastructure Grant
MPAC	Municipal Public Accounts Committee
MSA	Municipal Systems Act
MV	Medium Voltage
NO	Number
NIA	Not Applicable
OHS	Occupational Health And Safety
PMS	Performance Management System
PPP	Public Private Partnership
REP FORUM	Representatives Forum
SDBIP	Service Delivery and Budget Implementation Plan
SIP	Social and Labour Plan
VIP	Ventilated Improved Pit
WSP	Workplace Skills Development Plan

MANAGEMENT REPORT ON THE ANNUAL PERFORMANCE FOR THE PERIOD JULY 2015 TO JUNE 2016

1. INTRODUCTION

The Bloubaerg Municipality 2015/16 Annual performance report reflects the institution's service delivery and developmental achievements, as well as challenges, in recognition of the Municipality's obligation to be an accountable, transparent and efficient organization, and the municipality's financial position. The compilation of this report is done in compliance to various pieces of legislation. Key amongst such legislations is Local Government: Municipal Systems Act No. 32 of 2000, Local Government: Municipal Finance Management Act No 56 of 2003, and National Treasury Circulars (Circulars 11 and 63). Section 46 of MSA state that a municipality must prepare for each financial year a performance report and further that the referred to 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 IDP and SDBIP. It is therefore a post-reflection of planned targets and their actual with a provision for reasons for variance as well as mitigating/corrective measures taken. This report of the Bloubaerg Municipality is aligned to the Municipal IDP and Budget for the 2015/16 financial year and that it is aligned to the Service Delivery and Budget Implementation Plan and in-year reports.

2. PURPOSE OF THE ANNUAL INSTITUTIONAL PERFORMANCE REPORT

This Annual Performance Report Seeks To Attain The Following Purposes:

- The provision of a report on performance in service delivery and budget implementation plan for the 2015/16 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 2015/16 financial year to which this report relates.

3. THE ROAD MAP

The attached annual report of the Bloubaerg Municipality is a product of in-year reports which have been consistently submitted to council and its committees. Upon the signing of the SDBIP 2015/16 on the 28th June 2015, the municipality facilitated the signing of performance plans and agreements by the Senior Management team led by the Accounting Officer. On a monthly basis reports on implementation of the SDBIP were sent to the Executive Committee and on a quarterly basis to council. Two(2), out of four(4) Institutional Performance Review sessions were conducted regarding the 2015/16 SDBIP and the underperformance was due to the 2016 local government election activities. On a quarterly basis the IDP/Budget Steering Committee, comprising of the management of this municipality, was convened to consider the reports of each quarter and finally submit same to the Institutional Performance Review session, comprising the Executive Committee members, the Speaker, Chief Whip and Chairperson of MPAC. The last steering committee meeting was held on 13th July 2016. The municipality could not hold the last Institutional Performance Review session to review and consider fourth quarter report for 2015/16 due to unavailability of public office bearers on account of preparations for 2016 Local Government elections.

4. SUMMARY OF PERFORMANCE FOR THE 2015/16 FINANCIAL YEAR.

The Municipality had six directorates, including the office of the Municipal Manager, during the period under review. Those Directorates were (1) Budget and Treasury; (2) Corporate Services; (3) Community Services; (4) Economic Development and Planning; (5) Technical Services; and (6) Office of the Municipal Manager. All the six directorates cumulatively contributed to the annual performance report of the Municipality for the period under review.

The SDBIP and Annual Performance Report 2015/16 is arranged in terms of the six Key Performance Areas of Local Government, viz, (1) Basic Service Delivery, Municipal Transformation and

Institutional Development); (3) Local Economic Development; (4) Good Governance and Public participation; (5) Financial Viability; and (6) Spatial Planning and Rationale. The municipality operates with acting arrangements in respect of office of the Municipal manager and Budget and treasury office wherein both Municipal Manager and Chief Financial Officer were put on suspension and lately the CFO resigned. The municipality had a total of 206 targets and managed to achieve 168 while 36 was recorded as unachieved due to various reasons highlighted on a detailed report attached and 2 were formally withdrawn by Council of the 29th February 2016.

THE IMPLEMENTATION OF THE 2015/16 INTEGRATED DEVELOPMENT PLAN – KEY POSITIVE MILESTONES:

- significant progress with regard to the implementation of capital projects. For the first time in the history of Bloubaerg Municipality an achievement of 100% spending on the implementation of capital projects through the Municipal Infrastructure Grant and further that the municipality managed to spend more than 60% of MIG funding by the 31st December 2015 that resulted in the receipt of additional funding of R24, 828 million from the National Treasury in March 2016. The implementation of municipal capital works programme resulted in the completion of Six (6) preschools in Kgathu, Dhlalsu, Papegaa, Thaleane, Thorpe and Indermark three internal streets at Senwabarwana, Indermark, four (4) internal street projects i.e. Senwabarwana phase 4, Indermark phase 2, Avon and Kromhoek phase 1; Ben Seraki sports complex phase 3 while electrification projects were duly completed at Diepsloot Mongalo Gideon, Sivermyrie, Alldays and Witten settlements. The municipality was able to complete its first high masts lights project in Senwabarwana.
- The municipality received an increased INEP allocation for electricity projects from R7 million to R9 million.
- The implementation of the Social Labour Plan which culminated in the construction and completion of the Sias preschool and Alldays sports complex.

THE IMPLEMENTATION OF THE 2015/16 INTEGRATED DEVELOPMENT PLAN NOTED THE FOLLOWING KEY DRAWBACKS:

- The non-achievement of the roads maintenance plan as a result of ageing plant.
 - The maintenance of upgraded internal streets and storm water projects.
 - Actual financial performance on the revenue side was also hampered by poor collection due to customers' resistance and culture of non-payment.
 - Cascading of performance management to all levels of employees
- Other areas of unachieved KPIs are found in the remainder of the Key Performance Areas and it include, amongst others, functionality of committees such as Special Focus group, Local Geographical Names Committee, the Operationalization of the Senwabarwana Tourism Information centre, number of culverts constructed Implementation of pound management Operational plan, decentralization of services to satellite offices, debt management collection, Local IGR forum, institutional management meetings, Waste management expansion and Land acquisition. There were some KIP's withdrawn from the SDBIP for 2015/16 due to lack of funds and replication of same service of program by sector departments i.e. electrification of ward 17 villages and implementation of traffic management system which has been replaced by AARTO initiated by Roads Traffic management agency at national level for all provinces and municipalities. The Corrective actions on the unachieved is reflected in the main report while the 2016/17 SDBIP has taken into cognizance such and has accommodated those programmes in the subsequent financial year.

5. MATTERS THAT NEED TO BE TAKEN INTO CONSIDERATION TO IMPROVE MUNICIPAL PERFORMANCE, EFFICIENCY AND INNOVATION IN THE 2016/17 SDBIP

- Complete financial turnaround strategy that will look at enhanced revenue generation while minimizing all aspects of financial leakages
- Full enforcement of all municipal by laws.
- Strengthen debt management collection strategies to increase and maintain municipal revenue.
- Reduce the escalation of electricity distribution loss to the acceptable percentage.
- Revision and implementation of municipal service standards and
- Enforce performance management as well as consequences management.

.....
MACHABA MJ
ACTING MUNICIPAL MANAGER
DATE:

Project	Project description	Strategic Objectives	KPI No	Original KPI/Measurable Objective	Original Annual Target	Baseline	Actual Performance	Reason for variance	Corrective Measure	Portfolio of Evidence	Responsibility
KPA 1. BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT											
Construction of Senwabarwana Internal Street and storm water road Phase 3	Development of the specification, and submit to SCM, Advertising, Evaluation, tendering, Evaluation, Adjudication and appointment of service level provider, Service level agreement Project Hand Over, designs and Construction of internal street, storm water and project handover	To provide safe and sustainable roads, internal streets and stormwater control facilities	1.	% construction of Senwabarwana Internal street and storm water phase 3	Completion of 1,1 km of Internal Streets from gravel to surface with 80mm interlocking Blocks and storm water channeling by 30 September 2015	Project currently under implementation and nearing completion rollover project	Target achieved Completion of 1,1 km of Internal Streets from gravel to surface with 80mm interlocking Blocks and storm water channeling by 25 th September 2015	None	None	Advert, appointment letters, site hand over minutes, Quarterly Progress reports, pictures and Completion Certificate,	Technical Services
Construction of Senwabarwana Internal Street and storm water road Phase 4	Development of the specification, and submit to SCM, Advertising, Evaluation, tendering, Evaluation, Adjudication and appointment of service level provider, Service level agreement Project Hand Over, designs and Construction of internal street, storm water and project handover		2.	% construction of Senwabarwana Internal street and storm water phase 4.	Upgrading of approximately 1,1km of internal Streets from gravel to surface with 80mm interlocking Blocks and storm water channeling by 30 June 2016	Phase 3 at completion stage	Target achieved Completion of 1,1 km of Internal Streets from gravel to surface with 80mm interlocking Blocks and storm water channeling by 22 nd April 2016	None	None	Advert, appointment letters, site hand over minutes, Quarterly Progress reports, pictures and Completion Certificate,	Technical Services
Construction of Avon Internal Street and storm water road	Development of the specification, and submit to SCM, Advertising, Evaluation, tendering, Evaluation, Adjudication and appointment of service level provider, Service level agreement Project Hand Over, designs and Construction of internal street, storm water and project handover		3.	% completion of Avon Internal Street and storm water road	Upgrading of approximately 1,1 km of internal Streets from gravel to surface with 80mm interlocking Blocks and storm water	New Indicator	Target achieved Completion of 1,1 km of Internal Streets from gravel to surface with 80mm interlocking Blocks and storm water channeling by 21 st December 2016	None	None	Advert, appointment letters, site hand over minutes, Quarterly Progress reports, pictures and Completion Certificate,	Technical Services

	tendering, Evaluation, Adjudication and appointment of service provider, Service level agreement Project Hand Over, designs Construction of crèche and project handover			occupation by 30 June 2016		availed for occupation by the 24 th May 2016			pictures and Completion Certificate,	
Construction of Thalane Creche	Development of the specification, and submit to SCM, Advertising, Evaluation, tendering, Evaluation, Adjudication and appointment of service provider, Service level agreement Project Hand Over, designs Construction of crèche and project handover	8.	% completion on construction of Thalane Creche	Thalane ECDC constructed and availed for occupation by June 2016	New Indicator	Target achieved Completion of Thalane ECDC constructed and availed for occupation by the 10 th May 2016	None	None	Advert, appointment letters, site hand over minutes, Quarterly Progress reports, pictures and Completion Certificate,	Technical Services
Construction of Thorpe Creche	Development of the specification, and submit to SCM, Advertising, Evaluation, tendering, Evaluation, Adjudication and appointment of service provider, Service level agreement Project Hand Over, designs Construction of crèche and project handover	9.	% completion on construction of the Thorpe Creche	Thorpe ECDC constructed and availed for occupation by June 2016	New Indicator	Target achieved Completion of Thorpe ECDC constructed and availed for occupation on the 30 th June 2016	None	None	Advert, appointment letters, site hand over minutes, Quarterly Progress reports, pictures and Completion Certificate,	Technical Services
Construction of Dilatsu Creche	Development of the specification, and submit to SCM, Advertising, Evaluation, tendering, Evaluation, Adjudication and appointment of service provider, Service level agreement Project Hand Over, designs Construction of crèche and project handover	10.	% completion on construction of Dilatsu Creche.	Dilatsu ECDC constructed and availed for occupation by June 2016	New Indicator	Target achieved Completion of Dilatsu ECDC constructed and availed for occupation by the 22 nd June 2016	None	None	Advert, appointment letters, site hand over minutes, Quarterly Progress reports, pictures and Completion Certificate,	Technical Services

Construction of Papegaai Creche	Construction of creche and project handover	Development of the specification, and submit to SCM, Advertising, Evaluation, tendering, Evaluation and appointment of service provider, Service level agreement Project Hand Over, designs	Construction of creche and project handover	11.	% of completion on construction of Papegaai Creche.	Papegaai ECDC constructed and availed for occupation by June 2016	New Indicator	Target achieved	None	None	Advert, appointment letters, site hand over minutes, Quarterly Progress reports, pictures and Completion Certificate,	Technical Services
Upgrading of Ben Seraki Sports Complex Phase 3	Development of the specification, and submit to SCM, Advertising, Evaluation, tendering, Evaluation and appointment of service provider, Service level agreement Project Hand Over, designs and construction of sports complex.	% of completed construction work for the Ben Seraki sporting facility	Construction of new Fence and installation of access gates, Construction of Guardhouse, Services connections (Water, Electricity) y 31 March 2016	12.	% of completed construction work for the Ben Seraki sporting facility	Construction of new Fence and installation of access gates, Construction of Guardhouse, Services connections (Water, Electricity) y 31 March 2016	Phase 2 at completion stage.	Target achieved	None	None	Advert, appointment letters, site hand over minutes, Quarterly Progress reports, pictures and Completion Certificate,	Technical Services
Inveraan Multi-Purpose Community Centre	Development of the specification, and submit to SCM, Advertising, Evaluation, tendering, Evaluation and appointment of service provider, Service level agreement Project Hand Over, designs and Construction of multipurpose community centre.	% of completion of construction work for the Inveraan multipurpose Centre	Multipurpose Community Centre completed and fully functional by 31 July 2015	13.	% of completion of construction work for the Inveraan multipurpose Centre	Multipurpose Community Centre completed and fully functional by 31 July 2015	Project completion stage	Target achieved	None	None	Advert, appointment letters, site hand over minutes, Quarterly Progress reports, pictures and Completion Certificate,	Technical Services
Construction of Taabosch	Development of the specification, and submit to SCM,	To provide safe and sustainable	Waste transfer station facility completed and	14.	% of completion of construction work	Waste transfer station facility completed and	New Indicator	Target achieved	None	None	Advert, appointment letters, site hand over minutes, Quarterly	Technical Services

waste transfer station	Advertisement of tendering, Evaluation, Adjudication and appointment of service provider, Service level agreement Project Hand Over, designs and Construction of transfer waste station.	waste transfer station facility.	fully functional by 30th June 2016		station facility by the 10th June 2016		Progress reports, pictures and Completion Certificate,	
Ward 17 phase 1 extensions (Target withdrawn)	Development of the specification, and submit to SCM, Advertisement of tendering, Evaluation, Adjudication and appointment of service provider, Service level agreement Project Hand Over, designs and Construction of electricity.	15. To provide continuous sustainable and reliable electricity supply	47 households connected and energized by 31 July 2015	Project completion stage	Target withdrawn and deferred to the 2016/17 financial year.	Target Withdrawn	Target Withdrawn	Technical Services.
Electrification of Witen Ext	Development of the specification, and submit to SCM, Advertisement of tendering, Evaluation, Adjudication and appointment of service provider, Service level agreement Project Hand Over, designs and Construction of electricity.	16. % completion electrification of Witen ext	583 households connected and energized by 31 March 2016	New Indicator	Target achieved A total of 583 households connected and energized on the 14th March 2016	None	Advert. appointment letters, site hand over minutes, Quarterly Progress reports, pictures and Completion Certificate,	Technical Services
Electrification of Alldays Ext	Development of the specification, and submit to SCM, Advertisement of tendering, Evaluation, Adjudication and appointment of service provider, Service level agreement Project Hand Over, designs and Construction of electricity.	17. % completion electrification of Alldays Ext	17 households connected and energized by 31 March 2016	New Indicator	Target not achieved A total of 14 households connected and energized on the 14 March 2016.	The remainder of 3 households could not be connected due to site without structures	Advert. appointment letters, site hand over minutes, Quarterly Progress reports, pictures and Completion Certificate,	Technical Services

	Over, designs and construction of electricity.								material as and when formal structure has been erected.			
Electrification of Silvermyn	Development of the specification, and submit to SCM, Advertising, Evaluation, Adjudication and appointment of service provider, Service level agreement Project Hand Over, designs and Construction of electricity.	18.		102 households connected and energized by 30 June 2016	Additional units from the 2014/15 allocation	Target achieved 02 households connected and energized by 30 June 2016	None	None	Advert, appointment letters, site hand over minutes, Quarterly Progress reports, pictures and Completion Certificate,	Technical Services		
Electrification of ward 20 (Motadi and Gideon)	Development of the specification, and submit to SCM, Advertising, Evaluation, Adjudication and appointment of service provider, Service level agreement Project Hand Over, designs and Construction of electricity.	19.	% completion of electrification of ward 20	11 households connected and energized by 30 June 2016	Additional units from the 2014/15 allocation	Target achieved and surpassed 12 households connected and energized on 14 th March 2016	The extra connection was due to increased households adjacent to the connected households and was done without additional cost.	None	Advert, appointment letters, site hand over minutes, Quarterly Progress reports, pictures and Completion Certificate,	Technical Services		
Electrification of Dipsloot	Development of the specification, and submit to SCM, Advertising, Evaluation, Adjudication and appointment of service provider, Service level agreement Project Hand Over, designs and Construction of electricity.	20.	% completion of electrification of Dipsloot	06 households connected and energized by 30 June 2016	Additional units from the 2014/15 allocation	Target achieved 06 households connected and energized on 28 th January 2016	None	None	Advert, appointment letters, site hand over minutes, Quarterly Progress reports, pictures and Completion Certificate,	Technical Services		

Electrification of Mongalo	Development of the specification, and submit to SCM, Advertisement of tendering, Evaluation, Adjudication and appointment of service provider, Service level agreement Project Hand Over, designs Construction of electricity and energizing	21.	% completion electrification of Mongalo	17 households connected and energized by 30 June 2016	Additional units from the 2014/15 allocation	Target achieved 17 households connected and energized on 14 th March 2016	None	None	Advert, appointment letters, site hand over minutes, Quarterly Progress reports, pictures and Completion Certificate,	Technical Services
Electrification of Ward 17 Extl Sias, Grootpan, Simpson and Arrie	Development of the specification, and submit to SCM, Advertisement of tendering, Evaluation, Adjudication and appointment of service provider, Service level agreement Project Hand Over, designs and Construction of electricity	22.	% completion electrification of Ward 17 Extl Grootpan, Simpson and Arrie	47 households connected and energized by 31 March 2016	Additional units from the 2014/15 allocation	Target not achieved 47 households not connected and energized and where formally withdrawn and deferred to 2016/17 and the 131 households connected was rollover project from 2014/15 financial year and completed on 18 th November 2015	The 47 households were formally deferred to 2016/17 due to want of budget	The referred households will be connected in the 2016/17 financial year	Advert, appointment letters, site hand over minutes, Quarterly Progress reports, pictures and Completion Certificate,	Technical Services
Provision of solar streetlights/ high mast lights for Senwabarwana	Development of the specification, and submit to SCM, Advertisement of tendering, Evaluation, Adjudication and appointment of service provider, Service level agreement Project Hand Over, designs and Construction of solar street/high mast lights	23.	No. of high masts lights constructed and installed in Senwabarwana settlement by 30 June 2016.	4 high mast lights constructed and installed in senwabarwana settlement.	New indicator	Target not achieved Four high masts lights constructed and installed in Senwabarwana on the 31 st May 2016 however not yet energized.	Due to delay by Eskom to energize the referred project	Make regular follow up with Eskom to fast track the finalization of the project.	Advert, appointment letters, site hand over minutes, Quarterly Progress reports, pictures and Completion Certificate,	Technical Services
Operation and Maintenance of Internal Streets	Identification of critical areas, assessment, specification, procurement/maintenance of internal streets and storm water.	24.	No of KM of internal street graded	400km internal Street graded	Operation maintenance Plan	Target achieved 400km internal streets graded	None	None	Reports on Internal street graded Pictures	Technical Services

	Identification of critical areas, assessment, specification, procurement/maintenance of internal streets and storm water.	Internal streets and access Roads and related storm water control	25.	No of Km of internal street re-graveled	20km internal street re-graveled	Operation maintenance Plan	Target achieved 20 km of internal street re-graveled	None	None	Internal street re-graveled Pictures	Technical Services
	Identification of critical areas, assessment, specification, maintenance of internal streets and storm water.		26.	No. of Sports Ground graded	60 Sports Ground Graded	Operation maintenance Plan	Target achieved 80 sports Ground were graded.	Consistent Plant mechanical breakdown experienced as a result of ageing plant.	To prioritize purchase of new plant and sign up service maintenance plan with potential service provider.	Reports signed by portfolio chairperson/beneficiaries and pictures.	Technical Services
	Identification of critical areas, assessment, specification, procurement/maintenance of internal streets and storm water.		27.	No. of settlements provided with culverts	12 settlements provided with culverts	Needs analysis on settlements in need of culverts done	Target achieved 12 culverts provided to settlements	None	None	Reports signed by portfolio chairperson/beneficiaries and pictures	Technical services
MSCOA Project	Implementation of the MSCOA program.	To support the cascading municipal national new program accordingly	28.	No. of meetings held and supported		New indicator	Target achieved Five (05) MSOCA sleeping committee and Technical team committee meetings has been held and supported.	None	None	Attendance register ,minutes of the meetings	All directorates

Project	Project Description	Strategic Objectives	KPI No	Original KPI/Measurable Objective	Annual Target	Baseline	Actual Performance	Reason for variance	Corrective Measure	Portfolio of evidence	Responsibility
KPA 2: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT											
Support for Special Focus		To promote the needs and interests of special focus groupings.	29.	To resuscitate women's forum by 30 th September 2015	1 women's forum resuscitated	Women calendar	Target not achieved However all 21 ward based women for a have been established from the	Inadequate human resource capacity contributed much in	To fast-track recruitment process to capacitate special focus unit by	Minutes, Report Attendance Register	Municipal Manager's Office

						01st – 12th February 2016	resuscitation of the women's forum at municipal level.	appointing responsible officials.		
						<u>Target not Achieved.</u> Women's calendar events were commemorated. 04 Activities were done on 16 days of activism against women and children took place. Prayer sessions were conducted on the 26 September 2015 launching of 16 days of activism against women and children at Makhuduthamaga Municipality closing ceremony at Lephalale Municipality Municipal women caucus were held on 11th May 2016.	Inadequate human resource capacity contributed much in resuscitation of the women's forum at municipal level.	To fast-track recruitment process to special focus unit by appointing responsible officials.	Special focus Report Attendance register.	Municipal Manager's Office
30.	No of women's forum meeting held	4 women forum's meetings held.	Women calendar			<u>Target not achieved</u> 0% implementation of resolutions.	The meetings could not materialize to have resolutions.	To fast-track recruitment process to special focus unit by appointing responsible officials to	None	Municipal Manager's Office
31.	%implementation of Women Forum resolutions	100% implementation of resolutions. No. of resolutions implemented/total number of resolutions	100% implementation of resolutions							
	Development of schedule of meetings, issue to all relevant stakeholders, development of documentation with invitation for a meeting, distribution, reminders and meeting									
	Development of resolution register, Capture resolutions and monitor the implementation of resolutions									

									champion the program.			
	Establishment of Children's forum		To resuscitate Children's forum by 30 th September 2015	1 Children forum established.	Children calendar	Target not achieved however Terms of references for establishment has been finalized and approved in September 2015. 06 Ward Based Children committee have been established.	Inadequate human resource capacity contributed negatively towards establishment of children's forum.	To fast-track recruitment process to capacitate special focus unit by appointing responsible officials.	Report, term of reference, attendance register	Municipal Manager's Office		
	Development of schedule of meetings, issue to all relevant stakeholders, development of documentation with invitation for a meeting, distribution, reminders and meeting		No. of Children Forum held	1	Children calendar	Target not achieved At least three (03) Activities took place (School's Competitions Excellence Awards on the 25 September 2015 Take a girl child to work on the 25 th May 2016 and child's rights protection week held on the 31 st May 2016	Inadequate human resource capacity contributed negatively to have children's forum established.	To fast-track recruitment process to capacitate special focus unit by appointing responsible officials.	Report, Attendance Register	Municipal Manager's Office		
	Development of resolution register, Capture resolutions and monitor the implementation of resolutions		% Implementation of Children Forum resolutions	100% Implementation of resolutions	Children's forum resolutions	Target not achieved 0% Implementation of forum resolutions	No forum resolutions has been in place hence children forum meetings could not take place.	To fast-track recruitment process to capacitate special focus unit by appointing responsible officials.	None	Municipal Manager's Office		
32.												
33.												
34.												

			35.	To resuscitate Youth's forum by 30 th September 2015	1	Youth Programme and existence of interim Youth Council	Target achieved. 21 ward based youth forums & 1 interim Youth council were established from the 01 st - 12 th February 2016	None	None	Minutes, Report Attendance Register	Municipal Manager's Office
	Development of schedule of meetings, issue to all relevant stakeholders, development of documentation with invitation for a meeting, distribution, reminders and meeting		36.	No. of Youth Council meetings held	4 meetings held.	Youth programme	Target achieved. (Surpassed) 05 Interim Youth Council meetings held on the 24 November 2015, 28 January 2016, 25 February 2016, 16 March 2016 and 07 June 2016.	None	None	Minutes, Report Attendance Register	Municipal Manager's Office
	Development of resolution register, Capture resolutions and monitor the implementation of resolutions		37.	%Implementation of Youth Council resolutions	100% Implementation of resolution.	100% Implementation of resolutions	Target achieved. 100% implementation of resolutions	None	None	Resolution Monitor	Municipal Manager's Office
			38.	To resuscitate disability forum by 30 th September 2015	1 forum resuscitated	Disability forum in place	Target achieved. Disability and Elderly forum resuscitated	None	None	Minutes, Report Attendance Register	Municipal Manager's Office
	Development of schedule of meetings, issue to all relevant stakeholders, development of documentation with invitation for a meeting, distribution, reminders and meeting		39.	No of disability forum held	4 forum meetings held	Disability forum in place	Target achieved. 04 Disability and Elderly forum meetings held on the 28 th September 2015. The second quarter meeting was held on the 10 th November 2016. The third quarter meeting was held on the 1 st of	None	None	Minutes, Report Attendance Register	Municipal Manager's Office

42.

	Development of f resolution register, Capture resolutions and monitor the implementation of resolutions		40.	% implementation of disability forum, resolution	100% implementation of resolutions	Disability forum resolutions	March 2016, Fourth meeting was held on the 7 th of June 2016	None	None	Resolution Monitor	Municipal Manager's Office
	Development of schedule of meetings, issue to all relevant stakeholders, development of documentation with invitation for a meeting, distribution, reminders and meeting		41.	No of Local HIV/AIDS Council meeting held	04 HIV/AIDS council meetings held.	HIV/AIDS programme	Target achieved. 05 Aids Council meetings organized on the 03 July 2015, 29 September 2015, 07 th December 2015, 23 March 2016 & 06 June 2016	None	None	Minutes, Report Attendance Register	Municipal Manager's Office
	Development of f resolution register, Capture resolutions and monitor the implementation of resolutions		42.	% of implementation of HIV/AIDS council resolutions	100% Implementation.	HIV/AIDS Resolutions	Target achieved. 100% implementation of resolution.	None	None	Resolution Register	Municipal Manager's Office
	Development of schedule of meetings, issue to all relevant stakeholders, development of documentation with invitation for a meeting, distribution, reminders and meeting		43.	No of Local Aids Council technical committee meetings organized	4 meetings held.	HIV/AIDS programme	Target achieved. 04 LAC/TC meetings held on the 03 September 2015, 30 November 2015, 29 February 2016, 12 May 2016	None	None	Minutes, Report Attendance Register	Municipal Manager's Office
			44.	To resuscitate Ward Aids Council by 30 th September 2015	21 WAC (ward aids council) established by 30 September 2015	Blouberg AIDS council in pace	Target achieved. Twenty one (21) Ward Aids established and launched on the 08 September 2015	None	None	Minutes, Report Attendance Register	Municipal Manager's Office

	Development of schedule of meetings, issue to all relevant stakeholders, development of documentation with invitation for a meeting, distribution, reminders and meeting		45.	No of ward Aids Council meetings organized	4 meetings	New Indicator	Target achieved. Twelve (12) WAC meetings held 7 March 2016-Ward 16/8 March 2016-Ward 5& 21; 14 March 2016-Ward 13, 15 & 20; 15 March 2015-Ward 3, 6 & 14; 16 March 2016-Ward 1&2, 07 April 2016-Ward 18	None	None	Minutes, Report Attendance Register	Municipal Manager's Office
	Development of schedule of meetings, issue to all relevant stakeholders, development of documentation with invitation for a meeting, distribution, reminders and meeting		46.	No of HAST(HIV AND AIDS STI awareness campaigns and preventions held	4	Calendar events	Target achieved (Surpassed) Seven (07) HAST (HIV & AIDS, STI & TB) Campaigns and prevention were conducted on the 29 July 2015, 01 September 2015, 25 September 2015, 30 October 2015, 20 November 2015, 16 March 2016	None	None	Minutes, Report Attendance Register	Municipal Manager's Office
	Development of schedule of meetings, issue to all relevant stakeholders, development of documentation with invitation for a meeting, distribution, reminders and meeting		47.	To have 4 CBO meetings	4	CBO database	Target achieved (Surpassed) Five (05) CBO forum meetings held on the 15 September 2015, 23 November 2015, 27 November 2015, 09 February 2016 and 23 June 2016	None	None	Minutes, Report Attendance Register	Municipal Manager's Office
Sports Council	To coordinate Sporting activities and		48.	To resuscitate Sports Council by 30 th September 2015		Sports council in place	Target achieved Sports council resuscitated	None	None	Minutes, Report Attendance Register	Director Community services

	Development of schedule of meetings, issue to all relevant stakeholders, development of documentation with invitation for a meeting, distribution, reminders and meeting	foster healthy lifestyle To promote team building and good health amongst employees through sports	49.	No of sports council meetings held	4		Sports council in place	Target achieved 04 Sports council meetings held	none	None	Minutes, Report Attendance Register	Director Community services
	Development of resolution register. Capture resolutions and monitor the implementation of resolutions		50.	% of implementation of sports council resolutions	100%		Sports council in place	Target achieved 100% Implementation of Sports council resolutions	None	None	Resolution Monitor	Director Community services.
Sports Coordination	Development of schedule of meetings, issue to all relevant stakeholders, development of documentation with invitation for a meeting, distribution, reminders and meeting		51.	No. of Federations meetings held (Boxing and Soccer)	4 meetings		Sports Development plan	Target achieved Surpassed target (5) 4 meetings held Boxing and Soccer Financial year	None	None	Minutes, Report Attendance Register	Director Community services
Sports Development for Employees			52.	No. of sports days organized	48		Sports Development plan	Target achieved Forty eight (48) Sports days organized	None	None	Report and Attendance Register	Director Community services
Human Resource Development	Disseminate the strategy to relevant stakeholders to solicit inputs, consolidation of the inputs, submission to Executive for council approval and implementation of the strategy	To address the retention of skilled personnel, address work place skills gaps and also promote community	53.	To review the retention strategy	Retention Strategy reviewed		Retention Strategy due for review	Target achieved Retention strategy reviewed and approved by council	None	None	Retention strategy document and Council resolution for approval	Corporate Services

Comments on 53: The retention strategy was reviewed and approved by the council.

	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	skills development	54.	No of employees trained	88		Work skills plan	Target achieved Ninety eight (98) employees trained	None	None	Training Report	Corporate Services
	Development of WSP, Present it to LLF, Present it to management and submit it to LGSETA		55.	To develop WSP and submit to LGSETA BY 30 April 2015	1		WSP approved	Target achieved WSP was developed and submitted to LGSETA by the 30 th April 2015.	None	None	WSP Document and Acknowledgement of receipt by the LGSETA	Corporate Services
	Development of WSP annual report, Present it to LLF, Present it to management and submit it to LGSETA		56.	To submit WSP Annual report s to LGSETA by 30 April 2015	1		WSP	Target achieved WSP Annual report submitted to LGSETA by the 30 th April 2015.	None	None	WSP Report and Acknowledgement of receipt	Corporate Services
	Notify councilors when there is learner ship programme, Learners apply, selection of learners and train		57.	No External stakeholders capacitated through learner ships and internships programmes	300 Learners		Work Skills Plan	Target achieved 300 External stakeholders capacitated through learnership and internship programmes	None	None	Reports Names of beneficiaries	Corporate Services

IT Software and Licensing	Development of Specification, Submit to Budget and Treasury for advertisement, Evaluation, Procurement, and upgrade	To upgrade MS Office 2007 to MS Office 2013	58.	To upgrade MS Software from 2007 to 2013		MS Office 2013	Target achieved: Software purchased	None	None	Specification, Advert, Evaluation Report and License	Corporate Services
Plant and Equipment	Inspection of Plants and Equipment, Write a report on those that need service and maintenance and maintain	To constantly maintain municipal plant and equipment in order to keep it in good working order	59.	% plant and equipment maintained according to the maintenance plan	100%	Maintenance plan	Target achieved: 100% of plant and equipment maintained accordingly as per maintenance plan.	None	None	Repair and Maintenance Monthly Reports	Corporate Services
Purchase of furniture	Spending budget on purchasing furniture	To purchase furniture for the new Satellite offices	60.	% budget spent on purchase of furniture	100%	100%	Target achieved: 100% of budget spent on purchase of furniture.	None	None	Proof of purchase Section 71 report	Corporate Services
Electrical Maintenance	Submission of request, assessment, procurement and electrical maintenance.	To ensure proper maintenance of the Electrical network and addressing reported breakdowns	61.	% electricity breakdown addressed within 14 days of request.	100%	Existing Electrical network	Target achieved: 100% of Electricity breakdown addressed within 14 days of request.	None	None	Register, reports, pictures and Proof of Purchase	Technical Services
Transformers	Submission of request, assessment, procurement and maintenance.	Purchasing of Transformers	62.	% Transformers purchased within 24 hours of request.	100%	Transformer breakdowns	Target achieved: 100% of Transformers breakdown attended to within 24 hours of request.	None	None	Register, reports, pictures and Proof of Purchase	Technical Services
Culverts	Identification of critical areas, assessment, specification, procurement, and construction of culverts at papegai, Monyebodi, Pax Exi, Maphoto, Avon, Makapea, Makgati and Milbank	To construct 12 culverts	63.	No of culverts constructed at critical settlements	12 culverts per annum	Maintenance Plan	Target not achieved. Only in four (4) areas culverts constructed Groodraai, Inveraan, Mamoleka, Matosana. Grootpan is underway.	Delay in the delivery of material for the remaining 02 villages	To be finalized in the next financial year	Signed Project Progress Report	Technical Services

Employee Wellness	Organize and present Employee Assistance campaigns for all staff members	To promote Employee Wellness and manage injuries on duty (IOD)	64.	No of Medical Surveillance and wellness campaigns	2 medical surveillance and 2 campaigns	Two medical surveillance and campaigns	Target achieved Two (2) medical surveillance and two (2) wellness campaigns conducted	None	None	Surveillance report Invitation/Notices Attendance register	Corporate Services
Office IT equipment	Office IT equipment always kept in a good condition	To maintain IT Office equipment	65.	% IT Equipment maintained according to maintenance plan	100%	100%	Target achieved. Daily IT activities are done.	None	None	Monthly Maintenance Report	Corporate Services
IT Backup Systems		Renewal of backup system	66.	Number of IT backup system report produced	240 reports per annum	New indicator	Target achieved. Incremental Backups are done	None	None	IT Backup System Quarterly reports	Corporate Services
Vehicle Purchase		To purchase vehicles	67.	To purchase and lease municipal vehicles	1X kombi, lease 1X grader	Municipal vehicles	Target achieved. One (1)X Kombi and one (1) X grader purchased	None	None	Delivery Note, proof of purchase and lease agreement	Corporate Services
Waste Management	Development of an action plan, submitted to EXCO for approval, and the implementation.	To ensure a safe and clean environment by implementing the IWMP	68.	% of implementation of an IWMP.	100% implementation of the IWMP.	Approved IWMP	Target achieved 100% Implementation of IWMP	None	None	Action Plan, EXCO Resolution for approval, Resolution Register and Implementation reports.	Community Services
Waste management expansion	Collection of waste in all households of Machaba, Harriswhich, Tolwe and Eldorado	To expand waste collection to three villages within the municipality	69.	No of villages provided (extension) with waste management	Waste expanded to the 4 villages	Waste collected at 16 villages	Target not achieved However three awareness campaigns have been coordinated in the targeted areas.	The breakage of the two waste compactors trucks led to non-collection of waste.	To be prioritized in the first quarter of the 2016/17 financial year.	Monthly Collection Report	Community Services

Environmental Management	Development of an action plan, submitted to EXCO for approval, and the implementation.	To ensure a safe and clean environment by implementing the Environmental Management Plan (EMP)	70.	To develop and implement EMP action plan	EMP action plan developed and implemented	Approved EMP	Target achieved. Environmental management plan implemented at 100%.	None	None	Action Plan, EXCO Resolution for approval, Register and implementation reports.	Community Services
Environmental Education and Awareness		To educate communities on environmental issues	71.	No of Awareness & Educational campaigns conducted.	12 awareness campaigns conducted	Approved Environmental Plan	Target achieved. (Surpassed) 16 campaigns were held successfully as follows: 01st September 2015 at Bothanang; 08th September 2015 at Dilasau, the 16th September 2015 at Senwabarwana and on the 22 September 2015 at Ekorado respectively. The one of Senwabarwana was done in partnership between our municipality, CDM and LEDET. 12 Nov at Ga-Kobe 08 Dec at Ga-Kibi Moshale; 11 Nov at Alldays, 10 March 2016 @ Mamadi T. Authority, 10 March 2016 @ Makgato T. Authority, 23 March 2016 @ Werden Village, 01 April @ Helen Franz S School.	The target has been surpassed due to high demand of campaigns in critical areas.	None	Reports and attendance register	Community Services

Coordination of the Disaster Management Plan	Development of an action plan, submitted to EXCO for approval, and the implementation.	Action plan developed for the implementation of DMP.	72.	To coordinate the implementation of DMP action plan	DMP action plan coordinated and supported fully.	Approved DMP	Target achieved. Disaster Management Plan action plan fully coordinated and supported.	None	None	Coordination reports.	Community Services
Disaster Education and Awareness		To educate communities on disaster issues	73.	No of Awareness & Educational campaigns conducted.	04 awareness campaigns conducted.	Approved DMP	Target Not achieved. At least three (3) awareness campaigns were held on the 18 th December 2015 at Ga-Mochemi; 27 th November 2015 at My-darling; 30 th November 2015 Mokwena village.	None	None	Attendance register and reports	Community Services

Licensing and registration of vehicles Management	Development of an action plan, submitted to EXCO for approval, and the implementation.	74.	To develop action plan for the management of the licensing and registration of vehicles.	Action plan developed and implemented	2014/15 traffic and licensing management operational plan	Target achieved. Action plan served in the August EXCO and approved. Plan implemented at 100%.	None	None	Action Plan, EXCO Resolution for approval, Register and implementation reports.	Community Services
Traffic Management	Development of resolution register, Capture resolutions and monitor the implementation of resolutions	75.	To improve the safety of road users	100 % implementation	2014/15 traffic and licensing management operational plan	Target achieved. Action plan served in the August EXCO and approved. Plan implemented at 100%.	None	None	Action Plan, EXCO Resolution for approval, Register and implementation reports.	Community Services
TARGET WITHDRAWN		76.	To purchase traffic management system	Traffic management system purchased	2014/15 traffic and licensing management operational plan	Target withdrawn. The target has been withdrawn by council of the 29 th February 2016 on account of introduction of AARTO system initiated by National Department of Roads and Transport.	None	The National department of Roads and transport replicate same programme to provinces and municipalities.	Delivery note/Proof of purchase	Community Services (TARGET WITH DRAWN)
	Development of operational plan, distribute to relevant stakeholders	77.	No of joint operations conducted.	12 Joint operations	2014/15 traffic and licensing management operational plan	Target achieved. (Surpassed) 12 Joint operations were held as follows: 12 August Brookman road, 26 August 2015 Tolwe, 03 September Westphalia, 15 September 2015 Aldays, 16 September 2015 Mastroom, 17 September 2015 Vvo and 18 September Postdrift.	None	None	Attendance registers Reports Pictures	Community Services

Pound management	Development of resolution register, Capture resolutions and monitor the implementation of resolutions	Review of the Pound Operation Plan	78.	% Implementation of pound operational plan	100%	Old pound operation plan	<p>15 Oct at Westphalia road from 6:00</p> <p>18 Oct at Westphalia from 06:00.</p> <p>18 Nov at Westphalia</p> <p>15 Dec at Aganang</p> <p>17 Dec at Westphalia, 06</p> <p>January 2016 @ Vivo, 22 January</p> <p>2016 @ Dlameng, 29 January 2016 @ Venella Mine Junction, 17</p> <p>February 2016 @ VivoliMara, 29 April 2016at</p> <p>Malemama, 21 April at Tokwe, 28 April 2016 at</p> <p>Masirum, 25 May 2016at</p> <p>Westphalia, 15 June 2016at</p> <p>Westphalia, 23 June 2016 at Alldays</p> <p>Target not achieved. However the operational plan has been implemented upto 70% and the action plan to actualize the pound operational plan served before the EXCO sitting for August 2015.</p>	Inadequate human resources to operationalize the plan due to the want of budget.	To fast-track recruitment process to capacitate special focus unit by appointing responsible officials in the next financial year.	Pound Operational Plan Implementation Report	Community Services
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Public Safety	Development of f resolution register. Capture resolutions and monitor the implementation of resolutions	To ensure the safety of our communities.	79.	% implementation of the Community safety plan	100%	Approved community safety plan	Target achieved. The Action plan served before EXCO sitting of August 2015 and was since approved and implemented at 100%.	None	None	Action Plan, EXCO Resolution for approval, Resolution Register and Implementation reports.	Community Services
Occupational Health and safety	Development of f resolution register. Capture resolutions and monitor the implementation of resolutions	To ensure that the safety of the employees is guaranteed.	80.	% implementation of the OHS Plan	100%	OHS Plan in place	Target achieved. 100% OHS plan implemented	None	None	OHS Plan Implementation Report	Corporate Services
Employment Equity	Appoint personnel following the Employment Equity Plan	To ensure that recruitment is done in line with the Employment Equity Plan	81.	% implementation of the Employment Equity Plan	100%	One professional white. One African female	Target not achieved. 95% implementation of EE plan	The remaining 5% of minority group in particular white community could not be attracted	To prioritize head hunting approach in recruiting the minority group.	Appointment letters	Corporate Services
Labour relations	Development of f resolution register. Capture resolutions and monitor the implementation of resolutions	To maintain good working relationship between Employees and Employer	82.	% Labour relation cases attended within 14 days	100% Cases attended within 14 working days	100% labour cases attended to within 14 days	Target achieved. 100% attendance to Labour cases within 14 days	None	None	Reports on cases handled.	Corporate Services
Decentralization of municipal services	To decentralize the following powers to <ul style="list-style-type: none"> • Alldays, • Eldorado, • Tolwe, • Raweshi • Senwabarwana 	To ensure that municipal services are decentralized to satellite offices.	83.	% satellite offices functioning according to delegated powers and functions	100%	There are currently 4 functional satellite offices with the 5 th earmarked for operational and established the sixth one	Target not achieved. Atleast two (2) satellite offices .ie Alldays and Eldorado are functioning in full capacity.	The remainder three satellite offices could not function fully on account of inadequate human resources due to the want of budget .	Prioritize capacitating human resources to all satellite offices and replicate services rendered in the two functioning satellite offices.	Reports	Corporate services

Performance Management System Implementation	Development of PMS policy, submit it to Executive Committee for Council. Cascade it down to all employees	To ensure that the work of all the employees is managed and monitored.	84.	No of quarterly Assessment conducted	4 assessment sessions coordinated and conducted	PMS policy	Target Not achieved At least three(3) sessions were held comprised two(2) verbal assessment for both first and third quarter and one(1) formal Assessment session coordinated (Mid year or second quarter)	The residue of last quarter assessment could not take place due to unavailability of councillor component given the local government election process.	The Assessment session for the last quarter will take place before end of September 2016.	PMS Policy, Council Resolution Quarterly Reports Attendance Registers	Economic Development and Planning
	Development of IDP Process Plan, submit it to Executive Committee for Council approval		85.	No of Performance Steering Committee Meetings coordinated	4 quarterly meetings	IDP process plan	Target achieved, Four (4) Performance Steering Committee meetings coordinated on the 15 th October 2016, 15 th January 2016, 31 st May 2016 & 13 th July 2016	None	None	IDP Process Plan, Council Resolution, Quarterly Reports Attendance Registers	Economic Development and Planning
	Development of IDP Process Plan, submit it to Executive Committee for Council approval		86.	No of institutional performance reviews session conducted	4 (1 per quarter)	IDP process plan	Target not achieved Two (2) Institutional Performance review sessions conducted comprised the first and second quarter sessions on the 21/2001/2016,	The third and fourth quarter institutional performance review session could not sit on account of unavailability of councillor component given Local Government process.	The combined institutional performance review session will take effect by end of September with new council.	IDP Process Plan, Council Resolution, Quarterly Reports Attendance Registers	Municipal Manager's Office
Coordination of Local Government Improvement Module	Facilitate the completion of LGMM	To ensure that the project is fully implemented.	87.	% of implementation of LGMM	100% implementation of LGMM	New Indicator	Target achieved 100% Implementation of LGMM and filled electronically.	None	None	Complete and submit LGMM electronic version	Municipal Manager's Office

Coordination of Back to Basics program	Facilitate coordination of B2B.	To ensure full compliance to national initiative.	88.	No of reports compiled and submitted to COGTA	12 Reports submitted	New indicator	Target achieved Twelve (12) back to Basics monthly reports submitted to both COGTA & COGHSTA	None	None	Monthly reports submitted, acknowledgement receipt	Municipal Manager's Office
	Development of Draft Performance Plans, Submit to immediate Supervisor for inputs and signing with immediate supervisor		89.	% of Unit Managers with signed performance plans (# of unit managers with plans/total # of managers)	100%	PMS Policy available	Target not achieved 0% of unit managers with signed performance plans	None submission of signed performance plans by unit managers occurred as a result of hung engagement between organized labour union and Management through Local Labour forum and review of the PMS policy.	Signed performance plans for none section 56 managers will be done in the new financial year.	Signed Performance Plans	Municipal Manager's Office
	Development of Draft Performance Plans, Submit to immediate Supervisor for inputs and signing with immediate supervisor		90.	% of employees with signed performance plans (# of employees with plans/total # of employees)	100%	PMS Policy available	Target not achieved 0% employees with signed performance plans	None submission of signed performance plans by employees occurred as a result of hung engagement between organized labour union and Management through Local Labour forum and review of the PMS policy.	Signed performance plans for employees will be done in the new financial year.	Signed Performance Plans	Municipal Manager's Office

	Development of draft performance agreements, Engage relevant senior managers, Submit the final Performance of senior managers to municipal manager for signing and for the municipal manager to the mayor for signing and submit the performance agreement to the MEC for department of Cooperative Governance Human Settlement and Traditional Affairs	91.	No of senior management with signed performance agreements	6		PMS Policy available	Target achieved 06 Senior Management with signed performance agreements	None	None	Signed Performance agreements	Municipal Manager's Office
Institutional Management meetings	To hold management meetings for proper planning and monitoring. Development of schedule of meetings, Issue to all relevant stakeholders, development of documentation with invitation for a meeting, distribution, reminders and meeting	92.	No of management meetings held	24 (1 bi-weekly)		Year plan developed	Target not achieved. At least 17 Management meetings held on the 24/27/30 July 2015, 03/20/26 August 2015, 05/26 October 2015, 02/05/16 November 2015 & 03rd December 2016 & 22nd February 2016	Other Unavoidable council activities	Resolved to sit on weekly basis	Minutes/Report Attendance registers	Municipal Manager's Office
	Development of resolution register, Capture resolutions and monitor the implementation of resolutions	93.	% of Management resolutions implemented.	100%	Implementation of resolution	Year plan	Target not achieved 65% Implementation	Non sittings of management meetings to implement resolutions	Ensure regular sittings of management meetings	Resolution Register	Municipal Manager's Office

Local Intergovernmental Relations	Development of schedule of meetings, issue to all relevant stakeholders, development of documentation with invitation for a meeting, distribution, reminders and meeting	94.	No of the local IGR Forum held	4 meetings per annum	Schedule of the meetings	Target not achieved Only 01 Local IGR meetings was held during the month of July 2016.	The other three (03) IGR forum meetings could not take place due to lack of quorum	To be prioritized in the new financial year	Minutes/Report Attendance registers	Municipal Manager's Office
	Development of resolution register, Capture resolutions and monitor the implementation of resolutions	95.	% of implementation of IGR resolutions	100% implementation of IGR forum resolutions	Schedule of the meetings	Target not achieved 0% implementation of IGR Resolutions	Meetings were not held	Resolutions to be implemented in the new financial year	none	Municipal Manager's Office

Project	Project Description	Strategic Objectives	KPI No	Original KPI/Measurable Objective	Original Annual Target	Baseline	Actual Performance	Reason for variance	Corrective Measure	Portfolio of Evidence	Responsibility
KPA 3: LOCAL ECONOMIC DEVELOPMENT											
Poverty Alleviation		To grow the municipal economy and create a conducive environment for job creation and enterprise development	96.	To support and sustain 4 poverty alleviation projects	4 projects supported	Poverty alleviation projects in place	Target not achieved, SWOT analysis for 4 projects conducted. 2 poverty alleviation projects namely Reatsewela bakery and Moloko Fresh Produce were supported through the assistance of Sun Edison. Feasibility study conducted for Rebochicks Poultry.	Delays in the procurement of projects inputs.	To fasttrack procurement of inputs.	Project & monitoring reports	Economic Development and Planning

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	Capture spending on INEP project. Compile spending report in terms of section 71 report.	120.	% INEP Grants spent by 30 June 2016	100% (Total budget spent/ Total budget)	100% (Total budget spent/ Total budget)	Target achieved 100% spent (budget R7m of R7m spent)	None	None	Quarterly Financial Report	Municipal Manager and Technical Services
	Capture spending FMG project. Compile spending report in terms of section 71 report.	121.	% FMG by 30 June 2016	100%	100%	Target achieved 100% on financial management grant 100% spent (R1.8m of R1.8m spent)	None	None	Expenditure Report	Budget and Treasury
	Capture spending MSG project. Compile spending report in terms of section 71 report.	122.	% MSG by 30 June 2016	100%	100%	Target achieved 100% spent on Municipal system improvement grant	None	None	Expenditure Report	Budget and Treasury
	Capture spending on operating budget spent. Compile spending reports in terms of section 71 report	123.	% of operating budget spent	90% of operating expenditure budget spends.	Demand Management Plan	Target achieved 90% of operating e budget has been spent.	None	None	Quarterly Financial report	Budget and Treasury
Assets and Inventory Management	Develop schedule for asset verification, circulate to all departments and verification of assets	124.	No of assets verifications conducted	No of assets verified and recorded to fixed register.	2 assets verifications conducted	Target achieved 2 asset verification done for the 2015/16 financial year	None	None	Verification Report	Budget and Treasury
	Develop stock taking schedule and do stock counting	125.	No of stock taking performed per annum	4	4	Target achieved Stock taking schedule developed and 4 stock counting conducted	None	None	Report	Budget and Treasury

	Unbundling of infrastructure assets		126.	% compliance to Asset Standard (GRAP 17)	Approved Asset Management Policy in place and implemented	100% of all municipal assets reviewed and recorded in Fixed Assets	Target achieved 100% infrastructure assets unbundled as per Grap 17	None	None	Asset register	Budget and Treasury
	Implementation of assets Maintenance plan		127.	% implementation of Assets Maintenance Plan	Development of asset plans for the year.	Assets Maintenance Plan Developed and Implemented	Target not achieved	Inadequate capacity for directorates to develop municipal asset maintenance plan.	Capacitate Assets officials to develop the referred to institutional maintenance plan.	Asset maintenance plan	Budget and Treasury
Budget Preparation	Collect budget from departments, Consolidate the budget, Present the draft to management, Submit to council for approval		128.	To table the draft budget to council by 31 March 2016	Draft budget tabled to council	IDP/Budget Process Plan	Target achieved Draft IDP/Budget tabled to council	None	None	Draft budget and Council Resolution	Economic Development and Planning
	Take the draft for public participation with IDP. Incorporate inputs and submit the budget final approval		129.	To submit the final budget to council by 31 May 2016	Final budget submitted to council	IDP/Budget Process Plan	Target achieved Final Budget submitted to council	None	None	Final budget and Council Resolution	Budget and Treasury
	Compile the section 71 report. Submit to treasury within 10 days after month end. Submit to council for approval.		130.	No of section 71 report submitted to Treasury within 10 days after the end of the month	12 section annual report submission	12 2014/15 Section 71 report	Target achieved Section 71 report compiled and submitted to treasury	None	None	Copy of acknowledgement of receipt by treasuries	Budget and Treasury
	Compile AFS Process plan, Submit to management for inputs, submit to audit committee, Compile the Annual Financial Statement, Review the Annual Financial Statement, present to management, present		131.	To prepare and submit annual financial statements and performance report to the Auditor General by 31st August	Availability of AFS process Plan	2013/14 Financial records	Target achieved 2014/15 AFS prepared and submitted to AG on time	None	None	Copy of Annual Financial Statement	Budget and Treasury

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Project	Project Description	Objectives	KPI No	KPI/Measurable Objective	Annual Target	Baseline	Actual Performance	Reason for variance	Corrective Measure	Portfolio of Evidence	Responsibility
KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION											
Auditing	Develop risk Internal Plan for approval	To provide independent objective assurance and consulting activities of the internal control systems, risk management and governance processes.	137.	To develop risk based internal audit plan and submit to council for approval by 30 June 2016	Approved of risk based audit plan	Approved Risk based audit plan	Target achieved Risk Based Internal Audit plan developed and approved	None	None	Risk Based Internal Audit Plan & Council resolution	Municipal Manager's office
	Develop risk audit plan, identify risks and mitigate them	To provide independent objective assurance and consulting activities of the internal control systems, risk management and governance processes.	138.	% implementation of risk based internal audit plan	100% implementation of approved risk based audit plan	Risk based audit plan	Target achieved 100% Implementation of Risk based Internal Audit Plan	None	None	Action Based Internal Audit plan & Implementation plan	Municipal Manager's Office

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	Development of schedule of meetings, issue to all relevant stakeholders, development of documentation with invitation for a meeting, distribution, reminders and meeting		139.	No of audit committee meeting held	4 audit committee meeting held	Audit committee meeting are held as per MFMA	Target achieved Meetings were held On the 23 July 2015, 07 Dec 2015, 25 Jan 2016, 26 April 2016	None	None	Attendance register, minutes, reports	Municipal Manager's Office
	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	140.	% of audit queries raised by internal audit unit attended to.	100%	Internal audit unit in place and annual audit plan annually developed	Target not achieved (80%) 45 issues were raised by Internal Audit, 27 Resolved and 18 still in progress	Management did not address all findings adequately	Management to work on outstanding matters	Internal Audit Action	Municipal Manager's Office
	Develop Internal Audit Action plan, capture all issues raised by external audit, attend to audit, attend to and report on progress	To address all queries raised by the external audit	141.	% of audit queries raised by external audit unit attended to.	100%	Audit Action Plan	Target not achieved (85%) 64 issues were raised by AG, 46 were resolved, and 08 are still in progress	Management did not address all findings adequately	Management to work on the outstanding matters	External Audit Action Plan	Municipal Manager's Office
Audit & Risk Committee allowance	Paying allowances to audit & risk committee members	To ensure that Audit & Risk Committee Members are paid	142.	% of payment of Audit & Risk Committee allowances	100%, payment of Audit & Risk Committee allowance	Schedule of meetings	Target achieved, 100% Payment of Audit Committee Risk Allowance made	None	None	Expenditure Report	Budget and Treasury

Community Participation	To hold Ward public meeting in all the 21 wards (Report back meetings).	To improve and encourage participation of stakeholders and communities in the municipal affairs.	143.	To Coordinate meetings of stakeholders and communities as per approved schedule of meetings.	84 meetings per year for all 21 wards(4 meetings per year per each ward)	Schedule of meetings	Target not achieved. Some wards could not hold their quarterly meetings.	Lack of quorum and meetings scheduled for the last quarter were called off.	Reports on public meetings were forwarded to the Offices of the Speaker and Chief Whip.	Attendance Registers Schedule of meetings Quarterly Reports	Corporate Services
IDP review	Development of IDP Process plan, Analysis phase, Draft IDP/Budget 2016/17 completed and submitted to Council for adoption by 31 March 2016 and Final IDP submitted to Council for approval	To review the 2015/16 IDP/Budget that is aligned to the budget	144.	To develop Credible IDP/Budget Document	1	Approved Schedule of meetings.	Target achieved Final IDP submitted to council	None	None	IDP, Council resolution	Economic Development and Planning
Citizens' report	Development of a draft citizens report, Final report completed and printed	To produce a revised citizens report for 2016/16	145.	To produce comprehensive citizens' reports by 31 December 2015	1000	Citizens' report in place	Target not achieved	Replication of program initiated by COGHSTA for municipalities to provide with five years' service delivery charter while the scope of work for citizen report covers since the inspection of the municipality.	Review the target and focus only on five years' service delivery charter initiated by COGHSTA.	Copy of citizen's report Delivery note	Economic Development and Planning

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Newsletter	Development of draft newsletter and circulate it to all departments for inputs, finalization of the newsletter and submit to service provider for printing.	To produce quarterly municipal newsletter	146.	No of community newsletters editions printed	4 Editions	2015/16 DP Document Municipal News, has been consistently produced on a quarterly basis in the previous financial years.	Target Achieved 4 (7000) Editions of newsletters edited and printed.	None	None	Delivery note Copy of newsletter	Corporate Services
Advertisements	Securing slots on radios and magazines	To publicize municipal events on radios and magazines	147.	% municipal events publicized	100%	100%	Target Achieved 100% municipal events publicized	None	None	Proof of advert	Corporate Services
Out of Pockets Expenses	Develop payment roll for ward committees	To Comply with guidelines on allocation of our pocket expenses for ward committees.	148.	No of ward committee members paid stipend.	210	210	Target achieved All ward committee members were paid their out of pocket expenses	None	None	Proof of payment/ payment roll for Ward Committees	Corporate Services
MPAC Programme	Development of schedule of meetings, issue to all relevant stakeholders, development of documentation with invitation for a meeting, distribution, reminders and meeting	To build accountable and transparent governance structures responsive to the need of the community	149.	No of oversight meetings coordinated	4	Approved Schedule of meetings.	Target achieved, 04 Oversight meetings	None	None	Attendance registers, minutes & Reports	Corporate Services

Mayors Bursary Fund	Develop Mayor's Bursary Policy, issue out advertisement and bursary application forms, Short listing of the applicants and issuing of bursary confirmation letters to successful applicants and Pay institutions and service providers	To provide financial assistance to needy community members	150.	To provide bursary fund to needy community members	Provision of bursaries to the awarded needy members of the communities	Mayor's Bursary Policy	Target achieved Six (6) bursars benefited from the Mayors bursary fund making the total of ten (10) currently benefiting from the fund	None	None	Proof of payment to institutions	Municipal Manager's Office
	Monitor progress on existing beneficiaries and report	To monitor and evaluate progress of existing beneficiaries of mayor' bursary fund	151.	No of quarterly reports of bursary beneficiaries to council	4 Reports per annum	3 bursary beneficiaries	Target achieved Four (4) Reports have been submitted to council.	None	None	Quarterly reports	Municipal Manager's Office
Anti-Fraud And Corruption	Risk identification Risk assessment Determining risk response Risk monitoring Risk reporting	To ensure reduction of fraud and corruption within the municipality.	152.	To develop risk register by the 30 th June 2016	1 Risk register	Risk Management and Fraud Implementation Plan	Target achieved Risk register developed	None	None	Risk register	Municipal Manager's Office

	Development of schedule of trainings to be presented to management, Risk and Audit Committees, EXC O committee and to Council for approval	To provide independent objective assurance and consulting activities of the internal control system, risk management and governance processes	153.	No of fraud and corruption awareness Campaigns Coordinated and Supported	2	Risk register	Target achieved. 2 Fraud & Corruption awareness campaign coordinate and supported	None	None	Attendance register	Municipal Manager's Office
Arts & Culture	Develop schedule to relevant stakeholders as per calendar	To give Support on Heritage celebrations of all traditional houses	154.	No of heritage and cluster cultural competition coordinated and supported	Five(05) heritage events coordinated(One (01) per traditional House	Year plan	Target achieved. 05 heritage events coordinated	None	None	Report	Municipal Manager's Office
Council Support	Development of schedule of meetings, issue to all relevant stakeholders, development of documentation with invitation for a meeting, distribution, reminders and meeting	To provide strategic and administrative support to the Mayor, Speaker, and Chief Whip, Councilors and Traditional Leaders	155.	No of Council meetings coordinated and supported.	4	Council Calendar	Target achieved. All Ordinary Council meetings were succeeds by public participation programmes	None	None	Attendance Registers Reports/Minutes Notice of the meetings	Corporate Services

	Development of schedule of meetings, issue to all relevant stakeholders, development of documentation with invitation for a meeting, distribution, reminders and meeting	156.	No of Mayor/Magoshi meetings coordinated and supported	4	Council Calendar	Target achieved, All Mayor-Magoshi meetings were coordinated and supported on the Ordinary Council on the 31st July 2015 at Kola leboho Sec School, 29th October 2015 at Lethaleng Pre-School, 22 March 2016 and 30 June 2016	None	None	Attendance Registers Reports/Minutes Notice of the meetings	Corporate Services
	Development of schedule of meetings, issue to all relevant stakeholders, development of documentation with invitation for a meeting, distribution, reminders and meeting	157.	No of portfolio committee meetings coordinated and supported	12	Council Calendar	Target achieved, All Portfolio Committee meetings were held as scheduled	None	None	Attendance Registers Reports/Minutes Notice of the meetings	Corporate Services
	Development of schedule of meetings, issue to all relevant stakeholders, development of documentation with invitation for a meeting, distribution, reminders and meeting	158.	No of Executive Committee meetings Coordinated and Supported	12	Council Calendar	Target achieved, All Executive Committee meetings were held as scheduled.	None	None	Attendance Registers Reports/Minutes Notice of the meetings	Corporate Services

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	Development of schedule of meetings, issue to all relevant stakeholders, development of documentation with invitation for a meeting, distribution, reminders and meeting	162.	No of IDP/Budget public Participation Meetings Coordinated and Supported	8 for Rep forum, Magoshi, farmers' unions and clusters	IDP process plan	Target achieved 08 Rep forum, Magoshi, Farmers unions and clusters public participation meetings coordinate & supported	None	None	Attendance register and reports	Economic Development and Planning
	Development of schedule of meetings, issue to all relevant stakeholders, development of documentation with invitation for a meeting, distribution, reminders and meeting	163.	No of Mayoral Public Participation Meetings Coordinated and Supported road shows	16	Council Calendar	Target achieved 16 Mayoral Public participation meetings coordinated and supported	None	None	Minutes, Report Attendance Register	Municipal Manager's Office
	Development of schedule of meetings, issue to all relevant stakeholders, development of documentation with invitation for a meeting, distribution, reminders and meeting	164.	No of waste forum held	4	Integrated Waste Management Plan	Target achieved, 17 Aug 2015, 04 Nov 2015, 08 06 May 2016 &	None	None	Minutes, Report Attendance Register	Community Services
	Development of resolution register,	165.	% implementation	100%	Availability of the forum and	Target achieved	None	None	Resolution register.	Community services.

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	Development of resolution register, capture resolutions and implementation and reporting progress of progress of resolutions.	169.	% Implementation of resolutions for the disaster forum	100% forum resolutions implemented	Availability of the forum and the 2014-15 reports	Target achieved 100% implementation of Disaster management forum	None	None	Resolutions register.	Community services.
	Development of schedule of meetings, issue to all relevant stakeholders, development of documentation with invitation for a meeting, distribution, reminders and meeting	170.	No of community safety forum held	4	Approved community safety plan	Target achieved 08 Aug, 03 Nov 2015, 05 Feb 2016	None	None	Minutes, Report Attendance Register	Community services.
	Development of resolution register, capture resolutions and implementation and reporting progress of progress of resolutions.	171.	% Implementation of resolutions for the community safety forum	100% forum resolutions prepared.	Approved community safety plan	Target achieved 100% Implementation of community safety plan resolutions	None	None	Resolutions register.	Community services.
	Development of schedule of meetings, issue to all relevant stakeholders, development of documentation with invitation for a meeting, distribution,	172.	No of Housing Forums held	4	Council calendar	Target achieved Housing forum meetings were held on the 12 Aug, 10 Nov 2015, 04 Feb & 26 Feb 2016	None	None	Minutes, Report Attendance Register	Economic Development and Planning

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[illegible]

	Development of schedule of meetings, issue to all relevant stakeholders, development of documentation with invitation for a meeting, distribution, reminders and meeting	176.	No of Tourism Development Forums held	4	Council calendar	Target achieved, Forums held on the 12 August 2015, 10 November 2015, 11 Feb 2016 and 18 May 2016.	None	None	Minutes, Report Attendance Register	Economic Development and Planning
	Development of resolution register, capture resolutions and implementation and reporting progress of progress of resolutions.	177.	% Implementation of resolutions for tourism Development forum	100% forum resolutions prepared.	Council calendar	Target achieved, Resolutions are part of LED and Tourism fora reports.	None	None	Resolutions register.	Economic Development and Planning
	Development of schedule of meetings, issue to all relevant stakeholders, development of documentation with invitation for a meeting, distribution, reminders and meeting	178.	No of energy forums held	4	Council calendar	Target achieved, Energy forum meetings were held on the 05/08/2015, 23/09/2015, 10/11/2015 & 04/02/2016	None	None	Minutes, Report Attendance Register	Technical Services

	Development of resolution register, capture resolutions and implementation and reporting progress of progress of resolutions.		179.	% Implementation of resolutions for Energy forum	100% forum resolutions prepared.	Council calendar	Target achieved, 100% implementation of energy forum resolutions	None	None	Resolutions register.	Technical Services
Audit Committee	Development of schedule of meetings, issue to all relevant stakeholders, development of documentation with invitation for a meeting, distribution, reminders and meeting	To strengthen accountability through proactive oversight.	180.	No of Audit meetings coordinated	5	Year Plan	Target achieved, audit committee meetings 23 July and 07 December 2015, 25 January 2016, 26 April 2016, 18 July 2016	None	None	Attendance Register Reports/Minutes Invitation	Municipal Manager's Office
	Development of schedule of meetings, issue to all relevant stakeholders, development of documentation with invitation for a meeting, distribution, reminders and meeting		181.	No of audit steering committee meeting	24	Year Plan	Target not achieved 21 steering committee meetings held on the 09th July, 11 & 26 August, 02,16,10,30 September, 13 & 26, 07,14,21,28, November 2015, 18 Feb 2016, 01 Mar 2016, 09 Mar 2016, 26 May 2016, 02 June 2016, 09 June 2016, 15 June 2016, 23 June 2016	The remaining 03 meetings could not take place due to other council commitments	Ensure regular sittings of Audit steering committee meetings	Attendance Register Reports/Minutes Invitation	Municipal Manager's Office

Risk management	Risk identification Risk assessment Determining risk response Risk monitoring Risk reporting	To protect the municipality from potential risk.	182.	To develop project risk register for risk management	4		New indicator	Target achieved Project risk register development	None	None	Risk register	Municipal Manager's Office
	Development of schedule of trainings to be presented to management, Risk and Audit Committees, EXC O committee and to Council for approval	To provide independent objective assurance and consulting activities of the internal control system, risk management and governance processes	183.	No of risk awareness campaigns coordinated and supported	2		Risk Implementation Plan	Target achieved Risk awareness campaign coordinated and supports	None	None	Attendance register / Invitation	Municipal Manager's Office
	Development of schedule of meetings to be presented to management, Risk and Audit Committees, EXC O committee and to Council for approval		184.	No of risk committee meetings coordinated	4		Risk Implementation Plan	Target achieved 04 Risk Committee meetings coordinated	None	None	Minutes of the meeting Attendance register Risk Management report	Municipal Manager's Office
Security Management	Attend o incidents and develop reports	To protect the municipal properties and employees against potential threats.	185.	% of security incidents attended to immediately	100%		Security contracts in place	Target achieved 100% security incidents attended to immediately.	None	None	Incidents reports	Municipal Manager's Office

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Communication management	Development of draft communication strategy and circulate it to all departments for inputs, finalization of the newsletter and submit to council for approval	To provide communication support services, public liaison, marketing management.	186.	To review communication, corporate and branding strategy	1	Communication and Branding strategies	Target Achieved, Communication and Branding Strategy approved by Council.	None	None	Communication strategy council resolution	Corporate Services
	Secure slots/ space with media houses		187.	No of media statements /articles issued	16 media statements/alerts issued to various media houses	Communication and Branding Strategy/ Media Relations Policy	Target Achieved, 16 Media statements issued to various media houses.	None	None	Media articles	Corporate Services
	Development of progress report of the previous year's progress report and Presentation of the new projects, programs and budget		188.	To develop IDP, Budget speech produce and print	1	IDP/Budget Process Plan	Target achieved IDP/Budget produced and printed	None	None	IDP /Budget speech	Municipal Manager's Office
	Develop of specification, Submit to SCM for procurement processes		189.	No of diaries and calendars provided.	550	Communication and Branding Strategy	Target Achieved, Approved specifications submitted to the director.	None	None	Delivery note	Corporate Services

SDBIP	Collect information from departments, Develop a draft SDBIP. Submit to departments for inputs, incorporate inputs and submit to council for approval by 31 March 2015. Submit to the Mayor for signature, Submit to council for noting.	190.	To develop 2016/17 SDBIP and submit to the Mayor for signature within 28 days after approval of the budget	SDBIP 2015/16 was developed and submitted to the Mayor within 28 days after approval of the budget	SDBIP 2015/16 was developed and submitted to the Mayor within 28 days after approval of the budget	Target achieved 2015/16 SDBIP developed and signed by the Mayor	None	None	Signed SDBIP	MUNICIPAL MANAGER
Annual performance report	Distribute Annual Performance report template to all departments to update, consolidate all the reports and submit to council for approval, AG and all relevant sector departments	191.	To develop Annual Performance Report and submit to AG by 31 st August 2015	Approved Annual Performance Report 2014/15	Approved Annual Performance Report 2013/14	Target achieved Approved 2014/15 Annual Performance Report developed	None	None	Annual Performance report (Sec 46) 2014/15	Economic Development and Planning

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Annual report	Distribute report template to all departments to update, consolidate all the reports and submit to council for approval. AG and all relevant sector departments	192.	No of Annual Report developed	1 annual report developed and submitted to all relevant stakeholders	Annual report consistently approved for the previous financial years in line with legislation	Target achieved 1 Annual report developed and submitted to all stakeholders	None	None	Annual report, council resolution and acknowledgement letter	Economic Development and Planning
IDP Process Plan	Develop IDP process plan present it to EXCO, from EXCO to Council for approval and distribute it to all relevant stakeholders	193.	To develop IDP process Plan and submit to council by end of July 2015	Process Plan available and submitted to council for approval	MSA	Target achieved IDP Process plan developed and submitted to council for approval	None	None	IDP process plan	Economic Development and Planning
Review of finance policies and strategies	Draft budget related policies and submit for March council meeting for approval and public participation and inputs, present final, final budget related policies for May for adoption	194.	To review budget related policies by 31 st May 2016	13 policies reviewed for the year	12 budget related policies and 1 strategy reviewed and approved.	Target achieved 13 Policies reviewed for the year	None	None	Budget adopted policies and council resolution	Budget and Treasury
	Compile quarterly financial statements and submit to council	195.	No of quarterly financial statements submitted to Council	Management reports prepared and reported continuously.	4 financial reports prepared and submitted to the Mayor quarterly	Target achieved 4 Financial Reports developed and submitted to	None	None	Quarterly financial reports and council resolutions	Budget and Treasury

Project	Project Description	Strategic Objectives	KPI No	KPI/Measurable Objective	Annual Target	Baseline	Actual Performance	Reason for variance	Corrective Measure	Portfolio of evidence	Responsibility
KPA 6: SPATIAL PLANNING AND RATIONALE											
Alldays Master plans development	Development of the terms of reference Appointment of a service provider Establishment of a local reference committee steering committee. Development and submission of a status quo report. Approval of a status quo report and development of a draft master plan Public consultations on the draft master plan,	To develop integrated, sustainable and economically viable human settlements	198.	To develop master plan and submit to council by 30 June 2016	Alldays master plan developed and approved	Project in the IDP	Target achieved. Alldays master plan developed and approved by council.	None	None	Copy of Alldays Master Plan Council Resolution for approval	Economic Development and Planning
Conveyancing services and opening of a township register for Senwabarwana ext 5	Development of terms of reference Appointment of service providers Data collection and re-surveying of some property portions. Lodgment of registration documents with surveyor-general and deeds office. Completion stage and opening of a township register and file		199.	To develop township register for Senwabarwana extension 5	register for Senwabarwana township extension 5 developed	General plan for extension 5 in place	Target Not achieved	Scope of work was reviewed	To work on reduction of scope of work	Proof of registration	Economic Development and Planning

Extension 5 township is legible for the conveyancing of individual even to property owners	Functionality of the Local Geographical Names Committee	Develop schedule for meetings Notify affected stakeholders, draft street names for Alldays & Senwabarwana, public consultation meetings, submit of names to council for approval and installation of names and infrastructure	200.	To name streets and public features in Senwabarwana and Alldays townships	Approved street names for Alldays and Senwabarwana and installed infrastructure for such names, especially street names	LGNC in place Policy on naming and renaming in place Names committee and policy was unpacked to Senwabarwana and Alldays residents in April and May 2014	Target not achieved.	Street names for Alldays, Senwabarwana not finalized	To be prioritized in the next financial year	Report	Economic Development and Planning
Climate Change	Planting of trees		201.	No of trees planting projects implemented.	2 tree planting projects implemented	SDF and EMP	Target achieved Two tree planting projects has been implemented.	None	None	Report and pictures	Community Services
Land acquisition	Revive negotiations with both DRDLR & Dept Pub Works, Written agreement/deeds of donation, Lodge registration documents with deeds office, 3 settlements acquired and		202.	To facilitate land settlement for Puraspan, Laanglagle & Anuree	3 settlements (Puraspan, Laanglagle & Anuree) acquired	Existence of settlements	Target not achieved	Awaits approval from National department of Public works to release assessment report	To Conduct Regular follow ups with Dept of Public Works.	Title deed	Economic Development and Planning

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Human Settlement	Identification of beneficiaries and submission of the list to COGSTA	206.	No of beneficiaries identified and provided with low cost housing	Senwabarwana ext 8 500 beneficiaries	Housing Disaster database Draft list of Development areas for housing provision has been developed by COGHSTA	Target achieved 500 beneficiaries were initially identified and COGHSTA approved for 400 beneficiaries	None	None	Beneficiaries list and proof of submission	Economic Development and Planning
Land use Management	processing and finalization of all land development applications and change of land use rights in line with the land use management scheme	207.	% implementation of LUMS Action plan	100% compliance of all approved and developed applications	land use Management Scheme is in place	Target achieved 100% processing and finalization of all land development applications and change of land use rights in line with the land use management scheme	None	None	Attendance Register, report and list for applicants	Economic Development and Planning



Chapter 4

CHAPTER 4

ORGANIZATIONAL DEVELOPMENT AND PERFORMANCE (HUMAN RESOURCES)

INTRODUCTION

The municipal Organizational structure was aligned to IDP and budget. The structure was also adopted by the council. All skills gaps and performance were identified and training interventions were made to address skills gap. The institution comply with the national legislation.

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Employees						
Description	14/15			15/16		
	No. of employees	No. of vacancies	% of vacancies			
Water						
Waste Water (sanitation)						
Electricity				8	0	
Waste Management						
Housing				3	1	
Waste Water (Storm water Drainage)						
Roads				26	2	
Transport						

Planning				3	3	
Local Economic Development				3	1	
Planning (Strategic & Regulatory)				7		
Community & social services				27		
Environmental protection				5		
Health						
Security & safety				20	2	
Sport & recreation				2		
Corporate Policy offices & other				109	13	
Totals	194			213	22	

Vacancy Rate: 15/16

Designation	*Total approved posts No.	*Variances (Total time that vacancies exist using fulltime equivalents) No.	*Variances (as a proportion of total posts in each category) %
Municipal Manager	1		
CFO	1	1 year	1
Other S57 Managers (excluding Finance Posts)	4		
Other S57 Managers (Finance posts)			
Municipal Police	15		
Fire Fighters			
Management:	25	1 year	2
Senior Management: Levels 13-15 (Finance Posts)			
Highly skilled supervision: Levels 9-12 (excluding Finance posts)	33		

Highly skilled supervision: Levels 9-12 (Finance posts)	7		
Total	86		

Turn-over Rate			
Details	Total Appointments as of beginning of financial year No.	Terminations during the financial year No.	Turn-over Rate*
2011/12	163	12	7%
2012/13	194	4	2%
2013/14	196	10	19.6%
2014/15	205	15	7.3%
2015/2016	213	07	3.3%

COMMENT ON VACANCIES AND TURNOVER:

Unavailability of Succession Plan/Policy makes it impossible to ideally source personnel from the institution to readily fill the vacated posts handy in preparing potential incumbents of the challenges that lie ahead. Most of the vacancies were filled except for Senior Management cumbersome as the process of filling such is not entirely institutional.

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 Equity Act is geared towards achieving employment equity across all occupational levels and categories and therefore in order to redress the past and move towards a humane and representative Labour market underpinned by Equity, Equity redress and Affirmative Action. The Municipality has an Employment Equity Plan and active/ functional Employment Equity Committee. 2012/2013 Employment Equity report was timeously submitted to 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%	30/06/2015
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	Using the disciplinary code collective agreement
6	Essential Services	0	0	04/06/2008
7	Employee Assistance/ wellness	100	100	30/06/2015
8	Employment Equity	100	100	31/01/2016
9	Exit Management	100%	100%	30/06/2015
10	Grievance Procedures	100%	100%	30/06/015
11	HIV/AIDS	100%	100%	30/06/2015
12	Human Resource & Development	100%	100%	30/06/2015
13	Information Technology	100%	100%	30/06/2015
14	Job Evaluation	100%	100%	31/03/2015
15	Leave	0	0	31/05/2007
16	Occupational Health & Safety	100%	100%	30/06/2015
17	Official Housing	0	0	N/A
18	Official Journeys	100	100	Using treasury guidelines
19	Official Transport to attend funerals	100	100	30/06/2015

20	Official working hours and overtime	100	100	Using main collective agreement
21	Organisational rights	0	0	Using main collective agreement
22	Payroll Deductions	0	0	31/03/2015
23	Performance Management & Development	100	100%	30/06/2015
24	Recruitment, selection & Appointments	100	0	04/06/2008
25	Remuneration Scales & Allowances	100	0	04/06/2014
26	Resettlement	100	0	n/a
27	Sexual Harassment	100	0	30/06/2015
28	Skills development	100	100%	30/06/2015
29	Smoking	100	0	04/10/2004
30	Special skills	100	0	n/a
31	Work Organization	100	100	31/07/2015
32	Uniforms & protect clothing	0		
33	Other			

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 fair, efficient, effective and transparent personnel administration. During the year in issue emphasis was placed on improving implementation of those policies that were becoming outdated. The Corporate Services Portfolio Committee had developed a monitoring tool and considered policy implementation progress report. Policies were developed and adopted by the council. There is a need to develop a plan that will outline the processes to be followed in implementing the plan. Bursaries will be issued to eligible employees for career development. 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

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

Number of days and cost of sick leave (excluding injuries on duty)						
Designations	Total sick leave	Proportion of sick leave without medical certification	Employees using sick leave	Total employees in post*	*Average sick leave per employees	Estimated cost
	Days		No.	No.	Days	R'000
(level 1-2)	16	0	2	4	4	70166.81
Skilled (level 3-5)	276	18	32	51	5.4	292565.23
(levels 6-8)	120	24	19	28	4.2	186093.02
(level 9-10)	166	17	24	67	2.47	174521.51
(levels 11)	196	12	28	62	3.1	115715.32
MM	0	0	0	1	0	0
Total	627	36	74	213		839061.89
*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 need basic medical attention during the year under review. Risk assessment was conducted by the Health and Safety Committee. 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
Traffic Officer	Gross-misconduct and Insubordination	19/12/2011	Dismissed and Reinstated	November 2014
Chief Traffic Officer	Insubordination and devaluation of duty	19/10/2011	Reinstated	November 2014
Manager (Tolwe)	Gross-misconduct	11/06/2013	Case settled amicably	March 2015
Legal Officer	Gross-misconduct	18/06/2013	Case settled	August 2015
Cashier	Gross-misconduct	20 May 2015	Case settled	22 March 2016

Disciplinary action taken on cases of financial misconduct			
Position	Nature of alleged misconduct and rand value of any loss to the municipality	Disciplinary action taken	Date finalized
Cahier	Theft	22 March 2016	20 April 2016

COMMENT ON SUSPENSIONS AND CASES OF FINANCIAL MISCONDUCT:

There were no cases related to financial misconduct during the year in issue.

4.4 PERFORMANCE REWARDS

Performance Rewards by Gender (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 2013/14 R'000	Proportion of beneficiaries within group %
Lower skilled (levels 1-2)	Female	0	0	0	0
	Male	0	0	0	0
Skilled (levels 3-5)	Female	0	0	0	0

	Male	0	0	0	0
Highly skilled production (levels 6-8)	Female	0	0	0	0
	Male	0	0	0	0
Highly skilled supervision (levels 9-12)	Female	0	0	0	0
	Male	0	0	0	0
Senior Management (levels 13-15)	Female	0	0	0	0
	Male	0	0	0	0
MM and S57	Female	0	0	0	0
	Male	0	0	0	0
Total					

Has the statutory municipal calculator been used as part of the been used as part of the evaluation process?

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).

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 time frame. The municipality complies Mandatory and discretionary grants were claimed and received to assist training interventions

4.5 SKILLS DEVELOPMENT AND TRAINING

Skills Matrix													
Management	Gender	Employees in post as at 30 June 2016	Number of skilled employees required and actual as at 30 June 2016										
		No.	Learnerships			Skills programme & other short courses			Other forms of training			Total	
			Actual 30 June 2015	Actual 30 June 2016	Target	Actual 30 June 2015	Actual 30 June 2016	Target	Actual 30 June 2015	Actual 30 June 2016	Target	Actual 30 June 2015	Actual 30 June 2016
	Female	01		01	01	02	00	02		00		02	01

MM & S57	Male	03		00		01	00	01		00		01	00
Councilors, senior officials & managers	Female	25		00		01	12	13		00		01	12
	Male	39		01	01	01	11	12		00		01	12
Technicians & associate professionals	Female	12		00		06	5	11		00		06	05
	Male	24		00		16	10	26		00		16	10
Professionals	Female	21		00		00	05	05		00		00	05
	Male	36		00		00	12	12		00		00	12
Sub Total	Female	59											
	Male	102											
Total		161		02		27	54	81		00		27	57

Financial competency development: progress report

Description	A Total number of officials employed by municipality (Regulation 14 (4)(a) and (c))	B Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c))	Consoli dated: Total of A and B	Consolidated: competency assessment completed for a and B (regulation 14(4)(b) and (d))	Consolidate d: Total number of officials whose performanc e agreements comply with regulation 16 (Regulation 14(4)(f))	Consolidated: Total Number of officials that meet prescribed competency levels (Regulation 14(4)(a))
Financial officials	04	00	04	03	03	03
Accounting officer	01	00	01	0	01	01
Chief Financial Officer	01	00	01	0	01	01
Senior Managers	04	00	03	04	04	01
Any other financial officials	04	00	04	0	04	00
Supply Chain Management officials	02	00	02	0	01	01
Heads of SCM units	01	00	01	0	01	01
SCM senior managers	00	00	00	0	00	00
Total	17	00	16	07	15	08

Skills Development Expenditure										
Management Level	Gender	Employees as at the beginning of the financial year	Original Budget and Actual Expenditure on skills development 2015/16							
			Learnerships		Skills programmes & other short courses		Other forms of training		Total	
		No.	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual
MM and S57	Female	1	28 500	28 500	10 000	6 500	00	00	38 500	35 000
	Male	3	00	00	10 000	10 000	00	00	10 000	10 000
Legislators, senior officials and managers	Female	25	00	00	226 337	226 337	00	00	226 337	226 337
	Male	42	45 144	45 144	366 132	336 132	00	00	411 276	411 276
Professionals	Female	12	00	00	20 854	20 854	00	00	20 854	20 854
	Male	24	00	00	116 870	116 870	00	00	116 870	116 870

Technicians and associate professionals	Female	21	00	00	6 080	6 080	00	00	6 080	6 080
	Male	36	00	00	12 160	12 160	00	00	12 160	12 160
Clerks	Female	09	00	00	143 000	143 000	00	00	143 000	143 000
	Male	04	00	00	90 000	90 000	00	00	90 000	90 000
Service and sales workers	Female	04	00	00	00	00	00	00	00	00
	Male	03	00	00	45 000	45 000	00	00	45 000	45 000
Plant and machine operators and assemblers	Female	02	00	00	00	00	00	00	00	00
	Male	26	00	00	38 000	38 000	00	00	38 000	38 000
Elementary occupation	Female	25	00	00	2 959	2 959	00	00	2 959	2 959
	Male	41	00	00	11 828	11 828	00	00	11 828	11 828
Sub Total	Female	99	00	00	409 230	405 730	00	00	409 230	405 730
	Male	189	00	00	659 990	659 990	00	00	659 990	659 990

COMMENT ON SKILLS DEVELOPMENT AND RELATED EXPENDITURE AND ON THE FINANCIAL COMPETENCY REGULATIONS:

Not all Managers and Finance officials were trained on financial competency regulations due to insufficient budget

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	
Skilled (level 3-5)	Female	
	Male	
Highly skilled production (levels 6-8)	Female	
	Male	03
Highly skilled supervision (level 9-12)	Female	
	Male	
(levels 13-15)	Female	
	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 exist
0	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 AT TO THE OFFICE OF THE MUNICIPAL MANAGER.

Chapter 5





Blouberg Local Municipality
Financial statements
for the year ended 30 June 2016

Blouberg Local Municipality

(Registration number LM351)

Financial Statements for the year ended 30 June 2016

General Information

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	Selamolela S
Speaker	Thamaga MN
Chief Whip	Seduma MD
Members of Executive Committee	Ratladi SD Masekwameng MR Moetji NT Sithukga SE Tutja TP Tjumaana MM Morapedi MA Rapheaga KT Lehong MV Rangata MJ Mosebedi ME Morukhu MB Choshi MM Raseruthe MA Makobela SR Boloka MP Nabane NB Sekwatlakwatla SP Kgatalala MM Sekgoloane SE Ntlatla MW (MPAC Chairperson) Mathekgane CR Mojodo MD Kobe DM Molokomme NO Ntlema MA Mashalane MS Shongoane SL Kotsinkwa PJ Mathidza SE Keetse MC Maboya MS Tlouamma NM Chauke KR Phosa MH Modishetji MP Mokgehle PS Sekgoloane MJ
  Councillors	
Grading of local authority	Grade 3 Local Municipality in terms of Remuneration of Public Office Bearers Act (Act 20 of 1988)

Blouberg Local Municipality

(Registration number LM351)

Financial Statements for the year ended 30 June 2016

General Information

Acting Municipal Manager	Machaba MJ
Acting Chief Finance Officer (CFO)	Makobela MM
Registered office	2nd Building Dendron Road Senwabarwana 0790
Business address	2nd Building Dendron Road Senwabarwana 0790
Postal address	P.O.Box 1593 Senwabarwana 0790
Bankers	ABSA
Auditors	Auditor- General of South Africa
Attorneys	
Telephone number	(015) 505 7100
Fax number	(015) 505 0296
E-mail address	info@blouberg.gov.za
Nature of business and principal activities	Local Government and the provision of basic services to the local community
Auditors	Auditor- General of South Africa

Blouberg Local Municipality

(Registration number LM351)

Financial Statements for the year ended 30 June 2016

Index

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

Index	Page
Accounting Officer's Responsibilities and Approval	4
Statement of Financial Position	5
Statement of Financial Performance	6
Statement of Changes in Net Assets	7
Cash Flow Statement	8
Statement of Comparison of Budget and Actual Amounts	9
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Abbreviations

GRAP	Generally Recognised Accounting Practice
IAS	International Accounting Standards
IMFO	Institute of Municipal Finance Officers
IPSAS	International Public Sector Accounting Standards
MEC	Member of the Executive Council
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant (Previously CMIP)
SALGA	South African Local Government Association
FMG	Finance Management Grant
MSIG	Municipal System Improvement Grant

Blouberg Local Municipality

(Registration number LM351)

Financial Statements for the year ended 30 June 2016

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 financial statements and related financial information included in this report. It is the responsibility of the accounting officer to ensure that the 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 financial statements and was given unrestricted access to all financial records and related data.

The 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 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 accounting officer 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.

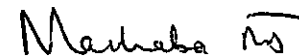
The accounting officer is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial 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 2017 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 financial statements are prepared on the basis that the municipality is a going concern .

Although the accounting officer are primarily responsible for the financial affairs of the municipality, they are supported by the municipality's external auditors.

The financial statements set out on pages 5 to 58, which have been prepared on the going concern basis.



Acting Municipal Manager

Machaba MJ

2016/11/18

Blouberg Local Municipality

(Registration number LM351)

Financial Statements for the year ended 30 June 2016

Statement of Financial Position as at 30 June 2016

Figures in Rand	Note(s)	2016	2015 Restated*
Assets			
Current Assets			
Inventories	2	3 861 518	6 805 016
Cash and cash equivalents	3	28 886 115	18 523 131
Receivables from exchange transactions	4	1 663 242	1 244 223
Receivables from non-exchange transactions	5	26 224 907	18 693 010
Consumer debtors	6	4 522 879	4 031 617
VAT receivable	7	12 201 812	4 937 200
		77 360 473	54 234 197
Non-Current Assets			
Property, plant and equipment	8	808 305 514	760 633 417
Intangible assets	9	130 001	-
Investments	10	3 092 581	3 091 620
		811 528 096	763 725 037
Total Assets		888 888 569	817 959 234
Liabilities			
Current Liabilities			
Finance lease obligation	13	617 258	330 252
Payables from exchange transactions	11	27 558 405	27 216 139
Other financial liabilities	12	2 076 583	2 947 527
Unspent conditional grants and receipts	14	25 828 000	9 976 433
Provisions	15	6 543 396	5 346 365
		62 623 642	45 816 716
Non-Current Liabilities			
Finance lease obligation	13	78 953	392 382
Provisions	15	13 717 236	13 246 612
		13 796 189	13 638 994
Total Liabilities		76 419 831	59 455 710
Net Assets		812 468 739	758 503 522
Accumulated surplus		812 468 739	758 503 522

* See Note 32

Blouberg Local Municipality

(Registration number LM351)

Financial Statements for the year ended 30 June 2016

Statement of Financial Performance

Figures in Rand	Note(s)	2016	2015 Restated*
Revenue			
Revenue from exchange transactions			
Service charges	16	17 122 390	17 100 326
Rental of facilities and equipment	17	1 091 288	820 363
Licences and permits		3 162 199	2 593 067
Interest received on outstanding debtors		305 630	388 434
Other income	19	3 009 437	1 442 623
Sale of Inventory - sites		3 598 326	-
Interest received - investment	18	1 503 913	1 039 732
Total revenue from exchange transactions		29 793 183	23 384 545
Revenue from non-exchange transactions			
Taxation revenue			
Property rates	20	20 289 091	14 984 619
Transfer revenue			
Government grants & subsidies	21	204 282 178	170 247 002
Public contributions and donations		19 462 110	-
Fines		1 085 850	1 814 622
Total revenue from non-exchange transactions		245 119 229	187 046 243
Total revenue	22	274 912 412	210 430 788
Expenditure			
Employee related costs	23	(77 443 033)	(69 841 764)
Remuneration of councillors	24	(12 906 297)	(12 138 877)
Depreciation and amortisation	26	(31 712 158)	(29 960 927)
Finance costs	27	(371 500)	(151 605)
Debt Impairment	25	(10 830 645)	(8 817 840)
Actuarial Loss		(410 271)	-
Repairs and maintenance		(5 525 442)	(1 895 151)
Bulk purchases	28	(23 268 195)	(19 313 157)
Contracted services	29	(3 582 391)	(3 160 405)
Loss on disposal of assets		(518 289)	(261 924)
Cost on sale of Inventory		(2 681 000)	-
General Expenses	30	(51 693 257)	(40 244 780)
Total expenditure		(220 942 478)	(185 786 430)
Surplus for the year		53 969 934	24 644 358

* See Note 32

Blouberg Local Municipality

(Registration number LM351)

Financial Statements for the year ended 30 June 2016

Statement of Changes in Net Assets

Figures in Rand	Accumulated surplus	Total net assets
Opening balance as previously reported	821 630 769	821 630 769
Adjustments		
Correction of errors - Refer to note 34	(87 771 605)	(87 771 605)
Balance at 01 July 2014 as restated*	733 859 164	733 859 164
Changes in net assets		
Surplus for the year	24 644 358	24 644 358
Total changes	24 644 358	24 644 358
Restated* Balance at 01 July 2015	758 503 522	758 503 522
Changes in net assets		
Surplus for the year	53 969 934	53 969 934
Total changes	53 969 934	53 969 934
Balance at 30 June 2016	812 468 739	812 468 739

Note(s)

* See Note 32

Blouberg Local Municipality

(Registration number LM351)

Financial Statements for the year ended 30 June 2016

Cash Flow Statement

Figures in Rand

Note(s)

2016

2015
Restated*

Cash flows from operating activities

Receipts

Taxation	13 609 271	6 984 619
Cash receipts from rate payers and other	16 782 117	18 245 461
Grants and donations	239 595 855	167 767 600
Interest Income	1 503 913	1 039 732
Other receipts	-	1 227 983
	271 491 156	195 265 395

Payments

Employee and councillors costs	(90 349 330)	(82 137 641)
Suppliers	(89 716 583)	(64 152 496)
Finance costs	(371 500)	-
	(180 437 413)	(146 290 137)

Total receipts	271 491 156	195 265 395
Total payments	(180 437 413)	(146 290 137)
Net cash flows from operating activities	31 91 053 743	48 975 259

Cash flows from investing activities

Purchase of property, plant and equipment	8 (80 528 122)	(45 249 411)
Purchase of other intangible assets	9 (136 244)	-
Net cash flows from investing activities	(80 664 366)	(45 249 411)

Cash flows from financing activities

Finance lease payments	(26 393)	-
------------------------	----------	---

Net increase/(decrease) in cash and cash equivalents	10 362 984	3 725 848
Cash and cash equivalents at the beginning of the year	18 523 131	14 797 284
Cash and cash equivalents at the end of the year	3 28 886 115	18 523 132

* See Note 32

Blouberg Local Municipality

(Registration number LM351)

Financial Statements for the year ended 30 June 2016

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						
Statement of Financial Performance						
Revenue						
Revenue from exchange transactions						
Service charges	19 000 000	(600 000)	18 400 000	17 122 390	(1 277 610)	Due to illegal connection to electricity
Rental of facilities and equipment	351 576	(2)	351 574	362 589	11 015	More rentals on sports facilities
Licences and permits	3 837 204	(400 004)	3 437 200	3 162 199	(275 001)	Due to limited transactions at satellite offices which were not operational
Fines	2 710 000	(1 500 000)	1 210 000	1 085 850	(124 150)	Due to the value of fines issued less, reduced and withdrawals by prosecutor
Interest received on outstanding debtors	526 188	(4)	526 184	305 630	(220 554)	Due to council policy that defaulters should not be charged interest after being handed over
Other income	5 614 800	5 350 000	10 964 800	7 336 461	(3 628 339)	Due to planned township establishment that did not materialised because delay in stallation of service
Interest received - investment	985 800	-	985 800	1 503 913	518 113	Due to availability of enough cash in bank and interest rate recieved from the bank for the purpose of investing
Total revenue from exchange transactions	33 025 568	2 849 990	35 875 558	30 879 032	(4 996 526)	
Revenue from non-exchange transactions						
Taxation revenue						

Blouberg Local Municipality

(Registration number LM351)

Financial Statements for the year ended 30 June 2016

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						
Property rates	15 500 004	5 176 996	20 677 000	20 289 091	(387 909)	
Transfer revenue						
Government grants & subsidies	198 881 004	34 001 473	232 882 477	204 282 178	(28 600 299)	Due to unspent grants from Treasury and CDM
Public contributions and donations	-	-	-	19 462 110	19 462 110	
Total revenue from non-exchange transactions	214 381 008	39 178 469	253 559 477	244 033 379	(9 526 098)	
Total revenue	247 406 576	42 028 459	289 435 035	274 912 411	(14 522 624)	
Expenditure						
Personnel	(84 290 513)	510 554	(83 779 959)	(77 443 033)	6 336 926	Due to unfilled vacant post because of demarcation
Remuneration of councillors	(13 314 924)	10	(13 314 914)	(12 906 297)	408 617	
Depreciation and amortisation	(8 720 376)	(39 954 875)	(48 675 251)	(31 712 158)	16 963 093	Due to removal of gravel road from the asset register
Finance costs	-	-	-	(371 500)	(371 500)	
Debt impairment	(6 242 796)	(4)	(6 242 800)	(10 830 645)	(4 587 845)	Due to method we used for impairment on debtors in current financial year it was different with method of last year
Repairs and maintenance	(2 745 960)	(2 143 980)	(4 889 940)	(5 525 442)	(635 502)	
Bulk purchases	(18 000 000)	(3 560 000)	(21 560 000)	(23 268 195)	(1 708 195)	Due to NERSA tariff increase and illegal connection
Contracted Services	(4 000 000)	380 000	(3 620 000)	(3 582 391)	37 609	
Sale of goods/Inventory	-	-	-	(2 681 000)	(2 681 000)	
General Expenses	(53 380 458)	3 079 886	(50 300 572)	(52 621 817)	(2 321 245)	
Total expenditure	(190 695 027)	(41 688 409)	(232 383 436)	(220 942 478)	11 440 958	
	247 406 576	42 028 459	289 435 035	274 912 411	(14 522 624)	
	(190 695 027)	(41 688 409)	(232 383 436)	(220 942 478)	11 440 958	
Operating surplus	56 711 549	340 050	57 051 599	53 969 933	(3 081 666)	
Surplus on distribution of non-cash assets to owners	(56 711 568)	(38 994 907)	(95 706 475)	-	95 706 475	
	56 711 549	340 050	57 051 599	53 969 933	(3 081 666)	

Blouberg Local Municipality

(Registration number LM351)

Financial Statements for the year ended 30 June 2016

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						
Statement of Financial Position						
Assets						
Current Assets						
Inventories	1 487 396	(337 000)	1 150 396	3 861 518	2 711 122	Land was not part of inventory
VAT receivable	-	-	-	12 201 812	12 201 812	Not budgeted for vat receivable
Receivables from exchange transactions	4 826 365	266 422	5 092 787	1 663 242	(3 429 545)	Budget part of other debtors
Receivables from non-exchange transactions	15 893 213	-	15 893 213	26 224 907	10 331 694	Part of other debtors
Consumer debtors	(19 485 738)	-	(19 485 738)	4 522 878	24 008 616	Part of other debtors
Cash and cash equivalents	44 284 865	(27 489 229)	16 795 636	28 886 115	12 090 479	Received additional mig grant
	47 006 101	(27 559 807)	19 446 294	77 360 472	57 914 178	
Non-Current Assets						
Property, plant and equipment	56 711 558	14 166 919	70 878 477	808 305 514	737 427 037	Only budget for current year expenditure
Intangible assets	-	-	-	130 001	130 001	Part of PPE
Investments	3 079 000	12 620	3 091 620	3 092 581	961	
	59 790 558	14 179 539	73 970 097	811 528 096	737 557 999	
Total Assets	106 796 659	(13 380 268)	93 416 391	888 888 568	795 472 177	
Liabilities						
Current Liabilities						
Other financial liabilities	-	-	-	2 076 583	2 076 583	Part of Payables
Finance lease obligation	-	-	-	617 258	617 258	Part of payables
Payables from exchange transactions	18 512 935	-	18 512 935	27 558 405	9 045 470	Due to more creditors on Retention
Unspent conditional grants and receipts	-	-	-	25 828 000	25 828 000	An additional Mig grant was given in march 2016
Provisions	-	5 846 365	5 846 365	6 543 396	697 031	
	18 512 935	5 846 365	24 359 300	62 623 643	38 264 343	
Non-Current Liabilities						
Finance lease obligation	-	-	-	78 953	78 953	Part of payables
Provisions	-	-	-	13 717 236	13 717 236	Due to long term provision

Blouberg Local Municipality

(Registration number LM351)

Financial Statements for the year ended 30 June 2016

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						
	-	-	-	13 796 189	13 796 189	
Total Liabilities	18 512 935	5 846 365	24 359 300	76 419 832	52 060 532	
Net Assets	88 283 724	(19 226 633)	69 057 091	812 468 738	743 411 645	
Net Assets						
Accumulated surplus	58 210 066	38 654 872	96 864 938	812 468 739	715 603 801	
Total Net Assets	58 210 066	38 654 872	96 864 938	812 468 739	715 603 801	

Blouberg Local Municipality

(Registration number LM351)

Financial Statements for the year ended 30 June 2016

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						
Cash Flow Statement						
Cash flows from operating activities						
Receipts						
Taxation	15 500 000	5 177 000	20 677 000	13 609 271	(7 067 729)	Non Payment of rate payers
Sale of goods and services	31 513 574	2 850 000	34 363 574	16 782 117	(17 581 457)	Non Payment of other services
Grants	198 881 000	34 001 478	232 882 478	239 595 855	6 713 377	Landfill site donation from CDM
Interest income	1 511 984	-	1 511 984	1 503 913	(8 071)	
	247 406 558	42 028 478	289 435 036	271 491 156	(17 943 880)	
Payments						
Suppliers and employees	(190 695 000)	(1 733 559)	(192 428 559)	(180 065 913)	12 362 646	Due to undercollection of revenue the expenditure was also less than budget
Finance costs	-	-	-	(371 500)	(371 500)	Due to finance lease and actuarial interest cost Budget was part of suppliers
	(190 695 000)	(1 733 559)	(192 428 559)	(180 437 413)	11 991 146	
Total receipts	247 406 558	42 028 478	289 435 036	271 491 156	(17 943 880)	
Total payments	(190 695 000)	(1 733 559)	(192 428 559)	(180 437 413)	11 991 146	
Net cash flows from operating activities	56 711 558	40 294 919	97 006 477	91 053 743	(5 952 734)	
Cash flows from investing activities						
Purchase of property, plant and equipment	(56 711 558)	(38 994 919)	(95 706 477)	(80 528 122)	15 178 355	Due to savings from on projects
Purchase of other intangible assets	-	-	-	(136 244)	(136 244)	Budget part of PPE
Net cash flows from investing activities	(56 711 558)	(38 994 919)	(95 706 477)	(80 664 366)	15 042 111	
Cash flows from financing activities						
Finance lease payments	-	-	-	(26 393)	(26 393)	Finance lease payment Budget part of suppliers

Blouberg Local Municipality

(Registration number LM351)

Financial Statements for the year ended 30 June 2016

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						
Net increase/(decrease) in cash and cash equivalents	-	1 300 000	1 300 000	10 362 984	9 062 984	
Cash and cash equivalents at the beginning of the year	44 284 865	-	44 284 865	18 523 131	(25 761 734)	
Cash and cash equivalents at the end of the year	44 284 865	1 300 000	45 584 865	28 886 115	(16 698 750)	Due to under collection

Blouberg Local Municipality

(Registration number LM351)
Financial Statements for the year ended 30 June 2016

Appropriation Statement

Figures in Rand

	Original budget	Budget adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (i.t.o. s31 of the MFMA)	Virement (i.t.o. council approved policy)	Final budget	Actual outcome	Unauthorised expenditure	Variance	Actual outcome as % of final budget	Actual outcome as % of original budget
Financial Performance											
Property rates	15 500 004	5 176 996	20 677 000	-	-	20 677 000	20 289 091	(387 909)	(387 909)	98 %	131 %
Service charges	18 499 992	(99 993)	18 399 999	-	-	18 399 999	17 122 390	(1 277 609)	(1 277 609)	93 %	93 %
Investment revenue	985 800	-	985 800	-	-	985 800	1 503 913	518 113	518 113	153 %	153 %
Transfers recognised - operational	157 973 156	978 403	158 951 559	-	-	158 951 559	155 918 751	(3 032 808)	(3 032 808)	98 %	99 %
Other own revenue	9 039 744	750 014	9 789 758	-	-	9 789 758	8 654 404	(1 135 354)	(1 135 354)	88 %	96 %
Total revenue (excl capital transfers)	201 998 696	6 805 420	208 804 116	-	-	208 804 116	203 488 549	(5 315 567)	(5 315 567)	97 %	101 %
Employee costs	(84 089 964)	250 006	(83 839 958)	-	-	(83 839 958)	(77 443 033)	6 396 925	6 396 925	92 %	92 %
Remuneration of councillors	(13 314 924)	10	(13 314 914)	-	-	(13 314 914)	(12 906 297)	408 617	408 617	97 %	97 %
Debt impairment	(6 242 796)	(4)	(6 242 800)	-	-	(6 242 800)	(10 830 645)	(4 587 845)	(4 587 845)	173 %	173 %
Depreciation and amortisation	(8 720 376)	(39 954 875)	(48 675 251)	-	-	(48 675 251)	(31 712 158)	16 963 093	16 963 093	65 %	364 %
Finance charges	-	-	-	-	-	-	(371 500)	(371 500)	(371 500)	DIV/0 %	DIV/0 %
Bulk purchases	(18 000 000)	(3 560 000)	(21 560 000)	-	-	(21 560 000)	(23 268 195)	(1 708 195)	(1 708 195)	108 %	129 %
Other expenditure	(59 827 008)	897 705	(58 929 303)	-	-	(58 929 303)	(64 410 650)	(5 481 347)	(5 481 347)	109 %	108 %
Total expenditure	(190 195 068)	(42 367 158)	(232 562 226)	-	-	(232 562 226)	(220 942 478)	11 619 748	11 619 748	95 %	116 %
Surplus/(Deficit)	11 803 628	(35 561 738)	(23 758 110)	-	-	(23 758 110)	(17 453 929)	6 304 181	6 304 181	73 %	(148)%

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Appropriation Statement

Figures in Rand

	Original budget	Budget adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (i.t.o. s31 of the MFMA)	Virement (i.t.o. council approved policy)	Final budget	Actual outcome	Unauthorised expenditure	Variance	Actual outcome as % of final budget	Actual outcome as % of original budget
Transfers recognised - capital	44 907 844	35 723 074	80 630 918	-		80 630 918	51 961 753		(28 669 165)	64 %	116 %
Contributions recognised - capital and contributed assets	-	-	-	-		-	19 462 110		19 462 110	DIV/0 %	DIV/0 %
Surplus (Deficit) after capital transfers	56 711 472	161 336	56 872 808	-		56 872 808	53 969 934		(2 902 874)	95 %	95 %
Total capital expend	-	-	-	-		-	80 660 003		80 660 003	DIV/0 %	DIV/0 %

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Accounting Policies

1. Presentation of Financial Statements

The 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 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 financial statements, are disclosed below.

These accounting policies are consistent with the previous period.

1.1 Presentation currency

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

1.2 Going concern assumption

These 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 budget and actual and forms part of the financial statements.

When the presentation or classification of items in the annual financial statements is amended, prior period comparative amounts are restated. The nature and reason for the reclassification 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 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. The explanation for material variance between budget and actual are provided in the annexure of comparison of budget and actual.

1.4 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.

Property, plant and equipment is initially measured at cost.

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.

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Financial Statements for the year ended 30 June 2016

Accounting Policies

1.4 Property, plant and equipment (continued)

Major spare parts and stand by equipment which are expected to be used for more than one period are included in property, plant and equipment. In addition, spare parts and stand by equipment which can only be used in connection with an item of property, plant and equipment are accounted for as property, plant and equipment.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses. Land is not depreciated as it is deemed to have an indefinite useful life.

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

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

Item	Average useful life
Infrastructure	
• Roads and Paving	5 - 60
• Concrete	5 - 80
• Electricity	5 - 50
• Water	5 - 50
• Sewerage	10 - 50
• 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
Heritage Assets	
• Buildings	5 - 50
• Paintings and artifacts	5 - 50
Other property, plant and equipment	
• Buildings	5 - 50
• Specialist vehicles	5 - 15
• Other Vehicles	5 - 15
• Office Equipment	5 - 10
• Furniture and Fittings	5 - 7
• Watercraft	
• Bins and Containers	10 - 20
• Specialised plant and equipment	5 - 10
• Other items of plant and equipment	5 - 15
• Quarries	5 - 15
• Emergency equipment	5 - 10
• Computer equipment	

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 a change in accounting estimate.

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.

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Financial Statements for the year ended 30 June 2016

Accounting Policies

1.5 Non-current assets held for sale and disposal group

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets held for sale (or disposal group) are measured at the lower of its carrying amount and fair value less costs to sell.

A non-current asset is not depreciated (or amortised) while it is classified as held for sale, or while it is part of a disposal group classified as held for sale.

Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale are recognised in surplus or deficit.

1.6 Inventories

Inventories comprise current assets held for sale, consumption or distribution during the ordinary course of business. Inventories are initially recognised at cost. Cost generally refers to the purchase price, plus taxes, transport costs and any other costs in bringing the inventories to their current location and condition. Where inventories are manufactured, constructed or produced, the cost includes the cost of labour, materials and overheads used during the manufacturing process.

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.

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

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.

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.

1.7 Financial Instruments

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.

Upon initial recognition the entity classifies financial instruments or their component parts as a financial liabilities, financial assets or residual interests in conformity with the substance of the contractual arrangement and to the extent that the instrument satisfies the definitions of a financial liability, a financial asset or a residual interest.

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.

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Financial Statements for the year ended 30 June 2016

Accounting Policies

1.7 Financial instruments (continued)

Subsequent measurement of financial assets and financial liabilities

The entity measures all financial assets and financial liabilities after initial recognition using the following categories:

- Financial instruments at fair value.
- Financial instruments at amortised cost.
- Financial instruments at cost.

All financial assets measured at amortised cost, or cost, are subject to an impairment review.

INVESTMENTS AT AMORTISED COSTS

Investments, are categorised as financial instruments at amortised cost and are subsequently measured at amortised cost.

Where investments have been impaired, the carrying value is adjusted by the impairment loss, which is recognised as an expense in the period that the impairment is identified.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Financial Performance.

INVESTMENTS AT FAIR VALUE

Investments, which represent investments in residual interest for which fair value can be measured reliably, are subsequently measured at fair value.

Gains and losses in the fair value of such investments are recognised in the Statement of Financial Performance.

INVESTMENTS AT COST

Investments at cost, which represent investments in residual interest for which there is no quoted market price and for which fair value cannot be measured reliably, are subsequently measured at cost.

INVESTMENT GUARANTEE

The municipality's investment is fixed deposit held at ABSA as Eskom Guarantee.

The municipality does not have access, they only receive interest on that investment.

Impairment and uncollectibility of financial assets

The entity assess at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets measured at amortised cost:

If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in surplus or deficit.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting an allowance account. The reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in surplus or deficit.

Financial assets measured at cost:

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Financial Statements for the year ended 30 June 2016

Accounting Policies

1.7 Financial instruments (continued)

If there is objective evidence that an impairment loss has been incurred on an investment in a residual interest that is not measured at fair value because its fair value cannot be measured reliably, the amount of the impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed.

Derecognition

Financial assets

The entity derecognises financial assets using trade date accounting.

The entity derecognises a financial asset only when:

- the contractual rights to the cash flows from the financial asset expire, are settled or waived;
- the entity transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- the entity, despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity :
 - derecognise the asset; and
 - recognise separately any rights and obligations created or retained in the transfer.

Financial liabilities

The entity removes a financial liability (or a part of a financial liability) from its statement of financial position when it is extinguished — i.e. when the obligation specified in the contract is discharged, cancelled, expires or waived.

An exchange between an existing borrower and lender of debt instruments with substantially different terms is accounted for as having extinguished the original financial liability and a new financial liability is recognised. Similarly, a substantial modification of the terms of an existing financial liability or a part of it is accounted for as having extinguished the original financial liability and having recognised a new financial liability.

1.8 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 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.

1.9 Irregular expenditure

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.

1.10 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.

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Accounting Policies

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.

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.

Provisions are not recognised for future operating deficits.

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.

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

1.12 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 2015-07-01 to 2016-06-30.

1.13 Related parties

The municipality operates in an economic sector currently dominated by entities directly or indirectly owned by the South African Government. As a consequence of the constitutional independence of the three spheres of government in South Africa, only entities within the national sphere of government are considered to be related parties.

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.

1.14 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.

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Accounting Policies

1.14 Capital Commitments (continued)

Commitments are not recognised in the statement of financial position as a liability, but are included in the disclosure notes in the following cases:

- where the contract has been awarded at the reporting date; and
- where disclosure is required by a specific standard of GRAP.

1.15 Vat

Vat is payable on the cash basis. Payment is received from debtors vat is paid over.

1.16 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

When a lease includes both land and buildings elements, the entity assesses the classification of each element separately.

Finance leases - lessor

The municipality recognises finance lease receivables as assets on the statement of financial position. Such assets are presented as a receivable at an amount equal to the net investment in the lease.

Finance leases - lessee

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

The discount rate used in calculating the present value of the minimum lease payments is the .

Minimum lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of on the remaining balance of the liability.

Any contingent rents are expensed in the period in which they are incurred.

Operating leases - lessor

Operating lease revenue is recognised as revenue on a straight-line basis over the lease term.

Income for leases is disclosed under revenue in statement of financial performance.

Operating leases - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

1.17 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.

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Accounting Policies

1.17 Revenue from exchange transactions (continued)

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.

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.

Service charges relating to electricity and water are based on consumption. Meters are read on a monthly basis and are recognised as revenue when invoiced.

Revenue arising from the application of the approved tariff of charges is recognised when the relevant service is rendered by applying the relevant gazetted tariff. This includes the issuing of licences and permits.

Revenue arising out of situations where the municipality acts as an agent on behalf of another entity (the principal) is limited to the amount of any fee or commission payable to the municipality as compensation for executing the agreed services.

Interest

Interest is recognised, in surplus or deficit, using the effective interest rate method on a time proportion basis.

1.18 Revenue from non-exchange transactions

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.

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.

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Financial Statements for the year ended 30 June 2016

Accounting Policies

1.18 Revenue from non-exchange transactions (continued)

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.

Where there are conditions attached to a grant, transfer or donation that gave rise to a liability at initial recognition, that liability is transferred to revenue as and when the conditions attached to the grant are met.

1.19 Investment income

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

Interest earned on the investment is treated in accordance with grant conditions. If it is payable to the funder it is recorded as part of the creditor.

1.20 Borrowing costs

It is inappropriate to capitalise borrowing costs when, and only when, there is clear evidence that it is difficult to link the borrowing requirements of an entity directly to the nature of the expenditure to be funded i.e. capital or current. The municipality ceases the capitalisation of borrowing costs when substantially all the activities to prepare the asset for its intended use or sale are complete.

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

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Financial Statements for the year ended 30 June 2016

Accounting Policies

1.21 Employee benefits

Short-term employee benefits

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled within twelve months after the end of the period in which the employees render the related service.

Short-term employee benefits include items such as:

- wages, salaries and social security contributions;
- short-term compensated absences (such as paid annual leave and paid sick leave) where the compensation for the absences is due to be settled within twelve months after the end of the reporting period in which the employees render the related employee service;
- bonus, incentive and performance related payments payable within twelve months after the end of the reporting period in which the employees render the related service; and
- non-monetary benefits (for example, medical care, and free or subsidised goods or services such as housing, cars and cellphones) for current employees.

When an employee has rendered service to the entity during a reporting period, the entity recognise the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

- as a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the entity recognise that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset.

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 entity measure the expected cost of accumulating compensated absences as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The entity recognise the expected cost of bonus, incentive and performance related payments when the entity has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made. A present obligation exists when the entity has no realistic alternative but to make the payments.

Post-employment benefits

Post-employment benefits are employee benefits (other than termination benefits) which are payable after the completion of employment.

Post-employment benefit plans are formal or informal arrangements under which an entity provides post-employment benefits for one or more employees.

Multi-employer plans are defined contribution plans (other than state plans and composite social security programmes) or defined benefit plans (other than state plans) that pool the assets contributed by various entities that are not under common control and use those assets to provide benefits to employees of more than one entity, on the basis that contribution and benefit levels are determined without regard to the identity of the entity that employs the employees concerned.

Post-employment benefits: Defined contribution plans

Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

When an employee has rendered service to the entity during a reporting period, the entity recognise the contribution payable to a defined contribution plan in exchange for that service:

- as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the reporting date, an entity recognise that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the contribution in the cost of an asset.

Where contributions to a defined contribution plan do not fall due wholly within twelve months after the end of the reporting period in which the employees render the related service, they are discounted.

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Accounting Policies

1.21 Employee benefits (continued)

Actuarial assumptions

Actuarial assumptions are unbiased and mutually compatible.

Financial assumptions are based on market expectations, at the reporting date, for the period over which the obligations are to be settled.

The rate used to discount post-employment benefit obligations (both funded and unfunded) reflect the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the post-employment benefit obligations.

Post-employment benefit obligations are measured on a basis that reflects:

- estimated future salary increases;
- the benefits set out in the terms of the plan (or resulting from any constructive obligation that goes beyond those terms) at the reporting date; and
- estimated future changes in the level of any state benefits that affect the benefits payable under a defined benefit plan, if, and only if, either:
 - those changes were enacted before the reporting date; or
 - past history, or other reliable evidence, indicates that those state benefits will change in some predictable manner, for example, in line with future changes in general price levels or general salary levels.

Assumptions about medical costs take account of estimated future changes in the cost of medical services, resulting from both inflation and specific changes in medical costs.

Long term employee benefits

Long-term employee benefits are employee benefits that are due to be settled after twelve months after the end of period in which the employees render service.

Long-term employee benefits include items such as:

- Long service awards
- Long-term leave

1.22 Impairment of cash-generating assets

Cash-generating assets are those assets held by the municipality with the primary objective of generating a commercial return. When an asset is deployed in a manner consistent with that adopted by a profit-orientated entity, it generates a commercial return.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Identification

When the carrying amount of a cash-generating asset exceeds its recoverable amount, it is impaired.

The municipality assesses at each reporting date whether there is any indication that a cash-generating asset may be impaired. If any such indication exists, the municipality estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the municipality also test a cash-generating intangible asset with an indefinite useful life or a cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

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Accounting Policies

1.22 Impairment of cash-generating assets (continued)

Value in use

Value in use of a cash-generating asset is the present value of the estimated future cash flows expected to be derived from the continuing use of an asset and from its disposal at the end of its useful life.

When estimating the value in use of an asset, the municipality estimates the future cash inflows and outflows to be derived from continuing use of the asset and from its ultimate disposal and the municipality applies the appropriate discount rate to those future cash flows.

Basis for estimates of future cash flows

In measuring value in use the municipality:

- base cash flow projections on reasonable and supportable assumptions that represent management's best estimate of the range of economic conditions that will exist over the remaining useful life of the asset. Greater weight is given to external evidence;
- base cash flow projections on the most recent approved financial budgets/forecasts, but excludes any estimated future cash inflows or outflows expected to arise from future restructuring's or from improving or enhancing the asset's performance. Projections based on these budgets/forecasts covers a maximum period of five years, unless a longer period can be justified; and
- estimate cash flow projections beyond the period covered by the most recent budgets/forecasts by extrapolating the projections based on the budgets/forecasts using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. This growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used, unless a higher rate can be justified.

Composition of estimates of future cash flows

Estimates of future cash flows include:

- projections of cash inflows from the continuing use of the asset;
- projections of cash outflows that are necessarily incurred to generate the cash inflows from continuing use of the asset (including cash outflows to prepare the asset for use) and can be directly attributed, or allocated on a reasonable and consistent basis, to the asset; and
- net cash flows, if any, to be received (or paid) for the disposal of the asset at the end of its useful life.

Estimates of future cash flows exclude:

- cash inflows or outflows from financing activities; and
- income tax receipts or payments.

The estimate of net cash flows to be received (or paid) for the disposal of an asset at the end of its useful life is the amount that the municipality expects to obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the estimated costs of disposal.

Discount rate

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money, represented by the current risk-free rate of interest and the risks specific to the asset for which the future cash flow estimates have not been adjusted.

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1.22 Impairment of cash-generating assets (continued)

Recognition and measurement (individual asset)

If the recoverable amount of a cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

Any impairment loss of a revalued cash-generating asset is treated as a revaluation decrease.

When the amount estimated for an impairment loss is greater than the carrying amount of the cash-generating asset to which it relates, the municipality recognises a liability only to the extent that is a requirement in the Standard of GRAP.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Cash-generating units

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the municipality determines the recoverable amount of the cash-generating unit to which the asset belongs (the asset's cash-generating unit).

If an active market exists for the output produced by an asset or group of assets, that asset or group of assets is identified as a cash-generating unit, even if some or all of the output is used internally. If the cash inflows generated by any asset or cash-generating unit are affected by internal transfer pricing, the municipality use management's best estimate of future price(s) that could be achieved in arm's length transactions in estimating:

- the future cash inflows used to determine the asset's or cash-generating unit's value in use; and
- the future cash outflows used to determine the value in use of any other assets or cash-generating units that are affected by the internal transfer pricing.

Cash-generating units are identified consistently from period to period for the same asset or types of assets, unless a change is justified.

The carrying amount of a cash-generating unit is determined on a basis consistent with the way the recoverable amount of the cash-generating unit is determined.

An impairment loss is recognised for a cash-generating unit if the recoverable amount of the unit is less than the carrying amount of the unit. The impairment is allocated to reduce the carrying amount of the cash-generating assets of the unit on a pro rata basis, based on the carrying amount of each asset in the unit. These reductions in carrying amounts are treated as impairment losses on individual assets.

In allocating an impairment loss, the entity does not reduce the carrying amount of an asset below the highest of:

- its fair value less costs to sell (if determinable);
- its value in use (if determinable); and
- zero.

The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other cash-generating assets of the unit.

Where a non-cash-generating asset contributes to a cash-generating unit, a proportion of the carrying amount of that non-cash-generating asset is allocated to the carrying amount of the cash-generating unit prior to estimation of the recoverable amount of the cash-generating unit.

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Accounting Policies

1.22 Impairment of cash-generating assets (continued)

Reversal of impairment loss

An impairment loss recognised in prior periods for a cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

In allocating a reversal of an impairment loss for a cash-generating unit, the carrying amount of an asset is not increased above the lower of:

- its recoverable amount (if determinable); and
- the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior periods.

The amount of the reversal of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit.

1.23 Impairment of non-cash-generating assets

Cash-generating assets are those assets held by the municipality with the primary objective of generating a commercial return. When an asset is deployed in a manner consistent with that adopted by a profit-orientated entity, it generates a commercial return.

Non-cash-generating assets are assets other than cash-generating assets.

Identification

When the carrying amount of a non-cash-generating asset exceeds its recoverable service amount, it is impaired.

The municipality assesses at each reporting date whether there is any indication that a non-cash-generating asset may be impaired. If any such indication exists, the municipality estimates the recoverable service amount of the asset.

Irrespective of whether there is any indication of impairment, the entity also test a non-cash-generating intangible asset with an indefinite useful life or a non-cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable service amount.

Value in use

Value in use of non-cash-generating assets is the present value of the non-cash-generating assets remaining service potential.

The present value of the remaining service potential of a non-cash-generating assets is determined using the following approach:

Recognition and measurement

If the recoverable service amount of a non-cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

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Accounting Policies

1.23 Impairment of non-cash-generating assets (continued)

Reversal of an impairment loss

The municipality assess at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a non-cash-generating asset may no longer exist or may have decreased. If any such indication exists, the municipality estimates the recoverable service amount of that asset.

An impairment loss recognised in prior periods for a non-cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable service amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable service amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a non-cash-generating asset is recognised immediately in surplus or deficit.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

1.24 Significant judgements and sources of estimation uncertainty

In preparing the financial statements, management is required to make estimates and assumptions that affect the amounts represented in the financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the financial statements. These estimates and underlying assumptions are reviewed on an ongoing basis. Significant judgements include:

Trade receivables / Held to maturity investments and/or loans and receivables

The municipality assesses its trade receivables, held to maturity investments and loans and receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit, the municipality makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset. The impairment is measured as the difference between the debtors carrying amount and the present value of estimated future cash flows discounted at the effective interest rate, computed at initial recognition.

Fair value estimation

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values.

Impairment testing

The municipality reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of tangible assets are inherently uncertain and could materially change over time.

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note 15 - Provisions.

Allowance for doubtful debts

On debtors an impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the debtors carrying amount and the present value of estimated future cash flows discounted at the effective interest rate, computed at initial recognition.

Leave provision

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1.23 Impairment of non-cash-generating assets (continued)

Annual leave accrues to employees on a monthly basis, subject to certain conditions. The provision is an estimate of the amount due to staff as at the financial year-end, based on the value of statutory and non-statutory leave.

Contingent liabilities

Contingencies disclosed in the current year required estimates and judgements. These estimates and judgements were done by the lawyers.

1.25 Investments

1.26 Accumulated Surplus/(Loss)

The net assets of the municipality evidence the residual interest in the assets of an municipality after deducting all of its liabilities.

1.27 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.

The municipality must ensure that all adjusting and non-adjusting events after the reporting period are identified.

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2. Inventories		
Consumable stores	859 518	1 121 216
Inventory - Sites	3 002 000	5 683 800
	3 861 518	6 805 016

No inventory of the municipality was lodged or pledged as security.

3. Cash and cash equivalents

Cash and cash equivalents consist of the following:

Cash on hand	2 065	74
Bank balances	28 884 050	18 523 057
	28 886 115	18 523 131

The municipality had the following bank accounts

Account number / description	Bank statement balances		Cash book balances	
	30 June 2016	30 June 2015	30 June 2016	30 June 2015
ABSA BANK Current Account	28 839 516	18 480 159	28 841 238	18 477 783
ABSA BANK Current Account	44 533	45 274	44 877	45 274
Total	28 884 049	18 525 433	28 886 115	18 523 057

4. Receivables from exchange transactions

Other receivables - prepaid electricity	209 467	215 790
Other receivables - CDM	822 017	1 028 433
Debtor : Auctioneer	631 037	-
Debtor : Other	721	-
	1 663 242	1 244 223

CDM Water Debtor reconcillation		
CDM Water debtor	6 917 205	6 169 190
Less: Allowance for Doubtful Debts	(6 095 188)	(5 140 757)
	822 017	1 028 433

Reconciliation of provision for impairment of CDM Water Debtor

Opening balance	5 140 757	4 307 029
Provision for impairment	954 431	833 728
	6 095 188	5 140 757

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5. Receivables from non-exchange transactions

Traffic Fines	705 030	88 160
Other receivable- Senior Managers	46 745	62 212
Other	727 568	690 185
CDM - Free and basic water	895 383	682 092
Rates	23 850 181	17 170 361
	26 224 907	18 693 010

Receivables from non-exchange transactions

Rates

Current (0 -30 days)	357 221	325 403
31 - 60 days	166 400	138 363
61 - 90 days	102 509	137 417
91 - 120 days	96 297	73 343
121 - 365 days	20 581 367	13 152 681
> 365 days	35 262 958	26 377 775
	56 566 752	40 204 982

Less: Allowance for impairment

Rates

Traffic Fines	(32 716 571)	(23 034 621)
	(4 132 126)	(4 070 399)
	(36 848 697)	(27 105 020)

Reconciliation of allowance for impairment - Rates

Balance at beginning of the year	(23 479 645)	(15 865 068)
Contributions to allowance	(9 236 926)	(7 169 553)
	(32 716 571)	(23 034 621)

Traffic Fines

Current (0 -30 days)	68 200	89 235
31 - 60 days	57 370	76 548
61 - 90 days	45 680	76 520
91 - 120 days	364 650	456 213
> 120 days	4 301 255	3 460 043
	4 837 155	4 158 559

Reconciliation of allowance for impairment - Traffic Fines

Balance at beginning of the year	(4 070 400)	(3 855 740)
Contributions to allowance	(61 726)	(214 660)
	(4 132 126)	(4 070 400)

6. Consumer debtors

Gross balances

Electricity	4 363 701	3 989 497
Refuse	1 260 380	1 139 647
Debtors : Interest	1 214 977	1 054 236
Debtors : Vat on Services	849 495	767 783
Debtors Other	1 557 251	1 459 096
	9 245 804	8 410 259

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6. Consumer debtors (continued)		
Less: Allowance for impairment		
Electricity	(2 390 581)	(2 285 744)
Refuse	(728 967)	(652 937)
Interest	(702 708)	(604 003)
Other	(900 669)	(835 958)
	(4 722 925)	(4 378 642)
Net balance		
Electricity	1 973 120	1 703 753
Refuse	531 413	486 710
Debtors : Interest	512 269	450 233
Debtors : Vat on service debtors	849 495	767 783
Debtors : Other	656 582	623 138
	4 522 879	4 031 617
Reconciliation of allowance for impairment		
Balance at beginning of the year	(4 145 362)	(3 210 716)
Contributions to allowance	(577 563)	(934 646)
	(4 722 925)	(4 145 362)
Electricity		
Current (0 -30 days)	251 891	271 347
31 - 60 days	109 922	335 367
61 - 90 days	213 168	210 370
91 - 120 days	98 543	137 445
121 - 365 days	1 653 066	718 805
> 365 days	2 037 111	2 316 163
	4 363 701	3 989 497
Refuse		
Current (0 -30 days)	28 387	26 468
31 - 60 days	25 000	26 132
61 - 90 days	24 265	25 396
91 - 120 days	23 461	24 372
121 - 365 days	185 798	170 920
> 365 days	973 469	866 359
	1 260 380	1 139 647
Other (specify)		
Current (0 -30 days)	140 160	20 127
31 - 60 days	16 427	15 918
61 - 90 days	19 644	15 873
91 - 120 days	19 644	15 714
121 - 365 days	162 136	113 200
> 365 days	1 199 240	1 278 264
	1 557 251	1 459 096

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7. VAT receivable

Vat	12 538 179	5 273 567
Less : Provision for Bad debt	(336 367)	(336 367)
	12 201 812	4 937 200

8. Property, plant and equipment

	2016			2015		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Restated Cost / Valuation	Restated Accumulated depreciation and accumulated impairment	Restated Carrying value
Land and Buildings	50 023 003	(15 834 776)	34 188 227	49 673 003	(14 263 710)	35 409 293
Infrastructure	936 271 343	(310 621 568)	625 649 775	897 096 833	(289 509 173)	607 587 660
Community Assets	161 817 251	(25 903 798)	135 913 452	116 180 617	20 455 708	95 724 909
Other Assets	22 810 110	(11 324 865)	11 485 245	20 261 618	(9 620 516)	10 641 103
Work in Progress	1 068 814	-	1 068 814	11 270 375	-	11 270 375
Infrastructure Work in Progress	1 068 814	-	1 068 814	6 457 977	-	6 457 977
Community Work in Progress	-	-	-	4 812 398	-	4 812 398
Total	1 171 990 521	(363 685 007)	808 305 514	1 094 482 446	(333 849 107)	760 633 417

Reconciliation of property, plant and equipment - 2016

	Restated Opening balance	Additions	Disposals	Transfers received	Depreciation	Total
Land and Buildings	35 409 293	350 000	-		(1 571 066)	34 188 227
Infrastructure	607 587 660	33 340 867	(396 450)	6 457 977	(21 340 280)	625 649 774
Community	95 724 909	40 824 237		4 812 398	(5 448 090)	135 913 452
Other	10 641 180	4 944 204	(753 660)	-	(3 346 479)	11 485 245
Work in Progress	11 270 375	1 068 814		(11 270 375)	-	1 068 814
Infrastructure	6 457 977	1 068 814	-	(6 457 977)	-	1 068 814
Community Assets	4 812 398	-	-	(4 812 398)	-	-
	760 633 417	80 528 122	(1 150 110)	-	(31 705 915)	808 305 514

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8. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2015

	Restated Opening balance	Restated Additions	Disposals	Transfers	Restated Depreciation	Total
Land and Buildings	36 976 561	-	-		(1 567 269)	35 409 293
Infrastructure	617 115 880	9 161 510	-	2 422 799	(21 112 529)	607 587 660
Community Assets	55 101 776	7 704 966	-	37 262 675	(4 344 518)	95 724 909
Other	8 628 898	4 912 333	(9 337)		(2 890 714)	10 641 180
Work in Progress	26 148 064	24 807 784	-	(39 685 474)	-	11 270 375
Infrastructure	-	6 746 608	-	(2 422 799)	-	6 457 977
Community Assets	-	18 061 177	-	(37 262 675)	-	4 812 398
	743 971 179	46 586 593	(9 337)	-	(29 915 018)	760 633 417

Pledged as security

No assets of municipality was lodge or pledged as security:

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.

9. Intangible assets

	2016			2015		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software, other	136 244	(6 243)	130 001	-	-	-

Reconciliation of intangible assets - 2016

	Opening balance	Additions	Amortisation	Total
Computer software, other	-	136 244	(6 243)	130 001

10. Investments

Name of company	Carrying amount 2016	Carrying amount 2015
Absa	3 092 581	3 091 620

The above amount is held by Absa for Eskom as a gaurentee.

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	2016	2015
11. Payables from exchange transactions		
Trade payables	8 766 955	12 095 048
Payments received in advance	3 599 947	1 775 304
Retentions	10 523 218	10 139 303
13th cheque provision	1 583 916	1 412 792
Prepaid electricity accrual	363 675	284 777
Liability - vat on debtors	1 675 205	1 508 915
Sale of Stands Creditors Acc	1 045 489	-
	27 558 405	27 216 139
12. Other financial liabilities		
At amortised cost		
(Under) and Over banking	4 839	(68 169)
Interbank Transfer suspense	5 099	5 099
Receipt Reversal Suspense Account	160 868	(36 508)
AllDays Services : Unallocate	-	157 526
Salary Suspense Account	37 621	(6 274)
Bank Unallocated Deposits	1 868 156	2 895 853
Total other financial liabilities	2 076 583	2 947 527
Current liabilities		
At amortised cost	2 076 583	2 947 527
13. Finance lease obligation		
Minimum lease payments due		
- within one year	688 011	431 263
- in second to fifth year inclusive	82 718	431 263
	770 729	862 526
less: future finance charges	(74 517)	(139 892)
Present value of minimum lease payments	696 212	722 634
Non-current liabilities	78 953	392 382
Current liabilities	617 258	330 252
	696 211	722 634
14. Unspent conditional grants and receipts		
Unspent conditional grants and receipts comprises of:		
Unspent conditional grants and receipts		
Municipal Infrastructure Grant (MIG)	24 828 000	8 841 166
CDM - For operational Maintenance Landfill site	1 000 000	1 000 000
CDM Grant	-	135 267
	25 828 000	9 976 433

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15. Provisions

Reconciliation of provisions - 2016

	Opening Balance	Additions	Utilised during the year	Total
Current Liabilities				
Provision for leave	5 346 365	1 627 954	(430 923)	6 543 396
Total Current Provisions	5 346 365	1 627 954	(430 923)	6 543 396
Non Current Liabilities				
Provision for long-service awards	2 656 000	697 505	-	3 353 505
Provision for performance bonus	759 221	(57 157)	-	702 064
Provision for restoration cost for landfill site	8 307 576	1 354 091	-	9 661 667
Total Non Current Provisions	11 722 797	1 994 439	-	13 717 236
	17 069 162	3 622 393	(430 923)	20 260 632

Reconciliation of provisions - 2015

	Opening Balance	Additions	Utilised during the year	Total
Current Liabilities				
Provision for leave	4 897 340	449 025	-	5 346 365
Total Current Provisions	4 897 340	449 025		5 346 365
Non Current Liabilities				
Provision for performance bonus	709 280	49 941	-	759 221
Provision for long-service awards	2 497 000	159 000	-	2 656 000
Provision for restoration cost	7 927 416	380 160	-	8 307 576
Total Non Current Provisions	11 133 696	589 101		11 722 797
Total Provisions	16 031 036	1 038 126	-	17 069 162

Non-current liabilities	13 717 236	13 246 612
Current liabilities	6 543 396	5 346 365
	20 260 632	18 592 977

Provision for Leave

Provision for leave 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/no of working days per year x number of days unused .

Provision for performance bonus

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

Provision for long-service awards

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15. Provisions (continued)

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

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

The Long Service Awards plans are defined benefit plans. As at year end, 187 employees were eligible for Long Service Bonuses.

The Employer's Unfunded Accrued Liability at 30 June 2016 is estimated at R 2 943 487. The Current-service Cost for the year ending 30 June 2016 is estimated at R 319359. It is estimated to be R 379312 for the ensuing year.

Key actuarial assumptions used:

Rate of interest

Discount rate	8.89%	8.49%
General Salary Inflation (long-term)	7.56%	7.15%
Nett Effective Discount Rate applied to Long Service Bonusses	1.24%	1.25%

The amounts recognised in the Statement of Financial Position are as follows:

Present Value of fund obligation

Balance	3 353 758	2 656 000
Net liability / (asset)	3 353 758	2 656 000

Reconciliation of present value of fund obligation:

Present value of fund obligation at the beginning of the year	2 656 253	2 497 000
Total expenses	287 234	384 000
Current service and Interest cost	319 359	332 000
Interest cost	215 024	209 000
Benefits Paid	(247 149)	(157 000)
Acturial (gains)/losses	410 271	(225 000)
Present value of fund obligation at the end of the year	3 353 758	2 656 000
Balance 30 June	3 353 758	2 656 000

Provision for restoration cost

The municipality has acquired Alldays landfill site and is also using Senwabarwana dumping site. The municipality does not own the Senwabarwana dumping site. The municipality is expected to rehabilitate both the Alldays landfill site and Senwabarwana dumping site at the end of their useful lives to avoid enviromental pollution. The Alldays landfill site has a usefull life of 6years. The Senwabarwana dumping site has been closed during the June 2016 financial year. The expected outflow is R (2016: R5 257 918) and R (2016: R4 403 748).

Key actuarial assumptions used:

Rate of interest

	2016	2015	2014
Prime rate rate	10.25%	9.25%	9.00%
N	6years	7years	8years
Inflation Rate	6%	4.7%	5.30%

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16. Service charges		
Sale of electricity	16 704 026	16 767 207
Refuse removal	418 364	333 119
	17 122 390	17 100 326
17. Rental of facilities and equipment		
Facilities and equipment		
Rental of facilities	1 091 288	820 363
18. Interest received - investment		
Bank	583 905	311 440
Investments	920 008	728 292
	1 503 913	1 039 732
19. Other income		
Advertisement	6 798	3 191
Building plans	57 141	60 843
Billboards	6 531	10 891
Burial fees	28 836	56 475
Cattle pound	89 097	39 749
Connection fees	40 609	66 782
Commission	1 309 334	601 617
Database registration	43 564	41 681
Fines - Tampered meters illegal connection	24 345	65 121
Free basic services water	375	165
Hawkers fees	316	747
Library services	1 184	3 950
LGSETA Refund capacity building	753 907	101 312
Logbook & carports	38 904	4 012
Other income	3 557	15 908
Photo copies	18 409	14 778
Reconnection fees	266 599	180 883
Tender documents	319 931	174 242
Sundry income	-	276
	3 009 437	1 442 623

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20. Property rates

Rates received

Residential	685 038	451 563
Commercial	1 403 925	426 559
State	17 126 944	11 628 711
Small holdings and farms	1 073 184	2 453 558
Heavy industries	-	24 228
	20 289 091	14 984 619

Valuations

Residential	214 250 013	176 147 513
Commercial	2 669 940 600	2 558 872 600
State	528 530 400	587 928 900
Municipal	46 296 572	23 802 572
Other	-	6 530 000
	3 459 017 585	3 353 281 585

Valuations on land and buildings are performed every four years. The last general valuation came into effect on 1 July 2012.

A general rate of 0.0017 (2015: 0.0016) cents in the rand is applied to property valuations to determine assessment rates.

Rebates of 70% to farms, 20% on residential and 30% on business and state property owners.

Rates are levied on an annual basis. Interest at 5% per annum (2015: 5%), is levied on rates outstanding.

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21. Government grants and subsidies		
Operating grants		
Equitable share	147 635 166	117 073 658
Financial Management Grant (FMG)	1 800 000	1 800 000
Municipal Systems Improvement Grant (MSIG)	930 000	934 000
Expanded Public Works Programme (EPWP)	1 613 000	1 651 000
Expanded Public works program: CDM	342 259	684 086
	152 320 425	122 142 744
Capital grants		
Municipal Infrastructure Grant (MIG)	44 903 000	43 486 552
Municipal Electrification (DME)	7 000 000	3 000 000
Other Government grants and subsidies (CDM)	58 753	1 617 706
	51 961 753	48 104 258
	204 282 178	170 247 002
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)		
Balance unspent at beginning of year	-	-
Current-year receipts	(1 800 000)	(1 800 000)
Conditions met - transferred to revenue	1 800 000	1 800 000
	-	-
Conditions of this grant is to support municipality on financial capacity and further appoint financial interns to capacitate budget and treasury office of the municipality.		
Municipal Systems Improvement Grant (MSIG)		
Current-year receipts	930 000	934 000
Conditions met - transferred to revenue	(930 000)	(934 000)
	-	-
Conditions is to capacitate municipality on issues of governance .		
Municipal Infrastructure Grant (MIG)		
Balance unspent at beginning of year	8 841 166	9 779 376
Current-year receipts	64 731 000	43 408 000
Conditions met - transferred to revenue	(44 903 000)	(43 486 552)
Grant withheld	(3 841 166)	(859 658)
	24 828 000	8 841 166
Conditions still to be met - remain liabilities (see note 14).		
The grant is used to provide infrastructure service delivery to communities.		
Expanded Public Works Programme (EPWP)		
Current-year receipts	1 613 000	1 651 000
Conditions met - transferred to revenue	(1 613 000)	(1 651 000)

Blouberg Local Municipality

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Financial Statements for the year ended 30 June 2016

Notes to the Financial Statements

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21. Government grants and subsidies (continued)

To appoint community members in addressing unemployment within the municipality

CDM - Landfill Site

Current-year receipts	(1 000 000)	(1 000 000)
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Conditions still to be met - remain liabilities (see note 14).

CDM Grant

Balance unspent at beginning of year	135 267	1 676 459
Current-year receipts	265 745	760 600
Conditions met - transferred to revenue	(401 012)	(2 301 792)
	-	135 267

Support grant from the district on functions allocated to them but residing in our municipal jurisdiction

INEP

Current-year receipts	(7 000 000)	3 000 000
Conditions met - transferred to revenue	7 000 000	(3 000 000)
	-	-

Conditions of the grant is to electrify communities in line with service delivery mandates.

22. Revenue

Service charges	17 122 390	17 100 326
Rental of facilities and equipment	1 091 288	820 363
Interest on Outstanding Debtors	305 630	388 434
Licences and permits	3 162 199	2 593 067
Other income - refer to note 21	3 009 437	1 442 623
Sale of Inventory - sites	3 598 326	-
Interest received - investment	1 503 913	1 039 732
Property rates	20 289 091	14 984 619
Government grants & subsidies	204 282 178	170 247 002
Public contributions and donations	19 462 110	-
Fines	1 085 850	1 814 622
	274 912 412	210 430 788

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Notes to the Financial Statements

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23. Employee related costs		
Basic	45 278 224	40 667 202
Bonus	3 597 606	3 710 012
Medical aid - company contributions	2 854 892	2 313 947
UIF	321 900	312 667
SDL	409 232	384 780
Pension Fund contributions	9 642 128	8 945 616
Travel, motor car, accommodation, subsistence and other allowances	11 575 647	11 121 057
Overtime payments	1 142 761	1 034 355
Long-service awards	72 210	-
Acting allowances	389 079	39 488
Housing benefits and allowances	335 344	272 607
Other employee related costs	1 824 010	1 040 033
	77 443 033	69 841 764

Remuneration of municipal manager

Annual Remuneration	697 991	662 688
Travel, motor, accommodation, subsistence and other allowances	264 176	236 469
Performance and other bonuses	59 256	60 557
Contributions to UIF, Medical and Pension Funds	150 131	146 178
	1 171 554	1 105 892

Remuneration of chief finance officer

Annual Remuneration	420 000	540 000
Travel, motor, accommodation, subsistence and other allowances	108 969	195 171
Performance and other bonuses	-	54 813
Contributions to UIF, Medical and Pension Funds	60 292	120 138
Acting Allowance: Ledwaba K J	73 814	-
Acting Allowance: Riba M E	38 227	-
	701 302	910 122

Remuneration of executive directors

2016	Technical Services	Local Economic Development	Corporate Services	Community Services
Annual Remuneration	575 100	570 528	572 175	569 114
Acting Allowance	-	60 000	34 875	-
Performance and other bonuses	50 000	47 925	-	45 000
Travel, motor car, accommodation, subsistence and other allowances	239 530	218 020	287 545	239 620
Contributions to UIF, Medical and Pension Funds	101 091	123 159	100 564	101 091
	965 721	1 019 632	995 159	954 825

2015	Technical Services	Local Economic Development	Corporate Services	Community Services
Annual Remuneration	450 000	542 843	542 843	542 843
Performance and other bonuses	-	54 813	9 813	54 813

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23. Employee related costs (continued)

Travel, motor car, accommodation, subsistence and other allowances	179 870	194 414	293 099	248 099
Contributions to UIF, Medical and Pension Funds	82 555	119 727	98 298	98 298
	712 425	911 797	944 053	944 053

24. Remuneration of councillors

Councillors	11 882 568	11 336 993
Councillors' pension contribution	1 023 729	801 884
	12 906 297	12 138 877

In-kind benefits

The Mayor, Speaker, Chief Whip and Executive Committee Members are full-time. Each is provided with an office and secretarial support at the cost of the Council.

The Mayor has the use of separate Council owned vehicles for official duties.

The Mayor as well as speaker has one full-time driver.

25. Debt impairment

Contributions to debt impairment provision	10 830 645	8 817 840
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26. Depreciation and amortisation

Property, plant and equipment	31 705 916	29 960 927
Intangible assets	6 242	-
	31 712 158	29 960 927

27. Finance costs

Finance Leases	156 476	151 605
Finance cost - long service awards	215 024	-
	371 500	151 605

28. Bulk purchases

Electricity	23 268 195	19 313 157
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29. Contracted services

Security Services	3 582 391	3 160 405
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Financial Statements for the year ended 30 June 2016

Notes to the Financial Statements

Figures in Rand	2016	2015
30. General expenses		
Administration and management fees	349 774	450 544
Advertising	422 035	257 728
Arts & Culture	125 000	120 335
Audit committee fees	316 469	177 883
Auditors remuneration	2 404 076	2 075 735
Bank charges	333 155	271 172
Beautification of Area	1 154 246	-
Building Planning Costs	-	105
Bursaries	1 342 642	250 883
CDM Grant : EPWP	316 972	684 086
Casual Workers	2 895 481	2 312 762
Cemetery Costs	166 733	15 385
Conferences and seminars	1 554 497	1 430 926
Consulting and professional fees	3 120 171	1 888 347
Consumables	406 102	461 692
Contribution to leave provision	-	316 000
Disaster Provision	13 358	10 000
Finance management grant expenses	1 232 287	1 155 974
Fleet Management Costs	233 218	250 459
Free basic service refuse	606 220	-
Free basic services electricity	451 509	888 041
Fuel and oil	2 827 044	2 934 457
Group Schemes	167 170	141 770
Health and Safety	2 300	11 316
IDP(cost) & PMS	81 807	615 457
IT expenses	2 540 364	2 171 721
Insurance	577 126	438 834
Land Management scheme	14 751	(8 910)
Lease rentals on operating lease	334 988	1 364 458
Licence fees - vehicles	87 320	54 412
MPAC expenses	114 626	124 175
Master Plans for Senwabarwana	850 000	964 912
Newsletter	83 270	125 517
PMS Cost	729 678	157 275
Postage and courier	5 133	13 372
Poverty Alleviation	5 829	5 825
Printing and stationery	911 122	814 440
Protective clothing	324 257	272 144
Provision for restoration costs of landfill site	1 354 091	380 160
Public participation	684 946	739 479
Refreshments	35 751	48 082
Refuse Bags	240 381	15 120
Risk Costs	11 368	-
Special Focus	657 131	184 413
Sport Development	845 580	530 008
Sport for employees	372 754	208 621
Sport ward committee	969 786	793 012
Sports development	900	-
Staff welfare	56 051	45 928
Subscriptions and membership fees	933 789	661 200
System Improvement	949 535	251 075
System Improvement : E-Natis	67 162	121 900
Telephone and fax	1 693 980	1 241 343
Training	1 020 362	1 169 259
Travel - local	7 998 983	6 943 101
Valuation costs	3 464 912	631 579
Ward Committee expenses	3 154 716	3 049 869
Water	80 349	11 399
	51 693 257	40 244 780

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31. Cash generated from operations

Surplus	53 969 934	24 644 206
Adjustments for:		
Depreciation and amortisation	31 712 158	29 960 927
Loss on sale of assets and liabilities	518 289	261 924
Finance charges on long service awards	215 024	-
Movements in provisions	1 197 031	-
Changes in working capital:		
Inventories	2 943 498	(338 903)
Receivables from exchange transactions	(419 019)	(1 103 984)
Consumer debtors	(491 262)	(984 662)
Other receivables from non-exchange transactions	(7 531 897)	(5 699 959)
Payables from exchange transactions	342 266	6 780 436
VAT	(7 264 612)	(2 653 013)
Unspent conditional grants and receipts	15 851 567	(2 479 402)
Consumer deposits	-	587 688
	91 053 742	48 975 258

32. Prior period errors

Statement of Financial Position

Property Plant and Equipment

Balance previously reported	815 861 708
Rural Road write off as per council decision	(55 896 470)
Finance lease assets i.r.o. 2015 only recognised in 2016	668 180
	760 633 418

Other financial liabilities

Balance previously reported	4 289 700
Grant received from CDM was part of unallocated revenue now reclassified to Unspent conditional grant	(1 000 000)
CDM creditor written off against the creditor	(342 173)
	2 947 527

Unspent conditional grant

Balance previously reported	8 976 433
Grant received from CDM was part of unallocated revenue now reclassified to Unspent conditional grant	1 000 000
	9 976 433

Finance Lease Liability

Balance previously reported	-
Finance lease liability recognised - was previously treated as operating lease	(722 611)
	(722 611)

Payables from exchange transaction

Balance previously reported	(25 400 092)
Vat on debtors liability previously disclosed under Receivables from exchange transactions	(1 508 915)
Payments in advance on debtors understated	(307 132)
	(27 216 139)

Consumer Debtors

Balance previously reported	4 661 565
Recalculation of Impairment as Per GRAP	(396 669)
	4 264 896

Receivables from Non-exchange transactions

Balance previously reported	31 754 936
Traffic Fines	(346 708)
Recalculation of Impairment as Per GRAP	(11 098 639)

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Financial Statements for the year ended 30 June 2016

Notes to the Financial Statements

Figures in Rand	2016	2015
32. Prior period errors (continued)		
CDM - Free basic services		(1 719 429)
CDM creditor written off against the debtor		<u>(342 173)</u>
		<u>18 247 987</u>
Receivables from exchange transactions		
Balance previously reported		7 643 660
Recalculation of Impairment as Per GRAP		(5 140 757)
Recalculation of Impairment as Per GRAP		(29 603)
Debtors of land		<u>(1 229 077)</u>
		<u>1 244 223</u>
Inventory		
Balance previously reported		1 121 216
Sites transferred from Department of Public Works to Municipality		1 980 800
Sites held for sale under inventory		1 371 000
Sites held for sale as part of inventory		<u>2 332 000</u>
		<u>6 805 016</u>
Accumulated Surplus - 2015		
Recalculation of Impairment as per GRAP		4 127 622
Depreciation written back i.r.o. rural roads		(22 059 633)
Interest charge on finance lease		151 605
Traffic fines previously incorrectly raised		346 708
Finance lease expenditure previously expense under rental		(431 263)
Depreciation on finance lease		334 090
Impairment on CDM debtor		833 728
Provision for landfill site 2015		<u>(176 334)</u>
		<u>(16 873 477)</u>
Accumulated Surplus - 2014		
Recalculation of Impairment as per GRAP		4 613 083
Amount received in 2010 i.r.o Public works debtor incorrectly receipted in revenue instead of debtors accounts now corrected in 2016		3 083 000
Rental accounts were not charged correct tariff now corrected in 2016		56 558
Rural roads written off		77 956 103
Sites transferred from the Department of Public		(1 980 000)
Reversal of revenue on sale of site for pre 2014		1 582 940
Impairment on CDM debtor prior 2014		4 307 029
CDM free basic water transactions		1 719 429
Recognising inventory sites		(2 332 000)
Overprovision for landfill site 2014		(1 347 480)
Other adjustments		<u>112 943</u>
		<u>87 771 605</u>
Statement of Financial Performance		
Depreciation and Amortization		
Balance previously reported		51 686 470
Rural roads depreciation written back		(22 059 633)
Depreciation on Finance lease assets		<u>334 090</u>
		<u>29 960 927</u>
General Expenses		
Balance previously reported		39 918 199
Finance lease expenditure previously expense under rental		502 915
Provision for landfill site 2015		<u>(176 334)</u>
		<u>40 244 780</u>
Debt Impairment		
Balance previously reported		(3 856 489)

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32. Prior period errors (continued)

Additional Impairment after recalculation of Impairment as per GRAP
Impairment on CDM debtor

(4 127 622)

(833 728)

(8 817 839)

Finance Cost

Balance previously reported
Interest charges on Finance lease

(151 605)

(151 605)

Traffic Fines

Balance previously reported
Fines incorrectly raised in 2015

2 161 330

(346 708)

1 814 622

33. Unauthorised expenditure

Opening Balance
Unauthorised expenditure current

81 117 717 41 504 083

2 874 520 39 613 634

83 992 237 81 117 717

The unauthorised expenditure was in respect of provision for landfill site which was not budgeted for and loss on disposal of assets.

34. Fruitless and wasteful expenditure

Opening balance
Fruitless and wasteful current year
Condoned by council

371 634 328 757

52 601 42 877

(23 890) -

400 345 371 634

Fruitless and wasteful expenditure arose as a result of interest expenses incurred due to late payments of supplier invoice.

R23 890 was condoned by council and the R 400 345 to be taken to council for investigation.

35. Irregular expenditure

Opening balance
Add: Irregular Expenditure - current year
Less: Amounts condoned

47 435 892 21 109 639

43 591 097 26 326 253

(18 573) -

91 008 416 47 435 892

The irregular expenditure is due to non compliance with supply chain processes. The municipality will investigate the irregular expenditure. R 18 573 was condoned by council and the R 91 008 416 to be taken to council for investigation.

36. Additional disclosure in terms of Municipal Finance Management Act

Contributions to organised local government

Current year subscription / fee
Amount paid - current year

933 789 654 070

(933 789) (654 070)

- -

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36. Additional disclosure in terms of Municipal Finance Management Act (continued)

Audit fees

Current year subscription / fee	2 404 076	2 075 735
Amount paid - current year	(2 404 076)	(2 075 735)
	-	-

PAYE and UIF

Opening balance	-	879 212
Current year subscription / fee	13 393 620	12 474 240
Amount paid - current year	(13 366 214)	(12 474 240)
Amount paid - previous years	-	(879 212)
	27 406	-

Pension and Medical Aid Deductions

Opening balance	-	1 405 632
Current year subscription / fee	9 453 665	11 474 677
Amount paid - current year	(9 453 665)	(11 474 677)
Amount paid - previous years	-	(1 405 632)
	-	-

VAT

VAT receivable	12 538 179	5 273 567
Provision for Bad Debt - Vat	(336 367)	(336 367)
	12 201 812	4 937 200

VAT output payables and VAT input receivables are shown in note .

Councillors' arrear consumer accounts

The following Councillors had arrear accounts outstanding for more than 90 days at 30 June 2016:

30 June 2016	Outstanding less than 90 days R	Outstanding more than 90 days R	Total R
S E Sekgoloane	-	11 085	11 085

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Financial Statements for the year ended 30 June 2016

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Figures in Rand	2016	2015
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37. Commitments

Authorised capital expenditure

Already contracted for but not provided for

• Property, plant and equipment	281 552	2 367 146
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Not yet contracted for and authorised by accounting officer

• Property, plant and equipment	-	2 954 000
---------------------------------	---	-----------

Total capital commitments

Already contracted for but not provided for	281 552	2 367 146
---	---------	-----------

Not yet contracted for and authorised by accounting officer	-	2 954 000
---	---	-----------

	281 552	5 321 146
--	---------	-----------

Authorised operational expenditure

Already contracted and provided for

• Security Services	484 574	4 055 316
• Other	1 100 000	-

	1 584 574	4 055 316
--	-----------	-----------

Total operational commitments

Already contracted for but not provided for	1 584 574	4 055 316
---	-----------	-----------

Total commitments

Total commitments

Authorised capital expenditure	281 552	5 321 146
--------------------------------	---------	-----------

Authorised operational expenditure	1 584 574	4 055 316
------------------------------------	-----------	-----------

	1 866 126	9 376 462
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Operating leases - as lessee (expense)

Minimum lease payments due

- within one year	-	878 569
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- in second to fifth year inclusive	-	2 337 461
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	-	3 216 030
--	---	-----------

38. Distribution Losses

Electricity	1 989 381	3 124 799
-------------	-----------	-----------

	1 989 381	3 124 799
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The municipality purchased 15 640 121 (units) from Eskom and sold and used 17 629 502 (units) hence there is a difference of 1 989 381 (units) between the purchases and sales. This amounts to a distribution % loss of 11.28%.

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Figures in Rand	2016	2015
39. Contingencies		
Contingent Liability	420 000	1 900 000
40. Contingent Liability		
The municipality is currently defending the various cases :		
1. THEMA TRUST : CASE No. 870/2015 = On the 2nd of December 2015 a Demolishing Order was granted and stayed until the 2nd of April 2016, pending the Respondent's demolishing and removal of the unwanted buildings.	R0	R 350 000
2. JACKSON HOPANE : CASE No. 1110/2015= The matter is set down for hearing on the 02nd of March 2016	R 0	R 350 000
3. NGOAKE SAMUEL RAMALAHLA: CASE No. 710/2013= The Municipality was ordered to re-Erect the fence which was kept at Alldays. 0=(No Costs awarded)	R 0	R 350 000
4.KGAMAKI JONAS MANGWETA: CASE No. LP/PLK/RC 499/2015= The plaintiff is suing the municipality for defamation	R 300 000	R 450 000
5. Desmond Etienne Doman Case LCC23/2013 - Matter still at pleading stage and matter will be set down for hearing	R 0	R 350 000
6. Masilo Rapetswa - case no (13531/2014) The plaintiff is suing the municipality after ten (10) cattle died on suspicion that they grazed in an unprotected dumping site belonging to the municipality	R 120 000	
8.TEBOGO SIMON MAREMELA: CASE No.26/2012= The Plaintiff's Attorney advised the Municipal Legal representative that they intend to withdraw however the latter demanded that they do that through normal court process of filing a Notice of Withdrawal	R 0	R 50 000
	<u>R 420 000</u>	<u>R 1 900 000</u>

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41. Related parties

Interest paid to (received from) related parties

Commission received from related parties

CDM - Free and basic water

Grants received from CDM

1 309 334

539 051

895 383

682 092

265 745

760 600

CDM Services debtors

Debtors

Impairment provision

6 917 205

6 169 190

(6 095 188)

(5 140 757)

822 017

1 028 433

The municipality is involved in an agency relationship with Capricorn District Municipality for the provision of water services.

Compensation to accounting officer and other key management

Remuneration

21 734 066

20 149 183

Key management information

Municipal manager

Annual Remuneration

Performance and other bonuses

Travel, motor car, accommodation, subsistence and other allowances

S & T

Contributions to UIF, Medical and Pension Funds

697 991

662 688

59 256

60 557

264 176

236 469

-

96 427

150 131

146 178

1 171 554

1 202 319

Chief Financial Officer

Annual remuneration

Performance and other bonuses

Travel, motor car, accommodation, subsistence and other allowances

S & T

Contributions to UIF, Medical and Pension Funds

420 000

541 600

-

54 813

108 969

195 171

55 041

129 481

60 292

120 138

644 302

1 041 203

2016

Remuneration of individual Executive Directors

	Local Economic Development	Technical Services	Corporate Services	Community Services
Annual remuneration	570 528	575 100	572 175	569 114
Acting Allowance	60 000	-	34 875	-
Performance and other bonuses	47 925	50 000	-	45 000
Travel, motor car, accommodation, subsistence and other allowances	218 020	239 529	287 545	239 619
Contributions to UIF, Medical and Pension Funds	123 159	101 091	100 564	101 091
S & T	107 378	139 358	68 779	119 244
	1 127 010	1 105 078	1 063 938	1 074 068

2015

	Local Economic Development	Technical Services	Corporate Services	Community Services
Annual Remuneration	542 843	450 000	542 843	542 843
Performance and other bonuses	54 812	-	9 813	54 813
Travel, motor car, accommodation, subsistence and other allowances	194 414	179 870	293 099	248 099

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41. Related parties (continued)		
Contributions to UIF, Medical and Pension Funds	119 727	82 555
S & T	65 463	71 005
	977 259	783 430
	955 289	1 041 578

Remuneration of Councillors

Mayor(Selamolela S) remuneration,pension, cellphone allowance and housing allowance	783 558	678 094
Speaker (MN THAMAGA) remuneration,pension, cellphone allowance and housing allowance	630 870	577 755
Chief Whip (Seduma MD) remuneration,pension, cellphone allowance and housing allowance & disbursements	592 978	575 697
Councillors' pension and medical aid contributions	786 524	801 884
Councillors' allowances and remuneration	9 981 570	9 412 131
Disbursements of councillors	2 772 616	2 102 544
	15 548 116	14 148 105

Related party per Councillor	Basic Salary	Allowances	S & T	Total 2016
Selamolela S	464 028	319 530	43 013	826 571
Thamaga M. N	371 218	259 652	6 158	637 028
Seduma MD	348 022	244 957	103 216	696 195
Masekwameng M.R	348 022	244 957	122 894	715 873
Mashuhla M.W	-	-	-	-
Moetji N T	184 618	140 134	136 809	461 561
Ratladi SD	348 022	244 957	144 355	737 334
Sekgolane S.E	136 322	112 843	-	249 165
Sithukga S.E	192 722	146 031	73 359	412 112
Tutja T.P	192 722	146 031	108 172	446 925
Tjuma M.M	192 722	146 031	49 714	388 467
Morapedi M.A	192 722	146 031	85 088	423 841
Ntlatla M.W	179 803	137 882	83 319	401 004
Rapheaga K.T	140 106	112 843	29 934	282 883
Lehong M.V	140 106	112 843	74 745	327 694
Rangata M.J	140 106	112 843	115 355	368 304
Mosebedi M.E	140 106	112 843	73 178	326 127
Morukhu M.B	140 106	112 843	40 016	292 965
Chosi M.M	140 106	112 843	82 199	335 148
Raseruthe M.A	140 106	112 843	45 694	298 643
Makobela S.R	140 106	112 843	67 141	320 090
Boloka M.P	140 106	112 843	71 800	324 749
Nabane N.B	140 106	112 843	26 256	279 205
Sekwatlakwatla S.P	140 106	112 843	54 816	307 765
Kgwatalala M.M	140 106	112 843	48 215	301 164
Manetja M.R	-	-	-	-
Sekgoloane MJ	140 106	112 843	41 447	294 396
Mathekgane C.R	140 106	112 843	75 149	328 098
Mojodo M.D	140 106	112 843	102 165	355 114
Kobe D.M	140 106	112 843	80 772	333 721
Molokomme N.O	140 106	112 843	-	252 949
Ntlima M.A	140 106	112 843	60 966	313 915
Mashalane M.S	140 106	112 843	80 292	333 241
Shongoane S.L	140 106	112 843	32 143	285 092
Kotsinkwa P.J	140 106	112 843	58 182	311 131
Mathidza S.E	140 106	112 843	37 682	290 631
Keetse M.C	140 106	112 843	107 213	360 162
Maboya M.S	140 106	112 843	26 450	279 399

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41. Related parties (continued)

Tlouamma N.M	140 106	112 843	73 187	326 136
Chauke K.R	140 106	112 843	118 837	371 786
Phosa M.H	140 106	112 843	48 884	301 833
Modishetjie M.P	140 106	112 843	84 726	337 675
Mokgehle P.S	140 106	112 843	59 075	312 024
	7 214 017	5 561 483	2 772 616	15 548 116

Related party per Councillor

	Basic Salary	Allowances	S & T	Total 2015
Ratladi S.D	332 474	230 866	109 843	673 183
Sekgolane S.E	422 341	285 066	1 189	708 596
Thamaga M. N	354 626	244 625	2 895	602 146
Thoshi M.M	332 474	230 866	35 234	598 574
Masekwameng M.R	332 474	230 866	68 202	631 542
Mashuhla M.W	41 940	34 077	7 696	83 713
Selamolela S	115 207	91 905	7 197	214 309
Sithukga S.E	183 040	138 007	97 117	418 164
Tutja T.P	183 040	138 007	122 780	443 827
Tjuma M.M	183 040	138 007	72 285	393 332
Morapedi M.A	183 040	138 007	95 137	416 184
Ntlatla M.W	170 669	130 419	54 515	355 603
Rapheaga K.T	132 989	107 027	16 790	256 806
Lehong M.V	132 989	107 027	32 523	272 539
Rangata M.J	132 989	107 027	88 327	328 343
Mosebedi M.E	132 989	107 027	67 422	307 438
Morukhu M.B	132 989	107 027	79 281	319 297
Seduma M.D	132 989	107 027	32 866	272 882
Raseruthe M.A	132 989	107 027	61 663	301 679
Makobela S.R	132 989	107 027	35 716	275 732
Boloka M.P	132 989	107 027	50 143	290 159
Nabane N.B	132 989	107 027	23 829	263 845
Sekwatlakwatla S.P	132 989	107 027	50 518	290 534
Kgwatalala M.M	132 989	107 027	19 924	259 940
Manetja M.R	122 211	107 027	9 248	238 486
Moetji N.T	132 989	97 803	62 193	292 985
Mathekgane C.R	132 989	107 027	81 075	321 091
Mojodo M.D	132 989	107 027	76 619	316 635
Kobe D.M	132 989	107 027	77 089	317 105
Molokomme N.O	132 989	107 027	3 123	243 139
Ntlima M.A	132 989	107 027	-	240 016
Mashalane M.S	132 989	107 027	128 839	368 855
Shongoane S.L	132 989	107 027	28 717	268 733
Kotsinkwa P.J	132 989	107 027	-	240 016
Mathidza S.E	132 989	107 027	16 638	256 654
Keetse M.C	132 989	107 027	75 096	315 112
Maboya M.S	132 989	107 027	8 837	248 853
Tlouamma N.M	132 989	107 027	47 312	287 328
Chauke K.R	132 989	107 027	106 853	346 869
Phosa M.H	132 989	107 027	34 890	274 906
Modishetjie M.P	132 989	107 027	63 357	303 373
Mokgehle P.S	132 989	107 027	49 566	289 582
	6 813 257	5 232 304	2 102 544	14 148 105

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42. Risk management

Financial risk management

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.

Market risk management

The municipality's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the municipality's financial performance. The municipality uses derivative financial instruments to hedge certain risk exposures. Risk management is carried out by a central treasury department (entity treasury) under policies approved by the accounting officer. Municipality treasury identifies, evaluates and hedges financial risks in close co-operation with the municipality's operating units.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, municipality treasury maintains flexibility in funding by maintaining availability under committed credit lines.

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.

Cash flow forecasts are prepared and adequate utilised borrowing facilities are monitored.

The table below analyses the municipality's financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

At 30 June 2016	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Trade and other Payables - cash flow hedges				
Trade and other Payables	27 558 405	-	-	-
Other financial liabilities	2 076 583	-	-	-
Finance leases	617 258	78 953	-	-
At 30 June 2015	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Trade and other Payables - cash flow hedges				
Trade and other Payables	27 216 139	-	-	-
Other financial liabilities	2 947 527	-	-	-
Finance lease	330 252	392 382	-	-

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.

Financial assets exposed to credit risk at year end were as follows:

Financial instrument	2016	2015
Trade and Other receivables	32 411 028	23 968 850
Vat Receivable	12 201 812	4 937 199
Cash and Cash equivalents	28 886 115	18 523 132

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43. Going concern

The 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.

44. 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 accounting officer and includes a note to the financial statements.

An amount of R 9 455 290 (2015: 3 460 517) 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 accounting officer who considered them and subsequently approved the deviation from the normal supply chain management regulations.

45. Events after the reporting date

Two wards with 12 villages were incorporated on 03 august 2016 into the blouberg municipality by the demarcation board from the Aganang Municipality on 03 August 2016.

A786 beneficiaries will qualify for free basic electricity.

9 Employees from Aganang is transfered to Blouberg municipality.

Other assets , intangible asset are transferred from Aganang to Blouberg municipality.



Chapter 6

AUDIT REPORT

30 JUNE 2016

Report of the auditor-general to the Limpopo provincial legislature and the council on Blouberg Local Municipality

Report on the financial statements

Introduction

1. I have audited the financial statements of the Blouberg Local Municipality set out on pages 5 to 14 and 17 to 58, which comprise the statement of financial position as at 30 June 2016, the statement of financial performance, statement of changes in net assets, cash flow statement and the statement of comparison of budget and actual amounts for the year then ended, as well as the notes, comprising a summary of significant accounting policies and other explanatory information.

Accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with South African Standards of Generally Recognised Accounting Practice (SA standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2015 (Act No. 1 of 2015) (DoRA), and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor-general's responsibility

3. My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with International Standards on Auditing. Those standards require that I comply with ethical requirements, and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified audit opinion.

Basis for qualified opinion

Property, plant and equipment

6. I was unable to obtain sufficient appropriate audit evidence for the restatement of the corresponding figure for an item (infrastructure) of property, plant and equipment. As described in note 32 to the financial statements, the restatement to the amount of R55 896 470 was made to rectify a prior year misstatement, but the restatement could not be substantiated by sufficient appropriate audit evidence. I was unable to confirm the restatement by alternative means. Consequently, I was unable to determine whether any adjustment to the item of property, plant and equipment's corresponding figure stated at R607 587 660 in note 8 to the financial statements was necessary.

Irregular expenditure

7. I was unable to obtain sufficient appropriate audit evidence that the municipality determined the full extent of irregular expenditure incurred in the prior year. Consequently, I was unable to determine whether any adjustment to irregular expenditure stated at R91 008 416 in note 35 to the financial statements was necessary.

Qualified Opinion

8. In my opinion, except for the possible effects of the matters described in the basis for qualified opinion paragraphs, the financial statements present fairly, in all material respects, the financial position of the Blouberg Local Municipality as at 30 June 2016 and its financial performance and cash flows for the year then ended, in accordance with SA standards of GRAP and the requirements of the MFMA and DoRA.

Emphasis of matters

9. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Material impairments

10. As disclosed in note 4, 5 and 6 to the financial statements, material impairments to the amount of R6 095 188, R36 848 697 and R4 722 925, respectively, have been made as a result of irrecoverable consumer debtors and receivables.

Unauthorised expenditure

11. As disclosed in note 33 to the financial statements, the municipality incurred unauthorised expenditure to the amount of R2 874 520 in excess of the limits of the amounts provided for in two votes of the approved budget, as a result of cash and non-cash transactions not budgeted for.

Irregular expenditure

12. As disclosed in note 35 to the financial statements, the municipality incurred irregular expenditure to the amount of R43 591 097, due to the contravention of the supply chain management policy.

Additional matters

13. I draw attention to the matters below. My opinion is not modified in respect of these matter.

Unaudited disclosure notes

14. In terms of section 125(2)(e) of the MFMA the municipality is required to disclose particulars of non-compliance with the MFMA. This disclosure requirement did not form part of the audit of the financial statements and accordingly I do not express an opinion thereon.

Unaudited supplementary information

15. The supplementary information set out on pages 15 to 16 does not form part of the financial statements and is presented as additional information. I have not audited these and, accordingly, I do not express an opinion thereon.

Report on other legal and regulatory requirements

16. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) and the general notice issued in terms thereof, I have a responsibility to report findings on the reported performance information against predetermined objectives of selected development priorities presented in the annual performance report, compliance with legislation and internal control. The objective of my tests was to identify reportable findings as described under each subheading but not to gather evidence to express assurance on these matters. Accordingly, I do not express an opinion or conclusion on these matters.

Predetermined objectives

17. I performed procedures to obtain evidence about the usefulness and reliability of the reported performance information of the following selected development priorities presented in the annual performance report of the municipality for the year ended 30 June 2016:
- Key Performance area (KPA) 1: Basic Service Delivery and Infrastructure Development - Roads and Infrastructure on pages 7 to 14
 - KPA 1: Basic Service Delivery and Infrastructure Development - Waste management on page 10
 - KPA 1: Basic Service Delivery and Infrastructure Development - Electrification on pages 11 to 13
 - KPA 3: Local Economic Development on pages 32 to 35.

18. I evaluated the usefulness of the reported performance information to determine whether it was presented in accordance with the National Treasury's annual reporting principles and whether the reported performance was consistent with the planned development priorities. I further performed tests to determine whether indicators and targets were well defined, verifiable, specific, measurable, time bound and relevant, as required by the National Treasury's *Framework for managing programme performance information (FMPPI)*.
19. I assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
20. The material findings in respect of the selected development priorities are as follows:

KPA 1: Basic service delivery and infrastructure development - Roads and infrastructure

Usefulness of reported performance information

Measurability of indicators

21. The FMPPI requires that performance indicators should be well defined by having clear definitions so that data can be collected consistently and is easy to understand and use. A total of 76% indicators were not well defined.

Reliability of reported performance information

22. I did not identify any material findings on the reliability of the reported performance information for KPA 1: basic service delivery and infrastructure development - roads and infrastructure.

KPA 1: Basic service delivery and infrastructure development - Waste management

Usefulness of reported performance information

Measurability of indicator

23. The FMPPI requires that performance indicators should be well defined by having clear definitions so that data can be collected consistently and is easy to understand and use. The indicator was not well defined.

Reliability of reported performance information

24. I did not identify any material findings on the reliability of the reported performance information for KPA 1: basic service delivery and infrastructure development - waste management.

KPA 1: Basic service delivery and infrastructure development - Electrification

Usefulness of reported performance information

Measurability of indicators

25. The FMPPI requires that performance indicators should be well defined by having clear definitions so that data can be collected consistently and is easy to understand and use. All indicators were not well defined.

Reliability of reported performance information

26. The FMPPI requires auditees to have appropriate systems to collect, collate, verify and store performance information to ensure reliable reporting of actual achievements against planned development priorities, indicators and targets. The reported achievements against planned targets of important indicators were not reliable when compared to the evidence provided.

KPA 3: Local Economic Development

Usefulness of reported performance information

Consistency of target

27. Section 41(c) of the Municipal Systems Act, 2000 (Act No. 32 of 2000) (MSA) requires the integrated development plan to form the basis for the annual report, therefore requiring consistency of development priorities, indicators and targets between planning and reporting documents. An important target was not consistent with those in the approved integrated development plan.

Change to target not approved

28. Section 25(2) of the MSA determines that an integrated development plan adopted by a municipal council may be amended in accordance with the process as prescribed per section 34 of the MSA, and that such a plan remains in force until an integrated development plan is adopted by the next elected council. A material change was made to an important target in the annual performance report, without following the process as prescribed in section 34 of the MFMA and without adoption by the municipal council.

Reliability of reported performance information

29. The FMPPI requires auditees to have appropriate systems to collect, collate, verify and store performance information to ensure reliable reporting of actual achievements against planned development priorities, indicators and targets. The reported achievement against a planned target of an important indicator was not reliable when compared to the evidence provided.

Additional matters

30. I draw attention to the following matters.

Achievement of planned targets

31. Refer to the annual performance report on pages X to XX for information on the achievement of planned targets for the year. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information in paragraphs 21, 23, 25 to 29 of this report.

Adjustment of material misstatements

32. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were on the reported performance information of KPA 1: basic service delivery and infrastructure development – roads and infrastructure, KPA 1: basic service delivery and infrastructure development – waste management and KPA 3: local economic development. As management subsequently corrected only some of the misstatements, I identified material findings on the usefulness and reliability of the reported performance information.

Unaudited supplementary information

33. The supplementary information set out on pages X to X does not form part of the annual performance report and is presented as additional information. I have not audited this information and, accordingly, I do not report on them.

Compliance with legislation

34. I performed procedures to obtain evidence that the municipality had complied with applicable legislation regarding financial matters, financial management and other related matters. My material findings on compliance with specific matters in key legislation, as set out in the general notice issued in terms of the PAA, are as follows:

Annual financial statements

35. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122 of the MFMA. Material misstatements of non-current assets, current assets, revenue and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected and the supporting records were provided subsequently, but the supporting records that could not be provided resulted in the financial statements receiving a qualified audit opinion.

Expenditure management

- 36. Money owed by the municipality was not always paid within 30 days, as required by section 65(2)(e) of the MFMA.
- 37. Reasonable steps were not taken to prevent unauthorised, irregular and fruitless and wasteful expenditure, as required by section 62(1)(d) of the MFMA.

Procurement and contract management

- 38. Goods and services with a transaction value of below R200 000 were procured without obtaining the required price quotations, in contravention of by *Supply Chain Management (SCM) regulation 17(a) and (c)*.
- 39. Awards were made to providers who were in the service of other state institutions, in contravention of MFMA 112(j) and *SCM regulation 44*. Similar awards were identified in the previous year and no effective steps were taken to prevent or combat the abuse of the SCM process, as required by *SCM regulation 38(1)*.

Asset management

- 40. An effective system of internal control for assets was not in place, as required by section 63(2)(c) of the MFMA.

Consequence management

- 41. Unauthorised, irregular and fruitless and wasteful expenditure incurred by the municipality was not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(a) and (b) of the MFMA.

Internal control

- 42. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with legislation. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for qualified opinion, the findings on the annual performance report and the findings on compliance with legislation included in this report.

Leadership

- 43. Management did not perform adequate review and monitoring over financial and performance reporting, resulting in a qualified opinion and material findings on the annual performance report.
- 44. The council have not yet investigated unauthorised and irregular expenditure incurred by the municipality in the prior years.

45. Management did not exercise oversight responsibility over the enforcement of the SCM policy and influencing an investigation to determine the full extent of irregular expenditure incurred in the prior year.
46. Management did not in all instances address and resolve recommendations made by the internal audit unit.

Financial and performance management

47. Senior management did not adequately oversee the operations of the entity, as the financial statements and annual performance report contained material misstatements not detected by the entity's own system of internal control. Additionally, capacity constraints in the finance unit and staff not fully understanding the requirements of the financial reporting framework contributed to these material misstatements.
48. The entity's management of records was inadequate in keeping financial information that formed the basis for the qualified audit opinion.
49. Supply chain management processes were inadequate due to a lack of monitoring, resulting in irregular expenditure.

Auditor-General,

Polokwane

30 November 2016



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Appendices

APPENDICES

Councillors, Committees Allocated and Council Attendance					
Council Members	Committee Allocated	Full Time/Part Time	*Ward and/ or Party Represented	Percent age Council Meeting s Attenda nce	Percentage apologies for non-attendance
				%	%
Sealamolela Samson	Chairperson: Executive Committee(Mayor)	FT	MAYOR ANC	4	0
Thamaga Maria Nkholane	Council Speaker	FT	SPEAKER ANC	4	0
SedumaMatee Derrick	Chief whip	FT	CHIEF WHIP ANC WARD 06 COUNCILOR	3	1
MorapediMorongoa Adeline	Chairperson: ED & Planning	PT	Chairperson: ED & Planning ANC	4	0
RatladiSeleka Donald	Chairperson: Infrastructure	FT	Chairperson: Infrastructure ANC	4	0
MasekwamengRahabMapeu	Chairperson: Finance	FT	Chairperson: Finance ANC	4	0
ChaukeKganakga Ronald	Special Focus	PT	PR COUNCILLOR ANC	4	0
Phosa Matlala Hellen	Community Services	PT	PR COUNCILLOR ANC	4	0
Modishetji Matome Petrus	Infrastructure Dev.	PT	PR COUNCILLOR ANC	3	1
SithukgaSekadiElina	Chairperson: Corporate Services	PT	Chairperson: Corporate Services ANC	2	2
Tutja Tebogo Philemon	Chairperson: Community Services	PT	Chairperson: Community Services ANC	4	0
ShongoaneSelekaLinah	ED & Planning	PT	PR COUNCILLOR ANC	3	1
KotsinkwaPhakedi Joseph	Community	PT	PR COUNCILLOR	3	1

	Services		ANC		
MathidzaSewela Elisa	CDM Rep(MPAC)	PT	PR COUNCILLOR ANC	3	1
TjumanaMashingwanaMienkie	EXCO Member & Finance	PT	PR COUNCILLOR D.A	4	0
KeetseMachueene Charles	MPAC Corporate Services	PT	PR COUNCILLOR D.A	4	0
MaboyaMmatshoene Solomon	MPAC	PT	PR COUNCILLOR ACDP	2	0
TlouammaNtshilo Martin	MPAC	PT	PR COUNCILLOR COPE	4	0
SekgoloaneSerite Emmanuel	Community Services	PT	PR COUNCILLOR ANC	1	3
ChoshiManare Martin	Corporate Services	PT	PR COUNCILLOR ANC	3	1
RapheagaKgabo Thomas	Corporate Services	PT	WARD 01 COUNCILLOR ANC	4	0
Lehong Mathekga Violet	Corporate Services	PT	WARD 02 COUNCILLOR ANC	4	0
RangataMorongwa Johanna	Infrastructure Dev.	PT	WARD 03 COUNCILLOR ANC	3	1
Mosebedi Matome Erasmus	Corporate Services	PT	WARD 04 COUNCILLOR ANC	4	0
MorukhuMangako Beauty	Finance	PT	WARD 05 COUNCILLOR ANC	2	2
Raseruthe Matome Agnes	Infrastructure Dev.	PT	WARD 07 COUNCILLOR ANC	4	0
Makobela Setumo Robert	Finance (Whip)	PT	WARD08 COUNCILLOR ANC	2	2
BolokaMushaisane Phineas	CDM Rep & Finance	PT	WARD09 COUNCILLOR ANC	3	1
NabaneNgoako Bishop	ED & Planning (Whip)	PT	WARD 10 COUNCILLOR ANC	2	2
SekwatlakwatlaSewelaPheleci ty	Special Focus	PT	WARD 11 COUNCILLOR ANC	3	1
KgwatalalaMashilo Moses	Infrastructure Dev.	PT	WARD12 COUNCILLOR ANC	4	0

SekgoloaneMangakoJonathan	Special Focus	PT	WARD 13 COUNCILLOR ANC	2	0
MoetjiNgakwana Tiny	MPAC	PT	WARD 14 COUNCILLOR ANC	4	0
NtlatlaMahlodi William	Chairperson: MPAC	PT	WARD15 COUNCILLOR ANC	4	0
MathekganeChuene Rosina	Corporate Services	PT	WARD 16 COUNCILLOR ANC	4	0
MojodoMalatsi Daniel	ED & Planning	PT	WARD17 COUNCILLOR ANC	4	0
Kobe Ditshego Margaret	ED & Planning	PT	WARD18 COUNCILLOR ANC	3	1
MolokommeNkgolo Olivia	Community Services	PT	WARD19 COUNCILLOR ANC	1	3
Ntlema Matome Abram	Community Services	PT	WARD20 COUNCILLOR ANC	3	1
MashalaneMmapitsi Simon	Special Focus	PT	WARD21 COUNCILLOR ANC	3	1
MokgehlePitsiSaldinah	MPAC	PT	PR COUNCILLOR ANC	2	2

APPENDIX A-COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

CONCERNING TA

A spreadsheet exists to compile attendance data

		03/2016OC	02/2016DC	01/2016OC	04/2015OD	ATTENDANCE
		30/06/2016	31/03/2016	29/01/2016	31/07/2015	PERCENT %
Sealamolela Samson		1	1	1	1	100%
Thamaga Maria Nkholane		1	1	1	1	100%
SedumaMatee Derrick		1	0	1	1	75%
MorapediMorongoa Adeline		1	1	1	1	100%
RatladiSeleka Donald		1	1	1	1	100%
MasekwamengRahabMapeu		1	1	1	1	100%
ChaukeKganakga Ronald		1	1	1	1	100%
Phosa Matlala Hellen		1	1	1	1	100%
Modishetji Matome Petrus		0	1	1	1	75%
SithukgaSekadiElina		*	1	1	0	50%
Tutja Tebogo Philemon		1	1	1	1	100%
ShongoaneSelekaLinah		1	1	0	1	75%
KotsinkwaPhakedi Joseph		*	1	1	1	75%
MathidzaSewela Elisa		*	1	1	1	75%
TjumaMashingwanaMienkie		1	1	1	1	100%
KeetseMachuene Charles		1	1	1	1	100%
MaboyaMmatshoene Solomon		*	1	1	0	50%
TlouammaNtshilo Martin		1	1	1	1	100%
SekgoloaneSerite Emmanuel		0	0	1	0	25%
ChoshiManare Martin		0	1	1	1	75%
RapheagaKgabo Thomas		1	1	1	1	100%
Lehong Mathekga Violet		1	1	1	1	100%
RangataMorongwa Johanna		*	1	1	1	75%
Mosebedi Matome Erasmus		1	1	1	1	100%

MorukhuMangako Beauty		0	1	1	0	50%
Raseruthe Matome Agnes		1	1	1	1	100%
Makobela Setumo Robert		*	1	1	0	50%
BolokaMushaisane Phineas		1	1	0	1	75%
NabaneNgoako Bishop		0	1	1	0	50%
SekwatlakwatlaSewelaPhelecity		*	1	1	1	75%
KgwatalalaMashilo Moses		1	1	1	1	100%
SekgoloaneMangakoJonathan		0	0	1	1	50%
MoetjiNgakwana Tiny		1	1	1	1	100%
NtlatlaMahlodi William		1	1	1	1	100%
MathekganeChuene Rosina		1	1	1	1	100%
MojodoMalatsi Daniel		1	1	1	1	100%
Kobe Ditshego Margaret		0	1	1	1	75%
MolokommeNkgolo Olivia		*	0	0	1	25%
Ntlema Matome Abram		0	1	1	1	75%
MashalaneMmapitsi Simon		1	1	0	1	75%
MokgehlePitsiSaldinah		*	0	1	1	50%
	TOTAL	24	36	37	35	

ATTENDANCE:(1)

ABSENCE: (0)

APOLOGY ACCEPTED:(*)

APPENDIX B-COMMITTEES AND COMMITTEE PURPOSES

Committees (other than Mayoral/Executive Committees) and Purposes of committees	
Municipal Committee	Purpose of Committee
1. Portfolio Committees	Section 79 Committee that exercises powers delegated by the Executive Committee
2. Municipal Public Accounts Committee	Section 79 Committee that prepare an oversight report and performs any responsibility assigned by council
3. Audit Committee	Reviews Annual Financial Statements and respond to Council on any issue raised by the Auditor General
4. Remuneration Committee	Supports strategic aims of the institution and enable the recruitment, motivation and retention of senior management while complying with regulations of local government
5. Ethics and Disciplinary Committee	Enforce Ethics and Discipline among councillors
6. Petitions and Public Participation Committee	Ensure proper settings for Petitions and Public Participation processes

7. Local Geographical Names Committee	
	TB

APPENDIX C-THIRD TIER ADMINISTRATIVE STRUCTURE

APPENDIX D-FUNCTIONS OF MUNICIPALITY

Municipal Functions		
Municipality Functions	Function applicable to Municipality (Yes/No)*	Function applicable to Entity (Yes/No)
Constitution schedule 4, Part B functions		
Air Pollution	NO	
Building Regulations	YES	
Child Care facilities	YES	
Electricity and gas reticulation	YES	
Fire fighting services	NO (DISTRICT FUNCTION)	
Local tourism	YES	
Municipal airports	NO	
Municipal planning	YES	
Municipal Health Services	NO (DISTRICT FUNCTION)	
Municipal Public Transport	NO	
Municipal Public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this constitution or any other	YES	
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international shipping and matters related	NO	
Storm water management systems in built up areas	YES	
Trading regulations	YES	
Water and sanitation services limited to potable water supply systems and domestic waste water and sewage disposal system	NO(DISTRICT FUNCTION)	
<i>Continued next page</i>		
Municipal Functions		
Municipality Functions	Function applicable to Municipality (Yes/No)*	Function applicable to Entity (Yes/No)
Constitution schedule 5, Part B functions		
Beaches and amusement facilities	NO	
Billboards and the display of advertisements in public places	YES	

Cemeteries, funeral parlours and crematoria	YES	
Cleansing	NO	
Control of public nuisance	YES	
Control of undertakings that sell liquor to the public	NO	
Facilities for the accommodation, care and burial of animals	NO	
Fencing and Fences	YES	
Licensing of dogs	YES	
Licensing and control of undertakings that sell food to the public	YES	
Local amenities	YES	
Local sport facilities	YES	
Markets	YES	
Municipal abattoirs	YES	
Municipal parks and recreation	YES	
Municipal roads	YES	
Noise pollution	YES	
Pounds	YES	
Public places	NO	
Refuse removal, refuse dumps and solid waste disposal	YES	
Street trading	YES	
Street lighting	YES	
Traffic and parking	YES	
*if municipality: indicate (Yes/No); * if entity: provide name of entity		TD

APPENDIX E – WARD REPORTING

APPENDIX E – WARD REPORTING

Functionality of Ward Committees					
Ward Name (Number)	Name of ward councillor and elected ward committee members	Committee established (Yes/No)	Number of monthly committee meetings held during the year	Number of monthly reports submitted to Speakers office on time	Number of quarterly public ward meetings held during year
WARD 01	RAPHEAGA KGABO THOMAS	YES	4	7	4
	Motloutsi Ditshego Samuel	YES	4	7	4
	Ramoroka Pheladi Monica	YES	4	7	4
	Makgatho Noko Reinett	YES	4	7	4
	Ramoroka Mmaphuti Johanna	YES	4	7	4
	Maleka Nkwata Gilbert	YES	4	7	4
	Masebe Kweni Phillip	YES	4	7	4
	Baloyi Phadishi Solly	YES	4	7	4
	Thubakgale Lasi Lucy	YES	4	7	4

	NgwepeMmaphutiFridah	YES	4	7	4		
	TjaleLesiba Martin	YES	4	7	4		
WARD 02	LEHONG MATHEKGA VIOLET	YES	4	7	4		
	LebogoMakwenaFrancina	YES	4	7	4		
	SetatiManare Evelyn	YES	4	7	4		
	Nta Nancy Noko	YES	4	7	4		
	LamolaMmaphuti Class	YES	4	7	4		
	PapolaMokolobetsi Johanna	YES	4	7	4		
	MochosaMakgamathaWillgerry	YES	4	7	4		
	DumaziMmachueneSelina	YES	4	7	4		
	SeanegoMatomeMartinah	YES	4	7	4		
	Mashamaite m. Ernest	YES	4	7	4	Male	Makgabeng(olongs)
	MakhwitingSeboko Solomon	YES	4	7	4		
WARD 03	RANGATA MORONGWA JOHANNA	YES	4	11	4		
	ModibaNgoakoRuphus	YES	4	11	4		
	PhalaNgoakoJunias	YES	4	11	4		
	MonyebodiNkabaSalphy	YES	4	11	4		
	WelherminahMotjopi	YES	4	11	4		
	RaseruthePhutiSherley	YES	4	11	4		
	TutjaMokolongSanna	YES	4	11	4		
	SehapelaMatomeFrans	YES	4	11	4		
	Lehong Phuti Julia	YES	4	11	4		
	MojelaMokgadi Yvonne	YES	4	11	4		
	MamadishaMmatlou David	YES	4	11	4		
WARD 04	MOSEBEDI MATOME ERASMUS	YES	4	8	4		
	HlakoNthusheng Billy	YES	4	8	4		
	KgattaChibudiPekkie	YES	4	8	4		
	HlakoPhutiSanna	YES	4	8	4		
	MokoenaMorongwa Agnes	YES	4	8	4		
	MathianeKgabo Abram	YES	4	8	4		
	PelehoManare Abram	YES	4	8	4		
	Mojela Nchibudi Dinah	YES	4	8	4		
	MashalaMamoloko Lucy	YES	4	8	4		
	Tlouamma Martha Reginah	YES	4	8	4		
WARD 05	MORUKHU MMANGWAKO BEAUTY	YES	4	6	4		
	Mosebedi Ludwig	YES	4	6	4		
	Mafikeng Tlaishego Gladys	YES	4	6	4		
	Theledi Maggie	YES	4	6	4		
	MatsobaneCathrine	YES	4	6	4		
	SeanegoEldinah	YES	4	6	4		
	NgoepeChoene Wilson	YES	4	6	4		
	Mashamaite Manare Gilbert	YES	4	6	4		
	MpaiShadi Caswell	YES	4	6	4		
	Maripa Gladys	YES	4	6	4		

	MokweleNoko Grace	YES	4	6	4
WARD 06	SEDUMA MATEE DERRICK	YES	4	11	4
	NkgoengMatome James	YES	4	11	4
	MathekgaSefularo Esther	YES	4	11	4
	SedumaPulengJosphel	YES	4	11	4
	Kobe Molatelo Sylvia	YES	4	11	4
	NkgoengGetrude	YES	4	11	4
	KgareMokgatjana Emily	YES	4	11	4
	NtjanaMotlatso Lucia	YES	4	11	4
	MotonyaNakediGerminah	YES	4	11	4
	MapayaSeleka Georgina	YES	4	11	4
	MalekaMorotolaLetta	YES	4	11	4
WARD 07	RASERUTHE MATOME AGNES	YES	4	11	4
	RaserutheMatome Abram	YES	4	11	4
	KeetseMokgadi Regina	YES	4	11	4
	BoshomaNgokoana Ronnie	YES	4	11	4
	MorenaMokgadi Gloria	YES	4	11	4
	SehloleMolahlegi Edwin	YES	4	11	4
	Moremi Ivy Matsepe	YES	4	11	4
	MalokelaMorongwa Julia	YES	4	11	4
	MapunyaMorongwa Olive	YES	4	11	4
	KgatlaTebogoAverista	YES	4	11	4
	Waleng Matome Justinus	YES	4	11	4
WARD 08	MAKOBELA SETUMO ROBERT	YES	4	5	4
	NkoanaSemakaleng Emmanuel	YES	4	5	4
	MatshaSanagaFlorina	YES	4	5	4
	SerokoloNgoakoanaSelinah	YES	4	5	4
	KgomoMatome Johannes	YES	4	5	4
	SehlakoPhuti Arnold	YES	4	5	4
	RamokobalaSehlaJeofrey	YES	4	5	4
	MasenamelaMmatiaOnicca	YES	4	5	4
	MatshaDikelediDamaries	YES	4	5	4
	TefuMpeswana Johanna	YES	4	5	4
	RamokonePhologo Nelson	YES	4	5	4
WARD 09	BOLOKA MUSHAISANE PHINEAS	YES	4	11	4
	MolemaMatome Nelly	YES	4	11	4
	Manaka Nchilo April	YES	4	11	4
	Mailula Jane	YES	4	11	4
	MorataMakhanane Martha	YES	4	11	4
	ShebambuMosupologo Anna	YES	4	11	4
	Manaka MosibudiFrancinah	YES	4	11	4
	SebolaKwena Joyce	YES	4	11	4
	MolaiwaMashilo Jacob	YES	4	11	4
	MorukhuladiMoloko Granny	YES	4	11	4
	MachabanMashiloWinny	YES	4	11	4
WARD 10	NABANE NGOAKO	YES	4	7	4

	BISHOP				
	Sebetha Morongwa Johanna	YES	4	7	4
	Chauke Tshimangazo Robert	YES	4	7	4
	Kwata Modikoa Daphney	YES	4	7	4
	Ramolomo Mapelo Samson	YES	4	7	4
	Makhura Moyahabo Sarah	YES	4	7	4
	Morodu Matlala Sana	YES	4	7	4
	Moko Maropeng George	YES	4	7	4
	Chidi Mphie Oscar	YES	4	7	4
	Dankuru Tshamano Victor	YES	4	7	4
WARD 11	SEKWATLAKWATLA SEWELA PHECILITY	YES	4	7	4
	Ramafemo Sewela Tryphina	YES	4	7	4
	Kubu Manoko Rosina	YES	4	7	4
	Motimele Matshwaane Asaph	YES	4	7	4
	Maborala Matome Lordwick	YES	4	7	4
	Malebana Mokgaetsi Maria	YES	4	7	4
	Sefefe Moyahabo Daniel	YES	4	7	4
	Moneatse Selaelo Ephraim	YES	4	7	4
	Moshapo Sekodiko Grace	YES	4	7	4
	Ratala Raesetja Maria	YES	4	7	4
WARD 12	KGWATALALA MASHILO MOSES	YES	4	10	4
	Matome Jacob Moichela	YES	4	10	4
	Maphakela Kgoboko Esther	YES	4	10	4
	Mafala Mphadi Johannes	YES	4	10	4
	Moreba Marope Francina	YES	4	10	4
	Muthelo Mahlodi Christina	YES	4	10	4
	Machaba Matome Marcus	YES	4	10	4
	Legong Ruphus Charles	YES	4	10	4
	Maraba Rona Monicca	YES	4	10	4
WARD 13	SEKGOLOANE MMANGWAKO JONATHAN	YES	4	9	4
	Letlalo Moloko Sarah	YES	4	9	4
	Ratjomana Nkwata Piet	YES	4	9	4
	Makgopo Ngokoana Grace	YES	4	9	4
	Leboho Morongwa Grace	YES	4	9	4
	Moeketsi Mmaseketa Paulina	YES	4	9	4
	Setjie Moloko Emeresia	YES	4	9	4
	Maphoto Nchabo Olgar	YES	4	9	4
	Rapholo Mmatlou Esther	YES	4	9	4
	Molefe Alpheus	YES	4	9	4
	Moitsi Modimo Lucas	YES	4	9	4
WARD 14	MOETJIE NGAKWANA TINY	YES	4	10	4

	MolokommeMalehu Martha	YES	4	10	4
	RachekeMokgadi Anna	YES	4	10	4
	RaseritePheeha Elias	YES	4	10	4
	MabitselaPheeha Caswell	YES	4	10	4
	PhalaMoloko Maria	YES	4	10	4
	LebohoMonnyeGodliver	YES	4	10	4
	MphaloTlamakaCathrine	YES	4	10	4
	MorenaMorongwaGeorginah	YES	4	10	4
	MaruanaMmakgaboGerminah	YES	4	10	4
	ThanyaneTlou Ernest	YES	4	10	4
WARD 15	NTLATLA MAHLODI WILLIAM	YES	4	11	4
	Machete Sewela Lucy	YES	4	11	4
	RasikhanyaNombiFlorah	YES	4	11	4
	Netshife Maria	YES	4	11	4
	MoshesiMmatlala Victoria	YES	4	11	4
	MosegoNgwako Joseph	YES	4	11	4
	TlhapaMosimaAgrinete	YES	4	11	4
	Mahladisa Phillip	YES	4	11	4
	MoyahaMpone Virginia	YES	4	11	4
	MasalesaMaphuti Deborah	YES	4	11	4
	RamashiaMahlodi Evelyn	YES	4	11	4
WARD 16	MATHEKGANE CHOENE ROSINA	YES	4	10	4
	Mokgalushi Moloko Naume	YES	4	10	4
	KololoThakgalang Elizabeth	YES	4	10	4
	Ntsekoana Matome Phillemon	YES	4	10	4
	RamoshabaMohlohlora Lucas	YES	4	10	4
	MphatengSeleloAsnath	YES	4	10	4
	Koko Ngoakoana Julia	YES	4	10	4
	MotlapemaMokgatsana Given	YES	4	10	4
	BolokaMohlalego Joyce	YES	4	10	4
	MolomoSina	YES	4	10	4
	SeakamelaPiletsi Wilson	YES	4	10	4
WARD 17	MOJODO MALATSI DANIEL	YES	4	11	4
	RathipaMapulaSuzen	YES	4	11	4
	SerathaNgakoana Deborah	YES	4	11	4
	ThathanaMotlatjo Doctor	YES	4	11	4
	SelotaMolokoWelma	YES	4	11	4
	ModibaSepuma Ephraim	YES	4	11	4
	SeemaNgwakwanaPhitosias	YES	4	11	4
	Chipu Mapula Selby	YES	4	11	4
	LebohoMpuleleLilian	YES	4	11	4
	MashabaMohlalegoJulia	YES	4	11	4
	MokgagaMosibudi Esther	YES	4	11	4
WARD 18	KOBE DITSHEGO MARGARET	YES	4	6	4
	MbengwaKedebone Johanna	YES	4	6	4
	MakhuraRapula Walter	YES	4	6	4

	RamalahlaMolateloh Sarah	YES	4	6	4
	MasholaThobela Joseph	YES	4	6	4
	MakgadoMahlodi Anna	YES	4	6	4
	SebataKetlogetsweKabelo January	YES	4	6	4
	MamadiSelloCaiphus	YES	4	6	4
	RakgoropoKeakilwe Mercy	YES	4	6	4
	MakgathoMokgadi Rebecca	YES	4	6	4
WARD 19	MOKOMME NKGLO OLIVIA	YES	4	9	4
	MokganyaMatirelo	YES	4	9	4
	TaueatsoalaChueneDelsy	YES	4	9	4
	Manaka Phatudi Jane	YES	4	9	4
	MakobelaNareObed	YES	4	9	4
	MorataMakhaya Stephen	YES	4	9	4
	MphaloMatome Florence	YES	4	9	4
	SetwabaDikeledi Shirley	YES	4	9	4
	SerakalalaTlou Johanna2	YES	4	9	4
	MokweleMaphutiFrancinah	YES	4	9	4
	RankwetekePheeha Godfrey	YES	4	9	4
WARD 20	NTLEMA MATOME ABRAM	YES	4	6	4
	MashiloPaggy	YES	4	6	4
	MoshakgaDezree	YES	4	6	4
	DandaneMokgadiFrangelina	YES	4	6	4
	KitiMtshibaSanna	YES	4	6	4
	ThathanaNtshimane Johannes	YES	4	6	4
	BogashoaMoribula Violet	YES	4	6	4
	MonepyaModiba Maggie	YES	4	6	4
	SelekaMasilo Alfred	YES	4	6	4
	Tau MonnyeGerminah	YES	4	6	4
	NtsekwanaMamphakaMartinah	YES	4	6	4
WARD 21	MASHALANE MAPITSI SIMON	YES	4	5	4
	SwelePhutiFrancina *	YES	4	5	4
	ManabalalaMosebudiAdelice*	YES	4	5	4
	MakhuraMalopeFrans	YES	4	5	4
	MorataPhillistus	YES	4	5	4
	MolelePheeha Josephine	YES	4	5	4
	MoreanaMahlodi Daniel	YES	4	5	4
	MotinegiMatome Silas	YES	4	5	4
	Mothemane Elizabeth Mokgadi	YES	4	5	4
	Setati Mashilo James*	YES	4	5	4
	Meela Phineas	YES	4	5	4

APPENDIX F-WARD INFORMATION

Ward Title: Ward Name (Number)

WARD	NAME OF WARD COMMITTEE MEMBER		NUMBER OF MEETINGS ATTENDED			
WARD 01	MotloutsiDitshego Samuel		4			
	RamorokaPheladiMonicca		4			
	MakgathoNokoReinett		4			
	RamorokaMmaphuti Johanna		4			
	MalekaNkwata Gilbert		4			
	MasebeKwena Phillip		4			
	BaloyiPhadishiSolly		4			
	ThubakgaleLasi Lucy		4			
	NgwepeMmaphutiFridah		4			
	TjaleLesiba Martin		4			
	WARD 02	LebogoMakwenaFrancina		3		
SetatiManare Evelyn		4				
Nta Nancy Noko		4				
LamolaMmaphuti Class		2				
PapolaMokolobetsi Johanna		4				
MochosaMakgamathaWillgerry		3				
DumaziMmachueneSelina		3				
SeanegoMatomeMartinah		3				
		Mashamaite m. Ernest		4	Male	Makgab
		MakhwilingSeboko Solomon		4		
WARD 03	ModibaNgoakoRuphus		4			
	PhalaNgoakoJunias		4			
	MonyebodiNkabaSalphy		4			
	WelheminahMotjopi		4			
	RaseruthePhutiSherley		3			
	TutjaMokolongSanna		3			
	SehapelaMatomeFrans		4			
	Lehong Phuti Julia		4			
	MojelaMokgadi Yvonne		4			
	MamadishaMmatlou David		4			
WARD 04	HlakoNthusheng Billy		2			
	KgatlaChibudiPekkie		4			
	HlakoPhutiSanna		4			
	MokoenaMorongwa Agnes		4			
	MathianeKgabo Abram		4			
	PelehoManare Abram		4			
	Mojela Nchibudi Dinah		4			
	MashalaMamoloko Lucy		4			
	Tlouamma Martha Reginah		4			
WARD 05	Mosebedi Ludwig		3			

	Mafikeng Tlaishego Gladys	3
	Theledi Maggie	2
	Matsobane Cathrine	3
	Seanego Eldinah	2
	Ngoepe Choene Wilson	2
	Mashamaite Manare Gilbert	2
	Mpai Shadi Caswell	3
	Maripa Gladys	3
	Mokwele Noko Grace	3
WARD 06	Nkgoeng Matome James	4
	Mathekga Sefularo Esther	3
	Seduma Puleng Josphel	3
	Kobe Molatelo Sylvia	4
	Nkgoeng Getrude	4
	Kgare Mokgatjana Emily	4
	Ntjana Mollatso Lucia	3
	Motonya Nakedi Germinah	3
	Mapaya Seleka Georgina	3
	Maleka Morotola Letta	4
WARD 07	Raseruthe Matome Abram	4
	Keetse Mokgadi Regina	4
	Boshoma Ngokoana Ronnie	4
	Morena Mokgadi Gloria	3
	Sehlole Molahlegi Edwin	2
	Moremi Ivy Matsepe	2
	Malokela Morongwa Julia	3
	Mapunya Morongwa Olive	4
	Kgatla Tebogo Averista	4
	Waleng Matome Justinus	4
WARD 08	Nkoana Semakaleng Emmanuel	3
	Matsha Sanaga Florina	3
	Serokolo Ngoakoana Selinah	3
	Kgomo Matome Johannes	2
	Sehlako Phuti Arnold	3
	Ramokoba Sehla Jeofrey	4
	Masenamela Mmatia Onicca	4
	Matsha Dikeledi Damaris	4
	Tefu Mpeswana Johanna	4
	Ramokone Phologo Nelson	4
WARD 09	Molema Matome Nelly	4
	Manaka Nchilo April	4
	Mallula Jane	4
	Morata Makhanane Martha	4
	Shebambu Mosupologo Anna	4
	Manaka Mosibudi Francinah	4
	Sebola Kwena Joyce	3
	Molaiwa Mashilo Jacob	3
	Morukhuladi Moloko Granny	4
	Machaban Mashilo Winny	4
WARD 10	Sebetha Morongwa Johanna	4

	ChaukeTshimangazo Robert	4
	KwataModikoaDaphney	4
	RamolomoMapelo Samson	2
	MakhuraMoyahabo Sarah	2
	MoroduMatlala Sana	4
	MokoMaropeng George	4
	ChidiMphie Oscar	4
	DankuruTshamano Victor	4
WARD 11	RamafemoSewelaTryphina	4
	KubuManoko Rosina	4
	MotimeleMatshwaaneAsaph	4
	MaboralaMatomeLordwick	4
	MalebanaMokgaetsi Maria	4
	SefefeMoyahabo Daniel	4
	MoneatseSelaelo Ephraim	4
	MoshapoSekodiko Grace	4
	RatalaRaesetja Maria	4
WARD 12	Matome Jacob Moichela	4
	MaphakelaKgoboko Esther	4
	MafalaMphadi Johannes	3
	MorebaMaropeFrancina	3
	MutheloMahlodi Christina	4
	MachabaMatome Marcus	4
		4
	LegongRuphus Charles	4
	Maraba Rona Monicca	4
WARD 13	Letlalo Moloko Sarah	3
	RatjomanaNkwata Piet	3
	MakgopoNgokoanaGrace	4
	LebohoMorongwa Grace	4
	MoeketsiMmaseketa Paulina	4
	SetjileMolokoEmeresia	4
	MaphotoNchaboOlgar	4
	RapholoMmatlou Esther	4
	Molefe Alpheus	4
	MoitsiModimo Lucas	4
WARD 14	MolokommeMalehu Martha	4
	RachekuMokgadi Anna	4
	RaseritePheeha Elias	3
	MabitselaPheeha Caswell	4
	PhalaMoloko Maria	4
	LebohoMonnyeGodliver	4
	MphaloTlamakaCathrine	4
	MorenaMorongwaGeorginah	4
	MaruanaMmakgaboGerminah	4
	ThanyaneTlou Ernest	4
WARD 15	Machete Sewela Lucy	4

	RasikhanyaNombiFlorah	4
	Netshife Maria	4
	MoshesiMmatlala Victoria	4
	MosegoNgwako Joseph	4
	TlhapaMosimaAgrinete	4
	Mahladisa Phillip	4
	MoyahaMpone Virginia	4
	MasalesaMaphuti Deborah	4
	RamashiaMahlodi Evelyn	4
WARD 16	Mokgalushi Moloko Naume	4
	KololoThakgalang Elizabeth	3
	Ntlekoana Matome Phillemon	4
	RamoshabaMohlohlora Lucas	4
	MphatengSeleloAsnath	4
	Koko Ngoakoana Julia	3
	MotlapemaMokgatsana Given	4
	BolokaMohlatlego Joyce	4
	MolomoSina	4
	SeakamelaPiletsi Wilson	4
WARD 17	RathipaMapulaSuzen	4
	SerathaNgakoana Deborah	4
	ThathanaMotlatjo Doctor	4
	SelotaMolokoWelma	4
	ModibaSephuma Ephraim	4
	SeemaNgwakwanaPhitosias	4
	Chipu Mapula Selby	4
	LebohoMpuleleLilian	4
	MashabaMohlatlegoJulia	4
	MokgagaMosibudi Esther	4
WARD 18	MbengwaKedebone Johanna	4
	MakhuraRapula Walter	3
	RamalahlaMolatelolo Sarah	3
	MasholaThobela Joseph	4
	MakgadoMahlodi Anna	2
	SebataKetlogetsweKabelo January	2
	MamadiSelloCaiphus	3
	RakgoropoKeakilwe Mercy	3
	MakgathoMokgadi Rebecca	3
WARD 19	MokganyaMatirelo	4
	TaueatsoalaChueneDellisy	4
	Manaka Phatudi Jane	4
	MakobelaNareObed	3
	MorataMakhaya Stephen	3
	MphaloMatome Florence	4
	SetwabaDikeledi Shirley	2
	SerakalalaTlou Johanna2	4
	MokweleMaphutiFrancinah	4
	RankwetekePheeha Godfrey	4
WARD 20	MashiloPaggy	4

	MoshakgaDezree	4
	DandaneMokgadiFrangelina	4
	KitiMtshibaSanna	4
	ThathanaNtshimane Johannes	4
	BogashoaMoribula Violet	4
	MonepyaModiba Maggie	4
	SelekaMasilo Alfred	4
	Tau MonnyeGerminah	3
	NtlekwanaMamphakaMartinah	3
WARD 21	SwelePhutiFrancina *	4
	ManabalalaMosebudiAdelice*	4
	MakhuraMalopeFrans	4
	MorataPhillistus	4
	MolelePheeha Josephine	4
	MoreanaMahlodi Daniel	3
	MotinegiMatome Silas	3
	Mothemane Elizabeth Mokgadi	4
	Setati Mashilo James*	4
	Meela Phineas	4

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

Municipal Audit Committee Recommendations		
Date of Committee	Committee recommendations during 2015/16	Recommendations adopted (enter Yes); not adopted (provide explanation)
Municipal Audit Committee is in place comprising four members i.e Mr Trevor Boltman, Mr Dan Poopedi, Mr Moloto Mokwele and Mr Sekepe Thobejane and audit committee meetings were held accordingly as follows: 23 July and 07 December 2015 25 January 2016 and 26 April	<ul style="list-style-type: none"> a) Ensure compliance with applicable legislations. b) Develop draft Half-yearly financial statement. c) Strict adherence to the Audit Committee Charter. d) Review of both AFS and Annual performance information before 	All recommendations were submitted to council for adoption.

2016,	submission.	

APPENDIX H-LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

Long Term Contracts (20 Largest Contracts Entered into 2015/16)					
Name of service provider (entity of municipal department)	Description of services rendered by the service provider	Start date of contract	Expiry date of contract	Project Manager	Contract Value
NONE AVAILABLE DURING THE PERIOD UNDER REVIEW					
					TH.1

Public Private Partnerships Entered in to 2015/2016					
Name & Description of project	Name of Partner (s)	Initiation date	Expiry date	Project manager	Contract Value
NONE DURING THE PERIOD UNDER REVIEW					
					TH.2

Insert table note advising municipalities to include scorecards

APPENDIX J-DISCLOSURES OF FINANCIAL INTERESTS

Disclosures of Financial interests		
Period 1 July 2015 to 30 June 2016		
Position	Name	Description of financial interest* (Nil/or details)
Mayor		DISCLOSURES OF INTEREST REGISTER IS AVAILABLE AT THE MUNICIPAL MANAGER'S OFFICE
Member of EXCO		

Councillor		
Municipal Manager		
Chief Financial Officer		
Deputy MM and (Executive) Directors		
Other S57 Officials		
*Financial interests to be disclosed even if they incurred for only part of the year. see MBRR SA34ATJ		



MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

OVERSIGHT REPORT 2015 / 2016

ION
articlory municipality that turns
vailing challenges into opportunities
growth and development through
timal 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 2015 / 2016 DRAFT ANNUAL REPORT TO COUNCIL

1. PURPOSE OF THE REPORT

The primary objective of this report is to present to the Blouberg Local Municipality Council the findings by the Municipal Public Accounts Committees after scrutinizing and interrogating the 2015 / 2016 Draft Annual and Audit Report.

2. LEGISLATIVE BACKGROUND

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 2015 / 2016 Financial Year: -

- i. Local Government: Municipal Systems Act, 2000
- ii. Draft Annual Report 2015 / 2016
- iii. Audited Financial Statements 2015/2016
- iv. Municipal Finance Management Act (Section 121)
- v. Draft IDP Review 2015/ 2016
- vi. Service Delivery and Budget Implementation Plan 2015 / 2016

Section 127 (2) of the MFMA states that the Mayor of a Municipality must, within seven months after the end of a financial year, table in the municipal council the Draft Annual Report of the municipality and of any municipal entity under the municipality's sole or shared control.

The Mayor, in terms of section 127(2) of the MFMA, tabled the annual report of the municipality in the municipal council on 31 January 2017 and the report was therefore referred to the Municipal Public Accounts Committee for a detailed analysis and review which also seeks the discussion on the oversight report aimed to be tabled in council for consideration.

The Annual Report tabled by the Mayor included the following components as provided for under section 121(3) of the MFMA:

- The annual financial statements of the municipality as submitted to the Auditor-General (AG) for audit in terms of section 126(1);
- The annual performance report of the municipality prepared by the municipality in terms of section 46 of the Municipal System Act; and
- An assessment by the municipality's accounting officer of the municipality's performance against measurable performance objectives referred to in section 17(3) (b) for revenue collection from each revenue source and each vote in the municipality's approved budget for relevant financial year.

3. MUNICIPAL PUBLIC ACCOUNTS COMMITTEES' PROGRAMME OF ACTION

The committee had to develop a programme of action to unpack and deliberate on the Draft Annual Report that would also enable them to interact with the stakeholders and members of the public. The program is hereunder attached as annexure A.

ANNEXURE "A"



PROGRAMME OF ACTION FOR MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

ACTIVITY	DATE	VENUE	TIME	MAIN CONSIDERATION
MPAC Meeting with Management	13 February 2017	Municipal Boardroom	10h00	Interrogation and Unpacking of the Draft Annual Report 2015 / 2016
MPAC Meeting with Auditor – General	15 February 2017	Municipal Boardroom	10h00	Presentation of the Report
MPAC Meeting	20 February 2017	Alldays Satellite Office	11h00	Formulation of questions to Management
MPAC Public Participation (Cluster A)	07 March 2017 Wards: 01,02,19,21&22	Raweshi Satellite Office	11h00	Solicit inputs from Stakeholders and Community
MPAC Public Participation (Cluster B)	10 March 2017 Wards: 03,08,09,10,11,12 &14	Inveraan Satellite Office	11h00	Solicit inputs from Stakeholders and Community
MPAC Public Participation (Cluster C)	14 March 2017 Wards: 04, 05, 06, 07 & 20	Langlaagte Satellite Office	11h00	Solicit inputs from Stakeholders and Community
MPAC Public Participation (Cluster D)	16 March 2017 Wards: 13, 15, 16, 17 & 18	Pax Community Hall	11h00	Solicit inputs from Stakeholders and Community
MPAC Public Hearing	20 March 2017	Municipal Chamber	10h00	Public Hearing (Management and

MPAC Meeting	26 March 2017	Municipal Boardroom	11h00	Consolidation and Adoption of the final Oversight report to Council.
Council Meeting	30 March 2017	Golden Arrows Sports Ground (Bognafarm Village)	12h00	Tabling of the Oversight Report to Council

ANNEXURE "B"

QUESTIONS RAISED BY THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE ON THE REPORT OF THE AUDITOR – GENERAL AND THE DRAFT ANNUAL REPORT 2015 / 2016.

Blouberg Municipality



TO : MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

CC. : THE MAYOR

FROM : MANAGEMENT

DATE : 17 MARCH 2017

SUBJECT : RESPONSES FROM MANAGEMENT ON THE REPORT OF THE AUDITOR – GENERAL ON THE FINANCIAL STATEMENTS OF BLOUBERG MUNICIPALITY FOR THE YEAR ENDED 30 JUNE 2016 (2015/2016 DRAFT ANNUAL REPORT)

NO:	QUESTIONS RAISED BY MUNICIPAL PUBLIC ACCOUNTS COMMITTEE	HEADING AND PARAGRAPH	MANAGEMENT RESPONSES
1.	Why did the Municipality fail to implement the Council Resolution on the Assets?	Property, plant and equipment 6 (Audit report)	The Main finding was in relation to non-submission of sufficient audit evidence, not failure to implement the council resolution. We are in a process of engaging the service provider to submit the required information.

	<p>expenditure to an amount of R91 008 416 occur?</p> <p>What did the Municipality do about the said irregular expenditure?</p> <p>Who are the responsible officials?</p>	7 (Audit report)	<p>2009 to 14/15 and R43.9mill for 15/16 financial year. It was investigated by the previous MPAC and condoned by Council on the 30th January 2017. It was because of the variance between the advert and the tender document.</p> <p>According to the MPAC report, no official was found to be implicated, and hence condonement.</p>
3.	Why did the Management fail to provide the Auditor with sufficient information appropriate audit evidence during auditing.	Irregular expenditure 7 (Audit report)	The Municipality didn't review the population or transactions to check other irregular expenditures that were not picked by AG. As a measure the municipality is currently reviewing the population and evidence will be provided.
4.	Why is the section 122 of the MFMA being violated? Who are the responsible officials and What steps did the municipality take?	Annual financial statements 35 (Audit report)	The Financial Statements had misstatements that couldn't be picked during review by management. The financial statements were adjusted to correct some of the misstatements.
5.	Why did money owed to the service providers by the municipality was not always paid within 30 days as required by Section 65 (2) (e) of the MFMA.	Expenditure Management 36 (Audit report)	Service Providers submit invoices late to the municipality and it becomes difficult to pay such service providers on time. The invoice register is in place to record the incoming invoices for control measures.
6.	What has the management done to curbe this tendency of contravening the legislation and regulation of SCM by procuring Goods and services without obtaining the required price quotation.	Procurement and contract management 38 (Audit report)	Monitoring of the adherence to SCM policy at all times to minimize the recurring of the incidence of irregular and further strengthening the internal controls by developing the checklist for all SCM processes before appointment can be made.
7.	Why the Awards were made to service providers who were in the service of other state institution in contravention of MFMA 112 (i) and scm regulation 44.	Procurement and contract management 39 (Audit report)	The municipality were misled by the false information submitted by the bidders through the completion of the declaration of interest forms within the bill of quantities.
8.	Why the effective steps were not taken to prevent the contravention of the SCM as required?	Procurement and contract management 39 (Audit report)	There is no system in place that will be able to pick up all the people who are in the service of the state and currently the municipality is using the CSD to verify officials within the service of states.
9.	Why the effective system of the internal control for assets as required by section 63 (2) (c) of the MFMA was not in place	Asset management 40 (Audit report)	The Municipality does not have financial assets management system to control all municipal assets hence we are only using excel register our assets. The municipality will be having the assets management system as compelled by MSCOA.
10.	Why unauthorized, irregular and fruitless and wasteful expenditure - incurred by the	Consequence Management 41 (Audit report)	The UIF for previous years was investigated and condoned by the previous council and the current UIF for

	person is liable for the expenditure, as required by section 32 (2) (a) and (b) of the MFMA?		investigations.
11.	Why did Management failed to perform adequate review and monitoring over financial and performance reporting resulting in a qualified opinion and material findings on the annual performance report?	Leadership 43 (Audit report)	The Municipality put more effort or focus on AFS and overlook the annual performance information however acknowledged the finding and as a corrective measure management resolved to treat for both annual performance information and the AFS simultaneously.
12.	Why did Management not exercise oversight responsibility over the enforcement of the SCM policy and influencing an investigation to determine the full extent of irregular expenditure incurred in the prior year?	Leadership 45 (Audit report)	The UIF was investigated by the MPAC and subsequently presented before council of the 30 th January 2017 for condonation.
13.	Why did management not in all instances failed to address and resolve recommendations made by the internal audit unit?	Leadership 46 (Audit report)	An action plan has been developed but could not manage to achieve or resolve the satisfaction of the internal audit
14.	What are the measurable plans to beef-up the financial monitoring system?	Financial and Performance Management 47 (Audit report)	The Municipality received financial staff more of SCM including the CFO from former Aganang municipality that will assist to beef up the department and further developed systems that will also assist with the monitoring of the financials.

ACHIEVEMENTS

The Municipal Public Accounts Committee managed to adhere to all their scheduled meetings as per the adopted action plan and attendance of the Public Consultations and Hearings on the Draft Annual Report for 2015 / 2016 were a resounding success.

The Committee achieved their expected goals through the collective support of the entire Management, the Honourable Mayor, Honourable Speaker, Honourable Chief Whip, Executive Committee and all Councillors

1. PUBLIC CONSULTATIONS

a. The Public Participation Meetings were arranged according to Four (4) Clusters as follows: -

- i. Cluster A was convened at Raweshi Satellite Office on the 07th March 2017 and the following Wards attended: Wards: 01, 02, 19, 21 & 22. A total number of 411 registered their attendance for the Public Participation meeting at Raweshi Satellite Office.

attended: Wards:03, 08, 09, 10, 11, 12 and 14. A total number of 302 registered their attendance for the Public Participation meeting at Inveraan Satellite Office.

- iii. Cluster C convened at Langlaagte Satellite Office on the 14th March 2017 and the following Wards attended: Wards:04, 05, 06, 07, and 20. A total number of 194 registered their attendance for the Public Participation at Langlaagte Satellite Office.
- iv. Cluster D convened at Pax Community Hall on the 16th March 2017 and the following Wards attended: Wards: 13, 15, 16, 17 and 18. A total number of 293 registered their attendance for the Public Participation at Pax Community Hall.
- b. On the 20th March 2017, the committee proceeded with the final leg of its Public Hearings where Management, Executive Committee, Councillors, Stakeholders, Community Members and different departments such as CoGHSTA, Agriculture, SAPS as well as the Auditor General were in attendance of the session. A total number of 120 registered their attendance for the Public Hearing at Blouberg Municipality Council Chamber.

2. RECOMMENDATIONS ON THE 2015 / 2016 DRAFT ANNUAL REPORT

2.1 MPAC considered the revised 2015 / 2016 Draft Annual Report and therefore can recommend that Council approves the Draft Annual Report.

2.2 The Municipal Public Accounts Committee recommends that the Accounting Officer and the entire Management should continuously monitor and rely on the Action Plan as a guiding tool to improve performance of the Municipality and also to strive to achieve a better audit opinion for the upcoming Audit session.

The Municipality must ensure that members of the Municipal Public Accounts Committee are effectively and continually empowered with the requisite knowledge, skills, trainings, workshops and reliable information needed to them to diligently perform their duties.

3. MUNICIPAL PUBLIC ACCOUNTS COMMITTEE'S RECOMMENDATIONS TO COUNCIL

THAT COUNCIL INVESTIGATES THE FOLLOWING: -

- i. The provision of Solar Streetlights / High Mast Lights for Senwabarwana Project.
- ii. The Handing over of Pax Pre – School project while it was incomplete (without electricity).
- iii. The Glen (Mmotlane) Pre – School – The Municipality and the contractor ignored Geotech advices not to drill the borehole in the yard as it was indicated to be dry.
- iv. Kromhoek Internal Street – the project was handed over while it was incomplete (Poor workmanship).

COUNCIL TO INVESTIGATE THE FOLLOWING ASPECTS / MATTERS: -

- v. Goods and services with a transaction value of below R200 000 which were procured without obtaining the required price quotations, in contravention of by Supply Chain Management (SCM) regulation 17 (a) and (c) Procurement and Contract Management: (AG's Report)

- contravention of MFMA 112(j) and SCM regulation 44.
- vii. Similar Awards which were identified in the previous year and no effective steps taken to prevent or combat the abuse of the SCM process, as required by SCM regulation 38(1)
 - viii. Late payment of service providers who rendered the services to the Municipality.
 - ix. Finance Department for the glaring inconsistencies with a case in point being the unstable salaries received by Councillors and Employees.
 - x. Subsistence and Travel (SnT) Policy as it is prone to abuse and is applied inconsistently.

To recommend to Council that the following mistakes be corrected from the Draft Annual Report 2015 / 2016 Document before it can be adopted: -

APPENDIX J – DISCLOSURES OF FINANCIAL INTERESTS

- i. The word (Executive) Mayor to be read as Mayor – The word Executive to be removed from the document (Page 215) since there is no provision for same in the municipality.
- ii. The word Deputy MM and (Executive Directors) to be read as MM and Directors – The word Deputy and Executive to be removed from the document (Page 216) since there is no provision for same in the municipality.

THE MPAC RECOMMENDATIONS DEFERRED BY COUNCIL OF THE 31ST JANUARY 2017 BE CONSIDERED AS FOLLOWS:

- i. It is recommended that MPAC be provided with a well-furnished office to enable them to perform their duties.
- ii. That Council approves the reviewed 2016/17 Annual Work Programme which will ultimately guide the broader Municipality as well as the Office of the Speaker with regards to MPAC activities.
- iii. MPAC Budget to be increased during the Adjustments Budget to accommodate the herein *supra* mentioned activities.
- iv. Consider amending the organizational structure to accommodate MPAC Coordinator who should assist the MPAC Researcher.
- v. MPAC Chairperson be appointed as a full time Councillor.
- vi. Thorpe terminated Contractor be blacklisted by the Municipality and that the recommendation be communicated to the National Treasury for a nationwide ban.
- vii. A Forensic Investigation be conducted to the terminated Thorpe Contractor.
- viii. All crèches to be built in the same pattern / uniform (The material, resources provided and the budget to be same as other crèches).
- ix. The Retention money should not be paid without knowledge of MPAC (MPAC should verify the work done by the Contractors before they can be paid their retention money).

SEKGOLOANE

CLLR. SEKGOLOANE M.J

CHAIRPERSON: MPAC

27/03/2017

DATE

Blouberg Municipality



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TO WHOM IT MAY CONCERN

SUBJECT: BLOUBERG MUNICIPAL COUNCIL RESOLUTIONS

1. RESOLUTION
C (109)2016/2017

2. IN RESPECT OF

Report Municipal Public Accounts Committee (MPAC)'s Oversight report on the 2015/16 Annual report.

3. RESOLVED TO

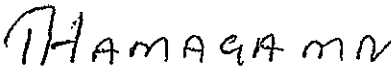
Approve the report of Municipal Public Accounts Committee (MPAC)'s Oversight report on the 2015/16 Annual report without any reservations.

4. DATE OF RESOLUTION
30 March 2017

PREPARED BY


MACHABA M.J
ACTING MUNICIPAL MANAGER

CONFIRMED BY


THAMAGA M.N
SPEAKER

