MUSINA LOCAL MUNICIPALITY

2017/2018 ANNUAL REPORT

TABLE OF CONTENTS

DESCRIPTION	PAGE NO.
CHAPTER 1: MAYOR'S FOREWORD AND EXECUTIVE SUMMARY	9
Component A: Mayor's Foreword	9
1.1 Introduction	10
1.2 Key Policy Developments	11
1.3 Key Service Delivery Improvements	11
1.4 Public Participation	12
1.5 Agreements/ Partnership	12
1.6 Future Actions	12
1.7 Conclusion	12
Component B: Executive Summary	13
1.8 Municipal Manager's Overview	13
1.9 Municipal Powers and Functions	14
1.10 Population Details	15
CHAPTER 2: GOVERNANCE	21
Component A: Political and Administrative governance	22
2.1 Introduction	22
2.2 Political governance	22
2.2.1 Overview public accountability and participation	22
2.2.2 Public Meetings	23
2.3 Section 79 Committees	28
2.4 Administrative Governance	36
Component B: Intergovernmental relations	38
2.5 Introduction to Cooperative Governance and Intergovernmental Relations	38
2.6 District Intergovernmental Structure	38
2.7 Provincial Intergovernmental Structure	39
Component C: Public Accountability and Participation	40
2.8 Introduction	40
2.9 Overview of Public Accountability and Participation	40
2.10 Effectiveness of Public Meetings	41
2.11 Communications, Participation and Forums	45
2.12 Ward Committee Meetings and Ward Committee Establishment	45
2.13 IDP Participation and Alignment	46
2.14 IDP Development, Review and Implementation	46
Component D: Corporate Governance	47
2.15 Risk Management	47
2.16 Fraud and Anti-corruption Strategy	8
2.17 Supply Chain Management	50
2.18 By-Laws	52
2.19 Website	53
2.20 Audit Committee	53
CHAPTER 3: SERVICE DELIVERY PERFORMANCE	55
Component A: Basic Services	56
3.1 Introduction	56
3.2 Electricity Service Delivery Performance	56
3.3 Water Provision	57
3.4 Waste Water Provision	58
3.5 Waste Management	59
3.6 Housing	61
3.7 Free Basic Services and Indigent Support	61

Component B: Road Transport	61
3.8 Introduction to Roads	61
Component C: Planning and Development	62
3.9 Local Economic Development	62
Component D: Community and Social Services	65
3.10 Licensing	65
3.11 Traffic	66
3.12 Library Services	66
3.13 Cemeteries	66
3.14 Community Halls	67
Component E: Environmental Protection	67
3.15 Environmental Issues	67
Component F: Health	67
3.16 Clinics, Ambulances and Health Inspection	67
Component G: Security and Safety	67
3.17 Police and Fire Services, Disaster Management	67
Component H: Sport and Recreation	67
3.18 Community Facilities	67
Component I: Corporate Policy and Other Services	67
3.19 Financial Services	67
3.20 Human Resource Services	68
3.21 ICT Services	68
Component J: Miscellaneous	68
Component K: Organizational Performance Scorecard	69
3.22 Performance Management	69
3.23 Predetermined Objectives	69
3.24 Annual Report Process	70
3.25 Annual Performance Progress Report	84
3.26 Service Provider Performance	85
CHAPTER 4: LOCAL ECONOMIC DEVELOPMENT	86
Component A: Economic Activities by Sector Area	86
Component B: Economic Employment by Sector Area	87
Component C: Job Creation through LED, EPWP, PPP, CWP	88
CHAPTER 5: ORGANISATIONAL DEVELOPMENT PERFORMANCE	89
Component A: Introduction to Municipal Personnel	89
5.1 Human Resource Services Statistics	89
Component B: Workforce Management	93
5.2 Approved and Reviewed Policies	93
5.3 Terminations	94
5.4 Promotions	94
5.5 Injuries and Sicknesses	94
Component C: Capacitating Municipal Workforce	95
5.6 Skills Development Facilitator	95
Component D: Managing the Workforce Expenditure	98
5.7 Employee Expenditure	98
CHAPTER 6: FINANCIAL PERFORMANCE	99
Component A: Statement of Financial Statement	100

6.1 Introduction to Financial Statements	100
6.2 Budget and Revenue Collection	100
6.3 Expenditure	101
6.4 Comments on Financial Performance	102
Component B: Spending against Capital Expenditure	104
Component C: Cash Flow Management and Investment	106
Component D: Other Financial Matters	109
CHAPTER 7: AUDITOR GENERAL AUDIT FINDINGS	**110**
Component A: Auditor General's Opinion	111
Component B: Audit Committee Comment	123
Component C: Audit Action Plan	126
APPENDICES	131
Appendix A: Councillors, Committee Allocation and Council Attendance	132
Appendix B: Committee and Committee Purpose	153
Appendix C: Third Tier Administrative Structure	154
Appendix D: Functions of the Municipality/ Entity	154
Appendix E: Ward Reporting	156
Appendix F: Ward Information	163
Appendix G: Recommendations of the Municipal Audit Committee	164
Appendix H: Long Term Contracts and Public partnerships	171
Appendix I: Municipal Entity/ Service Provider performance schedule	172
Appendix J: Disclosures of Financial Interests	172
Appendix K: Revenue Collection Performance	173
Appendix L: Conditional Grants Received Excluding MIG	175
Appendix M: Capital Expenditure New/ Upgrade/ Renewal Programmes including MIG	176
Appendix N: Capital Programme by Projects	176
Appendix O: Capital Programmes by projects per Ward	176
Appendix P: Service Connection Backlogs at Schools and Clinics	177
Appendix Q: Service Backlogs experienced by Community where another Sphere of Government is Responsible for Service Provision	177
Appendix R: Declaration of Loans and Grants made by Municipality	177
Appendix S & T: Declaration of Returns not made in due time under MFMA Section 71	177
Appendix U: Presidential Outcome for Local Government	178

ACRONYMS

AG	: Auditor General
AFS	: Annual Financial Statements
ANC	: African National Congre
CDW	: Community development worker
CFO	: Chief Financial Officer
CLLR	: Councilor
COGHSTA	: Department of Corporative Governance, Human Settlement and Traditional Affairs
COGTA	: Department of Corporative Governance and Traditional Affairs
CPMD	: Certificate Programme in Management Development
CWP	: Community Works Programme
MLM	: Musina Local Municipality
DA	: Democratic Alliance
EFF	: Economic Freedom Fighter
EPWP	: Expanded Public Works Programme
ESS	: Employee Self Service
EXCO	: Executive Committee
FBE	: Free Basic Electricity
GIS	: Geographic Information System
GRAP	: General Recognized Accounting Practice
HR	: Human Resources
ICT	: Information Communication Technology
IDP	: Integrated Development Plan
INEP	: Integrated National Electrification Program
KM	: Kilometre
LGAAC	: Local Government Advanced Accounting Certificate
LUMS	: Land Use Management System
LGSETA	: Local Government Sector Education Training Authority
LGMIM	: Local Government Management Improvement Model
LED	: Local Economic Development
LG	: Local Government
LIBSA	: Limpopo Business Support Agency
LLF	: Local Labour Forum
MIG	: Municipal Infrastructure Grant
MPAC	: Municipal Public Account Committee
MFMA	: Municipal Finance Management Act
MFMP	: Municipal Finance Management Program
MSA	: Municipal Systems Act
MSCOA	: Municipal Standard Charts of Accounts
N/A	: Not applicable
OHS	: Occupational Health and Safety
PMS	: Performance Management System
SCM	: Supply Chain Management
SDBIP	: Service Delivery and Budget Implementation Plan
SEDA	: Small Enterprise Development Agency

SMME	: Small, Medium and Micro Enterprises
VDM	: Vhembe District Municipality
WSP	: Work Skill Plan

CATEGORY OF MUNICIPALITY

Grade 03 Local Municipality

REGISTERED OFFICE

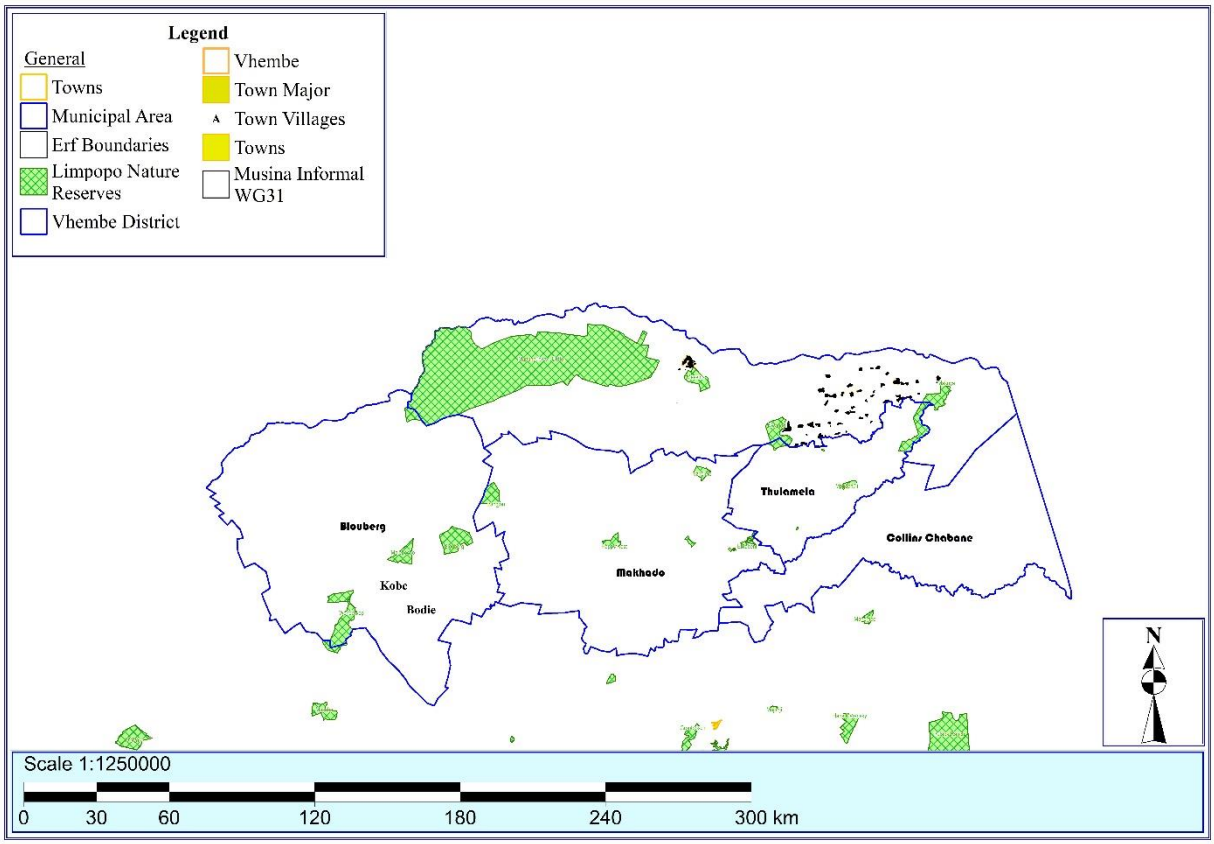
Civic Centre
Irwin Street
Musina
0900

Private Bag X611
Musina
0900

Tel: 015 -534 6100
Fax: 015 534 2513
E-mail: musina.gov.za

BANKERS

ABSA BANK



VISION

To be the vibrant, viable and sustainable gateway city to the rest of Africa

MISSION

The vehicle of affordable quality services and stability through socio economic development and collective leadership

MUNICIPALITY'S BROAD OBJECTIVES

- The Municipality's strategies seek to achieve the following broad objectives:
- To deliver basic services to communities in a sustainable manner in the quest to create a better life for all,
- To create an environment for local economic growth and job creation, focusing on the competitive advantages of the Municipality.
- To provide responsible and accountable political and administrative leadership to local communities,
- To mobilize the broadest section of the local communities behind the Municipality's endeavours to develop communities with other government departments, public institutions, private sector, NGO‟s and CBO‟s as the Municipality's critical partners.

CHAPTER 1

MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A: MAYOR'S FOREWORD



Councillor Mihloti Ethel Muhlope
Mayor: Musina Local Municipality

The vision statement of the municipality which serves as a blueprint for developmental Programme is "

"To be the vibrant, viable and sustainable gateway city to the rest of Africa"

It dawns upon the leadership that providing the complete account on the responsibilities conferred upon the entire municipality will always be a daunting task to the electorate. This report is therefore intended to attest to the collective efforts of the administrative and political arms of the municipality to progressively address the expectations of our people.

1.1 INTRODUCTION

It is a pleasure for me to present Musina Local Municipality 2017/2018 Annual Report to our residents and other interested parties. The 2017/2018 Annual Report gives a detailed review of the municipality's activities on actual performance at the end of the fiscal year reporting and further reporting on how the IDP and budget were implemented. It also describes the work of the municipality in fulfilling its Constitutional mandate and in meeting its obligations as dictated by the applicable local government legislation. Despite the effects of the economic difficult times, the municipality continued to provide quality service delivery to our community.

This report records the progress made by the Municipality in fulfilling its objectives as reflected in the IDP, the Budget and the Service Delivery and Budget Implementation Plan. It also reflects on challenges and priorities for the 2017/2018 financial year. Chapter 12 of MFMA Section 121 (1) stipulates that every municipality must for each financial year prepare an Annual Report in accordance with this Chapter. MLM has compiled the Annual Report to comply with legislation to give members of community and all stakeholders the performance of the municipality as to how the IDP and budget was implemented.

1.2 KEY POLICY DEVELOPMENTS

Council adopted a five year Integrated Development Plan (IDP) which is a single, inclusive and strategic plan for the development programmes of the municipality. The IDP links, integrates and coordinates plans of the municipality. The Municipality's performance is measured by satisfying its key developmental objectives which are as follows:

- Ensuring sustainable and qualitative service delivery
- Improving Local Economy through revised LED strategy
- Achieving an unqualified audit opinion
- Facilitating and regularly updating the indigent register accurately
- Ensuring that monies owed to the municipality is collected
- Continuing to participate in programmes of HIV and AIDS,TB, Cancer through Local Aids
- Council (LAC)
- Improving Records Management System in terms of NARSA Act
- Conducting Public Participation and ensure the functionality of all governance structures for accountability.
- Fast tracking the implementation of infrastructure projects
- Strengthening the relationship with the traditional leaders
- Creating job opportunities through the implementation of EPWP

1.3 KEY SERVICE DELIVERY IMPROVEMENTS

The Municipality core service delivery functions are categorized into Electricity, Access roads and waste management. The municipality is seeing progress in the construction of Paved roads in Extension 4, the project still on construction stage, Nancefield Multipurpose Centre which is an indoor Sports Centre, Disability Centre and Youth, the project still on construction stage, Muswodi Sports facility which is stalled due to misunderstanding of boundary between Chiefs (Chief Nethengwe and Chief Rammbuda), Four Madimbo Sports High mast lights completed.

A total number of 40 244 Households (97%) has access to Electricity serviced by Eskom.

The municipality has seen an increase of 1583 of jobs through EPWP projects including CWP. Mostly arising from the private sector role players. Extension of the Mall created 500 jobs, N1 By-Pass 175 jobs, Nwanedi Pack House 14 Jobs, Walk in Centre 20 jobs, Storm water management 25 jobs, Matatani toTshpise Roads 14 jobs, Phase two Madimbo Centre 12 jobs, and Phase two 10 jobs. One of the critical challenges in the creation of jobs is inadequate skills levels of the local job market as well as preferences mostly in the Agriculture sector in our area to employee foreign nationals for unskilled and semi-skilled work opportunities.

The landfill site for the year under review is not being fully operated in line with the waste management license due to insufficient infrastructure on site. The specification for the infrastructure was approved and the tender was advertised for the 2018/2019 Financial Year. Number of households with extended waste collection in rural areas is 21 058 once per week.

1.4 PUBLIC PARTICIPATION

The municipality has 24 Councillors and 12 ward committees who conducts public meetings in their respective wards together with ward councillors and submit monthly reports to the Speaker. During the year under review 147 public meetings were held in 12 wards. Public participation process is used to inform communities about success and challenges that the municipality encounter during service delivery. Public participation sessions were conducted through 2017/2018 IDP and Budget process where communities were given an opportunity to raise their needs to be incorporated in the 2017/2018 IDP and budget. Out of the total needs raised, only prioritized and budgeted needs were incorporated in the reviewed 2017/2018 IDP and budget.

1.5 AGREEMENTS / PARTNERSHIPS

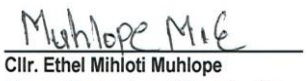
There is no agreement or partnerships that municipality has entered into during the year under review.

1.6 FUTURE ACTIONS

The Municipality in the year 2018/2019 financial Year is looking forward for the construction of the Nancefield EXT 2&8 concrete paved Road, Nancefield Storm water Channel Phase 2, Masisi Sport Facility which is a multiyear project, Musina Landfill Site, Project awaiting for engagement between the Municipality and SANDRAL regarding scope of Work and the Nancefield Multipurpose Centre which is a multiyear project.

1.7 CONCLUSION

I wish to thank all councillors, staff, residents stakeholders in particular rate payers for their contributions to pay for services .Together we strive to take our municipality forward.



Cllr. Ethel Mihloti Muhlope
Mayor, Musina Local Municipality

COMPONENT B: EXECUTIVE SUMMARY



1.8 MUNICIPAL MANAGER'S OVERVIEW

Musina local municipality was established in terms of the Municipal Structures Act, 117 of 1998, which provides for the establishment of municipalities, their categories, competencies, powers and functions. Musina local municipality is a category 4 plenary Council consisting of 24 Councillors, 12 ward councillors. Musina Local Municipality falls within the Vhembe District Municipality, which is made up of four local municipalities, namely Musina, Makhado, Thulamela and Collins Chabane (LIM 345), of which Musina Local Municipality is bounded by Makhado Local Municipality to the South and LIM 345 local Municipality to the east. Musina is also bounded in the South West by the Local Municipality of Blouberg which falls within the Capricorn District Municipality.

Musina Local Municipality is located in the very North of the Limpopo Province, bordering Botswana and Zimbabwe. Musina Local Municipality covers an area of approximately 757 829 that extends from the confluence of the Mogalakwena and Limpopo rivers in the West to the confluence of the Nwanedi and Limpopo rivers in the East and from Tshipise and Mopane in the South to Botswana/Zimbabwe borders in the North. The municipal area consists mainly of commercial farms and only 0.08% of the total area is urban in nature.

The spatial structure of the municipality falls within the second order settlement as depicted by the hierarchy as contained in the Spatial Rational and therefore the spatial framework is aligned to the NSDP, ASGISA and the LEGDP. The settlement hierarchy of Musina municipality as per the spatial rationale is as follows:

Table 1

Schedule 4 Part B	Schedule 5 Part B
• Air pollution • Building regulations • Child care facilities • Electricity and gas reticulation • Local tourism • Municipal planning • Municipal public transport • Municipal public works • Storm-water management systems in built-up areas • Trading regulations	• Billboards and the display of advertisements in public places • Cemeteries, funeral parlours and crematoria • Cleansing • Control of public nuisances • Control of undertakings that sell liquor to the public • Facilities for the accommodation, care and burial of animals • Fencing and fences • Local sport facilities • Municipal parks and recreation • Municipal road • Public places • Refuse removal, refuse dumps and solid waste disposal • Street trading • Street lighting • Traffic and parking

1.9 MUNICIPAL POWERS AND FUNCTIONS

The powers and functions were assigned to Musina local municipality in accordance with Section 156 of the Constitution and Section 84(2) of the Structures Act together with Section 85 adjustments to Musina local municipality on Waste, Roads, Cemeteries, Tourism and public works.

a) The facilitation for the provision and maintenance of child care facilities.

b) Development of local tourism.

c) Municipal planning, municipal roads

d) Municipal public transport.

e) Municipal public works relating to the municipality's functions.

f) Administer trading regulations.

g) Administer billboards and display of advertisements in public areas.

h) Administer cemeteries, funeral parlours and crematoria.

i) Cleansing.

j) Control of public nuisances.

k) Control of undertakings that sell liquor to the public.

l) Ensure the provision of facilities for the accommodation, care and burial of animals.

m) Fencing and fences.

n) Licensing of dogs.

o) Licensing and control of undertakings that sell food to the public.

p) Administer and maintenance of local amenities.

q) Development and maintenance of local sport facilities.

r) Develop and administer markets.

s) Development and maintenance of municipal parks and recreation.

t) Regulate noise pollution.

u) Administer pounds.

v) Development and maintenance of public places.

w) Refuse removal, refuse dumps disposal.

x) Administer street trading.

y) The imposition and collection of taxes and surcharges on fees as related to the municipality functions.

z) Receipt and allocation of grants made to the municipality.

aa) Imposition and collection of taxes, levies and duties as related to municipality function.

bb) Storm water management systems.

cc) Provision and maintenance of water and sanitation.

dd) Provision and maintenance of electricity

1.10 POPULATION DETAILS

Musina Municipality is a multi-racial municipality, due to the influence of the mining industry and the Beit bridge border gate. Only 50.5 % of the population in the municipality speaks Tshivenda as their first language, followed by 8,8% who speak Sesotho, which is unusual in this area. According to Stats SA the Municipality has a population of 132 000 and 97, 9% of the population is African.

Table 2: The table below illustrates the population growth

Population	2011	2001
Males	115503	90655
Females	133860	130992
Total	249 363	221647

Source: Stats SA, Census 2011

Table 3: The table below illustrates population groups within the municipality

Group	Percentage
Black African	94%
Coloured	0,3%
Indian/Asian	0,5%
White	4,8%
Other	0,3%

Source: Census 2011, Stats SA

Table 4: Population group and description of household heads

	2001	2011
Total population	39,310	68,359
Young (0-14)	29,5%	28,2%
Working Age (15-64)	69,2%	69,2%
Elderly (65+)	3%	2,6%
Dependency ratio	48,1%	44,5
Sex ratio	91,5	101,9
Growth rate	3,46% (2001-2011)	5,53% (2001-2011)
Unemployment rate	24,9%	18,7%
Youth unemployment rate	27,8%	22,5%
No schooling aged 20+	25,4%	11,3%

Higher education aged 20+	4,9%	6,8%
Matric aged 20+	12,5%	21,6%
Number of households	11,577	20,042
Average household size	2,8	3
Female headed households	41,6%	39,6%
Formal dwellings	62,6%	74,8%
Housing owned/paying off	35,6%	31,3%
Flush toilet connected to sewerage	44,6%	63,2%
Weekly refuse removal	42,3%	61,5%
Piped water inside dwelling	15,7%	26,4%
Electricity for lighting	59,2%	76,4%

Source: Stats SA, Census 2011

Table 5: Economic profile (employment)

Economic Indicators	
Employment Status	Number
Employed	25588
Unemployed	5893
Discouraged Work Seeker	1869
Not Economically Active	13966

Source: Stats SA Census 2011

- There are more males 6.6% than females 6.2. % within the Municipality.
- The Municipal population is characterised with a large segment of youth (26-29) which comprises of 6.9% of the total population.

Based on the age structure breakdown of the Municipality, it is evident that the population is “young”, which is prevalent in a developing country. With the “young” age structure, increased pressure will be on the delivery of Housing, Social Facilities and Job Creation within the Municipality

Table 6: age and gender distribution

Age	Males	Females
0-4	6,6%	6,2%
5-9	4%	4%
10-14	3,8%	3,6%
15-19	4,3%	4,2%
20-24	6,3%	6,2%
25-29	6,9%	6,7%
30-34	5,5%	4,9%
35-39	4,1%	4,1%
40-44	2,9%	2,8%
45-49	1,9%	1,9%
50-54	1,4%	1,5%
55-59	1%	1,1%
60-64	0,7%	0,7%
65-69	0,5%	0,5%
70-74	0,3%	0,4%
75-79	0,1%	0,3%
80-84	0,1%	0,2%
85+	0,1%	0,2%

Source: Stats SA Census 2011

Table 7: different languages that are spoken within the municipality

Language	Percentage
Afrikaans	4,7%
English	4,3%
IsiNdebele	3,3%
IsiXhosa	0,2%
IsiZulu	0,6%
Sepedi	8%
Sesotho	8,8%
Setswana	0,3%
Sign Language	0,2%
SiSwati	0,2%
Tshivenda	50,5%
Xitsonga	4,2%
Other	11.8%
Not Applicable	3%

Table 8: marital status within the municipality

Group	Percentage
Married	25,3%
Living together like married partners	11,6%
Never married	59,4%
Widower/Widow	2%
Separated	0,8%

Source: Stats SA Census

Table 9: tenure status within MLM

Tenure status	2011
Rented	43,3%
Owned and fully paid off	27,9%
Owned but not yet paid off	3,4%
Occupied rent free	24,3%
Other	1,1%

Source: Stats SA Census 2011

Table 10: Natural resources within MLM

Natural Resources	
Major Natural Resource	**Relevance to Community**
Minerals	Economic empowerment and job creation
River	Agricultural use and consumption
Tourism	Tourist attraction (Maphungubwe Game Reserve)
Land	Agricultural and human settlement



TN TSHIWANAMMBI
MUNICIPAL MANAGER

CHAPTER 2
GOVERNANCE

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

2.1 Introduction

Section 151 (3) of the constitution states that the council of municipality has the right to govern on its own initiative, the local government affairs of the local community. MLM Council comprises of the political and administrative components responsible for decision-making and implementation respectively. The Mayor is the political head of the Institution and the Speaker is the head of council. The Municipality has all the powers assigned to it in terms of the Constitution as well as relevant national and provincial legislations. The municipality has the authority to take any possible actions to effectively exercise powers assigned to it.

2.2 Political governance

Council established Section 79 committees which provides general oversight and monitor the activities in the municipality over both the administrative and executive arms of the municipality. This section 79 Committees are chaired by independent councillors other than members of executive committee. The following committees were established:

- Executive Committee (EXCO)
- Municipal Public Accounts Committee (MPAC)
- Corporate services Portfolio committee
- Technical services Portfolio committee
- Financial services Portfolio committee
- Community Services Portfolio committee
- Economic Development planning Portfolio committee
- Executive Support Portfolio committee

The Speaker is a full-time councillor and takes responsibility for the running of council meetings. The Office of the Council-Whip is established to create synergy and to maintain discipline among councillors from various Political Parties. The Role of the Council-Whip covers both the political and administrative domains of council with emphasis on the political aspect. The Council-Whip deals with the well-being and particularly attendance of all councillors. The Council meetings are governed according to the approved rules of order.

2.2.1Overview of public accountability and participation

Key to the accountability processes in terms of both the Structures and the Systems Acts is the facilitation and implementation of the following forums:

• Quarterly Community report back meetings by Ward Councillors

• Quarterly Mayoral Imbizo's

• Ward Committee monthly assessment meetings

• Annual Mayoral Address

• Half year Progress Report by the Mayor

• Annual IDP/Budget community and focused groups' consultation meetings

2.2.2 Public meetings

COMMUNICATION, PARTICIPATION AND FORUMS

The IDP representative forum is chaired by the Mayor and the stakeholders are:

- Councillors,
- Ward committees,
- Organised labour,
- Community based organisations,
- Nongovernmental organisations,
- Sector departments,
- Parastatals,
- Organised business organisations,
- Farmer's organisations.
- Mining houses
- Private sector

Meetings of the IDP representatives forum is held once in every phase of the IDP namely: Preparatory, Analysis, Strategies, Projects, Integration and Approval. Quarterly reports based on the SDBIP are tabled and reported to the IDP representatives' forum meetings. Meetings of the IDP representative forum are sometimes held in the evening as per stakeholder agreement to accommodate stakeholders who are unavailable during working hours, timing of the IDP compilation is regulated by the Municipal Systems Act.

There is room for newly established structures to register on our data base from time to time to enable participation in our IDP Representative meetings. Members of the IDP Representatives Forum are encouraged and urged to hold consultative and feedbacks meetings with the structures and constituencies they represent in order to get their inputs and communicate feedback reports to IDP Representatives Forum for further mandate or processing.

The council comprises of 3 political parties namely: ANC, DA and EFF. In order to enhance good governance and accountability, Municipality adopted separation of powers model which separated legislative arm from executive arm.

This is in line with the governance approach that seeks to put in place an independent oversight mechanism to ensure that democracy is deepened and that effective public service delivery takes place to benefit MLM communities. Council has established section 79 committees to play oversight role and monitor the work of the executive and administration.

The municipality has 24 councillors comprising of 12 ward councillors, 5 Traditional Leaders of which 1 passed on. There is a good relationship between councillors as they work cooperatively to achieve the set goals of the municipality. Every year there is a schedule of meetings that is approved by council, in order to ensure that all committees meet regularly to discuss administrative, performance and service-delivery issues. Councillor's participation in various committees is satisfactory. For the year under review council held 5 ordinary council meetings and 4 special meetings.

The Functionality of Municipal Council and Portfolio meeting 2017/2018:

1. COUNCIL MEETINGS

DATE OF MEETING	VENUE	MUNICIPALITY	TYPE OF MEETING
1. 07 July 2017	Council Chamber	Musina Local Municipality	Special Council
2. 24 August 2017	Council Chamber	Musina Local Municipality	Ordinary Council
3. 29 September 2017	Council Chamber	Musina Local Municipality	Special Council
4. 23 November 2017	Council Chamber	Musina Local Municipality	Ordinary Council
5. 25 January 2018	Council Chamber	Musina Local Municipality	Ordinary Council
6. 26 February 2018	Council Chamber	Musina Local Municipality	Special Council
7. 29 March 2018	Council Chamber	Musina Local Municipality	Ordinary Council
8. 25 May 2018	Council Chamber	Musina Local Municipality	Ordinary Council
9. 28 June 2018	Council Chamber	Musina Local Municipality	Special Council

2. EXECUTIVE COMMITTEE

1. 07 JULY 2017	Council Chamber	Musina Local Municipality	Special Meeting
2. 17 August 2017	Council Chamber	Musina Local Municipality	Ordinary Meeting
3. 28 September 2017	Council Chamber	Musina Local Municipality	Special Meeting
4. 14 November 2017	Council Chamber	Musina Local Municipality	Ordinary Meeting
5. 16 January 2018	Council Chamber	Musina Local Municipality	Ordinary Meeting
6. 23 February 2018	Council Chamber	Musina Local Municipality	Special Meeting

3. FINANCE PORTFOLIO COMMITTEE

1. 14 August 2017	Council Chamber	Musina Local Municipality	Ordinary Portfolio Meeting
2. 22 September 2017	Council Chamber	Musina Local Municipality	Special Portfolio Meeting
3. 30 September 2017	Council Chamber	Musina Local Municipality	Ordinary Portfolio Meeting
4. 31 October 2017	Council Chamber	Musina Local Municipality	Ordinary Portfolio Meeting
5. 15 January 2018	Council Chamber	Musina Local Municipality	Ordinary Portfolio Meeting

6. 21 February 2018	Council Chamber	Musina Local Municipality	Special Portfolio Meeting

4. COMMUNITY SERVICES PORTFOLIO COMMITTEE

1. 14 August 2017	Traffic Centre	Musina Local Municipality	Ordinary Portfolio Meeting
2. 25 October 2017	Traffic Centre	Musina Local Municipality	Ordinary Portfolio Meeting
3. 04 January 2018	Traffic Centre	Musina Local Municipality	Ordinary Portfolio Meeting

5. CORPORATE SERVICE PORTFOLIO COMMITTEE

1. 14 August 2017	Council Chamber	Musina Local Municipality	Ordinary Portfolio Meeting
2. 21 September 2017	Council Chamber	Musina Local Municipality	Ordinary Portfolio Meeting
3. 26 September 2017	Council Chamber	Musina Local Municipality	Special Portfolio Meeting
4. 31 October 2017	Council Chamber	Musina Local Municipality	Ordinary Portfolio Meeting
5. 09 January 2018	Council Chamber	Musina Local Municipality	Ordinary Portfolio Meeting

6. EDP/TECH SERVICE PORTFOLIO COMMITTEE

1. 24 October 2017	Old Council Chamber	Musina Local Municipality	Ordinary Portfolio Meeting
2. 05 January 2018	Old Council Chamber	Musina Local Municipality	Ordinary Portfolio Meeting
3. 16 January 2018	Old Council Chamber	Musina Local Municipality	Urgent Portfolio Meeting

7. MPAC MEETINGS

DATE	VENUE	ORGANISATION	TYPE OF MEETING
19 July 2017	MPAC Office Musina	MPAC Musina	Ordinary meeting
17 August 2017	MPAC Office Musina	MPAC Musina	Special meeting
21 November 2017	MPAC Office Musina	MPAC Musina	Ordinary meeting
14 February 2018	MPAC Office Musina	MPAC Musina	Ordinary meeting
01 March 2018	MPAC office Musina	MPAC Musina	Special meeting
14 March 2018	MPAC Office Musina	MPAC Musina	Special meeting
22 March 2018	MPAC Office Musina	MPAC Musina	Special meeting
10 May 2018	MPAC Office Musina	MPAC Musina	Ordinary meeting

Table 1: Committee annual meetings

Name of Meeting	Annual Target	Number of meetings convened	Number of meetings materialised	Total number of apologies received
Council committees				
Finance Portfolio	6	6	6	0
Community Services Portfolio	5	3	3	0
Corporate Services Portfolio	5	5	5	0
EDP & Technical Services	5	3	3	0
Labour Forum	4	4	4	3
EXCO	6	6	6	0
Special EXCO	3	3	3	0
Council	5	5	5	4
Special Council	4	4	3	0
MPAC	5	5	11	8
Municipal Events	3	3	5	0
Rules and programming	4	4	4	0
Extended Management	3	3	5	0
HOD	9	9	10	0
Communicators Forum	4	4	4	0
ICT Steering	2	2	1	1
Risk Management	4	4	4	0
Audit	4	4	4	0

Table 2: MLM Councillors information

Surname and Initials	Party	Ward no./ PR	Contact number	Gender
Muhlope ME	ANC	Mayor	0765224225	Female
Netshisaulu	ANC	Speaker/ 11	0827145478	Male
Mafela MF	ANC	Chief whip/ 8	0826210414	Male
Phiri G	ANC	1	0834478843	Male
Shirelele ES	ANC	2	0834478865	Female
Nare T	ANC	3	0713841347	Male
Sakala SP	ANC	4	0729465237	Male
Milanzi GN	ANC	5	0738364490	Female
Netshivhulana RC	ANC	6	0786500005	Male
Khunwana KG	ANC	7	0784361502	Male
Netshipale T	ANC	9	0790247106	Male
Gadabeni R	ANC	10	0763137326	Male
Mbedzi P	ANC	12	0766287143	Male
Phiri C	ANC	PR-ANC	0726562739	Female
Mukwevho J	ANC	PR-ANC	0729923197	Female
Mavhungu AR	ANC	PR-ANC	0826406860	Female
Nyabane P	ANC	PR-ANC	0735012670	Female
Makhura D	ANC	PR-ANC	0724460952	Female
Makatu KE	DA	PR-DA	0793519287	Male
Magwira E	DA	PR-DA	0728005663	Male
Fick R	DA	PR-DA	0842113570	Male
Mamafa RE	EFF	PR-EFF	0823148343	Male
Makhesha EN	EFF	PR-EFF	0735012670	Female

Surname and Initials	Party	Ward no./ PR	Contact number	Gender
Raselabe A	EFF	PR-EFF	0722340237	Male

Table 3: Executive committee members

Surname and Initials	Party	Ward no./ PR	Contact number	Gender
1. Chairperson: Muhlope ME	ANC	Mayor	0765224225	Female
Cllr ES Shirilele	ANC	Ward 2	0834478865	Female
Cllr GN Milanzi	ANC	Ward 5	0738364490	Female
Cllr KJ Khunwana	ANC	Ward 7	0784361502	Male
Cllr CE Magwira	DA	PR-DA	0728005663	Male

2.3 Section 79 committees

The established section 79 committees are in line with the governance approach that seeks to put in place an independent oversight mechanism to ensure that democracy is deepened and that effective public service delivery takes place to benefit MLM communities Council has established section 79 committees to play oversight role and monitor the work of the executive and administration.

The established Committees are aligned to administrative departments of the municipality and are chaired by non-executive councillors. MPAC committee is also in place and performs its duties as per approved annual work programme. MPAC is an oversight committee which comprises of non-executive councillors, with the specific purpose of providing oversight over the executive functionaries of Council to ensure good governance.

Table 4: Section 79 portfolio committees

FINANCE	**COMMUNITY SERVICES**	**TECHNICAL SERVICES**
Chairperson: Mavhungu AR	**Chairperson**: Netshipale MT	1. **Chairperson**: Mbedzi MP
Cllr Muhlophe ME (Portfolio Head)	Cllr Milanzi NG (Portfolio Head)	Cllr Khunwana KJ (Portfolio Head)
Cllr CE Magwira	Cllr AR Mavhungu	Cllr RC Netshivhulana
Cllr EN Makhesha	Cllr KE Makatu	Cllr CE Magwira
Cllr SP Sakala	Cllr RAE Mamafa	Cllr RAE Mamafa
CORPORATE SERVICES	**ECONOMIC DEVELOPMENT PLANNING**	**MUNICIPAL PUBLIC ACCOUNTS**
1. **Chairperson:** Phiri G	1. **Chairperson:** Mbedzi MP	1. **Chairperson:** Nare T
Cllr Shirilele ES (Portfolio Head)	Cllr Khunwana KJ (Portfolio Head)	Cllr S Phiri
Cllr AR Mavhungu	Cllr RC Netshivhulana	Cllr D Makhura
Cllr R Fick	Cllr CE Magwira	Cllr E Magwira
Cllr EN Makhesha	Cllr RAE Mamafa	Cllr E Mamafa
EXCO		
1. Chairperson: Muhlope ME		
Cllr ES Shirilele		
Cllr GN Milanzi		
Cllr KJ Khunwana		
Cllr CE Magwira		

POLITICAL LEADERSHIP



Councillor Mihloti Ethel Muhlope

Mayor

Powers and funcitons of Mayor as per section 52 of the Local Government Municipal Finance Management Act, No. 56 of 2003

- Provide general political guidance over the fiscal and financial affairs of the municipality.
- In providing such general political guidance, may monitor and, to the extend provide in this Act, oversee the exercise of responsibilities assigned in terms of this Act to the accounting officer and the chief financial officer, but may not interfere in the exercise of those responsibilites
- Must take all reasonable steps to ensure that the municipality performs its constitutional and statutory functions within the limits of the municipality's approved budget.
- Must within 30 days of the end of each quarter submit a report to council on the implementation of the budget and the financial state of affairs of the municipality
- Must exercise the other powers and perform the other duties assigned to the mayor in terms of this Act or delegated by council to the mayor.

POWERS AND FUNCTIONS OF THE SPEAKER



Speaker Cllr Gilbert Netshisaulu

Powers and funcitons of the Speaker as per section 37 of the Local Government Municipal Structures Act, No. 117 of 1998

- To preside at meetings of the council when he is present;
- To ensure that the council meets at least quarterly;
- To ensure compliance with the code of conduct for councillors in the meetings of council and council's committees;
- To maintain order during meetings of the council;
- Ensure that the provisions in respect of privileges and immunities of councillors, as set out in section 28 of the structures act or any other applicable legislation, are adhered to.
- To ensure that council meetings are conducted in accordance with the rules and orders of the council;
- Determine the date and venue of ordinary council meetings;
- To convene special meetings of the council at the venue determined by her and at the time set out in any request that such a meeting be convened in terms of section 29(1) of the structures act; and

POWERS AND FUNCTIONS OF COUNCIL WHIP



Council Whip

Cllr. Fistos Mafela

The Office of the Whip of Council has been introduced by the Notice on the Upper Limits on Councillor Remuneration in 2006. The Whip of Council is not an Office Bearer in terms of the LG: Municipal Structures Act, so the Council is not legally obliged to adopt a terms of reference for the Whip. It is, however, advisable to commit to a clear definition of the role of the Whip in relation to that of the Speaker. Whilst there are no statutory functions for the Whip of Council , the SALGA Guideline Document on the Roles and Responsibilities of Councillors, Political Structures and Officials(March 2011) cites the following as the functions of the Whip of the Council:-

• Political management of council meetings and committee meetings

• Inform councillors of meetings called by the Speaker and the Mayor and ensuring that such meetings quorate

• Advises the Speaker and Mayor on the Council agenda

• Informs councillors on important matters on the relevant agenda

• Advise the Speaker on the amount of time to be allocated to speakers and the order of such speakers

Addressing the Council

• Ensures that councillor's motions are prepared and timeously tabled in terms of the procedural rules of Council

• Assisting the Speaker in the counting of votes

• Advising the Speaker and the Mayor of urgent motions

• Advising the Speaker and Mayor on how to deal with important items

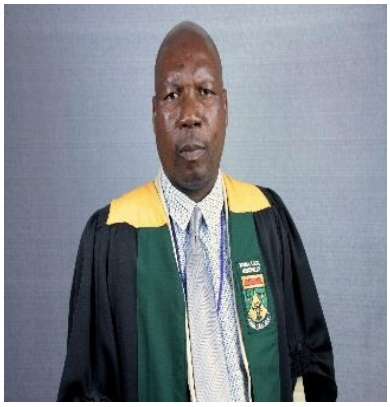
• Advising the Speaker and Mayor on how to deal with important items not disposed of at a Council meeting

The Council Whip is accountable to the Council.

COUNCILLORS



Cllr Mihloti Muhlope (Mayor –ANC)



Cllr Gilbert Netshisaulu (Speaker – ANC)
Ward 11



Cllr Fistos Mafela (Chief Whip- ANC)
Ward 8



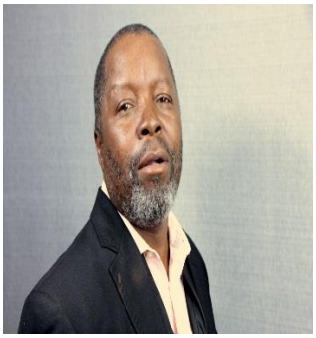
Cllr Simon Phiri (ANC)

(Ward 1)



Cllr Siyaphi Shirelele (ANC)

(Ward 2)



Cllr Phillemon Nare (ANC)

(Ward 3)



Cllr Prince Sakala (ANC)

(Ward 4)



Cllr Nkele Milanzi (ANC)

(Ward 5)



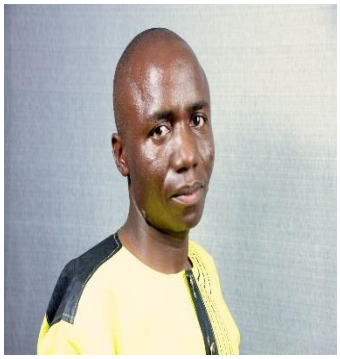
Cllr Rendani Netshivhulana (ANC)

(Ward 6)



Cllr Jeremia Khunwana (ANC)

(Ward 7)



Cllr Titus Netshipale (ANC)

(Ward 9)



Cllr Rabelani Gadabeni (ANC)

(Ward 10)



Cllr Phillip Mbedzi (ANC)

(Ward 12)



Cllr Carol Phiri (ANC)

(PR)



Cllr Josephina Mukwevho (ANC)

(PR)



Cllr Rosina Mavhungu (ANC)

(PR)



Cllr Peggy Nyabane (ANC)

(PR)



Cllr Dorcus Makhura (ANC)

(PR)



Cllr Ernest Makatu (DA)

(PR)



Cllr Elliot Magwira (DA)

(PR)



Cllr Reinhardt Fick (DA)

(PR)



Cllr Abel Raselabe (PR- EFF)



Cllr Eldah Makhesha (PR- EFF)



Cllr Edward Mamafa (PR-EFF)

MEMBERS OF EXECUTIVE COMMITTEE



Chairperson: Muhlope ME



Member: Shirilele ES



Member :Milanzi GN



Member: Khunwana KJ



Member: Magwira C

HEADS OF THE PORTFOLIO COMMITTEE



Portfolio Head Finance: Muhlope ME



Portfolio Head Community Services: Milanzi GN

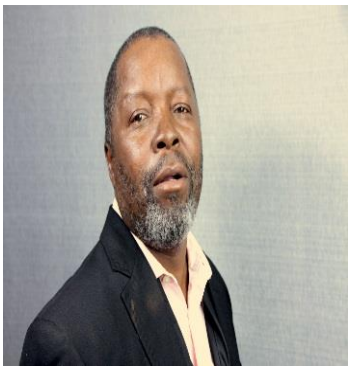


Portfolio Head Corporate Services: Shirelele ES



Portfolio Head EDP & Technical Services: Khunwana KJ

MUNICIPAL PUBLIC ACCOUNT COMMITTE



Chairperson: Nare P.



Member: Phiri G



Member: Magwira E



Member: Makhura D



Member: Mamafa E

FUNCTIONS OF EXECUTIVE COMMITTEE AS PER DELEGATION OF POWERS

• To report to council on all decisions taken by it;

• oversee and monitor the implementation and enforcement of the municipality's credit control and debt collection

Policy and by-laws and the performance of the municipal manager in implementing the policy and by-laws;

• When necessary, evaluate or review the municipality's credit control and debt collection policy and by-laws, or the implementation of the policy and by-laws, in order to improve efficiency of its credit control and debt collection mechanisms, processes and procedures;

• makes recommendations to council on proposed political structures of council;

• makes recommendations to council in respect of its legislative powers;

• gives political directions to executive management team;

• determine strategic approaches, guidelines and growth parameters for the draft budget including tariff structures;

• delegates powers in respect of any of its powers to the mayor;

2.5 Administrative Governance

The Municipal Manager is the administrative head and act as interlink between the politicians and the administration. Municipal Manager together with all staff members and councillors are responsible for implementing the IDP and Budget and monitoring the progress made to ensure that service is delivered to the people. The Accounting Officer also provides guidance to political office bearers and to all officials in the municipality. There is a good relationship between the Municipal Manager, administration and political office bearers. All administrative issues that need intervention of council are referred to council for resolution.

At the beginning of the year the municipality had two (2) vacant positions of Senior Managers accountable directly to the Municipal Manager namely Director Corporate Services and Director Technical Services. The Director Corporate Services and Technical Services. In January 2017 the Municipal Manager resigned from his position leaving the Municipality with (3) vacant position at the end of the financial year under review. The administrative components of municipality comprises of seven (6) directorates and 25 managers.

Table 4: MLM management information

Directorate	Designation	Initial and Surname	Gender
Office of the Municipal Manager	Municipal Manager	TN Tshiwanammbi	Male
	Senior Manager	M Sithole	Male
	Manager: Internal Audit	J Seyaka	Male
	Manager: Risk	E Ramuthivheli	Male
	Manager: Communications	W Dzebu	Male
Corporate Services	General Manager: Corporate Services	PM Mudau	Male
	Senior Manager	PS Peta	Male
	Manager: Human Resources	R Le Loux	Female
	Manager: Legal	T Rambuda	Male
	Manager: Administration	M Mukoma (Resigned)	Male
	Manager: ICT	P Eccleston	Male
Finance	Acting Chief Financial Officer	LM Murulana	Male
	Senior Manager	L Murulana	Male
	Manager: Expenditure	B Muluvhu	Male
	Manager: Budget and Treasury	T Mokone	Male
	Manager: Supply Chain Management	M Siziba	Female
	Manager: Revenue	D Tshikota	Female
Technical	Acting General Manager: Technical	NT Tshiwanammbi	Male
	Senior Manager	C Dinyake (Resigned)	Female
	Manager: Electrical Engineer	P Jansen (Passed on)	Male
	Manager: Roads	M Mthombeni	Male
	Manager: Water	Matshili M	Female
Community Services	General Manager: Community Services	R Morolana	Male
	Manager: Waste Management	R Kutama	Female

Directorate	Designation	Initial and Surname	Gender
	Manager: Licensing	C Jombe	Male
	Manager: Traffic	D Hlongwane	Male
	Manager: Traffic	M Mutele	Male
	Manager: Social	K Ravhuanzwo	Male
Development Planning	Acting General Manager: Development Planning	TN Tshiwanammbi	Male
	Manager: Town Planning	M Mphephu	Male
	Manager: LED	M Mudau (Resigned)	Male
	Manager: IDP	T Ncube	Male

COMPONENT B: INTERGOVERNMENTAL RELATIONS

2.6 INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

There are platforms established to maintain relationship between all three spheres of government. The purpose of the platforms is consultation with various interest groups and all other key stakeholders to insure sectorial issues and Projects alignment, integration and well captured within the IDP of the municipality for implementation.

2.7 DISTRICT INTERGOVERNMENTAL STRUCTURES

Section 24 of Intergovernmental Relations Framework Act 2005, establishes the district intergovernmental forum to promote and facilitate sound relations between the District and Local municipalities and the forum is chaired by District Mayor.

The municipality participates in various intergovernmental structures locally, at a district level and even at a provincial level. Locally structures of intergovernmental relations include the District Planning forum, water sector forum, roads and transport forum, energy forum, local economic development forum, and disaster management forum. Various sector departments and relevant stakeholders are the main participants in the activities of such forums.

In the district the municipality partakes in the district IDP Managers forum, CFO's forum, Municipal Managers Forum, District Speakers and Mayors forum and the District Internal Auditors' forum. In the province the municipality participates in the Premier-Mayors‟ forum, provincial municipal managers‟ forum as well as the Provincial Planning and Development Forum. Further, the municipality hosts an intergovernmental stakeholder meeting on Migrant Health Forum.

MLM has a good relationship with Vhembe District Municipality and all local municipalities within the district. There are different forums conducted by district where officials and politicians from local municipalities are invited to participate. The structures are as follows:

Table 5: District intergovernmental structures

Structures	Directorates	Establishment
EXCO Lekgotla	Mayor and Municipal Manager	Provincial
Municipal Manager's forums	Municipal Manager	Provincial and District
IDP forums (District and Provincial Panning Forum)	IDP Manager	Provincial and District
PMS forums	PMS	Provincial and District
LED forums	LED Manager	Provincial and District
Communicators' forum	Communication Manager	Provincial and District
VDM Disaster advisory forum	Superintendent: Disaster	District
MPAC forums	MPAC	Provincial and District

The above forums meet quarterly to discuss progress made on service delivery. The forums are facilitated by CoGHSTA representatives and district officials. They are very fruitful forums, as members use this opportunity to share ideas and to learn from each other, in order to improve service delivery.

2.8 PROVINCIAL INTERGOVERNMENTAL STRUCTURES

Section 16 of Intergovernmental Relations Framework Act 2005, establishes the premier's intergovernmental forum to promote and facilitate sound relations between the Province and municipalities. MLM has a good relationship with provincial structures, namely CoGHSTA, Premier's Office and the Provincial Treasury. The province coordinated various forums where it met with members from all municipalities in the province, in order to discuss service delivery issues. Members from CoGHSTA, the Premier's Office and the provincial treasury also form part of those forums. The forums are:

- Provincial intergovernmental forum
- Premier/Mayor's forum
- Provincial monitoring and evaluation forum
- Provincial government communicators' forum
- Municipal Public Accounts Committee forum.
- Provincial Planning Forum

The forums are very fruitful as any kind of question is clarified, and municipalities that lack capacity are identified and provided with all necessary support.

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

2.9 Introduction

In terms of Municipal Systems Act section 51(b) requires a municipality to establish and organize its administration to facilitate a culture of accountability amongst its staff;

Section 6 (i) states that a municipality must develop a system of municipal governance that compliments formal representative government with a system of participatory governance

Section 18 (i) (d) requires a municipality to supply its community with information concerning municipal governance, management and development.

2.10 Overview of public accountability and participation

Municipality uses different kinds of public participation, such as the Mayor's outreach, public meetings and IDP/Budget consultation, stakeholders meetings in order to promote the culture of accountability.

The municipality conducted Mayoral listening to the people's programme where in 12 wards were visited and awarded opportunities to raise issues to the Mayor. The speaker visited ward 5, the purpose of the visit was to issue sanitary pads to young girls. On the 27th August 2017 the Mayor celebrated Women's Day with women to remind them about other women who contributed to the struggle of liberation.

During the year under review the municipality clustered all 12 wards

The municipality in compliance to the Constitution of the Republic of South Africa and other legislations governing local government annually prioritizes the involvement of local communities in the planning and execution of the municipal programmes. Such involvement takes the following shape, community Imbizo, Annual Report Consultative Meetings, IDP/Budget.

WARD	DATE	VENUE	TIME
Ward 1	16/04/2018	Tshikhudini Royal Kraal	10H00
Ward 2	17/04/2018	Beitbridge Primary School	16H00
Ward 3	12 /04/2018	New Nancefield Community Hall	16H00
Ward 4	24/04/2018	Nancefield- Municipal Boardroom	16H30
Ward 5	18/04/2018	Renaissance sports ground	16H30
Ward 6	20 /04/2018	Harper Community Hall	16H30
Ward 7	26/04/2018	Muswodi Tshisimani – Reformed Church	11H00
Ward 8	09 /04/2018	Madimbo Community Hall	15H00
Ward 9	11/04/2018	Manenzhe Tribal Council	10H00
Ward 10	13/04/2018	Matatani Royal Kraal	10H00

Ward 11	23/04/2018	Mukovhawabale P School	10H00
Ward 12	19 /04/2018	Masisi Town Hall	10H00

2.11 EFFECTIVENESS OF THE PUBLIC MEETINGS

The public meetings were very effective because they gave a good understanding to the communities on how government operates. This is because during those meetings, sector departments were also invited to render services to the communities. After getting inputs from the communities, these meetings also helped the municipality in planning and implementing projects, taking into consideration the needs of the society.

The purpose of these meetings is to give feedback and account to the community on the implementation of the IDP/Budget of the municipality. They are further utilized as a platform to agree on community needs. During the year under review 147 public meetings were held in different wards .All public meetings held were beneficial. Most of queries raised were water related queries and were referred to Vhembe District Municipality.

Ward no	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending	Issues raised by community	Issue addressed (Yes/No)	Dates and manner of feedback given to community
1	10/07/2017 13/09/2017 30/11/2017 10/01/2018 02/03/2018 09/03/2018 21/04/2018 20/05/2018 20/06/2018	9	45	96	12	Yes	13/09/2017 09/03/2018 20/06/2018
2	12/07/2017 03/08/2017 06/08/2017 30/08/2017 11/10/2017 22/10/2017 25/10/2017 21/11/2017 02/12/2017 02/03/2018 10/03/2018 22/03/2018 04/04/2018 17/04/2018 27/06/2018	6	22	12	15	Yes	03/08/2017 22/10/2017 10/03/2018 17/04/2018

Ward no	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending	Issues raised by community	Issue addressed (Yes/No)	Dates and manner of feedback given to community
3	20/07/2017 13/08/2017 05/09/2017 14/08/2017 04/09/2017 05/10/2017 15/10/2017 21/11/2017 29/03/2018 01/04/2018 16/04/2018 24/04/2018 10/05/2018	8	30	18	10	Yes	13/08/2017 21/11/2017 16/04/2018
4	21/07/2017 09/08/2017 30/08/2017 01/09/2017 10/10/2017 04/12/2017 14/01/2018 22/02/2018 15/03/2018 05/04/2018 24/04/2018 27/04/2018 31/05/2018 27/06/2018	10	35	25	18	Yes	09/08/2017 10/10/2017 22/02/2018 27/04/2018
5	31/07/2017 02/08/2017 02/09/2017 19/09/2017 20/09/2017 20/10/2017 22/11/2017 11/01/2018 18/03/2018 19/03/2018 27/04/2018 25/05//2018 13/06/2018	8	19	14	10	Yes	02/08/2017 20/10/2017 19/03/2018 25/05//2018
6	05/09/2017 13/10/2017 23/11/2017 29/11/2017 12/01/2018 21/03/2018 29/04/2018 14/06/2018 21/06/2018	11	11	20	08	Yes	13/10/2017 29/11/2017 29/04/2018 14/06/2018

Ward no	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending	Issues raised by community	Issue addressed (Yes/No)	Dates and manner of feedback given to community
7	08/09/2017 04/09/2017 27/10/2017 28/10/2017 13/11/2017 18/03/2018 19/03/2018 26/04/2018 30/04/2018 02/06/2018	12	16		09	Yes	04/09/2017 28/10/2017 19/03/2018 30/04/2018
8	21/07/2017 23/07/2017 27/08/2017 03/09/2017 22/10/2017 28/10/2017 26/11/2017 01/12/2017 14/12/2017 10/01/2018 18/02/2018 19/03/2018 02/04/2018 02/04/2018 16/04/2018 30/05/2018 28/06/2018	12	19	50	22	Yes	27/08/2017 26/11/2017 19/03/2018 30/05/2018
9	25/07/2017 29/08/2017 05/09/2017 11/10/2017 17/10/2017 10/11/2017 05/12/2017 11/01/2018 12/02/2018 22/03/2018 28/03/2018 11/04/2018 28/05/2018 26/06/2018	12	18	21	11	Yes	05/09/2017 05/12/2017 28/03/2018 28/05/2018
10	22/07/2017 08/08/2017 05/09/2017 08/09/2017 08/10/2017 22/10/2017 08/11/2017 09/11/2017 10/01/2018	12	22	50	20	Yes	08/09/2017 09/11/2017 31/03/2018 09/06/2018

Ward no	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending	Issues raised by community	Issue addressed (Yes/No)	Dates and manner of feedback given to community
	11/02/2018 31/03/2018 07/04/2018 07/04/2018 06/05/2018 09/06/2018 17/06/2018						
11	31/07/2017 31/08/2017 29/09/2017 22/10/2017 06/11/2017 10/12/2017 18/03/2018 29/03/2018 27/04/2018 29/05/2018 18/06/2018 20/06/2018	9	33	45	10	Yes	29/09/2017 10/12/2017 29/05/2018 20/06/2018
12	27/07/2017 03/09/2017 13/09/2017 05/10/2017 17/10/2017 27/10/2017 13/11/2017 12/01/2018 25/02/2018 17/04/2018 05/05/2018 12/06/2018	10	23	25	13	Yes	13/09/2017 13/11/2017 17/04/2018 12/06/2018

2.12 Communication, participation and forums

Communication is an important element of good governance.It is through communication that communities and other stakeholders are informed about the activities of the municipality, and thereby getting empowered to participate in the affairs of the municipality. MLM Communities play a vital role to ensure accountability in municipal affairs. Council account to the community through established ward committee system and scheduled IDP/ Budget/ PMS community participation processes. The community participation processes have entrenched a culture of involving communities in decision making processes during the process and finalization of the IDP/Budget/PMS. Communities are continuously informed on municipal governance, management and development through the usage of the different local media, website, Facebook, stakeholders meetings and council sittings.

There are different types of effective forums which assist in knowledge sharing to achieve set goals of municipality those forums are as follows:

- PMS forum
- IDP forum
- Communication forum
- Budget steering committee

The forums hold meetings quarterly with high attendance rate to discuss service delivery issues and measures to improve performance. PMS and IDP forums are represented by Vhembe district municipal officials, local municipality's officials and provincial officials. Budget steering committee is represented by the Chairperson of Finance and all section 56 managers. Whatever decision is taken in those forums that affect community members, such decision are communicated to members of community through our communication channels .e.g. financial status of municipality and performance of municipality.

2.13 Ward Committee meetings and Ward Committee Establishment.

The municipality has established Ward Committees in all 12 Wards. All Ward Committees are functional and managed to have 100 Ward committee meetings and 47 general meetings and are administratively supported from the Office of the Mayor. All ward committee receives their stipends based on functionality reports. The final IDP/Budget document was adopted by the Council on the 25 May 2018.

MLM has established ward committees in terms of Municipal Structures Act of 1998 and it has 24 ward committee members which is 2 per ward. Ward Committees assist members of the community to participate in public meetings and take decisions that will take service delivery forward in our communities.

2.14 IDP PARTICIPATION AND ALIGNMENT

2 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

2.15 Integrated Development Plan (Development, Review and Implementation)

The development and review of the integrated development plan for the financial year 2017/2018 was done internally through the involvement of the IDP/Budget steering committee and council. Communities and interested stakeholders were consulted on the formulation of IDP/Budget priorities and setting of targets. To consolidate community and stakeholder consultations, meetings were held as per the approved Process Plan.

IDP REPRESENTATIVE FORUM MEETINGS 2016/ 2017		
DATE	**VENUE**	**ATTENDANCE**
16 August 2017	Madimbo Community Hall	199 attended
13 September 2017	Madimbo Community Hall	157 attended
01 November 2017	Nancefiled Municipal Boardroom	198 attended
28 February 2018	Madimbo Community Hall	189 attended

IDP STEERING COMMITTEE MEETINGS 2016/ 2017		
DATE	**VENUE**	**ATTENDANCE**
26 July 2017	Civic Centre Board Room	13 attended
06 September 2017	Civic Centre Board Room	12 attended
13 September 2017	Civic Centre Board Room	32 attended
14 September 2017	Civic Centre Board Room	26 attended
11 October 2017	Civic Centre Board Room	28 attended
18 October 2017	Civic Centre Board Room	24attended
14 February 2018	Civic Centre Board Room	19attended

DATE	TYPE
07/07/2017	Special Council
24/08/2017	Ordinary Council
29/09/2017	Special Council
23/11/2017	Ordinary Council
25/01/2018	Ordinary Council
26/02/2018	Special Council
25/05/2018	Ordinary Council
28/06/2018	Special Council

The final IDP/Budget document was adopted by the Council on the 25 May 2017.

COMPONENT D: CORPORATE GOVERNANCE

Overview of corporate governance

MLM has a code of conduct and policies in place that served as guidance on how to execute our functions in a responsive manner. These documents are applicable to everyone in the municipality, as they set out rules, laws, customs and culture of the municipality. All officials, together with political heads, work collectively, guided by policies to deliver efficient service delivery to communities in order to achieve the vision and goals of the municipality.

2.16 RISK MANAGEMENT

MFMA section 62 (i) (c) requires a municipality to have and maintain an effective, efficient and transparent system of risk management. The risk unit reviewed the risk management policy, strategy and implementation plan.

During the year under review the risk management unit was fully operational with an established Risk Management Committee (RMC) charged with assisting the Accounting Officer in discharging his risk management responsibilities. The RMC met on a quarterly basis to report on the progress made on risk management activities. The RMC was chaired by an external chairperson who also formed part of the audit committee. Risk champions were also appointed in all departments to assist HOD's in discharging their departmental risk management responsibilities.

Strategic and operational risk registers were compiled and the implementation of action plans was monitored on a quarterly basis. The municipality identified 11 strategic risks and 70% of the risks were mitigated.

Top risks identified:

- Inability to sustain the institution financially
- Fraud and corruption
- Inability to attract investors
- Lack of support from stakeholders
- Inability to attract scarce skilled human resource
- Ineffective organisational structures

- Disasters
- Service interruptions
- Ineffective governance structures
- Unfulfilled municipal service level expectations
- Challenge institutional transition

2.17 FRAUD AND ANTI-CORRUPTION STRATEGY

MSA 2000b 83 (c) requires providers to be chosen through a process which minimizes the possibility of fraud and corruption.

During the year under review, the municipality reviewed the anti-fraud and corruption policy, strategy and whistle blowing policy as part of the process to ensure effective, efficient and transparent systems of internal control. Ultimately, the strategy was implemented and monitored by the designated officials responsible for the risk management of the municipality.

Musina Local Municipality currently shares the anti-fraud and corruption hotline with the Vhembe district municipality along with other municipalities within the district. The presidential and premier hotline cases were also forwarded to the risk management unit for investigation and reporting. Anti- fraud and corruption awareness campaigns were conducted on a quarterly basis. The municipality received one case of alleged maladministration and corruption within the municipality, this case was received by the district in May 2017 (fourth quarter 2016/17) however the municipality only received the report it in July 2017 (first quarter 2017/8). The matter has since been referred to the audit committee and progress will be reported in the 2017/18 financial year

RISK MANAGEMENT COMMITTEE MEETINGS

DATE	VENUE	NUMBER OF RISK COMMITTEE MEMBERS ATTENDED	RISK CHAMPIONS	NUMBER OF MANAGERS ATTENDED	STAKEHOLDER DEPARTEMENT
21 August 2017	Civic Center	3	4	8	0
19 October 2017	Civic Center	3	4	7	0
23 February 2018	Civic Centre	3	4	6	1

RISK COMMITTEE RESOLUTION REGISTER

DATE	Resolution	Responsible official	Due date	Comments / Progress	Revised target date
21-Aug-17	Evaluation/ assessment of risk committee	Risk Manager	30 September 2017	Target achieved	None
21-Aug-17	Project risk assessment to be finalized	Risk Manager	30 September 2017	Target achieved	Project risks assessed with the PMU officer and incorporated in the Technical Services department operational risk registers.
21-Aug-17	Finalization of 2017/18 operational risk registers	Risk Manager	30 September 2017	Target achieved	None

19-Oct-17	Implementation of revenue enhancement strategy	CFO	Quarterly/ ongoing	Commitment letter on recovery plan sent to National Treasury	In the process of developing a plan and monitoring tool to formalise the implementation of the revenue enhancement strategy.
19-Oct-17	Development of disaster management plan	GM: Community Services	31 December 2017	Target achieved	Disaster Management Plan developed and awaiting council approval
19-Oct-17	Development and implementation of maintenance plan on current infrastructure	Acting GM: Technical Services	31 December 2017	Target not achieved	1. Implementing scheduled planned maintenance plan in progress. 2. Coghsta appointed to review current master plan
23-Feb-18	Appointment of Financial Misconduct Board	GM: Corporate Services	5 March 2018	The boards is functional, no matter have been referred to the board for consideration	

Risk Committee members

Surname and initials	Gender
Tshikhudo F	Female
Tshiwanammbi TN	Male
Peta PS	Male
Morolana R	Male
Mudau PM	Male
Ramuthivheli	Male
Chauke N	Female

Risk Champions

Surname and initials	Gender
Ncube T	Male
Matshili M	Female
Eccleston P	Male
Ravhuanwzo K	Male
Makgato P	Male
Dzebu W	Male

2.18 OVERVIEW ON SUPPLY CHAIN MANAGEMENT

Municipality has SCM policy in place to minimize fraud and corruption. There are SCM committees in place that are reviewable as and when required to ensure value for money in awarding of tenders. For the year under review 17 tenders were awarded.

- The council has adopted a SCM policy in terms of SCM regulation 3.
- The SCM unit consists of three full time staff; three positions (Manager and Accountant SCM, Procurement officer) and 2 Admin officers' logistics.
- A report on the implementation of the SCM policy is presented to the Mayor on a quarterly basis.
- Needs assessments are undertaken for each acquisition and preferential policy objectives identified.
- Threshold values in the SCM policy are aligned with values stipulated in regulation 12.
- Municipal bid documents comply with MFMA circular 25.
- Records of tenders and all other bids received and awards made.
- All bid committees were established and appointed by the Accounting officer.
- Note: MFMA S110-119; SCM Regulations 2005; and relevant MFMA circulars set out required processes and guidance manuals to help ensure that SCM arrangements provide appropriate goods and services, offer best value for money and minimize the opportunities for fraud and corruption.
- 19 Tenders were advertised during 16/17
- All tenders were advertised on the newspaper and on municipal website
- 17 Tenders were evaluated, adjudicated and awarded during 16/17
- 31 formal quotations were awarded(R30000.00 up to R200000.00)
- 119 Procurement below R30000.00
- 105 BEE beneficiation awarded for financial year 2016/ 2017

Table 6: Information of SCM committees

Description	Number of meetings	members of the committee	functions
Bid specification committee	7	Manager Town Planning Manager Legal Services Manager Revenue Manager Civil Manager Electrical	• Compile a proper and unbiased specification for a specific requirement • Ensure proper Terms of Reference are drawn up for the service required clearly indicating the scope of the requirements, the ratio between price and functionality, evaluation criteria as well as their weights and values • Ensuring availability of funds • Set ranges indicating breakdown of points, percentages as provided in the relevant sliding scales for the selected specified goals

Description	Number of meetings	members of the committee	functions
Bid Evaluation committee	8	Senior Manager Finance Senior Manager Technical Manager Waste and Parks Manager ICT Manager Expenditure Accountant Supply Chain	• Evaluate the bids in accordance with the specifications for a specific procurement • Evaluate as per the set out point system and PPPFA • Evaluate each bidders ability to execute the contract • Check in respect of the recommended bidder whether municipal rates and taxes and municipal services are not in arrears • Submit to the adjudication committee a report and recommendations regarding the award of the bid or other related matter.
Bid Adjudication committee	6	Chief Financial Officer Senior Manager Corporate Services Senior Manager Mayors Office General Manager Community Servicers Manager Supply Chain	• Ensure that all necessary bid documents have been submitted • Ensure that disqualifications are justified and valid and accountable reasons / motivations were furnished for passing over bids. • Ensure that scoring has been fair, consistent and correctly calculated and applied; and bidder's declarations of interests have been taken cognizance of. • Make final awards or a recommendation to the Accounting Officer to make final award; or make another recommendation to the Accounting officer on how to proceed with the relevant procurement • Consider and rule on all recommendations /reports regarding the amendments ,variations, extension, cancellations or transfer of contracts awarded

2.19 BY-LAWS

BY-LAWS 2017/ 2018

The MSA 2000 S11 (3) (m) provides municipal councils with the legislative authority to pass and implement by-laws for the betterment of the community within the terms of the legislation.

The municipality has by-laws in place, 10 by-laws were approved. However, enforcement thereof remains a challenge. There is a need, moreover, to raise public education and awareness to ensure easy compliance and enforcement of approved by-laws.

Through by-laws, the municipality must, in future, regulate other critical areas that remain unregulated currently to curb un-favourable practices and to protect the interests of residents, business, environment and the state.

During the period under review, the Municipality identified a number of mandatory and infrastructural by -laws to be developed and reviewed, some of which were either outdated nor non-existent. This process was done with the assistance of COGHSTA.

The major challenge on by-Law development relates to inadequate budget to can facilitate the drafting, public participation and gazetting of by-laws. By-laws are critical in the maintenance of public order, enforcement of council objectives and administration of municipal affairs.

The development and application of municipal by-laws enhances financial viability and provides mechanisms for recourse on violation of council policies.The municipality has a Code of by-laws in compliance with section 15 of the Municipal Systems Act, 2000. We have developed and Gazetted 10 mandatory by-laws and in the process of Gazetting infrastructural by-laws. Below is a list of By-Laws gazetted and developed:

NAME OF BY-LAW	BY-LAW GAZETTED
Credit Control and Debt-Collection By-Law	✓
Property Rates By-Law	✓
Street Trading By-Law	✓
Parking Meter By-Law	✓
Refuse Removal, Refuse Dumps and Solid Waste Disposal By-Law	✓
Cemeteries and Crematoria By-Law	✓
Tariff Policy By-Laws	✓
Spatial Planning and Land Use and Management By-Law	✓
Advertising, Billboard and the display of advertisement By-Law	✓
Rules and Standing Orders Policy	✓

2.20 WEBSITE

A municipal website is an integral part of a municipality's communication infrastructure and strategy. If managed effectively, it allows easy access to relevant municipal information, it serves as a tool for community participation, improves stakeholder involvement and facilitates stakeholder monitoring and evaluation of municipal performance. The municipal website is www.musina.gov.za Municipality's website is available and functional to assist members of the community and fellow South Africans to access municipal information easily.

Table 8: Municipal website information

Documents published on the Municipality's Website	Yes / No
Current annual and adjustments budgets and all budget-related documents	Yes
All current budget-related policies	Yes
The previous Annual Report 2016/2017	Yes
The Annual Report 2017/2018 published/to be published	Yes
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act 2017/2018 and resulting scorecards	Yes
All service delivery agreements 2017/2018	No
All long-term borrowing contracts 2017/2018	N/A
All supply chain management contracts above a prescribed value	No
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 Year 1	Yes
Contracts agreed in 2017/2018 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	N/A
Public-private partnership agreements referred to in section 120 made in 2017/2018	N/A
All quarterly reports tabled in the council in terms of section 52 (d) during 2017/2018	Yes

2.21 AUDIT COMMITTEE

The Audit Committee of the Municipality was established in terms of Section 166 of the Municipal Finance Management Act, Act 56 of 2003, the term of the four (04) Audit Committee members established by Vhembe district municipal Council with effect from 01 April 2015 came to an end on the 31st March 2018. New Audit Committee members have been appointed with effect from 01 June 2018 comprising of four (04) members for the period of three (03) years. The first meeting with the newly appointed committee was held at the Municipality on 13 July 2018. The Audit Committee reported to council on their activities and recommendations as required by the Audit Committee Charter and section 166 of the MFMA for all four (4) quarters of 2017/2018. For the year under review, Four (4) ordinary and one (01) special audit committee meetings were held.

Audit functions

During the year under review the municipality shared the service of an Audit and Performance Committee with Vhembe District Municipality. The purpose of the Audit and Performance Committee is to monitor oversight, quality assurance and compliance enforcement roles. In addition council has established a performance assessment panel to conduct performance assessments and recommend to council.

The municipality has an Internal Audit unit which report administratively to the Municipal manager and functionally to the Audit and Performance Committee. During the year under review, the Audit and Performance Committee held the meetings as follows:

DATE	VENUE	NUMBER OF AUDIT COMMITTEE MEMBERS ATTENDED	NUMBER OF MANAGERS ATTENDED	SUPPORT MANAGEMENT	STAKEHOLDER DEPARTEMENT
25 August 2017	Musina civic	02	11	05	06
28 November 2017	AGSA offices	03	04	02	05
14 December 2017	Musina civic	03	14	04	03
05 March 2018	Musina civic	02	16	04	00
13 July 2018	Musina civic	03	09	04	02

Audit Committee members

Surname and initials	Gender
Ravhudzulo KP(resigned August 2016)	Male
Mbewu B (01 April 2015-31 March 2018)	Male
Lambani NE(01 April 2015-31 March 2018) and reappointed from 01 June 2018	Male
Tshikhudo FS(01 April 2015-31 March 2018)	Female
Nevhutalu TG(Appointed from 01 June 2018)	Male
Ndou FO(Appointed from 01 June 2018)	Male
Mnisi PR(Appointed from 01 June 2018)	Male

SERVICE DELIVERY PERFORMANCE

COMPONENT A: BASIC SERVICES

3.1 INTRODUCTION

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

Musina Local Municipality is licenced for electrical distribution in urban areas and Eskom is responsible for reticulation in the rural areas. All households in the Musina Town and Township has access to electricity, for the year under review we have rolled out major network upgrades at various extensions.

Extension of the service in the rural area at a rate equivalent to actual development in the area remains a challenge. The municipality provides this services with minimal interruption, such interruption in the main are attributable to cable theft, planned and unplanned maintenance as well as ESKOM supply cuts for maintenance. It is important to note that annually the unit implements network infrastructure refurbishment programmes.

3.2 ELECTRICITY SERVICE DELIVERY LEVELS

Description	2013/2014	2014 /2015	2015/2016	2016/2017	2017/2018
	Actual No.	Actual No.	Actual No.	Actual No.	Actual No.
Formal Settlements					
Total households	10727	10727	15 502	20589	21234
Households below minimum service level	1013	418	390	580	711
Proportion of households below minimum service level	9.4%	3.8%	2.5%	2.8%	3.3%
Informal Settlements					
Total households	0	0	0	0	0
Households below minimum service level	0	0	0	0	0
Proportion of households below minimum service level	0	0	0	0	0

Proportion of Households with minimum level of Basic services					
	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018
Electricity service connections	91%	98%	100%	100%	100%
Water - available within 200 m from dwelling	86%	87%	96%	98%	98%
Sanitation - Households with at least VIP service	86%	88%	90%	95%	98%
Waste collection - kerbside collection once a week	94%	96 %	100%	100%	100%

3.3 WATER PROVISION

Note: Recent legislation includes the Water Services Act 1997 and the General Enabling Act 2005 Musina Local Municipality is not a Water Services Authority (W.S.A.) but a Water Services Provider (W.S.P.). In the rural areas Vhembe District Municipality provides the Infrastructure and Musina does the provision. In the urban areas Musina does the extraction, purification, reticulation and billing and also connect all new customers.

Total Use of Water by Sector (cubic meters)					
	Agriculture	Forestry	Industrial	Domestic	Unaccountable water losses
2013/14	0	0	2 770 020	2 665 308	231 1272
2014/15	0	0	2 770 099	2 665 488	113 191
2015/16	0	0	1 146 756	2 572 929	522 891
2016/17	0	0	1 499 569	2 600928	600 891
2017/18	0	0	1 499 569	2 600928	600 891
T3.1.2					

3.3.1 COMMENT ON WATER USE BY SECTOR:

Musina Local Municipality does not supply any water to Agriculture or forestry but only to Industrial/Commercial and Domestic. The municipality maximum water production is 17mg/d, of which 70 percent is used by domestic and 30 percent used for commercial purposes. Treatment process is through sand filtration since water is abstracted from the sand river of Limpopo through boreholes. The municipality supply water 24 hours, seven days a week, with exception of water interruption due to maintenance. Water shortages are experienced during drought seasons, when the pumping efficiency is not at its maximum due to scarcity of water from the source. Musina water quality is classified under class 1 of the South African nation drinking water standards (SANS 241).

3.4 WASTE WATER (SANITATION) PROVISION

Musina Local Municipality is a Water Services Provider and Vhembe District Municipality the Water Service Authority for the jurisdictional area of Musina Local Municipality. The Water Services Provider is a responsible for operations and maintenance of the Musina water & waste water reticulation scheme. A total of 740 additional VIP toilets were implemented & complete during the year thus improving access to the service. All households have basic access and 86% are on a high level of service. Maintenance team conduct scheduled maintenance work on regular basis and on adhoc basis. Largely our maintenance of the waste water system is informed by system failures along the reticulation chain.

Water Service Delivery Levels	Households				
Description	**2013/2014**	**2014/2015**	**2015/2016**	**2016/2017**	**2017/2018**
	Actual No.	**Actual No.**	**Actual No.**	**Actual No.**	**Actual No.**
Water: **(above min level)**					
Piped water inside dwelling	15144	15476	11 636	12 526	12 526
Piped water inside yard (but not in dwelling)	0	0			
Using public tap (stand pipes)	2478				
Other water supply (within 200m)		2478	1140	1500	1500
Minimum Service Level and Above sub-total	17622	17954	12776	12800	12800
Minimum Service Level and Above Percentage	94%	87%			
Water: **(below min level)**					
Using public tap (more than 200m from dwelling)	1059	1223	2982	3310	3310
Other water supply (more than 200m from dwelling	250	230	4284	4364	4364
No water supply					
Below Minimum Service Level sub-total	1182	1453	7266	7389	7389

Below Minimum Service Level Percentage	6%	7%			
Total number of households*	**9945**	**18804**	**20589**		
*** - To include informal settlements**				T3.1.3	

3.5 WASTE MANAGEMENT (THIS SECTION TO INCLUDE: REFUSE COLLECTIONS, WASTE DISPOSAL, STREET CLEANING AND RECYCLING)

Musina Local Municipality strives very hard to maintain a clean environment. Municipal employees, EPWP and CWP workers clean across the streets of the CBD, township and villages. Waste is collected weekly from the doorsteps of the residents. In addition skip bins are placed at strategic positions within the township to ensure better waste collection. Community participation is paramount in waste management.

There are four private companies that collect recyclables from the CBD as well as from Musina Landfill Site. The municipality recycles all paper and boxes generated at the Civic Centre and also advocates recycling in schools and throughout the community. Waste management/ environmental awareness and cleaning campaigns are organized on a regular basis in order to ensure that the community is aware of the impacts of waste on their health and wellbeing as well as on the environment. A total of 23 awareness campaigns and 9 cleaning campaigns, were undertaken last year.

Description	2013/14	2014/15	2015/16	2016/17	2017/18
	Actual No.	Actual No.	Actual No.	Actual No.	Actual No.
Formal Settlements					
Total households	18804	20654	21054	68934	68934
Households below minimum service level	290	810	0	48345	48345
Proportion of households below minimum service level	1.4 %	3.9%	0%	70%	70%
Informal Settlements					
Total households	0	0	0	0	0
Households below minimum service level	0	0	0	0	0
Proportion of households below minimum service level	0%	0%	0%	0%	0%

Households					
Description	**2013/14**	**2014/15**	**2015/16**	**2016/17**	**2017/18**
	Actual No.	**Actual No.**	**Actual No.**	**Actual No.**	**Actual No.**
	18804	**14760**	**15601**	**20589**	**21058**
Solid Waste Removal: **(Minimum level)**					
Removed at least once a week					
Minimum Service Level and Above sub-total	14183	14760	15601	20589	21058
Minimum Service Level and Above percentage	94 %	71.5%	74.1%	30%	31%
Solid Waste Removal: **(Below minimum level)**	290	810	0	0	0
Other rubbish disposal	95	95	95	0	0
No rubbish disposal	2171	2171	2171	48345	47876
Below Minimum Service Level sub-total	116	290	810	0	47876
Below Minimum Service Level percentage	1.2 %	1.4 %	3.9%	0%	69%
Total number of households	**9945**	**20042**	**20654**	**21054**	**68934**

3.6 HOUSING

The number of houses allocated to Musina Local Municipality by COGHSTA during 2017/18

Financial year per village is as follow:

NAME OF VILLAGE	NUMBER OF HOUSES ALLOCATED	NUMBER OF COMPLETE HOUSES	NUMBER OF INCOMPLETE HOUSES
MALALE	73	73	COMPLETED
MADIMBO	22	22	COMPLETED
TSHIKHUDINI	12	12	COMPLETED
DOMBONI	05	05	COMPLETED
TANDA	11	11	COMPLETED
Muswunda	20	20	COMPLETED
Musina/Nancefield	602	82	520
TOTAL	745	225	520

Musina Nancefield was initially allocated 328 and then 274 houses 2017/18 financial year and the status is as per above information.

3.7 FREE BASIC SERVICES AND INDIGENT SUPPORT

COMPONENT B: ROADS TRANSPORT

3.8 INTRODUCTION TO ROADS

Musina Local Municipality has a backlog of roads & storm water, since it grows out of portion of settlements established and surfaced road network could not be done during installation of services due to insufficient budget.

Gravel Road Infrastructure Kilometres				
	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to asphalt	Gravel roads graded /maintained
2014/15	54.5	1	1.78	5.0
2015/16	54.5	1	2	6
2016/17	202.1 km/ machine hour	1	2	202.1 km/ machine hour
2017/18	300km/ machine hour	0	0	300km/ machine hour
				T3.7.2

Asphalt Road Infrastructure Kilometres					
	Total asphalted roads	**New asphalt roads**	**Existing asphalt roads re-asphalted**	**Existing asphalt roads re-sheeted**	**Asphalt roads maintained**
2013/14	77	0	6	0	2
2014/15	80.38	1.78	1.6	1.6	494 m2
2015/16	80.38	2	1.6	1.6	525 m2
2016/17	80.38	2	1.6	1.6	525 m2
2017/18	0	0	1.6	1.6	525m2
T3.7.3					

COMMENT ON THE PERFORMANCE OF ROADS AND OTHER OVERALL

Roads and storm water remain a number one priority list in the municipality. Tarring of the new roads is done from own funded capital budget and from the MIG funding. Road and maintenance team has been established in order to maintain roads and storm water infrastructure.

LIST CHALLENGES

a). Tarring on the existing settlements, often find damaging the existing services.

b). Lack of long term maintenance plan.

c). Ageing road infrastructure.

COMPONENT C: PLANNING AND DEVELOPMENT

3.9. LOCAL ECONOMIC DEVELOPMENT

For the 2017/2018 financial year the municipality has realised direct retail stores investments including the new mall, factory shop and expansion of the central business district.

3.9.1 Intermodal facilities

Developments are at an advanced stage to realise regional economic integration projects through Musina to Africa Strategic Supply.

As a special economic zone Musina stands to increase its contribution to the provincial and national GDP arising from direct private and public investment ventures.

Musina Municipality and Musina town in particular also benefits from an advantageous strategic location in relation to the N1 and the Beitbridge and Pondrift border posts. This creates opportunities for this locational benefit to be exploited and marketed to potential investors, in order to attract larger enterprises. Furthermore, by capitalizing on its location and improving its transport and logistics services to ensure the reliable movement of goods and services, the Municipality can reduce transaction costs for investors.

For the year under review the below mentioned projects were implemented by the municipality contributing to the local economic development in the affected area:

1. Madimbo Extension of Thusong Centre
2. Renovation of Nancefield Community Hall
3. Domboni Satellite office
4. Nancefield construction of Gymnasium
5. Nancefield Extension 6 sports centre
6. Nancefield Community High mast lighting.
7. Nancefield construction of internal roads
8. Electrification of Extension 14
9. Construction of roads in Extension 14 and Musina town.
10. EPWP project in waste management.
11. Farm J infrastructure development
12. LED strategy review
13. Community Works Programme

The municipality was able to complete 10 of the projects in time with 100 % expenditure.

Sector	**2014/2015**	**2015/2016**	**2016/2017**	**2017/2018**
	No	**No**	**No**	**No**
Agric, forestry and fishing	54%	54%	54%	54%
Mining and quarrying	18%	18%	18%	18%
Manufacturing	5%	5%	5%	5%
Wholesale and retail trade	6%	6%	6%	6%
Finance, property, etc.	4%	4%	4%	4%
Govt, community and social services	23%	23%	23%	23%
Infrastructure services	2%	2%	2%	2%

Total ***SOURCE: STATS SA 2011 AND COMMUNITY SURVEY 2007.***				

3.9.2 COMMENT ON LOCAL JOB OPPORTUNITIES:

The municipality has seen an increase in the number of jobs created mostly arising from the private sector role players. One of the critical challenges in the creation of jobs is inadequate skills levels of the local job market as well as preferences mostly in the Agriculture sector in our area to employee foreign nationals for unskilled and semi-skilled work opportunities.

Jobs Created during 2015/16 by LED Initiatives (Excluding EPWP projects)				
Total Jobs created / Top 3 initiatives	Jobs created	Jobs lost/displaced by other initiatives	Net total jobs created in year	Method of validating jobs created/lost
	No.	No.	No.	
2013/14	565	0	565	Implemented projects which are monitored by the LED section
2014/15	913	0	913	
2015/16	1251	0	1251	
2016/17	1419	0	1419	
2017/18	1583	0	1583	This includes EPWP in all sectors and CWP.

Training of people in essential skills	Number of people trained (including retrained unskilled)
2013/14	224
2014/15	238
2015/16	463
2016/17	631
2017/18	418

Challenges and Opportunities

This entails problems that currently experienced by the local authority and have a bearing in land development matters in general. In addition, opportunities to that effect are also tabled in order to privilege the community with possible opportunities the municipality is likely to harness.

Challenges

- Disposal of Municipal land by unauthorized people,
- No land use management tools,
- Inadequate business and industrial sites,
- Limited budget for settlement planning, formalization and lack of enforcement capacity to manage it,

- Mushrooming of informal settlements,
- Poorly managed government owned properties.
- Land invasion

Opportunities

- Agriculture potential
- Is a provincial growth point
- Is a host to strategic roads, i.e. the R25, N11 that provide accessibility to major urban centres
- Availability of municipal land for development.
- Declaration of special Economic Zone (SEZ)

COMPONENT D: COMMUNITY & SOCIAL SERVICES

Community Services is a department that deals with Housing, Library Services, Disaster Management, Licensing and Traffic Law Enforcement Services. Below is a summary of recorded performance:

3.10 LICENSING

Driving Licenses Testing Centre

Total numbers of Driving Licenses tested	1 078
Total number of PRDP issued	818
Total number of Leaners licenses tested	1 557

Vehicle Testing Station

Roadworthy vehicles tested	777

Registration Authority

Total Vehicle license disc and renewal issued	9 943
Total motor vehicle registered	2 016

Challenges

a) Registering Authority (RA) doesn't have control regarding Registration and Licensing of motor vehicle, e.g. PRDP, Renewals of Driving License, M/V and Police Clearance.
b) Fluctuating demand of roadworthy application and certification of roadworthiness.
c) Driving license Testing Centre (DLTC) doesn't have control of any application regarding learner's license and driving licence which you can put targets because it fluctuates on a daily basis.
d) Inadequate eNatis terminals.
e) Inadequate personnel

3.11 TRAFFIC

Total number of traffic issued	4792
Total number of scholar patrol	04
Total number of road safety campaigns	04
Total number of funeral escorts	240
Total number of point duty conducted	245
Speed law enforcement conducted	77
Total number of joint operations conducted	24
Total number of internal road blocks conducted	48
Total number of vehicles stopped and inspected	4200

Challenges

The challenges encountered during the financial year are as follows:

Lighting
Road markings and signage
Lack of vehicles
Progression of traffic officers
Traffic Control centre

Comments

As a municipality we dedicated ourselves in giving efficient service delivery in and outside the CBD. Municipal Law enforcement contributes to broader traffic law enforcement interventions in collaboration with other dedicated agencies.

3.12 LIBRARY SERVICES

The municipality makes provision of library and information to the community, it also provides guidance and assistance to schools around its jurisdictional area. The municipality has two functional libraries, one in town and another one at Nancefield area.

3.13 CEMETERIES

Musina Local Municipality has planned to construct a new cemetery within Musina as the Nancefield Cemetery has almost reached its full capacity. Musina Local Municipality has two cemeteries located in town, each of the villages has their own cemetery.

3.14 COMMUNITY HALLS

The municipality has 8 Community Halls that serve as accommodation for public meetings and municipal meetings.

COMPONENT E: ENVIRONMENTAL PROTECTION

3.15 ENVIRONMENTAL ISSUES

COMPONENT F: HEALTH

3.16 CLINICS, AMBULANES AND HEALTH INSPECTION

For the year under review a dedicated municipal unit was established to coordinate special programmes initiatives in collaboration with other internal and external stakeholders.

Other than the facilitation role that we played we have championed specific youth, gender, disability, HIV/AIDS and senior citizens programmes. We have added a strong advocacy voice aimed at improving the plight of focus groups.

COMPONENT G: SECURITY AND SAFETY

3.17 POLICE & FIRE SERVICES, DISASTER MANAGEMENT

COMPONENT H: SPORT AND RECREATION

3.18 COMMUNITY FACILITIES

COMPONENT I: CORPORATE POLICY & OTHER SERVICES

3.19 FINANCIAL SERVICES

BUDGET AND REVENUE COLLECTION

MLM is a rural municipality with high volume of outstanding consumer debts. This lead to financial burden with none and/or under-payment for services. Municipality has however in process of developing the Revenue Enhancement Strategy to address this challenge since the outstanding debt affects the cash-flow status of the municipality.

The Municipality had a total revenue budget of R252 510 million that was adjusted upwards to R284 704 million during budget adjustment. The actual revenue realized is R252 037 million and this resulted in over-performance variance of -R32 668 million. Grants and subsidies amounting to R111 104 million were received during the financial year under review and they contributed a major portion of the total revenue base of the municipality since the grants dependency rate in thereof was 44.08%. The municipality had unspent MIG of 0 million in 2015/16 financial year and this was approved as a roll over and it was appropriated during the 2016/17 Adjustment budget. Including the rolled over portion of MIG, the transfers and subsidies is comprised of R39 414 million that is capital and R117 852 million operating grants that is inclusive of equitable share.

The total revenue budget for service charges, rental of facilities and equipment, and property taxes amounted to -R125 499 million and the actuals thereof amounted to R 130 123 million that gave rise to over-performance variance of R4 624 million. Motor vehicle licenses and fines contributed R 6 084 million to the total revenue base. The return on investments amounted to that is slightly higher than the budget thereof and as a result, this shows a good and sound financial management practice.

3.20 HUMAN RESOURCE SERVICES

The Human Resource Division as a strategic partner in the Integrated Development and Planning (IDP) and its implementation, has managed to support all departments in implementing IDP objectives. The division, amongst other areas of support has played a role in administering staff provisioning, personnel maintenance, labour relation, training and development and organizational development during the financial year 2017/ 2018.

Staff Provisioning

In the financial year 2017/18, the Municipality did not fill any position due to the new municipal transition and cashflow challenges.

Organizational Structure

The Organizational Structure of the Municipality was reviewed and adopted by council for implementation on the 25 May 2017.

3.21 ICT SERVICES

The Information Technology Unit is charged with a responsibility to acquire, operate and maintain information technology hard and software. For the subsistence of the financial year the municipality has entered into a supply and maintenance contract for the computer hardware. We have played our role in website design and maintenance, further we have ensured a more reliable network connectivity and extended services to offsite facilities.

During the 16/17 the unit implemented a VOIP system which assisted in integrating data and voice systems including network connectivity extension to 2 offsite offices. In implementing VOIP we have strengthened controls on telephone usage and curbed excess costs arising from a lack of in internal controls. To further strengthen controls we have embarked on in house regulatory processes to this end we have developed draft policies on ICT Governance which include a policy framework, user account management, internet use, password, change management and security policy. New workstations and laptops have been leased to replace redundant hardware. A VoIP and network infrastructure solution has been implemented, improving the quality of the network and saving on call costs. Specifications have been drafted for an Integrated Document Management System and the Bio-metric system has been finalized to project implementation

COMPONENT J: MISCELLANEOUS

Musina Municipality does not have Entities

COMPONENT K: ORGANISATIONAL PERFORMANCE SCORECARD

3.22 PERFORMANCE MANAGEMENT

In MLM, performance management is limited to Section 56 Managers. The municipality has conducted the 2017/2018 mid-year assessments as a measure to detect poor performance at an early stage. Through the session, General Managers are offered an opportunity to state their challenges and be assisted by panel members based on those challenges in order to meet their set targets by the end of the financial year. All Section 54 and 56 Managers signed performance agreements and Performance Plans. Progress review of the service delivery and budget implementation plan was done on a quarterly basis.

During the year under review the following officials signed their performance agreements:

Performance agreements

signing of performance agreement		
Officials	**signed**	**not signed**
Municipal Manager	✓	
Acting Chief financial officer	✓	
General Manager community services	✓	
Acting General Manager Technical	✓	
Acting General Economic development planning	✓	
General Manager Corporate services	✓	

3.23 PREDETERMINED OBJECTIVES ANNUAL REPORT 2017/2018 PER DEPARTMENT

The Annual Report depicts an overall performance against set key performance indicators during the financial year 2017/ 2018, which is a decrease comparing with the 2016/ 2017 financial year.

KPA	**ANNUAL TARGET**	**ACHIEVED**	**% ACHIEVED**
BASIC SERVICE DELIVERY	**36**	**29**	**81%**
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	**52**	**49**	**94%**
MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT	**69**	**60**	**87%**
MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	**19**	**19**	**100%**
LOCAL ECONOMIC DEVELOPMENT	**16**	**13**	**81%**
SOCIAL AND JUSTICE	**30**	**28**	**93%**
TOTAL	**222**	**198**	**89%**

3.24 ANNUAL PERFORMANCE PROGRESS REPORT

A. INSTITUTIONAL SERVICE DELIVERY AND BUDGET IMPLEMETATION PLAN

KPA 1: BASIC SERVICE DELIVERY
STRATEGIC OBJECTIVE: TO INITIATE AND IMPROVE THE QUANTITY AND QUALITY OF MUNICIPAL INFRASTRUCTURE SERVICES

1.1 TECHNICAL SERVICE

Key performance indicator	Baseline	17/18 Annual Target	Q 1 Actual Performance	Q2 Actual Performance	Q3 Actual Performance	Q 4 Actual Performance	17/18 Total Annual Performance	17/18 Variance	Reason For Variance	16/17 Total Annual Performance	Measures to Improve performance	Means of verification
Total Number of samples collected and analysed (blue and green drop)	108	108	27	27	27	27	108.	0	None	108	None	Sample register Lab results
Number of planned and maintenance work conducted (water supply annually)	13	12	3	3	3	3hn	12	0	None	13	None	Signed off job cards/progress reports Inventory list of supplies
Number of planned and maintenance work conducted (water supply annually)	10	12	3	3	1	3	10	-2	Delay in Procure materials	10	Consider Budget Allocation	Signed off job cards/progress reports Inventory list of supplies
Key performance indicator	**Baseline**	**17/18 Annual Target**	**Q 1 Actual Performance**	**Q2 Actual Performance**	**Q3 Actual Performance**	**Q 4 Actual Performance**	**17/18 Total Annual Performance**	**17/18 Variance**	**Reason For Variance**	**16/17 Total Annual Performance**	**Measures to Improve performance**	**Means of verification**
Number of kilometres of internal gravel streets maintained in Musina	202.1 km	300km or machine Hrs	75km/ machine Hrs	75km/ machine Hrs	75km/ machine Hrs	75km/ machine Hrs	300km or Machine Hrs	0	None	202.1 km	None	Job cards
Percentage of clean, maintain and reconstruction of hydraulic structure	100%	100%	**0**	**0**	50%	25%	75%	-25%	Late start due to late winter rains	100%	Additional resourcing	Daily and pictorial report
Number of speed humps constructed	5	4	**0**	**0**	**0**	**2**	2	-2	Budget constraints (to procure tools of trade)	5	Consider Budget Allocation	Progress Report. Locations Inventory register.
Number of MLM fleet maintained	2	8	2	2	2	2	8	8	None	2	None	Resource commitment job card uninterrupted service delivery
Routine Road maintenance to surfaced roads	1500m2	1500m2	375m2	375m2	375m2	0	1125m2	-375m2	Budget constraints	Not applicable	Consider Budget Allocation	Progress report/ completion certificate
Number of municipal air conditioning system purchased and maintained	10	8	**2**	**2**	**2**	**0**	**6**	**-2**	Budget constraints	10	Consider Budget Allocation	Progress report/ completion certificate
Key performance indicator	**Baseline**	**17/18 Annual Target**	**Q 1 Actual Performance**	**Q2 Actual Performance**	**Q3 Actual Performance**	**Q 4 Actual Performance**	**17/18 Total Annual Performance**	**17/18 Variance**	**Reason For Variance**	**16/17 Total Annual Performance**	**Measures to Improve performance**	**Means of verification**
Kilometers of distance of Copper	3.2 km	3km	**0**	**0**	**0**	3km	3km	0	None	3.2 km	None	Job Cards

to Aluminum conductor replaced in Musina												
Key performance indicator	**Baseline**	**17/18 Annual Target**	**Q 1 Actual Performance**	**Q2 Actual Performance**	**Q3 Actual Performance**	**Q 4 Actual Performance**	**17/18 Total Annual Performance**	**17/18 Variance**	**Reason For Variance**	**16/17 Total Annual Performance**	**Measures to Improve performance**	**Means of verification**
Kilometers of paved roads constructed in Nancefield EXT 4	New	1.8km	0	0	0	1.8km	0	-1.8km	Budget contrains	Not Applicable	Consider budget allocation	Progress report Occupancy certificate Close up report Site Visit Report
Number of Multi-purpose Community Centre (Indoor Sports Centre, Disability and Centre and Youth Centre) constructed in Nancefield	New	1	0	0	0	0	0	-1	Multiyear project (Measurable end-Result in 2018/2019	Not Applicable	Align Project to the MIG implementation plan	Progress report Occupancy certificate Close up report Site Visit Report
Number of Sports Ground/stadium constructed in Muswodi Village	06	1	0	0	0	**0**	0	-1	Project stalled due to misunderstanding of boundary between chiefs	Not Applicable	Court to resolve the matter	Progress report Occupancy certificate Close up report Site Visit Report
Number of High Masts Lights Constructed in Madimbo Sports Ground	New	4	0	0	0	**4**	4	0	None	Not Applicable	None	Completion Certificate

KPA 2: GOOD GOVERNANCE AND PUBLIC PARTICIPATION
STRATEGIC OBJECTIVE: TO DEEPEN DEMOCRACY AND PROMOTE ACCOUNTABILITY

2.1 DEPARTMENT: MUNICIPAL MANAGER

Key performance indicator	**Baseline**	**17/18 Annual Target**	**Q 1 Actual Performance**	**Q2 Actual Performance**	**Q3 Actual Performance**	**Q 4 Actual Performance**	**17/18 Total Annual Performance**	**17/18 Variance**	**Reason For Variance**	**16/17 Total Annual Performance**	**Measures to Improve performance**	**Means of verification**
Number of Batho Pele conducted	1	1	0	1	0	0	1	0	None	1	None	Notices, Attendance register, invitation, Programme/agenda
Number of Imbizos conducted	4	4	1	1	1	1	4	0	None	4	None	Attendance register, invitation, Programme
Number of Mandela Day conducted	1	1	1	0	0	0	1	0	None	1	None	Notice of Meetings; Attendance register and minutes of the meetings.
Number of Human Rights day conducted	1	1	0	0	1	0	1	0	None	1	None	Minutes and Registers of Ward General Meetings.
Number of freedom day conducted	1	1	0	0	0	1	1	0	None	1	None	Photos, memos, invoices
Number of Woman's day celebration conducted	1	1	1	0	0	0	1	0	None	1	None	Memos, Attendance register, agenda/ Programme invitation

Number of school visited conducted	13	13	0	0	13	0	13	0	None	13	None	Memos, attendance register
Number of Mayoral Bursary Receipts	11	11	0	0	11	0	11	0	None	11	None	Attendance registers, Agenda/ programme, memos.
Number of marathon games organised	1	1	1	0	0	0	1	0	None	1	None	Memos, Attendance Register
Number of winter games organised	1	1	0	0	0	1	1	0	None	1	None	Memos, Attendance register
Number of mayoral budget speech conducted	1	1	0	0	0	1	1	0	None	1	None	Application form, Memos, photos, newsletter clips, Gazette
Number of children programme conducted	3	3	0	2	0	1	3	0	None	3	None	Memos, fixture, photos
Number of HIV/ AIDS programme conducted	3	3	1	3	0	0	3	0	None	3	None	Memos, attendance register, Agenda/ programme and invitation
Number of world aids day celebrated	1	1	0	1	0	0	1	0	None	1	None	Attendance Register, memo
Number of youth council programme conducted	3	3	1	1	0	1	3	0	None	3	None	Attendance register
Number of youth day celebrated	1	1	0	0	0	1	1	0	None	1	None	Attendance register
Number of MPAC conducted	11	5	2	1	2	0	5	0	None	11	None	Attendance register
Key performance indicator	**Baseline**	**17/18 Annual Target**	**Q 1 Actual Performance**	**Q2 Actual Performance**	**Q3 Actual Performance**	**Q 4 Actual Performance**	**17/18 Total Annual Performance**	**17/18 Variance**	**Reason For Variance**	**16/17 Total Annual Performance**	**Measures to Improve performance**	**Means of verification**
Number of Radio and Newspaper features produced	160	96	49	48	24	24	145	+49	More activities in the year	160	Adjust the target to reflect the changing need for the services	Radio script and newspaper cutting
Number of bulk SMS, Facebook and website produced	322	96	128	82	24	24	258	+162	More activities in the year	322	Adjust the target to reflect the changing need for the services	Bulk sms print-outs
Number of Newsletter production produced	4	4	0	0	10	0	0	-4	Budget Constrains	4	Consider Budget Allocation	Radio script and newspaper cutting
Number of Speeches produced	48	48	12	15	12	12	51	+3	More activities in the year	48	Adjust the target to reflect the changing need for the services	Reviewed communication strategy and attendance register
Key performance indicator	**Baseline**	**17/18 Annual Target**	**Q 1 Actual Performance**	**Q2 Actual Performance**	**Q3 Actual Performance**	**Q 4 Actual Performance**	**17/18 Total Annual Performance**	**17/18 Variance**	**Reason For Variance**	**16/17 Total Annual Performance**	**Measures to Improve performance**	**Means of verification**
Number of Strategic and operational risk register developed	1	1	1	0	0	0	1	0	None	1	None	1 Risk register
Key performance indicator	**Baseline**	**17/18 Annual Target**	**Q 1 Actual Performance**	**Q2 Actual Performance**	**Q3 Actual Performance**	**Q 4 Actual Performance**	**17/18 Total Annual Performance**	**17/18 Variance**	**Reason For Variance**	**16/17 Total Annual Performance**	**Measures to Improve performance**	**Means of verification**
Number of Internal audit plans approved	1	1	0	0	0	1	1	0	None	1	None	Audit Committee Approved Internal audit plan

Number of Internal audit projects completed	9	9	2	1	2	3	8	-1	Rolled Over	9		Internal Audit report Audit committee minutes
Number of audit Action plans developed and approved	1	1	0	0	1	0	1	0	None	1	None	Action plan 16/17 financial year audit Audit committee approval of the action plan
Number of 2016/ 2017 financial year audit findings resolved as per the action plan	27	13	0	0	0	9	9	-4	Cashflow challenges	27	Reported to the MEC COGHSTA	Tracking documents for request of information and management responses to audit findings

KPA 3: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT
STRATEGIC OBJECTIVE: TO DEEPEN DEMOCRACY AND PROMOTE ACCOUNTABILITY

3.1 CORPORATE SERVICES

Key performance indicator	**Baseline**	**17/18 Annual Target**	**Q 1 Actual Performance**	**Q2 Actual Performance**	**Q3 Actual Performance**	**Q 4 Actual Performance**	**17/18 Total Annual Performance**	**17/18 Variance**	**Reason For Variance**	**16/17 Total Annual Performance**	**Measures to Improve performance**	**Means of Verification**
Number of by-laws Developed and Reviewed	2	5	0	0	1	4	5	0	None	2	None	Reports and By-Laws Public Participation Report Notices Council Resolution
Number of by-laws Gazetted	4	5	0	0	1	4	5	0	None	4	None	By-laws gazetted Notice / Advert
Number of by-laws training implemented	1	1	0	0	0	0	0	-1	Cash flow challenges to get a trainer	1	Consider Budget allocation	Attendance register
Number of Policies vetted	42	20	4	0	35	0	39	+19	HR and Budget related policies get to be reviewed in the last quarter of the financial year	42	To clap all policies in the last quarter.	Review Report Vetting Process Plan
Number of Litigation Register Developed for cases initiated or defended (Updated)	2	4	1	1	1	1	4	0	None	2	None	Copy of litigation register
Number of Contract and Agreements developed	19	16	4	5	8	4	21	+5	Internal contracts lapsed	19	Adjust the target to reflect the changing need for the services	Contract Register Signed Contracts
Number of Legal Opinion and Advice provided	2	4	1	1	1	2	5	+1	More than anticipated	2	Adjust the target to reflect the changing need for the services	Copy of litigation register
Number of General Valuation Roll Developed	1	1	0	0	0	1	1	0	None	1	None	Supplementary Valuation
Number of Lease Register developed	1	1	0	0	0	1	1	0	None	1	None	Copy of Lease Register
Key performance indicator	**Baseline**	**17/18 Annual Target**	**Q 1 Actual Performance**	**Q2 Actual Performance**	**Q3 Actual Performance**	**Q 4 Actual Performance**	**17/18 Total Annual Performance**	**17/18 Variance**	**Reason For Variance**	**16/17 Total Annual Performance**	None	**Means of Verification**
Number of Management of	12	12	**3**	**3**	**3**	**3**	12	0	None	12	None	Specifications, Appointment letter,

Photocopy Machines provided												Invoice and proof of payment
Number of cleaning services coordinated	12	12	**3**	**3**	**3**	**3**	12	0	None	12	None	Cleaning registers
Number of Service standards developed	New	1	**0**	**0**	**0**	**1**	1	0	None	Not applicable	None	Draft service standard developed
Key performance indicator	**Baseline**	**17/18 Annual Target**	**Q 1 Actual Performance**	**Q2 Actual Performance**	**Q3 Actual Performance**	**Q 4 Actual Performance**	**17/18 Total Annual Performance**	**17/18 Variance**	**Reason For Variance**	**16/17 Total Annual Performance**	**Measures to Improve performance**	**Means of Verification**
Number of referred cases attended within 90 days	3	3	1	**1**	0	1	3	0	None	3	None	Minutes
Number of Employee wellness programme developed and implemented	4	4	1	**1**	1	1	4	0	None	4	None	Copy of Compliance Register
Number of Employees Trained as per Workplace skill plan	46	33	0	**33**	0	0	3	0	None	46	None	Proof of tabled reports to LLF or Training Committee. Proof of training Report Submission to the applicable SETA
Number of WSP submitted to LGSETA	1	1	0	**0**	0	1	1	0	None	1	None	Training Reports
Number of Implemented compliance Register and inspection conducted in line with occupational health and safety act.	4	4	1	1	1	1	4	0	None	4	None	Copy of Compliance Register
Number of Employment Equity Reports submitted to Department of Labour.	1	1	0	0	0	1	1	0	None	1	None	Equity reports Confirmation of submission.
Number of job description developed	370	20	11	o	5	4	20	0	None	370	None	Job descriptions
Number of Competency assessment, vetting and screening conducted	2	2	0	0	0	2	0	0	None	2	None	Signed appointment letter, interview score sheets
Number of employee benefits administered	12	12	3	3	3	3	12	0	None	12	None	System Reports
Number of Human resource Record Management Maintained	4	4	1	1	1	1	4	0	None	4	None	Quarterly reports
Local Labour forum training coordinated	1	1	0	0	0	0	0	-1	SALGA reported that Unions should take responsibility of their members	1	Adhere to the resolution by SALGA	.Attendance Register Training Reports
Number of Dispute and Grievance advisory services provided	4	4	1	1	1	1	4	0	None	4	None	Assessment document from service provider
Number of fire exist plan, alarm and detectors purchased	New	1	0	0	0	0	0	-4	Budget constrains	New	Consider Budget Allocation	Approved Fire Exist Plan
Number of fire equipment's maintained	50	50	0	50	0	0	50	0	None	50	None	Fire equipment maintained stickers

Number of inspection conducted	4	4	1	1	1	1	4	0	None	4	None	Inspection reports
Number of protective clothing purchased	295	304	70	0	54	11	135	-169	Budget constrains	295	Consider Budget Allocation	Acknowledgement form, invoice, purchasing order
Number of medical surveillance conducted	100	232	232	0	0	0	232	0	None	100	None	Medical fitness certificate
Number of Employee referrals referred	1	1	0	0	0	1	1	0	None	1	None	Referral letter
Number of Study bursaries provided	9	12	3	3	3	3	12	0	None	9	None	Schedule and proof of registration of successful students
Number of Learnership programmes provided	104	9	0	0	9	0	9	0	None	104	None	Schedule and proof of registration of successful students
Key performance indicator	**Baseline**	**17/18 Annual Target**	**Q 1 Actual Performance**	**Q2 Actual Performance**	**Q3 Actual Performance**	**Q 4 Actual Performance**	**17/18 Total Annual Performance**	**17/18 Variance**	**Reason For Variance**	**16/17 Total Annual Performance**	**Measures to Improve performance**	**Means of Verification**
Vending Points Ext 6&7 Hardware and VPN link (excluding security for building and required staff)	2	2	**0**	**0**	**0**	**0**	0	-2	Budget constrains	2	Consider Budget Allocation	Invoices, Implementation reports
Number of Customer Helpdesk established	1	1	**0**	**0**	**0**	**0**	0	-1	Budget constrains	1	Consider Budget Allocation	Invoices, Implementation reports
Number of ICT Hardware & Software Supplied	140	140	**0**	**0**	**0**	**0**	0	-140	Budget constrains	140	Consider Budget Allocation	Invoices, Implementation reports
Number of VoIP and Network Infrastructure installed	1	1	0	0	1	0	0	-1	Budget constrains	1	Consider Budget Allocation	Invoices, Implementation reports
Number of server room upgraded	1	1	1	0	0	0	1	0	None	1	None	
Electronic Performance Management System	New	1	0	0	0	0	-1	0	Budget constrains	Not Applicable	Consider Budget Allocation	
Maintained and Updated Municipal Website	12	12	3	3	3	3	12	0	None	12	None	System Reports
Internet And Email Services Connectivity	12	12	3	3	3	3	12	0	None	12	None	System Reports
Maintained Server Room	12	12	3	3	3	3	12	0	None	12	None	System Reports
Software Licensing	140	140	0	0	140	0	140	0	None	140	None	System Reports
Number of **C**ontract Manage External Services Information Services maintained	10	6	0	0	0	6	6	0	None	10	None	System Reports
Number of Standard Operating Procedures Developed	1	1	0	0	0	0	1	0	None	1	None	System Reports
Number of **I**CT business continuity plan developed	1	1	0	0	0	0	1	0	None	1	None	System Reports
Contract Management Operating Lease for Computer Equipment VoIP and Internet	12	12	3	3	3	3	12	0	None	12	None	System Reports
Number of Telephone Management System Maintained	12	12	3	3	3	3	12	0	None	12	None	System Reports

Number of Bio-metric system in municipal offices	1	1	0	0	0	0	0	-1	Budget constrains	1	Budget constrains	System Reports, Invoices, Implementation plan
Number of Institutional Off-site Backups	1	1	1	0	0	0	1	0	None	1	None	System Reports
Number of Residents Portal Accessed	1	1	1	0	0	0	1	0	None	1	None	System Reports
Number of Complains Management Migrated to Electronic system	New	1	1	0	0	0	1	0	None	Not Applicable	None	System Reports
Key performance indicator	**Baseline**	**17/18 Annual Target**	**Q 1 Actual Performance**	**Q2 Actual Performance**	**Q3 Actual Performance**	**Q 4 Actual Performance**	**17/18 Total Annual Performance**	**17/18 Variance**	**Reason For Variance**	**16/17 Total Annual Performance**	**Measures to Improve performance**	**Means of Verification**
Number of performance agreement MSA section 54&56 completed and signed.	6	6	**6**	**0**	**0**	0	6	0	None	6	None	Signed performance agreement and proof of submission
Number of strategic planning session coordinated	2	2	**0**	**0**	**2**	0	2	0	None	2	None	Strategic Planning Report Council resolution
Number of organizational service delivery and budget implementation plan (**SDBIP)** developed.	1	1	**0**	**0**	**0**	1	1	0	None	1	None	Copy of Organizational Service Delivery and Budget Implementation Plan (SDBIP), Council Resolution
Number of organizational service delivery and budget implementation plan (SDBIP) reviewed.	1	1	**0**	**0**	**1**	0	1	0	None	1	None	Council Resolution
Number of Annual Report developed	1	1	**0**	**0**	**0**	1	1	0	None	1	None	Copy of the Annual Report
Number of annual report developed and tabled	1	1	**0**	**0**	**1**	**0**	1	0	None	1	None	Copy of the Annual Report
Number of council approved oversight report	1	1	**0**	**0**	**1**	**0**	1	0	None	1	None	Copy of the Oversight Report Council Resolution
Number of mid-year performance report tabled and assessed	1	1	**0**	**1**	**0**	0	1	0	None	1	None	Copy of the Mid-Year Report Council Resolution
Number of Annual Back to basics action plan developed	1	1	**0**	**0**	**0**	**1**	1	0	None	1	None	Back to Basics Action plan Developed Acknowledgement of Submission from COGHSTA

KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT
STRATEGIC OBJECTIVE: ENHANCE COMPLIANCE WITH LEGISLATION AND IMPROVE FINANCIAL VIABILITY

DEPARTMENT: FINANCE

Key performance indicator	Baseline	17/18 Annual Target	Q 1 Actual Performance	Q2 Actual Performance	Q3 Actual Performance	Q 4 Actual Performance	17/18 Total Annual Performance	17/18 Variance	Reason For Variance	16/17 Total Annual Performance	Measures to Improve performance	Means of Verification
Number of System implementation and MSCOA alignment and Compliance	New	4	**1**	**1**	**1**	**1**	**4**	**0**	None	**Not Applicable**	None	**Monthly reports**
Submission of budget time schedule to council	1	1	0	0	1	0	1	0	None	1	None	Council resolution Agenda Minutes Attendance Register Notice Draft Budget Final Budget
Compliance of treasury guidelines	4	4	**1**	**1**	**1**	**1**	**4**	**0**	None	4	None	Council resolution Draft Budget Final Budget
Percentage of Municipality's budget spent on Workplace skills plan	100%	100%	**25%**	**25%**	**25%**	**25%**	**100%**	**0**	None	100%	None	AFS
Key performance indicator	**Baseline**	**17/18 Annual Target**	**Q 1 Actual Performance**	**Q2 Actual Performance**	**Q3 Actual Performance**	**Q 4 Actual Performance**	**17/18 Total Annual Performance**	**17/18 Variance**	**Reason For Variance**	**16/17 Total Annual Performance**	**Measures to Improve performance**	**Means of Verification**
Number of monthly billings	12	12	3	3	3	3	12	0	None	12	None	Billing Reports
Irrecoverable debts written off	1	1	0	0	0	1	1	0	None	1	None	Reports
Number of households earning less than R3500 per month with access to free basic services	12	12	3	3	3	3	12	0	None	12	None	Indigent Register
Key performance indicator	**Baseline**	**17/18 Annual Target**	**Q 1 Actual Performance**	**Q2 Actual Performance**	**Q3 Actual Performance**	**Q 4 Actual Performance**	**17/18 Total Annual Performance**	**17/18 Variance**	**Reason For Variance**	**16/17 Total Annual Performance**	**Measures to Improve performance**	**Means of Verification**
Number of payroll runs and reconciliations	12	12	3	3	3	3	12	0	None	12	None	Payslips
Number of bank reconciliations performed	12	12	3	3	3	3	12	0	None	12	None	Signed bank reconciliation
Number of vat 201 returns submitted	12	12	3	3	3	3	12	0	None	12	None	Proof of submission to SARS
Reduce Number of creditors balance	12	12	3	3	3	3	12	0	None	12	None	creditors balance
Key performance indicator	**Baseline**	**17/18 Annual Target**	**Q 1 Actual Performance**	**Q2 Actual Performance**	**Q3 Actual Performance**	**Q 4 Actual Performance**	**17/18 Total Annual Performance**	**17/18 Variance**	**Reason For Variance**	**16/17 Total Annual Performance**	**Measures to Improve performance**	**Means of Verification**
unbundling/impairment of infrastructure assets	1	1	0	0	0	1	1	0	None	1	None	Council Resolution

Compile of submission of redundant assets reports to council	1	1	0	0	0	1	1	0	None	1	None	Council Resolution
Number of supplier information session coordinated	1	1	0	0	0	1	1	0	None	1	None	Council Resolution
Number of stock take conducted	12	12	3	3	3	3	12	0	None	12	None	Asset register
Number of assets verification conducted	1	1	0	0	0	1	1	0	None	1	None	Attendance register
Awarding of tenders within 90 days of the date of tender submissions of bids evaluated, adjudicated.	100%	100%	25%	25%	25%	25%	100%	0	None	100%	None	Minutes of bid meeting, appointment letters, tender register, Tender adverts
Key performance indicator	**Baseline**	**17/18 Annual Target**	**Q 1 Actual Performance**	**Q2 Actual Performance**	**Q3 Actual Performance**	**Q 4 Actual Performance**	**17/18 Total Annual Performance**	**17/18 Variance**	**Reason For Variance**	**16/17 Total Annual Performance**	**Measures to Improve performance**	**Means of Verification**
Number of GRAP compliant annual financial statements produced	1	1	0	0	0	1	1	0	None	1	None	Audit committee resolution AGSA report
Reconciliation of general ledger accounts	12	12	3	3	3	3	12	0	None	12	None	Section 71 report Proof of submission
Financial viability expressed by the ratio indicated in GNR 796 of 24 August 2001	1	1	0	0	0	1	1	0	None	1	None	Section 71 report

KPA 5: LOCAL ECONOMIC DEVELOPMENT
STRATEGIC OBJECTIVE: TO CREATE A CONDUCIVE ENVIRONMENT FOR SUSTAINABLE ECONOMIC GROWTH

5.1 ECONOMIC DEVELOPMENT AND PLANNING

IDP												
Key performance indicator	**Baseline**	**17/18 Annual Target**	**Q 1 Actual Performance**	**Q2 Actual Performance**	**Q3 Actual Performance**	**Q 4 Actual Performance**	**17/18 Total Annual Performance**	**17/18 Variance**	**16/17 Total Annual Performance**	**Reason for Variance**	**Measures to Improve performance**	**Means of Verification**
Number of IDP,/ Budget process plan approved	1	1	0	0	0	1	1	0	1	None	None	Agenda, Minutes and Council resolution
Number of council approved 20172018 budget IDP/ Budget	2	2	0	0	1	1	2	0	2	None	None	Extract of the Council resolutions Copies of public notice, Agenda and minutes of the meetings together with attendance registers
Number of COGHSTA 17/18 IDP Credibility Rating results	1	1	0	0	0	1	1	0	1	None	None	MEC Coghsta results reports
IDP public participation conducted	12	12	0	0	0	12	12	0	12	None	None	Public participation programme, reports and attendance registers from all 6 respective wards
Number of final IDP council approved	1	1	0	0	0	1	1	0	1	None	None	Council Resolution

Number of draft IDP council approved	1	1	0	0	1	0	1	0	1	None	None	Council Resolution
Key performance indicator	**Baseline**	**17/18 Annual Target**	**Q 1 Actual Performance**	**Q2 Actual Performance**	**Q3 Actual Performance**	**Q 4 Actual Performance**	**17/18 Total Annual Performance**	**17/18 Variance**	**16/17 Total Annual Performance**	**Reason for Variance**	**Measures to Improve performance**	**Means of Verification**
Number of street naming and numbering policy developed	New	1	0	0	0	1	1	0	Not Applicable	None	None	advertisement, appointment letter, service contract, stakeholder engagement and public participation minutes, council resolution
Number of amendment land use management scheme 2016	1	1	0	0	0	1	1	0	None	None	None	Council Resolution Tender specification, advert, appointment letter, service contract, designs and pictures
Number of spatial development framework reviewed	1	1	0	0	0	1	1	0	None	None	None	Council Resolution
Number of GIS purchased and installed	New	1	0	0	0	1	1	0	Not Applicable	None	None	Council Resolution Tender specification, advert, appointment letter, service contract, designs and pictures
Key performance indicator	**Baseline**	**17/18 Annual Target**	**Q 1 Actual Performance**	**Q2 Actual Performance**	**Q3 Actual Performance**	**Q 4 Actual Performance**	**17/18 Total Annual Performance**	**17/18 Variance**	**16/17 Total Annual Performance**	**Reason for Variance**	**Measures to Improve performance**	**Means of Verification**
Number of LED Strategy reviewed	New	1	**0**	**0**	0	0	0	-1	Not Applicable	Delay in Service level agreement	None	Council Resolution Tender specification, advert, appointment letter, service contract, designs and pictures
Number of SMME marketing and exhibitions coordinated and conducted	4	4	**1**	**0**	**0**	1	1	-3	4	Cash flow challenges	Consider Budget allocation	Copies of invitation, programme and attendance register
Number of SMME developed	4	4	**0**	**1**	0	0	1	-3	4	Cash flow Challenges	Consider Budget allocation	Copies of invitation. Attendance register and programme
Number of jobs created through Poverty Alleviation	168	198	**0**	**1583**	0	0	1583	+1385	168	More Projects from all sectors	Adjust the target to reflect the changing need for the services.	Filing of notices, recruitment records and appointments

KPA 6: SOCIAL AND JUSTICE

STRATEGIC OBJECTIVE: TO IMPROVE THE QUALITY OF LIVES THROUGH SOCIAL DEVELOPMENT AND PROVISION OF COMMUNITY SERVICES

COMMUNITY SERVICES

Key performance indicator	Baseline	17/18 Annual Target	Q 1 Actual Performance	Q2 Actual Performance	Q3 Actual Performance	Q 4 Actual Performance	17/18 Total Annual Performance	17/18 Variance	16/17 Total Annual Performance	Reason for Variance	Measures to Improve performance	Means of Verification
Number of motor vehicles tested	1449	600	150	150	150	155	605	+5	1449	High demand	Adjust the target to reflect the changing need for the services. Increase the number of days in a week when this services is provided.	RD 329
Number of application of learners licenses assessed	95	1728	432	432	448	367	1679	-49	95	Low demand	Adjust the target to reflect the changing need for the services. decrease the number of days in a week when this services is provided.B	Statistics report RD 329
Number of calibrating maintenance equipment	New	2	1	0	1	0	2	0	Not Applicable	None	None	Invoices
Key performance indicator	**Baseline**	**17/18 Annual Target**	**Q 1 Actual Performance**	**Q2 Actual Performance**	**Q3 Actual Performance**	**Q 4 Actual Performance**	**17/18 Total Annual Performance**	**17/18 Variance**	**16/17 Total Annual Performance**	**Reason for Variance**	**Measures to Improve performance**	**Means of Verification**
Number of traffic fines issued	8400	4200	1050	1050	1243	1449	4792	+592	8400	High Rate of offences	Adjust the target to reflect the changing need for the services. Increase the number of days in a week when this services is provided.	Monthly reports
Number of Speed Enforcement conducted	85	96	24	24	5	24	77	-19	85	Delay of calibration of speed machine other available speed machine officers cannot operate due to lack of training	Calibration processes begin before expiry	Speed check Reports Schedule of speed checks
Number of Scholar Patrols conducted	4	4	1	1	1	1	4	0	4	None	None	Scholar patrol Reports Schedule of scholar patrols
Number of Road Blocks conducted	33	48	12	12	12	12	48	0	48	None	None	Roadblock Reports Approval note Deployment plan Operational plan
Key performance indicator	**Baseline**	**17/18 Annual Target**	**Q 1 Actual Performance**	**Q2 Actual Performance**	**Q3 Actual Performance**	**Q 4 Actual Performance**	**17/18 Total Annual Performance**	**17/18 Variance**	**16/17 Total Annual Performance**	**Reason for Variance**	**Measures to Improve performance**	**Means of Verification**
Number of Thusong Centre visits conducted	4	12	3	3	3	3	12	0	4	None	None	Site visits reports
Number disaster management plan reviewed	New	1	0	0	0	1	**1**	**0**	Not Applicable	None	None	Existing DMP
Key performance indicator	**Baseline**	**17/18 Annual Target**	**Q 1 Actual Performance**	**Q2 Actual Performance**	**Q3 Actual Performance**	**Q 4 Actual Performance**	**17/18 Total Annual Performance**	**17/18 Variance**	**16/17 Total Annual Performance**	**Reason for Variance**	**Measures to Improve performance**	**Means of Verification**
Number of parks maintained in Nancefield	2	2	**2**	2	2	2	2	0	2	None	None	Site visits reports, pictures and completion certificates

Purchase of public Bins	30	100	**0**	0	0	100	100	0	Not Applicable	None	None	Delivery note Invoices
Number of Skip Bins Purchased	32	10	**0**	0	0	10	10	0	Not Applicable	None	None	Delivery note Invoices
Number of trees planted to green Musina and mitigate climate change impacts	New	300	**205**	60	25	21	311	+11	Not Applicable	Some of the plants at the municipal nursery were starting to outgrow the nursery and had to be planted to save them	Adjust the target to reflect the changing need for the services.	Site visits reports, pictures
no illegal dumping signs	639	25	0	25	0	0	25	0	Not Applicable	None	None	Delivery note Invoices

B. DIVISIONAL SERVICE DELIVERY AND BUDGET IMPLEMETATION PLAN

PRIORITY/ FOCUS AREA: GENERAL MANAGER MUNICIPAL MANAGER, CORPORATE SERVICES, COMMUNITY SERVICES, EDP, FINANCE, TECHNICAL SERVICES

Key performance indicator	Baseline	17/18 Annual Target	Q 1 Actual Performance	Q2 Actual Performance	Q3 Actual Performance	Q 4 Actual Performance	17/18 Total Annual Performance	17/18 Variance	16/17 Total Annual Performance	Reason for Variance	Measures to Improve performance	Means of Verification
Number of Departmental Risk Management activities Conducted	New	24	0	4	6	6	16	-8	Not Applicable	Position of the GMs Vacant in some departments	Priorities to fill critical posts	Quarterly reports
Number of Departmental Performance Management activities Conducted	New	24	0	4	6	6	16	-8	Not Applicable	Position of the GMs Vacant in some departments	Priorities to fill critical posts	Quarterly reports
Number of Departmental Management Meetings held per timeframes	24	24	6	6	6	6	24	0	24	None	None	Attendance register
Number of Departmental General Meeting held per timeframes	24	24	1	1	6	6	14	-10	24	Non Adherence to time schedule	Incorporate target into the corporate calendar	Attendance register
Number of Total Ward committee, Ward Generals, Risk Management Committee, Security Committee, Security Monthly, Audit Committee, Ordinary Council, Special Council, Council Committee, Local Labour Forums, Safety Committee, ICT Steering, IDP Steering meetings.	145	145	36	36	40	33	145	0	145	None	None	Attendance register
Number of Communication strategy, Risk	22	22	0	0	0	0	22	0	22	None	None	Council resolution

Management Policy, Risk Management strategies, Anti-Fraud and Corruption policies, Security policy, Internal Audit Charter, Audit committee charter, Audit procedure and methodology, Record Management policy, Filing plan, Retention and succession policy, Employment Equity policy, Employment Equity and Affirmative Action policy, Organisational Structure, Human Resource Management policy, Training policy, ICT Policies and procedure, Performance Management policy, Performance Management framework, spatial Development Framework, LED Strategy, Informal Trading by-laws reviewed.												
Number of Security Awareness, Payment services, Meter reading, Arrive alive and transport, Clean up, Environmental Awareness Campaigns, CSD Registrations Campaigns conducted.	24	25	6	6	6	7	25	0	24	None	None	Maintenance schedule and pictures, site visit reports, Attendance register
Number of Communication, IDP Representatives, Gender, Senior Citizen, Moral Regeneration Movement and Disability forums conducted	20	20	5	5	5	5	20	0	20	None	None	Attendance register
Number of Risk Management, Security, Internal Audit, Performance,	68	68	17	17	17	17	68	0	68	None	None	Quarterly reports produced,

Quarterly Back to Basics, Monthly Back to Basics, Training Report developed and submitted to LGSETA, Expenditure Analysis, and Expenditure Reports.												

Statutory Annual Report process

No	Activity	Date	Responsibility
1	Finalise 4th quarter report for previous financial year	30 July 2018	Municipal Manager
2	Submit draft Annual Report to internal audit and Auditor General	31 August 2018	Municipal Manager
3	Audit/Performance Committee considers draft Annual Report of municipality	25 August 2018	Municipal Manager
4	Mayor tables the unaudited Annual Report	23 August 2018	Mayor
5	Municipality submits draft Annual Report, including the consolidated annual financial statements and the performance report, to the Auditor General	31 August 2018	Municipal Manager
6	Auditor General assesses draft Annual Report, including the consolidated annual financial statements and performance data	31 August – 28 November 2018	Auditor General
7	Municipalities receive and start to address the Auditor General's comments	30 November 2018	Municipal Manager
8	Mayor tables Annual Report and audited financial statements to council, complete with the Auditor General's Report	24 January 2019	Mayor
9	MPAC Committee assesses the Annual Report	28 February-02 March 2019	MPAC Chairperson
10	Audited Annual Report is made public and representation is invited	22 March 2019	Municipal Manager
11	Council adopts oversight report	28 March 2019	Council
12	Oversight report is made public	01 April 2019	Municipal Manager
13	Oversight report is submitted to relevant provincial councils	07April 2019	Municipal Manager

It is also a compliance issue to meet the deadlines, as non-compliance will result in a negative audit opinion for the municipality. Meeting deadlines also assists with receiving feedback, comments and inputs from relevant stakeholders, and helps with rectifying mistakes whilst learning good practice at the same time.

The alignment of IDP, budget and the performance system is important, as the three documents are the strategic documents of the municipality. They serve as a guiding tool to determine whether the municipality is working towards achieving its set goals and objectives, while using the budget in the correct manner, so as to avoid wasting public funds. This is done through the performance management, where there will be quarterly reporting about the performance of the municipality and whether the budget is still aligned to the set objectives, or if it is being spent on something that is not helping achieve set objectives and goals. Performance management helps to give an early indication of non-performance, and allows for the taking of corrective measures as soon as possible

3.26 SERVICE PROVIDER PERFORMANCE

SERVICE PROVIDER PERFORMANCE - MIG PROJECTS FOR 2017/2018 (TOTAL EXP: 56%)

Project Name	Consulting, Contractor	Start Date	Completion Date	Ward	Allocated Budget	% Physical Progress	% Financial Progress	Comments
Nancefield ext.4 concrete paved roads	T3 JV Diges	06/09/2017	06/06/2018	Ward 03	R 9.24 M	98%	80%	Practical completion
Nancefield Multi-purpose Centre	Nduvho construction	08/09/2017	08/06/2019	Ward 04	R 12 M	37%	20%	Project on construction stage, contractor is busy erecting the structure
Muswodi sports facility	EVN, Kingk	11/09/2017	11/06/2018	Ward 11	R 7.1 M	50%	24.4%	Project stalled due to misunderstanding of boundary between chiefs
Masisi sports facility	Tshashu JV T&C civils	18/06/2018	06/11/2018	Ward 12	R 7 M	0%	0%	Project on Design stage
Madimbo Sports lighting	Miluwani Electrical	04/09/2017	04/03/2018	Ward 08	R 1.6 M	100%	85%	Project completed

CHAPTER 4

LOCAL ECONOMIC DEVELOPMENT

COMPONENT A: ECONOMIC ACTIVITIES BY SECTOR

Major investments or Disinvestments in the municipal Area

Development	Number of Stand or Extent	Total Investment Amount	Challenges	Interventions
Development of Rhino-Ridge Tow	900	R 2.5 million	• Funding for Services both bulk and internal reticulations • Environmental Authorisation	To engage with VDM LEDET Engaged and authorisation received
Extension of Musina Mall	3 Hactar	R 350 million	None	None

COMPONENT B: ECONOMIC EMPLOYMENT BY SECTOR

Major investments or Disinvestments in the municipal Area

Projects	Area	Number of Jobs Created	Challenges	Interventions
Extension of the Mall	Ward 6	500	None	None
N1 By-pass	Ward 2, 5 and 6	175	None	None
Nwanedi Pack house	Ward 1	14	None	None
Musina Intermodal Terminal	Ward 6	0	None	None
Walk-in Center	Ward 6	20		
Stormwater Management	Ward 2,3, and 5	20	None	None
Contraction of Paved roads Ext 8 and 9	Ward 4 and 5	25	None	None
Matatani Tshipise Access Roads	Ward 10	14	None	None

Phase two Madimbo sports centre	Ward 7	12	None	None
Phase two Sport centre	Ward 4	10	None	None

COMPONENT C: JOB CREATION THROUGH LED, EPWP, PPP, CWP

The municipality has seen an increase in the number of jobs created mostly arising from the private sector role players. One of the critical challenges in the creation of jobs is inadequate skills levels of the local job market as well as preferences mostly in the Agriculture sector in our area to employee foreign nationals for unskilled and semi-skilled work opportunities.

Jobs Created during 2015/16 by LED Initiatives (Excluding EPWP projects)				
Total Jobs created / Top 3 initiatives	Jobs created	Jobs lost/displaced by other initiatives	Net total jobs created in year	Method of validating jobs created/lost
	No.	No.	No.	
2013/14	565	0	565	Implemented projects which are monitored by the LED section
2014/15	913	0	913	
2015/16	1251	0	1251	
2016/17	1419	0	1419	
2017/18	1583	0	1583	This includes EPWP in all sectors and CWP.

Training of people in essential skills	Number of people trained (including retrained unskilled)
2013/14	224
2014/15	238
2015/16	463
2016/17	631
2017/18	418

CHAPTER 5

ORGANISATIONAL DEVELOPMENT PERFORMANCE

COMPONENT A: INTRODUCTION TO MUNICIPAL PERSONNEL

Human resource services for the municipality are reasonably effective and efficient, and relatively meet the expectations of the community at large. The department is responsible for attracting skilled workforce, motivating workforce to perform the required tasks and continuous capacity building of personnel. The Municipality has 403 employees and 1 Employee passed-on (died). The municipality has 2 critical vacant positions of which (general manager Technical and EDP) was not filled by the end of the financial year. 2271 sick leave days taken.

5.1 SERVICE STATISTICS

5.1.1 HUMAN RESOURCE SERVICES AND ADMINISTRATION

Employees: Human Resource Services and Admin					
Job Level	2016/2017	2017/2018			
	Post No	Posts (Established) No	Employees (Filled) No	Vacancies (fulltime equivalents) No	Vacancies (as a % of total posts)
0 - 3	3	5	5	0	0%
4 - 6	9	13	7	6	46%
7 - 9	7	10	7	3	30%
10 - 12	1	1	1	0	0%
13 - 15	12	12	11	1	8%
Total	32	41	31	10	24%

5.1.2 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

	Employees: ICT Services				
Job Level	2016/2017	2017/2018			
	Post No	Posts (Established) No	Employees (Filled) No	Vacancies (fulltime equivalents) No	Vacancies (as a % of total posts)
0 - 3	1	1	1	0	0%
4 - 6	2	2	1	1	50%
7 - 9	0	0	0	0	0
10 - 12	0	0	0	0	0
13 - 15	0	0	0	0	0
16 - 18	0	0	0	0	0
Total	2	3	2	1	33%

5.1.3 BUDGET AND TREASURY SERVICES

	Employees: Finance				
Job Level	2016/2017	2017/2018			
	Post No	Posts (Established) No	Employees (Filled) No	Vacancies (fulltime equivalents) No	Vacancies (as a % of total posts)
0 - 3	7	7	7	0	0%
4 - 6	11	11	8	3	27%
7 - 9	32	32	19	13	41%
10 - 12	0	0	0	0	0%
13 - 15	11	0	0	0	0%
16 - 18	0	0	0	0	0%
Total	61	61	34	16	26%

5.1.4 PROPERTY, LEGAL, RISK AND PROCUREMENT SERVICES

Employees: Property; Legal, Risk and Procurement services					
Job Level	2016/2017	2017/2018			
	Post No	Posts (Established) No	Employees (Filled) No	Vacancies (fulltime equivalents) No	Vacancies (as a % of total posts)
0 – 3	3	2	2	0	0%
4 – 6	7	3	1	2	67%
7 – 9	6	1	0	1	100%
10 – 12	0	0	0	0	0%
13 – 15	0	0	0	0	0%
16 – 18	0	0	0	0	0%
19 – 20	0	0	0	0	0%
Total	16	6	3	3	50%

5.1.5 PROJECT, WATER AND TECHNICAL SERVICES

Employees: Project/ water and Technical service					
Post Level	2016/2017	2017/2018			
	Post	Posts (Established)	Employees (Filled)	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No	No.	No.	No.	%
1 - 3	1	1	1	0	0%
4 - 6	3	7	3	4	57%
7 - 9	0	2	0	2	100%
10 - 12	1	2	1	1	50%
Minimum	47	67	47	20	30%c
Total	**52**	**79**	**52**	**27**	**34%**

5.1.6 HOUSING/ COMMUNITY SERVICES

Employees: Housing Services / Community					
Job Level	2016/2017	2017/2018			
	Post	Posts (Established)	Employees (Filled)	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
		No.	No.	No.	%
0 – 3	5	3	3	0	0%
4 – 6	22	22	15	7	32%
7 – 9	40	41	22	18	44%
10 – 12	4	4	0	4	100%
13 – 15	12	0	0	0	0%

5.1.7 ELECTRICITY TECHNICAL ADMIN SERVICES

Employees: Electricity Technical Admin Services					
Job Level	2016/2017	2017/2018			
	Post	Posts (Established)	Employees (Filled)	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
		No.	No.	No.	%

0 – 3	1	1	1	0	0%
4 – 6	12	12	4	8	66%
7 – 9	27	20	0	20	100%
10 – 12	4	4	2	2	50%
13 – 15	32	20	20	0	0%
Total	**76**	**57**	**27**	**30**	**53%**

COMPONENT B: WORKFORCE MANAGEMENT

5.2 APPROVED AND REVIEWED POLICIES

The municipality has developed numerous policies as a guideline to all officials. The following policies were developed and reviewed during the year under review:

No.	Policy name	Approved	Reviewed	Resolution number
1	Revised human resource management planning policy	✓		11.9.5.2017
2	Revised employment equity policy			11.9.5.2017
3	Draft employment practices policy	✓		11.9.5.2017
4	Draft promotion, transfer, secondment and acting in higher positions policy	✓		11.9.5.2017
5	Draft terminations of services policy	✓		11.9.5.2017
6	Draft attendance and punctuality policy	✓		11.9.5.2017
7	Draft performance management system policy	✓		11.9.5.2017
8	Revised advances and reimbursable policy			11.9.5.2017
9	Revised remuneration policy	✓		11.9.5.2017
10	Revised travel allowance policy	✓		11.9.5.2017
11	Revised overtime allowance policy	✓		11.9.5.2017
12	Draft legal aid policy	✓		11.9.5.2017
13	Draft housing allowance policy	✓		11.9.5.2017
14	Revised leave policy			11.9.5.2017
15	Revised training and development policy	✓		11.9.5.2017
16	Revised succession planning policy	✓		11.9.5.2017
17	Draft internship policy	✓		11.9.5.2017
18	Revised internal bursary policy			11.9.5.2017
19	Draft private work and declaration of interests policy	✓		11.9.5.2017
20	Revised sexual harassment policy	✓		11.9.5.2017
21	Draft intoxicating substances abuse policy	✓		11.9.5.2017
22	Revised HIV/AIDS policy			11.9.5.2017
23	Revised occupational health and safety policy	✓		11.9.5.2017
24	Revised employee assistance programme policy	✓		11.9.5.2017
25	Revised smoking policy	✓		11.9.5.2017
26	Revised grievance procedure policy	✓		11.9.5.2017
27	Revised disciplinary procedure policy	✓		11.9.5.2017
28	Draft incapacity due to poor work performance policy	✓		11.9.5.2017
29	Draft incapacity due to ill-health/injury policy			11.9.5.2017
30	Draft incapacity due to operational requirements	✓		11.9.5.2017
31	Revised human resource management communication policy	✓		11.9.5.2017

No.	Policy name	Approved	Reviewed	Resolution number
32	Revised electronic communication and information security policy	✓		11.9.5.2017
33	Draft records management policy			11.9.5.2017
34	Reviewed draft 2017/2018 fraud and corruption strategy	✓		11.9.5.2017
35	Reviewed draft 2017/2018 risk management policy	✓		11.9.5.2017
36	Reviewed draft 2017/2018 risk management strategy	✓		11.9.5.2017
37	Revised Mayoral bursary Policy	✓		11.9.5.2017
38	Draft policy for indigent burials support	✓		11.9.5.2017

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**
None	None	None	None

5.3 TERMINATIONS 2017/2018

No Terminations in the Financial Year

5.4 PROMOTIONS 2017/2018

No Promotions in the Financial Year

5.5 INJURIES AND SICKNESSES

During Financial Year Municipality had 2271 Sickness and 4 Injuries happened on the following dates:

Injuries:

- 20/07/2017
- 01/10/2017
- 09/10/2017
- 29/11/2017

COMPONENT C: CAPACITATING MUNICIPAL WORKFORCE

5.6 CAPACITATING THE MUNICIPAL WORKFORCE (SDF)

Municipality has developed the WSP for the year for 2017/2018 and it was submitted to LGSETA on the 28 April 2017 together with the Annual Training report for the year under review. 47 employees and 24 councillors received training for the year under review. No mandatory grants in the form of rebates were received from the LGSETA for the under review.

Municipality has a work skills plan (WSP) that is utilised for capacity building of staff. Each department is requested to forward their training plans to corporate services in May each year, in order to be included in the WSP which serves as a guide as to how many officials should undergo training in the next financial year. The plan is also used to determine the expenditure for training. For the year under review, 55 employees and 7 councillors received different training. The WSP and annual training report were submitted to LGSETA.

Municipality budgeted R1 021 600 for training and spent R1 021 507. The variance for the year was R93. The Municipality did not receive mandatory grants in the form of rebates from LGSETA for the year under review.

Musina Local Municipality has External Study donations available every year, Preference is given to students from poor backgrounds and good academic performers.

Budget:

External Study Donations:

Budget: (Internal Funding) ***Actual R282 519.00***

Private Funding: **00**

2017/2018

INTERNAL STAFF

Name of Program	*Service Provider*	*Beneficiaries*	*Number of Beneficiaries*	*Gender*	
				Male	*Female*
Cllr Dev Program	Sail	Councillors	3	2	1
Economic Science	UNISA	Official	1		1
B Com Fin Management	UNISA	Official	1	1	
Leave Module	PayDay	Officials			2
SPLUMA	SAGI	Official	1		1
BA Fin Management	UNISA	Officials	2		2
Assessor Course	ATS	Official	1	1	
LLF	SALGABC	Officials	13	8	5
LLF	SALGABC	Councillors		3	
Pre Ops Inspection	Barloworld	Officials	2	2	
Conflict Management	Imzimbi	Councillors		2	1
Public Fin & Admin	Mass Computer	Officials	60	24	36
Fin Management & admin	University of Pretoria	Officials	2		2
MFMP	University of Pretoria	Officials	4	2	2
BBA	SBS	Councillor	1		1
BBA	SBS	Officials	2	1	1
Public Sector management	SBS	Official	1		1
Project Management	SBS	Official	2		2

Total			**93**	**43**	**58**

External Bursary:

Name of Program	***Service Provider***	***Beneficiaries***	***Number of Beneficiaries***	***Gender***	
				Male	***Female***
Diploma in Public Management	Techniven	Learnership	1	1	
BA Admin Local Government	University of Limpopo	Learnership	1	1	
B com Accounting	University of Limpopo	Learnership	2	1	1
Bsc Life Science	University of Limpopo	Leanership	2	1	1
Media Studies	Univen & Jeppe College	Learnership	2		2
Bcom Economics	University of Limpopo	Learnership	1	1	
LLB	University of Limpopo	Learnership	1		
International Relations	Univen	Learnership	1		1
Bachelor of Accounting	University of Limpopo	Learnership	1	1	
TOTAL			**12**	**7**	**5**

COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

5.7 EMPLOYEE EXPENDITURE

The municipality manages its workforce expenditure very well, even though we experienced challenges with our overtime cost during 2017/18. MLM has the organisational structure that is aligned to the IDP and budget, to ensure that all workforce expenditure has been budgeted for.

The original budget for operating expenditure was R 296.1 million that was adjusted upwards to R 404 million and the actual expenditure thereof is R 363 million. This reflects a negative variance of R 40.9 million. The major portion of operating expenditure is employee related cost that had original budget of R104.5 million and the budget was adjusted upwards to R122.1 million and the actual expenditure thereof is R 142.1 million and the reflected over-spending variance is attributed to high cost of overtime.

Table 12. Summary of financial overview

Financial Overview – 2017/18 **R'000**			
Details	**Original Budget**	**Adjustment Budget**	**Actual**
Grants	114 522 000	114 552 000	113 022 003
Taxes, levies and tariffs	144 805 000	206 239 000	137 415 438
Other	36 737 000	83 269 000	8 756 870
Sub -Total	296 064 000	404 030 000	259 194 311
Less Expenditure	296 064 000	404 031 000	363 032 112
Net Total	0	0	103 837 801

Table 13: Operating ratios

Operating Ratios	
Detail	**%**
Employee Costs	39.1
Repairs & Maintenance	6.2
Finance Charges & Depreciation	8.6

Table 14: Total capital expenditure

Total Capital Expenditure (R'000)		
Detail	**2016/17**	**2017/18**
Original Budget	35 814 000	47 468 000
Adjustment Budget	35 814 000	42 468 000
Actual	32 631 361	26 531 913

CHAPTER 6

FINANCIAL PERFORMANCE

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

6.1 INTRODUCTION TO FINANCIAL STATEMENTS

Musina Local Municipality is handed over the 2017/18 annual financial statements to the Auditor General (Limpopo) on 31st August 2018 as per the Municipal Finance Management Act. The aforesaid components of the financial statements are discussed in detail below: **BUDGET AND REVENUE COLLECTION**

Musina Local Municipality
STATEMENT OF FINANCIAL PERFORMANCE
for the year ending 30 June 2018

	Note	2018 R	2017 R
Revenue			
Revenue from exchange transactions			
Service charges	21	114 971 877	111 451 530
Rental of facilities and equipment	22	563 113	1 141 369
Interest earned - external investments	23	1 209 877	1 404 420
Interest earned - outstanding receivables	24	-	3 014 284
Licences and permits		4 670 537	3 637 028
Other revenue	26	7 546 993	23 847 124
Revenue from non exchange transactions			
Government grants and subsidies	25	151 398 542	146 035 810
Property rates	20	15 314 892	17 025 929
Fines		1 895 020	2 447 250
Total		**297 570 850**	**310 004 743**
Expenses			
Employee related costs	27	142 121 004	115 171 841
Remuneration of councillors	28	9 898 254	8 522 405
Impairment of account receivable		3 401 783	5 724 820
Collection costs		-	18 663
Depreciation and amortisation expense	29	28 088 843	26 849 088
Repairs and maintenance	30	22 623 095	12 793 837
Finance costs	31	1 668 128	2 055 667
Bulk purchases	32	83 308 710	78 457 267
Contracted services	33	12 288 910	8 274 108
Grants and subsidies paid	34	-	3 516 096
Operational grant expenditure	51	2 913 000	3 704 000
General expenses	35	55 120 404	55 701 073
Total		**361 432 130**	**320 788 866**
Gain / (loss) on sale of assets	36	-	679 779
Impairment loss	36	1 599 981	2 286 327
Fair Value of Mutale Assets		-	23 806 516
Profit / (loss) on fair value adjustment	10	-	8 500
Reversal Provision Landfill Site		-	8 465 283
Surplus / (deficit) for the period		**(65 461 261)**	**18 513 069**

MLM is a rural municipality with high volume of outstanding consumer debts. This lead to financial burden with none and/or under-payment for services. Municipality has however in process of developing the Revenue Enhancement Strategy to address this challenge since the outstanding debt affects the cash-flow status of the municipality.
The Municipality had a total revenue budget of R252 510 million that was adjusted upwards to R284 704 million

during budget adjustment. The actual revenue realized is R252 037 million and this resulted in over-performance variance of -R32 668 million. Grants and subsidies amounting to R111 104 million were received during the financial year under review and they contributed a major portion of the total revenue base of the municipality since the grants dependency rate in thereof was 44.08%. The municipality had unspent MIG of 0 million in 2017/18 financial year and this was approved as a roll over and it was appropriated during the 2017/18. Adjustment budget. Including the rolled over portion of MIG, the transfers and subsidies is comprised of R39 414 million that is capital and R117 852 million

Operating grants that is inclusive of equitable share.

The total revenue budget for service charges, rental of facilities and equipment, and property taxes amounted to -R125 499 million and the actuals thereof amounted to R 130 123 million that gave rise to over-performance variance of R4 624 million. Motor vehicle licenses and fines contributed R 6 084 million to the total revenue base. The return on investments amounted to that is slightly higher than the budget thereof and as a result, this shows a good and sound financial management practice.

COMPONENT B: MANAGING THE WORKFORCE EXPENDITURE

6.2 EMPLOYEE EXPENDITURE

The municipality manages its workforce expenditure very well, even though we experienced challenges with our overtime cost during 2017/18. MLM has the organisational structure that is aligned to the IDP and budget, to ensure that all workforce expenditure has been budgeted for.

The original budget for operating expenditure was R 296.1 million that was adjusted upwards to R 404 million and the actual expenditure thereof is R 363 million. This reflects a negative variance of R 40.9 million. The major portion of operating expenditure is employee related cost that had original budget of R104.5 million and the budget was adjusted upwards to R122.1 million and the actual expenditure thereof is R 142.1 million and the reflected over-spending variance is attributed to high cost of overtime.

Table 12. Summary of financial overview

Financial Overview – 2017/18 **R'000**			
Details	**Original Budget**	**Adjustment Budget**	**Actual**
Grants	114 522 000	114 552 000	113 022 003
Taxes, levies and tariffs	144 805 000	206 239 000	137 415 438
Other	36 737 000	83 269 000	8 756 870
Sub -Total	296 064 000	404 030 000	259 194 311
Less Expenditure	296 064 000	404 031 000	363 032 112
Net Total	0	0	103 837 801

Table 13: Operating ratios

Operating Ratios	
Detail	**%**
Employee Costs	39.1
Repairs & Maintenance	6.2
Finance Charges & Depreciation	8.6

Table 14: Total capital expenditure

Total Capital Expenditure (R'000)		
Detail	**2016/17**	**2017/18**
Original Budget	35 814 000	47 468 000
Adjustment Budget	35 814 000	42 468 000
Actual	32 631 361	26 531 913

6.3 COMMENT ON FINANCIAL PERFORMANCE

REVENUE

Property rates

The original budget for property rates for 2016/17 financial year was R 15 050 million which was adjusted upwards to R 15 653 million and the actual revenue billed is R 15 906 million this gave rise to favourable variance of R 253 thousand respective on original budget and adjusted budget.

Service charges

This is made up of service charges for electricity and refuse removal and the original budget thereof was R 98 998 million that was slightly adjusted upwards to R 106 737 million and the actual revenue generated was R 111 107 million that reflects a R 4 368 million and R 2 thousand favourable variance respectively on both original budget and adjusted budget.

Investment revenue

Interest on investments was not budgeted for in the original budget but was adjusted to R 897 thousand in the adjustment due to performance in the first six months of the financial year. The performance of this revenue line item reflects an improved investment practice of the municipality.

Transfer recognized - operational

This is revenue realized from both conditional and unconditional operating grants and subsidies including equitable share. The results shows full spending of both conditional and unconditional grants and with regards to conditional grants, all grants were spent in line with the conditions of the respective grants.

Other Income

The over performance of other revenue is attributed to revenue from clearance certificates and advertisement boards. This revenue is hard to accurately project due to its dependency on the rate of consumers who turn up for those revenue related activities, and hence the inconsistencies between the budget and actuals thereof.

Employee related cost

The over performance of employee related cost is as a result of classification of remuneration of ward committee members that according to GRAP is part of employee related cost and in terms of mSCOA is part of general expenses. In terms of the financial statements presentation, the line item is classified as employee related cost yet the budget is sitting under general expenses. In addition, the over performance has partially resulted from actuarial gains and losses as well as other actuary related expenses that were not incorporated in the budget.

Depreciation and asset impairment

Provision was made in the budget for capital asset depreciation and impairment and the budget thereof was R28.5 million and it was deemed to be in line with the 2017/18 actuals, however number of assets that were not included in the asset register were included and some assets with zero book value were allocated deemed carrying value and this resulted in depreciation and assets impairment materially decreasing from R8 637 799 million to R2 286 327.

Materials and bulk purchases

The major portion of this line item was mainly for purchase of electricity. The bulk purchase expenditure was within the approved budget thereof, however expenditure relating to other materials was more than the projected budget and this item mainly relates to materials and supplies relating to repairs and maintenance.

Transfers and grants – expenditure

Transfers and grants refer to subsidies made to indigent and pensioners consumers, external bursaries warded, and medical aid contributions made to pensioners who are former employees of the municipality. The subsidies were done in the form of special rebates on property rates and free basic electricity.

The budget provision still appear to be too little in light of Equitable share allocation that amounted to R3 516 096 million since this is the source of funding thereof. The number of registered indigents is still little and hence the underspending of the budget allocated for this subsidy.

GRANTS

COMMENT ON OPERATING TRANSFERS AND GRANTS:

All grants gazetted for 2017/18 financial year were received and cognizance should be taken that the above table does include capital grants. The total amount received on operational grants amounted to R216, 652 during the 2015/16 financial year. All grants were received from national sphere of government and nothing was gazetted to be received from the provincial government and the district municipality and/or any other source.

COMMENT ON CONDITIONAL GRANTS AND GRANTS RECEIVED FROM OTHER SOURCES:

No grants were received from other sources.

COMMENT ON ASSET MANAGEMENT: All year end procedures regarding assets have been done and all journals posted, the carrying value has since been updated.

COMMENT ON REPAIR AND MAINTENANCE EXPENDITURE:

Repairs and maintenance of assets were done mainly on electric infrastructure grants

FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

Liquidity ratio

Liquidity Ratio – Measures the municipality's ability to pay its bills, and is calculated by dividing the monetary assets by the municipality's current liabilities. A higher ratio is better, however the graph portrays a picture that shows a staggering liquidity ratio for 2016/17 financial year since the ratio is less than 1. This is attributed to high amount of invoices that were paid at year end using accruals.

Outstanding Debtors to revenue

61.4 %

Outstanding Service Debtors to Revenue - Measures how much money is still owed by the community for electricity, waste removal and other services, compared to how much money has been paid for these services. It is calculated by dividing the total outstanding debtors, by the total annual revenue thereof. A lower score is better. The graph shows that the municipality has a ratio of 16% outstanding debtors that has slightly dropped by 4% when compared to 2015/16 ratio. The ratio is deemed to be high taking into account the targeted collection rate.

Employee cost

63%

Employee related cost ratio measures what portion of revenue was spent on paying employee costs. It is calculated by dividing the total employee cost by the difference between total revenue and capital revenue

Repairs and maintenance

3.9%

Repairs and Maintenance - This represent the proportion of operating expenditure spent, and is calculated by dividing the total repairs and maintenance by total revenue excluding capital revenue.

COMMENT ON FINANCIAL RATIOS:

The municipality is still facing a challenge of achieving -------- threshold of operating expenditure for repairs and maintenance. Liquidity ratio is negatively affected by invoiced that are paid accruals at year end since the magnitude thereof was too high in 2015/16 financial year as those invoices are treated as current liabilities. The municipality is in a process of implementing cost containment measures as documented in the National Treasury Instruction letter number 01 and this will result in improved liquidity ratio and in addition, it will do away with unnecessary expenditure.

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

INTRODUCTION TO SPENDING AGAINST CAPITAL BUDGET

Capital expenditure relates mainly to projects and/or items whose outputs will result in assets that will have to be documented in the asset register. Capital expenditure is funded from grants and own revenue. Component B deals with capital spending, indicating where the funding comes from and whether the Municipality is able to spend the available funding as planned. In this component, it is important to indicate the different sources of funding as well as how these funds are spent.

MIG PROJECT SUMMARY 2017-2018 FINANCIAL YEAR							
Project Name		**Budget Amount**	**Actual expenditure**	**Retention**	**Total amount spent**	**Total VAT**	**Total expenditure**
Roll over project		3 182 639,74	2 241 242	296 685,75	2 537 927,97	273 243,35	2 811 171,32
Muswodi sport centre		3 100 000	1 414 955	103 691,00	1 518 646,17	212 610,66	1 731 256,83
Extention 4 paved road		9 294 600	7 437 325	699 262,83	8 136 588,26	1 179 424,02	9 316 012,28
Multipurpose centre		7 000 000	4 195 048	133 286,31	4 328 333,99	614 132,66	4 942 466,65
Madimbo sport Lighting		1 600 000	1 252 844	112 320	1 365 164,13	194 078	1 559 241,66
Masisi sport centre		7 000 000	2 360 308	208 740	2 569 048	312 607	2 881 654,71
PMU Management fees		1 473 400	1 473 400	-	1 473 400,00		1 473 400,00
		32 650 639,74	**20 375 121,72**	**1 553 986,36**	**21 929 108,08**	**2 786 095,36**	**24 715 203,44**

INEP PROJECT SUMMARY							
Project Name		**Budget Amount**	**Actual expenditure**	**Retention**	**Total amount spend**	**Total vat**	**Total expenditure**
Roll over projects		1 299 560	698 146	77 572	775 718	108 601	884 319
Households electricity connections substation		18 000 000	10 693 390	451 430	11 144 820	1 632 207	12 777 027
		19 299 559,89	**11 391 535,95**	**529 002,14**	**11 920 538,09**	**1 740 807,43**	**13 661 345,52**

COMMENT ON SOURCES OF FUNDING:
The municipality have spent 90.3% of their capital funding as at 30 June 2018
The original capital budget for 2017/18 financial year was R47 468 000 that was adjusted down wards to R 42 468 000. The actual expenditure is R38 376 539 and this reflects an under-spending variance of R 4 091 461.

Funding of capital budget:

Original budget: R47 468 000 was funded by grants
Adjusted budget: R42 468 000 was funded by grants
Actual expenditure: R 38 376 539 was funded by grants

CAPITAL SPENDING ON FIVE LARGEST PROJECTS

Capital Expenditure on Five Largest Projects* R'000					
	Current Year			Variance Current Year	
Name of Project	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment Variance (%)
Muswodi sport centre	3 100 000	3 100 000	1 731 257	44	44
Extention 4 paved road	9 294 600	9 294 600	9 316 012	0	0
Multipurpose centre	7 000 000	7 000 000	4 942 467	29	29
Madimbo sport Lighting	1 600 000	1 600 000	1 559 242	2.5	2.5
Masisi sport centre	7 000 000	7 000 000	2 881 655	59	59

COMMENT ON CAPITAL PROJECTS:

During 2017/18 Financial Year, the Municipality received the Total Allocation of 24 468 000 of MIG grant.

COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

INTRODUCTION TO CASH FLOW MANAGEMENT AND INVESTMENTS

The cash flow outcome presents the actual revenue and actual payments made during the year under review. Actual revenue realized should be differentiated from revenue billed because revenue billed does not portray the holistic financial position and performance of the municipality.

As a result, the cash flow outcome is presented on cash basis as opposed accrual basis of accounting.

Cash and cash equivalent of the municipality is made up of cash in the primary and all the short term investment

COMMENT ON CASH-FLOW OUTCOMES:

Cash and cash equivalent at the beginning of the financial year was R 1 199 017 and when comparing this to the cash and cash equivalent as at end of 2017/18 financial year, the results reflects an increase in cash and cash equivalent to R2 624 615 and this portrays a negative picture about cash management of the municipality and this is supported by unfavourable liquidity ratio. Cognizance should be taken that the municipality is still dependent on grants since a major portion of revenue realized is made up of Transfer recognized (both operating and capital).

5.10 BORROWING AND INVESTMENTS

INTRODUCTION TO BORROWING AND INVESTMENTS

Actual Borrowings 2015/16-2017/18 **R'000**			
Instrument	**2015/16**	**2016/17**	**2017/18**
Municipality			
Long-term loans (annuity/reducing balance)	R22 276 064	R17 410 681	R10 028 413
Long-term loans (non-annuity)			
Local registered stock			
Instalment credit			
Financial leases			
PPP liabilities			
Finance granted by cap equipment supplier			
Marketable bonds			
Non-marketable bonds			
Bankers acceptances			
Financial derivatives			
Other securities			
Municipal Total			
Municipal Entities			
Long-term Loans (annuity/reducing balance)	–	–	–
Long-term Loans (non-annuity)	–	–	–
Local registered stock	–	–	–
Instalment credit	–	–	–
Financial leases	–	–	–
PPP liabilities	–	–	–
Finance granted by cap equipment supplier	–	–	–
Marketable bonds	–	–	–

Non-Marketable bonds	–	–	–
Bankers acceptances	–	–	–
Financial derivatives	–	–	–
Other Securities	–	–	–
Entities Total			

Municipal and Entity Investments 2015/16 - 2017/18 R'000			
Investment type	**2015/16 Actual**	**2016/17 Actual**	**2017/18**
Municipality			
Securities - national government	–	–	
Listed corporate bonds	–	–	
Deposits –bank			
Deposits -public investment commissioners	–	–	
Deposits -corporation for public deposits	–	–	
Bankers'acceptance certificates	–	–	
Negotiable certificates of deposit - Banks	–	–	
Guaranteed endowment policies (sinking)	R11 732 517	R12 605 974	R10 732 016
Repurchase agreements - Banks	–	–	
Municipal bonds	–	–	
Other	–	–	
Municipal Entities			
Securities - National government	–	–	
Listed corporate bonds	–	–	
Deposits – Bank	–	–	
Deposits - Public Investment Commissioners	–	–	
Deposits - Corporation for Public Deposits	–	–	
Bankers' acceptance certificates	–	–	
Negotiable certificates of deposit- Banks	–	–	
Guaranteed endowment policies (sinking)	–	–	
Repurchase agreements – Banks	–	–	
Municipal bonds	–	–	
Other	–	–	
Entities Sub-Total	–	–	
Consolidated Total:			

COMMENT ON BORROWING AND INVESTMENTS:

The Municipality has two long terms loans with ABSA and DBSA

PUBLIC-PRIVATE PARTNERSHIPS

Not applicable

COMPONENT D: OTHER FINANCIAL MATTERS

SUPPLY CHAIN MANAGEMENT

The financial statements for the 2017/18 financial year present an irregular expenditure of R125 146 248 as opening balance and during the year irregular expenditure amounting to R21 734 708 was incurred. This leaves the municipality with overall irregular expenditure of R 146 880 956 that emanated from procurement of goods and services without fully following the supply chain management processes. For 2017/18 financial year none of the year to date irregular expenditure was condoned by Council of the municipality.

The municipality has started with the implementation of central supplier database that has been rolled out by National Treasury with the intention of maintaining a database of organisations, institutions and individuals who can provide goods and services to government institutions. This database serves as the single source of key supplier information for organs of state and it provides consolidated, accurate, up-to date, complete and verified supplier information to procuring organs of state.

Municipality has SCM policy in place to minimize fraud and corruption. There are SCM committees in place that are reviewable as and when required to ensure value for money in awarding of tenders. For the year under review 15 tenders were awarded.

- The council has adopted a SCM policy in terms of SCM regulation 3.
- The SCM unit consists of three full time staff; three positions (Manager and Accountant SCM, Procurement officer) and 2 Admin officers' logistics.
- A report on the implementation of the SCM policy is presented to the Mayor on a quarterly basis.
- Needs assessments are undertaken for each acquisition and preferential policy objectives identified.
- Threshold values in the SCM policy are aligned with values stipulated in regulation 12.
- Municipal bid documents comply with MFMA circular 25.
- Records of tenders and all other bids received and awards made.
- All bid committees were established and appointed by the Accounting officer.
- Note: MFMA S110-119; SCM Regulations 2005; and relevant MFMA circulars set out required processes and guidance manuals to help ensure that SCM arrangements provide appropriate goods and services, offer best value for money and minimize the opportunities for fraud and corruption.
- All tenders were advertised on the newspaper and on municipal website
- 15 Tenders were evaluated, adjudicated and awarded during 17/18
- 47 formal quotations were awarded (R30000.00 up to R200000.00)
- 130 Procurement below R30000.00
- 152 BEE beneficiations awarded for financial year 2016/ 2017

GRAP COMPLIANCE

GRAP is the acronym for Generally Recognized Accounting Practice and it provides the rules and principles by which municipalities are required to abide by in preparing the financial statements. Successful GRAP compliance and implementation will ensure that municipal accounts are transparent, comparable and more informative to the users of the financial statement. Musina local municipality was appointed to be one of the pilot sites for the implementation of municipal standard chart of accounts (mSCOA) and the chart was expected to be GRAP compliant and the municipality was audited on annual financial statements that were prepared using mSCOA trial balance.

CHAPTER 7

AUDITOR GENERAL AUDIT FINDINGS

COMPONENT A: AUDITOR GENERAL'S OPINION

Report of the auditor-general to Limpopo Provincial Legislature and Council of Musina Local Municipality.

Report on the audit of the financial statements

Qualified opinion

1. I have audited the financial statements of the Musina Local Municipality set out on pages ... to ..., which comprise the statement of financial position as at 30 June 2018, the statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget information with actual information for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.

2. In my opinion, except for the possible effects of the matters described in the basis for qualified opinion section of this auditor's report, the financial statements present fairly, in all material respects, the financial position of the municipality as at 30 June 2018, and its financial performance and cash flows for the year then ended in accordance with Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act(Act No 56 of 2003) (MFMA) and the Division of Revenue Act, 2017 (Act No. 3 of 2017) (DoRA).

Basis for qualified opinion

Receivables from non - exchange transactions

3. I was unable to obtain sufficient appropriate audit evidence for the accounts receivable from non - exchange transactions, due to the status of the accounting records. I was unable to confirm these balances by alternative means. Consequently, was unable to determine whether any adjustment was necessary to accounts receivable from non - exhchange balance stated at R168 801 177 in the financial statements.

4. The municipality did not assess at the end of the reporting period whether there is any objective evidence that a receivable from non - exchange transactions amounting to R155 587 314 as disclosed in note 4 to the financial statement is impaired as required by GRAP 104, *Financial instruments.* As the municipality did not maintain adequate records for the estimation of the impairment amount at year end , I was unable to determine the full extent of the overstatement on receivable from non - exchange transactions balance stated at R168 801 177 as it was impracticable to do so.

Value Added Tax

5. I was unable to obtain sufficient appropriate audit evidence that Value Added Tax for the current year had been properly accounted for, due to the status of the accounting records. I identified unexplained differences amounting to R16 051 196 between the underlying accounting records and the amount presented in the financial statements. I was unable to confirm the Value Added Tax by alternative means as supporting evidence of the amount presented in the financial statements could not be provided. Consequently, I was unable to

determine whether any adjustment was necessary to Value Added Tax receivables stated at R26 231 726 in the financial statements.

Payables from non- exchange transactions

6. I was unable to obtain sufficient appropriate audit evidence for the accounts payable from non - exchange transactions, due to the status of the accounting records. I was unable to confirm these balances by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to accounts payables from non - exhchange transactions stated at R210 492 674 in the financial statements.

Interest earned on outstanding receivables

7, I was unable to obtain sufficient appropriate audit evidence for revenue interest earned due to the status of the accounting records. The municipality did not have adequate systems of internal control for the recording of all transactions and events and for reconciliation of these transactions and events to the financial statements. I could not confirm revenue interest income by alternative means. Consequently, I was unable to determine whether any adjustment wasnecessary to revenue interest earned stated at R... (2016-2017: R3 014 284) in the financial statements. Additionally, there was an impact on the receivable from exchange transactions and non — exchange transactions.

Context for the opinion

8. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of this auditor's report.

9. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' Code *of ethics for professional accountants* (IESBA code) and the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

10. 1 believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Material uncertainty relating to going concern

11 I draw attention to note 56 to the financial statements, which indicates that the municipality incurred a net loss of R65 461 261 during the year ended 30 June 2018, and as of that date the municipality's current liabilities exceeded its current asset by R214 101 735. As stated in note 56, these events or conditions, along with the other matters as set forth in the note, indicate that a material uncertainty exists that may cast significant doubt on the municipality's ability to continue as a going concern.

Emphasis of matters

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

Restatement of corresponding figures

13. As disclosed in note 40.1 to the financial statements, the corresponding figures for 30 June 2017 have been restated as a result of errors in the financial statements of the municipality at, and for the year ended, 30 June 2018.

Material impairments – accounts receivable

14. As disclosed in notes 3 and 4 to the financial statements, material impairments amounting to R8 273 186 (2016-17: R4 348 850) from exchange transactions and R23 511 239 (2016-17: R24 412 227) from non - exchange transactions were recognised as a result of irrecoverable trade receivables.

Other matters

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

Unaudited supplementary schedules

16. The supplementary information set out on pages x to x does not form part of the annual financial statements and is presented as additional information. We have not audited these schedules and, accordingly, we do not express a conclusion thereon.

Unaudited disclosure notes

17. 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.

Responsibilities of accounting officer for the financial statements

18. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the SA Standards of CRAP and the requirements of the MFMA and the 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.

19. In preparing the financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the financial statements

20. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are

considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

21. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

Introduction and scope

22. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (FAA) and the general notice issued in terms thereof, I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected development priorities presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.

23. My procedures address the reported performance information, which must be based on the approved performance planning documents of the municipality. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

24. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected development priorities presented in the annual performance report of the municipality for the year ended 30 June 2018:

Development priorities	Pages in the annual performance report
KPA 1: Basic Services and Infrastructure	71-78
KPA 5: Local Economic Development	79-83

25. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

26. The material findings in respect of the usefulness and reliability of the selected development priorities are as follows:

Development priority: Key Performance Area (KPA) 1 — Basic service delivery

various indicators

27. I was unable to obtain sufficient appropriate audit evidence to support the reported achievement of indicators and reported achievement listed below. This was due to a lack of technical indicator descriptions and proper performance management systems and processes that predetermined how the achievement would be measured, monitored and reported. I was unable to confirm the reported achievement of the indicator by alternative means. Consequently, I was unable to determine whether any adjustments were required to the achievement of the indicators and reported achievement as reported in the annual performance report.

Reported performance indicator / measure	**Reported achievement per APR**
Number of kilometres of internal gravel streets maintained in Musina	300km/machine hrs
Percentage of clean, maintain and reconstruction of hydraulic structures	75%
Routine road maintenance to surfaced roads	1125 m^2

Reported indicator: Number of high masts lights constructed in Madimbo sports ground.

28. The reported indicator in the annual performance report was not included in the SDBIP. The below indicator was reported in the annual performance report without the necessary approvals being obtained, furthermore, it was not planned or budgeted for.

Reported indicator in the APR but not included the SDBIP	**Planned targets per APR**	**Reported actual achievement per APR**
Number of high masts lights constructed in Madimbo sports ground	4	4

Various indicators

29. There was no clear and logical link between the indicators and targets listed below and the strategic objective to which it relates. The indicators focused on monitoring reports, while the strategic objective aimed to achieve service delivery. The systems and processes that enable reliable reporting of the achievement against these targets was also not adequately designed.

Indicator	**Reported actual achievement per APR**
Total Number of samples collected and analysed (blue and green drop)	108

Number of planned and maintenance work conducted (Water supply annually)	12
Number of planned and maintenance work conducted (Water supply annually)	10

Various indicators

30. I was unable to obtain sufficient appropriate audit evidence to support the measures taken to improve performance against the below indicators as reported in the annual performance report. This was due to limitations placed on the scope of my work. I was unable to confirm the reported measures taken by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reported measures taken to improve performance.

Reported indicators/ measures per APR	17/18 variance per APR	Measures taken to improve performance per APR
Number of planned and maintenance work conducted (Sanitation annually)	(2)	Consider budget allocation
Percentage of clean, maintain and reconstruction of hydraulic structure	(25%)	Additional resourcing
Number of speed humps constructed	(2)	Consider budget allocation
Routine Road maintenance to surfaced roads	(375m^2)	Consider budget allocation
Number of Multipurpose community centre constructed in Nancefield	(1)	Align project to MIG implementation plan
Number of sports Ground/stadium constructed in Muswodi village	(1)	Court to resolve the matter

Various **indicators**

31. The reported achievements for the indicators listed below did not agree to the supporting evidence provided.

Reported performance indicator / measure	Reported actual achievement per APR	Audited achievement
Total Number of samples collected and analyzed (blue and green drop)	108	129
Number of planned and maintenance work conducted (Water supply annually)	12	11
Number of kilometres of internal gravel streets maintained in Musina	300km / machine hrs	0
Percentage of clean, maintain and reconstruction of hydraulic structures	75%	0

Number of speed humps constructed	2	0
Number of MLM fleet maintained	8	0
Routine road maintenance to surfaced roads	1 125m^2	0
Kilometres of distance of copper to Aluminum conductor replaced in Musina	3km	0
Kilometers of paved roads constructed in Nancefield EXT4	1,8km	0

Development priority: Key Performance Area (KPA) 5 — Local economic development

Various indicators

32. **I was unable to obtain sufficient appropriate** audit evidence to support the reported achievement of indicators and reported achievement listed below. This was due to a lack of technical indicator descriptions and proper performance management systems and processes that predetermined how the achievement would be measured, monitored and reported. I was unable to confirm the reported achievement of the indicator by alternative means. Consequently, I was unable to determine whether any adjustments were required to the achievement of the indicators and reported achievement as reported in the annual performance report.

Reported performance indicator / measure	Reported achievement
Number of SMME developed	1
Number of jobs created through poverty alleviation	1 583

Various indicators

33. I was unable to obtain sufficient appropriate audit evidence to support the measures taken to improve performance against the below indicators as reported in the annual performance report. This was due to limitations placed on the scope of my work. I was unable to confirm the reported measures taken by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reported measures taken to improve performance.

Reported indicators/ measures per APR	17-18 variance per APR	Measures taken to improve performance per APR
Number of SMME marketing and exhibitions coordinated and conducted	(3)	Consider budget allocation
Number of SMME developed	(3)	Consider budget allocation

Other matters

34. I draw attention to the matters below. My opinions are not modified in respect of these matters.

Achievement of planned targets

35. Refer to the annual performance report on pages 71 and 79 for information on the achievement of planned targets for the year. This information should be considered in the context of the adverse opinions expressed on the usefulness and reliability of the reported performance information in paragraphs 16 of this report.

Report on the audit of compliance with legislation

Introduction and scope

36. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the compliance of the municipality with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

37. The material findings on compliance with specific matters in key legislations are as follows:

Annual financial statements, performance and annual reports

38. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA.

39. Material misstatements of non-current assets, current assets, current liabilities, revenue, expenditure and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected and the supporting records were provided subsequently, but the uncorrected material misstatements and supporting records that could not be provided resulted in the financial statements receiving a qualified audit opinion.

Expenditure management

40. Money owed by the municipality was not always paid within 30 days, as required by section 65(2)(e) of the MFMA.

41. Reasonable steps were not taken to prevent irregular expenditure amounting to R21 734 708 as disclosed in note 41.3 to the annual financial statements, as required by section 62(1)(d) of the MFMA. The majority of the irregular expenditure was caused by deviations from the procurement processes.

42. Reasonable steps were not taken to prevent fruitless and wasteful expenditure amounting to R2 948 074, as disclosed in note 41.2 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the disclosed fruitless and wasteful expenditure was caused due to interest on late payments.

Revenue management

43. An effective system of internal control for debtors and revenue was not in place, as required by section 64(2)(f) of the MFMA.

44. Interest was not charged on all accounts in arrears, as required by section 64(2)(g) of the MFMA.

Liability management

45. Short-term debt was incurred without a resolution of the municipal council approving the debt agreement, in contravention of section 45(2)(a) of the MFMA.

46. Short-term debt was not repaid within the financial year, as required by section 45(4) of the MFMA.

Conditional grant

47. I was unable to obtain sufficient appropriate audit evidence that the Municipal Infrastructure Grant and Integrated National Electrification Programme was spent for its intended purposes in accordance with the applicable grant framework, as required by section 17(1) of the DoRA.

Consequences management

48. Unauthorised, Irregular and fruitless and wasteful expenditure incurred by the municipality were not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(b) of the MFMA

49. Allegations of financial misconduct against senior managers were not always tabled before council, as required by disciplinary regulations for senior managers 5(2).

Strategic planning and performance management

50. The performance management system and related controls were not maintained as it did not describe how the performance planning, monitoring, measurement, review, reporting and improvement processes should be conducted managed, as required by municipal planning and performance management regulation 7(1).

Other information

51. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report which includes the audit committee's report. The other information does not include the financial statements, the auditor's report and those selected development priorities presented in the annual performance report that have been specifically reported in the auditor's report.

52. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.

53. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected development priorities presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

54. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, **I** may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

55. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion, the findings on the Annual Performance Report and the findings on compliance with legislation included in this report.

56. The accounting officer failed to develop mechanisms of oversight and monitoring for early detection and prevention of cash flow and liquidity challenges experienced by the municipality during the period under review. Leadership should ensure that adequate cash management processes are implemented to prevent liquidity challenges.

57. The critical positon of Chief Financial Officer remained vacant for full 12 months. The council should ensure that senior positions are filled timely to ensure stability in the municipality.

58. Senior management did not adequately oversee the operations of the municipality, as the financial statements submitted for audit contained material misstatements and material findings have been identified in the annual performance report and on compliance with laws and regulations. Further senior management failed to early detect cash flow and liquidity challenges of the municipality. Senior management should develop internal controls to ensure early detection of misstatements and cash management process.

59. The municipality's reactive approach in addressing inadequate systems of internal control indicates that mitigating processes are not effective. The council and audit committee should ensure that adequate risk identification strategies are developed.

Polokwane

03 December 2018

AUDITOR - GENERAL
SOUTH AFRICA

ArJdo,.,1₉

Annexure — Auditor-general's responsibility for the audit

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements, and the procedures performed on reported performance information for selected development priorities and on the municipality's compliance with respect to the selected subject matters.

Financial statements

2. In addition to my responsibility for the audit of **the** financial statements as described in this auditor's report, **I** also:

- Identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 municipality's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer.
- Conclude on the appropriateness of the accounting officer's use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on **the** Musina Local Municipality ability to continue as a going concern. If I conclude that a material uncertainty exists, **I** am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a municipality to cease continuing as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

3. **I** communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that **I** identify during my audit.

4. I also confirm to the accounting officer that I have complied with relevant ethical requirements

regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and, where applicable, related safeguards.

COMPONENT B: AUDIT COMMITTEE COMMENT

Audit and Performance Audit Committee Report to the Council of Musina Local municipality for the financial year ended 30 June 2018

We are pleased to present our report for the financial year ended 30 June 2018.

Audit committee members

The Audit and Performance Audit Committee has met four times during the financial year under review, in compliance with the approved terms of reference. The Internal Audit manager is the permanent invitee to the Audit and Performance Audit committee meetings, and has unrestricted access to bring any matter within their scope and responsibility to the attention of the committee.

The members of the audit committee are all independent members of the Municipality and include:

Name of the Member	Meetings attended	25/08/2017	28/11/2017	14/12/2017	05/03/2018
Mr B Mbewu — CIA, CRMA Appointed 1 April 2015 (chairperson)	414	✓	✓	✓	✓
Adv. EN Lambani - Appointed 1 April 2015 (member))	414	✓	✓	✓	✓
Ms. F Tshikhudo —B com, CRMA Appointed 1 April 2015 (member)	2/4	X	✓	✓	X

LEGEND

✓ **Attended X**
Did not attend

Audit committee responsibility

The audit and performance committee reports that it has complied with its responsibilities arising from section 166 of Municipal Finance Management Act, 2003, (Act 56 of 2003), section 79 of Municipal Structures Act 117, 1998 (Act 117 of 1998) and paragraph **14** (2)(a) of the Local Government: Municipal Planning and Performance Management Regulations, 2001 and the King lll Report on the Best Practices on Corporate Governance for South Africa. The audit and performance committee also reports that it has adopted appropriate formal terms of reference as its audit and performance committee charter, and regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

The effectiveness of internal control

The systems of internal controls applied by the Municipality over financial and risk management are effective, efficient and transparent. In line with the MFMA and the King lll Report on Corporate Governance requirements, **Internal** Audit provided the audit committee and management with assurance that the internal controls of the Municipality have been fairly designed, are efficient and effective. This was as a result of adequate risk management process, as well as the implementation of identified corrective actions and suggested enhancements to the controls and processes.

From the Audit Report of the Auditor-General South Africa on the annual financial statements of the municipality, it was noted that the Municipality regressed from the unqualified to qualified audit opinion for the year under review. The Audit and Performance Audit committee would like to encourage the municipality Council and management to improve this outcome. We further recommend that management implement an action plan to address all the findings raised by the Auditor General in order to strengthen the efficiency and effectiveness of the systems of internal controls over financial reporting, performance reporting and compliance with laws and regulations.

Evaluation of Annual Financial Statements

The Audit and Performance Audit committee has:

- Reviewed and discussed the audited annual financial statements to be included in the annual report, with the Auditor-General and the Municipality management;
- Reviewed the Municipality compliance with legal and regulatory provisions;
- Reviewed the Auditor General's management report and audit report
- Reviewed significant adjustments resulting from the audit.

Internal audit

The Audit and Performance Audit committee is satisfied that the internal audit function is operating effectively and that it has addressed the risks pertinent to the Municipality and its audits. Internal audit performed the audit of internal controls of the Municipality and through the information provided. The Audit and Performance Audit committee is satisfied with the effectiveness of the internal controls during the financial year. The committee has noted that there is adequate monitoring, oversight and implementation by management in managing internal controls.

Risk management

The Audit and Performance Audit committee is satisfied that risk management is continually improving within the Municipality. However, management needs to ensure that there is improved co-ordination between risk management and strategic planning functions, so that resources can be allocated in an optimal manner to address the top risks of the Municipality.

Pre-determined objectives

The Audit and Performance Audit committee is satisfied that preparation and reporting on pre-determined objectives of the Municipality is continually improving. It was recommended that continuous training should be provided to the Performance Management System Officers.

Evaluation of the effectiveness of finance function

The Audit and Performance Audit committee considered and reviewed the performance of the Chief Finance officer and finance function, and is satisfied that the resources and expertise of the finance function are adequate and appropriate.

Auditor-General of South Africa

The Audit and Performance Audit committee in consultation with management, agreed to the terms of the engagement. The audit fee for the external audit has been considered and approved taking into consideration such factors as the timing of the audit, the extent of the work required and the scope.

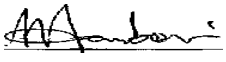
The Audit and Performance Audit committee has met with the Auditor-General of South Africa to ensure that there are no unresolved issues. The committee concur with and accept the Auditor-General of South Africa's report on the annual financial statements, and are of the opinion that the audited annual financial statements should be accepted and read together with the report of the Auditor-General of South Africa. The auditors remain independent throughout the financial year.

Reporting

The Audit and Performance Audit committee submitted quarterly reports to the Municipality Council, reporting on matters attended to during the relevant quarters.

Appreciation

The Audit and Performance Audit committee wishes to thank Municipality Council, Management and the staff for their continued commitment to improve effective control environment and good governance of Municipality. Our appreciation is also extended to the team from the AGSA for the value that they continue to add to the Municipality.



Adv. EN ambani

Chairperson

16 January 2019

COMPONENT C: AUDIT ACTION PLAN

No.	AUDIT FINDINGS	CATEGORY OF FINDING	DESCRIPTION OF FINDING	ROOT CAUSE	ACTION PLAN DESCRIPTION	START DATE	COMPLETION DATE	POSITION
1.	Bank	Matters affecting the auditor's report	COMAF 54 - Credit cards issued to municipality	The municipality issued credit cards linked to bank account of a municipality to municipal official without obtaining council approval. Short-term debt was not repaid within the financial year, as required by section 45(4) of the MFMA.	Management will ensure that no credit card is issued to any personnel without a council resolution/approval.	1-Jul-18	30-Jun-19	Chief financial officer
2.	Other Disclosure	Matters affecting the auditor's report	COMAF 15 - Irregular and fruitless and wasteful expenditure incurred by the municipality for the 2016/17 were not investigated to determine if any person is liable for the expenditure, as required by Short-term debt was not repaid within the financial year, as required by section 45(4) of the MFMA.	Investigation did not meet the following criteria as a minimum: · The investigation was not commissioned/ approved at the appropriate level. · Terms of reference of the investigations were approved. · The scope of the investigation addresses the allegation. · The recommendations/ findings were relevant to the allegation. · Investigations comply with auditee's policies with regard to independence and qualification/ position. Furthermore: When approving the write-off, the council committee did not consider: ● Measures already taken to recover the expenditure. ● Cost of the measures already taken to recover such expenditure. ● Estimated cost and likely benefit of further measures that can be taken.	Financial misconduct board established will ensure that a proper investigation is undertaken as required by section 45(4) of the MFMA.	2-Jan-19	30-Jun-19	Municipal manager
3.	Other Disclosure	Matters affecting the auditor's report	COMAF 68 - Going concern uncertainties – Financial recovery plan	The municipality is experiencing liquidity challenges as evident by - deficit of R65 421 261, - net current liability position of R214 101 735 (2016-17:149 796 817), - pressure from significant creditor Eskom to settle outstanding amount of R35m, - low collection of amount owed to the municipality in relation to exchange and non-exchange receivable Vhembe District R155 587314	Management plans to improve the financial situation includes the following: -Signed payment agreement with Eskom which will see the outstanding amount settled by March 2019, -The repayment of ABSA of R 1 990 614 by June in 208/19, - reduction of overtime work by 40% which will result in a saving of about R 4 448 538, - Stricter cash management to spend when cash is available. -The transfer of staff responsible for water transaction to Vhembe District which was previously at the cost of the municipality and raised as a receivable against the municipality, will free the equitable share to allow payment of other critical services, -Council approved resolution to sell most of land it owns in 2018/19 to improve revenue generation -The development of revenue strategies to enhance the collection of amounts owed, seek new avenues of revenue generations	1-Jul-18	30-Jun-19	Municipal manager

4.	Other Disclosure	Matters affecting the auditor's report	COMAF 72- Allegations not tabled before council	The Accounting Officer did not ensure all allegations received are tabled before the council	Management will ensure all oustanding and new allegations are tabled before council.	1-Jul-18	30-Jun-19	Municipal manager
5.	Payments	Matters affecting the auditor's report	COMAF 31- Expenditure: Expenditure was not always paid within 30 days	cash flow challenges	Eskom debt will be fully repaid in the third quarter. Implementation of the revenue enhancement strategy, financial recovery plan and cost containment measures.	1-Jul-18	30-Jun-19	Chief financial officer
6.	Bank	Matters affecting the auditor's report	COMAF35- Unspent conditional grant at year end not supported by cash in the bank	MIG and INEP used for operational needs	CFO will ensure that conditional grants are used for intended purposes.	1-Jul-18	30-Jun-19	Chief financial officer
8.	Payments	Matters affecting the auditor's report	COMAF 71 - Payables non exchange: Payables from non-exchange transactions understated	The billing amount presented in the reconciliation for the payables from non-exchange is misstated The Chief Financial Officer did not ensure that the debtors are assessed for impairment at end of each reporting period.	The Chief Financial Officer will ensure that the debtors are assessed for impairment at end of each reporting period.	*30-Jun-19*	31-Aug-19	Chief financial officer
9.	Predetermined Objectives	Matters affecting the auditor's report	COMAF 13 - Reported indicator not planned	Indicator not included in the SDBIP but reported in the APR	We will ensure adequate review of the IDP, SDBIP and APR going forward to ensure consistency and complete reporting.	1-Jul-18	30-Jun-19	Senior manager Corporate services
10.	Predetermined Objectives	Matters affecting the auditor's report	COMAF 22 - Differences between reported achievement per APR and audited achievement	PMS department did not implement sufficient oversight responsibility over reporting and compliance with laws and regulations, and internal controls. PMS department did not ensure that reported indicators in the APR are supported by relevant portfolio of evidence.	PMS and Internal Audit will implement sufficient oversight responsibility over reporting, monitoring, compliance with laws and regulations and internal controls. PMS and Internal Audit will ensure that reported indicators in the APR are supported by relevant portfolio of evidence.	1-Jul-18	30-Jun-19	Senior manager Corporate services
11.	Predetermined Objectives	Matters affecting the auditor's report	COMAF 22 - Indicators not well defined and verifiable	PMS department did not implement sufficient oversight responsibility over reporting and compliance with laws and regulations, and internal controls. PMS department did not ensure that planned indicators per SDBIP and reported indicators per APR are measurable and verifiable.	Performance indicators will be reviewed and necessary changes will be made on the adjusted SDBIP for 2018/19.	1-Jul-18	31-Mar-19	Senior manager Corporate services
12.	Predetermined Objectives	Matters affecting the auditor's report	COMAF 22 - Presentation and disclosures for the reported indicators not in line with Municipal Systems Act	Measures taken to improve performance for the below under-achieved indicators as stated in the APR are not supported by corroborating evidence	PMS will ensure on a quarterly basis for unacheived indicators that measures taken to improve performance are supported by corroborating evidence. Internal audit will assist with the review.	1-Jul-18	30-Jun-19	Senior manager Corporate services
13.	Predetermined Objectives	Matters affecting the auditor's report	COMAF 51 - Indicators not relevant to the core functions of the municipality	Indicators related to water service provider not delegated to the municipality. There was no agreement between Vhembe and Musina Municipality to be the water service provider	Service level agreement that indicates agreement between VDM and Musina Local municipality for water service provision by Musina will be obtained. SDBIP will be reviewed to ensure that only the indicators relevant to the municipality are included.	1-Jul-18	30-Jun-19	Senior manager Corporate services

14.	Predetermined Objectives	Matters affecting the auditor's report	COMAF 51 - Performance indicators were not well-defined and/or targets were not specific, and/or measurable and/or time bound	PMS department did not implement sufficient oversight responsibility over reporting and compliance with laws and regulations, and internal controls. PMS department did not ensure that planned indicators per SDBIP and reported indicators per APR are measurable.	Performance targets will be reviewed and necessary changes wil be made on the adjusted SDBIP.	1-Jul-18	31-Mar-19	Senior manager Corporate services
15.	Receivables	Matters affecting the auditor's report	COMAF 70 No assessment of any objective evidence that debtors are impaired	Municipality did not assess the receivables non exchange balances for impairment loss for the year ended 30 June. Sundry Debtors – No impairment assessment has been provided. Auctioned stands- No correction has been provided Vhembe district- The assessment of impairment still needed to be performed as there is no history of payments made from Vhembe. The only payments reflected are the one that the municipality set off against their expenditure.	Assessment of receivables from non exchange transaction for 2018/19 will be done at year end	*30-Jun-19*	31-Aug-19	Chief financial officer
16.	Receivables	Matters affecting the auditor's report	COMAF 4 - Revenue – Interest earned on outstanding receivables not disclosed	During the period where the municipality had system challenges, the manual reconciliation of accounts was not done and interest was not accrued. After accruing the interest, the municipality was supposed to impair the interest based on the reasons provided.	Management will obtain council resolution to waiver interest for the 2017/18 financial year as interest coud not be charged due to system challenges, however interest for 2018/19 will be charged for outstanding receivables.	*1-Jul-18*	30-Jun-18	Chief financial officer
17.	Records	Matters affecting the auditor's report	COMAF 64 - VAT differences The amount reported in the AFS is unsupported due to this unexplained difference. TB R19 581 070,21 AFS R25 605 410 Difference R6 024 339.79	No sufficient evidence provided to reconcile the differences.	A working paper explaining the difference has been prepared and awaiting audit.	*1-Jul-18*	30-Jun-19	Chief financial officer
18.	Human Resources	Other important matters	COMAF 6 - Employee costs - High vacancies in senior management and key divisions	The available resources do not permit the municipality to fill all vacant position taking account of collection rate and the norm of personnel expenditure against the operational budget.	Interviews for Senior management post were done in december 2018.	*1-Jul-18*	30-Jun-19	Municipal manager and GM:Corporate service
19.	Human Resources	Other important matters	COMAF 24 - Employee cost-The overtime worked is contravening the basic condition of employment act	The HR Department did not implement proper controls in place to ensure that the employees are not paid more than 40 overtime hours per month	An arrangement has been made to ensure employees who work more than 40 hours a month as a a result of service delivery are given time off at work rather than paid excess of 40 hours worked.	*1-Jul-18*	30-Jun-19	Municipal manager and GM:Corporate service
20.	Human Resources	Other important matters	COMAF 24- Employee cost-2. Misstatements identified in the	Incorrect rate used to calculate overtime worked.	Management will review all over time forms to ensure the correct rate is used for all overtime payments.	*1-Jul-18*	30-Jun-19	Manager expenditure

			overtime payments					
21.	Revenue	Other important matters	COMAF 4 - Additions for consumer deposits not disclosed	In the absence of an accounting system management did not have a designed alternative process to recognise, measure and record consumer deposit for the year.	Management will ensure all system challenges are resolved and consumer deposit recorded in the system.	*1-Jul-18*	30-Jun-19	Manager revenue
22.	Revenue	Other important matters	COMAF 26- Consumer deposits - Misstatements identified in consumer deposit	Applications for municipal services which includes the consumer deposit payable to the municipality was not recorded in the consumer deposit register which was not prepared and subsequently not recorded to the general ledger. , consumers paid the deposits but were not reconciled in the register. Furthermore, these accounts could not agree to the approved tariffs. Auditors could not establish whether the filled consumer deposit forms provided for audit were complete and that deposit was paid or utilised as the down payment on the consumer accounts as not all forms have the account numbers and the statements.	Management will ensure the following. 1. A consumer deposit register is updated with all new applications for services, subsequently reviewed by a senior personel. 2.All deposits received are captured in the system to update the general ledger and debtor accounts.	*1-Jul-18*	30-Jun-19	Manager revenue
23.	Other Disclosure	Other important matters	COMAF 17 - UIF Noncompliance with MFMA S32(4)	Accounting officer did not inform the mayor, the MEC for local government in the province and the Auditor-General, in writing, of any unauthorised, irregular or fruitless and wasteful expenditure incurred by the municipality for the 2017/18	The accounting officer will ensure that all UIF incurred during the year (if any) is reported in writing to all relevant departments and stakeholders.	*1-Jul-18*	30-Jun-19	Municipal manager
24.	Procurement	Other important matters	COMAF 69 Use of Consultant- The consultant's contract does not include a clause for transfer of skills	The Accounitng Officer did not ensure that the scope of work as per the contract are in line with the Guide for Municipal Accounting Officers when it comes to the training or transfer of knowledge and skills to the officials by the consultant appointed. The contract of PK Financial Consulting for the service of VAT Review and Recorvery does not include the details of the transfer of skills by the consultant to the relevant officials as in terms of Guide for Municipal Accounting Officers_15.7	Management will ensure that contracts signed especially were skills can be transferred will include a perfomance clause to ensure all relevant Muncipal officials are well trained and knowleageable.	*1-Jul-18*	30-Jun-19	Municipal manager
25.	Bank	Other important matters	COMAF 61 - Interest on external investment - Understatement of interest due to non - accrual	Differences between the bank confirmation and annual financial statement in relation to interest income for the year ending 30 June 2018 Interest for bank account 2069887974 not recorded on the AFS	Management will ensure that interest received on all investment are recorded in the correct financial year.	*1-Jul-18*	30-Jun-19	Chief financial officer
26.	Payments	Other important matters	COMAF 43: Overpayment: Amounts paid based on Quotations (not equal to amount per invoices)	Payments are made without a valid tax invoice,	Senior Management will review all payments documentation to ensure no payment is made without proper documentation.	*1-Jul-18*	30-Jun-19	Manager expenditure
27.	Payments	Other important matters	COMAF 38 - Amount Paid does not agree to amount as per the general ledger	Amount per supporting documents is VAT inclusive, however there is no split on the general ledger - indicating amount excl of Vat, Vat amount, and amount incl	Amonthly reconciliation of the general ledger will be perfomed to ensure that all payments are allocated to the correct accounts including spliting of VAT to the VAT control account.	*1-Jul-18*	30-Jun-19	Chief financial officer

28.	Predetermined Objectives	Other important matters	COMAF 9 - Predetermined objectives – Internal audit unit did not review all the performance reports	Due to challenges with receiving portfolio of evidence to support the 3rd and 4th quarter performance reports internal auditors only reported on the performance measures of the municipality for 1st and 2nd quarter.	Performance information will be audited and reported on a quarterly basis	*1-Jul-18*	30-Jun-19	Manager internal audit
29.	Procurement	Other important matters	COMAF 36 - SCM -No three written quotation obtained as required by SCM Reg 36(2)	Three quotations were not obtained and there was no approval of deviation attached	SCM manager will ensure compliance with SCM reg 36(2)	*1-Jul-18*	30-Jun-19	Manager SCM
30.	Procurement	Other important matters	COMAF 36-SCM-No evidence of tax compliant when the order was awarded	No evidence that suppliers were tax compliant at the time of award from review of CSD reports.	CSD reports will be obtained before award is made to confirm tax complaint status	*1-Jul-18*	30-Jun-19	Manager SCM
31.	Procurement	Other important matters	COMAF 42-SCM No evidence that the specification committee compiled the specification	Project initiated by the former mutale municipality before disestablishment, municipality was unable to secure all the records pertaining to this procurement.	SCM unit will ensure that all the required SCM documents are properly filed and safeguarded so that they are easily retrievable when requested for auditing.	*1-Jul-18*	30-Jun-19	Manager SCM
32.	Procurement	Other important matters	COMAF 42-SCM:Points not calculated in terms of PPR	Points for tenders were calculated using the lowest price and for the bid that were disqualified as either administrative or functionality	SCM manager will ensure that points for price is only calculated on responsive bids	*1-Jul-18*	30-Jun-19	Manager SCM
33.	Revenue	Other important matters	COMAF 37-Assessment rates - Incorrect tariffs used to calculate the property rates.	The CFO did not implement proper controls to ensure that tariffs loaded on the billing system are as per the tariffs on the approved tariffs list.	Manager revenue will verify that the correct tariffs are loaded on the billing system	*1-Jul-18*	30-Jun-19	Manager revenue
34.	Revenue	Other important matters	COMAF 50-Revenue from license and permits is not complete	Cash receipts for licenses and permits from traffic department were not recorded in the Munsoft system for the purpose of receipting the amount received as revenue from license and permits	Management will perfom a reconciliation of all receipts to the general ledger to ensure all receipts are captured in the financial system.	*1-Jul-18*	30-Jun-19	Chief financial officer
35.	Payments	Other important matters	COMAF 29 - Vat input was incorrectly classified	An amount which relates to the vat input was incorrectly posted to the insurance premiums account.invoice submitted by the supplier is not VAT compliant as it did not indicate the VAT number of the municipality.	Suppliers submitting invoices to the municipality for payments will be requested to indicate the VAT number of the municipality on their invoices	*1-Jul-18*	30-Jun-19	Manager expenditure
36.	Payments	Other important matters	COMAF 29 - Input vat claimed on an invalid invoice	Musina Local Municipality VAT registration number did not appear on the invoices received from a supplier, thus rendering it invalid to be considered as tax invoice.	Suppliers submitting invoices to the municipality for payments will be requested to indicate the VAT number of the municipality on their invoices	*1-Jul-18*	30-Jun-19	Manager expenditure
37.	Human Resources	Administrative matters	COMAF 24 Employee cost-Overtime worked without Pre approval	overtime was worked and there is no evidence of pre-approval or agreement	Managers will ensure that no employee works overtime without pre approval	*1-Jul-18*	30-Jun-19	All managers

38.	Other Disclosure	Administrative matters	COMAF 1 - Audit committee did not perform the assessment of the finance function	Annual report does not have a brief commentary regarding the effectiveness of the finance function	Manager internal audit will review audit committee report for 201718 to ensure that it includes a brief commentary regarding the effectiveness of the finance function	*29-Nov-18*	31-Mar-19	Manager internal audit
39.	Other Disclosure	Administrative matters	No external quality review performed on the work of Internal auditors	No external assessments which were conducted on the work performed by the internal auditors for the past 5 years.	Internal audit manager will request external assessment from National treasury	*1-Jul-18*	30-Jun-19	Manager internal audit
40.	Procurement	Administrative matters	COMAF 30- Irregular expenditure- Amount as per listing does not agree to the amount as per supporting documents	The Chief Financial Officer did not ensure that accurate and complete disclosure of Irregular expenditure that is supported and evidenced by reliable information is prepared and reviewed.	The Chief Financial Officer will ensure that accurate and complete disclosure of Irregular expenditure that is supported and evidenced by reliable information is prepared and reviewed.	*1-Jul-18*	30-Jun-19	Manager SCM
41.	Predetermined Objectives	Administrative matters	COMAF 7 - Predetermined objectives : - Road infrastructure – No Road Maintenance Plan	· The municipality did not have an approved roads maintenance plan (RMP) for the renewal and routine maintenance of roads infrastructure. · The municipality did not perform condition assessments for all roads infrastructure under its control to inform the roads maintenance plan. · A priority list of roads infrastructure for the renewal and routine maintenance projects was not developed for the period under review. · There are insufficient qualified technical staff to meet project needs and conduct the condition assessments in relation to roads infrastructure due to 3 vacancies (two for technicians and one for Superintendent)	Management will assess the need, importance of planning, management and reporting on road infrastructure and the need for required road maintenance plans.	*1-Jul-18*	30-Jun-19	Municipal manager
42.	Predetermined Objectives	Administrative matters	COMAF 11 - Key Performance Indicators not consistent	key performance indicators not reported in the annual performance report for 2017/18.	Annual performance report will be reviewed to ensure that only planned Indicators are repored on the annual performance report	*1-Jul-18*	30-Jun-19	Senior manager Corporate services
43.	Predetermined Objectives	Administrative matters	COMAF 13 - No technical description for the indicators	The KPI ID on the technical indicator description did not look exactly as the indicators on the higher level of the SDBIP	2018/19 SDBIP will be reviewed to ensure that KPI ID on the technical indicator description are consistent to the indicators on the higher level of the SDBIP	*1-Jul-18*	31-Mar-19	Senior manager Corporate services

APPENCICES

DATE	TYPE	SUBJECT	RESOLUTION NUMBER	RESOLUTION
07 July 2017	Special	Appointing of municipal manager /accounting officer	9.1.7.2017	(a) That council appoints Mr. Thovhedzo Nathaniel Tshiwanammbi as Municipal Manager and Accounting Officer of Musina Local Municipality effective from 01 August 2017 subject to concurrence by the Member of the Executive Committee responsible for Local Government. (b) That the appointment of Mr. Thovhedzo Nathaniel Tshiwanammbi as Municipal Manager be on a five years fixed term performance based employment contract and subject to conclusion of annual performance agreement. (c) That notwithstanding the appointment term as referred to in paragraph (b) above the fixed term employment contract must not exceed a period of 12 months into the term of the new council. (d) That Mr. Thovhedzo Nathaniel Tshiwanammbi be appointed to the position of Municipal Manager on a commencing Total Remuneration Package of R 1 208 463.00 per annum as per the Government Notice on Upper Limits of Total Remuneration Packages payable to Municipal Managers and Managers directly accountable to Municipal Managers, Government Notice No. 381 published under Gazette Notice No. 40118 issued on 4 July 2016. (e) That the successful candidate be required to furnish a declaration regarding political office as per section 56A of the Local Government Municipal Systems Act, 2000 (Act No. 32 of 2000). (f) That the appointed Municipal Manager and Accounting Officer discharge powers and responsibilities accorded to the position of municipal manager by law or delegation including those contemplated in section 55 of the Local Government Municipal Systems Act, 2000 (Act No. 32 of 2000). (g) That council authorize the mayor to within 14 days in accordance with section 56 (4A) (a) to inform the Member of the Executive Committee responsible for Local Government of the appointment process and outcome. That all interviewed candidates including unsuccessful applicants be informed of the outcome of the interview
24 August 2017	Ordinary	Report on revenue enhancement strategy for the Musina local municipality	11.8.1.8.2017	(1) THAT council approve the Revenue Enhancement Strategy for the Musina Local Municipality. (2) THAT after approval various role players within the municipality be notified of the strategy. That an action plan be developed to facilitate implementation of the strategy.
		Report on proposal to write off redundant assets	11.2.8.2017	THAT the writing off of all redundant office equipment / assets to the value of R354 659.51 (as per the attached list marked as annexure “E” is approved, and a separate list be kept of such assets until they are either sold or donated
		Report on the implementation of supply management policy during the fourth quarter April 2017 to June 2017	11.3.8.2017	THAT the report on the implementation of the Supply Chain Management Policy as required by the Municipal Supply Chain Regulations for the fourth quarter 2016/17 financial year is noted and approved.
		Report on adoption of information and communication technology (ICT) equipment usage policy	11.4.8.2017	(1) THAT the Musina Local Municipality ICT policy on Equipment Usage is approved. THAT after approval by council the Policy be implemented henceforth

		Report on adoption of legal services policy /framework for 2017/2018 financial year	11.5.8.2017	(1) THAT council approves Legal Services Policy / Framework for 2017/2018 financial year. THAT subsequent to approval of the policy by council it be implemented henceforth until it is reviewed.
		Report on audit performance audit committee charter 2017/2018	11.6.8.2017	(1) THAT the Audit and Performance Committee Charter for 2017/2018 financial year be approved. THAT appropriate measures be put in place to abide by the terms addressed in the Charter
		Report on adoption of communication strategy for Musina local municipality for 2017/2018	11.7.8.2017	(1) THAT council approve the 2017 / 2018 Communication Strategy of Musina Local Municipality. (2) THAT after approval and adoption of the strategy by council various role players within the municipality be notified of the strategy. That an action plan be developed to facilitate implementation of the strategy
		2016/2017 fourth quarter SDBIP performance report from April 2017 to June 2017	11.8.8.2017	(1) THAT council approves Service Delivery Budget Implementation Plan (SDBIP) Performance report for the period April 2017 to June 2017. (2) That the report be referred for review by the internal audit, audit committee and performance audit committee accordingly. That the reviewed report forms part of the 2016/17 Annual Report.
		Report on appointing of acting general manager Technical services	11.9.8.2017	(a) That council appoints Mr TN Tshiwanammbi as Acting General Manager Technical Services for a period of 3 months, commencing on 01 September 2017 and lapsing on 30 November 2017 or up to a date on which permanent filling of the vacancy takes effect whichever comes first. (b) That concurrence be sought for an acting appointment. That council fast track the recruitment process for filling the vacancy.
		Report on appointing of acting general manager: Corporate Services	11.10.8.2017	1. That council appoints Mr TN Tshiwanammbi as Acting General Manager Corporate Services for a period of 3 months, commencing on 01 September 2017 and lapsing on 30 November 2017 or up to a date on which permanent filling of the vacancy takes effect whichever comes first. 2. That concurrence be sought for an acting appointment. That council fast track the recruitment process for filling the vacancy
		Report on appointing of acting general manager: Economic Development and Planning	11.11.8.2017	(1) That council appoints Mr TN Tshiwanammbi as Acting General Manager Economic Development and Planning for a period of 3 months, commencing on 01 September 2017 and lapsing on 30 November 2017 or up to a date on which permanent filling of the vacancy takes effect whichever comes first. That council fast track the recruitment process for filling the vacancy
		Report on the development of the Integrated Transport Plan (ITP)	11.12.8.2017	(1) THAT council take cognisance and note progress that has been made with regard to the development of Musina Local Municipality Integrated Transport Plan (ITP). (2) THAT council approves Musina Local Municipality ITP. THAT after approval the plan be implemented henceforth
		Report on tabling of 2018/19 IDP /budget process plan	11.13.8.2017	(1) THAT council approve the IDP and Budget process plan / Schedule for the 2018/19 cycle. THAT after approval the process plan / schedule be implemented.

		Report on approval for re-advertisement of the position of general manager: corporate services	11.14.8.2017	(a) That council authorize re-advertisement for position of General Manager Corporate Services. (b) That the re-advertisement processes must comply with provisions of the Local Government Municipal Systems Act: Regulations on Appointment and Conditions of Employment of Senior Managers. (c) That the total remuneration package applicable to the vacancy of General Manager Corporate Services complies with Government Notice on Upper Limits of Total Remuneration Packages payable to Municipal Managers and Managers directly accountable to Municipal Managers, Government Notice No. 381 published under Gazette Notice No. 40118 issued on 4 July 2016 or any other subsequent notice on the matter. That council fast track the recruitment process for filling of the vacancy and ensure that the position is filled by end of December 2017
29 August 2017	Special	report on the acknowledgement of debt and repayment plan for municipal bulk supply and suspending future interest charges (eskom) (56/9)	9.1.9.2017	(1) THAT council take note and approves the attached revised acknowledgement of debt and repayment plan agreement between Musina Local Municipality and Eskom for municipal bulk supplies and suspending future interest charges. (2) THAT council takes note and approves the structure of the repayment arrangement outlined as follows: (i) R17 877 376 on or before 30th November 2017. (ii) R17 877 376 on or before 31st of March 2018. (iii) R17 877 376 on or before 31st July 2018. (iv) R17 877 376 on or before 30th November 2018. (v) R17 877 376 on or before 31 March 2019. (3) THAT council take note and approves the two conditions for Eskom to suspend future interest charges, i.e.: (i) Payment of the current account in full and by the due date, and A council resolution on the repayment plan.
		report on re-advertisement of the position chief financial officer (132/9/4)	9.2.9.2017	(a) THAT council approves and authorize for re-advertisement of the vacant position of Chief Financial Officer. (b) THAT the re-advertisement processes must comply with provisions of the Local Government Municipal Systems Act: Regulations on Appointment and Conditions of Employment of Senior Managers. (c) THAT the total remuneration package applicable to the vacancy of Chief Financial Officer complies with Government Notice on Upper Limits of Total Remuneration Packages payable to Municipal Managers and Managers directly accountable to Municipal Managers, Government Notice No. 381 published under Gazette Notice No. 40118 issued on 4 July 2016 or any other subsequent notice on the matter. (d) THAT the closing date for an advertisement of a vacancy of Chief Financial Officer (CFO) be for a period of 14 days from date of publishing in a national newspaper. THAT the recruitment process for filling of the vacancy be fast tracked.
		report on acting appointment for chief financial officer (cfo) (132/9)	9.3.9.2017	(a) THAT council appoints Mr L.M Murulana as Acting Chief Financial Officer for a period of 3 months, commencing on 1 October 2017 and lapsing on 31 December 2017 or up to a date on which an incumbent is appointed to the

				position whichever comes first subject to concurrence of Member of the Executive Council (MEC) responsible for local government. (b) THAT the mayor/municipal manager be authorised to lodge a concurrence application in respect of an acting appointment of the Acting Chief Financial Officer. (c) THAT the Acting Chief Financial Officer assumes all legislative and delegated duties and responsibilities attached to the position of Chief Financial Officer. THAT the recruitment process for filling of the vacancy be fast tracked.
23 November 2017	Ordinary	report to the mayor on the implementation of supply mamangement policy during the first quarter of the 2017/18 financial year (july 2017 to septmber 2017	10.1.11.2017	THAT the report on the implementation of the Supply Chain Management Policy as required by the Municipal Supply Chain Regulations for the First quarter 2017/18 financial year is noted and approved.
		report on audit and performance audit committee report	10.2.11.2017	(a) THAT the Audit and Performance Committee's quarterly reports for the 4th quarter is approved. (b) THAT appropriate measures be put in place to address areas of concern. That management during subsequent Audit and Performance Audit Committee (APAC) meetings report on measures to address matters raised in the report.
		2017/18 1st quarter service delivery budget implementation plan (sdbip) performance report from (july to september 2017)	10.3.11.2017	THAT council approves Service Delivery Budget Implementation Plan (SDBIP) Performance report for the period July to September 2017. (2) THAT the report be referred for review by the internal audit, audit committee and performance audit committee accordingly. (3) THAT the reviewed report forms part of the 2017/18 Mid-Year and Annual Report.
		report on musina local municipality civil funeral policy for councillors and traditional leaders serving in council.	10.4.11.2017	(1) That council approves the Municipal Civil Funeral for Councillors and Designated Traditional Leaders Serving in Council Policy. (2) That the policy be implemented forthwith until it is reviewed. That the application of the policy covers categories specified in clause 3 and clause 8 of the policy.
		report on establishment of financial misconduct disciplinary board	10.5.11.2017	(a) THAT Council approves the establishment of Municipal Financial Misconduct Disciplinary Board. (b) That members of the Municipal Financial Misconduct Disciplinary Board serve for a period not exceeding 3 years. (c) That council accords the following terms of reference to the Municipal Financial Misconduct Disciplinary Board:

				(a) Conduct investigations of alleged acts of financial misconduct as referred to by council in accordance with the applicable regulations and standards. (b) Source and acquire information necessary to further investigations. (c) Generate reports on investigation conducted. (d) Provide recommendation on steps to be taken. (e) Provide advice to council on financial misconduct matters. (f) To appoint from amongst its member a person to serve as chairperson of the financial misconduct board. (g) That the following officials forms part of the Municipal Financial (h) Misconduct Disciplinary Board (i) Head of Internal Audit Unit of the municipality. (j) One member of the Audit Committee and who is the Risk Committee Chairperson. (k) A senior manager from the legal division. (l) A Representative of the National Treasury or Provincial Treasury (to be designated by National or Provincial Treasury). (m) Any other person as may be determined by the municipal council. (n) That the Municipal Financial Misconduct Disciplinary Board comes into effect on the date of council approval and remain in force for a period of 3 years or disestablishment by council whichever comes first.
		report on the review expanded public works programme (epwp) policy	10.6.11.2017	1. THAT the review of EPWP policy be considered by the council for approval. 2. THAT the EPWP policy be reviewed and adopted by the council as working document of the Municipality.
		limpopo business registration act: devolution of function to musina local municipality	10.7.11.2017	That Council approves the devolution to the municipality and that the Municipal Manager be authorised to sign all administrative related matters on behalf of Council as per the Provincial Extraordinary Gazette No 2492 dated 02 April 2015, General Notice 99 of 2015, Limpopo Business Registration Act No 5 of 2003.
		report on the development of aqua-culture on erf 4660 nancefield ext 10 (spirulina)	10.8.11.2017	That Council rescind Council resolution number 17.1.2015 based on the fact that Aquaculture is not viable. That Council consider leasing the Spirulina Plant to the University of Venda for revitalisation the plant. That the municipality enters into a 4 years 11 Months lease agreement with the option to extend it for another period not longer than 2years 11 months. That the Municipal Manager be mandated to finalised the lease agreement and conditions of the lease. That the plant be leased at the market related value. That notices be published in accordance to Ordinance 17 of 1939 for a period of 14 days to allow for public comments. The University of Venda ensure that the plant is in good working condition at own cost.
		report on the establishment of municipal planning tribunal	10.9.11.2017	(1) THAT council approves the establishment of the municipality's own Municipal Planning Tribunal. (2) THAT the Municipal Manager be given authority to finalise composition of the Municipal Planning Tribunal.

				(3) THAT Manager Town & Spatial Planning Unit be delegated powers and authorised to approve category two (2) applications and be official to replace the General Manager: Economic Development and Planning
		report of musina local municipality firearm policy / guideline	10.10.11.2017	(1) THAT council approves the firearm policy / guideline for the Musina Local Municipality. (2) That after approval of the firearm policy / guideline it be implemented as a guideline for regulating official firearms by Musina Municipality traffic management. THAT once ratified by all relevant structures, the firearm policy be implemented in line with the Firearm Control Act 60 of 2000.
		report on the musina local municipality traffic manual	10.11.11.2017	(1) THAT Council approves the Traffic policy Manual. (2) That the approved Traffic Policy Manual be implemented immediately and be used as a guideline for regulating official operations by Musina Municipality traffic management. That once ratified by all relevant structures, the Traffic policy be implemented in line with the Firearm Control Act 93 of 1996.
		report on recurring anomalies from 2013/14 to 2015/16 financial years:	10.12.11.2017	(1) THAT council refer this matter to MPAC for investigations after which the report with recommendations will be tabled before council. (2) THAT council to monitor through MPAC the implementation by the Accounting Officer on the Auditor General's findings and recommendations as per the AG's Report. (3) THAT overtime to be in accordance to BCEA (Basic Conditions of Employment Act). THAT the municipality should have its own overtime Policy that must be presented before council and adopted by council.
		report on unauthorised, irregular and / or wasteful expenditure	10.13.11.2017	(1) THAT council to rescind the resolution taken on the 29th June 2017 of item no 8.3.6.2017 during the urgent special council meeting. THAT council refer this matter back to MPAC for investigation after which the report with recommendations will be tabled before council.
25 January 2018	Ordinary	report to mayor on the implementation of supply chain management policy during the second quarter (October 2017 to December 2017)	10.1.01.2018	That the report on the implementation of the Supply Chain Management Policy as required by the Municipal Supply Chain Regulations for the second quarter (2017/18 financial year be noted and approved.
		section 52 report for the quarter ended on 30 september 2017	10.2.01.2018	THAT council consider and approve the Section 52 report for the quarter ended 30 September 2017.
		section 71 report for the month ended on 31 july 2017:	10.3.01.2018	THAT council consider and approve the Section 71 report for the month ended on 31 July 2017.

		section 71 report for the month ended on 31 august 2017	10.4.01.2018	THAT council consider and approve the Section 71 report for the month ended on 31 August 2017.
		section 71 report for the month ended on 30 september 2017	10.5.01.2018	THAT council consider and approve the Section 71 report for the month ended on 30 September 2017.
		section 71 report for the month ended on 31 october 2017	10.6.01.2018	THAT council consider and approve the Section 71 report for the month ended on 31 October 2017.
		deviation from and ratification of minor breaches of, procurement processes (july to december 2017	10.7.01.2018	THAT council approve the deviation from Supply chain management regulations from July 2017 – December 2017 due to procurement of Goods and Services on emergency and sole supplier.
		section 72 report for the half year ended on 31 december 2017:	10.8.01.2018	That council approve the Sec 72 report as at 31st December 2017.
		report on the hiv and aids policy	10.9.01.2018	(1) THAT council approves the HIV/AIDS policy to effect its implementation. (2) THAT the HIV/AIDS policy to be considered a guideline to assist in developing effective response programmes that aim at mitigating the impact of HIV, STI's and TB on orphans, vulnerable children and youths Within Musina Local Municipality. THAT once ratified by all relevant structures, the HIV/AIDS policy be implemented.
		town planning report for the applications considered by vhembe district municipal tribunal.	10.10.01.2018	THAT council note the report on town planning applications submitted to Vhembe District Municipality for consideration.
		report on audit and performance audit committee report for 2016/2017 financial year	10.11.01.2018	(a) THAT the Audit and Performance Committee's report for the 2016/2017 financial year be approved. (b) THAT appropriate measures be put in place to address areas of concern. That management during subsequent Audit and Performance Audit Committee (APAC) meetings report on measures to address matters raised in the report.
		determination of upper limits of salaries, allowances and benefits of different members of municipal councils (file no. 36)	10.12.01.2018	(a) THAT council notes the 2017/18 upper limits of salaries, allowances and benefits of different members of municipal councils as set out in Government Notice No. 440 of Government Gazette No. 41335 of 15 December 2017. (b) That council approves implementation of the 2017/18 determined upper limits of salaries, allowances and benefits of different members of municipal council subject to: (c) Confirmation of municipal grading determination by the Member of the Executive Council responsible for local government in the province;

				(d) Concurrence by a Member of the Executive Council (MEC) responsible for local government in the province authorising implementation of 2017/18 determined upper limits of salaries, allowances and benefits of different members of municipal council as determined by the minister as per Government Notice No. 440 of Government Gazette No. 41335 of 15 December 2017. (e) That necessary adjustments on the municipal budget be made to ensure full coverage of costs of salaries, allowances and benefits of full time as well as part time Councillors as set out in the published Government Notice No. 440 of Government Gazette No. 41335 of 15 December 2017 (f) THAT the mayor be authorised to consult and seek concurrence from Member of the Executive Council (MEC) responsible for local government in the province for implementation of upper limits of salaries, allowances and benefits of different members of municipal councils as determined. THAT the determined upper limits of salaries, allowances and benefits of different members of municipal councils as set out in Government Notice No. 440 of Government Gazette No. 41335 of 15 December 2017 be implemented retrospective to 01 July 2017.
		report on appointment of acting general manager technical services (132/9/1	10.13.01.2018	(a) That council appoints Acting General Manager Technical Services for a period of 3 months, commencing on 25 January 2018 and lapsing on 25 April 2018 or up to a date on which permanent filling of the vacancy takes effect whichever comes first. That council fast track the recruitment process for filling the vacancy.
		acting appointment for general manager, economic development planning (132/9/1	10.14.01.2018	(a) That council appoints Acting General Manager Economic Development & Planning for a period of 3 months, commencing on 25 January 2018 and lapsing on 25 April 2018 or up to a date on which permanent filling of the vacancy takes effect whichever comes first. That council fast track the recruitment process for filling the vacancy.
		report on appointment of acting general manager corporate services (132/9/1)	10.15.01.2018	(a) That council appoints Acting General Manager Corporate Services for a period of 3 months, commencing on 25 January 2018 and lapsing on 25 April 2018 or up to a date on which permanent filling of the vacancy takes effect whichever comes first. That council fast track the recruitment process for filling the vacancy.
		report on acting appointment for chief financial officer (cfo) (132/9)	10.16.01.2018	(a) THAT council appoints an Acting Chief Financial Officer for a period of 3 months, commencing on 25 January 2018 and lapsing on 25 April 2018 or up to a date on which an incumbent is appointed to the position whichever comes first subject to concurrence of Member of the Executive Council (MEC) responsible for local government. (b) THAT the mayor/municipal manager be authorised to lodge a concurrence application in respect of an acting appointment of the Acting Chief Financial Officer. (c) THAT the Acting Chief Financial Officer assumes all legislative and delegated duties and responsibilities attached to the position of Chief Financial Officer. THAT the recruitment process for filling of the vacancy be fast tracked.
		audit action plan 2016/2017	10.17.01.2018	(a) That council take note of the 2016/2017 audit action plan. That the audit committee constantly review and evaluate implementation of the plan and advice where necessary.

		draft annual report for 2016/2017 financial year (2/4)	10.18.01.2018	1. That the tabled Annual Report be adopted and approved as a Draft Annual Report for 2016/2017. 2. That the report be handed over to the Municipal Public Accounts Committee and Audit Committee (MPAC) for consultation, input and generation of an Oversight Report. 3. That MPAC must facilitate public participation, hearing and consultation on the draft Annual Report. 4. That the process driven by MPAC to evaluate, conduct public participation, conduct public hearing as well as generation and tabling of the oversight report on the 2016/2017 Annual Report to council be completed on or before 31 March 2018. 5. That a draft oversight report be tabled to council for consideration and approval by the end of March 2018. THAT the Accounting Officer discharges duties designated to him by the MFMA on the Annual Report.
		report on appointment of general manager: economic development and planning (file no. 132/9/11)	10.19.01.2018	(a) That council appoints Ms. Mufunwa Tshivhinda as General Manager Economic Development and Planning of Musina Local Municipality effective from 1 March 2018 subject to concurrence by the Member of the Executive Committee responsible for Local Government and a favourable clearance certificate. (b) That the appointment of Ms. Mufunwa Tshivhinda as General Manager Economic Development and Planning be on a five years fixed term performance based employment contract and subject to conclusion of annual performance agreement. (c) That Ms. Mufunwa Tshivhinda be appointed to the position of General Manager Economic Development and Planning on a minimum Total Remuneration Package of R 813 635.00 per annum as per the Government Notice on Upper Limits of Total Remuneration Packages payable to Municipal Managers and Managers directly accountable to Municipal Managers, Government Notice No. 628 published under Gazette Notice No. 41173 issued on 10 October 2017 or any subsequent applicable notice. (d) That the successful candidate be required to furnish a declaration regarding political office as per section 56A of the Local Government Municipal Systems Act, 2000 (Act No. 32 of 2000). (e) That the appointed General Manager Economic Development and Planning discharge powers and responsibilities accorded to the position of General Manager Economic Development and Planning by law or delegation. (f) That council authorize the mayor to seek concurrence of the Member of the Executive Committee responsible for Local Government on the appointment process for General Manager Economic Development and Planning. (g) That should the 1st preferred candidate be unavailable for appointment / decline appointment council authorised and approve the mayor is authorised by council to consider the second and third preferred candidates for appointment subject to concurrence of the Member of the Executive Committee responsible for Local Government. That all interviewed unsuccessful candidates be formally notified of the outcome of the interview.
		report on appointment of general manager: technical services (file no. 132/9/7)	10.20.01.2018	(a) That council appoints Mr. Ratidzai Madimutsa as General Manager Technical Services of Musina Local Municipality effective from 1 March 2018 subject to concurrence by the Member of the Executive Committee responsible for Local Government and a favourable clearance certificate. (b) That the appointment of Mr. Ratidzai Madimutsa as General Manager Technical Services be on a five years fixed term performance based employment contract and subject to conclusion of annual performance agreement.

				(c) That Mr. Ratidzai Madimutsa be appointed to the position of General Manager Technical Services on a minimum Total Remuneration Package of R 813 635.00 per annum as per the Government Notice on Upper Limits of Total Remuneration Packages payable to Municipal Managers and Managers directly accountable to Municipal Managers, Government Notice No. 628 published under Gazette Notice No. 41173 issued on 10 October 2017 or any subsequent applicable notice. (d) That the successful candidate be required to furnish a declaration regarding political office as per section 56A of the Local Government Municipal Systems Act, 2000 (Act No. 32 of 2000). (e) That the appointed General Manager Technical Services discharge powers and responsibilities accorded to the position of General Manager Economic Development and Planning by law or delegation. (f) That council authorize the mayor to seek concurrence of the Member of the Executive Committee responsible for Local Government on the appointment process for General Manager Technical Services. (g) That should the 1st preferred candidate be unavailable for appointment / decline appointment council authorised and approve the mayor is authorised by council to consider the second and third preferred candidates for appointment subject to concurrence of the Member of the Executive Committee responsible for Local Government. That all interviewed unsuccessful candidates be formally notified of the outcome of the interview.
		report on appointment of general manager: corporate services (file no. 132/9/1)	10.21.01.2018	(a) That council appoints Mr. Pandelani Midas Mudau as General Manager Corporate Services of Musina Local Municipality effective from 1 March 2018 subject to concurrence by the Member of the Executive Committee responsible for Local Government and a favourable clearance certificate. (b) That the appointment of Mr Pandelani Midas Mudau as General Manager Corporate Services be on a five years fixed term performance based employment contract and subject to conclusion of annual performance agreement. (c) That notwithstanding the appointment term as referred to in paragraph (b) above the fixed term employment contract must not exceed a period of 12 months into the term of the new council. (d) That Mr. Pandelani Midas Mudau be appointed to the position of General Manager Technical Services on a minimum Total Remuneration Package of R 813 635.00 per annum as per the Government Notice on Upper Limits of Total Remuneration Packages payable to Municipal Managers and Managers directly accountable to Municipal Managers, Government Notice No. 628 published under Gazette Notice No. 41173 issued on 10 October 2017 or any subsequent applicable notice. (e) That council authorize the mayor to seek concurrence of the Member of the Executive Committee responsible for Local Government on the appointment process for General Manager Corporate Services. (f) That should the 1st preferred candidate be unavailable for appointment / decline appointment council authorised and approve the mayor is authorised by council to consider the second and third preferred candidates for appointment subject to concurrence of the Member of the Executive Committee responsible for Local Government. That all interviewed unsuccessful candidates be formally notified of the outcome of the interview.
29 February 2018	Special	report on adjustment budget for 2017/18 financial year (2/7)	9.1.2.2018	(1) That council approves the proposed adjustments on the 2017/2018 approved budget. (2) That the adjustments take effect forthwith.

				(3) That the Acting Chief Financial Officer and the Accounting Officer takes steps as prescribed by the Municipal Finance Management Act in reporting / publishing the adjustment budget to the appropriate provincial and/or national departments as well as the public. (4) The 2017/2018 Service Delivery Budget Implementation Plan (SDBIP) be adjusted in accordance with the adjusted budget and submitted for mayor's approval within 10 days of approval of the adjustment budget.
		provicial growth point special economic zone(sezs) development planners visit to china province of henanain china(35/19-38/7a)	9.2.2.2018	(1) THAT the delegation for Manager IDP to the Province of Henan in China from 12 to 23 March 2018. (2) THAT the applicable financial costs be paid and carried by the municipality as per policy.
29 March 2018	Ordinary	report on draft budget for 2018/2019 financial year (2/7)	10.1.03.2018	(1) THAT the Draft Annual budget and SDBIP of the municipality for the financial year 2018/2019 and indicative budget for the two projected outer years 2019/2020 and 2020/2021 be tabled set-out in the following schedules. 1.1 Schedule A from A1 to SA 37. 1.2 Schedule A2 of Budget regulations Charts. 1.3 Summary of Budget Income and expenditure. (2) THAT the municipal property rates and taxes reflected in the Draft Tariff List be considered as draft for the budget year 2018/2019. (3) THAT it be noted that the following Budget Related Draft Policies be reviewed: a. Asset Management Policy. b. Budget Policy. c. Cash Management Policy d. Investment Policy e. Credit Control Policy f. Indigent Policy g. Overtime Policy h. Supply Chain Management Policy i. Risk Management Policy j. Tariff Policy k. Property Rates Policy l. Subsistence and Travel Policy m. Virement Policy (4) THAT the Draft budget and SDBIP for 2018/19 Financial year be taken for public participation.

		report on deviation from and ratification of minor breaches of, procurement processes	10.2.03.2018	THAT the deviation from Supply chain management regulations for the month of January 2018 to February 2018 due to procurement of Goods and Services on emergency and sole supplier be approved.
		section 71 report for the month ended on 31st january 2018:	10.3.03.2018	THAT Municipal Council considered and approved the Section 71 report for the month ended on 31st January 2018.
		report on tabling of 2018/19-idp draft	10.4.03.2018	1. THAT the 2018 / 2019 IDP draft be approved. 2. THAT the proposed dates for public notices as from 02 April 2018 to 30 April 2018 be approved for compliance with the Municipal Systems Act, Act 32 of 2000. THAT the Speaker's office advice all Wards committees to convene their general meetings within the suggested stipulated time frame for public inspection (which is between 02 April and 30 April 2018) to table the 2018 / 2019 IDP draft for inputs from their constituencies and submit them for consideration.
		audit and performance audit report (2/5/2)	10.5.03.2018	(1) THAT the Council note the proposal for the appointment of the Audit and Performance Audit Committee on a shared basis. THAT appropriate measures be put in place to address areas of concern.
		report on consolidated strategic planning resolutions for 2018/2019 financial (session held on 07 to 09 february 2018)	10.6.03.2018	(1) That council approves the Strategic Planning Resolutions. (2) That subsequent to council approval the resolutions be implemented.
		2017/18 adjustment service delivery budget implementation plan (sdbip)	10.7.03.2018	(1) That council take note of the 2017/18 Draft Adjustment Service Delivery Budget Implementation Plan (SDBIP) for the financial year 2017/ 2018 as submitted to the Mayor in terms of section 28(1) (2) (a) of the Local Government: Municipal Finance Management Act, Act 56 of 2003. (2) That the adjusted Service Delivery Budget Implementation Plan (SDBIP) form the basis of performance management, monitoring and evaluation. That subsequent to the mayor's approval the adjusted Service Delivery Budget Implementation Plan (SDBIP) be published.
		tabling of oversight report on the 2016/2017 annual report	10.8.03.2018	(a) THAT an oversight report on the 2016/2017 annual report as per the annexure be adopted. (b) THAT the municipal council has approved the annual report with reservations. (c) THAT the accounting officer publishes the annual report and oversight report and observe all processes prescribed MFMA for administering an adopted annual report and oversight report. (d) THAT the Oversight Report be submitted to the Provincial Legislature in accordance with Section 132 (2) of the Municipal Finance Management Act 56 of 2003. (e) THAT Municipal Public Accounts Committee (MPAC) in collaboration with relevant council committee as directed by the Municipal Finance Management Act investigates any such matter so directed by legislation and subsequently present a report to council.

25 May 2018	Ordinary	report on final budget for 2018/2019 mtref financial year (2/7)	10.1.05.2018	(4) THAT the Final Annual budget of the municipality for the financial year 2018/2019 and indicative budget for the two projected outer years 2019/2020 and 2020/2021 be approved for implementation as set-out in the following schedules. 1.1 Schedule A from A1 to SA 37. 1.2 Schedule A2 of Budget regulations Charts. 1.3 Summary of Budget Income and expenditure. (5) THAT the municipal property rates and taxes reflected in the Final Tariff List be approved for implementation for the budget year 2018/2019. (6) THAT it be noted that the following Budget Related Policies has been reviewed and are approved for implementation: a. Asset Management Policy. b. Budget Policy. c. Cash Management Policy. d. Investment Policy. e. Credit Control Policy. f. Indigent Policy. g. Overtime Policy. h. Supply Chain Management Policy. i. Risk Management Policy. j. Tariff Policy. k. Property Rates Policy. l. Subsistence and Travel Policy. m. Virement Policy.
		section 71 report for the month ended on 28th february 2018:	10.2.05.2018	THAT council consider and approve the Section 71 report for the month ended on 28th February 2018.
		section 71 report for the month ended on 31st march 2018:	10.3.05.2018	THAT Municipal Council consider and approve the Section 71 report for the month ended on 31st March 2018.
		2018 section 52 report for the quarter ended on 31st march	10.4.05.2018	That council consider and approve the Section 52 report for the quarter ended 31st March 2018.
		report to mayor on the implementation of supply chain management policy during the second quarter (january to march 2018)	10.5.05.2018	That the report on the implementation of the Supply Chain Management Policy as required by the Municipal Supply Chain Regulations for the fourth quarter (2016/17 financial year be noted and approved.

		deviation from and ratification of minor breaches of, procurement processes (march 2018)	10.6.05.2018	THAT the deviation from Supply chain management regulations for March 2018 due to procurement of Goods and Services on emergency and sole supplier be approved.
		report on financial recovery plan	10.7.05.2018	THAT Council consider and approve the financial recovery plan for Musina local municipality.
		report of musina local municipal disaster risk reduction plan	10.8.05.2018	(1) That council approve Musina Local Municipality 2018/19 Disaster Recovery Plan. (2) That the plan forms an integral part of the Musina local Municipality Recovery Plan after approval. (3) That the approved Disaster Recovery Plan be considered the basis of reference when responding to disaster.
		tabling, consideration and adoption of the musina local municipality 2018/19 – 2021/2022 final integrated development plan (idp) (2/7/8)	10.9.05.2018	1. That 2018 / 2019-2021/2022 IDP as consulted with the community and stakeholders is adopted. 2. That the municipality must within 14 days of the adoption of the IDP give notice to the public of the adoption of the IDP and that copies of or extracts of the IDP are available for inspection at the specified places. 3. That the municipality publish the summary of the IDP. 4. That within 10 days of adoption, the municipality send a copy of the IDP to the MEC for local government. 5. That the Mayor's office in consultation with the Speaker's office conduct a post-mortem meeting of all public participation meetings for logistical improvements for the next cycle of the IDP.
		report on appointment of acting general manager technical services (32/9/1)	10.10.05.2018	(1) THAT council appoints Acting General Manager Technical Services for a period of 3 months, commencing on 1 May 2018 and lapsing on 31 August 2018 or up to a date on which permanent filling of the vacancy takes effect whichever comes first. (2) THAT the mayor / municipal manager be authorised to lodge a concurrence application with the Member of the Executive Council (MEC) responsible for local government in the province in respect of an acting General Manager Technical Services position. (3) THAT the acting General Manager Technical Services assumes all legislative and delegated duties and responsibilities attached to the position of the General Manager Technical Services. (4) THAT council fast track the recruitment process for filling the vacancy.
		acting appointment for general manager, economic development planning (132/9/1)	10.11.05.2018	(1) THAT council appoints Acting General Manager Economic Development & Planning for a period of 3 months, commencing on 1 May 2018 and lapsing on 31 July 2018 or up to a date on which permanent filling of the vacancy takes effect whichever comes first. (2) THAT the mayor / municipal manager be authorised to lodge a concurrence application with the Member of the Executive Council (MEC) responsible for local government in the province in respect of an acting General Manager EDP.

				(3) THAT the acting General Manager EDP assumes all legislative and delegated duties and responsibilities attached to the position of the General Manager EDP. THAT council fast track the recruitment process for filling the vacancy.
		report on acting appointment for chief financial officer	10.12.05.2018	(a) THAT council appoints an Acting Chief Financial Officer for a period of 3 months, commencing on 1 May 2018 and lapsing on 31 August 2018 or up to a date on which an incumbent is appointed to the position whichever comes first. (b) THAT the mayor / municipal manager be authorised to lodge a concurrence application with the Member of the Executive Council (MEC) responsible for local government in respect of an acting appointment of the Acting Chief Financial Officer. (c) THAT the Acting Chief Financial Officer assumes all legislative and delegated duties and responsibilities attached to the position of the Chief Financial Officer. THAT Council fast track the recruitment process for filling the vacancy and ensure that the position is filled by end June 2018.
		approval and adoption of organisational structure 2018 /2019 (312)	10.13.05.2018	THAT the Organisational Structure for 2018 / 2019 be approved and implemented with effect from 1 July 2018.
		approval and adoption of human resources and related policies (37)	10.14.05.2018	1. THAT the following HR and related Policies be approved relating to: 1.1 Attendance & Punctuality 1.2 Employment Equity 1.3 Employment Practice 1.4 HIV & AIDS in the workplace
		litigation register update for the third quarter for 2017 /2018 financial year (January to march 2018)	10.15.05.2018	THAT council take cognisance of the Litigation Register Report as tabled and note recommended action for each pending case.
		2017/18 third quarter service delivery budget implementation plan (SDBIP) performance report from January 2018 to march 2018)		(1) That council approves Service Delivery Budget Implementation Plan (SDBIP) Performance report for the period January to March 2018. (2) That the report be referred for review by the internal audit, audit committee and performance audit committee accordingly. That the reviewed report forms part of the 2017/18 Annual Report, be published on the website and submitted to the relevant provincial Departments.
		2018/19 service delivery budget implementation plan (SDBIP)	10.17.05.2018	1. That the 2018/19 Service Delivery Budget Implementation Plan (SDBIP) be approved. 2. That the Municipal Manager submit to the mayor the 2018/19 Service Delivery Budget Implementation Plan (SDBIP) within 14 days of approval.

				3. That the Mayor approves the draft 2018/19 Service Delivery Budget Implementation Plan (SDBIP) within 28 days after council approval of the budget. 4. That the approved 2018/19 Service Delivery Budget Implementation Plan (SDBIP) form the basis of performance targets and agreements as contemplated by section 57 of Local Government Municipal Systems Act for all section 54A and 56 Local Government Municipal Systems Act appointees. 5. That the approved SDBIP 2018/19 be published and distributed as directed in accordance with the Local government: Municipal System Act. That the 2018 /2019 SDBIP form the basis for critical performance reporting.
		application for waiver on total remuneration package iro local government upper limits for managers directly accountable to municipal manager. (132/9 -132/9/1-132/9/4-132/9/7-132/9/11)	10.18.5.2018	(a) THAT approval be granted for the waiver of Total Remuneration Packages payable to Municipal Managers and Managers directly accountable to Municipal Managers published under Gazette Notice No. 41173 issued on 10 October 2017 or any subsequent applicable notice. (b) THAT General Manager: Economic Development and Planning, General Manager: Technical Services and General Manager: Corporate Services be appointed on the maximum total remuneration package of R1 046 101.00. (c) THAT the 4 % Rural Allowance be included in the Total Remuneration Packages of Section 54A and 56 Managers in terms of Paragraph 10(1) of Government Gazette 41173, dated 10 October 2017.
		report on appointment of chief financial officer (file no. 132/9/4)	10.19.5.2018	(1) That council appoints Mr Luvhuani Thomas Nephawe as Chief Financial Officer of Musina Local Municipality effective from 1 July 2018 subject to concurrence by the Member of the Executive Committee responsible for Local Government and a favourable clearance certificate. (2) That the appointment of Mr Luvhuani Thomas Nephawe as Chief Financial Officer be on a five years fixed term performance based employment contract and subject to conclusion of annual performance agreement. (3) That Mr Luvhuani Thomas Nephawe be appointed to the position of Chief Financial Officer on the maximum total remuneration package of R 1 046 101.00 + 4 % Rural Allowance as per the Government Notice on Upper Limits of Total Remuneration Packages payable to Municipal Managers and Managers directly accountable to Municipal Managers, Government Notice No. 628 published under Gazette Notice No. 41173 issued on 10 October 2017 or any subsequent applicable notice. (4) That the successful candidate be required to furnish a declaration regarding political office as per section 56A of the Local Government Municipal Systems Act, 2000 (Act No. 32 of 2000). (5) That the appointed Chief Financial Officer discharge powers and responsibilities accorded to the position of Chief Financial Officer by law or delegation. (6) That council authorize the Municipal Manager to seek concurrence of the Member of the Executive Committee responsible for Local Government on the appointment process for Chief Financial Officer. (7) That should the 1st preferred candidate be unavailable for appointment / decline appointment council authorised and approve the mayor is authorised by council to consider the second and third preferred candidates for appointment subject to concurrence of the Member of the Executive Committee responsible for Local Government. (8) That all interviewed unsuccessful candidates be formally notified of the outcome of the interview.

28 June 2018	Urgent Special	report on bad debt to be written off for 2017/ 2018 financial year	8.1.06.2018	(a)THAT it be approved that the arrears to the amount on deceased, consumers account and indigents over 120 days for the financial year 2017/2018, now regarded as unrecoverable, be written off as bad debt as per attached schedule in the report.
		report on indigent subsidy and free basic services for 2018 / 2019	8.2.06.2018	(a)THAT the subsidy threshold for Indigent consumers remain at R 3500.00 be approved and implemented with effect from 1 July 2018.
		report on unauthorized, irregular and / or wasteful expenditure	8.3.06.2018	(a) THAT fruitless expenditure and irregular expenditure as outlined in the report, which is linked to penalties and interest raised and irregular expenditure on Musina Local Municipality be approved and written off. (b) THAT the Municipal Public Accounts Committee do investigations on Unauthorized, irregular and / or wasteful expenditure.
		report on adjustment budget over & unders expenditure/revenue on budget: (2017 /2018)	8.4.06.2018	(a) That the Adjustment Budget for the 2017/2018 financial year be approved as per the report.
		report on section 71 for the month ended on 30th April 2018	8.5.06.2018	(a)THAT the committee consider and approve the section 71 report for the month ended 30th April 2018
		report on section 71 for the month ended on 31st may 2018	8.6.06.2018	THAT the committee consider and approve the Section 71 report for the month ended on 31st May 2018.
		deviation from and ratification of minor breaches of, procurement processes (April 2018 to June 2018)	8.7.06.2018	(a) THAT the deviation from Supply chain management regulations for April 2018 to June 2018 due to procurement of Goods and Services on emergency and sole supplier amounting to R292 906.42 be approved (b) THAT the Municipal Public Accounts Committee do investigations on Deviation From and Rectification Of Minor Breaches Of, Procurement Processes (April 2018 to June 2018)
		report on proposal to write off redundant assets	8.8.06.2018	(a) THAT the writing off of all redundant office equipment be approved because we do not expect any recoverable service value (hence their carrying value is zero) and a separate list be kept of such assets until they are either sold or donated. (b) THAT all members of Finance portfolio committee do inspection in loco before 6th July 2018.

		report on the 2018 / 2019 schedule of meetings for council and its committees (36)	8.9.06.2018	(a) That the below schedule for Council, Executive Committee, Portfolio Committees and MPAC meetings for 2018/2019 financial year be approved. (b) That in terms of section 19 of the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998), the approved dates be published. (c) That all items for consideration by Council, Executive Committee and Portfolio Committees and MPAC be submitted to the approving authority and secretariat within reasonable time to allow the approving authority and secretariat ample time to issue notices within the prescribed timelines prior to the meetings.
		appointment of audit and performance committee	8.10.06.2018	(a) That council take note of the report. (b) That a service level agreement be entered into with Vhembe District Municipality for use of the shared services. (c) That the agreement provides for a clause to withdraw from the shared services at any time. That where applicable specific actions be taken to improve performance of the municipality. (d)That where applicable specific actions be taken to improve performance of the municipality.
		re-advertising of general manager economic development and planning position	8.11.06.2018	(a) That council authorize re-advertisement for position of General Manager Economic Development and Planning. (b) That the re-advertisement processes must comply with provisions of the Local Government Municipal Systems Act: Regulations on Appointment and Conditions of Employment of Senior Managers (c) That the total remuneration package applicable to the vacancy of General Manager Economic Development and Planning complies with Government Notice on Upper Limits of Total Remuneration Packages payable to Municipal Managers and Managers directly accountable to Municipal Managers, Government Notice No. 381 published under Gazette Notice No. 40118 issued on 4 July 2016 or any other subsequent notice on the matter. (d) That council establishes a selection panel constituted as follows in compliance with the applicable regulations: 1. The Municipal Manager who will be the chairperson, A member of the mayoral committee or councillor who is the portfolio head of the relevant portfolio, and 2. At least one other person, who is not a councillor or staff member of the municipality, and who has expertise or experience in the area of the advertised post. 3. A representative of the South African Local Government Association 4. A representative of the provincial department responsible for local government. 5. That the Manager responsible for Human Resources Management serves as secretariat of the panel. 6. That a representative of each of the recognised trade union be invited to the selection panel as observers. (e)That council fast track the recruitment process for filling of the vacancy and ensure that the position is filled by end of December 2018.
		report on acting appointment for chief financial officer (cfo) (132/9)	8.12.06.2018	(a) That council rescind Council Resolution number council 10.12.05.2018 dated 25 May 2018. (b) That council appoints an official to act as Acting Chief Financial Officer for a period 01 May 2018 to 30 July 2018 or up to a date on which an incumbent is appointed to the position assumes office whichever comes first. (c) That the official to be appointed as Acting Chief Financial Officer must in compliance with the applicable regulation possess the requisite skills and competency to function in the post.

				(d) That council condones the acting period as though that the person appointed is deemed to have been authorised and appointed from 01 May 2018. (e) That should the MEC's concurrence be required the mayor be authorised to lodge a concurrence application in respect of an acting appointment of the Acting Chief Financial Officer. (f)That the Acting Chief Financial Officer assumes all legislative and delegated duties and responsibilities attached to the position of Chief Financial Officer.
		application for extension of the validity period of the current valuation roll till end of June/2019	8.13.06.2018	(a) That the portfolio Committee Economic Development and Planning recommend the application to extend the validity period of the General valuation roll by one (1) year ending 30 June 2019 (b) That the Accounting Officer submit a request in terms of section 32 (2) (b) of the act to the MEC for Co-operative Governance, Human Settlement and Traditional Affairs for granting of the Extension (c) That the municipal manager ensure that a General Valuation Roll for the five year term is finalised and adopted
		establishment of geographic naming and name changing committee	8.14.06.2018	(a) That portfolio committee EDP and Technical Services consider the report by General Manager: Economic Development and Planning (b) That the mayor and Municipal Manager be mandated to appoint member of the committee from both political and administrative component (c) That the functions of the committee include geographical names change, naming of new township development, naming and numbering of the streets in line with the policy of the municipality (d) All political parties be represented in the committee.

APPENDIX B – MUNICIPAL COMMITTEES & PURPOSES

Committees (other than Mayoral/Executive Committee) and Purposes of Committees	
Municipal Committee	Purpose of Committee
Corporate Services Portfolio Committee	Addressing relevant issues and reports
Technical Services Portfolio Committee	Addressing relevant issues and reports
Finance Portfolio Committee	Addressing relevant issues and reports
Community Services Portfolio Committee	Addressing relevant issues and reports
Economic Development Planning Services Committee	Addressing relevant issues and reports
Local labour forum	Address all employer and employee related matters
Municipal public accounts committee	Oversight committee addressing AG report, financial reporting investigating items delegated by council
Executive Committee	Give political direction to executive management and report to council
Rules and ethics	Investigates reports of unethical conduct, formulates rules and principles, and recommends actions on ethical issues
Programming	Deals with all items submitted and determines which items must serve in portfolio committees and which one must serve in council without serving in portfolio committees
Local geographical names change(LGNC):	Deals with changing of street names within the municipal area

APPENDIX C- ADMINISTRATIVE STRUCTURE

Designation	Initial And Surname	Gender
Municipal Manager	TN Tshiwanammbi	Male
General Manager: Corporate Services	PM Mudau	Male
Acting General Manager: Technical Services	C Dinyake (Resigned)	Female
Chief Financial Officer	VJ Tshikundamalema (Resigned)	Female
General Manager: Community Services	NR Morolana	Male
General Manager: Development Planning	TN Tshiwanammbi	Male
Senior Manager: Corporate Services	PS Peta	Male
Senior Manager: Senior Manager Finance	L Murulana	Male
Senior Manager: Mayor Support	M Sithole	Male
Manager: Housing	K Rhavhuanzwo	Male
Manager: Budget	T Mokone	Male
Manager: Asset Management	A Tshinavhe	Male
Manager: Supply Chain Management	M Siziba	Female
Manager: Financial Management	N Theunissen	Female
Manager: Revenue	D Tshikota	Female
Manager: Human Resources	R Le Roux	Female
Manager: Administration	M Mukoma (Resigned)	Male
Manager: ICT	P Eccleston	Male
Manager: Legal Services and Secretariat	T Rammbuda	Male
Manager: Waste Management	R Kutama	Female
Manager: Water and Sanitation	M Matshili	Female
Manager : Electrical Services	P Jansen (Passed on)	Male
Manager: Civil and Roads	M Mthombeni	Male
Manager: Expenditure	B Muluvhu	Male
Manager: Licensing	C Jombe	Male
Manager: Traffic	D Hlongwane	Male
Manager: Traffic	AE Mutele	Male
Manager: LED	M Mudau (Resigned)	Male
Manager: IDP	T Ncube	Male
Manager: Development and Town Planning	M Mphephu	Male
Manager: Internal Audit	J Seyaka	Male

APPENDIX D - FUNCTIONS OF MUNICIPALITY

Municipal/Entity Functions		
Municipal Functions	**Function Applicable to Municipality (Yes/No)***	**Function Applicable to Entity (yes/no)**
Constitution, Schedule 4, Part B Functions		
Air pollution	yes	N/A
Building regulations	yes	N/A

Municipal/Entity Functions		
Municipal Functions	**Function Applicable to Municipality (Yes/No)***	**Function Applicable to Entity (yes/no)**
Constitution, Schedule 4, Part B Functions		
Child-care facilities	yes	N/A
Electricity and gas reticulation	yes	N/A
Fire-fighting services	yes	N/A
Local tourism	yes	N/A
Municipal airports	No	N/A
Municipal planning	yes	N/A
Municipal health services	yes	N/A
Municipal public transport	yes	
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 and national shipping and related matters	yes	
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 systems	No	Vhembe District Municipality
Beaches and amusement facilities	No	
Billboards and the display of advertisements in public places	yes	
Cemeteries, funeral parlours and crematoria	yes	
Cleansing	yes	
Control of public nuisances	yes	
Control of undertakings that sell liquor to the public	yes	
Facilities for the accommodation, care and burial of animals	yes	
Fencing and fences	yes	
Licensing of dogs	No	
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	yes	
Refuse removal, refuse dumps, and solid waste disposal	yes	
Street trading	yes	
Street lighting	yes	
Traffic and parking	yes	

APPENDIX E - WARD REPORTING

WARD BASED MEETINGS

Ward Name (Number)	Name of Ward Councillor and Elected Ward Committee Members	Committee Established (Yes/No)	Number of Monthly Committee Meetings Held During Year	Number of Monthly Reports Submitted to Speakers 'Office on Time	Number of Quarterly Public Ward Meetings Held During Year	Dates
Ward No 01	Cllr: M Phiri	Yes	10	10	4	
	WARD CORDINATOR: DIMO DANIEL					
	Ward Committees:					09/03/2017
	MAKHUMU SAMUEL					09/04/2017
	RANTSANA ANNA					
	MUDAU TSATSAWANI					22/04/2017
	LUKHWERENI JOYCE					
	MUNYAI RECTOR					
	NETSHITADE FIFHUFHELO					
	SINGO DAVID					
	MUSEKWA JOHANNA					
	LUKHELE OUPA					
	TSHIMAUSI NORAH					
Ward No 02	Cllr: S Shirelele	Yes	15	12	4	21/03/2017
	WAR CORDINATOR: PERTUNIA SIKO					22/03/2017
	Ward Committees:					05/04/2017
	MORAPA KOSIE					06/04/2017
	MATSHUSA ELIZABETH					27/04/2017
	MAOKA BELLA					
	NDHLOVU PETRUS					
	MUSIWA ELIZABETH					
	NDOU SOPHIE					
	MANENZHE PHILLIP					
	NEMAGUVHINI ERNEST					
	MASEBE SARAH					
	SEMATA RINAH					
Ward No 03	Cllr: T NARE	Yes	13	12	4	
	Coordinator: P Siko					23/02/2017
	Ward Committees:					09/03/2017
	1. MAHASELA AMOS					16/03/2017
	2. MASHUDU DHLIWAYO					19/03/2017
	3. SAMUEL MULEYA					

Ward Name (Number)	Name of Ward Councillor and Elected Ward Committee Members	Committee Established (Yes/No)	Number of Monthly Committee Meetings Held During Year	Number of Monthly Reports Submitted to Speakers 'Office on Time	Number of Quarterly Public Ward Meetings Held During Year	Dates
	4. RENDANI MANENGENA					04/05/2017 18/04/2017
	5. MARGARETH SINGO					
	6. PATRICK MAKHADO					
	7. ADAM KWINDA					
	8. MISHACK MUNYAI					
	9. SYDNEY MALEMA					
	10. GLORY MULEA					
	11. MAHASELA AMOS					
Ward No 04	Cllr: P Sakala	Yes	14	12	4	
	Coordinator: P Siko					11/01/2017 16/01/2017 22/02/2017 22/03/2017 05/04/2017 22/06/2017
	Ward Committees:					
	VICTORIA BORRIE					
	KHATHUTSHELO TSHAKUMA					
	WILLIAN PHOSIWA					
	PAULINA BALOYI					
	SELLO MALADZHI					
	GEORGINA MATSHETE					
	JUSTICE LANGA					
	BINKY SEFAKE					
	ELLA DHLIWAYO					
	EVEREST MOYABA					
Ward No 05	Cllr: S Shirelele	Yes	13	12	4	
	Ward Coordinator: P Siko					12/04/2017
	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 Year	Number of Monthly Reports Submitted to Speakers 'Office on Time	Number of Quarterly Public Ward Meetings Held During Year	Dates
	1. KOSIE MORAPA 2. BELLA MAOKA 3. SEWELA MOSIWA 4. ELISABERTH MACHUSA 5. SOPHY NDOU 6. NDHLOVU PETRUS 7. PHILLIP MANENZHE					20/06/2017
Ward No 06	Cllr: J Khunwana	Yes	9	10	3	
	Ward Coordinator: P Siko **Ward Committees**: TSHIFHIWA TSEISA ELIZABERTH NDOU CAIPHUS MASHILA SHONISANI KWINDA LUFUNO MAFUNISA TSHIFHIWA KWINDA PIET MARUBINI SUZAN KWINIKA					22/02/2017 21/04/2017 21/06/2017
	MAKUNGO L.A					
	ELIJAH MADIGUMA					
Ward No 07	Cllr: J Khunwana	Yes	6	6	3	
	Ward Coordinator: P Siko **Ward Committees**: TSHIFHIWA TSEISA					21/01/2017 11/02/2017

Ward Name (Number)	Name of Ward Councillor and Elected Ward Committee Members	Committee Established (Yes/No)	Number of Monthly Committee Meetings Held During Year	Number of Monthly Reports Submitted to Speakers 'Office on Time	Number of Quarterly Public Ward Meetings Held During Year	Dates
	ELIZABERTH NDOU					18/03/2017
	CAIPHUS MASHILA					29/04/2017
	SHONISANI KWINDA					08/06/2017
	LUFUNO MAFUNISA					
	TSHIFHIWA KWINDA					
	PIET MARUBINI					
	SUZAN KWINIKA					
	MAKUNGO L.A					
	ELIJAH MADIGUMA					
Ward No 08	Cllr: MF Mafela	Yes	17	12	4	
	Ward Coordinator:					
	Ward committees					12/01/2017
	TSHIBALO PHINIUS					17/02/2017
	RAMBELANI CRISTINA					13/03/2017
	MUNYAI ROSINA					19/03/2017
	MUNYADZIWA LINDIWE					26/04/2017
	NDOU DAVID					29/04/2017
	MAANO NANCY					08/06/2017
	MUNYAI FHATUWANI JANE					
	RALIONA AGNES					
	NETHENGWE NDIVHUWO					
	NARE JAHANNES					
	Cllr: Netshipale	Yes	14	12	4	

Ward Name (Number)	Name of Ward Councillor and Elected Ward Committee Members	Committee Established (Yes/No)	Number of Monthly Committee Meetings Held During Year	Number of Monthly Reports Submitted to Speakers 'Office on Time	Number of Quarterly Public Ward Meetings Held During Year	Dates
Ward No 09	War Cordinator:					
	Ward Committees:					27/02/2017
	NEVHULAMBA CASSWELL					19/04/2017
	LIVHANDA MBONISENI WISDOM					
	KWINDA VICTOR					
	GRACE GODZWANA					
	RAMUFHI MATHEW					
	RAMPHABANA AZWINDINI					
	MAANO ANIK					
	BADZHI FLORAH					
	RAMATHUTHU PINK					
	TSHINAVHE JULIA					
Ward No 10	Cllr: Gadabeni	Yes	16	12	4	
	Ward Coordinator:					10/01/2017
	Ward Committees:					20/01/2017
	LIDZEBE TSHIFHIWA					17/02/2017
	LEMADE DAVID					24/03/2017
	NETSHIVHONGWENI MBULAHENI					13/04/2017
	NEMALAMANGWA L. DAVID					
	MPHIGALALE ALUWANI					
	MAKHUVHA NALEDZANI					
	MPHIDI ALUGUMI					

Ward Name (Number)	Name of Ward Councillor and Elected Ward Committee Members	Committee Established (Yes/No)	Number of Monthly Committee Meetings Held During Year	Number of Monthly Reports Submitted to Speakers 'Office on Time	Number of Quarterly Public Ward Meetings Held During Year	Dates
	NDOU GRACE					
	MALINDA NORAH					
	NGWANE ELINAH					
Ward No 11	Cllr: G Netshisaule	Yes	12	12	4	
	Ward Coordinator:					04/01/2017
	Ward Committees:					
	Mukondeleli H.K					23/04/2017
	TSHISUDZUNGWANE ROFHIWA					
	RAMUDZULI THIVHULAWI					
	MASHILA BETTINA					
	PHASANE FHUMULANI					
	NENGOVHELA NDIVHUWO					
	MPOSHOMALI TSHIFHIWA					
	MUKATUNI NKHUMISENI S.					
	MAKUNGO AZWIFARWI					
	TSHILIDZI SEANI					
Ward No 12	Cllr: P Mbedzi	Yes	12	12	4	
	Ward Coordinator:					21/01/2017
	Ward Committees					
	NETSHISAULU					25/02/2017
	THANYANI					18/03/2017
	JEFREY					03/05/2017

Ward Name (Number)	Name of Ward Councillor and Elected Ward Committee Members	Committee Established (Yes/No)	Number of Monthly Committee Meetings Held During Year	Number of Monthly Reports Submitted to Speakers 'Office on Time	Number of Quarterly Public Ward Meetings Held During Year	Dates
	HLUNGWANI					
	MASHULA ELIZABETH					
	MUREMA PETRUS					
	MBEDZI TSUMBEDZO SAMSON					
	MUKHALANGA DELLY					
	GAVHI NNDITSHENI					
	MUNZHELELE SOLOMON					
	MPONDO AUBREY					
	RAMAKOKOVHU MULALO					

APPENDIX F - WARD INFORMATION

Ward Title: Ward Name (Number)				
Capital Projects: Seven Largest in 2017/2018 (Full List in Appendix L) R'000				
Ward No	**Project Name & Detail**	**Start Date**	**End Date**	**Total Value**
Ward 03	Nancefield ext.4 concrete paved roads	06/09/2017	06/06/2018	R9.24M
Ward 04	Nancefield Multi-purpose Centre	08/09/2017	08/06/2019	R 12 M
Ward 11	Muswodi sports facility	11/09/2017	11/06/2018	R 7.1 M
Ward 12	Masisi sports facility	18/06/2018	06/11/2018	R 7 M
Ward 08	Madimbo Sports lighting	04/09/2017	04/03/2018	R 1.6 M

APPENDIX G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE

Date of meeting	Resolution	Responsible official	Due date	Comments / Progress	Date resolved	Status
25/AUG/2017	Submission of performance assessment report and 2017/18 SDBIP to Audit committee	Acting general manager Corporate services	08-Sep-17	Resolved. Document were sent to the acting chairperson on 19-Oct-2017	19 October 2017	Resolved
	An update on the process of verifying ownership of various properties to determine possible lease agreements for rentals.A register should be in place.	Manager Legal services	31-Dec-17			Not resolved
	An update on the debt repayment plan arranged with Eskom.	Acting CFO	20-Oct-17	Resolved. Repayment plan is adhered to. The Acting CFO indicated that 85% of the equitable share received in the second quarter was utilized to reduce the debt.	November 2017	Resolved
	Development of infrastracture maintenance plans	Acting General manager technical services.	31-Dec-17	In progress. Venetia Mine is in a process of identifying faults on the bulk line supply.Department of COGSTA appointed service provider to compile master plan.		In progress
	Amendment of the SCM policy to indicate the purpose for the use of consultants and to indicate on the SLA's going forward the transfer of skills and monitoring of contracts.	Acting CFO Manager SCM	May-18			Not resolved
	Reporting of UIFW expenditure identified during the year under review to MEC Coghsta and AGSA	Acting CFO	31-Aug-17			Not resolved
	The audit committee was concerned about a number of indicators on the SDBIP and indicated that we might not be measuring the right things. The audit committee advised that	All general managers and managers affected with assistance by PMS unit.	28-Feb-18	Management has adressed internal and external audit finding identified on performance information. Neccesary adjustments were made on the adjusted SDBIP.	Feb-18	Resolved

	management should work on the SDBIP in preparation for the SDBIP adjustment on the areas of concern identified.					
	Submission of the Annual Report to Audit committee, Treasury and Coghsta for review before submission to AGSA for auditing.	General manager Corporate services	28-Aug-17	Resolved. The draft APR was emailed to the acting chairperson of the audit committee on 29 August 2017.	29 August 2017	Resolved
	Review of the 2017/18 performance management framework for implementation on the next financial year (2018/2019)	General manager Corporate services	18-May	Resolved . SDBIP was reviewed as part of the internal auditing processes in the second quarter. Recommendations were made for implementation by management	December 2017	Resolved
	Development of performance indicators for the assessment of the risk management committee	General manager Corporate services	31-Jul-17	Resolved.2017/18 SDBIP includes performance indicators for risk management.	June 2017	Resolved
	Assessment tool for the assessment of risk management committee should be shared with the audit committee	Manager Risk management	31-Dec-17	The assessment tool was reviewed by risk management committee and is part of the agenda items for the second quarter Audit committee meeting	05-Mar-18	Resolved
	Audit committee advised that the risk registers should be accompanied by reports which indicates major movements and where there were no movements and that the reports are signed by management.	Manager Risk management	Next reporting period	Resolved	Jan-18	Resolved
	Audit committee noted the litigation register and advised that the matter of the minister of water and sanitation affairs be elevated to the politicians.	Manager Legal services	20-Oct-17	Resolved	14 December 2017	Resolved

	Report on the status of the service providers appointed to source funding on behalf of the municipality	MM and Acting CFO	20-Oct-17	Resolved . Acting CFO reported that no funding was sourced by the service providers and no payments was made to them.	14 December 2017	Resolved
	Development of compliance framework	Senior manager corporate services	Jan-18			Not resolved
	Submission of reports to the audit committee be tailored to reports submitted to council and committees of council signed by the departmental head and the Municipal manager.	All general managers and managers	14-Dec-17	Resolved	14 December 2017	Resolved
14/DEC/2017	That the a+C26:H39dopted minutes of the previous audit committee meetings be signed by the audit committee	Manager :Internal audit	11-Jan-18	Resolved . The minutes of the meetings held on 25 August and 28 November 2017 were amended with the audit committee recommendations and were signed by the audit committee chairperson.	05-Mar-18	Resolved
	Investigation of prior year UIFW expenditure by MPAC and Financial misconduct board(FMB).	Acting CFO and MM	30-Mar-18	In progress. Council established the appointment of the FMB.Members still need to sign appointment letters and proceed with the investigations		In progress
	That the Service standards be developed to deal with service delivery issues	Senior manager :Corporate services	31-Jan-18	In progress . It was reported that the service standards are available at the major's office and will be provided to the internal audit for confirmation.		In progress
	That all employees should declare conflict of interest	General manager :Corporate services and MM	31-Jan-18			Not resolved
	That internal audit should develop conflict of interest form for annual declaration by the audit committee members	Manager :Internal audit	30-Jun-18	The annual declarations will be given to the audit committee meeting in their first meeting with the municipality		In progress

	Collective efforts to reconcile the issues of ownership of properties and lease agreements	CFO and Manager Legal services	31-Jan-18			Not resolved
	Progress on the development of the infrastructure maintenance plan and exercise done by Venetia mine to identify faults on the bulk line supply.	Manager :Water services	11-Jan-18	In progress . Venetia mine only made their study on the water supply and drafted the maintenance plan. Goghsta appointed a service provider to update the infrastructure master plan.		Resolved
	An update on the system challenges as a result of sec 71 reports not submitted in the previous Audit committee meeting.	Acting CFO	11-Jan-18	The financial system had been updated and is now billing according to the schedule. All outstanding reports are now available from the system.	Jan-18	Resolved
	That management actions on the Audit action plan be amended to indicate as most of the current actions indicates that management will ensure that actions are taken.	Manager internal audit	11-Jan-18	Management actions were subsequently amended to reflect specific actions to be taken by management in addressing audit findings raised by AGSA	Jan-18	Resolved
	That internal audit should report quarterly on the progress of implementation of the audit action plan.	Manager internal audit	11-Jan-18	4th quarter report is included in the internal audit report on follow up of the AGSA audit action plan.	Jun-18	Resolved
	Audit committee advised that the time frame for submission of information to support achieved performance targets should be developed.	Senior manager :Corporate services and MM	11-Jan-18	Time frame for submission of supporting evidence for achieved planned targets is within one month after every quarter.	05-Mar-18	Resolved
	The audit committee requested that it be updated on the issue of housing accreditation in the next meeting.	General Manager :Corporate services	11-Jan-18	Resolved. Municipality was accredited level 1 housing function by Coghsta	05-Mar-18	Resolved
	On Litigations the audit committee advised that management should	Manager :Legal services	11-Jan-18	Letters were written to attorneys to close the files on stagnant matters.	Jan-18	Resolved

	temporarily close the files and recall them from the lawyers					
	To combine projects on the progress of implementation of the internal audit plan which looked duplicated and allocate hours for training.	Manager internal audit	11-Jan-18	Projects were subsequently combined as adviced ad are now in terms of the audit plan.	Jan-18	Resolved
05/MAR/2017	Resolution register of all audit committee resolutions made in the current financial year	Manager internal audit	May-18	Resolved.All resolutions for all audit committee meetings held in the current year are registered in one document.	Mar-18	Resolved
	Matters arrising from the previous meeting which still need management attention be recorded in a separate register.	Manager internal audit	May-18	Resolved.Matters arrising from the previous audit committee meetings for the resolutions which still needs management attention are registered in a document called **"Matters arising from the previous meetings".**	Mar-18	Resolved
	Formal appointment of Financial misconduct board(Signing of appointment letters)	General manager: Corporate services	May-18			Not resolved
	Internal audit to report on the progress of the audit action plan and the internal control dashboard in every audit committee meeting	Manager internal audit	Quarterly	Refer to internal audit report on a follow up of the audit action plan. Internal control dashboard is included in the internal audit plan for 2018/2019	25-Jun-18	Resolved
	OHS and incident register be reported on a quarterly basis for municipal officials and project employees	Manager Risk management	May-18	Risk Management not responsible for OHS, however the unit will liaise with the OHS office to submit the OHS and incident register for the next meeting.	21-Jun-18	Resolved
	Fraud risk be part of the agenda items for audit committee going forward reported separately or as part of annexure items of the risk management committee report.	Manager Risk management	May-18	Fraud risk register will be part of the next audit committee meeting	21-Jun-18	Resolved
	Gap analysis be done on king 4 to ensure that principles related to the	Manager Risk management	May-18	Target achieved	28-Feb-18	Resolved

	municipality are included in the risk management assessment tool.					
	Confirmation of applicability of treasury regulations stated on the risk management assessment tool	Manager Risk management	May-18	The risk management tool was reviewed by Provincial Treasury	28-Feb-18	Resolved
	Risk management assessment report based on the risk management assessment tool be reported to the audit committee in the first audit committee meeting.	Manager Risk management	May-18	Risk management assessment tool will be circulated to all committee members at the last meeting of the financial year and will be reported to the audit committee thereafter	30-Jun-18	Not resolved
	Risk management to relook at the risk register template	Manager Risk management	May-18	The risk register is a standard tool from Provincial Treasury and the Risk Management unit has engaged with Treasury to look in to the areas of concern	21-Jun-18	Resolved
	Expenditure amounts on the rental of office space on the contract register be revised to make it clear	Manager SCM	May-18			Not resolved
	An explanation note be made on contracts register for contract with no cost to the municipality (service providers appointed to source findings on behalf of the municipality) and expenditure amounts removed.	Manager SCM	May-18			Not resolved
	PMS unit should ensure that internal audit recommendations are incorporated into the adjusted SDBIP before approval is made.	General Manager :Corporate services	12-Mar-18	Internal audit recommendations were incorporated in the adjusted SDBIP		Resolved
	Progress report on internal audit findings be presented in the next audit committee meeting	Manager internal audit	May-18	Details included in a follow up internal audit report on AGSA audit action plan.		Resolved

	Internal audit staff members participate in formal professional training. Skills development plan submitted to audit committee for adoption.	Manager internal audit	May-18	Municipal manager approved professional training for internal auditor for the CIA stream and selected CPD trainings.		Resolved

APPENDIX H – LONG-TERM CONTRACTS AND PUBLIC - PRIVATE PARTNERSHIPS

NOT APPLICABLE

APPENDIX I – MUNICIPAL ENTITY

NOT APPLICABLE

APPENDIX J - DISCLOSURES OF FINANCIAL INTERESTS

Disclosures of Financial Interests		
Period 1 July 2015 - 30 June 2016		
Position	**Name**	**Description of Financial Interest*** (Nil/or details)
(Mayor)	Cllr Mihloti Muhlope	Nil
Speaker	CllrGilbert Netshisaulu	Nil
EXCO members	Cllr Siyaphi Shirelele	Nil
	Cllr Nkele Milanzi	Nil
	Cllr Jeremia Khunwana	Nil
	Cllr C Magwira	Nil
Councillors	24 councillors	Nil
Municipal Manager	Thovhedzo Tshiwanammbi	Nil
Other S56 Managers		Nil
General Manager Community Services	Richard Morolana	Nil
General Manager Corporate Services	Phalakatshela Peta	
Acting General Manager Economic Development	Thovhedzo Tshiwanammbi	Nil
Acting Chief Financial Officer	Liston Murulana	Nil

APPENDIX K - REVENUE COLLECTION PERFORMANCE

Description	Original Budget	Budget Adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Virement (i.t.o. Council approved policy)	Final Budget	Actual Outcome	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget
	1	2	3	5	6	7	9	10	11
Revenue By Source									
Property rates	15 049 600	602 987	15 652 587	-	15 652 587	17 025 929	1 373 342	109	113
Service charges - electricity revenue	85 451 873	7 354 308	92 806 181	-	92 806 181	97 173 950	4 367 769	105	114
Service charges - refuse revenue	13 545 527	384 994	13 930 521	-	13 930 521	14 277 580	347 059	102	105
Rental of facilities and equipment	620 000	636 618	1 256 618	-	1 256 618	1 141 369	(115 249)	91	184
Interest earned - external investments	-	897 000	897 000	-	897 000	1 404 420	507 420	157	-
Interest earned - outstanding debtors	583 000	1 269 000	1 852 000	-	1 852 000	3 014 284	1 162 284	163	517
Fines	1 790 000	-	1 790 000	-	1 790 000	2 447 250	657 250	137	137
Licences and permits	3 770 000	-	3 770 000	-	3 770 000	3 637 028	(132 972)	96	96
Transfers recognised - operational	97 852 000	20 000 000	117 852 000	-	117 852 000	111 104 000	(6 748 000)	94	114
Other revenue	33 848 000	1 049 439	34 897 439	-	34 897 439	3 461 628	(31 435 811)	10	10
Gains on disposal of PPE			-		-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	**252 510 000**	**32 194 346**	**284 704 346**	**-**	**284 704 346**	**254 687 438**	**(30 016 908)**	**89**	**101**
Expenditure By Type									
Employee related costs	100 798 852	191 148	100 990 000	10 516 338	111 506 338	115 171 841	3 665 503	103	114
Remuneration of councillors	4 192 000	4 818 925	9 010 925	(488 516)	8 522 409	8 522 405	(4)	100	203
Debt impairment			-		-	2 286 327	2 286 327		
Debt impairement traffic					-	833 885	833 885		
bad debt	500 000	-	500 000	5 224 820	5 724 820	4 890 936	(833 884)	85	978
Depreciation & asset impairment	28 500 000	-	28 500 000	-	28 500 000	26 849 089	(1 650 911)	94	94
Finance charges	3 750 000	(1 812 000)	1 938 000	(762 682)	1 175 318	2 055 667	880 349	175	55
Bulk purchases	66 000 000	8 402 073	74 402 073	7 314 230	81 716 303	78 457 267	(3 259 036)	96	119
Other materials	1 790 000	5 779 573	7 569 573	(460 814)	7 108 759	12 793 837	5 685 078	180	715
Contracted services	10 800 000	-	10 800 000	(2 525 892)	8 274 108	8 274 108	(0)	100	77
Transfers and grants	1 879 000	37 000	1 916 000	7 231 855	9 147 855	7 220 096	(1 927 759)	79	384
Other expenditure	33 050 060	14 778 369	47 828 429	5 301 090	53 129 519	24 136 217	(28 993 302)	45	73
Loss on disposal of PPE			-		-				
Total Expenditure	**251 259 912**	**32 195 088**	**283 455 000**	**31 350 429**	**314 805 429**	**291 491 674**	**(23 313 755)**	**93**	**116**
Surplus/(Deficit)									
Transfers recognised - capital	-		-		-	28 893 888	28 893 888	-	-
Contributions recognised - capital	38 814 000		38 814 000		38 814 000	38 814 000	-	100	-
Contributed assets	**1 250 000**		1 250 000		1 250 000	756 564	(493 436)	61	(39)
Surplus/(Deficit) after capital	**40 064 000**	**-**	**40 064 000**	**-**	**40 064 000**	**68 464 452**	**28 400 452**	**161**	**(39)**

transfers & contributions									
Taxation									
Surplus/(Deficit) after taxation									
Attributable to minorities									
Surplus/(Deficit) attributable to municipality									
Share of surplus/ (deficit) of associate									
Surplus/(Deficit) for the year	**41 314 088**	**(742)**	**41 313 346**	**(31 350 429)**	**9 962 917**	**(105 268 688)**	**21 697 299**	**157**	**(55)**

Description	Original Budget	Total Adjusts.	Adjusted Budget	Actual Outcome	Variance	Actual Outcome as % of Final Budget
LIABILITIES						
Current liabilities						
Bank overdraft			-		-	
Borrowing	4 647 000	-	4 647 000	7 485 038	2 838 038	161.07%
Finance lease liabilities			-	-	-	0.00%
Consumer deposits			-	4 688 485	4 688 485	0.00%
Trade and other payables	103 217 000	-	103 217 000	425 888 118	322 671 118	412.61%
Provisions	-	-	-	4 874 384	4 874 384	0.00%
Total current liabilities	**107 864 000**	**-**	**107 864 000**	**442 936 025**	**335 072**	**573.69%**
Non-current liabilities						
Borrowing	27 059 000	-	27 059 000	9 925 643	-17 133 357	36.68%
Provisions	1 658 000	-	1 658 000	20 760 410	19 102 410	1252.14%
Total non-current liabilities	**28 717 000**	**-**	**28 717 000**	**30 686 053**	**1 969**	**1288.82%**
TOTAL LIABILITIES	**136 581 000**	**-**	**136 581 000**	**473 622 077**	**337 041**	**1862.50%**
NET ASSETS	**489 378 000**	**17 242 000**	**506 620 000**	**261 091 273**	**(245 529)**	**-4343.36%**

APPENDIX L - CONDITIONAL GRANTS RECEIVED EXCLUDING MIG

INEP PROJECT SUMMARY							
Project Name		Budget Amount	Actual expenditure	Retention	Total amount spend	Total vat	Total expenditure
Roll over projects		1 299 560	698 146	77 572	775 718	108 601	884 319
Households electricity connections substation		18 000 000	10 693 390	451 430	11 144 820	1 632 207	12 777 027
		19 299 559,89	**11 391 535,95**	**529 002,14**	**11 920 538,09**	**1 740 807,43**	**13 661 345,52**

APPENDIX M – CAPITAL EXPENDITURE NEW/ UPGRADE/ RENEWAL PROGRAMMES INCLUDING MIG

Municipal Infrastructure Grant (MIG)* Expenditure 2017/18 on Service backlogs							
Details	**Budget Amount**	**Actual Expenditure**	**Retention**	**Total Amount Spend**	**Total Expenditure**	**Unspent Amount**	**Project Status**
Muswodi sport centre	3 100 000	1 414 955	103 691.00	1 518 646.17	1 731 256.83	1 368 743.17	Not completed
Extention 4 paved road	9 294 600	7 437 325	699 262.83	8 136 588.26	9 316 012.28	-21 412.28	Not completed
Multipurpose centre	7 000 000	4 183 315	133 286.31	4 316 601.10	4 942 465.96	2 057 534.04	Not Completed
Madimbo sport Lighting	1 600 000	1 253 949	112 320	1 366 269.39	1 559 241.56	40 758.44	Completed
Masisi sport centre	7 000 000	2 360 308	208 740	2 569 048	2 881 654.71	4 118 345.29	Not completed

APPENDIX N – CAPITAL PROGRAMME BY PROJECT YEAR 2017/2018

Capital Programme by Project 2017/2018 (,000) R'000					
	Current Year			**Variance Current Year**	
Name of Project	**Original Budget**	**Adjustment Budget**	**Actual Expenditure**	**Original Variance (%)**	**Adjustment Variance (%)**
Muswodi sport centre	3 100 000		1 414 955		
Extention 4 paved road	9 294 600		7 437 325		
Multipurpose centre	7 000 000		4 183 315		
Madimbo sport Lighting	1 600 000		1 253 949		
Masisi sport centre	7 000 000		2 360 308		

APPENDIX O – CAPITAL PROGRAMME BY PROJECT BY WARD 2016/2017

2015/ 2016 MIG PROJECTS

PROJECT NAME	PROJECT BUDGET	WARD
Nancefield ext. 9 concrete paved roads	R 9 154 000.00	Ward 05
Traffic Department office	R 6 154 000.00	Ward 04
Madimbo sports centre phase 2	R 5 500 000.00	Ward 08

2016/ 2017 MIG PROJECTS

PROJECT NAME	PROJECT BUDGET	WARD
Nancefield ext. 8&9 concrete paved roads	R 8 000 000.00	Ward 2&5
Madimbo sports centre phase 2	R 5 300 000.00	Ward 8
Sports centre phase 2 ext.5	R 2 228 000.00	Ward 04
Musina walk-in centre	R 5 000 000.00	Ward 01
Tshipise/Matatane road	R 7 800 000.00	Ward 10
Nancefield storm water channel	R 6 295 300.00	Ward 03

2017/ 2018 MIG PROJECTS

PROJECT NAME	PROJECT BUDGET	WARD
Muswodi sport centre	3 100 000	Ward 11
Nancefield Extention 4 paved road	9 294 600	Ward 03
Multipurpose centre	7 000 000	Ward 04
Madimbo sport Lighting	1 600 000	Ward 12
Masisi sport centre	7 000 000	Ward 08

APPENDIX P– SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS

Service Backlogs: Schools & Clinics				
Establishments lacking basic services	**Water**	**Sanitation**	**Electricity**	**Solid Waste Collection**
Schools (Names, Locations)				
Not applicable	0	0	0	0
Not applicable	0	0	0	0

APPENDIX Q – SERVICE BACKLOGS EXPERIENCED BY COMMUNITY WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION

Service Backlogs Experienced by Community Where Another Sphere of Government is the Service Provider (Whether or Not Municipality Acts on Agency Basis)		
Services and locations	**Scale of backlogs**	**Impact of backlogs**
Clinics	none	
Housing	None	
Licensing and testing centre	None	
Reservoirs	None	
Schools (primary &high)	None	
Sports fields	None	

APPENDIX R - DECLARATION OF LOANS AND GRANTS MADE BY MUNICIPALITY

Declaration of Loans And Grants Made by Municipality 2017/2018				
All organisations or persons in receipt of loans*/Grants* provided by the municipality	**Nature of project**	**Conditions attached to funding**	**Value 2011/12 R`000**	**Total amount committed over previous and future years**
No grants and loans granted during the year under review				

APPENDIX S & T- DECLARATION OF RETURNS NOT MADE IN DUE TIME UNDER MFMA S71

MFMA Section 71 Returns Not Made During 2016/2017 According to Reporting Requirements	
Return	**Reason return not properly made on due date**
All MFMA Section 71 returns were made according to reporting requirements, and submitted in time	

APPENDIX U – PRESIDENTIAL OUTCOME FOR LOCAL GOVERNMENT

None