



MATATIELE

LOCAL MUNICIPALITY

2020/2021 Annual report

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CHAPTER 1 – MAYOR’S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A: MAYOR’S FOREWORD

It gives me great pleasure to present the 2020/2021 Annual Report (AR) which is a detailed account of the Municipal performance for the financial year. The report is in line with the requirements of the Municipal Finance Management Act, 56 of 2003 and other relevant pieces of legislation that dictate transparency and accountability in the execution of the Municipal mandate.

The people of Matatiele tasked us with a responsibility of ensuring that everyone is at home, at work, on the streets, ensure that garbage and trash is neatly collected, an active economy to benefit all, a municipality growing in fiscal strength and fairness, ensure that they are connected into the national electrification grid, their communities are accessible through building long last quality road networks and bridges and also support those living below the poverty lines.

Yes, we do acknowledge that there have been major strides taken during our tenure, to deliver these services to the people of Matatiele. This we did even in the most challenging times, thus our #SIPHUSHILE stance. We continued as the outgoing council to strive towards attaining the set goals and objectives for the period between 2016 to date. This, we do understanding that there is still a long way to go.

It is with great pride to highlight the effort taken by the municipality during our tenure:

- When we joined this council the electricity backlog in 2016 was just above 30%, about 5 wards had no electrical infrastructure but as speak today there is no ward that does not have electricity. We had managed to electrify more **9000 households** as this council.
- In terms of access roads, we constructed **119 km**. Part of these kilometres include virgin roads & maintenance of existing access roads. We also procured our own plant which is assisting us a great deal in maintaining access roads. We also managed to build bridges so that we connect our communities.
- Today our youth have access to world class sporting facilities including the likes **Cedarville multi-purpose sports centre, Majoro sports field** and we are in a process of rectifying **Epiphany, Mahangwe & Afsondering** sports field.
- We have also constructed a **Silo facility** and a **Fresh Produce Market** to realize our vision which says agriculture is one of our investments of choice.
- We offered indigent support to more than **13000 indigent beneficiaries** across the board.

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- The EPWP continues to play a critical role in reducing the levels of poverty around Matatiele and as such more than **2000 opportunities** were created.
- Through our skill development programme, we have changed the lives of more than **400** young people through enrollment to Institutions of Higher Learning. Some of our bursary beneficiaries are now working for other sectors, whilst others have been absorbed by the municipality. On top of that, close to **100** young minds have benefitted from our in-service and internship programme over the past years
- We have supported our local SMME's investing more than **R3 million** on business equipment. More than **21** good quality hawker stalls have been provided to informal traders and some have also benefitted in our provision of mobile kitchens and mechanical equipment.
- We have trained close to **500 SMME's** and contractors on waste management, health & safety, supply chain processes, project management, business management, financial management, sustainable business development and bookkeeping.
- About **250 emerging farmers** benefitted from training on plant and animal production and project management.

It has been always our desire as outgoing council to live up to the Vision and Mission of Matatiele Local Municipality, the 2020/2021 financial year been the last year for the realization of the current vision we directed all our effort to address the needs of our communities before the end of the five (5) year term of the current Council.



CLLR. S MNGENELA

HIS WORSHIP THE MAYOR

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COMPONENT B: EXECUTIVE SUMMARY

1.1. MUNICIPAL MANAGER'S OVERVIEW

Matatiele Local Municipality's (MLM) Annual Report (AR) was developed in terms of the provisions of Section 121 of the Municipal Finance Management Act (MFMA), 56 of 2003 and other relevant legislative requirements. The Annual Report articulates the results achieved against the set objectives as embedded in the 2020/2021 Service Delivery, Budget and Implementation Plan (SDBIP).

The AR serves as a yardstick to measure progress made with regards to the implementation of the 2020/2021 SDBIP. It is a culmination of quarterly reports against the predetermined objectives as set out in the Municipal SDBIP. The 2020/2021 Annual Performance Report (APR) reflects the Municipality's performance and achievements. A total of 115 targets as per the approved Revised 2020/2021 SDBIP were set.

Matatiele local municipality is delighted to announce that the institutions service delivery performance and financial management has greatly improved in the last fiscal year. The municipality has achieved 83% on its service delivery related targets during the 2020/2021FY - a COVID-19 year!

Information on the municipality's service delivery performance is contained in the APR, which outlines in detail how the institution has delivered on the imperatives of the Integrated Development Plan (IDP) priorities. The report is in line with the requirements which dictates transparency and accountability in the execution of the municipal mandate. This report also covers service delivery achievements, challenges and corrective measures.

Although there is a room for much improvements but I am pleased with the performance given the limitations imposed by COVID-19 outbreak. It has been an extremely challenging year, but I am happy that as the municipality we managed to push service delivery to a satisfactory level. It is a deliberate effort of this administration to push all barriers as we endeavour to deliver on the mandate we have been given by the council. We do this even in the midst of increasing external and internal challenges.

The municipality has in the last Financial Year (FY), electrified homes, brought hope to the indigent households, constructed roads, skilled the youth and created job opportunities. This, despite the high number of COVID-19 related delays experienced by the municipality.

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Some of the 2020/2021 FY' Basic Service Delivery Highlights include;

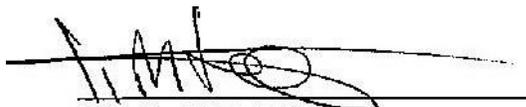
1. More than **4525 households** were connected to the national electrification grid.
2. **63,4 km** of quality access roads constructed and completed in wards 4, 8, 10, 11, 12, 14, 17, 21, 22 and 23.
3. **13269 indigent beneficiaries** were provided with free basic services such as gas, solar maintenance, rates, refuse and free electricity.
4. Maintained **8 municipal infrastructure and public amenities**: Vela Pre-School, Cedarville Community Hall, Ditichereng Pre-School, Lunda Community Hall, Dengwane Community Hall, Public Safety ablution facilities, North End Stadium and Old Electricity Building.

Local Economic Development (LED)

1. The Municipality acknowledges the significant role played by the Expanded Public Works Programme (EPWP) which serves as a fundamental tool to alleviate poverty and unemployment. **430 job opportunities** were created through the Expanded Public Works Programme (EPWP).
2. **Seventy (70) SMMEs** were supported through skills development training in Waste Management, animal production and plant production.

The other **four Key Performance Areas (KPA)**s being Municipal Institutional Development and Transformation, Municipal Financial Viability and Management, Good Governance and Public Participation and Spatial Rationale have been reported as part of the Annual Report.

The municipality's performance was affected by both external and internal factors resulting in some targets not been met. The municipality has recognised all the shortfalls and going forward an effort will be made to correct these.



MUNICIPAL MANAGER
MR L MATIWANE

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1.2. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

INTRODUCTION TO BACKGROUND DATA

Matatiele Local Municipality (MLM) thus has functions and powers as prescribed by the constitution of Republic of South Africa 1996 section 153(a)(b), Municipal Structures Act, Municipal System Act, Municipal Finance Management Act and Batho pele principle. Matatiele Local Municipality's function includes the construction and maintenance of access roads, community halls, sport facilities, electricity distribution, removal of solid waste, town planning, build control and local economic development.

Matatiele Local Municipality is located in the Northern part of the Eastern Cape Province. It adjoins onto Elundini Municipality to west, Greater Kokstad Municipality (KZN) to the east, Umzimvubu Municipality to the south, and Lesotho to the north. Traversing the Local Municipality in an east-west direction is the R56 road, linking Matatiele with Kokstad to the east and Mount Fletcher to the west. This roadway links the Municipality with KwaZulu-Natal Province and parts of the Eastern Cape Province located south of Matatiele Municipality.

Matatiele Local Municipality is one of four (4) Local Municipalities situated within the Alfred Nzo District Municipality. Alfred Nzo District Municipality consists of Matatiele, uMzimvubu, Mbizana and Ntabankulu Local Municipalities.

The Alfred Nzo District Municipality is situated within the Eastern Cape Province; and is surrounded by OR Tambo District Municipality to the east, Joe Gqabi District Municipality to the west, Harry Gwala District Municipality to the north-east, Ugu District Municipality to the east and Lesotho to the north.

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DEMOGRAPHIC PROFILE

Population size and Distribution

According to the 2016 Community survey; Matatiele Local Municipality has a population size of 219,447 people, spread across 26 wards. This shows a slight increase in the population size over the last five years, since the 2011 census. A comparative demographical analysis demonstrates that Matatiele Local Municipality has the largest geographical size at 4,352km² within Alfred Nzo District Municipality. The area accounts for 41% of the District's population. In terms of population density, Matatiele Local Municipality has a rather lower density (46.8 p/km²) within ANDM.

Area	Area Size (Km ²)	Population Density (persons per km ²)	Population size Census 2011	Population size 2016 community survey
South Africa	1,221,037	42.4	51,770,560	55,653,654
Eastern Cape	168,966	39	6,562,053	6,996,976
Alfred Nzo DM	10,731	74.7	801,344	867,864
Matatiele Local Municipality	4,352	46.8	203,843	219,447
Umzimvubu Local Municipality	2,577	74.4	191,620	199,620
Ntabankulu Local Municipality	1,385	89.5	123,976	128,849
Mbizana Local Municipality	2,417	116.6	281,905	319,948

Table 1.2.2 Population size

Source: STATSSA, Census 2011, CS 2016

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Population groups

The majority of the population is African at 98.4%, while Coloured, Indian/Asian and White population groups, constitute 1%, 0.2% and 0.4% respectively. The majority of the population mostly resides in the rural villages around the towns of Matatiele, Maluti and Cedarville.

Households

These households are distributed unevenly over 26 wards. The 2016 municipal demarcation has not affected changes in the geographical size of the Municipality; however, the ward boundaries of some wards have changed, with some wards assigned new villages from other wards. Hence, the number of villages in each ward is unevenly distributed as well. The number of villages per ward also varies in size and number. The average household size is 3.9.

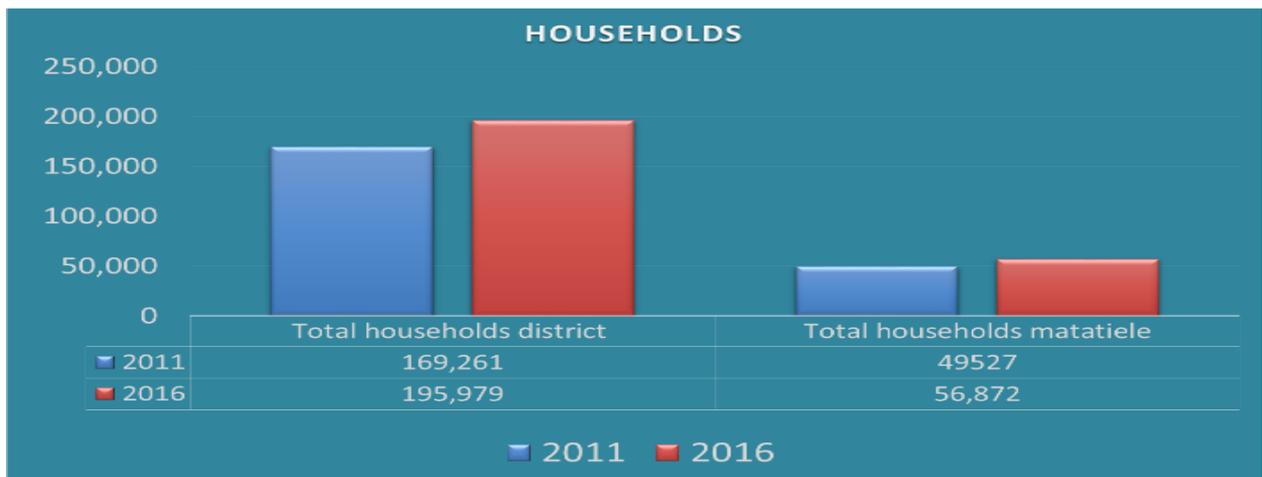


Figure 1.1.1: Total households; Statistics South Africa. CS 2016

Gender differentiation and Age distribution

Fifty-four percent (54%) of the population of Matatiele Local Municipality are females. There are more females than males. This is not unique to MLM as this trend is also evident within the district, province and the country as a whole. The figure below shows the population pyramid for MLM.

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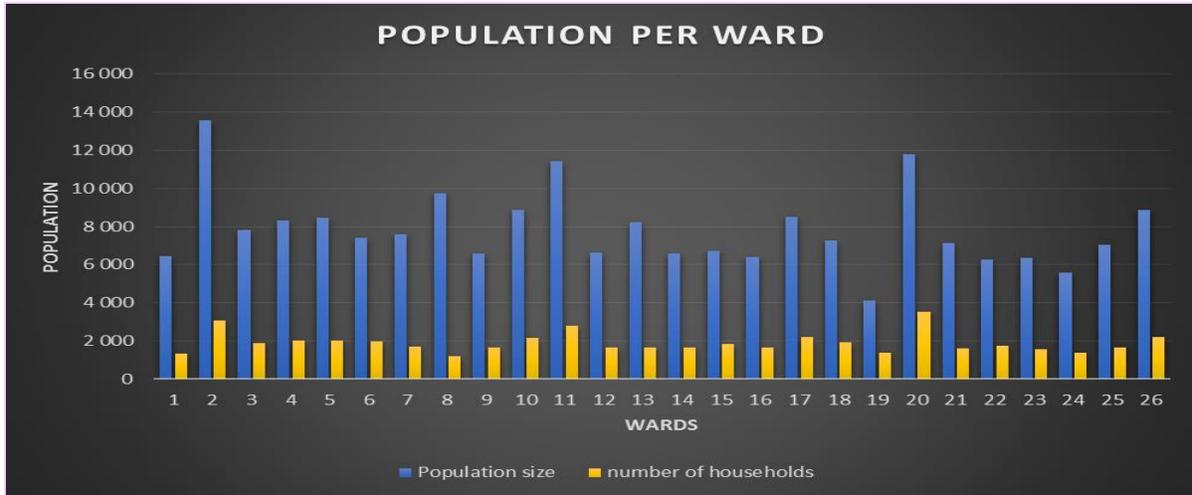


Figure 1.1.2: Population per ward; Statistics South Africa, CS 2016.

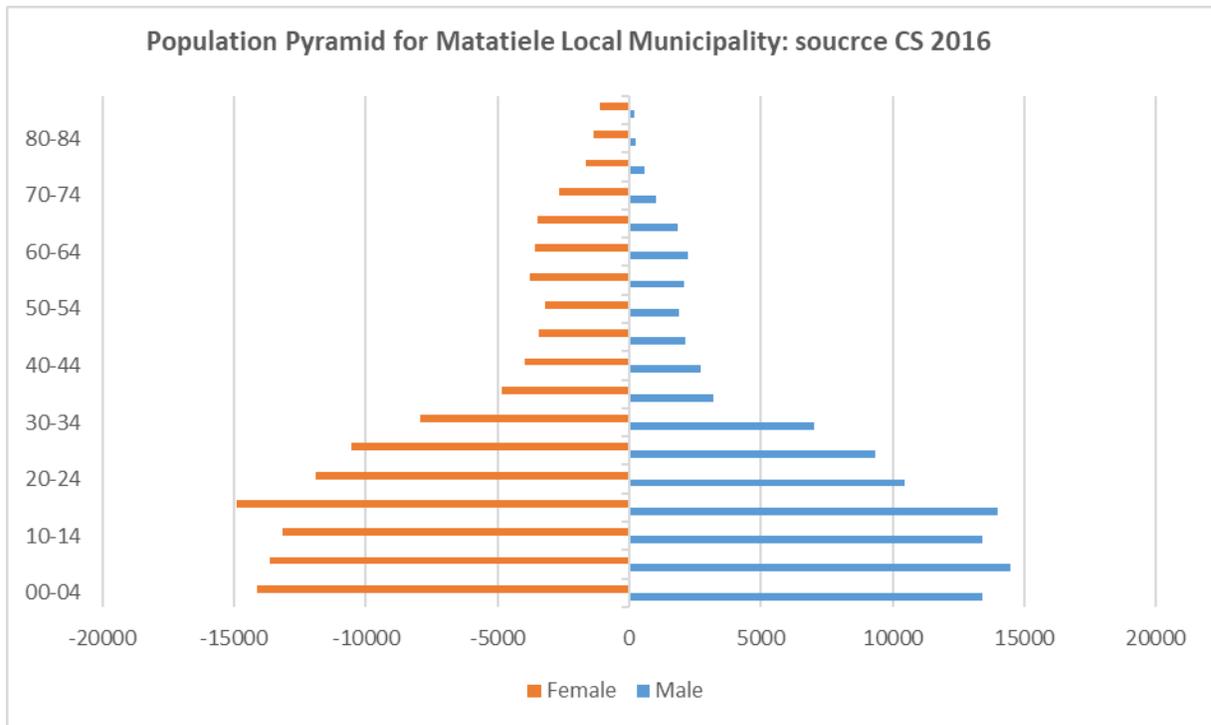


Figure 1.1.3: Gender differentiation and Age distribution, Pyramid for MLM; Statistics South Africa, CS 2016.

MLM generally has a large youthful population. The largest part of the population falls between the age 15 and 19. The majority of these young people are still in school. There are more females across the age groups with the exception of the 05 -09 age group.

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- **YOUTH POPULATION**

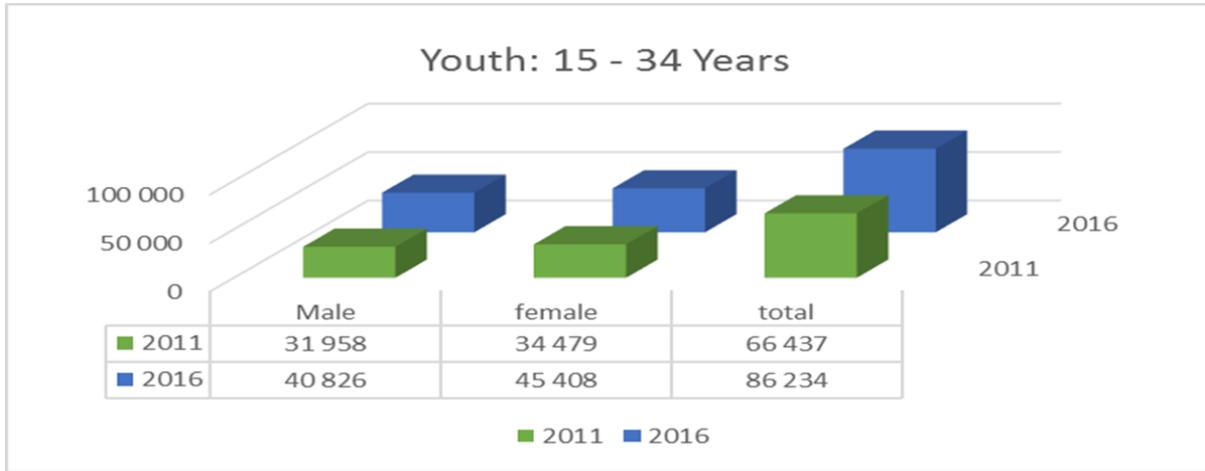


Figure 1.1.4: Youthful Population; Statistics South Africa, CSs 2011 and 2016.

The present population of MLM is largely comprised of youths. Therefore, it should be a matter of priority for the Municipality, Sector Departments and other Stakeholders to ensure that a large percentage of the budget is allocated to social development facilities and youth Empowerment initiatives in order to meet the needs of a youthful population and ensuring that people falling within this age acquire relevant skills. The development of skills, creation of more job opportunities is one of the key aspects of the developmental issues by the Municipality in partnership with the sector departments and other stakeholders.

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Population projections-2021

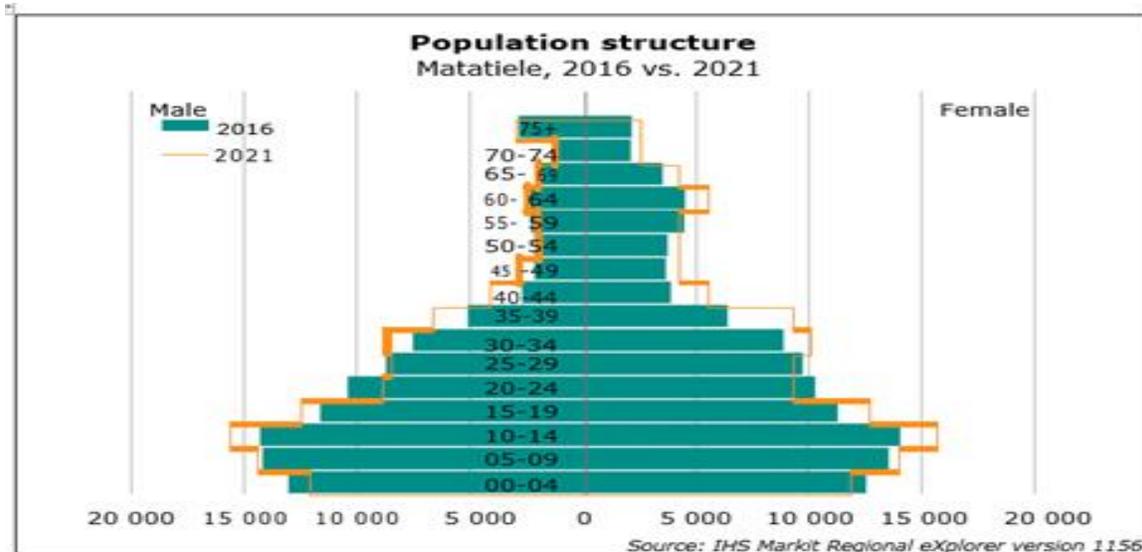


Figure: 1.1.5: Population Pyramid-Matatiele Local Municipality, 2016 Vs. 2021 (%)

The population pyramid reflects a projected change in the structure of the population from 2016 and 2021. The differences can be explained as follows:

- In 2016, there is a significantly larger share of young working age people between 20 and 34 (25.6%), compared to what is estimated in 2021 (23.7%). This age category of young working age population will decrease over time. The fertility rate in 2021 is estimated to be significantly higher compared to that experienced in 2016.

The share of children between the ages of 0 to 14 years is projected to be significant smaller (36.4%) in 2021 when compared to 2016 (37.6%).

In 2016, the female population for the 20 to 34 years age group amounts to 13.3% of the total female population while the male population group for the same age amounts to 12.2% of the total male population. In 2021, the male working age population at 11.5% does not exceed that of the female population working age population at 12.2%, although both are at a lower level compared to 2016.

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Education Profile and Literacy Levels

Education and training are important to the future socio-economic dynamics of MLM, because through improved education provision, the population of Matatiele will be empowered. Education attainment is an important indicator of the community for the development of the local economy and the human resource capacity for business establishment and employment. One of the challenges within the Municipality is the increasing number of school drop outs. This results in a large number of young people who do not complete high school.

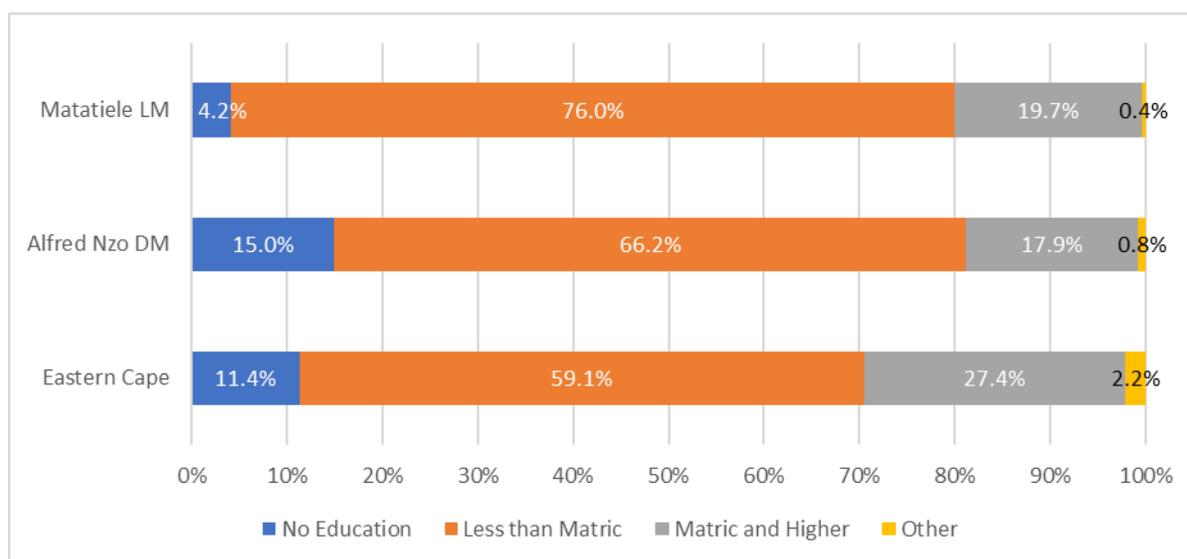


Figure: 1.1.6: Education Attainment Levels in the Population 20 Years and Older, 2017



**Percentage working age population
with Matric or higher qualifications**

The proportion of the working age population that is between the age of 15 and 65 years of ages who has obtained at least a matric or higher level of education in Matatiele is 22.6%. This is higher than the district where 23.0% have achieved Matric or higher. The Municipality is home to 4.2% of its population that report having had no schooling. This is less than the provincial average of 11.4% and lower than the district average of 15.0%. The percentage of people with no education in Matatiele LM declined with 2.2 percentage points from 6.4% in 2010 to 4.2% in 2018.

The majority of learners in Matatiele are in primary and secondary school. The figure also indicates the number of learners enrolled in higher education institutions. There are however, no tertiary institutions in the Municipality other than a TVET centre. Most matric graduates

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are required to leave the area and study in cities within the province and in other provinces. Furthermore, the small percentage of youth people enrolled in higher educational institutions could be attributed to poor financial backgrounds, in that most students after Matric do not have the financial means to further their studies.

Employment Profile

The Matatiele workforce was estimated to total 107,190 people in 2017, which being the population aged between 15 and 64 years old. Of this group, the labour force refers to those who are employed or unemployed and actively seeking employment. The labour force of Matatiele was estimated at 43,160 people.

The number of unemployed persons in the Municipality was estimated at 15,296 in 2016. It is estimated that there are 26,800 employed persons within MLM and 16,074 unemployed people in 2017.

Indicator	2017
Labour Force	43,160
Workforce	107,190
Employed	26,800
Unemployed	16,074

Table 1.2.3: Matatiele LM Labour Force Size and Growth

Source: (Quantec, 2018)

The *not economically active* category is defined as persons aged 15–64 years who are neither employed nor unemployed in a given reference week. This measure accounts for persons who are discouraged work-seekers or who have chosen or been forced out of the labour market due to ill health, studies or family responsibilities. Matatiele LM's *not economically active rate* stands as 60.0% for 2017.

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The *labour force participation rate* measures the proportion of the working-age population that is either employed or unemployed. The labour force participation rate for Matatiele LM was 40.0% for 2017 which was higher than the Alfred Nzo District of 32.7% but less than Eastern Cape’s labour force participation rate of 48.0%.

Indicator	Eastern Cape (%)	Alfred Nzo DM (%)	Matatiele LM (%)
Labour Force Participation Rate	48.0	32.7	40.0
Formal Employment Rate	72.7	68.2	64.9
Informal Employment Rate	27.3	31.8	35.1
Unemployment Rate	34.3	43.6	37.5
Not Economically Active Rate	52.1	67.3	60.0

Table 1.2.4: Matatiele LM Employment Profile, 2017

Source: (Quantec, 2018)

The Municipality experienced a slight variation in unemployment rate between 2010 and 2017 as shown in the graph below. With unemployment rate declining from 38.2% in 2010 to 37.5% in 2017. This implies 0.7 percentage point decrease meaning a slight increase in employment was experienced.

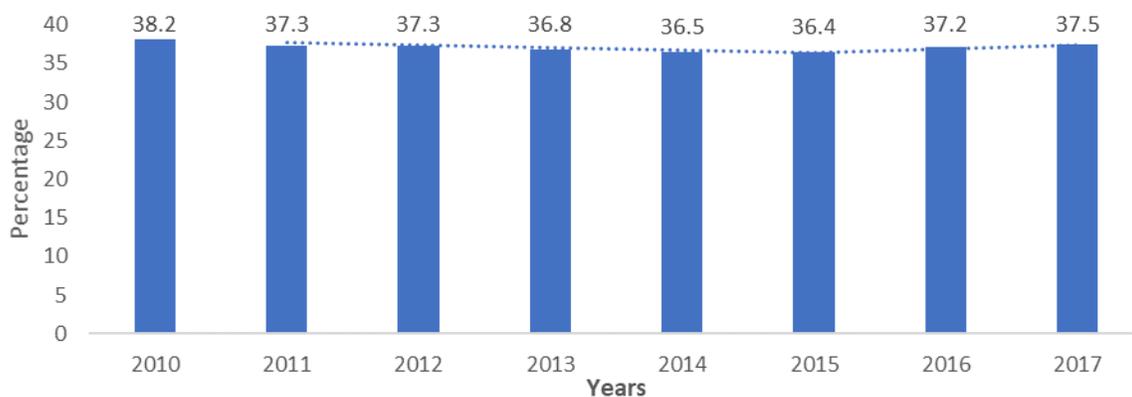


Figure 1.2.5: Unemployment Trend in Matatiele Municipality, 2010-2017 (%)

Source: (Quantec, 2018)

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Youth unemployment of those aged 15-34 years old African government's definition of youth, then group are unemployed. This is higher than the average at 62.8% and below the District's average respectively, but still a significantly high number. in this age group so high, it is



as per the South African government's definition of youth, then group are unemployed. This is higher than the average at 62.8% and below the District's average respectively, but still a significantly high number. in this age group so high, it is

not surprising that youth unemployment has been identified as one of the most serious issues facing the South African economy. In addition, research has shown that young people who cannot find gainful employment between the ages of 15-34 years old, will struggle to find employment for the rest of their life and hence will be locked out of the labour market entirely.

	Eastern Cape	Alfred Nzo DM	Matatiele LM
Youth Unemployment Rate (15-34 years old)	62.8%	66.7%	65.5%

Table 1.2.6: Youth Unemployment, 2017

Source: (Quantec, 2018)

Formal employment which represents the percentage of persons employed in formal sector as a proportion of the Matatiele workforce was 17 398 people or 64.9% of total employment in 2017. Whereas, the informal sector employment was estimated at 9 402 people representing 35.1% of total employment.

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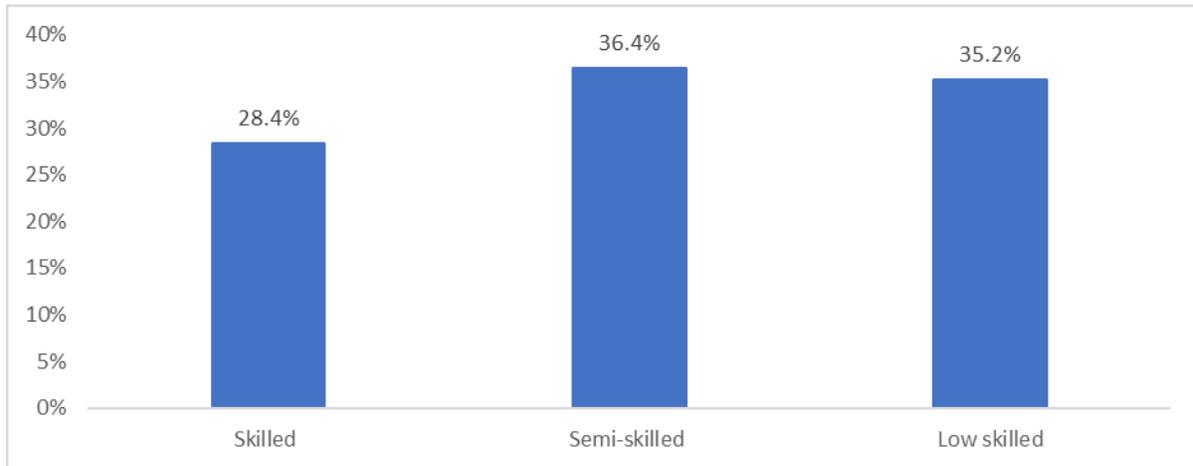


Figure 1.1.8: Matatiele LM Employment by Skills Level, 2017

Source: (Quantec, 2018)

As shown in the graph above, with regards to formal employment, skilled occupation makes up 28.4% of employment in Matatiele LM. Semi-skilled occupations constitute a substantial proportion of employment in the Municipality at 36.4%. Whilst low-skilled employment makes up 35.2%. Skills development and job creation is one of the key aspects of the development of the Municipality in partnership with the sector departments and other stakeholders.

SOCIAL AND ECONOMIC PROFILE

Education Profile and Literacy Levels

The literacy level within Matatiele Local Municipality has improved over the last ten years. Figure below show that 76% of population below the age of 20 are in a school or rather enrolled in an educational institution. The remaining 24% includes non-school going age as well as those that are not enrolled in school, falling within the ages of 0-20.

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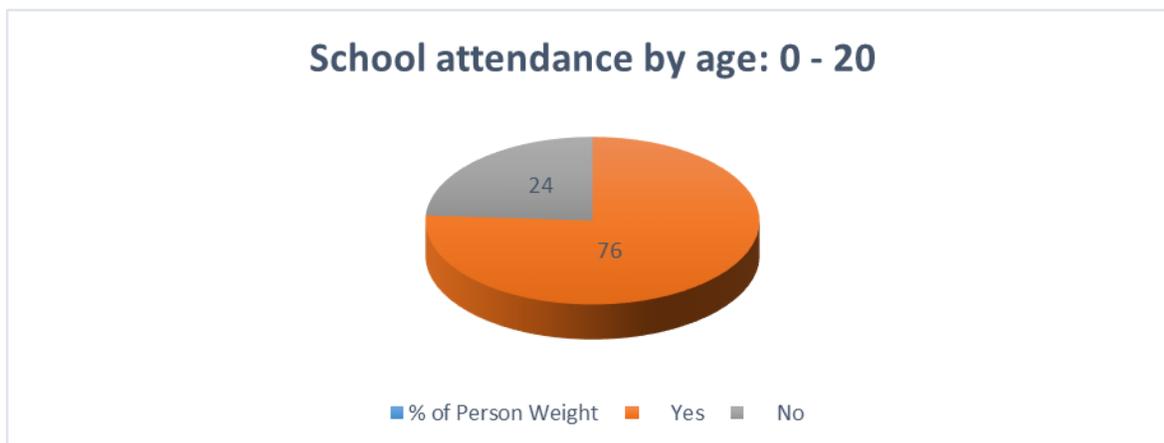


Figure 1.1.9: School attendance: Statistics South Africa, CS 2016.

The figure below shows attendance in the various educational institutions.

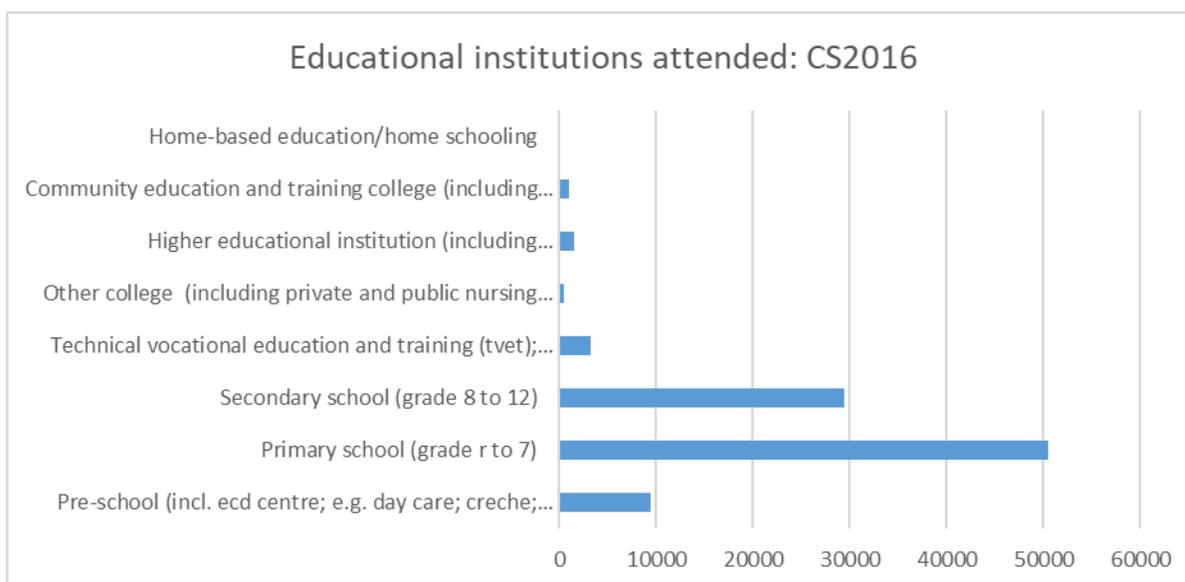


Figure 1.2.0: Educational institutions attended: CS2016

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Attendance in educational institutions. Statistics South Africa, CS2016

The majority of learners are in primary and secondary school. The figure also indicates the number of learners enrolled in higher education institutions. There are however, no tertiary institutions in the Municipality other than a TVET centre. Most matric graduates are required to leave the area and study in cities within the province and in other provinces. Furthermore, the small percentage of youth people enrolled in higher educational institutions could be attributed to poor financial backgrounds, in that most students after matric do not have the financial means to further their studies.

Employment by Sector

The largest contributing sector in terms of total employment in Matatiele LM, is the wholesale and retail trade, catering and accommodation sector accounting for 28.0% (or 7,508 people) of the total employment. This is followed by community, social and personal services contributing 26.5% or (7,106 people) to the total employment, while the government employed 4,784 people or contributes 17.9% to the total employment. The contribution per sector to the national, district, and Municipal total employment is shown in the table below.

Industry	EC (%)	Alfred Nzo DM (%)	Matatiele LM		
			Share (%)	Growth 2016-2017 (%)	Growth CAGR (2010-2017) (%)
Agriculture, forestry and fishing	8.3	4.6	5.7	-1.9	3.5
Mining and quarrying	0.2	0.5	0.4	1.0	1.0
Manufacturing	8.3	2.2	2.8	5.8	0.6
Electricity, gas and water	0.3	0.2	0.3	2.3	4.2
Construction	5.7	7.3	8.0	3.5	7.2
Wholesale and retail trade, catering and accommodation	23.5	24.5	28.0	7.6	2.0
Transport, storage and communication	3.6	3.0	2.7	4.5	3.1
Finance, insurance, real estate and business services	12.2	9.1	7.7	3.3	2.4
General government	17.0	21.2	17.9	-2.8	1.7

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Industry	EC (%)	Alfred Nzo DM (%)	Matatiele LM		
			Share (%)	Growth 2016-2017 (%)	Growth CAGR (2010-2017) (%)
Community, social and personal services	20.9	27.4	26.5	5.6	3.2

Table 1.2.7: Total Employment per Sector, 2017

Source: (Quantec, 2018)

The sector which employs the least number of people is the electricity, gas and water, it employs only 88 people. However, the construction sector experienced the highest growth in total employment between 2010 and 2017 of 7.2% per annum. Whereas, the least growth in total employment per year was in the manufacturing sector with growth of 0.6% during the same period.

Formal Employment

There are approximately 26,800 people employed in the formal and informal sector in Matatiele LM. Where, 13,997 people are employed formally in Matatiele LM. Hence, formal employment accounts for 52.2% of total employment in the Municipality.

Formal employment is categorized into skilled, semi-skilled, and unskilled employment. Skilled people employed in the Municipality are approximately 4,974 people (or 28.4%) of the Matatiele LM formal employment. Semi-skilled people amount to 6,328 (or 36.4%) of the Matatiele LM formal employment, whilst unskilled workers account for 35.2% (6,127 people) of the Matatiele LM formal employment. Skills development training is crucial in the Municipality for the unskilled and semi-skilled workers to enhance their market competitiveness.

The Municipality experienced CAGR of 3.2% of total formal employment between 2010 and 2017. This was higher than the District growth of 3.0%, Provincial growth of 2.1%, and

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National growth (2.2%) during the same period. The Municipal, District, Provincial, and National growth rates between 2010 and 2017 are shown in the table below.

Growth CAGR (2010-2017)	SA (%)	EC (%)	Alfred Nzo DM (%)	Matatiele LM (%)
Skilled	2.8	2.3	3.2	3.2
Semi-skilled	2.0	2.1	3.2	3.4
Low skilled	1.9	1.9	2.5	2.9
Total	2.2	2.1	3.0	3.2

Table 1.2.8: Formal Employment CAGR Growth 2010-2017

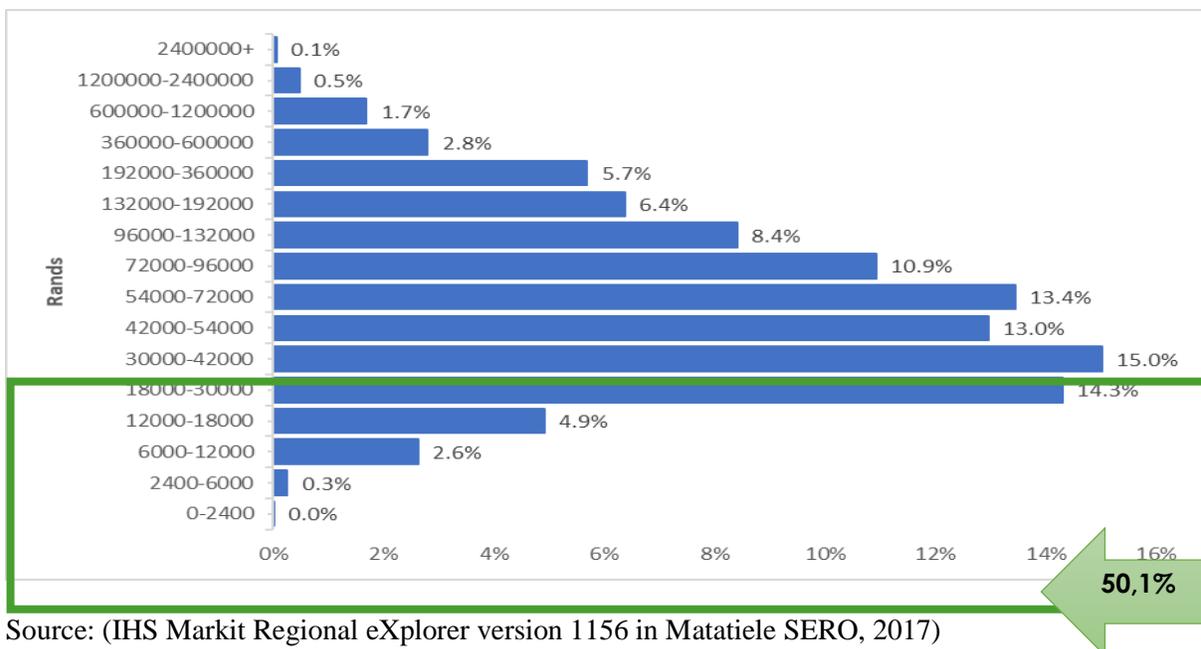
Source: (Quantec, 2018)

The highest CAGR of 3.4% of formal employment was experienced by semi-skilled employees between 2010 and 2017.

Household Income

Monthly household income indicates the average monetary income of households in a particular region. The graph below shows the household annual income distribution in Matatiele LM.

Matatiele LM Annual Household Income Distribution (Rands).



Source: (IHS Markit Regional eXplorer version 1156 in Matatiele SERO, 2017)

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The Municipality has high levels of unemployment and unequal distribution of income. Approximately 22.1% of households in Matatiele LM, earn an income of less than R30 000 per year. Which implies an average monthly income of less than R2,000 which is very low. Whilst, 36.9% of the Alfred Nzo population and 27.4% of the provincial population earn an income of less than R30 000 per year. Whereas, half of (50.1%) of all households in the Municipality, earn an income between R42,000- R54,000 per year. Which implies an average monthly income of approximately R4,000. This income is slightly above the National Minimum Wage Bill in South Africa of R3 500/month. According to SASSA, in the 2020/21 financial year, Matatiele LM has approximately 91,291 beneficiaries, who depend on monthly grants. It is estimated that SASSA payouts in the Municipality amount to R60,426,905 monthly to these beneficiaries.

Monthly household income has a great impact on the ability of the community to provide for the basic needs of the household such as food, shelter, education and access to transport. The low monthly income affects the local domestic trade and businesses negatively as households will not be able to afford any commodities and services available in the local Municipality. Income however is only one aspect of poverty; the lack of accumulated assets or savings are other aspects that refer to the level of wealth in communities.

Indigent Support

The Municipality has an Indigent support policy and an indigent register with 13,269 households registered. The register is updated as and when new people need to be captured on an annual basis. Currently the indigent support is in the form of free basic electricity, non-grid energy, and alternative energy and refuses removal. The District Municipality provides Indigent household provides 6 kilo litres of water per household.

The table below indicates the budget allocated for the provision of free basic services over the past 3-years.

Description	Pre Audit	Budget	Budget
	2018/19 (R)	2019/20 (R)	2020/21 (R)
Free Basic Services	9,500,000	18,070,791	R26 396 212.00
Total	9,500,000	18,070,791	R26 396 212.00

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An analysis of three (3) financial years indicates that the number indigent households increases each year. This also increases the budget allocation to provide the services. Since 2017, the budget for free basic services has increased. In the 2020/21 financial year, the Municipality will be providing gas as an alternative form of energy in households who do not have electricity. Municipal planning recognizes the need to focus strongly on poverty alleviation mechanisms as well as job creation, as well as encouraging young people to create opportunities for themselves.

Applications for indigent subsidy are distributed before the start of the financial year with the aim of updating the register. The application period is not closed in a specific period and as a result the indigent register is updated as and when there are new applications that have been approved.

There is an indigent large gap in the income distribution among households in MLM. The table below indicates the average household income in Matatiele. 16.8% of the households in Matatiele have no form income. This is indicative of the high dependency on social grants and the number of indigent households.

INCOME (R)	PERCENTAGE
No income	16.8
1 - 4,800	7.3
4,801 - 9,600	13.5
9,601 - 19,600	27.5
19,601 - 38,200	19.8
38,201 - 76,4000	6.6
76,401 - 153,800	4.1
153,801 - 307,600	2.8
307,601 - 614,400	1.3
614,001 - 1,228,800	0.2
1,228,801 - 2,457,600	0.1
2,457,601+	0.1

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Table 1.2.10: Average household income

The table above indicates the average household income in Matatiele. 16.8% of the households in Matatiele have no form of income. This is indicative of the high dependency on social grants and the number of indigent households.

Poverty Levels and Indicators

The number of people in poverty is the number of people living in households that have an income less than the poverty income, i.e. the minimum income required to sustain a household according to the particular household size. Since poverty is multi-dimensional, thus having many factors that contribute to a poor person's experience of deprivation such as poor health, lack of education, inadequate living standard, lack of income, disempowerment amongst others. Therefore, the global Multi-dimensional Poverty Index (MPI) is used to measure acute poverty, looking at the three dimensions of poverty i.e. Health, Education and Living Standards.

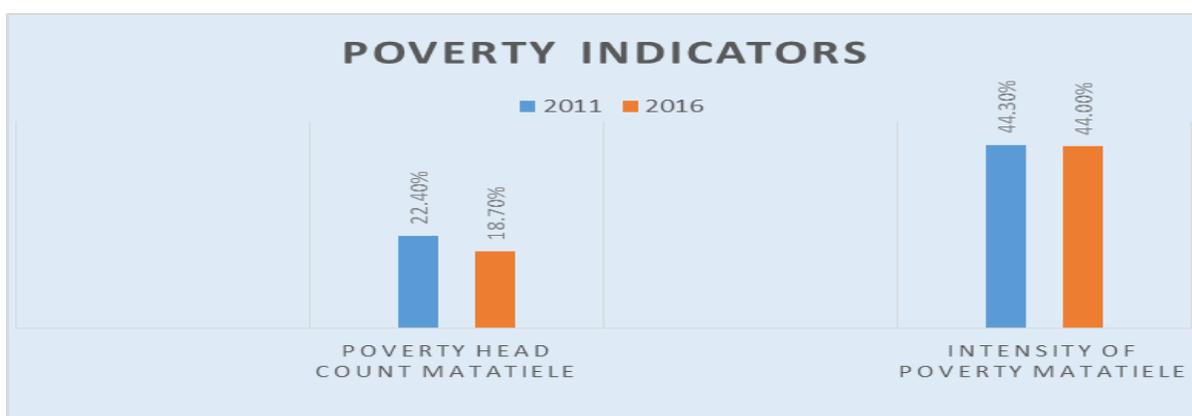


Figure 7: Poverty indicators: Statistics South Africa .CS 2016.

Health Indicators

The following are the health indicators for the Municipality

Indicator	Rate (Per 1000 Live Births)	Ratio (Per 100 000 Live Births)
Under 5 Mortality Rates (2015-16)	13.1	N/A
Infant Mortality Rate (0-1, 2015 -16)	14.0	N/A
Maternal Mortality In Facility Ratio	N/A	129.9

Table 1.2.11: Health indicators; Department of Health, DHIS

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The indicators above are annualised. The table indicates that 14.0 (per 1000 live births) of the children died by the age of 1. The following have been identified as the common causes of Under 5 mortality: Diarrhoea 6.7%, Pneumonia 10.1% and Severe/acute malnutrition 24.5%. Although the rates are below the current national levels, they are quite high considering the population size of the Municipality. High rates of child mortality are indicative of challenges in the poor health systems, which may also be influenced by other factors such as limited access to health care services, poor infrastructure and education amongst others, which are some of the challenges in the Municipality and also the district.

- ***HIV/AIDS***

The HIV prevalence in Matatiele is estimated at 11.5% of the population. The prevalence rate among those aged 15-19 is 6.5%. Matatiele Local Municipality has an HIV/AIDS strategy in line with the Provincial strategic plan. The strategy focuses on issues that are critical in developing the multi-sectorial municipal response to HIV/AIDS.

The impact of the pandemic on the lively hood of the communities is reflected as:

- Impact on Family Life and Children
- Provision of Service Health, Education and Welfare
- Impact on Local Economy
- Impact on community and poverty

SUMMARY OF KEY POPULATION CONCERNS

Population concerns are basically a concern about the sense of balance between human needs and the resources available to meet those needs, now, and for the future generations.

MIGRATION	URBANIZATION	GROWING YOUTHFUL POPULATION
Migration in Matatiele is a concern, this includes both -in and out migration. In recent years there has been a growing influx of migrants especially from Lesotho as well as from other countries (legal and illegal migrants).	Although the majority of the population are in the rural areas, there has been a growing number of people moving to the towns of Matatiele, Maluti and Cedarville. This has put pressure on the limited resources such as land and water.	Essentially, a growing youthful population should not be a concern; however in Matatiele the issues such as the high rate of youth unemployment and low skills base has resulted in the number of young people who are dependent of social grants and are indigent.

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It is also observed that it is common practice for residents to leave the Matatiele in search for work opportunities, tertiary education and other opportunities in other towns, cities and even other provinces.		
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Table 1.2.12: summary of key population concerns

CRIME AND POLICING

Within the Municipal area, there are currently 7 police stations, serving the communities of the area. Crime has the potential to impact negatively on the local economic development of the Municipal area. When analysing the crime statistics within the Municipality; stock theft, commercial crimes, driving under the influence of alcohol or drugs, burglary at residential premises, common assault, and murders are the most prevalent crimes in the area. Although the figures are lower, it is still a concern and may have unfavourable results.

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2020/2021 SAPS crime statistics: Crimes by Precinct

For each precinct the first column indicates the number at 1 July 2020 and the second column indicates the number at 30 June 2021.

<u>CRIME CATEGORIES</u>	<u>AFSONDERING</u>		<u>AVONDALE</u>		<u>CEDERVILLE</u>		<u>LUKHOLWENI</u>		<u>MALUTI</u>		<u>MATATIELE</u>		<u>PHOLILE</u>	
<i>Murder</i>	12	17	14	21	2	4	4	3	36	48	8	9	7	5
<i>Att: Murder</i>	3	5	3	2	4	4	0	0	18	1	2	8	0	0
<i>Assaults</i>	15	29	37	39	49	54	21	18	183	257	65	68	41	46
<i>Robberies</i>	8	6	8	5	5	12	0	2	74	89	23	20	7	8
<i>Arson</i>	1	1	4	2	0	0	0	3	4	3	2	2	4	0
<i>Burglaries residential</i>	12	6	2	2	18	43	1	2	140	126	35	76	7	12
<i>Burglaries business</i>	5	9	1	0	8	13	3	2	41	36	24	24	6	5
<i>Sexual offences</i>	15	13	16	18	19	17	5	10	78	75	13	20	20	17
TOOTAL	107	86	80	107	105	147	34	31	574	653	172	227	38	41

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Access to information

Access to information is important, not only to improve public participation but also to keep communities informed about services provided in their communities. There are various methods and tools used to share information. These provide access to information to the relevant people. The 2016 community survey provides information on some of the information tools widely used within Matatiele Local Municipality.

Access	Access to Radio (%)	Access to TV (%)	Access to cell phones (%)	Internet at school (%)	Internet via cell phone (%)	Internet via other mobile access (%)	Internet connection via work place (%)
Yes	57.51	58.57	93.94	1.49	32.23	6.62	1.57
No	42.04	40.52	4.92	85.08	61.86	85.74	85.68
Unspecified	0.45	0.91	1.15	13.43	5.91	7.63	12.75
Grand Total	100.00	100.00	100.00	100.00	100.00	100.00	100.00

Table 1.2.13: Information access: Statistics South Africa. CS2016

The table above indicates that about 93% of the population have access to cell phone; and approximately 58% of the population have access to TV's and Radio. Generally, Internet access seems to be a challenge within the area, especially in schools where only 1.4% of the people have access to the internet. The statistics above helps to identify which methods can be best used to effectively access information across the Municipality.

COMMUNITY NEEDS

Community needs are critical in the IDP Planning process as they inform the strategies and plans for delivery of services. Consultations and participation processes are conducted by the Municipality to determine the needs of communities in the Municipality at large as such needs analysis forms an important part of the situational analysis phase of the IDP.

Matatiele Local Municipality embarked on the IDP community outreach; which is a consultative and participatory process in developing the IDP review for the year 2020/2021.

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This session was conducted in the form of ward meetings, which took place from 16 to 19 November 2020 across the twenty-six (26) wards in the Municipality. The Municipality is in the part of the Situational analysis phase of the IDP review process, which involves the process of analysing the current levels of development in the Municipality and identifying the needs and priorities of the communities in all the wards. It is for this reason that the Municipality embarked on a IDP Community outreach Programme.

The purpose of the community outreach was to:

- Give the progress report on current community projects and programmers within the wards of the municipality.
- Confirmation of needs and priorities for each ward (as captured on the current Ward Based Plans)

The outreach served as an important step in the review of ward based plans. MLM has reviewed the ward based plans for all 26 wards.

Summary of Key Priority Needs

The following are the priorities needs in each ward. These are the infrastructure and socio-economic needs identified and confirmed during the outreach sessions:

INFRASTRUCTURE PRIORITIES	SOCIO- ECONOMIC PRIORITIES
Ward 01	
1 Title deeds for property owners	1. Funding of Cooperatives
2. Apollo lights	
3. Electricity Infills	
4. Maintenance of Access road	
Ward 02	
1 Electricity	1. Rehabilitation Centre
2. Water	2. Skills Centre
3. New Access road and maintenance	3. Farming initiatives
4.RDP Houses	4. SMME support
5.Skills Centre	5. Bursaries, learnerships and internships for unemployed youth.

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INFRASTRUCTURE PRIORITIES	SOCIO- ECONOMIC PRIORITIES
Ward 03	
1. Water	Old age home
2.Raods	Home based care
3. Electricity	Mobile clinic
4.RDP houses	Funding for cooperatives
Ward 04	
1. RDP Houses	
2. Electricity infills	
3. Sports field	
4. Sanitation	
5. Access Road Maintenance	
Ward 05	
1.Access Road	1. Agricultural funding Activity
2. Electricity	2. Sport field
3. Water	3. awareness campaigns on fire
4. RDP Houses	4. stock theft issue
5. electricity Infills	5. Ambulance services
Ward 06	
1. Water	
2.Roads	
3. Electricity	
4.RDP houses	

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INFRASTRUCTURE PRIORITIES	SOCIO- ECONOMIC PRIORITIES
5.Pre-schools	
Ward 07	
1. Water	1. Fencing of fields
2. Access roads/bridges	2.SMME initiation
3.RDP Houses	3.Awareness campaigns on crime
4.Clinic	4.Dipping tank
5.Sanitation	5.Stock theft issues
Ward 08	
1 Access roads	
2. Water and sanitation	
3. Sports field/facilities	
4. Electricity Extensions & infills	
Community halls	
Ward 09	
1. Access Roads and Bridges	1.Fencing of crop fields
2. Electricity	2.Preschools
3. Water and Sanitation	3.Sports Fields
4. Network connection (for mobile devices)	4.Multi -purpose Centre
5. RDP Houses	5.Feedlots
Ward 10	
1.Access road and Bridges	1. Funding support for Pre- Schools
2.Electrification	

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INFRASTRUCTURE PRIORITIES	SOCIO- ECONOMIC PRIORITIES
3.Sport field	
4.Water and Sanitation	
5.RDP Houses	

Ward 11	
1. New Access road	1. Funding for Projects initiation
2. Maintenance of Access roads	2. Job creation
3. Community hall	3. Awareness on high rate of substance abuse
4. Sport fields	4. Solution on stock theft
5. RDP Houses	5. Awareness campaigns on teenage Pregnancy/Youth
Ward 12	
1. Electricity	Shearing shed
2. Water	Title Deeds for new houses
3. RDP Houses	Dipping Tanks
4. Police Station	
5. Access Roads/Bridges	
INFRASTRUCTURE PRIORITIES	SOCIO- ECONOMIC PRIORITIES
Ward 13	
1. Electricity	1.Satellite police station
2. Refurbishing of roads and bridges (Provincial roads and access roads)	2.Preschools
3. Water	3.Dipping tanks
4. RDP houses	4.Awareness campaigns for youth on health and hygiene
5. Sports Field	
INFRASTRUCTURE PRIORITIES	SOCIO- ECONOMIC PRIORITIES
Ward 14	
1. Electricity	1. Support to local SMMEs (training & funding)
2. Provincial and access road maintenance	2. Skills development & bursaries for out-of-school youth.
3. RDP houses	3. Agricultural projects.
4. Pre-school	
5. Clinic	

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INFRASTRUCTURE PRIORITIES	SOCIO- ECONOMIC PRIORITIES
Ward 15	
1. Water	
2. access Roads	
3. RDP houses	
4. Electricity	
5. Pre-schools	
INFRASTRUCTURE PRIORITIES	SOCIO- ECONOMIC PRIORITIES
Ward 16	
1 Access Roads	1. Ploughing of Fields and fencing
2. Water	2. Police stations
3. RDP houses	3. Library services
4. Community halls and sports fields	4. SMME Support
5. Electricity infills	
INFRASTRUCTURE PRIORITIES	SOCIO- ECONOMIC PRIORITIES
Ward 17	
1 Water and Sanitation	1. Preschools
2. Electricity – electricity infills	2. Fencing of Fields
3. Network connection (for areas without access)	3. Dipping tanks
4. Access roads	4. sports fields
5. RDP House	5. Clinic services
INFRASTRUCTURE PRIORITIES	SOCIO- ECONOMIC PRIORITIES
Ward 18	
1. Electricity	1. Agricultural Activities Funding
2. Water and Sanitation	2. Coops Funding
3. RDP Houses	3. Water Dam For Farmers
4. DR 08015 T-Road maintenance (Tarred)	4. fencing of Grazing land
5. Network Pole	5. Protection of live stock
INFRASTRUCTURE PRIORITIES	SOCIO- ECONOMIC PRIORITIES
Ward 19	
1 Resurfacing of all roads	1. Safety & security
3. Upgrading of Storm Water Drainage Systems and Sewer Lines	2. Youth recreational centre
4. Housing (RDP and Low-Cost)	3. Rehabilitation Centre for Substance Abuse
5. Waste removal, grass cutting in all streets & high mast lights.	4. Recreational park
INFRASTRUCTURE PRIORITIES	SOCIO- ECONOMIC PRIORITIES
Ward 20	

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1. Speed Humps	
2. Street Lights	
3. Internal Streets	
4. Pre-school	
5. Community Library	
INFRASTRUCTURE PRIORITIES	SOCIO- ECONOMIC PRIORITIES
Ward 21	
Bridges	Shearing Shred
Water	Fencing of Fields
RDP Houses	Dipping Tank
Access roads	SMME Project funding
Sport field	Donga Rehabilitation
INFRASTRUCTURE PRIORITIES	SOCIO- ECONOMIC PRIORITIES
Ward 22	
1 Electricity	1. Community projects for people living with disabilities
2. Water	
3. Toilets	
4. Mkhemane Access road and Rolweni bridge	
5. RDP Houses	
Ward 23	
RDP Houses	1. Fencing & Ploughing of fields
Apollo Lights	2. Sanitation
Clinic	3. Sport field
Access Road	4. Dipping Tank
D411 Upgrade	5. Pay-point station
INFRASTRUCTURE PRIORITIES	SOCIO- ECONOMIC PRIORITIES
Ward 24	
1. Water	Ploughing of fields and fencing
2. Electricity	Skills training centre
3. Access road	Support for youth cooperatives
4 Sports grounds	Mobile clinic services
5 RDP Houses	Assistance for learners: Bursaries, learner ships and internship programmes
	Ploughing of fields and fencing
INFRASTRUCTURE PRIORITIES	SOCIO- ECONOMIC PRIORITIES
Ward 25	
1. Access roads	Pre schools
2. Boreholes	

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3.Community hall St Paul	
4.Sports field	
5.Electricity	
Ward 26	
1. RDP houses	1. Substance abuse awareness campaigns
2. Water	
3. Toilets	

Chapter 1

1.3. SERVICE DELIVERY OVERVIEW

SERVICE DELIVERY INTRODUCTION

The Municipality through its IDP Objectives and budget as aligned with the SDBIP planned for projects that were done in the year under review:

- **13269** registered indigent beneficiaries were provided with free basic services such as Electricity (alternative energy), Refuse, Rates Rebate, Non-Grid solar energy during 2020/2021;
- **Maintained 8** municipal infrastructure and public amenities: Renovation of Vela Pre-School, Renovation of Cedarville Community Hall, Renovation of Ditichereng Pre-School, Renovation of Lunda Community Hall, Renovation of Dengwane Community Hall, Renovation of Traffic Toilets, Renovation or North End Stadium and Renovation of Old Electricity Building;
- **4525** households were connected with electricity;
- **63,4 km** of access roads construction completed in wards 4, 8, 10, 11, 12, 14, 17, 21, 22 and 23;
- **430** job opportunities were created through the Expanded Public Works Programme (EPWP); and
- **70 SMMEs** were supported through skills development training in Waste Management, animal production and plant production by 30 June 2021.

WATER

There is still a shortage of water in most villages within Matatiele Local Municipality. Villages draw water from streams, have to travel many kilometres to access water, there are no taps in most villages and some villages have to go days without having water. The most distributing of this challenges, is that certain schools do not have access to clean drinking water. Some schools have water tanks but do not have access to water.

SANITATION

In terms of the new Sustainable Development Goal 6 (SDG 6) of 2016, Sanitation is a new global development priority and the target for the globe therefore is to ensure that everyone around the world has access to toilets by 2030. A challenge the MLM must also work to achieve to ensure human dignity for all.

ROADS

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Roads within the Municipality are mostly gravel roads. There is still a great need for construction of access roads and maintenance of such roads. Inclement weather has worsened the condition of most roads making it virtually impossible for vehicles and commuters to travel to other areas and to the CBD to conduct their business and makes it difficult for services to reach areas that require services.

TERTIARY INSTITUTIONS

There are currently no tertiary institutions within the Municipality. Many young people, who have completed Matric and intending to further their studies, travel to other towns, cities and even provinces to access such educational facilities. This has been identified as a great need, and it contributes to the great number of out-migrants who are young people.

SPORTS AND RECREATIONAL FACILITIES

Matatiele Local Municipality has a youthful population and there's a need for investment in social services and facilities to meet the needs of this growing population. Sports facilities, especially in rural areas, including multi-purpose centres should be prioritized.

JOB OPPORTUNITIES

Unemployment amongst the youth is prevalent within the Matatiele area. Matatiele Local Municipality recognized the need to provide employment opportunities and equip people with the necessary skills that are required in the job market, to create business opportunities, skills development programmes and other LED initiatives.

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Chapter 1

1.4. FINANCIAL HEALTH OVERVIEW

FINANCIAL OVERVIEW

As at 30 June 2021, it has been declared in the Annual Financial Statements that the Municipality would continue to operate as a going concern and that has been substantiated by the positive bank balance as reflected in the cash and cash equivalent amounting to **R11 283 635.00** million as compared to the opening balance at the beginning of the financial year.

This then represented the Municipality's ability to pay its current liabilities for a fair period of a couple of months. Section 71 returns were successfully submitted to National Treasury and no invoking of section 38 of DoRA was experienced during the year. The grant allocations were not all spent hence there was a budget roll over for Municipal Infrastructure Grant (MIG) and Integrated National Electrification Programme INEP.

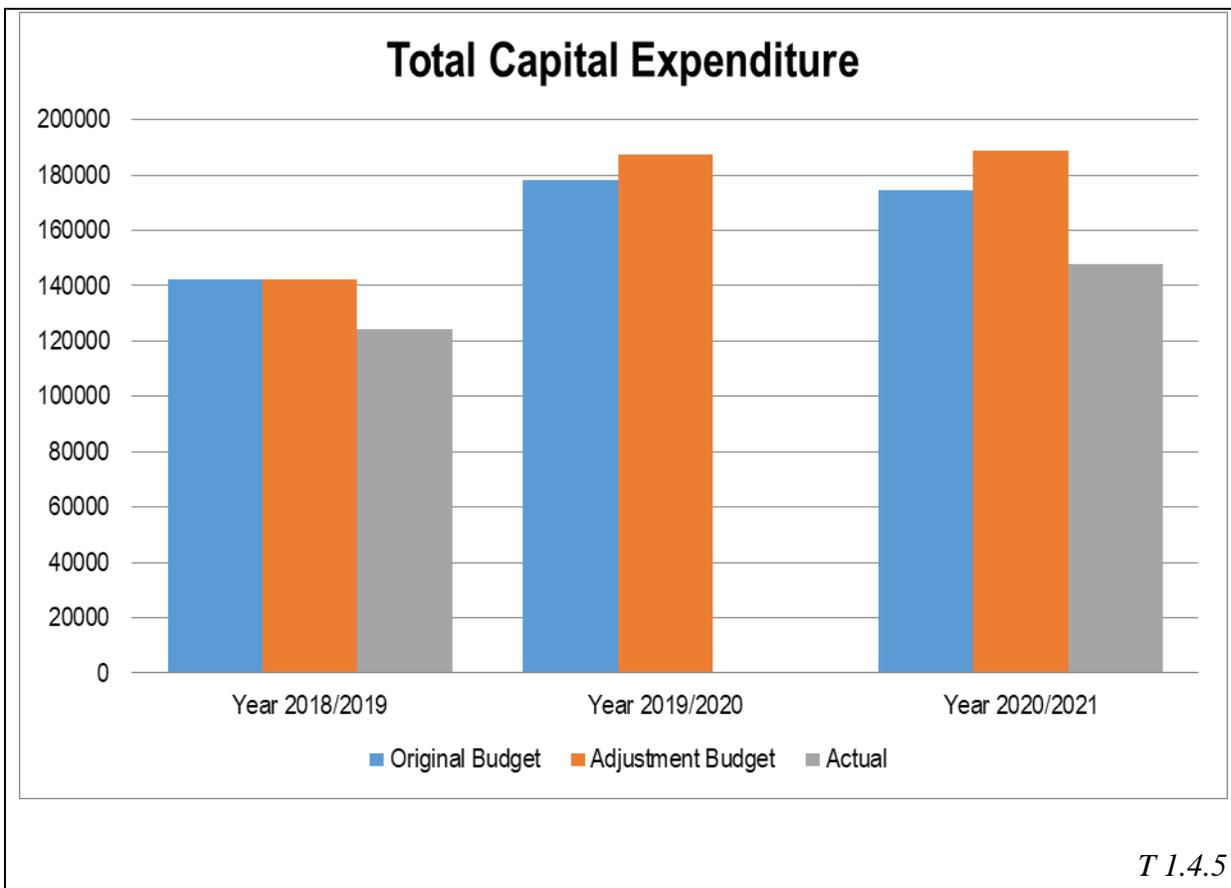
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Financial Overview: Year 2020/2021			
Details	Original budget	Adjustment Budget	Actual
Income:			
Grants	357 738 996	44 970 501	399 461 471
Taxes, Levies and tariffs	117 006 576	117 006 576	115 164 148
Other	35 175 192	35 920 192	29 001 440
Sub Total	509 920 764	555 636 265	543 627 059
<i>Less: Expenditure</i>	408 392 856	439 610 076	455 026 790
Net Total*	101 527 908	116 026 189	88 600 269
			<i>T 1.4.2</i>

Operating Ratios	
Detail	%
Employee Cost	38.51
Repairs & Maintenance	1.37
Finance Charges & Impairment	98.42
	<i>T 1.4.3</i>

Chapter 1

Total Capital Expenditure: Year -2018/2019 to Year 2020-2021			
			R'000
Detail	Year 2018/2019	Year 2019/2020	Year 2020/2021
Original Budget	142 082 100	178 384 250	174 313 700
Adjustment Budget	142 082 100	187 384 250	188 712 689
Actual	124 378 232	155 200 857	147 687 164
			<i>T 1.4.4</i>



COMMENT ON CAPITAL EXPENDITURE:

The ratio analysis as at end of 2020/2021 financial year indicated a positive outcome in terms of the budget spending on staff wages and salaries remained within the expected norms.

T 1.4.5.1

Chapter 1

1.5. ORGANISATIONAL DEVELOPMENT OVERVIEW

ORGANISATIONAL DEVELOPMENT PERFORMANCE

Matatiele Local Municipality identified six (6) key strategic priorities as follows;

1. Reduction of service delivery backlogs and refurbishing of infrastructure.
2. Sound financial management.
3. Sustainable development and growth of the local economy.
4. Proper Spatial Development Planning through localized SDF throughout the Municipality.
5. Promote proper institutional arrangements.
6. Enhance public participation and integrated planning

T 1.5.1

1.6. AUDITOR GENERAL REPORT

AUDITOR GENERAL REPORT: YEAR 2021 (CURRENT YEAR)

The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA. Material misstatements of noncurrent assets and current assets identified by the auditors in the submitted financial statement were subsequently corrected, resulting in the financial statements receiving an unqualified audit opinion.

T 1.6.1

Chapter 1

1.7. STATUTORY ANNUAL REPORT PROCESS

No.	Activity	Timeframe
1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period	July
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
3	Finalize the 4th quarter Report for previous financial year	
4	Submit draft Annual Report to Internal Audit and Auditor-General	
5	Municipal entities submit draft annual reports to MM	
6	Audit/Performance committee considers draft Annual Report of Municipality and entities (where relevant)	August
8	Mayor tables the unaudited Annual Report	
9	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General	
10	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	
11	Auditor General audits Annual Report including consolidated Annual Financial Statements and Performance data	August - October
12	Municipalities receive and start to address the Auditor General's comments	December - January
13	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report	
14	Audited Annual Report is made public and representation is invited	
15	Oversight Committee assesses Annual Report	March
16	Council adopts Oversight report	
17	Oversight report is made public	

Chapter 1

18	Oversight report is submitted to relevant provincial councils	
19	Commencement of draft Budget/ IDP finalization for next financial year. Annual Report and Oversight Reports to be used as input	
		T1.7.1

Chapter 2

CHAPTER 2 – GOVERNANCE

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO POLITICAL AND ADMINISTRATIVE GOVERNANCE

The Matatiele Municipal Council is established in terms of Sections 9 (b) and 22 of the Local Government: Municipal Structures Act 117 of 1998. It has a collective type of the Executive with 52 Councillors and ten (10) Traditional Leaders participating in the Municipal Council in terms of Section 81 of the Local Government and Municipal Structures Act, No. 117 of 1998. The Speaker of the Municipal Council is elected in terms of Section 36 and thereafter becomes its Chairperson. The Mayor as the Political Head of the Municipality is elected by the Municipal Council amongst the elected members of the Executive in terms of Section 48: (1) of the Local Government: Municipal Structures Act, No. 117 of 1998. The Matatiele Local Municipality has a full-time Chief Whip who is elected by the Council as per the Circular issued by the Member of the Executive Council in the Province.

The structure known as the TROIKA plus One which is composed of the Mayor, Speaker, Chief Whip and the Municipal Manager oversees the Political Management of the Municipality and also ensures the coordination of the Municipal affairs between Council Meetings. It is further responsible for the maintenance of the stability within the Municipality. The Executive Committee as the Principal Committee of Council is responsible for playing an oversight role over the workings of the Municipal Departments in between the Municipal Council Meetings through ensuring that the Council Resolutions are implemented and the issues requiring administrative and political interface are promptly attended to. The Council Meetings and that of its Standing Committees, both Sections 80 and 79 Committees are open to the public.

There are six (6) Section 80 Committees and six (6) Section 79 Committees. Out of the six (6) Section 79 Committees the Municipality has an Audit Committee that provides opinions and recommendations to the Municipal Council on financial processes and performance periodically based on the schedule of meeting for the Municipal Council and its Committees. In order to ensure the direct interaction with the community almost all the Municipal Council and that of its committee meetings are open to the public. The work of the Mayor is guided by Chapter 7 of the Local Government: Municipal Finance Management Act, No. 56 of 2003 which assists the Mayor in providing the political direction to the Municipality, as the Political

Chapter 2

Head of the Matatiele Local Municipality and during the period under review the Mayor performed in an excellent manner.

The Municipal Public Accounts Committee (MPAC) which is a Committee established by the Municipal Council in terms of section 79 of the Local Government: Municipal Structures Act, No. 117 of 1998 provided an oversight role during the year under review. The Committee is comprised of eight (8) non-executive members drawn from parties represented in Council, with a full-time Chairperson who is elected by the Municipal Council from one of the non-executive members of the council

T 2.1.0

Chapter 2

2.1 POLITICAL GOVERNANCE

Following hereunder is the Political Structure of the Municipality:

POLITICAL STRUCTURE



MAYOR
Executive Member
Committee
Cllr. M.M. Mbedla

FUNCTIONS:

- Calling the meetings of the Executive Committee
- Presiding over the meetings of the Executive Committee
- Discharging responsibilities listed in the relevant provisions of the MFMA
- Discharging functions as provided for in the MSA



SPEAKER
Chairperson of Council
Cllr. N. Mshuqwana

FUNCTIONS:

- Calling the Council meetings
- Presiding over the Council meetings
- Maintaining order in the Council meetings
- Seeing to it that the meetings of the Council and its Committees are run according to the rules and orders of Council.



CHIEF WHIP
Chief Whip of Council
Cllr. S. Mngenela

FUNCTIONS:

- Allocation of Councillors to Committees
- Monitoring adherence of Councillors to the rules and orders of the Council.
- Assisting the Speaker in the maintenance of discipline
- Cracking the whip on Councillors when necessary

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Cllr. N. Ngwanya
Executive Committee Member
Portfolio Head: Budget and Treasury

FUNCTIONS:

- Calling Budget and Treasury Office (BTO) committee meetings.
- Chairing the Budget and Treasury Committee meetings
- Running the proceedings of the Budget and Treasury Committee meetings in accordance with the rules and orders of the Council
- Presenting the Standing Committee Reports to the Executive Committee meeting.



Cllr. M.C. Setenane
Executive Committee Member
Portfolio Head: Infrastructure Services

FUNCTIONS:

- Calling Infrastructure Services Committee meetings.
- Chairing the Infrastructure Services Committee meetings
- Running the proceedings of the Infrastructure Services Committee meetings in accordance with the rules and orders of the Council
- Presenting the Standing Committee Reports to the Executive Committee meeting.



Cllr. N.A. Nkukhu
Executive Committee Member
Portfolio Head: EDP

FUNCTIONS:

- Calling Economic Development Planning (EDP) committee meetings.
- Chairing the Economic Development Planning Committee meetings
- Running the proceedings of the Economic Development Planning Committee meetings in accordance with the rules and orders of the Council
- Presenting the Standing Committee Reports to the Executive Committee meeting.

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Cllr. T. Dyantyi
Executive Committee
Member
Portfolio Head:
Corporate Services

FUNCTIONS:

- Calling Corporate Services committee meetings.
- Chairing the Corporate Services Committee meetings
- Running the proceedings of the Corporate Services Committee meetings in accordance with the rules and orders of the Council
- Presenting the Standing Committee Reports to the Executive Committee meeting.



Cllr. S.C. Maphasa
Executive Committee
Member
Portfolio Head:
Community Services

FUNCTIONS:

- Calling Community Services committee meetings.
- Chairing the Community Services Committee meetings
- Running the proceedings of the Community Services Committee meetings in accordance with the rules and orders of the Council
- Presenting the Standing Committee Reports to the Executive Committee meeting.



Cllr. P.Z Bono
Executive Committee
Member
Portfolio Head: Special
Programmes Unit and
Communications

FUNCTIONS:

- Calling Special Programmes and Communications committee meetings.
- Chairing the Special Programmes and Communications Committee meetings
- Running the proceedings of the Special Programmes and Communications Committee meetings in accordance with the rules and orders of the Council
- Presenting the Standing Committee Reports to the Executive Committee meeting.

Chapter 2



Cllr. K.C. Biggs
Executive Committee Member

FUNCTIONS:

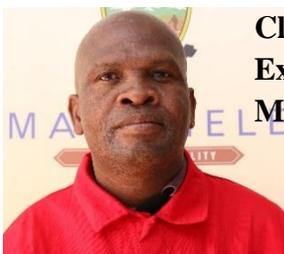
- Attendance of the Executive Committee meeting
- Perform functions as may be delegated by the EXCO and the Mayor



Cllr. W.C. Mdolomba
Executive Committee Member

FUNCTIONS:

- Attendance of the Executive Committee meeting
- Perform functions as may be delegated by the EXCO and the Mayor



Cllr. M.S. Boo
Executive Committee Member

FUNCTIONS

- Attendance of the Executive Committee meeting
- Perform functions as may be delegated by the EXCO and the Mayor

COUNCILLORS

There are fifty-one (51) Municipal Councillors with the following break-down in terms of type and gender:

- Twenty-six (26) Ward Councillors
- Twenty-five (25) Proportional Representation (PR) Councillors

Twenty-four (24) of Matatiele Municipal Councillors are female and twenty-seven (27) are male.

POLITICAL DECISION-TAKING

The Municipality has got 12 political decision making structures which are tabled as follows:

- One municipal Council
- One EXCO
- Six Section 80 Committees; and
- Four Section 79 Committees

In addition to the above mentioned political decision management structures there is TROIKA which consist of the Mayor, Speaker and the Chief Whip. In the financial year under review, the municipal council took 202 Council Resolutions during 2020/2021.

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2.2 ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO ADMINISTRATIVE GOVERNANCE

The Municipal Manager is the head of Administration and chairs the General Management Team Meetings (GMTM) that sits every week. The GMT discusses departmental issues relating to Departmental progress, challenges and any other issues that related to service delivery.

The Management Team Meeting (MTM) sits every month. In the MTM each Unit manager tables their Unit’s Progress on the performance achievement of their Service Delivery, Budget and Implementation Plan (SDBIP), matters that need to be adopted by Council, Risk progress and Operational matters.

T 2.2.1

MEETING		MANAGERS	
MANAGEMENT TEAM MEETING (MTM)	GENERAL MANAGERS TEAM MEETING (GMTM)	Section 54A and 56 Managers	Municipal Manager Chief Financial Officer General Manager: Corporate Services General Manager: Community Services General Manager: Economic Development and Planning General Manager: Infrastructure Services
		Middle Managers	Chief Audit Executive Manager: Legal and Compliance Services Manager: Strategic Governance Manager: Communications and Special Programmes Unit (SPU) Manager: Budget Planning and Investments Manager: Financial Reporting and Assets Management Manager: Revenue and Expenditure Manager: Supply Chain Management and Fleet Manager: Human Resource Management Manager: Information and Communication Technology Manager: Admin. and Council Support Manager: Public Participation & Customer care

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		<p>Manager: Projects, Operations and Maintenance Management</p> <p>Manager: Electricity</p> <p>Manager: Development Planning</p> <p>Manager: Local Economic Development</p> <p>Manager: Environmental and Solid Waste management</p> <p>Manager: Public Safety</p> <p>Manager: Public Amenities and Expanded Public Works Programme (EPWP)</p>
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Chapter 2

TOP MANAGEMENT (GENERAL MANAGEMENT TEAM)		
	TITLE AND NAME	FUNCTIONS
	MUNICIPAL MANAGER Mr. Lizo Matiwane	<p>As head of the administration, the following statutory powers and duties are assigned and delegated to the Municipal Manager in accordance with the provisions of the Structures Act and the Systems Act:</p> <ul style="list-style-type: none"> ➤ To form and develop an economical, effective, efficient, accountable and performance driven administration for the Municipality in accordance with the provisions of Section 51 of the Systems Act. ➤ To manage the Municipality’s administration in accordance with the provisions of the Systems Act and other legislation applicable to the Municipality. ➤ To implement the Municipality’s IDP, and to monitor the progress with the implementation of the plan. ➤ To manage the provisions of services to communities, residents and ratepayers in a sustainable manner. ➤ To control and manage the effective utilisation and training of staff. ➤ To maintain discipline of staff. ➤ To promote sound labour relations and compliance by the Municipality of applicable labour legislation, conditions of service and collective agreements. ➤ To advise the structures and functionaries of the Municipality. ➤ To manage the communication between the Municipality’s administration and its structures and functionaries. ➤ To carry out the decisions of the structures and functionaries of the Municipality. ➤ To administer and implement the Municipality’s By-laws and other

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		<p>legislation.</p> <ul style="list-style-type: none"> ➤ To implement national and provincial legislation applicable to the Municipality. ➤ To facilitate participation by communities, residents, ratepayers and other stakeholders in the affairs of the Municipality.
	<p>CHIEF FINANCIAL OFFICER Mr. K. Mehlomakulu</p>	<ul style="list-style-type: none"> ➤ Responsible for: <ul style="list-style-type: none"> - all income and expenditure of the Municipality; - all assets and the discharge of all liabilities of the Municipality; and - Proper and diligent compliance with the Municipal Finance Management Act. ➤ Ensuring that the Municipality has and maintains: <ul style="list-style-type: none"> - effective, efficient and transparent systems of financial and risk management and internal control; - an appropriate procurement and provisioning system which is fair, equitable, transparent, competitive and cost-effective; - A system for properly evaluating and prioritising all major capital projects prior to a final decision on the project. ➤ Keeping full and proper records of the financial affairs of the Municipality in accordance with any prescribed norms and standards. ➤ The effective, efficient, economical and transparent use of the resources of the Municipality. ➤ Taking effective and appropriate steps to: <ul style="list-style-type: none"> - collect all money due to the Municipality; - prevent unauthorised expenditure; - prevent losses resulting from possible criminal conduct; and - Manage available working capital efficiently and economically. ➤ Without delay report all losses as a result of suspected criminal conduct to the South African Police Service. ➤ The management, including the safeguarding and the maintenance of the

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		<p>assets, and managing the liabilities, of the Municipality.</p> <ul style="list-style-type: none"> ➤ Compliance by the Municipality with any tax, levy, duty, pension and audit commitments as may be required by legislation. ➤ Setting all contractual obligations of, and pay all money owing by the Municipality within the prescribed or agreed period. ➤ On discovery of any unauthorised expenditure, must immediately report, in writing, particulars of the expenditure to the Municipal Manager, mayor, the members of the ➤ Executive Council of the Province responsible for finance and for local government and the Auditor-General. ➤ Taking effective and appropriate disciplinary steps against any employee who: <ul style="list-style-type: none"> - contravenes or fails to comply with a provision of the Municipal Finance Management Act, financial by-laws, policies or procedures of the Municipality; - commits an act which undermines the financial management and internal control system of the Municipality; or - Makes or permits any unauthorised or fruitless expenditure. ➤ Administer the budget and treasury office, as well as the Supply Chain Management Unit, and advise the Municipal Manager and other officials on financial matters. ➤ Set out the annual budget in a schedule that shows revenue by source and expenditure by vote. ➤ Review the remuneration of political office bearers to ensure that they are remunerated in terms of legislation. ➤ Report to Council on all expenditure on staff salaries, wages, allowances and benefits. ➤ Where appropriations for capital projects span more than one (1) year, ensure that shifting of funds between years is in accordance with section
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		<p>31 of the Municipal Finance Management Act.</p> <ul style="list-style-type: none"> ➤ Open and maintain at least one bank account in the name of the Municipality, and advise National Treasury in writing of details thereof. ➤ Notify National Treasury of occasions when the bank account/s of the Municipality show an overdraft position. ➤ Table in Council a consolidated report of withdrawals each quarter, and submit a copy of the consolidated report to the Provincial Treasury and Auditor-General. ➤ To ensure that all the requirements of section 45 of the Municipal Finance Management Act are adhered to. ➤ To report monthly, quarterly and mid-year on the Council’s budget performance in terms of Chapters 7, 8 and 12 of the Municipal Finance Management Act. ➤ To co-sign with the Municipal Manager and Deputy Chief Financial Officer all cheques issued by the Council.
	<p>GENERAL MANAGER: COMMUNITY SERVICES Mr S.M. Mbedla</p>	<ul style="list-style-type: none"> ➤ The authority to suspend permits for the importing of any milk or dairy products that appear to be diluted or unhealthy in any way, until such time as the Council considers a report in this connection. ➤ The authority to perform the functions and exercise the powers that vest in the Council in terms of the provisions of: <ul style="list-style-type: none"> - the regulations regarding cleanliness of plots; - the regulations regarding public health and sanitation; - regulations relating to cemeteries; - the Library By-laws; and - The By-laws for the Control of Street Collections. ➤ The authority to issue all statutory notices for the elimination of nuisances. ➤ The authority to grant permission for and to make all arrangements with

Chapter 2

		<p>regard to funerals of paupers who die within the municipal area.</p> <ul style="list-style-type: none"> ➤ The authority to liaise with the District Municipality to decide whether the fire brigade may be used for firefighting purposes outside the boundaries of the municipal area. ➤ The authority to perform all the functions related to sport and recreation. ➤ The authority to remove a metered parking base in urgent cases. ➤ The authority to grant permission for the use of loudspeakers in the streets to advertise functions and events, which may take place in terms of Council policy. ➤ The authority to act on a complaint received from a member of the public or a police officer about an alleged irregularity in respect of fund raising, to request any person ➤ He/she is raising funds to produce the concession or special concession in terms of which the raising of funds is taking place in compliance with the provisions of relevant legislation. ➤ The authority to recover payments for removal and storage costs in respect of motor vehicles impounded by the Department. ➤ The authority to decide on the placement of legal, exclusive parking bays. ➤ The authority to grant permission for parades, athletic and other events to be conducted in streets within the municipal area, as well as for the temporary closing of a street. ➤ The authority to perform the functions and exercise the powers that vest in the Council in respect of the use or discharge of fireworks, firearms or similar devices as contained in the provisions of the Explosives Act, and the provisions of the noise control regulations, promulgated in terms of the Environment Conservation Act. ➤ The authority to perform the functions and exercise the powers that vest in the Council in terms of the provisions of: <ul style="list-style-type: none"> - The regulations regarding traffic. ➤ The authority to allocate or re-allocate dates for street collections for
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		<p>which formal applications have been received.</p> <ul style="list-style-type: none"> ➤ The authority to perform selective traffic law enforcement programmes. ➤ The authority to carry out complete investigations on all traffic matters that require investigation and taking the required legal action where necessary. ➤ The authority to co-ordinate joint law enforcement operations with other law enforcement agencies. ➤ The authority to issue warrant of arrests in terms of due process of law. ➤ The authority to enforce relevant municipal By-laws. ➤ The authority to issue traffic violation summonses.
	<p>GENERAL MANAGER: CORPORATE SERVICES Mr N. Xolo</p>	<p>The authority to sign the following documents:</p> <ul style="list-style-type: none"> ➤ A declaration by the seller for the payment of transfer duties in connection with property transactions excluding declarations concerning buildings which were erected with funds obtained from any state department. ➤ Lease contracts in respect of the leasing of Council property as well as property leased by the Council, excluding documents concerning the leasing of buildings erected with funds received from national or provincial government. ➤ Contracts for the maintenance of lifts in municipal buildings as well as maintenance contracts in respect of Council equipment which are under the control of the Administrative Manager. ➤ Contracts concerning the installation of telephones for official purposes or concerning applications made by persons occupying Council premises. ➤ All documents which are necessary for the registration of even or other immovable property alienated by the Council, excluding documents for the registration of even or other immovable property alienated by the Council on which buildings are erected with funds received from national or provincial government. ➤ All documents which may be necessary for the registration of immovable

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		<p>property in the Council's name irrespective of the way in which the Council acquired such immovable property.</p> <ul style="list-style-type: none">➤ Contracts which may be necessary for the alienation of any rights in immovable property owned by the Council.➤ All documentation necessary for compliance with the provisions of the relevant Expropriation Act.➤ All documents which may be necessary for the registration of servitudes or notarial contracts to which the Council is a party.➤ Contracts regarding branch-railway lines and third party rights.➤ Any other documents for which authority has been delegated by the Executive Committee or by the Municipal Manager.➤ The authority to perform the functions and exercise the powers that vest in the Council in terms of the provisions of:<ul style="list-style-type: none">- the By-laws for the lease of municipal halls;- the By-laws for the control of public nuisances and breaches of the peace; and- Any other By-laws set out in terms of the Constitution.- In consultation with the General Manager: Technical Services to waive Council's rights in respect of servitudes.➤ The authority to appoint officials of his or her department as health and safety representatives for his or her department in terms of the provisions of the relevant Occupational Health and Safety Act.➤ The authority to decide on the form of transport that should be used by officials of whom it is required to attend meetings, workshops, seminars, conferences, congresses and similar events and special visits in the interest of the Council, and which are to be conducted within the boundaries of the Republic of South Africa.➤ As Human Resources Manager:<ul style="list-style-type: none">- In the case of a new appointment, if such an appointee has been obliged to change his or her place of residence as a result of the
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		<p>appointment, to grant permission in terms of the Council's Employment Policy for the payment of removal costs in respect of the appointee's movable property: Provided that sufficient proof of such costs that had been incurred, is furnished.</p> <ul style="list-style-type: none">- In consultation with the departmental head concerned, to decide about confirming the appointment of an employee that was appointed on probation, on a permanent basis or to extend the probation period in the light of the performance and competence of the appointee, subject to the provisions of the labour legislation.- In consultation with the departmental head concerned, to dismiss with proper notice, any temporary employee, whether in a permanent or temporary post, if his or her services are no longer required, subject to the provisions of the labour legislation.- In consultation with the departmental head concerned, to decide about the acceptance or not of a notice of termination of service received from an employee on a shorter period than the period set in the conditions of service of the employee.- In consultation with the departmental head concerned, to grant specific permission to an employee to reside outside the municipal area.- In consultation with the departmental head concerned and provided that the granting of permission does not adversely affect the employee's work performance, to grant permission to an employee who applies therefore, to pursue a paid side-line in his or her spare time. <ul style="list-style-type: none">➤ The authority to approve payment of an acting allowance to an employee in terms of his or her conditions of service, on receipt of a certificate issued by the departmental head concerned, certifying that the employee did in fact fully act in the post concerned.➤ In consultation with the departmental head concerned the authority to
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		<p>extend the validity of non-accumulative leave of an employee.</p> <ul style="list-style-type: none"> ➤ The determination of the working hours that is applicable to the various posts of employees. ➤ The annual adjustment of the schedule of uniforms and protective clothing. ➤ The authority to make recommendations to the Corporate Services Standing Committee in respect of the termination of the services of an employee due to ill health, subject to the provisions of the labour legislation. ➤ In consultation with the Municipal Manager, to authorise consultants that were appointed by the Council to appoint site staff to supervise contract works. ➤ The authority to act as responsible officer in terms of the provisions of the Regulation of Gatherings Act.
	<p>GENERAL MANAGER: ECONOMIC DEVELOPMENT AND PLANNING Ms T.S Ntsalla</p>	<ul style="list-style-type: none"> ➤ The authority to grant approval for the erection of a second residential unit on a stand or premises in terms of the Town Planning Schemes and other relevant legislation. ➤ The authority to issue certificates of condonation in terms of the provisions of the Sectional Titles Act. ➤ The authority to approve applications for the consolidation and subdivision of land which does not belong to the Municipality and, where necessary, the setting of building-clause conditions to be registered against the titles of the stands concerned, as well as the determination of servitudes for the protection of services and their application in cases in which subdivisions are made. ➤ The authority to take the necessary steps to secure a suitable court order which obliges the owner or occupier of land or premises to meet the requirements of the Town Planning Scheme in the event that owners or occupiers of land or premises fail to meet the requirements of the said Town Planning Scheme.

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		<ul style="list-style-type: none">➤ The authority to approve rezoning applications in respect of land within the guideline areas.➤ The authority to make recommendations and commentary in respect of applications for the cancellation, suspension or amendment of title conditions which are restrictive, to bring the title deed of premises into line with the Town Planning Scheme, except in cases in which a reversionary clause in favour of the Council exists in the title deed.➤ The issuing of a certificate, in compliance with the requirements of the Provincial Township➤ Ensure that an applicant who has applied for township establishment, has in fact provided services to the satisfaction of the Council.➤ The issuing of building clause and waiver certificates as well as certificates for the raising of property title conditions to bring it in line with the provisions of Council's Town Planning Scheme➤ The authority to consider applications for special consent use in terms of the Town Planning Scheme. In cases, which he/she considers the application to be of a controversial nature or that might have a significant impact on the surrounding Community, or must, in the case of objections being lodged by surrounding property owners, refer it to the Council for a decision.➤ The authority to erect traffic signs, road marking to effect traffic measurements.➤ To manage the Land Use Management System.➤ The authority to perform the local economic development function, including industrial development.➤ The authority to perform the tourism functions in liaison with the relevant Provincial Department and District Municipality.➤ When applications are made to relax street building lines in respect of single residential stands within the area the authority to finalise such applications administratively provided that the mentioned building lines
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		<p>are relaxed to a prescribed maximum, in which case this is adequately provided for the scheme.</p> <ul style="list-style-type: none"> ➤ The authority to consider applications for home industries and house cafes in terms of the Town Planning Scheme. In cases, which he/she considers the application to be of a controversial nature or that might have a significant impact on the surrounding community, or must, in the case of objections being lodged by surrounding property owners, refer it to the Council for a decision.
	<p>GENERAL MANAGER: INFRASTRUCTURE SERVICES Mr. M. Lehlehla</p>	<ul style="list-style-type: none"> ➤ In consultation with the Municipal Manager, to obtain the services of a consultant with regard to any of the matters under his or her control, where the consultant's fees and expenses do not exceed a prescribed amount set by Council per project or occasion. ➤ The authority to appoint officials of his or her department as health and safety representatives for his or her department in terms of the provisions of the relevant Occupational Health and Safety Act. ➤ The authority to perform the functions and exercise the powers that vest in the Council in terms of the provisions of: <ul style="list-style-type: none"> - The sewerage regulations ➤ The authority to approve the appointment of consultants by private township developers. ➤ The authority to permit private persons or organisations to perform work on Council property: Provided that: <ul style="list-style-type: none"> - this does not prejudice the Council's interests; and - The Council is indemnified in writing against any damages and claims which may arise or result from such activities. ➤ The authority to adjust the tariffs contained in the contracts concluded with consultants from time to time, in accordance with the applicable tariffs as published in the Government Gazette in terms of the legislation concerned. ➤ In consultation with the Chief Financial Officer, the authority to enforce

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		<p>the penalty clauses contained in Council’s contracts for the late delivery of goods and services.</p> <ul style="list-style-type: none"> ➤ The authority to approve or reject all building plans and to decide about building line ➤ Concessions, lateral and rear spaces as set out in the Town Planning Scheme. ➤ The authority to consider and finalise all applications for permanent advertisements in accordance with the provisions of the regulation for the display of advertisements jointly with the Planning Committee. ➤ The authority to perform the functions and exercise the powers vested in the Council in terms of the provisions of: <ul style="list-style-type: none"> - the Prevention of Illegal Eviction from and Unlawful Occupation of Land Act; - the lease contracts for municipal housing; - the National Building Regulations and Building Standards Act; and - The provisions of regulations in respect of the numbering and renumbering of buildings and places, and the assignment of names to and the display thereof on flats. ➤ To approve or reject requests for the use of servitude areas created for municipal purposes, for building purposes or for the erection of other structures: Provided that such use of the servitude area does not prejudice the purpose for which the servitude was registered. ➤ The authority to grant permission for a deviation or relaxation in terms of the National Building Regulations and Building Standards Act, except for a regulation concerning the strength and stability of buildings. ➤ The authority to relax height restrictions of buildings to a maximum of 10 (ten) metres, where relevant. ➤ In consultation with the Chief Financial Officer, the authority to enforce the penalty clauses contained in Council’s contracts for the late delivery of goods and services.
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		<ul style="list-style-type: none">➤ To make recommendations to the relevant government departments concerned in respect of the approval of or rejection of applications to demolish or reconstruct houses.➤ The authority to grant the necessary sanction, until a professional surveyor is appointed, to give out cadastral work on a portion basis to surveying firms, subject thereto that the fees concerned shall be as stipulated in the statutory prescribed scales, and provided that no single appointment exceeds a prescribed amount in terms of the Supply Chain Regulations.➤ The authority to erect traffic signs, road marking and to effect traffic measurements.➤ The authority to extend the electricity supply network of the Council, to make connection.➤ Thereto in terms of the electricity supply regulations and to authorise repayments in connection therewith.➤ In consultation with the Municipal Manager, the authority to obtain the services of a consultant with regard to any of the matters under his or her control, where the consultant's fees and expenses do not exceed a prescribed amount per project or occasion.➤ The authority to appoint responsible persons in terms of the provisions of the Occupational Health and Safety Act, and in accordance with the provisions of the General Administrative Regulations and the provisions of the General Machinery Regulation.➤ The authority to appoint officials of his or her department as health and safety representatives for his or her department in terms of the provisions of the Occupational Health and Safety Act.➤ The authority as mine manager, to make the necessary appointments in terms of the provisions of the Mining and Industry Act, as well as the provisions of the Explosive Materials Act.➤ The authority to grant permission to consumers to resell electricity on
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		<p>conditions as contained in the electricity supply regulations</p> <ul style="list-style-type: none">➤ The authority to perform the functions and exercise the powers that vest in the Council in terms of the provisions of:<ul style="list-style-type: none">- the electricity supply regulations;- the Electricity Act; and- The Occupational Health and Safety Act, and the Electricity Act, as supplier of electricity within the municipal area.➤ In consultation with the Municipal Manager, the provision of technical assistance and training to other municipalities, private persons and organisations that are deemed necessary and essential, without prejudice to the training of the Council’s own personnel.➤ On consultation with the Chief Financial Officer, the authority to enforce the penalty clauses contained in Council’s contracts for the late delivery of goods and services. <p>The authority to sanction a relaxation in respect of any structural changes to buildings in terms of the provisions of the regulations governing crèches and crèches-cum-nursery Functions of the GM: Infrastructure Services continued: - Schools: Provided that the provisions of the National Building Regulations are not contravened.</p>
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COMPONENT B: INTERGOVERNMENTAL RELATIONS

2.3 INTERGOVERNMENTAL RELATIONS

NATIONAL INTERGOVERNMENTAL STRUCTURES

As the Local Municipality, we do not directly participate in the national forum. The reports are submitted to the district and province, and then find way to national intergovernmental structures

T 2.3.1

PROVINCIAL INTERGOVERNMENTAL STRUCTURE

The Matatiele Inter-Governmental Relations (IGR) Forum is a consultative forum for Matatiele Local Municipality to discuss and consult with stakeholders on matters of mutual interest affecting service delivery in Matatiele and ways/strategies on how to deliver quality services in a coordinated manner.

The forum is also responsible for coordination and alignment of strategic and performance plans and priorities, objectives and strategies between the Matatiele Local Municipality, Sector Departments operating in Matatiele, District Municipality and the Province. The following serve as permanent members of the Matatiele Local Municipality Technical/Political IGR Forum:

- (1) Matatiele Local Municipality:
 - a. Municipal Manager (also the Champion and Chairperson of the Technical IGR Forum)
 - b. Heads of Departments (Matatiele Local Municipality)
 - c. Communications, IGR and Protocol Personnel
 - d. Entities and other service delivery agencies
 - e. The Mayor, Speaker & Chief Whip
 - f. EXCO members
- (2) Provincial and National Representatives:
 - a. Office of the Premier
 - b. Department of Local Government and Traditional Affairs
 - c. Provincial Treasury
 - d. South African Local Government Association Eastern Cape (SALGA EC)

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- e. Heads of Sector Departments in the Matatiele LM area
- f. Heads of National Departments in Matatiele LM area
- g. State owned enterprises (e.g. ESKOM, Telkom, and ECDC)
- h. Department of Energy & Mineral Resources

T 2.3.2

RELATIONSHIPS WITH MUNICIPAL ENTITIES

Matatiele Local Municipality does not have an entity

T 2.3.3

DISTRICT INTERGOVERNMENTAL STRUCTURES

The Local Intergovernmental Relations (IGR) Forum receives the full support of the District forum. The main objective of the Matatiele IGR Forum is to enhance integrated development and consider priorities in the entire municipality. The Communication Unit facilitates the sitting of all local IGR meetings and sessions, and serves as secretariat. Issues discussed at the local IGR are escalated to the district for consideration and implementation. Those that require provincial attention are channelled to the province accordingly. The forum is convened quarterly.

T 2.3.4

Chapter 2

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

The Municipality has developed a 5 year Communications Strategy, with its Action Plan reviewed annually. The Communications Action Plan Review took place 30 September 2020. Communication is aligned to the national government calendar to ensure similar key messages.

T 2.4.0

2.4 PUBLIC MEETINGS

COMMUNICATION, PARTICIPATION AND FORUMS

The Municipal Systems Act, section 16 encourages a culture of community participation; thus the Municipality should involve the community in the planning of the programmes and decisions of the Municipality. As such, the IDP process involves the participation of communities in the planning and review of the IDP, in order to ensure that the services, projects and programmes planned, will respond to the needs of the communities.

Matatiele Local Municipality implemented various public participation programmes, in line with phases of the IDP, throughout the Planning, drafting and adoption of the IDP review. The programmes included:

IDP Community Outreach Meetings – Due to Covid -19 lock down regulations the meetings held with ward stakeholders instead. The focused group meeting set up was adopted in order to control numbers and ensure that regulations are observed. The purpose of the meeting was to collect the needs and priorities of the Status-quo Report

IDP/Budget Community Outreach Meetings – To present the 2021/2022 Draft IDP review and draft budget for comments

IDP Representative forum meetings

Matatiele Local Municipality has an IDP Representative forum, which functions to provide an opportunity for stakeholders to represent the interests of their constituencies; provide a structure for discussion, negotiations and joint decision making, ensuring proper

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communication between all stakeholders and the Municipality, and Monitoring the planning and implementation process.

The sitting of meetings is scheduled in line with the phases of the IDP. In the 2021/2022 financial year; three (3) meetings were held; of these, two (2) meetings were held virtually. Corrective measures have been identifying in order to improve the effectiveness and functionality of the forum, and to ensure sitting of meetings as planned.

T 2.4.1

WARD COMMITTEES

The key purpose for the structural existence of ward committees in terms of Section 73 of the Municipal Structures Act is to serve as a link between communities and the Municipality. They operate in terms of their portfolios that are sector based dealing with issues affecting sector specific and assisting in ensuring that all community queries are attended to.

However, the level of education for those elected to serve as ward committees remains a challenge when reporting. On reporting consistency, the operations of the ward governance structures have been included in the calendar of municipal business and it is believed that with the cooperation of the Ward Councillors as chairpersons of these structures it will serve to improve the performance of ward committees.

T 2.4.2

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Public Meetings						
Nature and purpose of meeting	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal	Number of Community members attending	Issue addressed (Yes/No)	Dates and manner of feedback given to community
IDP Community Outreach Meetings – To collect the needs and priorities of the Status-quo Report	16 – 19 November 2020	42	30	2931	Yes	The meetings were held in each ward from the 16 -19 November 2020. The purpose of the meeting was to present the progress on service delivery and also to confirm ward needs and priorities.
IDP/Budget Community Outreach Meetings						
IDP Representative Forum meeting – Outline and buying in on the IDP Process plan, presentation of draft status quo, presentation of Strategies and projects	02 December 2020	15	03	9	Yes	The meeting was held on the 02 nd of December 2020, to present the outreach report to forum members.
	17 March 2021	17	16	16	Yes	The meeting was held on the 17 th of March 2021, to present the proposed projects and programmes for 2021/2022 financial year.
	13 May 2021	11	10	15	Yes	The meeting was held on the 13 th of May 2021, to present the final draft review, prior to tabling the

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						document to the council on the 27 May, 2021.
						T 2.4.3

COMMENT ON THE EFFECTIVENESS OF THE PUBLIC MEETINGS HELD:

The 2021/2022 IDP review process took place during the uncertain period of the COVID19 pandemic. This pandemic has presented challenges in terms of how business operations and government services are delivered. Therefore, the activities outlined for this IDP/budget review processes; in essence had to be adapted to the COVID-19 regulations, and amended as per the regulation. This also meant that new approaches/ mechanisms had to be developed and also improved upon to coordinate public engagement and meetings. These included amongst other things making use of virtual platforms for meetings; social media, and radio.

Public meetings in the Municipality have helped engage to the community of Matatiele Local Municipality in the functioning of the Municipality. These also provided a platform for the setting/review of performance indicators in the programmes and projects that are going to be performed by the Municipality.

The above mentioned public meetings also provided a platform for stakeholders and interest groups to input in the IDP and budget processes of the Municipality.

T 2.4.3.1

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2.5 IDP PARTICIPATION AND ALIGNMENT

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
	T2.5.1

COMPONENT D: CORPORATE GOVERNANCE

2.6 RISK MANAGEMENT

RISK MANAGEMENT
<p>Matatiele Local Municipality developed a Risk Management Framework, Policy and Standard Operating Procedure in response to the requirements of the Municipal Finance Management Act Section 62 (1) (c) (i) which state that Municipality must implement and maintain effective, efficient and transparent systems of risk management and control.</p> <p>Risk Management Unit assisted risk owners/management in identifying the strategic and emerging risks. Management on quarterly basis developed response strategies for all material risks.</p> <p style="text-align: right;"><i>T 2.6.1</i></p>

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TOP TWENTY (20) RISK (2020/2021) as per the Revised Risk Register adopted by Council

The Municipality's senior management team, as an integral part of strategic management and also as part of their daily management activities should monitor and manage the top risks of the Municipality.

National Treasury requires the top 20 risk when the Maturity Model is done therefore the top 20 and not top 10 were identified by Risk Sub-unit in terms of the residual risk exposure rating, constant re-occurring risks are as follows;

Matatiele Local Municipality: 2020/2021 Risk Register (Strategic Risks)																				
Priority Areas	Link to objective	Risk No	Risk Description	Risk Causes	Consequences	INHERENT RISK ASSESSMENT				Current controls	Control type	RESIDUAL RISK ASSESSMENT				Risk owner	Action to improve management of the risk	Action owner	Timeline	Portfolio of evidence
						Impact Value (1-5)	Likelihood Value (1-5)	Inherent Risk Value	Result			Control Effectiveness	Residual Risk Factor	Residual Risk Value	Result					

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BTO	To ensure full compliance with legislative requirements of MFM A, MPRA and financial relevant regulations and National Treasury guides and reform to improve financial manag	1	Non-compliance with laws and legislation	delays on internal processes lack of understanding the importance of legislated time frames	1.Financial loss 2. delays in service delivery 3.	4	4	16	Budget Policy Continuous monitoring	Detective and Preventative	Satisfactory	60%	96	CFO	Enhance adherence to Legislation by developing the compliance check list	CFO	30 September 2020	Compliance Check List.
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Chapter 2

	ement and its viability																			
BTO	To improve revenue enhancement through broadening revenue base and improving revenue collection	2	Inability to fully implement the bylaws and policies	Unwillingness of rates payers to service their accounts	1. Financial loss 2. Delay of service delivery due to inability to generate own income	5	5	25		Policies and bylaws Debt collectors	Corrective	Satisfactory	60%	15		CFO	Adherence to bylaws and policies Debt collection officers do random visits	CFO	Monthly Quarterly	Council resolution Monthly status report

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BTO	To improve support of Indigent Households within the Municipality	3	Inadequate Indigent Register	Poor registration processes	1.Financial loss 2.Service Delivery protests	5	5	2 5	1. Annual registration 2. Indigent Policy 3.Public Participation drivers (Cllrs, official , CDWs ,Ward Committees and Traditional Leaders) 4. Public notices	Corrective	Weak	80%	20	CFO	1. Public education 2. Establishment of Indigent Steering Committee 3.Vetting of applicants 4.Develop SOPs	CFO	30 June 2021	Attendance registers Notices Pamphlets Win deed report
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Com muni ty Servi ces	To maintain municipal infrastructure and public amenities	4	Dilapidating amenities	Inadequate Management of rural amenities operations	1.Loss on revenue 2.Vandalism 3.Financial loss 4.Descreeases life span of infrastructure 5.Health hazards 6.Lawlessness	4	3	1 2	Public Amenities Plan Booking Control sheet Maintenance plan Budget	Detective and Preventative	Good	40%	48		GM: Community Services	Assessment of amenities	Manager: Public Amenities	30 March 2021	Assessment report on Amenities
Com muni ty Servi ces	To improve the provision of basics services to rural and urban communities	5	Non adherence to waste collection schedule	Poor performance of service providers	1.Health hazards to the community and environment 2.Financial loss	4	4	1 6	Monitoring tool of service providers SLAs Collection schedules	Detective and Preventative	Satisfactory	60%	96		GM: Community Services	1. Performance Contract 2. Develop Evaluation	Manager: Waste Management	30 April 2021 30 September 2020	Attendance registers Evaluation tool

Chapter 2

	in the Municipality				3.Service Delivery protests					Conduct Awareness Programmes on importance of waste collection						Tool			
Community services	To achieve sound environmental management and land use conservation	6	Possible pollution of natural resources	Poor management of Land Fill Site	1.Health hazards to the Community and Environment 2.Litigations 3.Community protests 4.Loss of land fill site licence	5	4	20		Integrated waste management Plan Contract Management Landfill site licence Trainings on environmental issues	Detective and Preventative	Satisfactory	60%	12		GM: Community Services Development evaluation tool	Manager: Waste Management	30 April 2021	Attendance registers Evaluation Tool

Chapter 2

Community Services	To improve the access to sport and recreation facilities in rural and urban areas with the municipality	7	Lack of proper management of recreational facilities	Non monitoring of facilities	1.Vandalism 2.Financial loss 3.Loss of revenue 4.Lawlessness	5	3	15	Public Amenities plan Swimming Policy Tariff policy	detective 'Corrective	good	40%	6		Gm: Community Services	Sport facilities Management Policy	Gm: Community Services	30 June 2021	
Community Services	To promote safer, informed and secure communities	8	Non-compliance to Disaster Management Legislation Nonexistence of Disaster and Fire	Inability to respond to disaster incident Lack of knowing the importance	1..Fatalities 2. Possible loss of revenue 3.Abuse of municipal resources	5	3	15	incident reports 'District Disaster Management Plan(AND M) Awareness	Preventative and detective	Weak	80%	12		GM: Community Services	Develop Disaster and Fire Management Plan	GM: Community Services Manager: Public safety	30 June 2021 30 June 2022	Disaster and Fire Management Plan

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Community Services	To promote safer, informed and secure communities	9	Mushrooming of illegal structures, stalls, informal traders and dumping	Inability to enforce bylaws bylaws lacks certain procedures to protect the municipality nonexistence of section to enforce bylaws	1.Lawlessness 2.Loss of revenue 3.Pollution 4.Health hazards 5.Litigations 6.Loss of lives	5	5	25	Bylaws Community awareness	Corrective	Weak	80%	20	GM: Community Services	Develop list of fines issue compliance notices provide safety during demolition illegal structures	Manager: Public safety	30 June 2021 30 June 2021	adopted list of fines register of issued compliance notices Reports & Pictures
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Community Services	To promote safer, informed and secure communities	10	nonexistence of road marking subunit	inability to enforce national road traffic Act and National Land Transport Act	Lawlessness Non-compliance Litigations Prone to accidents and injuries	4	4	16	National Road Traffic Act National Road Transport Act	corrective and detective	weak	80%	128	GM: Community Services	develop Integrated Transport Plan	Manager: Public safety	30 June 2021	Integrated Transport Plan
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Chapter 2

Corporate Services	To provide reliable and efficient ICT services to achieve optimal service delivery	11	Lack of system integration to enable efficient working environment	1.Existing standalone system	1.Non-compliance to mSCOA for lack of integration	5	5	25		ICT Strategy ICT Policies	Detective and Preventative	Satisfactory	60%	15		GM: Cooperate Services	1.Integrate all Systems to Financial System	Manager: ICT	30-Jun-21	1.Signed report for Integration of systems to Financial System;
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Chapter 2

Corporate Services	To build a healthy, competent and effective workforce	12	Low staff moral Lack of critical skills Failure by employees to prioritize own development	Working condition Employees personal expectations Lack of individualised career crafting	Poor performance High absenteeism Labour turnover	4	3	12	HRD Policy employment policy Leave Policy Grievance Procedure	Detective and Preventative	Good	40%	48		Manager: HRM	Regular inductions sessions Change management sessions	Manager: HRM	Quarterly	Attendance register and presentation Attendance register and presentation
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Chapter 2

Corporate Services	To provide a healthy, safe, secure and productive work environment	13	Unclear political-administrative interface	Legislation vesting both legislative and executive of a municipality in its Municipal Council	Instability within the institution	4	3	12	Code of conduct for Councillors Standing rules Appointment letters for employees Code	Preventative	Satisfactory	60%	7,2		GM: Cooperative Services	Annual completion of Code of Conduct Induction of Councillors	Manager: Human resource Management	30 June 2021 30 June 2021	Code of Conduct Attendance Register
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Chapter 2

Corporate Services	To promote a coherent and interactive communication and participation with customers and stakeholders around service delivery issues	14	1. lack of awareness on service delivery	Lack of cooperation from all participants	Protests Instability on service delivery	5	3	15	1. Public Participation and Public education Policy 2. Ward Committee establishment and Ward Operational Plan 3. Petitions Policy 4. Ward Annual Plan Involvement of community leaders in	detective and Directive	Good	40%	6	GM: Cooperate Services	Workshop of public participation drivers	manager: Public Participation and Customer Care	310 June 2021 Quarterly	Attendance Register Attendance register
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Chapter 2

EDP	To create a favourable environment for promoting a growth and sustainable local economy	15	Stagnant Local Economic Growth	Unfavourable bylaws and policies Poor roads infrastructure Inadequate skills for SMM E's Lack of funding Bureaucratic red tape	1.Poverty and unemployment 2.Lawlessness 3.Tarnished municipal reputation 4.Loss of revenue	5	3	15	Reviewed Local Economic Development Strategy Reviewed SMM E Sector Plan Ongoing training for SMM E's LED Action Plan	Preventative	Good	40%	6	GM: EDP	Development of the Action Plan for LED Strategy Development Tourism Sector plan Develop concept document to market Tourism destination marketing progr	GM: EDP Manager: LED	30 March 2021 30 June 2021 30 June 2021	LED Action Plan Tourism Sector Plan Concept Document reports, attendance registers
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Chapter 2

EDP	To provide land for residential, commercial and industrial development	16	<ol style="list-style-type: none"> 1. Illegal land invasion 2. Inhabitable lands 	<ol style="list-style-type: none"> 1. Unplanned settlement 2. Inadequate law enforcement 3. Unserviced land parcels 4. Contravention of environmental laws 	<ol style="list-style-type: none"> 1. Disaster 2. Litigations 3. Loss of revenue 4. Deter investment 5. Health hazards 	4	5	20	<ol style="list-style-type: none"> 1. Spatial Development Framework (SDF) 2. Land Use Management Scheme(LUMS) 3. Spatial Planning & Land Use Management Act (SPLU MA) 4. SPLU MA bylaw 5. Awareness 	Detective and Preventative	Satisfactory	60%	12	GM: EDP	1. Adherence to legislation	GM: EDP	Quarterly	Report on adherence to legislation
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Chapter 2

Infrastructure Services	To improve the provision of basic services to rural and urban communities in the Municipality	17	Late start of Projects	1. Budget constraints	1. Service delivery protests 2. Tarnish municipal reputation 5. Reprioritisation of projects	3	3	9	Business Plans Procurement plan Project Management Policy Progress reports Practical Completion certificate Contract with Department of Energy (MOU) Eskom handover certificate	Preventative and Detective	Good	40%	3,6	GM:ISD	Adherence to procurement plan	Manager: Electricity	30 June 2021 30 June 2021	Report on adherence to Procurement Plan Progress reports
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Chapter 2

Infrastructure Services	To provide suitable and conducive working conditions for municipal staff and councillors	18	Late completion of Projects	Budget constraints Poor planning and over committed of budget	1.Lack of trust to community 2.Service delivery protests 3.Tarnish municipal reputation 4.Reprioritisation of projects	5	4	20	Procurement plan Business Plans Project Management Policy Completion certificate Monthly meetings reports Contract Register	Detective	Satisfactory	60%	12	GM:ISD	Properly maintenance and reviewing Contract Registers	GM:IDS Manager: Project, O&M	Monthly	Contracts register
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Chapter 2

Infra structure	To maintain municipal infrastructure and public amenities	19	Ageing infrastructure	Poor maintenance of infrastructure Natural disasters	1. Community protests 2. Litigations determinations investments tarnished 3. Municipality reputation Injuries and fatalities 4. Service delivery delay	5	5	25		Maintenance Policy Maintenance plan Plant and machinery Costed Assessment report	Detective	Satisfactory	60%	15		GM:ISD	Develop a Plan to manage the plant	GM:ISD	30 June 2021	Plan to manage the plant.
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Municipal Manager's Office	To strive for clean administration	20	Non adherence to the schedule meeting of oversight structures	Termination and Resignation of members 2. Exhausting of budget AC	1.Non-compliance 2.Inadequate monitoring and oversight 3.Negative audit outcomes 4. Poor performance	5	4	20		Municipal Year Plan AC charter MPAC terms of reference Internal Audit Charter	Preventative	Good	40%	8		Municipal Manager	Adherence to Year Plan Quality assessment review Self-assessment control tool	Municipal Manager	Quarterly 31 May 2022 30 June 2021	Attendance registers notices Quality assessment report Self-assessment report
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2.7 ANTI-CORRUPTION AND FRAUD

FRAUD AND ANTI-CORRUPTION STRATEGY

The Matatiele Local Municipality subscribes to the principles of good corporate governance, which require conducting business in an honest and transparent fashion. The Municipality is committed to fighting fraudulent behavior at all levels within the organization.

The Fraud Prevention Plan as adopted by Council on 27 May 2021 (**CR1257/27/05/2021**) is premised on the organizations core ethical values driving the business of the Municipality, the development of its systems, policies and procedures, interactions with ratepayers, the public and other stakeholders, and even decision-making by individuals and managers representing the organization. This means that in practice all departments and other business units of the Municipality and even external stakeholders are guided by the Plan as the point of reference for their conduct and in relation to the Municipality.

In addition to promoting ethical conduct within the Municipality, the plan is also intended to assist in preventing, detecting, investigating and sanctioning fraud and corruption. The fraud prevention plan details the steps which have been, and will continually be taken by the Municipality to promote ethical conduct and address fraud and corruption.

T 2.7.1

Chapter 2

2.8 SUPPLY CHAIN MANAGEMENT

OVERVIEW SUPPLY CHAIN MANAGEMENT

The purpose of the Supply Chain Management (SCM) policy is to give effect to the five pillars of procurement, i.e. it must be fair, equitable, transparent, competitive and cost effective, as well as to give effect to the enabling legislation, regulations and strategies to modernize procurement, provisioning and related functions.

The SCM Policy was initially developed and implemented to give effect to the SCM Regulations of 1 October 2005. The Policy was reviewed on 27 May 2021 (**1261/27/05/2021**). Matatiele Local Municipality has established a Supply Chain Management Unit in line with the internal Supply Chain Management (SCM) Policy. The Matatiele Local Municipality SCM Policy has been designed to be fair, equitable, transparent, competitive and cost effective. The Policy does comply with the prescribed regulatory framework for municipal supply chain. There is a range of supply chain management processes which includes bids, quotations, disposals and deviations. The Policy does specify which process must be followed for each range of procurement.

There are procedures and mechanisms in place for each type of procurement process that is required to be followed. There is flexibility in the process in cases of emergencies and if the contract is below the prescribed thresholds. Bid Administration is strictly adhered to when advertising, opening, registering, recording, evaluating and adjudicating tenders. The final terms of the contracts are negotiated in certain circumstances. Annually officials and councillors are required to disclose any conflicts of interests and any business interests they may have. The SCM System ensures that no persons who are not officials of the Municipality are involved in the procurement and tender processes. Councillors are prohibited from participating in the tender process.

The Municipality has also prohibited persons who were previously convicted of fraud and corruption during the past five (5) years, who have failed on a contract in the past five (5) years, and whose tax matters have not been cleared by the South African Revenue Services from participating in the Municipal procurement process. Measures have been put in place to combat fraud and corruption. The Municipality has high ethical values. Where awards of tenders have been improperly made, these contracts are invalidated. The Municipality has in certain circumstances participated in contracts procured by other organs of state. The SCM unit during 2020/2021 dealt with contract management matters and dispute procedures.

T 2.8.1

Chapter 2

2.9 BY-LAWS

By-laws Introduced during Year 2020/2021					
Newly Developed	Revised	Public Participation Conducted Prior to Adoption of By-Laws (Yes/No)	Dates of Public Participation	By-Laws Gazette* (Yes/No)	Date of Publication
N/A	Keeping of Animals Bylaw	Yes	15/03/2021 - Cedarville 16/03/2021- Matatiele 17/03/2021- Maluti 18/03/2021 - Harry Gwala 03/06/2021- Maluti	Yes	19 July 2021

T.2.9.1

COMMENT ON BY-LAWS:

No public comments were received in 2020-21 financial year.

T 2.9.1.1

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2.10 WEBSITES

Municipal Website: Content and Currency of Material		
Documents published on the Municipality's / Entity's Website	Yes / No	Publishing Date
Current annual and adjustments budgets and all budget-related documents	Yes	30 April 2021
All current budget-related policies	Yes	07 June 2020
The previous annual report (Year 2019/2020)	Yes	08 June 2021
The annual report (2020/2021) published/to be published	Yes	April 2022
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (2020/2021) and resulting scorecards	Yes	07 August 2020
All service delivery agreements (2020/2021)	Yes	07 June 2019
All long-term borrowing contracts (2020/2021)	No	N/A
All supply chain management contracts above a prescribed value (give value) for 2020/2021	Yes	Q1- 05 Oct 2020 Q2- 22 Feb 2021 Q3- 16 Apr 2021 Q4- 16 Jul 2021
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	No	N/A
Contracts agreed in 2020/2021 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	No	N/A
Public-private partnership agreements referred to in section 120 made in 2020/2021	No	N/A
All quarterly reports tabled in the council in terms of section 52 (d) during 2020/2021	Yes	Q1- 29 Oct 2020 Q2- 04 Feb 2021 Q3-10 Apr 2021 Q4-11 Aug 2021
<i>T 2.10.1</i>		

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2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

Satisfaction Surveys Undertaken during: Year 2020/2021				
Subject matter of survey	Survey method	Survey date	No. of people included in survey	Survey results indicating satisfaction or better (%)*
Survey conducted by the Alfred Nzo District Municipality (ADNM).	Quant	2019/2020 District Survey	1000 Households per Municipality.	The outcome of the survey has not been communicated by the ANDM as yet due to the delay by the Service Provider. Only the inception report has been communicated so far.
<i>T2.11.2.1</i>				

COMMENT ON SATISFACTION LEVELS:

The Municipality has allocated more budget towards road maintenance and electricity, to respond to the concerns raised by the community members in the survey of the previous years. Discussions with the Alfred Nzo Municipality (ANDM) for improved water services have also intensified with the District being influenced to undertake Customer Satisfaction Surveys for all its four (4) Municipalities.

T 2.11.2.2

Chapter 3

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

COMPONENT A: BASIC SERVICES

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

3.1. WATER PROVISION

INTRODUCTION TO WATER PROVISION

The provision of water in the Matatiele Local Municipality (MLM) is a key performance area of the District Municipality – Alfred Nzo District Municipality (ANDM). All the water connections are done by ANDM, either yard connections in the suburban areas or the RDP standards in the rural areas.

T 3.1.1

COMMENT ON WATER USE BY SECTOR:

The provision of water in the Matatiele Local Municipality is a key performance area of the District Municipality – Alfred Nzo District Municipality (ANDM). All the water connections are done by ANDM, either yard connections in the suburban areas or the RDP standards in the rural areas.

T 3.1.2.2

Chapter 3

3.2 WASTE WATER (SANITATION) PROVISION

INTRODUCTION TO SANITATION PROVISION

The provision of sanitation and water in the Matatiele Local Municipality is a key performance area of the District Municipality – Alfred Nzo District Municipality (ANDM). All the water connections are done by ANDM, either yard connections in the suburban areas or the RDP standards in the rural areas

T 3.2.1

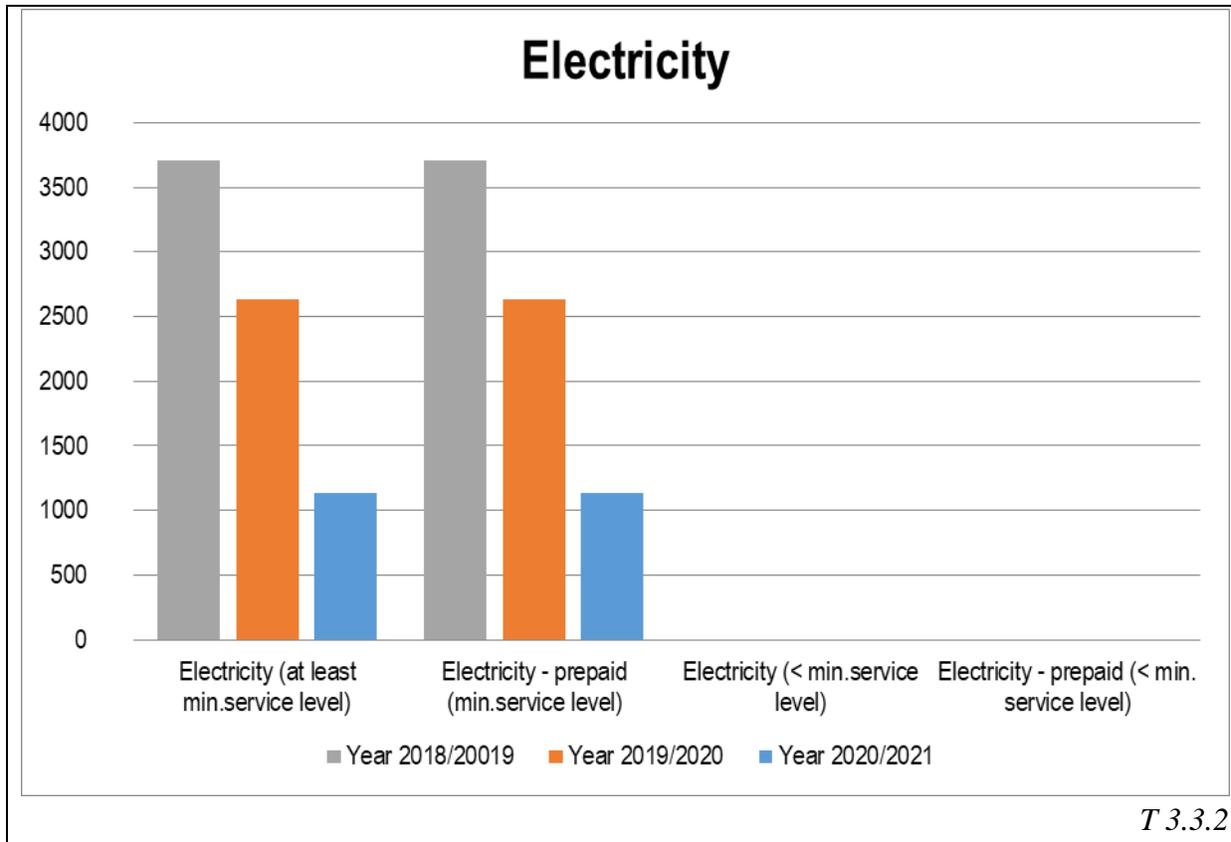
3.3 ELECTRICITY

INTRODUCTION TO ELECTRICITY

Matatiele Local Municipality is licensed by the National Electricity Regulator of South Africa (NERSA) to supply electricity to 70% of the total customers in the Municipality's area of jurisdiction and the remainder which is comprised of Cedarville and Maluti areas is supplied by Eskom. The Electricity Unit operates under the National Regulator of South Africa Act of (2006).

T 3.3.1

Chapter 3



Electricity Service Delivery Levels				
Description	Households			
	Year 2017/2018	Year 2018/2019	Year 2019/2020	Year 2020/2021
	Actual No.	Actual No.	Actual No.	Actual No.
<u>Energy: (above minimum level)</u>				
Electricity (at least min.service level)	2583	3712	2630	1139
Electricity - prepaid (min.service level)	2583	3712	2630	1139
<i>Minimum Service Level and Above sub-total</i>	5166	7424	5260	2278
<i>Minimum Service Level and Above Percentage</i>	2/5	1/2	2/5	2/9
<u>Energy: (below minimum level)</u>				
Electricity (< min.service level)	0	0	0	0
Electricity - prepaid (< min. service level)	0	0	0	0
Other energy sources	7634	7634	7634	7634
<i>Below Minimum Service Level sub-total</i>	7634	7634	7634	7634
<i>Below Minimum Service Level Percentage</i>	3/5	1/2	3/5	7/9
Total number of households	12800	15058	12894	9912

T 3.3.3

Chapter 3

Households - Electricity Service Delivery Levels below the minimum						
Description	Year 2017/2018	Year 2018/2019	Year 2019/2020	Year 2020/2021		
	Actual	Actual	Actual	Original Budget	Adjusted Budget	Actual
	No.	No.	No.	No.	No.	No.
Formal Settlements						
Total households	49527.00	49527.00	49527.00	49527.00	49527.00	49527.00
Households below minimum service level	10579.00	11966.00	16723.00	15760.00	15760.00	13269.00
Proportion of households below minimum service level	21%	24%	34%	32%	32%	27%
Informal Settlements						
Total households	-	-	-	-	-	-
Households ts below minimum service level	-	-	-	-	-	-
Proportion of households ts below minimum service level	0	0	0	0	0	0

T 3.3.4

Chapter 3

Electricity Service Policy Objectives Taken From IDP										
Service Objectives	Outline Service Targets	Target		Actual		Target		Actual		
		2019/2020	2019/2020	2019/2020	Year 2020/2021	Year 2020/2021	Year 2020/2021	Year 2021/2022	Year 2022/2023	
Service Indicators		(iii)	(iv)	(v)	(vi)	(vii)	(ix)	(x)		
Service Objective xxx										
<i>Provision of minimum supply of electricity</i>	Eradicate electricity backlog of 22,892 households in Matatiele	Connection of 3127 households in Sehlabeng {300}, 2 Mngeni {570}, 3. Lufefeni {382}, 4. Makhoba {435}, 5. Mohapi #2 {335}, 6. Qili {382}, 7. Zitapile {295} and 8. Shenxa {428} 9. Retention release for Tlakanelo Link line and 10. Saint Bernard and Bubesini by 30 June 2020.	1728 households connected by 30 June 2020 as follows: 1. Lufefeni {382} 2. Mohapi {300} 3. Makhoba {435}, 5. Mohapi #2 {335}, 6. Qili {382}, 7. Zitapile {295} and 8. Shenxa {450}	Connection of 3127 households in Sehlabeng {300}, 2 Mngeni {570}, 3. Lufefeni {382}, 4. Makhoba {435}, 5. Mohapi #2 {335}, 6. Qili {382}, 7. Zitapile {295} and 8. Shenxa {428}, (7)	Connection of 2630 households in (1) Hillside Manzi {320}, (2) Sifolweni {155}, (3) Ngcwengana {147}, (4) Mbombo {390}, (5) Mnyamani {400}, (6) Shenxa {428}, (7)	4525 households connected to electricity by 30 June 2021.	Connection of 2630 households in (1) Hillside Manzi {320}, (2) Sifolweni {155}, (3) Ngcwengana {147}, (4) Mbombo {390}, (5) Mnyamani {400}, (6) Shenxa {428}, (7)	Connection of 2630 households 30 June 2022.	Connection of 2812 households 30 June 2023.	

Chapter 3

			6. Qili {260}	{428} 9. Retention release for Tlakanelo Link line and 10. Saint Bernard and Bubesini by 30 June 2020.	Mohapi #2 {290}, (8) Mpofini {500} by 30 June 2021	Mohapi #2 {290}, (8) Mpofini {500} by 30 June 2021	
T 3.3.5							

Chapter 3

Employees: Electricity Services					
Job Level	Year 2019/2020	Year 2020/2021			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0 - 3	7	9	7	2	22%
4 - 6	0	0	0	0	0%
7 - 9	2	3	2	1	33%
10 - 12	3	4	3	1	25%
13 - 15	1	2	1	1	50%
16 - 18	1	1	1	0	0%
19 - 20	0	0	0	0	0%
Total	14	19	.014	5	26%
T 3.3.6					

Financial Performance Year 2020/2021: Electricity Services					
Details	Year 2019/2020	Year 2020/2021			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	118306331	107474388	87474388	33961894	-216%
Expenditure:					-
Employees	5259417	6300288	6300285	5618567	-12%
Repairs and Maintenance	173233	305004	805004	1017344	70%
Other	41492931	50900220	50900220	50358025	-1%
Total Operational Expenditure	46925581	57505512	58005509	56993937	-1%
Net Operational Expenditure	-71380750	-49968876	-29468879	23032042	317%
T 3.3.7					

Chapter 3

Capital Expenditure Year 2020/2021: Electricity Services					
Capital Projects	Year 2020/2021				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
TOTAL ALL	78 240 984,00	64 767 520,56	36 689 608,10	-113%	
MOUNTAIN VIEW SUBSTATION NEW	-	7 700 000,00	148 458,23	100%	7 700 000,00
QILI Electrification (CRR)	-	1 606 330,00	1 340 358,94	100%	1 606 330,00
Lufefeni Electrification_(CRR)	-	311 200,00	256 188,65	100%	311 200,00
Mngeni Electrification (CRR)	-	2 965 070,00	2 343 410,66	100%	2 965 070,00
Zitapile Electrification (CRR)	-	72 510,00	63 054,78	100%	72 510,00
Mahareng Chere (CRR)	-	193 600,00	51 624,78	100%	193 600,00
Makhoba Electrification_(CRR)	-	3 944 412,00	3 699 571,62	100%	3 944 412,00
NICE FIELD	-	400 000,00	260 404,80	100%	400 000,00
Sehlabeng Electrification (CRR)	-	3 617 160,00	3 337 836,03	100%	3 617 160,00
Epiphany Electrification	9 999 996,00			-	-
Shenxa Electrification	6 000 000,00	6 101 940,00	4 455 678,49	-35%	6 101 940,00
Mohapi #2 Electrification	3 999 996,00	1 921 971,00	1 184 465,76	-238%	1 921 971,00
Vikinduku - Lubaleko	9 000 000,00			-	-
Small Location-Mpofini	9 000 000,00	9 000 000,00	7 826 086,96	-15%	9 000 000,00
Mnyamaneni	7 200 000,00	7 200 000,00	6 260 445,70	-15%	7 200 000,00
Mbombo Electrification	7 128 000,00	7 128 000,00	6 198 260,88	-15%	7 128 000,00
Matias (Mhlangeni Vimba Mavundleni Mnqayi) INEP	9 000 000,00	9 263 000,00	8 045 081,94	-12%	9 263 000,00
Electrical Poles	150 000,00			-	-
Street lights CBD	999 996,00	1 399 996,00	1 046 251,15	4%	1 399 996,00
CHRISTMAS LIGHTS	249 996,00			-	-
HIGH MAST LIGHTS	1 500 000,00	262 609,00	262 608,69	-471%	262 609,00
Furniture Equipment	150 000,00	150 000,00	79 874,97	-88%	150 000,00
Transformers	800004	985 004,00	786 135,00	-2%	985 004,00
Uninterrupted Power Supply Other		544719	544 718,56		544 718,56
					<i>T 3.3.8</i>

Chapter 3

COMMENT ON ELECTRICITY SERVICES PERFORMANCE OVERALL:

The four largest capital and maintenance projects in order of priority are as follows:

Capital Projects: Mbombo Electrification Project (396 HH), Small Location –Mpofini Electrification Project (325), Mnyamaneni Electrification Project (255), Vimba Electrification Projects (176HH).

Maintenance Projects: Streetlights (40) CBD ,1 x Mini Substation –Sydfred Motors, 3 x High Mast Lights –Area C and 2 x 100 KVA Pole Mounted Transformers.

T 3.3.9

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

INTRODUCTION TO WASTE MANAGEMENT

The Matatiele Local Municipality utilised external service providers to clean and remove waste from residential areas and the CBD. The Municipality also supported local SMMEs who did waste recycling within the CBD as well as the surrounding rural areas. SMMEs were given the required training and awareness on handling waste and the importance of sorting. SMMEs were encouraged in providing adequate Personal Protective Equipment (PPE) and somewhere provided with working space. This was to ensure job creation, poverty alleviation and inclusive local economic growth. Through recycling we were ensuring that minimal waste reaches the landfill site. Majority of waste from our local businesses does not reach the landfill site as the recyclers remove the recyclables from the source being our local businesses.

Five (5) service providers were appointed in the 2018/2019 financial year for the period of three (3) years which end on 2020/2021 financial year, these service providers were for cleaning, removal, transportation and disposal of waste. Manong Construction & Projects JV Megacity (removed waste in the Buxton park, Itsokolele and New J residential area {ward 20}), Mahlonono construction (removed waste in Maluti {Ward 1}), Africa Unite (removed waste in Harry Gwala and Mountain view {Ward 19} residential areas), Phakamisa Construction and Services (remove waste in the CBD {Ward 20} Bathokozeleni (did the garden and waste removal) {all municipal buildings. Waste is removed in-house in Cedarville {ward 26}, using our General assistants (GAs) with the help of EPWP and Municipal Fleet. All above mentioned service providers also opened blocked drains removing waste within the drains. Waste group was the appointed service provider responsible for the management of the landfill site, then later Mabo industries.

Chapter 3

Waste removal was provided daily in the CBD, twice a week in the residential areas (middle income areas) and 3 times a week in the low income or low cost housing (RDP) area due to demand as the area is a compacted and to ensure efficient service delivery. In Ward 26, the Municipality utilized in-house staff to provide waste removal services as well as clean and sweep the streets in both the CBD and residential areas.

The Municipality also started benchmarking in the 2 rural areas {Ward 6 and Ward 2} here the Municipality introduced transfer stations in the form of skip bins where the community disposed waste and it was collected by the municipal waste skip bin truck.

The service providers also provided waste removal from schools, clinics, police stations and hospitals every Wednesdays. Additional service was provided three times a week for the Maluti clinic which is the central point (transfer area) for waste collection from all rural clinics in the jurisdiction of Matatiele Local Municipality, only general waste is taken from these areas. The waste skip truck then collected and disposed the waste at the Landfill site. Waste was also collected from the South African National Defence Force (SANDF) camp {Ward 25} using skip loaders and disposing thereof with the municipal Skip truck.

The Municipality utilized the services of Waste Group and later Mabo Industries as external service providers who were appointed to provide landfill management.

To ensure continued service delivery the Municipality appointed a waste officer who ensured regular monitoring of the services rendered by the external service providers as well as the municipal employees in the Waste Section. Daily and weekly monitoring tools were utilised to ensure services were done correctly and effectively. Expanded Public Works Programme (EPWP) incumbents were utilised to combat any illegal dumping and to clean and remove waste from public open spaces on a daily basis.

T 3.4.1

Chapter 3

Solid Waste Service Delivery Levels				Households
Description	Year 2017/2018	Year 2018/2019	Year 2019/2020	Year 2020/2021
	Actual No.	Actual No.	Actual No.	Actual No.
<u>Solid Waste Removal: (Minimum level)</u>				
Removed at least once a week	32714	32714	32714	32714
<i>Minimum Service Level and Above sub-total</i>	32714	32714	32714	32714
<i>Minimum Service Level and Above percentage</i>	77.0%	77.0%	75.9%	75.9%
<u>Solid Waste Removal: (Below minimum level)</u>				
Removed less frequently than once a week				
Using communal refuse dump	0	0	0	0
Using own refuse dump	8128	8128	8728	8728
Other rubbish disposal	1645	1645	1645	1645
No rubbish disposal	0	0	0	0
<i>Below Minimum Service Level sub-total</i>	9773	9773	10373	10373
<i>Below Minimum Service Level percentage</i>				
Total number of households	42487	42487	43087	43087
				<i>T 3.4.2</i>

Chapter 3

Households - Solid Waste Service Delivery Levels below the minimum						
Description	Year 2017/2018	Year 2018/2019	Year 2019/2020	Year 2020/2021		
	Actual No.	Actual No.	Actual No.	Original Budget No.	Adjusted Budget No.	Actual No.
	Formal Settlements					
Total households	42487	42487	43087	42000	42000	43087
Households below minimum service level	9773	9773	9773	10000	10000	10373
Proportion of households below minimum service level	23%	23%	23%	24%	24%	24%
Informal Settlements						
Total households	–	–	–	–	–	–
Households below minimum service level	–	–	–	–	–	–
Proportion of households below minimum service level	0%	0%	0%	0%	0%	0%

T 3.4.3

Chapter 3

Waste Management Service Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2019/2020		Year 2020/2021			Target		
		Target	Actual	Target		Actual	Target		
<i>Service Indicators</i>		*Previous Year		*Previous Year	*Current Year		Year 2020/2021	Year 2021/2022	Year 2022/2023
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Service Objective xxx									
Waste removal in residential area	Cleaning and removing of Waste twice a week in residential area, Wards 1, 19, 20 and 26.	Provide removal of waste services to residential area for 8,120 households by 30 June 2020	Provided removal of waste services to residential area for 5.420 households by 30 June 2020	Provide removal of waste services to residential area by 30 June 2020	96 days (twice a week), waste removal from residential areas in wards 1, 19, 20 and 26 by 30 June 2021	82 days were utilised for waste removal from residential area in wards 1, 19, 20 & 26 in 30 June 2021	96 days (twice a week), waste removal from residential areas in wards 1, 19, 20 and 26 by 30 June 2021	96 days (twice a week), waste removal from residential areas in wards 1, 19, 20 and 26 by 30 June 2022	96 days (twice a week), waste removal from residential areas in wards 1, 19, 20 and 26 by 30 June 2023
Waste removal in the CBD	Cleaning and refuse removal in the CBD.	To provide refuse removal services to	Provided refuse removal services to	To provide refuse removal	365 days (DAILY) waste services to	Waste was removed 344 days	365 days (DAILY) waste services to	365 days (DAILY) waste services to	365 days (DAILY) waste services to

Chapter 3

Waste Management Service Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2019/2020		Year 2020/2021			Target		
		Target	Actual	Target		Actual	Target		
<i>Service Indicators</i>		*Previous Year		*Previous Year	*Current Year		Year 2020/2021	Year 2021/2022	Year 2022/2023
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
		business/ CBD in ward 19 and 26 by June 2020	business/ CBD in ward 19 and 26 by June 2020	services to business/ CBD in ward 19 and 26 by June 2020	businesses in the CBD by 30 June 2021	daily from the CBD 30 June 2021	businesses in the CBD by 30 June 2021	businesses in the CBD by 30 June 2022	businesses in the CBD by 30 June 2023
Proportion of waste that is recycled	Volumes of waste recycled as a percentage of total volume of waste disposed of at landfill sites.	55% of year 2019/2020 waste recycled	60% of Year 2019/2020 waste recycled	55% of year 2019/2020 waste recycled	60% of waste recycled in 2020/2021	55% of waste recycled in 2020/2021	60 % of waste recycled in 2020/2021	60 % of waste recycled in 2021/2022	60 % of waste recycled in 2022/2023
Proportion of landfill sites in compliance with the Environmental	100% of landfill sites by volume that are being managed in	80% of sites compliant in 2019/2020	80% of sites compliant in 2019/2020	65% of site compliant in 2019/2020	80% of site compliant in 2020/2021	80% of site compliant in 2020/2021	80% of site compliant in 2020/2021	80% of site compliant in 2021/2022	80% of site compliant in 2022/2023

Chapter 3

Waste Management Service Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2019/2020		Year 2020/2021			Target		
		Target	Actual	Target		Actual	Target		
<i>Service Indicators</i>		*Previous Year		*Previous Year	*Current Year		Year 2020/2021	Year 2021/2022	Year 2022/2023
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
<i>Conservation Act 1989.</i>	compliance with the Environmental Conservation Act 1989.								
T3.4.4									

Chapter 3

Employees: Solid Waste Management Services					
Job Level	Year 2019/2020	Year 2020/2021			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0 - 3	11	11	11	0	0%
4 - 6	0	0	0	0	0%
7 - 9	3	4	3	1	25%
10 - 12	1	1	1	0	0%
13 - 15	0	0	0	0	0%
16 - 18	1	1	1	0	0%
19 - 20	0	0	0	0	0%
Total	16	17	16	1	6%

T3.4.5

Financial Performance Year 2020/2021: Solid Waste Management Services					
Details	Year 2019/2020	Year 2020/2021			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	10 918 901,00	3 862 612,00	3 862 612,00	2 870 496,52	-35%
Expenditure:					
Employees	6 603 156,00	8 207 952,00	8 207 952,00	7 851 083,93	-5%
Repairs and Maintenance	8 116 494,00	11 600 004,00	11 600 004,00	8 729 351,42	-33%
Other	320 683,00	3 951 372,00	7 891 872,00	13 666 036,53	71%
Total Operational Expenditure	15 040 333,00	23 759 328,00	27 699 828,00	30 246 471,88	21%
Net Operational Expenditure	4 121 432,00	19 896 716,00	23 837 216,00	27 375 975,36	27%

T 3.4.7

Chapter 3

Capital Expenditure Year 2020/2021: Waste Management Services					
Capital Projects	Year 2020/2021				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	2929992	2929992	154421	-1797%	
Nature Reserve AR	200 004,00	200 004,00		-	200004,00
Landfill site upgrade	399 996,00	399 996,00		-	399996,00
Security guard houses at nature reserve	50 004,00	50 004,00		-	50004,00
Cematorial : Security Guard Houses	50 004,00	50 004,00		-	50004,00
LANDFILL WEIGHBRIDGE	999 996,00	999 996,00		-	999996,00
Computer Equipment	39 996,00	79 996,00	79996	50%	79996,00
FURNITURE EQUIPMENT	159 996,00	119 996,00	44925	-256%	119996,00
Grass Cutting Machine	30 000,00	30 000,00	29500	-2%	30000,00
CEMETRY DEVELOPMENT	999 996,00	999 996,00		-	999996,00
					<i>T 3.4.9</i>

COMMENT ON WASTE MANGEMENT SERVICE PERFORMANCE OVERALL:

Five (5) service providers were appointed to clean, remove, and dispose waste as well as maintenance of the landfill site. Waste drums were purchased to replace the old damaged drums used as bins in the CBD streets, some were donated to schools.

The compactor truck has assisted with ensuring that the community receives effective and efficient service delivery as we collect waste in-house in ward 26. All the prioritised projects for the Financial Year 2020/2021 for waste were obtained according to approved unit budget.

T 3.4.10

Chapter 3

3.5 HOUSING

INTRODUCTION TO HOUSING

The Matatiele Local Municipality is confronted with the challenge of ensuring access to adequate housing to all its inhabitants. The provision of housing is underpinned by the principles of promoting economic viability, environmental sustainability, urban integration and most importantly creating sustainable communities where people live in human dignity. The Municipality is progressively working towards reducing the significant backlog of 47585 housing units as per the Housing Need Register, and to ensure that the right of its inhabitants to have access to adequate housing is upheld and realized.

The rural housing development in Matatiele started in 2004 while the rural areas were still under the Umzimvubu Local Municipality. A challenge arose with the service provider appointed to conduct the feasibility study when they excluded certain villages. The change of ward boundary demarcation also affected the number of villages not included on the Housing Need Register.

THE MAJOR CHALLENGES ARE INTER ALIA:

- Upgrading of informal settlements in rural and urban areas
- Sustainable development
- Identification and designation of land for housing development
- Provision of sustainable human settlements in rural areas
- Facilitation of the creation of integrated and sustainable human settlements in urban areas
- Revitalization of old townships
- Promotion of medium density housing
- Promotion of spatial integration primarily through infill development

SOLUTIONS ON THE CHALLENGES ARE:

- Restructuring all projects (existing and planned) to be re-zoned in to seven (7) clustered wards.
- Prioritizing of housing projects in to at least five (5) wards (including all villages within such wards).
- Spreading of housing projects without ward boundaries and all villages within the ward.
- Prioritization of destitute beneficiaries in line with council resolution.

T 3.5.1

Chapter 3

Housing Service Policy Objectives Taken From IDP									
Service Objectives <i>Service Indicators</i>	Outline Service Targets	Year 2020/2021		Year 2020/2021			Year 2021-2023		
		Target	Actual	Target		Actual	Target		
		*Previous Year		*Previous Year	*Current Year		Year 2020/2021	Year 2021/2022	Year 2022/2023
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Service Objective xxx									
<i>Maritseng</i>	1500	1500	1000	1500	To construct 2698 houses (Maritseng 1500	Maritseng 997 Completed.	To construct 2698 houses (Maritseng 1500	To construct Mafube 300 (260)	To construct Nyaniso 500
<i>Mehloloaneng</i>	898	898	180	898				Sandfontein 100	Mposhongweni 500
<i>Pote</i>	40	Planning	Planning complete	Planning	Mehloloaneng 898	Mehloloaneng 520 Fastvents and 202 Anix completed.	Mehloloaneng 898	Maluti 200	Mahareng 500
			Planning complete		Mafube 300) by 30 June 2021		Mafube 300) by 30 June 2021	Mehloloaneng 898 (202)	Chibini 500 by 30 June 2023
<i>Chibini</i>	500	Planning	Planning complete	Planning		Mafube 40 Completed Units		Matatiele 73 Disaster by 30 June 2022	

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<i>Zwelitsha</i>	200	Planning	Planning complete	Planning Planning Procurement					
<i>Maluti Destitute</i>	200	Planning							
									T3.5.3

Chapter 3

Employees: Housing Services					
Job Level	Year 2019/2020	Year 2020/2021			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0 - 3	0	0	0	0	0%
4 - 6	0	0	0	0	0%
7 - 9	0	0	0	0	0%
10 - 12	2	2	2	0	0%
13 - 15	0	0	0	0	0%
16 - 18	1	1	0	1	100%
19 - 20	0	0	0	0	0%
Total	3	3	2	1	33%
T3.5.4					

**COMMENT ON THE PERFORMANCE OF THE HOUSING SERVICE OVERALL:
COMMENT ON THE PERFORMANCE OF THE HOUSING SERVICE OVERALL**

The Matatiele Local Municipality's top priority Housing Capital Projects that were budgeted under the Department of Housing (DoHS) during 2020/2021 are as follows:

Maritseng Village 1500

997 units completed and the remainder 503 was referred to the next financial year

Mehloloaneng Village 989

520 units completed and the remainder 469 was referred to the next financial year

Mafube 300

40 units completed and the remainder 260 was referred to the next financial year.

The following projects are still at procurement stage:

- Nyaniso 500
- Mposhongweni 500
- Mahareng 500
- Chibini 500

Chapter 3

No upgrading of informal settlements has been identified for the current financial.

T3.5.7

T 3.5.7

3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

The Municipality has an existing Indigent Policy which was adopted by Council, there is a current database for indigent beneficiaries who are subsidised with rates, refuse and prepaid electricity. The free basic services that are offered by the Municipality include refuse removal, electricity, rates, quarterly supply and delivery of filled 9kg gas cylinders and 2 burner gas stoves and maintenance of solar systems in areas that do not have electricity. The Municipality subsidises 50 kWh for electricity; 100% rebate for rates; R90 maintenance fee for solar systems and 100% rebate for refuse.

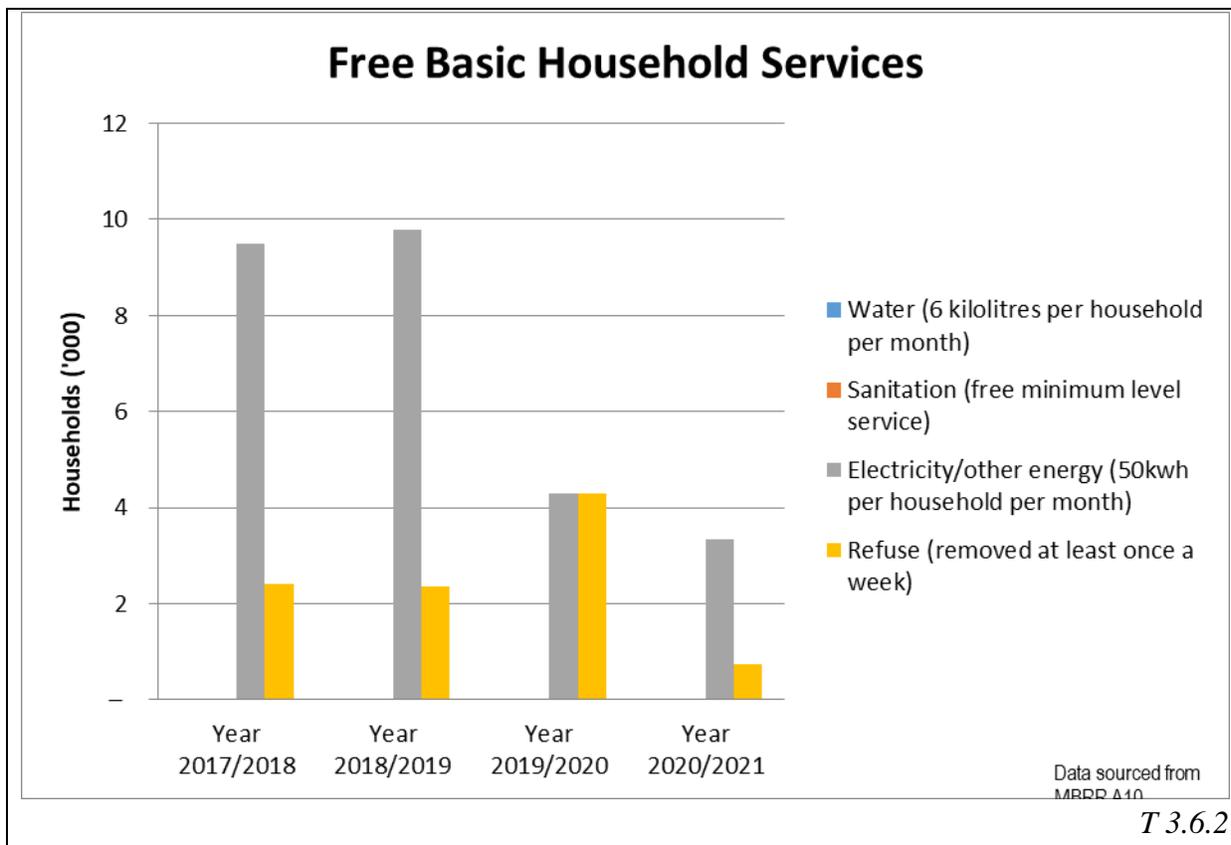
The Municipal indigent policy qualification as an Indigent has a threshold of two pensioners' income (currently R1780.00 per pensioner) per household income.

On an annual basis the Municipality registers new indigent beneficiaries who are eligible to receive the subsidy for the basic services. The period of registration does not close as it remains open in the financial year and therefore allows the register to be updated on a monthly basis – as and when new applicants are approved. Each beneficiary is requested to comply or satisfy the qualification criteria as set in the policy.

In the 2020/2021 financial year, the Municipality had registered 13, 269 beneficiaries.

T 3.6.1

Chapter 3



Free Basic Services To Low Income Households										
	Number of households									
	Total	Households earning less than R3,000 per month								
		Total	Free Basic Water		Free Basic Sanitation		Free Basic Electricity		Free Basic Refuse	
			Access	%	Access	%	Access	%	Access	%
2018/2019	12149	12149	N/A	N/A	N/A	N/A	11 220	92%	938	7.74
2019/2020	16723	16723	N/A	N/A	N/A	N/A	15 077	93%	1057	6,55
2020/2021	13269	13269					10974	83	744	5.6

T3.6.3

Chapter 3

Free Basic Service Policy Objectives Taken From IDP									
Service Objectives <i>Service Indicators</i> (i)	Outline Service Targets (ii)	Year 2019/2020		Year 2020/2021			Year 2020/2021	Year 2021/2022	Year 2022/2023
		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Number of indigent beneficiaries provided with services by set date.	Provide services to 20 542 indigent beneficiaries as follows: Electricity, Refuse and rates, Gel and oil, Solar	Provided services to 12,116 indigent beneficiaries as follows: Electricity, Refuse and rates, Gel and oil, Solar by 30 June 2020,	Provided services to 16,723 indigent beneficiaries as follows: 1057 Rates and refuse 3331 Electricity 11 746 Alternative energy (solar, gas and stoves)	Provided services to 12,116 indigent beneficiaries as follows: Electricity , Refuse and rates, Gel and oil, Solar by 30 June 2020	Provide services to 15760 registered indigent beneficiaries as follows: Electricity, Refuse and rates, Alternative energy by 30 June 2021	Provided services to 13269 beneficiaries as follows: Gas 1551 Solar maintenanc e 7644 Rates and refuse 744 Electricity 3330	Provide services to 13 827 indigent beneficiaries an on monthly basis as follows: Electricity Refuse and Rates: Alternative energy by and submit three (3) monthly reports to MTM by 30 June 2021.	Provide services to 13 827 indigent beneficiaries an on monthly basis as follows: Electricity Refuse and Rates: Alternative energy by and submit three (3) monthly reports to MTM by 30 June 2022.	Provide services to 13 827 indigent beneficiaries an on monthly basis as follows: Electricity Refuse and Rates: Alternative energy by and submit three (3) monthly reports to MTM by 30 June 20223

T3.6.5

Chapter 3

COMMENT ON FREE BASIC SERVICES AND INDIGENT SUPPORT:

The free basic services that are offered by the Municipality include refuse removal, electricity, quarterly supply and delivery of filled 9kg gas cylinders and two (2) burner gas stoves and maintenance of solar systems in areas that do not have electricity. The Municipality subsidises 50 kWh for electricity; R90 maintenance fee for solar systems and 100% for refuse.

The community is required to apply for the indigent support on an annual basis, on assessment of the application forms the validity of the information submitted by the applicant is confirmed with Windeed to ensure that one qualifies for indigent support.

T 3.6.6

COMPONENT B: ROAD TRANSPORT

This component includes: roads; transport; and waste water (stormwater drainage).

INTRODUCTION TO ROAD TRANSPORT

Public Transport

Various means of public transportation are used within the Municipality. Buses, Taxis and vans are commonly used as a form of transportation from one place to another. Vans are common in rural areas and are used to transport people to the towns, where they can access services. There are currently four (4) operational taxi ranks, and one (1) bus rank in the Matatiele town. Despite some investments in new roads and maintenance there remain local communities who are isolated and disconnected due to poor road infrastructure. This has significant consequences in terms of local economic development as well as service delivery, especially accessibility to emergency ambulance services. Transport whether motorized or non-motorized faces many challenges within the Municipal area. These can be summarized as follows:

Access roads need maintenance. Challenges include:

- Unavailability of adequate public transport facilities especially for the disabled;
- Lack of cooperation between public transport operators and the Municipal authorities;
- Lack of institutional capacity at Local and District Municipal level to manage transport planning and implementation;

Chapter 3

- Limited pedestrian and non-motorized transport facilities.

The Department of Transport did initiate some rural transport initiatives including:

- The AB 350 which established 16 buses on various routes in Matatiele
- Scholar transport was operated by a number of schools in the Municipal area

Areas of prioritized intervention include maintenance roads, improving on regulation to improve of road worthy scholar transport, investigation into traffic calming measures within areas of high accidents and facilitate the provision of adequate public transport facilities especially for the disabled.

In addition, the improvement in co-operation between public transport operators and the Municipal authorities is prioritized, as is the building and improvement of institutional capacity at Local and District Municipal level in order to manage transport planning and implementation.

Rail

The Municipality does not have an established public and goods rail transport system. However, a railway line runs through the area connecting the area with KwaZulu-Natal towns (Kokstad and beyond) although it has not been in use for over seven years.

Air Transport

There is no established and operational air transport system. A small landing Strip (airstrip) exists within Matatiele.

T 3.7

Chapter 3

3.7 ROADS

INTRODUCTION TO ROADS

Matatiele has a well-established road system comprising of provincial, district and local access roads. This improves accessibility and connectivity at a regional scale and serves as an opportunity for corridor based development. R56 is the main provincial road linking KwaZulu-Natal and Eastern Cape through Matatiele.

The other provincial road that plays an important role in terms of linkages include P612 which link the area with Lesotho. There are also provincial routes that plays a significant role in terms of linking various parts internally within Matatiele. These routes are P607, P604, P649 and P605. District Roads connect different settlements and provide access to public facilities. These district routes include DR639, DR641, DR642, DR660, DR643 and DR611. There are also Local Access Roads which provide access within each village.

Road Network

The construction and maintenance of provincial roads is the responsibility of the Department of Roads and Transport. On the other hand, construction and maintenance of access roads is the competency of the local Municipality. Maintenance includes re-gravelling, storm water drainage, bridges, pothole patching, paving, road signs and road markings.

The Municipality is also responsible for the construction and maintenance of sidewalks, foot paths in and around the three towns. The main role player at Matatiele Local Municipality is the Infrastructure Services Department.

The modes of transport that are mainly used by the community are public transport and private transport. Matatiele Local Municipality is currently using the District Municipality's Integrated Transport Plan.

T 3.7.1

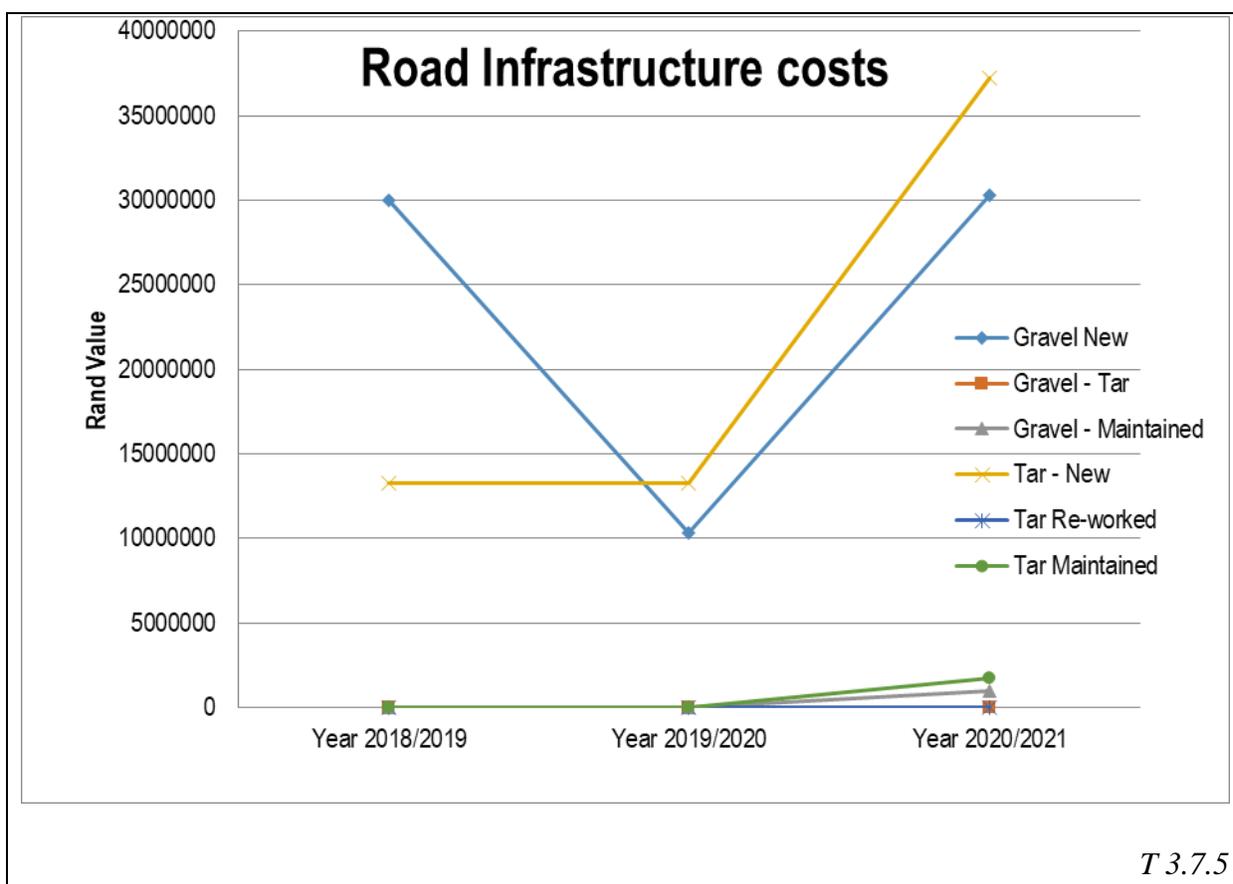
Chapter 3

Gravel Road Infrastructure				
Kilometers				
	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar	Gravel roads graded/maintained
2017/2018	48.1	48.1	0	0
2018/2019	19.6	19.6	0	0
2019/2020	44.9	5.7	6.5	0
2020/2021	86.6	34.8	12,4	29
				T3.7.2

Tarred Road Infrastructure					
Kilometers					
	Total tarred roads	New tar roads	Existing tar roads re-tarred	Existing tar roads re-sheeted	Tar roads maintained
2017/2018	0	0	N/A	N/A	14
2018/2019	2	0	2	N/A	6
2019/2020	10.1	6.5	0	N/A	6
2020/2021	15	12,4	1	N/A	0
					T3.7.3

Chapter 3

Cost of Construction/Maintenance							R' 000
	Gravel			Tar			
	New	Gravel - Tar	Maintained	New	Re-worked	Maintained	
Year 2018/2019	30012197	0	0	13233356	0	0	
Year 2019/2020	10329004.64	0	0	13233356	0	0	
Year 2020/2021	30325538.97	0	948220	37250114.15	0	1705700	
							T 3.7.4



Chapter 3

Road Service Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2019/2020		Year 2020/2021			Year 2020/2021	Year 2021/2022	Year 2022/2023
		Target	Actual	Target		Actual	Target		
<i>Service Indicators</i>		*Previous Year		*Previous Year	*Current Year		*Current Year	*Current Year	*Following Year
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Service Objective xxx									
<i>Elimination of gravel roads in townships</i>	Kilometres of gravel roads tarred (Kilometres of gravel road remaining)	2kms of tarred roads completed 30 June 2019	6.5km of tarred roads completed by 30 June 2020	6.5km of tarred roads completed by 30 June 2020	10kms tarred roads completed by 30 June 2021.	12,4km completed by 30 June 2021	10kms tarred roads completed by 30 June 2021.	10kms tarred roads completed by 30 June 2022.	10km of tarred roads completed by 30 June 2023
<i>Development of Municipal roads as required</i>	642.7kms of Municipal roads developed	28.7 Construct 28.7kms of gravel roads by 30 June 2019.	5.7km of gravel roads completed by 30 June 2020	5.7km of gravel roads completed by 30 June 2020	Construct 45kms of gravel roads by 30 June 2021.	63,8km completed by 30 June 2021	Construct 44.9kms of gravel roads by 30 June 2021.	Construct 45kms of gravel roads by 30 June 2022.	Construct 45kms of gravel roads by 30 June 2023

T3.7.6

Chapter 3

Employees: Road Services					
Job Level	Year 2019/2020	Year 2020/2021			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0 - 3	38	40	38	2	5%
4 - 6	1	1	1	0	0%
7 - 9	8	9	9	0	0%
10 - 12	5	7	4	3	43%
13 - 15	2	3	1	2	67%
16 - 18	1	1	1	0	0%
19 - 20	0	0	0	0	0%
Total	55	61	54	7	11%
					T3.7.7

Financial Performance Year 2020/2021: Road Services					
					R'000
Details	Year 2019/2020	Year 2020/2021			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	58259158	48936000	60345001	60335000	19%
Expenditure:					
Employees	13352734	15090684	15090684	14104591	-7%
Repairs and Maintenance	1 593 156		500000	479699	100%
Other	48931523	33174000	33374000	-13624892	343%
Total Operational Expenditure	63877413	48264684	48964684	959398	-4931%
Net Operational Expenditure	5618255	-671316	-11380317	-59375602	99%
					T 3.7.8

Chapter 3

Capital Expenditure Year 2020/2021: Road Services					
Capital Projects	Year 2021				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	64444176	88843177	72075134	11%	
sport centre	3 999 996,00	7 329 212,00	5 016 812,93	20%	7 329 212,00
Ngcwengane bridge	459 996,00	3 179 762,00	927 431,63	50%	3 179 762,00
Mahangu access road & bridge	2 499 996,00	391 996,00	391 305,61	-539%	391 996,00
Nkasela access road	8 000 004,00	6 661 330,00	5 632 507,60	-42%	6 661 330,00
Moiketsi access road	2 499 996,00	3 044 996,00	2 417 554,78	-3%	3 044 996,00
Mkhemane access road	6 000 000,00	6 794 000,00	5 674 082,74	-6%	6 794 000,00
Matatiele cbd internal streets -phase 2	3 999 996,00	5 976 351,00	4 606 013,59	13%	5 976 351,00
Msukeni access road	2 000 004,00	2 940 004,00	2 605 262,79	23%	2 940 004,00
Lagrange Pedestrian Bridge	480 000,00	810 000,00	310 196,89	-55%	810 000,00
Cedarville Sports Centre	975 000,00	645 000,00	305 815,01	-219%	645 000,00
Matatiele CBD Internal Streets -Phase 3	999 996,00	1 100 000,00			1 100 000,00
Maluti Internal Streets - Phase 4	15 000 000,00	19 645 137,00	17 703 427,00	15%	19 645 137,00
Cedarville Internal Roads Phase 3	7 229 196,00	11 895 397,00	13 395 891,52	46%	11 895 397,00
Outsourced	2 499 996,00	299 996,00	122 492,94	- 1941 %	299 996,00
Purutle - Moyeni Access Road and Bridge	2 499 996,00	399 996,00	287 688,89	-769%	399 996,00
Magonqolweni access road	2 499 996,00	4 310 000,00	3 961 448,43	37%	4 310 000,00
Harry gwala park access road mig	2 000 004,00	1 320 004,00	1 319 789,50	-52%	1 320 004,00
Fobane Access Road	-	2 100 000,00	1 445 850,00	100%	2 100 000,00
Upgrade Luxeni Access Road	-	1 100 000,00	677 540,00	100%	1 100 000,00
Mbizeni Access Road	-	300 000,00		#DIV/ 0!	300 000,00
Moqobi Access Road	-	1 300 000,00	1 003 577,00	100%	1 300 000,00
Upgrade_Thotaneng	-	1 500	984	100%	1 500

Chapter 3

Access Road		000,00	220,00		000,00
Re-Surfacing of Matatiele Streets	-	1,705,700.00	1,705,700.00	-	1,705,700.00
Hasera Access Road	-	1 600 000,00	1 427 314,13	100%	1 600 000,00
Matatiele CBD Internal Streets -Phase 3	-	199 996,00	-	-	199 996,00
Cedarville Internal Streets Phase 3 (CRR)	-	1 800 000,00	102 499,60	100%	1 800 000,00
Upgrade Luxeni Access Road		1100000	677540	100%	
Mateo Access Road		1100000	1078871	100%	
					<i>T 3.7.9</i>

COMMENT ON THE PERFORMANCE OF ROADS OVERALL:

The following are the three (3) largest capital projects:

1) Cedarville Internal Streets- Phase 3 – This is a 4km upgrading of gravel roads to paved roads in Ward 26. The contractor was appointed in April 2020 and the project is in construction. It is a multiyear project and is progressing well. The project will be completed by 30 November 2021. This project is still under construction. This project has up to date provided jobs to nineteen (19) local people both males and females with youth dominating in the employment ratio. The programme of works is closely monitored through frequent site meetings and visits. The local SMME's been appointed to undertake kerbing and concrete works.

EPWP policies are applied on the project as all employed labourers had signed contracts, had relevant PPE's and habitable office for over-night security was provided.

The project will be completed in the 2021/22 financial year as it was delayed by cash flow problem that the contractor experienced and inclement weather.

2) Purutle Access Road & Bridges (AR) – This is a 11km of gravel access road where 8km is a virgin road and 3km is the rehabilitation of an existing road, there is also 2 x cast in-situ bridges. It is situated in ward 24, The project is in procurement stage and it is a multiyear project. It will be completed in June 2022.

3) Maluti Internal Streets-Phase 4 – This is a 5km upgrading of gravel roads to surfaced roads in Ward 01. The contractor was appointed in November 2019 and the project reached practical completion stage in June 2021. The project provided jobs to sixteen (16) local people.

T 3.7.10

Chapter 3

3.8 TRANSPORT (INCLUDING VEHICLE LICENSING & PUBLIC BUS OPERATION)

INTRODUCTION TO TRANSPORT

The Matatiele Local Municipality (MLM) does not provide any public transport; however, it does have one bus terminal and one minibus taxi terminal. There are also other two bus/minibus taxi terminal operations on private ranks owned by retail businesses.

Matatiele Local Municipality maintains its two transport terminals and cleans the other terminals on retail business premises. MLM supports all the above transport terminals by recognising the transport association operating in the premises, having regular meetings with them regarding their operations, law enforcement matters and lastly providing concurrency for their members' operating licences applications.

Matatiele Local Municipality has a Registering Authority delegated by the Department of Transport. Matatiele also has a Grade A Driving Licence Testing Centre and a Grade A Vehicles Testing Station

T 3.8.1

Chapter 3

Transport Service Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2019/2020		Year 2020/2021			Year 2020/2021	Year 2021/2022	Year 2022/2023
		Target	Actual	Target		Actual	Target		
Service Indicators (i)	(ii)	*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Service Objective									
Improve Road traffic safety and access to traffic licensing services	Registering and Licensing of vehicles	Register and/or License 8500 vehicles by 30 June 2019	Registered and/or Licensed 8500 vehicles by 30 June 2020	Register and/or License 8500 vehicles by 30 June 2020	Register and/or License 6375 vehicles by 30 June 2021	Registered and/or Licensed 9366 vehicles by 30 June 2021	Register and/or License 6375 vehicles by 30 June 2021	Register and/or License 9100 vehicles by 30 June 2022	N/A
Improve Road traffic safety and access to traffic licensing services	Vehicle Roadworthy Testing	Test 1200 vehicles for roadworthy by 30 June 2018	Tested 1200 vehicles for roadworthy by 30 June 2020	Test 1200 vehicles for roadworthy by 30 June 2020	Test 750 vehicles for roadworthy by 30 June 2021	Tested 537 vehicles for roadworthy by 30 June 2021.	Test 750 vehicles for roadworthy by 30 June 2021	Test 675 vehicles for roadworthy by 30 June 2022	N/A

T3.8.3

Chapter 3

Employees: Transport Services					
Job Level	Year 2019/2020	Year 2020/2021			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0 - 3	1	1	1	0	0%
4 - 6	0	0	0	0	0%
7 - 9	0	0	0	0	0%
10 - 12	1	2	2	0	0%
13 - 15	0	0	0	0	0%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
Total	3	3	0	0	0%
					T3.8.4

COMMENT ON THE PERFORMANCE OF TRANSPORT OVERALL:

The Matatiele Local Municipality does not provide public transport, however there is a well-established Traffic and Licensing Unit within the Municipality.

T 3.8.7

Chapter 3

3.9 WASTE WATER (STORMWATER DRAINAGE)

INTRODUCTION TO STORMWATER DRAINAGE

The Municipality is responsible for maintenance, upgrading and installation of storm-water facilities in its three towns i.e. Matatiele, Cedarville, and Maluti towns with its employees under Projects, Operations and Maintenance Unit.

The Municipality purchases materials to improve storm-water drainage which includes concrete pipes and kerbs. The Municipal TLB is used to install and upgrade storm-water drainage.

The Projects, Operations and Maintenance Unit installed 382,5m of storm-water drainage in the 2020/2021 financial year.

T 3.9.1

Storm water Infrastructure Kilometres				
	Total Storm water measures	New Storm water measures	Storm water measures upgraded	Storm water measures maintained
Year 2017/2018	5.4	0.1	0.3	5
Year 2018/2019	0.3	0.3	0	3
Year 2019/2020	0	0	0	0
Year 2020/2021	502,5	382,5	0	120
				<i>T 3.9.2</i>

Chapter 3

Storm water Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2018/2019		Year 2020/2021			Year 2020/2021	Year 2021/2022	Year 2022/2023
		Target	Actual	Target		Actual	Target		
Service Indicators	(ii)	*Previous Year		*Previous Year	*Current Year		*Current Year	*Current Year	*Following Year
(i)		(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Service Objective xxx									
Replace existing Storm water pipes	Meters of pipes installed	To install 400 meters of pipes by 30 June 2020.	307.5 Meters of pipes installed by 30 June 2020.	To install 400 meters of pipes by 30 June 2020.	To install 300 meters of pipes by 30 June 2021.	502,5 meters completed by 30 June 2021	To install 300 meters of pipes by 30 June 2021.	To install 300 meters of pipes by 30 June 2022.	To install 300 meters of pipes by 30 June 2023.
Installation of kerbing	Meters of kerbing	Kerbing 1000 meters by 30 June 2020.	Kerbed 1862.4m meters by 30 June 2020.	Kerbing 1000 meters by 30 June 2020..	Kerbing 3000 meters by 30 June 2021.	Kerbed 988 meters 30 June 2021.	Kerbing 1000 meters by 30 June 2022.	Kerbing 3000 meters by 30 June 2022.	Kerbing 3000 meters by 30 June 2023.
									T 3.9.5

Chapter 3

COMMENT ON THE PERFORMANCE OF STORMWATER DRAINAGE OVERALL:

The storm-water drainage in all towns has reached its life span. It requires major repairs and a storm-water management plan is planned to be developed in the next financial year. The Municipality maintains and upgrades Storm water using the Municipal TLB.

The storm water drainage concrete pipes are purchased through SCM processes and are constructed with the Municipal TLB and internal staff. In this financial year 382,5m of new pipes were constructed.

T3.9.9

COMPONENT C: PLANNING AND DEVELOPMENT

3.10 PLANNING

INTRODUCTION TO PLANNING

The Development Planning Unit consists of town planning, land administration and outdoor advertising as key focus areas. The main vision of the unit is to be a holistic developmental orientated unit that complements the Municipality by providing support to issues relating to development planning and to ensure that the vision, mission and objectives of the Municipality regarding development planning are achieved.

The top 3 service delivery priorities in support of local economic development are:

Town planning (Spatial Planning and Land Use Management):

- Formulation of review of spatial and development plans within the context of the IDP timeframe.
- The spatial development framework (SDF) was reviewed in order to guide development, be in line with spatial planning and land use management act, 2013 (SPLUMA) and to cover all wards of the Municipality.
- Formulation, review and implementation of development planning policies and by-laws. The Land Use Management system (scheme LUMS) will be reviewed to be SPLUMA complaint in order to manage the land use rights of all the properties so as to guide new development and monitor proper use of the land.
- Provide enhancement to development strategies and ensure a safe built environment for the community through proper enforcement of town planning legislation, policies and by-laws.

Chapter 3

Land administration: proper management of Municipal land through processing of land leases and sale applications and the implementation of the approved Municipal land management plan (disposal of Municipal sites)

Outdoor advertising:

- Management of the commercial advertising signage through processing of outdoor advertising applications and the monitoring of illegal advertising signs.

T 3.10.1

Applications for Land Use Development						
Detail	Formalization of Townships (Establishment-Municipal projects)		Rezoning		Built Environment (consolidation, subdivision, special consent, Removal of restrictions)	
	Year 2018/2019	Year 2019/2020	Year	Year 2019/2020	Year 2018/2019	Year 2020/2021
Planning application received	residential and commercial establishments (Matatiele and Cedarville-Municipal projects)	Residential (2) and commercial establishments (Matatiele and Cedarville-Municipal projects)	2	23 Rezoning (3) Subdivision and rezoning(4) including 16 closure and rezoning of 16 Open spaces)	21	46 (1) subdivision - 12 (2) subdivision and Rezoning- 1 (3) Rezoning- 18 (4) Special Consent- 10 (5) Departure- 3 (6) Consolidation- 2
Determination made in year of receipt	0	1 (Cedarville-residential)		16 Rezoning (1), closure and rezoning of open spaces(15)	21	43
Determination made in following	0	0	0	0	0	4

Chapter 3

year						
Applications withdrawn	0	0	0	0		1 - 0 subdivisions
Applications outstanding at year end		1	0	(1) Special Consent (telecommunication masts) (2) Subdivision and Rezoning (agricultural to general mixed use-truck stop)		3 1
T3.10.2						

Chapter 3

Planning Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2019/2020		Year 2020/2021			Year 2020/2021	Year 2021/2022	Year 2021/2023
		Target	Actual	Target		Actual	TARGET	ACTUAL	
Service Indicators (i)	(ii)	*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Service Objective									
<i>Determine planning application within a reasonable timescale</i>	Ensure compliance to legislation, adopted policies and plans.	100% Processing of Municipal land lease and disposal applications within 60 days of receipt by 30 June 2020	20 applications processed by 30 June 2020	100% Processing of Municipal land lease and disposal applications within 60 days of receipt by 30 June 2020	100% Processing of Municipal land lease and disposal applications within 60 days of receipt by 30 June 2021	17 applications received, acknowledged and processed quarterly by Asset disposal committee) By 30 June 2021	100% Processing of Municipal land lease and disposal applications within 60 days of receipt by 30 June 2021	100% Processing of Municipal land lease and disposal applications within 60 days of receipt by 30 June 2022	100% Processing of Municipal land lease and disposal applications within 60 days of receipt by 30 June 2023
									T3.10.3

Chapter 3

Employees: Planning Services					
Job Level	Year 2019/2020	Year 2020/2021			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0 - 3	0	0	0	0	0%
4 - 6	0	0	0	0	0%
7 - 9	0	0	0	0	0%
10 - 12	2	3	2	1	33%
13 - 15	1	1	1	0	0%
16 - 18	1	1	1	0	0%
19 - 20	0	0	0	0	0%
Total	4	5	4	1	20%
					T3.10.4

Financial Performance Year 2020/2021: Planning Services					
Detail	Year 2020/2021	Year 2020/2021			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue		70,008.00	137,008.00	119,561.74	41%
Expenditure:					
Employees		5,993,244.00	5,373,244.00	4,264,431.02	-41%
Other		8,169,984.00	9,669,984.00	3,856,830.78	-112%
Total Operational Expenditure		14,163,228.00	15,043,228.00	8,121,261.80	-74%
Net Operational Expenditure		14,093,220.00	14,906,220.00	8,001,700.06	-76%
					T 3.10.5

Chapter 3

Capital Expenditure Year 2020/2021: Planning Services					
Capital Projects	Year 2020/2021				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	30000	120000	88143		
Computer Equipment	15000	15000			15000
Laptop	15000	15000	15000		15000
Furniture & Equipment		90000	73143		90000
					0
					<i>T 3.10.6</i>

COMMENT ON THE PERFORMANCE OF PHYSICAL PLANNING OVERALL:

The Development Planning Unit had no Capital projects on the approved budget. The other units' activities fall within the operational budget as reflected in the IDP and SDBIP and some were implemented according to the approved budget. Certain projects however, planning and surveying of Municipal land for residential and commercial establishments are a multi-year projects that are ongoing.

Other projects such as processing of applications, land disposals, rezoning, and subdivision, advertising signage's etc. were operational and did not need a budget and applications received were processed.

T 3.10.7

Chapter 3

3.11 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

INTRODUCTION TO ECONOMIC DEVELOPMENT

The purpose of channelling economic development programmes through LED unit is to provide a strategic direction to guide the Matatiele Local Municipality in its actions and efforts to lead local LED stakeholders towards achieving local economic development within the Municipal area. This is further supported by our revised Local Economic Strategy (2018) as it is a blue-print for implementation of Led programmes in Matatiele Local Municipality. It sets out actions that will help improve the vitality of the local economy and encourage its growth in a sustainable manner. Its specific objectives are to:

- Capacitate the Matatiele Local Municipality in carrying out its LED mandate;
- Develop a strategic implementation plan that outlines the strategies and activities that the Municipality and other LED stakeholders can employ to improve quality of life throughout the Municipal area;
- Facilitate the creation of an enabling framework for private and public sector investment, promotion of economic development and growth;
- Provide an overall economic assessment of Matatiele in order to identify sectors or areas of high economic potential and to highlight those that require intervention;
- Identify and estimate the cost of projects that will potentially contribute to the improvement of both Matatiele's economic future and quality of life within the Municipal area;
- Provide guidelines for implementing LED projects in Matatiele Local Municipality and for monitoring and evaluating them.

Matatiele Municipality Cropping Programme and Livestock Improvement Programme are the main anchor projects that Matatiele Local Municipality has invested in during the 2020/2021 financial year. The main objectives of the above mentioned projects was to create food security and to alleviate poverty in rural areas of Matatiele by encouraging emerging farmers to enhance production at a local level, especially fresh vegetables and grain production. The above mentioned projects that are aligned to Agriculture sector and they are a component of Agri-Parks programme which is known as a rural industrialization programme and it is still an ongoing project which is championed by Department of Rural Development and Land Reform. The informal trading sector is also a positive contributor to our local gross geographic product as it is having a strong constituency that is found in all the towns of Matatiele Local Municipality.

Job Creation

Chapter 3

The Retail sector is our major contributor of job creation, followed by the Agricultural sector and informal jobs that are created by SMMEs and Cooperative development in the area.

Capacitate the Matatiele Local Municipality in carrying out its LED mandate;

- Develop a strategic implementation plan that outlines the strategies and activities that the Municipality and other LED stakeholders can employ to improve quality of life throughout the Municipal area;
- Facilitate the creation of an enabling framework for private and public sector investment, promotion of economic development and growth;
- Provide an overall economic assessment of Matatiele in order to identify sectors or areas of high economic potential and to highlight those that require intervention;
- Identify and estimate the cost of projects that will potentially contribute to the improvement of both Matatiele's economic future and quality of life within the Municipal area;
- Provide guidelines for implementing LED projects in Matatiele Local Municipality and for monitoring and evaluating them.

T 3.11.1

COMMENT ON LOCAL JOB OPPORTUNITIES:

The Retail Sector is the major employer in Matatiele, especially in the Matatiele Town, followed by the Agricultural sector and informal jobs that are created by SMMEs and Cooperative development in the area. Informal Trading sector has drastically declined to have positive economic activity in Matatiele Local Municipality as it has been affected by the covid-19 pandemic which requires social distancing and there is disaster management act which is categorising commodities that need to be sold at certain levels like fruit and vegetables from level five to level three.

Tourism

This is a sector that is able to create short-term jobs and long-term jobs in the hospitality sector and in events such as the Matatiele Music Festival, Matat-2-Pont, Mehlooding Heritage, Ced-Matat Marathon and other related activities. This sector has been adversely affected as other hospitality entities are struggling even to keep their doors open as they are still being affected by the lockdown. There are only three Tourism establishments in Matatiele Local Municipality that have received tourism relief funding, which makes it difficult for other establishments to survive. However Eastern Cape Parks and Tourism Agency is developing a concept document that will enable Tourism establishment in Matatiele Local Municipality to be assisted in marketing and other forms of opportunities during this lockdown period.

T 3.11.4

Chapter 3

Job creation through EPWP* projects		
Details	EPWP Projects No.	Jobs created through EPWP projects No.
Year 2018/2019	6	419
Year 2019/2020	7	420
Year 2020/2021	8	430
		T3.11.6

Chapter 3

Local Economic Development Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2019/2020		Year 2020/2021			Year 2020/2021	Year 2021/2022	Year 2022/2023
		Target	Actual	Target		Actual	Target		
Service Indicators		*Previous Year		*Previous Year	*Current Year		*Current Year	*Current Year	*Following Year
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Provide training support to 300 SMME'S/cooperatives to cooperatives.	Support SMMEs through Skills Development Trainings on poultry management	Support 60 SMMEs through skills development trainings in trademark and branding, financial management business management and marketing by 30 June 2020.	The training of 20 SMMEs in Waste Management was done on the 17th to the 19th February 2020 by an accredit service provider. Animal Production training was conducted to 20 SMMEs on the 11th to the 13th December 2019 by Matotomane training and projects.	Support 60 SMMEs through skills development trainings in trademark and branding, financial management business management and marketing by 30 June 2020.	Support 70 SMMEs through skills development in Trainings on Waste Management, Animal Production and Plant Production by 30 June 2021.	70 SMMEs were trained through skills development in Trainings on Waste Management, Animal Production and Plant Production by 30 June 2021.	Support 70 SMMEs through skills development in Trainings on Waste Management, Animal Production and Plant Production by 30 June 2021.	Support 60 SMMEs through skills development in Trainings on Waste Management, Animal Production and Plant Production by 30 June 2022.	Support 60 SMMEs through skills development in Trainings on Waste Management, Animal Production and Plant Production by 30 June 2023

Chapter 3

			Who is an accredited service provider in animal and plant production programmes. Plant production training was done to 10 SMMEs because of adherence to the WHO protocols of social distancing, this training was done on the 10th to the 12th June 2020 by Matotomane training and projects, which is accredited as a level 1 training.						
Training of SMMEs/	Support	Support 40	Training in	Support 40	Support 50	Training in	Support 50	Support 60	Support 70

Chapter 3

<p>Cooperatives in Supply Chain Management Process</p>	<p>emerging contractors through skills development training on construction in Health and Safety and SCM processes and Project Management</p>	<p>emerging contractors through skills development training on construction in Health and Safety and SCM processes and Project Management by 30 June 2020.</p>	<p>project management in construction was conducted on the 18,19,20 December 2018, SCM processes training was conducted on the 12, 13,14 February 2018 , homebuilding training in 20,21 March 2020.</p>	<p>emerging contractors through skills development training on construction in Health and Safety and SCM processes and Project Management by 30 June 2020.</p>	<p>emerging contractors through skills development training on construction in Health and Safety and SCM processes and Project Management by 30 June 2021</p>	<p>Health and Safety was conducted to 20 emerging housing contractors on the 12th to the 14th November 2020, training was done by an accredited service provider. Training in SCM processes was done to 20 housing emerging contractors on the 14th to the 16th January 2021. Training in Project Management was done on the 17th to the 19th June 2020. Ten housing emerging contractors were trained instead of twenty as</p>	<p>emerging contractors through skills development training on construction in Project Management and Financial Management by 30 June 2021.</p>	<p>emerging contractors through skills development training on construction in Project Management and Financial Management by 30 June 2022.</p>	<p>emerging contractors through skills development training on construction in Project Management and Financial Management by 30 June 2023.</p>
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Chapter 3

						there was a need of compliance with WHO compliance on social distancing.			
									T3.11.7

Chapter 3

Employees: Local Economic Development Services					
Job Level	Year 2019/2020	Year 2020/2021			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0 - 3	0	0	0	0	0%
4 - 6	0	0	0	0	0%
7 - 9	1	1	1	0	0%
10 - 12	4	4	4	0	0%
13 - 15	0	0	0	0	0%
16 - 18	1	1	1	0	0%
19 - 20	0	0	0	0	0%
Total	7	7	7	0	0%
					T3.11.8

Financial Performance Year 2020/21: Local Economic Development Services					
					R'000
Details	Year 2019/20	Year 2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	352839	75000	65000	20506	-266%
Expenditure:					
Employees	3589472	3378516	3998516	3995529	0%
Repairs and Maintenance	0	450000	750000	86300	-421%
Other	4547181	7592232	7292232	5422999	-40%
Total Operational Expenditure	8136653	11420748	12040748	9504828	-20%
Net Operational Expenditure	7783814	11345748	11975748	9484322	-20%
					T 3.11.9

Chapter 3

Capital Expenditure Year 2020/19: Economic Development Services					
Capital Projects	Year 2020/2021				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	450000	450000	400000	-13%	
HAWKER SHELTER	450000	450000	400000	-13%	450000
					<i>T 3.11.10</i>

<p>COMMENT ON LOCAL ECONOMIC DEVELOPMENT PERFORMANCE OVERALL: Matatiele Local Municipality had embarked on the following activities in reviving the economy of the town:</p> <ul style="list-style-type: none"> - Supporting emerging livestock farmers and crop producers. - Promoting optimum use of available agro- processing opportunities. - Promoting Matatiele as a tourism destination of choice. §Supporting Local Tourism Organization - To develop tourism products & facilities. - Sourcing of funding for LED projects through bankable business plans - Promoting enterprise development in the economic and social sectors through the provision of business development. - Implementing of LED projects especially the anchor projects so as to create employment opportunities. and - To formulate and review of unit sector plans, policies and bylaws. <p style="text-align: right;"><i>T 3.11.11</i></p>

Chapter 3

COMPONENT D: COMMUNITY & SOCIAL SERVICES

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

3.12 LIBRARIES; ARCHIEVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES; OTHER (THEATRES, ZOOS, ETC)

INTRODUCTION TO LIBRARIES; ARCHIEVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES

Currently Matatiele local Municipality has three (3) main libraries, Cedarville, Maluti and Matatiele, and two (2) mobile libraries, Lupindo mobile library and modular library. All the five libraries are staffed by personnel employed by DSRAC. There is only one librarian employed by the Municipality and all the libraries have functioning library committees. Libraries provide efficient information services through awareness and campaigns.

There is one museum which is controlled by DSRAC but is maintained by the Municipality. There is support given to the libraries and museum by the Municipality.

The Municipality currently has FORTY-TWO (42) community halls and one (1) Civic Centre on the asset register, which are available for the use by the Community.

In ensuring continuous utilization of our service, a Public Amenities Plan has been developed to guide and ensure efficient administration, maintenance and management of Public Amenities.

T3.12.1

Chapter 3

Libraries; Archives; Museums; Galleries; Community Facilities; Other Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2019/2020		Year 2020/2021			Year 2021/2022	Year 2022/2023	
		Target	Actual	Target		Actual	Target		
Service Indicators		*Previous Year		*Previous Year	*Current Year		Year 2020/2021	Year 2021/2022	Year 2022/2023
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Service Objective xxx									
Plan, design and provide a sustainable human capital establishment.	Promote Public knowledge and awareness programmes on Library Information and Literacy	10 Public knowledge and awareness programmes on Library Information and Literacy hosted by 30 June 2020	1. Bookclub event hosted on the 17/07/2019 at Cedarville Library 2. Holiday programme hosted on the 10/09/2019 at Lupindo S.S.S 3. Bookclub event held on the 22/10/2019 at Maluti Library 4. International	10 Public knowledge and awareness programmes on Library Information and Literacy hosted by 30 June 2020	Host 14 Public knowledge and awareness programmes on Library Information and Literacy by 30 June 2021.	Hosted 14 Public knowledge and awareness programmes on Library Information and Literacy by 30 June 2021.	Host 14 Public knowledge and awareness programmes on Library Information and Literacy by 30 June 2021.	Development of e-library website and management thereof by 30 June 2022.	N/A

Chapter 3

			<p>literacy day held on the 19/11/2019 at Thabachicha</p> <p>5. Library Week Build up held on the 03/03/2020 at Harry Gwala Community Hall</p> <p>6. District Library Week held on the 05/03/2020 at Maluti Civic Centre</p>						
To maintain Municipal infrastructure and public amenities	Maintain Municipal infrastructure and public amenities	(Routine maintenance of five (8) public amenities: (1) swimming pool, two (4) blocks of Municipal Public Toilets in wards; 1,19&20, (1) Tennis	Seven (7) Routine Maintenance done: 1. Swimming Pool routine maintenance and refurbishment by Amamayeza Roads and Earthworks 2. Public Toilets Coffee Pot	(Routine maintenance of five (8) public amenities: (1) swimming pool, two (4) blocks of Municipal Public Toilets in wards; 1,19&20, (1) Tennis	Undertake planned and routine maintenance of 9 public amenities by 30 June 2021	Fencing of open soccer and netball fields in Itsokolele, ward 20, length 170m x width 220m, height 1,9m)	Undertake planned and routine maintenance of 9 public amenities by 30 June 2021	Undertake planned and routine maintenance of 5 public amenities by 30 June 2022	Undertake planned and routine maintenance of 5 public amenities by 30 June 2023

Chapter 3

		<p>Court at ward 20, (1) Museum (1) Open ground at ward 20 by 30 June 2020</p>	<p>commuter rank by Makalane Trading Maluti commuter rank by Sakha Mabhayi CBD bus and taxi rank by Two Brothers trading and projects Harry Gwala commuter rank by Mci Trading 3. Tennis court on 80% completion by Imida-Yam Developments 4. Museum roof removed and replaced by Mncedi Wesizwe trading cc.</p>	<p>Court at ward 20, (1) Museum (1) Open ground at ward 20 by 30 June 2020</p>						
										T 3.12.3

Chapter 3

Employees: Libraries; Archives; Museums; Galleries; Community Facilities; Other					
Job Level	Year 2019/2020	Year 2020/2021			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0 - 3	10	10	10	0	0%
4 - 6	1	1	1	0	0%
7 - 9	4	4	4	0	0%
10 - 12	1	1	1	0	0%
13 - 15	0	0	0	0	0%
16 - 18	1	1	1	0	0%
19 - 20	0	0	0	0	0%
Total	17	17	17	0	0%
					T3.12.3

Financial Performance Year 2020/2021: Libraries; Archives; Museums; Galleries; Community Facilities; Other					
R'000					
Details	Year 2019/2020	Year 2020/2021			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	14 388 284	5719008	5453964	3702540	-54%
Expenditure:					
Employees	8 311 151	3981324	3971658	3334456	-19%
Repairs and Maintenance	13 046 000	8407992	10407992	9393343	10%
Other	8 608 947	2961324	2811324	1095438	-170%
Total Operational Expenditure	29 966 098	15350640	17190974	13823237	-11%
Net Operational Expenditure	15 577 814	-9631632	-11737010	-10120697	5%
					T 3.12.5

Chapter 3

Capital Expenditure Year 2020/21: Libraries; Archives; Museums; Galleries; Community Facilities; Other					
Capital Projects	Year 2020/21				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	1560012	1 560 008,00	674899	-131%	
				-	
Refurbishment Of Netball Court	50 004,00	200004	179 800,00	72%	
Fencing Of Open Grounds	200 004,00	650000		-	
Blocks Of Public Toiles	699 996,00	-		-	
Computer Equipment (Grant)	60 000,00	120000	120 000,00	50%	
Furniture Equipment Grant	200 004,00	140 000,00	1 469,57	-13510%	
Water Tanks	150 000,00	150000	112 429,00	-33%	
Halls Cleaning Machinery	200 004,00	154004	115 200,00	-74%	
Refurbishment Of Tennis Court		100000	100 000,00	100%	
Computer Equipment Crr		46000	46 000,00	100%	
					<i>T 3.12.6</i>

3.13 CEMETORIES AND CREMATORIIUMS

INTRODUCTION TO CEMETORIES & CREMATORIIUMS

The Municipality has three (3) cemeteries located in Maluti, Matatiele and Cedarville towns {wards 1, 19 and 26} respectively. The rest are situated in the rural areas. Grass cutting and other maintenance were being conducted regularly.

The digging of graves is done by a service provider (Sokhulu Promotions). The Municipality supports Indigent communities, through provision of free graves where needed. The challenge is that there will soon be a shortage of burial sites and additional land will be required to meet the high demand in the Municipality. Replacement of damaged fence was done in the Maluti Cemetery.

T 3.13.1

Chapter 3

SERVICE STATISTICS FOR CEMETORIES & CREMATORIUMS

Matatiele Local Municipality services three (3) cemeteries in wards 1, 19 and 26. A private service provider is appointed for regular grass cutting and maintenance and digging of graves. The Municipality supports indigent communities, through the provision of free graves where needed. The Muslim community was provided with a few plots for their burials, this is for until the Municipality can get a new burial site for wards 19 & 20. There is a shortage of burial plots within the existing burial site and a new site will be identified for a new cemetery development.

T 3.13.2

Chapter 3

Cemeteries and Crematoriums Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2019/2020		Year 2020/2021			Year 2020/2021	Year 2021/2022	Year 2022/2023
		Target	Actual	Target		Actual	Target		
Service Indicators (i)	(ii)	*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Service Objective									
Cemetery management	To provide adequate cemetery services and management	Submission of 4 quarterly reports on the provision of adequate cemetery services to council by 30 June 2020.	4 quarterly reports on the provision of adequate cemetery services was done and submitted to council by 30 June 2020.	Submission of 4 quarterly reports on the provision of adequate cemetery services to council by 30 June 2020.	Submission of 4 quarterly reports on the provision of adequate cemetery services to council by 30 June 2021.	Submitted 4 quarterly reports on the provision of adequate cemetery services to council by 30 June 2021.	Submitted 4 quarterly reports on the provision of adequate cemetery services to council by 30 June 2021.	Submitted 4 quarterly reports on the provision of adequate cemetery services to council by 30 June 2022.	Submitted 4 quarterly reports on the provision of adequate cemetery services to council by 30 June 2023.

T3.13.3

Chapter 3

Employees: Cemeteries and Crematoriums					
Job Level	2019/2020	2020/2021			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0 - 3	0	0	0	0	0%
4 - 6	0	0	0	0	0%
7 - 9	1	1	1	0	0%
10 - 12	0	0	0	0	0%
13 - 15	0	0	0	0	0%
Total	1	1	1	0	0%
					T3.13.4

3.14 CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

INTRODUCTION TO CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

At the centre of the response to the challenges faced by the vulnerable groups in our Municipality, is the creation of mechanisms and systems that:

- Mitigate or reduce the impact of vulnerability;
- Build the capacity to withstand or cope with the conditions of vulnerability;
- Addressing or tackling of the root causes of vulnerability such as poverty, poor governance, discrimination, inequality poor access and inadequate resources and livelihoods;

Through the multi-sectorial partnerships and collaborated efforts, we have been able to contribute positively to the achievement of our democratic government strategic objectives of:

- Creating opportunities for young people to be empowered, to make informed decisions freely, take actions based on these decisions and accept responsibility;
- Improving the skills and capacity levels of women within our communities;
- Improving the livelihood of people with disabilities by creating opportunities for them and ensuring their integration in the broader society;

Chapter 3

- Improving the livelihood of the older persons and celebrate their positive contributions in the development of our families and society in general; and
- Creating positive development of our children in an environment that enhances and ensures positive development in healthy balanced families.

T 3.14.1

Chapter 3

Child Care; Aged Care; Social Programmes Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2018/2019		Year 2019/2020			Year 2021-2023		
		Target	Actual	Target		Actual	Target		
Service Indicators		*Previous Year		*Previous Year	*Current Year		Year 2020/2021	Year 2021/2022	Year 2022/2023
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Service Objective xxx									
Empowered youth	4 information sharing programmes on substance abuse, teenage pregnancy and career education	4 Review and implement One (1) 2018 /19 Designated groups strategy by 31 Dec 2019	The designated group's strategy that was reviewed on 22 November 2018 is valid for five years (2018-22). Designated group strategy was adopted by council on 30 May 2019 as per CR730/30/05/2019. In terms of the strategy the following were hosted and Coordinated:	Coordinate 4 empowerment programmes for designated groups by 30 June 2020	Implement One Designated group's strategy (2018-2022) by 31 June 2021.	9 programmes were conducted on empowerment of designated groups by 30 June 2020 as follows: Children's dance competition held on 15 Oct 2019, NSFAS Drive on 19 Oct 2019, LACs on 17 Oct 2019, 25 Feb 2020, 30 Registered students, Youth	Implement One Designated group's strategy (2018-2022) by 31 June 2021.	Coordinate 4 empowerment programmes for designated groups by 30 June 2021	N/A

Chapter 3

			<p>(1) Children’s council has been revived. Children's Council session was held on 28 August 2018 at Maluti Sand Rising Star awards held on 15 October 2018.</p> <p>(2) 4 LAC meetings took place on the following dates: 11 September 2018, 20 November 2018, 8th March 2019 and on 18 June 2019.</p> <p>(3) Conducted 01 awareness campaign on Alzheimer’s on the 20 February 2019 at ward 12 kwa-Nkau.</p> <p>(4) Enrolled 6 PWDs for Physiotherapy at Ikhwezilokusa Special School on</p>			<p>Info. sharing session 14 Feb 2020, youth entrepreneurship programme concept document drafted and Matric awards prep. meeting held on 16 March 2020. Women's day commemoration held on 30 Aug 2019 and Day of prayer on 9 Aug 2020</p>			
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Chapter 3

			<p>the 16th January 2019.</p> <p>(5) 68 students assisted with NSFAS application and paid registration for 9 students (6) Conducted 01 international women's day event on the 21 March 2019 at ward 06 Zwelitsha.</p> <p>(7) Career exhibition held on 15 April 2019 replacing Matric awards ceremony.</p> <p>(8) Coordinated one youth month activity in terms mayoral cup programme on 15 and 16 June 2019.</p>							
										T 3.14.3

Chapter 3

Employees: Child Care; Aged Care; Social Programmes					
Job Level	Year 2019/2020	Year 2020/2021			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
7 - 9	0	0	0	0	0%
10 - 12	3	3	3	0	0%
13 - 15	0	0	0	0	0%
16 - 18	1	1	1	1	0%
19 - 20	0	0	0	0	0%
Total	4	4	4	0	0%
					T3.14.4

Details	Year 2019/20	Year 2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	0	0	0		-
Expenditure:					
Employees	3289143	4734312	4734312	3259092	-45%
Repairs and Maintenance	0				
Other	2641393	3516024	4016024	6912575	49%
Total Operational Expenditure	5930536	8250336	8750336	10171667	19%
Net Operational Expenditure	5930536	8250336	8750336	10171667	19%
					T 3.14.5

Chapter 3

Capital Expenditure Year 2020/21: Child Care; Aged Care; Social Programmes					
Capital Projects	Year 2020/21				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	528504	528504	154517	-242%	
Corel Draw Graphic Software	8496	58496	0	0	0
Outdoor Billboards	500004	200004	0	0	0
Laptops	20004	220004	154517	87%	0
Office Furniture & Equipment		50000	0	0	0
					<i>T 3.14.6</i>

COMMENT ON THE PERFORMANCE OF CHILD CARE; AGED CARE; SOCIAL PROGRAMMES OVERALL:

As the Municipality, we do not have capital projects budgeted for special programmes for the benefit of designated groups this FY. Some of the targets on the IDP include;

- 1) Women's month commemoration
- 2) Hosting of World AIDS Day
- 3) Coordination of matric awards ceremony
- 4) Coordination of children's month session

All the above projects have an approved budget.

T 3.14.7

Chapter 3

COMPONENT E: ENVIRONMENTAL PROTECTION

This component includes: pollution control; biodiversity and landscape; and costal protection.

3.15 POLLUTION CONTROL

INTRODUCTION TO POLLUTION CONTROL

The programmes on pollution control; biodiversity and landscape; and coastal protection are carried out by ANDM and Department of Economic Development and Environmental Affairs (DEDEA).

T 3.15.

Chapter 3

3.16 BIO-DIVERSITY; LANDSCAPE (INCL. OPEN SPACES); AND OTHER (EG. COASTAL PROTECTION)

INTRODUCTION BIO-DIVERSITY AND LANDSCAPE

The Matatiele Local Municipality is the presiding authority over 4800 ha of Nature Reserve; viz. Mountain Lake and Wilfred Baur. The Reserve boasts with an array of Grassland Biome wildlife which include Burchell's Zebra, Blue Wildebeest, Red Hartebeest, Blesbok, Mountain & Common Reedbuck, as well as other small vertebrates and invertebrates' species.

The reserves were established in 2007 as means to preserve the mountain water catchment and rare escarpment biodiversity which was previously threatened by human activities. The Municipality has over 41 560 ha of wetlands feeding the upper Umzimvubu catchment.

Local NGO's like the Umzimvubu Catchment Partnership in association with the Environmental Rural Solutions in partnership with the District and Local Municipality and the Maloti Drakensberg Transfrontier Programme (MDTP) are working together in various programmes that assist in restoring the natural grassland landscape. Some of the Rangeland management/ restoration processes includes; Alien Plant Clearing, Erosion Control, grazing management as well as ongoing Community Awareness Programme and Fire management strategies. The Matatiele Local Municipality also benefits from the thuma mina presidential programme (Green Good Deeds programme).

T 3.16.1

Chapter 3

Employees: Bio-Diversity; Landscape and Other					
Job Level	Year 2019/2020	Year 2020/2021 Chapter			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0 - 3	0	0		0	0
4 - 6	0	0		0	0
7 - 9	2	2		0	0
10 - 12	1	1		0	0
13 - 15	0	0		0	0
16 - 18	0	0		0	0
19 - 20	0	0		0	0
Total	3	3		0	0
					T 3.16.4

COMMENT ON THE PERFORMANCE OF BIO-DIVERSITY; LANDSCAPE AND OTHER OVERALL:

The Municipality has prioritized donga rehabilitation and wattle clearing targeting 3 wards annually as targets in the IDP. Wattle clearing was done in the nature reserve with the assistance of the District Municipality. Local NGOs assisted to control grazing projects and animal auctions leading to income for rural communities.

T 3.16.7

Chapter 3

COMPONENT F: HEALTH

This component includes: clinics; ambulance services; and health inspections.

3.17 CLINICS

INTRODUCTION TO CLINICS

Department of Health is the custodian of clinics in Matatiele.

T 3.17.1

Chapter 3

3.18 AMBULANCE SERVICES

INTRODUCTION TO AMBULANCE SERVICES

Department of Health is the custodian of ambulances services in Matatiele Local Municipality

T 3.18.1

Chapter 3

3.19 HEALTH INSPECTION; FOOD AND ABBATOIR LICENSING AND INSPECTION; ETC

INTRODUCTION TO HEALTH INSPECTIONS; FOOD AND ABATTOIR LICENCING AND INSPECTIONS, ETC

Not applicable to Matatiele Local Municipality

T 3.19.1

MPONENT G: SECURITY AND SAFETY

This component includes: police; fire; disaster management, licensing and control of animals, and control of public nuisances, etc.

3.20 POLICE

INTRODUCTION TO POLICE

The South African Police Services (SAPS) is responsible for Police services. The Public Safety unit provides Traffic Law Enforcement Services.

T 3.20.1

Chapter 3

Metropolitan Police Service Data					
	Details	Year 2019/2020	Year 2020/2021		Year 2021/2022
		Actual No.	Estimate No.	Actual No.	Estimate No.
1	Number of road traffic accidents during the year	152	N/A	35	NA
2	Number of by-law infringements attended	40	N/A	2280	N/A
3	Number of traffic officers in the field on an average day	16	21	20	22
4	Number of police officers on duty on an average day	N/A	N/A	NA	NA
					T3.20.2

Chapter 3

Police Policy Objectives Taken From IDP									
Service Objectives <i>Service Indicators</i> (i)	Outline Service Targets (ii)	Year 2019/2020		Year 2020/2021			Year 2020/2021	Year 2021/2022	
		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	Year 2020/2021 (viii)	Year 2021/2022 (ix)	Year 2022/2021 (x)
Service Objective xxx									
Improve Road traffic safety and access to traffic licensing services	Reduction of Road Traffic crashes by 5% year on year	Stop and check 13,200 vehicles by 30 June 2020	Stopped and checked 13,200 vehicles by 30 June 2020	Stop and check 13,200 vehicles by 30 June 2020	N/A	N/A	N/A	N/A	N/A
									T 3.20.3

Chapter 3

Employees: Traffic Officers					
Job Level	Year 2019/2020	Year 2020/2021			
Traffic Administrators	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0 - 3	0	0	0	0	0%
4 - 6	0	0	0	0	0%
7 - 9	10	10	10	0	0%
10 - 12	8	8	7	1	0%
13 - 15	0	0	0	0	0%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
Total	18	18	17	1	6%
					T 3.20.4

COMMENT ON THE PERFORMANCE OF POLICE OVERALL:

The overall performance of Matatiele Local Municipality's law enforcement unit has been good except in by-law enforcement.

3.20.7

Chapter 3

3.21 FIRE

INTRODUCTION TO FIRE SERVICES

This is a function of the Alfred Nzo District Municipality (ANDM); however, the Municipality has a small unit which deals with fires and other forms of disasters in the Municipality.

T 3.21.1

Metropolitan Fire Service Data					
	Details	Year 2019/2020	Year 2020/2021		Year 2021/2022
		Actual No.	Estimate No.	Actual No.	Estimate No.
1	Total fires attended in the year	N/A	100%	42	100%
2	Total of other incidents attended in the year	N/A	0	N/A	N/A
3	Average turnout time - urban areas	N/A	15 minutes	10 minutes	N/A
4	Average turnout time - rural areas	N/A	2 hours	2 hours	N/A
5	Fire fighters in post at year end	N/A	5	5	8
6	Total fire appliances at year end	N/A	N/A	N/A	N/A
7	Average number of appliance off the road during the year	N/A	N/A	N/A	N/A
					T 3.21.2

Chapter 3

Fire Service Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2019/2020		Year 2020/2021			Year 2021/2022	Year 2022/2023	
		Target	Actual	Target		Actual	Target		
Service Indicators (i)	(ii)	*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Service Objective									
<i>Firefighting services</i>	To establish 20km of fire breaks in Matatiele Nature Reserve	To establish 20 kilometres of fire belts AND Respond to 100% of reported fire and disaster incidents by 30 June 2020	20 kilometres of fire belts established AND Respond to 100% of reported fire and disaster incidents by 30 June 2020.	To establish 20 kilometres of fire belts AND Respond to 100% of reported fire and disaster incidents by 30 June 2020	To establish 20 kilometres of fire belts AND Respond to 100% of reported fire and disaster incidents by 30 June 2021	20 kilometres of fire belts established AND Responded to 100% of reported fire and disaster incidents by 30 June 2021	To establish 20 kilometres of fire belts AND Respond to 100% of reported fire and disaster incidents by 30 June 2021	To establish 20 kilometres of fire belts AND Respond to 100% of reported fire and disaster incidents by 30 June 2022.	To establish 20 kilometres of fire belts AND Respond to 100% of reported fire and disaster incidents by 30 June 2023.
									T 3.21.3

Chapter 3

Employees: Fire Services					
Job Level	Year 2019/2020	Year 2020/2021			
Fire Fighters	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
Administrators					
0 - 3	0	0	0	0	0%
4 - 6	0	0	0	0	0%
7 - 9	4	4	4	0	0%
10 - 12	1	1	1	0	0%
13 - 15	0	0	0	0	0%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
Total	5	5	5	0	0%
					T3.21.4

COMMENT ON THE PERFORMANCE OF FIRE SERVICES OVERALL:

The objective of Matatiele fire services is to improve provision of emergency services. Equipment provision which has previously been a challenge is improving year on year with a fire and rescue vehicle having been procured and a heavy vehicle fire engine budgeted for.

T 3.21.7

Chapter 3

3.22 OTHER (DISASTER MANAGEMENT, ANIMAL LICENCING AND CONTROL, CONTROL OF PUBLIC NUISANCES AND OTHER)

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

The Municipality performs disaster management functions in collaboration with ANDM and together with the Provincial Disaster Management and National Disaster Management. The disaster management functions of the Municipality consist of immediate reactive response to disasters affecting the community, in which the district disaster management team contributes proactively. Animal control and control of public nuisances is performed by the Municipality with the functions of collecting and impounding of stray animals within the local Municipal jurisdiction. The SAPS and SANDF utilize the facility that the Municipality offers at our animal pound.

T 3.22.1

Chapter 3

Disaster Management, Animal Licensing and Control, Control of Public Nuisances, Etc. Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2019/2020		Year 2020/2021		Year 2022/2023			
		Target	Actual	Target		Actual	Target		
Service Indicators	(i)	*Previous Year	(iv)	*Previous Year	*Current Year	(vii)	Year 2020/2021	Year 2021/2022	Year 2022/2023
	(ii)	(iii)		(v)	(vi)		(viii)	(ix)	(x)
Service Objective xxx									
Disaster Management Services	To 100 % provide immediate response when fire, disaster and accidents occur	To provide 100 % immediate response when fire, disaster and accidents occur by 30 June 2020.	In collaboration with ANDM Disaster Management, 157 affected households were assessed by 30 June 2020.	To provide 100 % immediate response when fire, disaster and accidents occur by 30 June 2021.	To provide 100 % immediate response when fire, disaster and accidents occur by 30 June 2021.	To provide 100 % immediate response when fire, disaster and accidents occur by 30 June 2021.	To provide 100 % immediate response when fire, disaster and accidents occur by 30 June 2021.	To provide 100 % immediate response when fire, disaster and accidents occur by 30 June 2022.	To provide 100 % immediate response when fire, disaster and accidents occur by 30 June 2023.
T 3.22.3									

Chapter 3

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

The Public Safety Unit under the Community Services Department in the Matatiele Local Municipality, provides disaster management services under Alfred Nzo District Municipality Disaster Management Centre – Maluti.

Together, 170 disaster affected households were assessed and emergency relief material provided to qualifying households by ANDM and Department of Social Development.

T 3.22.7

COMPONENT H: SPORT AND RECREATION

This component includes: community parks; sports fields; sports halls; stadiums; swimming pools; and camp sites.

3.23 SPORT AND RECREATION

SERVICE STATISTICS FOR SPORT AND RECREATION

Matatiele sports facilities are utilized throughout the year for provision of practice and matches and or tournaments.

The Municipal swimming pool serves as a recreation and a leisure centre and it is open during our swimming season, October to April each year. The Matatiele Local Municipality maintains and administers the daily operations of the swimming pool.

T 3.23.1

Chapter 3

COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

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

3.24 EXECUTIVE AND COUNCIL

This component includes: Executive office (mayor; councilors; and municipal manager).

INTRODUCTION TO EXECUTIVE AND COUNCIL

The Municipal Council is chaired by the Speaker. The Executive Committee is the Primary Committee of the Municipal Council chaired by the Mayor. The service delivery priorities for the Executive and Council for the year under review were informed by the desire to strengthen community participation in the Integrated Development Plan (IDP) of the Municipality and also to ensure that there is harmonious working relationship between the traditional forms of governance and the contemporary form represented by the Matatiele Local Municipality.

The enhancement of service delivery can be ascertained by ensuring the yearly assessment of community satisfaction regarding the services provided to them. Protests and petitions directed towards the Municipality are mostly caused by the lack of constant interaction with communities and the information dissemination and sharing with them.

T 3.24.1

Introductory Comments	Priorities and Impacts	Measures taken to improve performance	Efficiencies achieved
Surveys properly conducted can serve as the educational tools and able to assist the institutions in understanding the required service standards. The	PRIORITY: Conducting the qualitative and quantitative customer satisfaction survey. IMPACT: The customer satisfaction survey could not produce the qualitative results due to	During 2020/2021 a District Survey of 1000 households per Municipality was conducted. The outcome of the survey had not been communicated by	The involvement of the Alfred Nzo District Municipality in surveying the entire Municipality has been an indication of a

Chapter 3

Introductory Comments	Priorities and Impacts	Measures taken to improve performance	Efficiencies achieved
<p>decision to conduct the yearly customer satisfaction surveys assists in providing the Municipality with information regarding areas that mostly require service delivery.</p>	<p>the budgetary constraints, but the quantitative results that were obtained managed to provide the results that if followed would assist the Municipality in addressing the concerns raised and thereby assist in the provision of the targeted service delivery.</p>	<p>the Alfred Nzo District Municipality (ANDM) at the time of completing this report due to the delay by the Service Provider. Only the inception report had been communicated at that stage.</p>	<p>success in ensuring that the terms of reference for the Local Municipality will be better focused and serve to produce better results to those of previous years.</p>
<p>Adoption of ward operational plans was undertaken in order to enhance the reporting and capacitating of ward governance system.</p>	<p>PRIORITY: Having adopted ward operational plans for ward committee portfolios. IMPACT: Reporting improved and an understanding of governance challenges enhanced at the ward level. The synchronization of the workings of government improved as the Portfolios are created to reflect government operation in general.</p>	<p>The workshops of Ward Committees on ward operational plans served to enhance their reporting ability.</p>	<p>Functions of the portfolios of ward committees were clearly spelt out for all the ten (10) ward committees in 26 wards. Competitive advantage of the Ward Committees workings being guided by the adopted Ward Operational Plans.</p>

Chapter 3

Introductory Comments	Priorities and Impacts	Measures taken to improve performance	Efficiencies achieved
Functional Initiation Forum was established.	<p>PRIORITY: Monitoring the insurance that all the initiates are safe and well looked upon.</p> <p>IMPACT: Unity and cohesion experienced in ensuring that the legal framework is followed always in ensuring the safety processes.</p>	The Office of the Speaker is regularly updated about all the safety measures implemented.	The Matatiele Local Municipality Initiation Forum provided guidance in the whole District.
Functional Ward War Room	<p>PRIORITY: To give progress feedback on the identified community needs</p> <p>IMPACT: Quick response to service delivery issues affecting the community</p>	Ward War Room established to provide feedback to the Communities on their issues raised.	Ward War room meetings were organized in the form of a community feedback meetings during 2020/2021.

Chapter 3

The Executive and Council Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2018/2019		Year 2019/2020			Year 2019/2020	Year 2020/2021	Year 2021/2022
		Target	Actual	Target		Actual	Target		
<i>Service Indicators</i>		*Previous Year		*Previous Year	*Current Year		*Current Year	*Current Year	*Following Year
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Eradicate electricity backlog of 22 892 households in Matatiele by 2017	Eradicate electricity backlog of 22 892 house-holds in Matatiele	Electrify 2550 households by June 2019	Connected 2008 households as follows: (Mohapi {293}, Pamlaville {236}, Nkungwini {140}, Goxe & Kwa Matiase A {314}, Black Diamond {107}, Tsitsong & Khohlong {371}, Nice field	Electrify 2550 households by June 2019.	To electrify 3141 households by June 2020	Electrify 3141 households by June 2020	To electrify 3141 households by June 2020	Electrify 1674 households by June 2021	To electrify 3112 households by June 2022

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			and Mateleng {462} in 31 March 2019.						
To improve the provision basic services to rural and urban communities in the Municipality.	642.7kms of Municipal roads developed	Construct 19,6kms of gravel roads by 30 June 2019.	19,6kms of gravel constructed by 30 June 2019	Construct 19,6kms of gravel roads by 30 June 2019.	Construct 19,6kms of gravel roads by 30 June 2019.	.	Construct 44,9kms of gravel roads by 30 June 2020.	Construct 45kms of gravel roads by 30 June 2021.	
To create a favourable environment for promoting a growing and sustainable local economy	Provide 2000 job opportunities through EPWP by 2022	390 Job Opportunities created through EPWP by 30 June 2019	418 Job Opportunities created by 30 June 2019	To create 390 Job opportunities by June 2019	390 Job Opportunities created through EPWP by 30 June 2019		420 Job opportunities created through EPWP by June 2020.	440 Job opportunities created through EPWP by June 2021.	
									T3.24.3

Chapter 3

Employees: The Executive and Council					
Job Level	Year 2019/2020	Year 2020/2021			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0 - 3	0	0	0	0	0%
4 - 6	26	26	22	4	15%
7 - 9	2	2	2	0	0%
10 - 12	5	4	4	0	0%
13 - 15	0	0	0	0	0%
16 - 18	1	1	1	0	0%
19 - 20	0	0	0	0	0%
Total	33	33	33	4	12%

T 3.24.4

Financial Performance Year 2020/2021: The Executive and Council					
Details	Year 2019/2020	Year 2020/2021			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	0	0	0	0	0
Expenditure:					
Employees	6 565 320,00	197 259,21	2 534 088,00	2 039 501,90	90%
Repairs and Maintenance	-	-	-	-	-
Other	24 482 296,00	26 429 484,00	25 829 484,00	22 409 871,76	-18%
Total Operational Expenditure	31 047 616,00	26 626 743,21	28 363 572,00	24 449 373,66	-9%
Net Operational Expenditure	31 047 616,00	26 626 743,21	28 363 572,00	24 449 373,66	-9%

T 3.24.5

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3.25 FINANCIAL SERVICES

INTRODUCTION FINANCIAL SERVICES

As at 30 June 2021, it has been declared in the Annual Financial Statements that the Municipality would continue to operate as a going concern and that has been substantiated by the positive bank balance as reflected in the cash and cash equivalent amounting to **R11 283 635.00** million as compared to the opening balance at the beginning of the financial year.

T 3.25.1

Chapter 3

Financial Service Policy Objectives Taken From IDP									
Service Objectives <i>Service Indicators</i> (i)	Outline Service Targets (ii)	Year 2018/2019		Year 2019/2020			Year 2019/2020	Year 2020/2021	Year 2021/2022
		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Percentage of invoices paid within 30 days from date of receipt	80% Payments done within 30 days on receipt of invoice	80% payments for Creditors and Other Service Providers to be done within 30 Days as per MFMA requirements by 30 June 2019	Received a total number of 2267 invoices; 137 of these invoices were paid beyond 30 days as required by MFMA resulting to a noncompliance of 6,04% and 93,96% compliance.	80% payments for Creditors and Other Service Providers to be done within 30 Days as per MFMA requirements by 30 June 2019	80% payments for Creditors and Other Service Providers to be done within 30 Days as per MFMA requirements by 30 June 2020.		80% payments for Creditors and Other Service Providers to be done within 30 Days as per MFMA requirements by 30 June 2020	80% payments for Creditors and Other Service Providers to be done within 30 Days as per MFMA requirements by 30 June 2021	80% payments for Creditors and Other Service Providers to be done within 30 Days as per MFMA requirements by 30 June 2022
Amount of Revenue debt reduced by set date	Reduction of normal debt by R1,500,000	Reduction of normal debt by R1,500,000 by 30 June 2019	Debt increased from R87,651,723.28 to R13,305,358,30 by R43,653,634,8	Reduction of normal debt by R1,500,000 by 30 June 2019	Reduction of normal debt by R1,500,000 by 30 June 2020		Reduction of normal debt by R1,500,000 by 30 June 2020	Reduction of normal debt by R1,500,000 by 30 June 2021	Reduction of normal debt by R1,500,000 by 30 June 2022
									T3.25.3

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Job Level	Year 2019/2020	Year 2020/2021			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0 – 3	0	0	0	0	0%
7 – 9	5	5	5	0	0%
10 - 12	11	10	10	0	0%
13 - 15	0	0	0	0	0%
16 - 18	1	1	1	0	0%
Total	17	17	17	0	0%
					T3.25.4

Financial Performance Year 2020/2021: Financial Services					
Details	Year 2019/2020	Year 2020/2021			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	307756866	325469196	376076396	322675794	-1%
Expenditure:					
Employees	16518697	35899956	38959622,00	42249146	15%
Repairs and Maintenance	1961070	2430000	2630000,00	2395582	-1%
Other	57618580	87674340	100251060,00	90942001	4%
Total Operational Expenditure	76098347	126004296	141840682	135586729	7%
Net Operational Expenditure	-231658519	-199464900	-234235714	-187089066	-7%
					T 3.25.5

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Capital Projects	Year 2020/2021				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
	5 580 000,00	4 580 000,00	648	-861237%	
Smart Metering	999 996,00	999 996,00	85,419.00	0	
LAPTOPS	50 004,00	50 004,00	33,875.63	0	
FURNITURE & EQUIPMENT	30 000,00	30 000,00	177,932.79	0!	
Machinery & Equipment	1 500 000,00	-	29,856.00	0	
MUNICIPAL FLEET	3 000 000,00	3 000 000,00	3,504,242.74	0	
Computers and Laptops	-	300 000,00	285,870.98	0!	
BULK FILING CABINETS	-	200 000,00	-	0	
FURNITURE OFFICE EQUIPMENT	0	0	647,83	100%	
					<i>T 3.25.6</i>

3.26 HUMAN RESOURCE SERVICES

Introductory Comments	Priorities and Impacts	Measures Taken to Improve Performance	Efficiencies Achieved by HR Service
The Municipality is required in terms of the Basic Conditions of Employment Act and Regulations (Act 75 of 1997), the Labour Relations Act and its Regulations (Act 66 of 1995) and the South African Local Government Bargaining Council Main Collective Agreement to conduct recruitment and selection processes in a transparent and fair manner.	<p>Priority: Recruitment and Selection</p> <p>Impact: Attraction and retention of quality Human Capital.</p>	Reviewed the Municipality's Employment Policy including the review of the Staff Establishment / Organogram so as to be in line with the strategic needs of the Municipality and conducted recruitment and selection based on budgeted posts in the	33 Advertisements have been issued and 26 competent Staff have been employed so as to meet the objectives of the Municipality in terms of the Service Delivery and Budget Implementation Plan (SDBIP)

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		staff establishment.	
<p>Furthermore, the Labour Relations Act and its Regulations (Act 66 of 1995) stipulates that the Municipality must conduct and implement fair Labour Relations practices within the Municipality and to maintain employer and employee relations.</p>	<p>Priority: Implementation of Conditions of Services</p> <p>Impact: Sound maintenance and Satisfaction of employees.</p>	<p>Membership of employees' pension, retirement and provident funds has been verified through submission of membership forms.</p> <p>Leave is being administered through Electronic Self Service (ESS) System. Quarterly Leave reconciliation is done and implementation of the Leave Management Policy.</p>	<p>All pension, retirement and provident fund contributions have been paid and payment schedules reflecting deductions have been submitted on time.</p> <p>Correct annual leave balances on the system and salary advices / pay-slips.</p>
<p>Furthermore, the Labour Relations Act and its Regulations (Act 66 of 1995) stipulates that the Municipality must conduct and implement a fair Labour Relations practices within the Municipality and to maintain employer and employee relations.</p>	<p>Priority: Labour/ Employee Relations Management</p> <p>Impact: Sound maintenance of discipline in the workplace.</p>	<p>Reviewed Labour Relations Policy, developed a calendar of meetings for the Local Labour Forum as well as fostering the sitting of the Local Labour Forum and maintained discipline in the workplace in compliance with the South African Local Government Bargaining Council (SALGBC) collective agreement on disciplinary code and procedure.</p>	<p>Local Labour Forum (LLF) is in place. Seven (7) LLF meetings took place during the 2020/2021 financial year.</p>
<p>The Municipality is required in terms of Skills Development Act and Regulations 97 of 1998 and Employment Equity Act to conduct a skills audit and also to implement a comprehensive Skills</p>	<p>Priority: Human Resources Development</p> <p>Impact: Capacity building for employees and Councillors.</p>	<p>Conducted Skills Audit, developed and implemented the Work Place Skills Plan, developed and implemented Training Plan and offered financial</p>	<p>Skills Programmes, Study Assistance, on the Job Training, Learner ships Offered to Employees and Councillors. The Training Committee</p>

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<p>Development Programme</p>	<p>Empowerment of youth for the communities</p>	<p>Study Assistance to employees.</p>	<p>was in place during the 2020/2021 financial year. Financial Study Assistance was awarded to thirty (30) Municipal functionaries as follows: at the beginning of the FY (Q1) a total number of 04 applications were received, tabled and approved at the Training Committee meeting held on 14 August 2020, 12 December 2020, and 20 January 2021. In Q3 total number of 30 employees were received for study assistance, tabled and approved.</p> <p>And 29 April 2021 in Q. No employment equity meeting was held under the period review</p>
<p>The Municipality is required in terms of the Occupational Health and Safety Act (85 of 1993) and its Regulations to ensure that there is a Health and Safe Work Environment.</p>	<p>Priority: Occupational Health and Safety</p> <p>Impact: Healthy and Safe work environment</p>	<p>Deployment of the services of the Health and Safety service provider</p>	<p>Two (2) Health and Safety Committee meetings, two Health and Safety workplace inspections were conducted and Two (02) educational awareness sessions for employees took place during the 2020/2021 financial year. A Health and Safety Plan and Policy were in place during the 2020/2021 financial year.</p>

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SERVICE STATISTICS FOR HUMAN RESOURCE SERVICES

There were four hundred and eighteen (418) members of the MLM that includes forty-six (46) trainees during the period under review

Councillors – 50;

Traditional Leaders – 7;

Permanent – 258;

Fixed – term Contract (Management + other) – 57;

Temporary/Short-term – 0

Interns (MLM + Treasury) – 27;

In-service Trainees – 19;

Total = 418

T 3.26.2

The total number of financial official's employed as per Regulation 14(4) of the Municipal Regulations on Minimum Competency Levels issued on 26 October 2018.

Details	Response
The total number of financial official's employed	37
the total number of financial officials whose competency assessments have been completed	19
the total number of supply chain management officials employed	10
the total number of supply chain management officials whose competency assessments have been completed	4
the total number of financial officials and supply chain management officials that meet the prescribed competency levels	19

Chapter 3

Human Resource Services Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2019/2020		Year 2020/2021			Year 2020/2021	Year 2021/2022	Year 2022/2023
		Target	Actual	Target		Actual	Target		
Service Indicators (i)	(ii)	*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Service Objective									
Approval of the staff establishment	Approval of the reviewed Staff Establishment,	Approval of the 2019/20 reviewed Staff Establishment by 30 June 2019.	The 2019/2020 Staff Establishment was approved on 13 June 2019 (CR842/13/06/2019)	Approval of the 2019/20 reviewed Staff Establishment by 30 June 2020.	Approval of the 2020/2021 reviewed Staff Establishment by 30 June 2021	The 2020/2021 Staff Establishment was approved on 27 May 2021 (CR1259/27/05/2021)	Approval of the 2020/2021 reviewed Staff Establishment by 30 June 2021	Approval of the 2021/2022 reviewed Staff Establishment by 30 June 2022.	Approval of the 2020/2023 reviewed Staff Establishment by 30 June 2023
Training interventions	Coordinate fifteen (15) training & capacity building programmes as per WSP of 2018	Coordinate fifteen (15) training & capacity building programmes as per WSP of 2018 /2019 by 30 June 2019.	Seventeen trainings were coordinated during this period as follows: The actual expenditure was R70	Fifteen (15) training Programmes coordinated by 30 June 2021.	Coordinate fifteen (15) training & capacity building Programmes as per WSP for 2020/21 by 30 June 2021	18 (eighteen) training interventions were rolled out as follows: Two employees Performance	Coordinating of Fifteen (15) training Programmes in	N/A	N/A

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	/2019 by 30 June 2019.		480.00 and POE are the attendance registers and Master list, the following were as follows: - IDP - 31/10 to 02/11 attended by 04 employees; Road Maintenance - 10 to 12/10 attended by 15 employees; Org Plus - 20/11 attended by 03 employees; Fleet, Risk - 22 to 23/11 attended by 02 employees; MFMP - 26 to 30/11 for 06 employees and 04 Cllrs; and Media -			e Management Training on 19-21 July 2020, 05 Managers attended performance Management training on 09-10 September 2020, 10 Employees attended Disciplinary Hearing Training on 28-29 September 2020, Two Employees attended Internal Audit Training on 18-20 November 2020, One Employee attended HRD Good Governanc	as per 2020/2021 WSP. Facilitation of payments for study financial assistance to 12 employees/councillors towards their formal qualification.		
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Chapter 3

			<p>28 to 30/11 attended by 02 Cllrs. The actual expenditure was R114 287.25 and POE are the attendance registers and Master list. VIP, MFMP, FMDP, Examiner of DL, Veld Management and firefighting hazmat awareness's and the POE is the attendance registers and master list and the actual expenditure is R449 326.46, namely MFMP on 27 MAY 2019, Tax year end on 14 May</p>			<p>e training on 19-20 November 2020, Four employees attended Monitoring and Evaluation on 23-25 November 2020, Four employees attended Contract Management on 30 November 2020 to 02 December 2020, Two Employees attended Brick Laying on 23- November 2020 to 10 December 2020, Two Employees Road Maintenance 23</p>			
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Chapter 3

			2019. The POE is the registers			<p>November 2020 to 10 December 2020, 51 Members of Council attended Project Management Training on 07-09 December 2021, Eleven Employees attended Training Committee Training on 30 November 2020 to 01 December 2020, 13 Employee attended Employment Equity Training on 02-03 December 2020, twenty employees attended</p>			
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Chapter 3

						<p>Covid 19 Managem ent Training 19-20 February 2021, One employee attended Examiner of Motor Vehicle on 06 April 2021 to 30 June 2021, Two Employees attended Plumbing Trade Test on 14- 23 June 2021, 20 Employees attended Performanc e Manageme nt Training on 15 April 2021, Two employees attended Microsoft 365 Security</p>			
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Chapter 3

						Administration on 08-11 June 2021 and One Employee attended Fire Arm Training and (31) thirty one employees and (01) one member of council benefitted from financial study assistance under the			
Wellness programmes events	Conduct wellness & Fitness Programmes Events	Conduct 6 Wellness programmes and OHS programmes by 30 June 2020.	Conducted (6) wellness programme & fitness event held on 30 June 2020	Conduct 6 (wellness & Fitness Programmes Events by 30 June 2020	Conduct 6 (wellness & Fitness Programmes Events by 30 June 2021	Conducted (6) wellness programme & fitness event held on 30 June 2021.	Conducted (6) wellness programme & fitness event held on 30 June 2021.	Conducted (6) wellness programme & fitness event held on 30 June 2022.	Conducted (6) wellness programme & fitness event held on 30 June 2023.
<i>Preparation and</i>	Development of	Development of one WSP	The skills audit	The skills audit	The skills audit	The skills audit			

Chapter 3

<p><i>submission of the Annual Work Place Skills Plan to LGSETA</i></p>	<p>one WSP (2019/2020) and Submission of WSP to Local Government. SETA</p>	<p>(2018/19) and Submission of WSP to Local Government. SETA by 30 April 2019.</p>	<p>questionnaires were circulated or distributed to all employees on 25 February 2019. The Workplace skills plan was compiled and submitted to local Government SETA on 30 April 2019</p>	<p>questionnaires were circulated or distributed to all employees on 25 February 2019. The Workplace skills plan was compiled and submitted to local Government SETA on 30 April 2019</p>	<p>questionnaire s were circulated or distributed to all employees on 25 February 2019. The Workplace skills plan was compiled and submitted to local Government SETA on 30 April 2019</p>	<p>questionnaires were circulated or distributed to all employees on March 2020 The Workplace skills plan was compiled and submitted to local Government SETA on 29 May 2020</p>			
T3.26.3									

Chapter 3

Employees: Human Resources Management					
Job Level	Year 2019/2020	Year 2020/2021			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0 - 3	0	0	0	0	0%
4 - 6	0	0	0	0	0%
7 - 9	2	3	3	0	0%
10 - 12	8	9	8	1	11%
13 - 15	0	0	0	0	0%
16 - 18	1	1	1	0	0%
19 - 20	0	0	0	0	0%!
Total	11	13	12	1	8%
					T 3.26.4

Financial Performance Year 2020/2021: Human Resource Services					
Details	Year 2019/2020	Year 2020/2021			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	334 760,29	350 004,00	350004	109 569,65	-219%
Expenditure:					
Employees	3 949 188,00	5 773 020,00	4628020,00	4 626 349,50	-25%
Repairs and Maintenance	-	-	-	-	-
Other	3 941 283,00	8 130 696,00	8680696,00	4 747 117,22	-71%
Total Operational Expenditure	7 890 471,00	13 903 716,00	13 308 716,00	9 373 466,72	-48%
Net Operational Expenditure	7 555 710,71	13 553 712,00	12 958 712,00	9 263 897,07	-46%
					T 3.26.5

Chapter 3

Capital Expenditure Year 2020/2021: Human Resource Services					
Capital Projects	Year 2020/2021				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	0	200004	0	0	
IPMS Electronic System		200004	0	0	0
					<i>T 3.26.6</i>

3.27 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

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

INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

The Matatiele Local Municipality identified projects to address challenges pertaining to (i) provision of ICT Governance and management, (ii) provision of information security, (iii) provision of user and application support, (iv) provision of ICT infrastructure and Data Centre Management, (v) provision of (vi) ICT equipment and tools of trade and Provision of Records management and archiving.

The Municipality is using its internal human resources to continue the implementations of ICT Governance and Management framework. There were four (4) policy framework documents that were identified and developed to address ICT governance and management. In the issues of information and network security, the current status remains as all information leaving or entering the Municipality is protected.

Notwithstanding the operational projects such as provision of communication systems and tools, printing services, systems and application support, the Municipality has embarked on the project of automating and digitalisation of all records through implementation of Electronic Document and Records Management (EDRMS). The project is in the implementation phase where activities such as (i) Workflow Design, (ii) integration of Financial Management System as well as (iii) Digitalisation of records values are dominant.

T 3.27.1

Chapter 3

The Municipality has, during the year under review, procured and utilised the services of the Service Providers hereunder on Table 3.27.2 to maintain and improve its ICT Services throughout the Municipality as a measure of effecting Service Delivery.

Table 3.27.2.: ICT Service Providers for 2020/2021

LEGEND:							
1 – Not meeting the standards (0-30%)							
2 – Meet some of the standards (30-50%)							
3 – Meet most of the standards (50-70%)							
4 – Meet all the standards (70-100%)							
Name of Service Provider	Service Rendered	Project Name	Set Target of Performance	Status of Performance	Measure Taken Improve Performance	Rating for Service Provider	Comments /Recommendations
Munsoft	Provision of Financial System	FMS System	To provide 24/7 to all financial transactions in compliance with mSCOA regulations	Most standards are met except the integration with VIP	Met with service provider to address issues pertaining to VIP integration	3	None
SAGE-VIP	Provision of Human Capital System	Human Capital System	To provide 24/7 access to human resource information	Most standards are met except the integration with FMS	Met with service provider to address issues pertaining to MUNSOFT integration	3	None
Khanya Africa	Provision of Electronic Document and Records	Implementation of EDRMS	Installation and configuration of predefined workflows within	The EDRMS is installed, records being scanned,	N/A	4	None

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LEGEND:							
1 – Not meeting the standards (0-30%)							
2 – Meet some of the standards (30-50%)							
3 – Meet most of the standards (50-70%)							
4 – Meet all the standards (70-100%)							
Name of Service Provider	Service Rendered	Project Name	Set Target of Performance	Status of Performance	Measure Taken Improve Performance	Rating for Service Provider	Comments /Recommendations
	Management System		the EDRMS	workflows are configured			
Vodacom	Provision of voice and mobile data	Provision of cellular phone and mobile data	100% uptime and response to all incidents	The 100% uptime was not achieve in some instance where network was problem	Held meetings to	3	Vodacom must improve their network structure
Telkom	Provision on internet, telephones and virtual private network	Provision of internet, telephone and VPNS services	99.99% uptime on provision in internet, telephone and VPNS	Telkom services are not stable in, time and again the network cuts	Looking into having an alternative	3	The Municipality need an alternative internet line
Cwepshesh e computer solutions	Installation of surveillance cameras	Maintenance, installation , repairs and replacement of surveillance cameras	100% resolution to all incidents pertaining to surveillance camera	100% of all requested were resolved as and when logged	N/A	4	None
Kokstad copiers	Provision of printing services at BTO and Corporate Services	Provision of leased printers	100% uptime and response to all incidents	100% of all requested were resolved as and when logged	N/A	4	None
Aloe	Provision of	Provision of	100% uptime and	100% of all	N/A	4	None

Chapter 3

LEGEND:							
1 – Not meeting the standards (0-30%)							
2 – Meet some of the standards (30-50%)							
3 – Meet most of the standards (50-70%)							
4 – Meet all the standards (70-100%)							
Name of Service Provider	Service Rendered	Project Name	Set Target of Performance	Status of Performance	Measure Taken Improve Performance	Rating for Service Provider	Comments /Recommendations
	Print Services at Registry and Traffic	leased printers	response to all incidents	requested were resolved as and when logged			
CoreTalk	Provision of Bulk Massaging	Bulk SMS	100% uptime and response to all incidents	100% of all requested were resolved as and when logged	N/A	4	None
Quality Web Design	Provision of customer care system.	Ensure and maintain 100% uptime of MLM website	100% uptime and response to all incidents	100% of all requested were resolved as and when logged	N/A	4	None
ICT Choice	Email Management & Archiving	Ensure and maintain 100% uptime of municipal emails	100% uptime and response to all incidents	100% of all requested were resolved as and when logged	N/A	4	None
MaxiTec	Provision of Municipality website	Hosting and maintenance of Municipality website	100% uptime and response to all incidents	100% uptime was achieved	N/A	4	None

Chapter 3

ICT Services Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2019/2020		Year 2020/2021			Year 2020/2021	Year 2021/2022	Year 2022/2023
		Target	Actual	Target		Actual	Target		
Service Indicators (i)	(ii)	*Previous Year (iii)	(iv)	*Previous Year (2019/2020) (v)	*Current Year (2020/2021) (vi)	(vii)	*Current Year (2020/2021) (viii)	*Current Year (2021/2022) (ix)	*Following Year (2022/2023) (x)
Service Objective: to acquire, manage and provide secure and accessible ICT services									
Provision of ICT equipment and tools of trade	To provide reliable equipment and tools of trade to all users	Supply 5 network nodes (61 laptops for members of council) by 30 June 2020	Only 61 Laptop bags delivered	N/A	Provision of 30 laptops by 30 June 2021	Procured 43 laptops at the end of June 2021	Procured 43 laptops at the end of June 2021	Procure 100 laptops for councillors and employees	Supply and replace network nodes (80)
To provide reliable and efficient ICT services to achieve optimal service delivery	N/A	Deployment of automated user document backup system by 30 June 2019	Restoration of EDRMS from Ransomware attack that occurred on 15 Of January 2020	Provision of three (3) application systems and support by 30 June 2020	Provision of three (3) application systems and support by 30 June 2021	Refine, Pilot and commission eight (8) workflows within EDRMS by 30 June 2020	Refine, Pilot and commission eight (8) workflows within EDRMS by 30 June 2020	N/A	N/A
To	N/A	Appointment	The Service	Provision	Procure,	Prepare	Provision	Configure	Ongoing

Chapter 3

provide reliable and efficient ICT services to achieve optimal service delivery		ent of Service Provider to design, develop and host the Municipality website by 30 June 2018	Provider appointed and Commissioning of Phase 1 completed on 27 November 2019.	of three (3) application systems and support by 30 June 2020	install and commission phase 1 of customer care system by 30 June 2021	and send specifications for Time and Attendance system, Service Desk system and Website hosting to SCM for consideration of Bid Specification Committee by 30 September 2020.	of three (3) application systems and support by 30 June 2021	and commission Phase 2 of customer care system by 30 June 2021	Support of Customer Care System
To provide reliable and efficient ICT services to achieve optimal service	N/A	Upgrading internet line from 2Mbps to 10 Mbps by 30 June 2018	The Project completed on 30 June 2020, Two Wi-Fi Hot-spots are in place Town hall and Library	Provision of public wi-fi (3 Hot Spots), two (2) number plate recognizing surveillance cameras and establishment of one	Pilot Test: Installation and configuration of public Wi-Fi access points in Matatiele town by 30 June 2021	Supply, Installation and configuration of three (3) Hot Spots for Public Wi-Fi two (2) number	Pilot Test: Installation and configuration of public Wi-Fi access points in Matatiele town by	Installation of 3 public Wi-Fi access points in Maluti and Area C by 30 June 2022	Rolling out Public Wi-Fi in Matatiele Town and villages(selected hotspots) by 30 June 2022

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delivery				(1) ICT Centre by 30 June 2020		plate recognizing Surveillance cameras (1) ICT Centre by 31 March 2021.	30 June 2021		
To provide reliable and efficient ICT services to achieve optimal service delivery	N/A	Establishment of Computer network at (2) Municipal offices - New Electricity and New SCM offices by 30 June 2018	N/A		N/A		N/A	Maintenance of network connection one number of Municipal office buildings by 30 June 2021	Maintenance of network connection one number of Municipal office buildings by 30 June 2022
									T3.27.3

Chapter 3

Employees: ICT Services					
Job Level	Year 2019/2020	Year 2020/2021			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0 - 3	0	0	0	0	0%
4 - 6	0	0	0	0	0%
7 - 9	0	0	0	0	0%
10 - 12	7	9	8	1	11%
13 - 15	0	0	0	0	0%
16 - 18	1	1	0	1	0%
19 - 20	0	0	0	0	0%
Total	7	10	8	2	20%
					T3.27.4

Financial Performance Year 2020/2021: ICT Services					
Details	Year 2019/2020	Year 2020/2021			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-	-	-	-	-
Expenditure:					
Employees		4 608 588,00	2703588,00	2 698 820,27	-71%
Repairs and Maintenance		500 004,00	900004,00	635 967,74	21%
Other		16 588 536,00	19188536,00	13 853 071,38	-20%
Total Operational Expenditure	-	21 697 128,00	22 792 128,00	17 187 859,39	-26%
Net Operational Expenditure	-	21 697 128,00	22 792 128,00	17 187 859,39	-26%
					T 3.27.5

Chapter 3

Capital Expenditure Year 2020/2021: ICT Services					
Capital Projects	Year 2020/2021				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	2850000	3150000	0	0	
Computer equipment	300000	300000	298,260.88	0	
surveillance cameras	399996	549996	539,269.00	0	
Public Wi-fi	500004	600004	538,692.00	0	
Computer equipment	249996	549996	549,996.00	0	
Clocking system	450000	0	0	0	
Network establishment	300000	500000	377,883.35	0	
Uninterrupted power supply ups	500004	500004	0	0	
Network Cable for ICT Centre	150000	150000	0	0	
				0	
					<i>T 3.27.6</i>

COMMENT ON THE PERFORMANCE OF ICT SERVICES OVERALL:

The Municipality has performed fairly well in the financial year under review. Despite the challenges such as timeframes for delivery and none delivery projects such as (i) Councillors Laptops and (ii) Development of Workflows, there has been a success in Piloting of Public Wi-Fi.

T3.27.7

Chapter 3

3.28 PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

This component includes: property; legal; risk management and procurement services.

INTRODUCTION TO PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

Risk impact assessment is the process of assessing the probabilities and consequence of risk events if they are realized. The Municipal Finance Management Act (No. 56 of 2003), S 166(2) (ii) prescribes that the Audit Committee must advise council in matters relating to risk management. The identification of these risks and the management thereof is the primary responsibility of Council and management. In this regard Council is advised to hold Municipal management accountable for the risk management function and the implemented antifraud and corruption plan is monitoring the day-to-day operations of the administration.

This should include enhancing controls and standard operating procedures especially in the supply chain management environment. Most organizations programs have improved their risk management capacity and are making some progress in building and implementing their performance measurement strategies. Institutions must, in accordance with the previously mentioned prescripts, implement and maintain effective, efficient and transparent systems of risk management and internal control.

The underlying intention is that Institutions should through the risk management process achieve, among other things, the following outcomes needed to underpin and enhance performance:

- a) More sustainable and reliable delivery of services;
- b) informed decisions underpinned by appropriate rigour and analysis;
- c) Innovation;
- d) Reduced waste;
- e) Prevention of fraud and corruption;
- f) Better value for money through more efficient use of resources; and
- g) Better outputs and outcomes through improved project and programme management.

LEGAL SERVICES

- The Matatiele Local Municipality builds up partnerships with institutions, relationships with employees and makes many decisions where Matatiele residents are affected.
- To do this properly, there is a need for a Legal Team to provide guidance so that everything is above board and legal. This is where Legal Services comes in.

Chapter 3

Priorities are to provide:

- Institutional Corporate Legal Compliance;
- Opinions;
- Labour Law Services;
- Coordinate and re-align Municipal By-Laws;
- Litigation Services;
- Contracts Management services; and
- Property Legal Services.

Impact during the year:

Through its supportive and advisory role, the Legal Services Unit strengthens the capacity of the Municipality to fulfil its constitutional and other legislative mandates. This is done by providing legal advice and support to the Municipality.

Measure taken to improve performance:

Continual training for legal services officials to enable them to keep abreast of legal updates.

Achievements:

- Protecting the interests of the Municipality
- Assurance of compliance with legislations

Development of the Procurement Plan to monitor and keep track of all the bids issued by the Municipality and also to ensure that they are awarded within the set targets

T3.28.1

Chapter 3

Property; Legal; Risk Management; and Procurement Services Policy Objectives Taken From IDP									
Service Objectives <i>Service Indicators</i> (i)	Outline Service Targets (ii)	Year 2019/2020		Year 2020/2021			Year 2020/2021	Year 2021-2023	
		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	2020/2021 (viii)	2021/2022 (ix)	2022/2023 (x)
Service Objective xxx									
<i>Ensure compliance to legislation, adopted policies and plans</i>	Review bylaws	Draft and review 2 by-laws by 30 June 2020.	2 by- laws were drafted and reviewed (storm water management by-laws and outdoor advertising by-laws and pre adopted and public consultation was done by June 2020	Draft and review 2 by-laws by 30 June 2020.	Review 1 (one) and Gazette one (1) bylaw by 30 June 2021.	1 Bylaw reviewed and published in the gazette by 30 June 2021	Review 1 (one) and Gazette one (1) bylaw by 30 June 2021.	Review 2 and gazette 2 bylaws by 30 June 2022	Review 2 and gazette 2 bylaws by 30 June 2023.
<i>Provide an effective litigation services in defending the interests of the Municipality</i>	Administration and management of litigation cases	Institute and defend 100% of Municipal legal matters by 30 June 2020	100% of Municipal legal matters instituted and defended and 12 progress monthly reports were compiled and submitted to MTM on a monthly basis by	12 Monthly reports on Administration and management of litigation cases against and instituted by the	Institute and defend 100% of Municipal legal matters by 30 June 2020	100% Provision of legal services and advice on Munic	Provide 100% legal services and advice no municipal legal matters by 30 June 2021	Provide 100% legal services and advice no municipal legal matters by 30 June 2022	Provide 100% legal services and advice no municipal legal matters by 30 June 2021

Chapter 3

			June 2020	Municipality by 30 June 2020		ipal legal matter s by 30 June 2021. Four quarter ly reports on legal matter s submit ted to Counc il			cipal legal matte rs by 30 June 2023
T 3.28.3									

Chapter 3

Employees: Legal; Risk Management; and Procurement Services					
Job Level	Year 2019/2020	Year 2020/2021			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0 - 3	0	0	0	0	0%
07 - 9	2	2	1	1	50%
10 - 12	5	7	5	2	29%
13 - 15	1	1	1	0	0%
16 - 18	2	2	2	0	0%
19 - 20	0	0	0	0	0%
Total	10	12	9	3	25%
					T3.28.4

Financial Performance Year 2020/2021: Property; Legal; Risk Management and Procurement Services					
Details	Year 2019/2020	Year 2020/2021			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	0	0	0	0	0
Expenditure:	0				
Employees	0	4 758 912,00	4 758 912,00	2 709 117,59	-76%
Repairs and Maintenance	-	-	-	-	-
Other	0	4 389 912,00	6 489 912,00	4 133 432,40	-6%
Total Operational Expenditure	0	9 148 824,00	11 248 824,00	6 842 549,99	-34%
Net Operational Expenditure	0	9 148 824,00	11 248 824,00	6 842 549,99	-34%
					T 3.28.5

Chapter 3

COMPONENT J: MISCELLANEOUS

This component includes: the provision of Airports, Abattoirs, Municipal Courts and Forestry as municipal enterprises.

INTRODUCTION TO MISCELLANEOUS

This does not apply to Matatiele Local Municipality.

T 3.29.0

COMPONENT K: ORGANISATIONAL PERFORMANCE SCORECARD

This component includes: Annual Performance Scorecard Report for the current year. The Municipal Manager has according to Section 66 of the Local Governments Municipal Systems Act 32 of 2000 as amended, performed the following functions:

- Submitted the Staff establishment to Council for approval.
- Provided a Job Description for each post on the staff establishment.
- Attached to those posts the remuneration and other conditions of service as may be determined in accordance with any applicable labour legislation.
- Established a process or mechanism to regularly evaluate the staff establishment and if necessary review the staff establishment and remuneration and conditions of services.

Chapter 4

CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE (PERFORMANCE REPORT PART II)

INTRODUCTION

The Municipal Manager has according to Section 66 of the Local Governments Municipal Systems Act 32 of 2000 as amended performed the following functions:

- Submitted the Staff establishment to Council for approval on 27 May 2021;
- Provided a Job Description for each post on the staff establishment;
- Attached to those posts the remuneration and other conditions of service as may be determined in accordance with any applicable labour legislation;
- Established a process or mechanism to regularly evaluate the staff establishment and if necessary review the staff establishment and remuneration and conditions of services as per IDP AND SDBIP and
- Reviewed Job Descriptions for employees.

T 4.0.1

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Employees					
Description	Year 2019/2020	Year 2020/2021			
	Employees No.	Approved Posts No.	Employees No.	Vacancies No.	Vacancies %
Water	0	0	0	0	0%
Waste Water (Sanitation)	0	0	0	0	0%
Electricity	14	19	15	4	21.05%
Waste Management	16	16	16	0	0.00%
Housing	3	7	2	4	57.14%
Waste Water (Storm water Drainage)	0	0	0	0	0%

Chapter 4

Roads	55	61	58	3	4.92%
Transport	1	3	3	0	0.00%
Planning	7	5	4	1	20.00%
Local Economic Development	7	7	7	0	0.00%
Planning (Strategic and Regulatory)	3	4	4	0	0.00%
Community and Social Services	17	19	19	0	0.00%
Environmental Protection	4	4	4	0	0.00%
Health	0	0	0	0	0%
Security and Safety	22	25	24	1	4.00%
Sport and Recreation	0	0	0	0	0%
Corporate Policy Offices and Other	0	0	0	0	0%
Totals	149	169	156	13	
					T4.1.1

Designations	*Total Approved Posts	*Vacancies (Total time that vacancies exist using fulltime equivalents)	*Vacancies (as a proportion of total posts in each category)
	No.	No.	%
Municipal Manager	1	0	0.00
CFO	1	0	0.00
Other S57 Managers (excluding Finance Posts)	4	0	0.00
Other S57 Managers (Finance posts)	0	0	0.00
Traffic officers	18	0	0.00
Fire fighters	5	0	0.00
Senior management: TG 16 (excluding Finance Posts)	16	2	12.50
Senior management: TG 16 (Finance posts)	4	0	0.00
Highly skilled supervision: TG 14 - 12 (excluding Finance posts)	32	9	28.13

Chapter 4

Designations	*Total Approved Posts	*Vacancies (Total time that vacancies exist using fulltime equivalents)	*Vacancies (as a proportion of total posts in each category)
	No.	No.	%
Highly skilled supervision: TG 14 - 12 (Finance posts)	7	0	0.00
Total	88	11	12.50
			T4.1.2

Turn-over Rate			
Details	Total Appointments as of beginning of Financial Year	Terminations during the Financial Year	Turn-over Rate* (%)
	No.	No.	
Year 2018/2019	29	26	90%
Year 2019/2020	18	31	172%
Year 2020/2021	25	13	52%
			T4.1.3

Chapter 4

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

4.2 POLICIES

HR Policies and Plans				
	Name of Policy	Completed %	Reviewed %	Date adopted by council or comment on failure to adopt
1	Municipal Bereavement Policy	100	100	27 May 2021
2	Training and Development Policy	100	100	27 May 2021
3	Individual Performance Management System Policy	100	100	27 May 2021
4	Danger Allowance Policy	100	100	27 May 2021
5	Renewal or Extension of Contracts Policy	100	100	27 May 2021
6	Conversion of Employment Status and Re-employment Policy	100	100	27 May 2021
7	Young People Practical Training Policy	100	100	27 May 2021
8	Leave Management Policy	100	100	27 May 2021
9	Labour Relations Policy	100	100	27 May 2021
10	Sift Allowance	100	100	27 May 2021
11	Employment Policy	100	100	27 May 2021
				T 4.2.1

COMMENT ON WORKFORCE POLICY DEVELOPMENT:

Seven (7) Policies were reviewed and adopted on 27 May 2021. Training and Development initiatives were put in place the formulation of annual Workplace Skills Plan. The skills gap as well as identified training needs were documented after conducting the Skills Audit.

The annual Workplace Skills Plan was then formulated in response to the identified Skills gap and training needs. The Workplace Skills Plan was implemented as approved in line with the provided training budget.

T 4.2.1.1

Chapter 4

4.3 INJURIES, SICKNESS AND SUSPENSIONS

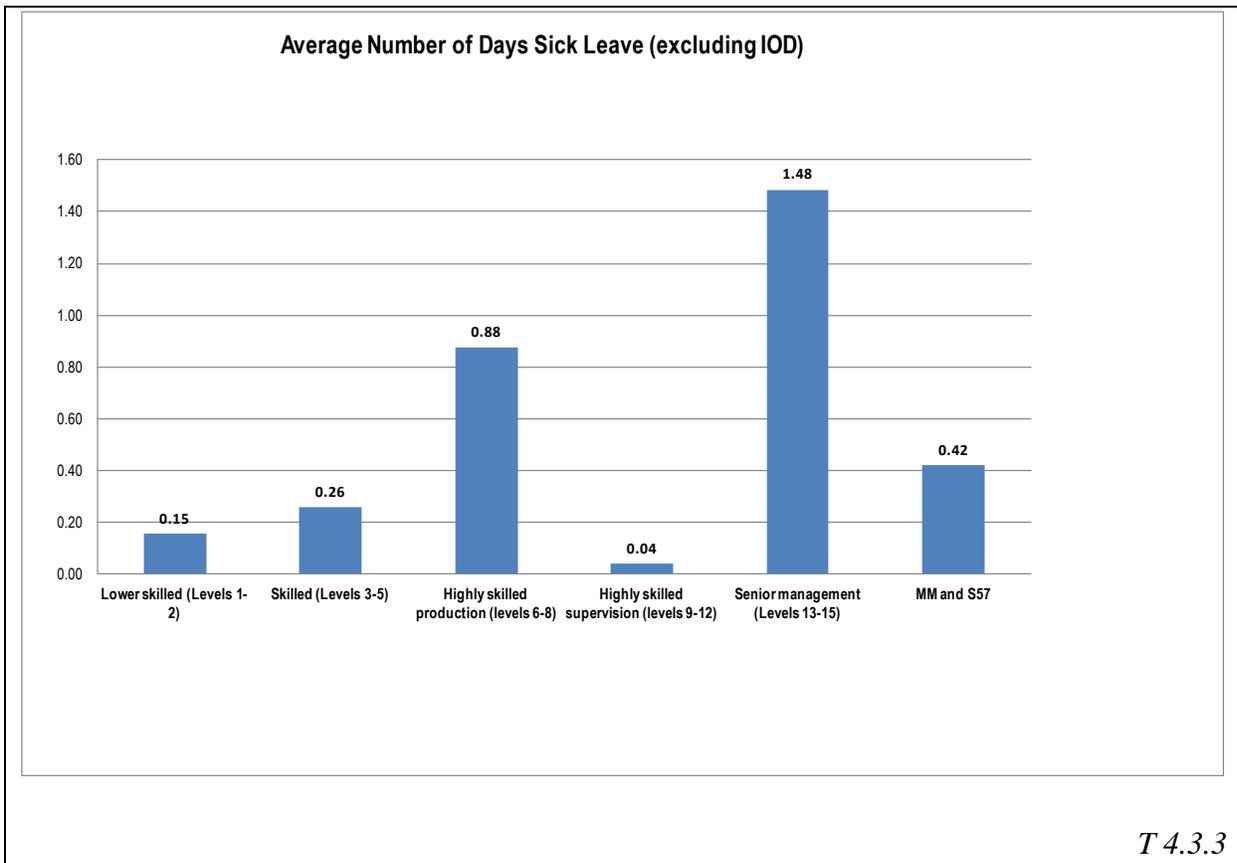
Number and Cost of Injuries on Duty					
Type of injury	Injury Leave Taken	Employees using injury leave	Proportion employees using sick leave	Average Injury Leave per employee	Total Estimated Cost
	Days	No.	%	Days	R'000
Required basic medical attention only	10	1	0	0	0
Temporary total disablement	N/A	N/A	N/A	N/A	N/A
Permanent disablement	N/A	N/A	N/A	N/A	N/A
Fatal	N/A	N/A	N/A	N/A	N/A
Total	0	0	0	0	0

T4.3.1

Number of days and Cost of Sick Leave (excluding injuries on duty)						
Salary band	Total sick leave	Proportion of sick leave without medical certification	Employees using sick leave	Total employees in post*	*Average sick leave per Employees	Estimated cost
	Days	%	No.	No.	Days	R' 000
Lower skilled (Levels 0-3)	146	15%	24	67	0.73	66275
Skilled (Levels 7-9)	28	5%	10	45	0.14	24570
Highly skilled production (levels 10-12)	381	32%	63	65	1.91	590658
Highly skilled supervision (levels 13-15)	53	95%	4	4	0.27	92507
Senior management (Levels 16-18)	51	0%	6	12	0.26	120958
MM and S57	6	0%	1	6	0.03	148519
Total	665	25%	108	199	3.34	1043486

T 4.3.2

Chapter 4



COMMENT ON INJURY AND SICK LEAVE

The Municipal Human Resources unit generates reports on a monthly basis pertaining to sick leave periods as well as injury on duty. All personnel records pertaining to sick leave and injury on duty are filed in the personnel files of employees.

The Municipality is constantly monitoring instances of injury on duty as well as taking of sick leave by its employees. In the year under review, the Municipality has been implementing a pro-active Health and Safety programme aimed at reducing and curtailing instances of injury on duty as well as suffering from work related sickness.

There is also an OHS Committee that oversees the safe working conditions of employees within the Municipality. Furthermore, the Municipality held a Wellness and Awareness's day in each quarter of the financial year.

T4.3.4

Chapter 4

4.4 PERFORMANCE REWARDS

Performance Rewards By Gender					
Designations	Beneficiary profile				
	Gender	Total number of employees in group	Number of beneficiaries	Expenditure on rewards Year 2019/2020 R' 000	Proportion of beneficiaries within group %
Lower skilled (Levels 1-2)	Female	0	0	0	0
	Male	0	0	0	0
Skilled (Levels 3-5)	Female	0	0	0	0
	Male	0	0	0	0
Highly skilled production (levels 6-8)	Female	0	0	0	0
	Male	0	0	0	0
Highly skilled supervision (levels 9-12)	Female	0	0	0	0
	Male	0	0	0	0
Senior management (Levels 13-15)	Female	7	3	R220 594.80	42.86%
	Male	1	0	0	0
MM and S57	Female	1	0	0	0
	Male	4	3	R243 260.06	75%
Total		13	6	R463 854. 85	117.86%
					T4.4.1

COMMENT ON PERFORMANCE REWARDS:

The assessments that were conducted for the year 2019/2020, i.e. from November 2020 to April 2021, there is a total of seven (07) officials out of thirteen (13) that did not score a minimum of 130, and therefore did/do not qualify for a performance bonus. There is a total of six (6) officials who have scored a minimum of 130.

T 4.4.1.1

Chapter 4

4.5 SKILLS DEVELOPMENT AND TRAINING

Skills Development Expenditure R1 040 341.50										
Management level	Gender	Employees as at the beginning of the financial year	Original Budget and Actual Expenditure on skills development Year 2019/2020							
			Learner ships		Skills programmes and other short courses		Other forms of training		Total	
			No.	Original Budget	Actual (R)	Original Budget (R)	Actual (R)	Original Budget (R)	Actual (R)	Original Budget (R)
MM and S57	Female	0		R0	R1 500 000.00	R0	R1 500 000.00	R0	R1 500 000.00	R0
	Male	3		R		R0		R49 430.00		R49 430.00
Legislators, senior officials and managers	Female	28		R 21 711.12		R71 200.00		R39 770.00		R132 681.12
	Male	27		R0		R82 600.00		R75 136.36		R157 736,36
Professionals	Female	14		R5 427.78	R53 250.00	R189 679.95	R248 402,73			

Chapter 4

Technicians and associate professionals	Male	19	R32 732.45	R36 700.00	R135 974.00	R205 406,45
	Female	09	R0	R16 714.28	R0	R16 714,28
	Male	17	R	R7 428,51	R161 712.32	R169 140,83
Clerks	Female	27	R49 015.85	R45 950.00	R277 339.95	R372 305,80
	Male	4	R0	R25 250,00	R0	R25 250.00
Service and sales workers	Female	0	R0	R	R0	
	Male	1	R0	R20 500.00	R0	R20 500.00
Plant and machine operators and assemblers	Female	0	R0	R0	R0	R.00
	Male	2	R0	R29 000.00	R0	R29 000.00
Elementary occupations	Female	5	R0	R18 750.00	R32 670.00	R18 750.00
	Male	5	R0	R39 500.00	R0	R39 500.00
Sub total	Female	83	R0	R0	R0	R.00
	Male	78	R0	R0	R0	R.00
Total		161	R108 886.42	R447 942.79	R961 712.58	R1 518 541.79
						T4.5.3

Chapter 4

<i>Adequacy of Training Plans</i>	<i>Effectiveness of Implementation</i>	<i>Variance between actual and budgeted expenditure</i>	<i>Adequacy of funding</i>
<p>The amount of money allocated for the Skills Training Programme of R1, 500,000.00 for both employees and members of Council was not adequate for a staff complement of + - 300. The Training Plan were adequate however, allocated funding for the year under review was not adequate as the budget was below 100% which is the total operating budget of the Municipality.</p>	<p>18 out of 15 training Interventions planned were effectively implemented during the year under review.</p>	<p>Out of R1, 500,000.00 budget, the actual budget used was R961 712.58 which was paid towards financial study assistance namely: (33) Thirty-four Employees and 1 member of Council, benefitted.</p> <p>R 556 829.21 was used for short courses or skills programmes and Learnerships programmes for employed.</p> <p>The overall amount paid to or for the SDL Levy for the year under review is R961 687.40 employer (Contribution)</p>	<p>The Training funding remains inadequate as long as the large number of employees is not benefiting from the funded annual training programme.</p>

Chapter 4

COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

INTRODUCTION TO WORKFORCE EXPENDITURE

Matatiele Local Municipality workforce expenditure exceeded the budget as the budget was 31% and the actual expenditure was 36% of the total operating budget of the Municipality. The upsurge was caused by the once off- payment of the Municipal Manager's settlement.

Reduction of negative impacts of salary costs on service delivery obligations of the Municipality. Municipality controls salary increments through a multi-year collective agreement on salary increases for the Local Government sector. There are sufficient management controls and tools for controlling expenditure on workforce (e.g. overtime pre-authorization forms and overtime claim forms).

Pressure to Overspend

There is an ever growing need for additional Human Capital to the Municipal Departments. There is limited control over overtime expenditure due to unforeseeable service delivery challenges. Payment of market related salaries as well as attraction and retention of Human Capital with scarce skills. The Retention strategy has the potential of pushing up the workforce expenditure due to the demands of the Labour Market.

How Spending is Controlled

By reviewing the Municipal Staff Establishment on an annual basis, inserting proposed and budgeted for positions and ensuring that all posts are contained in the staff establishment. All posts are budgeted for before they are filled. Overtime, stand-by and shift allowances are budgeted for with more emphasis being put on essential services employees. Non-essential services employees are rewarded for overtime by means of time off. To ensure that all overtime pre-authorization forms and overtime claims are approved by authorized persons.

Obtaining Value for Money from Workforce Expenditure

Municipality recruited skilled labour, performed capacity building, rolled out Individual Performance Management and ensured that it is cascaded even to the lower levels within the Municipality i.e.: from Management to employees at TASK Grade 5. Monthly management reports are prepared as part and parcel of continual monitoring and evaluation of workforce expenditure.

T 4.6.0

Chapter 4

4.6 EMPLOYEE EXPENDITURE

Number of employees whose salaries were increased due to their positions being upgraded		
Beneficiaries	Gender	Total
Lower skilled (Levels 1-2)	Female	0
	Male	0
Skilled (Levels 3-5)	Female	0
	Male	0
Highly skilled production (Levels 6-8)	Female	0
	Male	01
Highly skilled supervision (Levels 9-12)	Female	06
	Male	09
Senior management (Levels 13-16)	Female	0
	Male	1
MM and S 57	Female	0
	Male	0
Total		17
		T4.6.2

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

There are no employees that are being paid above the determined TASK Grade of the post. Most positions within the Municipal Organisational Structure have been graded at the District Evaluation Committee. There are no employees appointed on non-approved posts.

T4.6.5

The total number of financial official's employed as per Regulation 14(4) of the Municipal Regulations on Minimum Competency Levels issued on 26 October 2018.

Details	Response
The total number of financial official's employed	37
the total number of financial officials whose competency assessments have been completed	19
the total number of supply chain management officials employed	10
the total number of supply chain management officials whose competency assessments have been completed	4
the total number of financial officials and supply chain management	19

Chapter 4

officials that meet the prescribed competency levels	
--	--

DISCLOSURES OF FINANCIAL INTERESTS

The Matatiele Local Municipality did a financial interest disclosure for 2020/2021 as outlined in Appendix J.

T4.6.6

Chapter 5

CHAPTER 5 – FINANCIAL PERFORMANCE

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

INTRODUCTION TO FINANCIAL STATEMENTS

The Municipality is able to pay its creditors timeously as required. The Municipality is able to utilise its reserves for construction of access roads. The Municipality obtained an unqualified audit opinion. The Municipality is financially viable and is able to meet its obligations. The Municipality is also able to earn interest from external investment.

T5.1.0

Chapter 5

5.1 STATEMENTS OF FINANCIAL PERFORMANCE

Description	Year 2020/2021											Year 2019/2020			
	Original Budget	Budget Adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (i.t.o. s31 of the MFMA)	Virement (i.t.o. Council approved policy)	Final Budget	Actual Outcome	Unauthorised expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restated Audited Outcome
R thousands	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Financial Performance															
Property rates	48 190	–	48 190			48 190	46 575		1 615	97%	97%				43 280
Service charges	68 817	–	68 817			68 817	68 589		228	100%	100%				61 166
Investment revenue	26 449	–	26 449			26 449	24 528		1 921	93%	93%				20 109
Transfers recognised - operational	256 212	53 312	309 524			309 524	240 790		68 733	78%	94%				216 638
Other own revenue	8 726	745	9 471			9 471	6 917		2 555	73%	79%				10 062
Total Revenue (excluding capital transfers and contributions)	408 394	54 057	462 450	–	–	462 450	387 400	–	75 051	440%	0	–	–	–	351 255
Employee costs	125 231	–	125 231			125 231	117 964		7 267	94%	94%				109 966
Remuneration of councillors	21 537	–	21 537			21 537	19 979		1 558	93%	93%				19 626
Debt impairment	5 000	–	5 000			5 000	25 504		(20 504)	510%	510%				5 848
Depreciation & asset impairment	33 110	–	33 110			33 110	41 583		(8 473)	126%	126%				48 469
Finance charges	–	–	–			–	–		–	#DIV/0!	#DIV/0!				5
Materials and bulk purchases										100%	101%				

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	53 567	548	54 115			54 115	53 959		155					42 906
Transfers and grants	-	-	-			-	-		-	#DIV/0!	#DIV/0!			150
Other expenditure	169 949	30 669	200 618			200 618	127 135		73 483	63%	75%			108 803
Total Expenditure	408 393	31 217	439 610	-	-	439 610	386 124	-	53 486	#DIV/0!	#DIV/0!	-	-	335 774
Surplus/(Deficit)														
Transfers recognised - capital	101 527	(8 341)	93 186			93 186	92 926		260	100%	92%			49 452
Contributions recognised - capital & contributed assets	-	-	-			-	-		-					-
Surplus/(Deficit) after capital transfers & contributions	101 527	(8 341)	93 186	-	-	81 787	92 926	-	260	0	0	-	-	49 452
Share of surplus/ (deficit) of associate			-			-	-							
Surplus/(Deficit) for the year														
Capital expenditure & funds sources														
Capital expenditure														
Transfers recognised - capital	99 340	(41 192)	58 148			58 148	50 459							112 603
Public contributions & donations	-	-	-			-	-							-
Borrowing	-	-	-			-	-							-
Internally generated funds	74 974	55 591	130 565			130 565	97 228							24 806
Total sources of capital funds														
Cash flows														
Net cash from (used) operating	145 787	14 898	160 685			160 685								
Net cash from (used) investing	(174 314)	135	(174 179)			(174 179)								
Net cash from (used) financing	-	-	-			-	-							
Cash/cash equivalents at the year end	108 356	15 033	123 389			123 389								

T 5.1.1

Chapter 5

Financial Performance of Operational Services						
Description	Year 2019/20	Year 2020/2021			Year 2020/2021 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Operating Cost						
Water	-	-	-	-	-	-
Waste Water (Sanitation)	-	-	-	-	-24,36%	-25,44%
Electricity	46 013	57 506	58 006	46 241	-32,57%	-54,55%
Waste Management	20 778	23 759	27 700	17 922		
Housing	-	-	-	-	-	-
Component A: sub-total Waste Water (Stormwater Drainage)	66 791	81 265	85 705	64 164	-26,65%	-33,57%
Roads	-	-	-	-	19,44%	17,77%
Transport	35 094	53 278	54 378	66 132		
Component B: sub-total	-	-	-	-	-	-
Component B: sub-total	35 094	53 278	54 378	66 132	19,44%	17,77%
Planning Local Economic Development	2 784	25 584	31 084	3 571	-616,37%	-770,38%
Component B: sub-total Planning (Strategic & Regulatory) Local Economic Development	5 772	-	-	8 137	100,00%	100,00%
Component B: sub-total Community & Social Services	8 556	25 584	31 084	11 708	-118,52%	-165,49%
Component C: sub-total Community & Social Services	32 405	25 584	31 084	-	-	-
Enviromental Protection	5 772	-	-	-	-	-
Health	38 177	25 584	31 084	-	#DIV/0!	#DIV/0!
Security and Safety	10 768	15 351	17 201	12 027	-27,63%	-43,01%
Sport and Recreation	-	-	-	-	-	-
	-	-	-	-	-21,49%	-21,49%
	16 620	20 873	20 873	17 180		
	-	-	-	-		

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Corporate Policy Offices and Other	-	-	-	-	-	-
Component D: sub-total	27 388	36 223	38 073	29 208	-24,02%	-30,35%
Total Expenditure	176 006	221 934	240 324	171 211	-29,63%	-40,37%
T 5.1.2						

5.2 GRANTS

Grant Performance						
Description	Year 2019/2020	Year 2020/2021			Year 2020/2021 Variance	
	Actual	Budget	Adjustments Budget	Actual	Original Budget (%)	Adjustments Budget (%)
Operating Transfers and Grants						
National Government:	218 230	255 022	305 548	204 337		
Local Government Equitable Share	213 561	249 823	299 604	198 635	40,42%	33,70%
EPWP Incentive	3 185	3 499	3 499	3 257	6,92%	6,92%
Finance Management	1 484	1 700	700 ¹	1 700	0,00%	0,00%
Municipal Infrastructure Grant (MIG)	-	-	-	-	#DIV/0!	0,00%
Human Settlement Capacity	-	-	-	-	-	-
Disaster Relief Grant	-	-	745	745	0,00%	0,00%
Provincial Government:	-	-	-	-		
Health subsidy	-	-	-	-	-	-
Human Settlement Capacity	-	-	-	-	-	-
District Municipality:	-	-	-	-		
Other grant providers:	-	-	-	-		
<i>[insert description]</i>						
Total Operating Transfers and Grants	218 230	255 022	305 548	204 337	40%	33%
T 5.2.1						

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Grants Received From Sources Other Than Division of Revenue Act (Dora)						
Details of Donor	Actual Grant Year 2020/2021	Actual Grant Year 2020/2021	Year 2020/2021 Municipal Contribution	Date Grant terminates	Date Municipal contribution terminates	Nature and benefit from the grant received, include description of any contributions in kind
Parastatals						
A - "Project 1"	0	0	0	0	0	0
A - "Project 2"	0	0	0	0	0	0
B - "Project 1"	0	0	0	0	0	0
Foreign Governments/Development Aid Agencies						
A - "Project 1"	0	0	0	0	0	0
A - "Project 2"	0	0	0	0	0	0
B - "Project 1"	0	0	0	0	0	0
Private Sector / Organizations						
A - "Project 1"	0	0	0	0	0	0
A - "Project 2"	0	0	0	0	0	0
B - "Project 1"	0	0	0	0	0	0
B - "Project 2"	0	0	0	0	0	0
						T5.2.3

5.3 ASSET MANAGEMENT

INTRODUCTION TO ASSET MANAGEMENT

The Asset Management section has been formed to perform the assigned roles in terms of MFMA section 63 and MFMA section 14. Asset Management Unit is responsible for the identification, control and disposal of fixed assets when need arises. The Asset Management section is in the Budget and Treasury Office (BTO) that is headed by the Chief Financial Officer. The unit manager is the Manager: Financial Reporting and Assets Management (Authorisation) who delegates to Assets Accountant (Accountability) and then to the Asset Senior Officer (Initiation). The Fixed Asset policy provides direction for the management, accounting and control of Fixed Assets owned or controlled by the Municipality, in accordance with applicable legislation and best practices developed.

T 5.3.1

Chapter 5

TREATMENT OF THE THREE LARGEST ASSETS ACQUIRED YEAR 2017/2018			
Asset 1			
Name	COUNCIL CHAMBERS		
Description	Construction of Council Chambers		
Asset Type	LAND AND BUILDINGS		
Key Staff Involved	Building control and human settlements		
Staff Responsibilities	Management and monitoring of the project		
Asset Value	Year 2018-2019	Year 2019/2020	Year 2020/2021
	R28 304 811-71	R27 721 327-66	R16 607 121-33
Capital Implications	Multi-year project funded by CRR		
Future Purpose of Asset	Offices		
Describe Key Issues	Municipal offices for Councillors and Management		
Policies in Place to Manage Asset	YES		
Asset 2			
Name	Cedarville Internal Street		
Description	Road Upgrade		
Asset Type	Infrastructure		
Key Staff Involved	Project Management and Maintenance Unit		
Staff Responsibilities	Management of projects and monitoring of consultants and contractors		
Asset Value	Year 2018/2019	Year 2019/2020	Year 2020/2021
	R349 250	R1 468 524	R13 498 391
Capital Implications	Multi-year project funded by MIG		
Future Purpose of Asset	Upgrade of Cedarville Road		
Describe Key Issues	Road Upgrade		
Policies in Place to Manage Asset	YES		
Asset 3			
Name	Maluti Internal Street		
Description	Construction of Maluti Internal Streets		
Asset Type	Infrastructure		
Key Staff Involved	Project Management and Maintenance Unit		
Staff Responsibilities	Management of projects and monitoring of consultants and contractors.		
Asset Value	Year 2018/2019	Year 2019/2020	Year 2020/2021
	R1 066 693	R7 321 614	R17 703 427
Capital Implications	Projects funded by MIG		
Future Purpose of Asset	Provision of Upgrade Maluti Streets		
Describe Key Issues	Target for Construction of Access roads		
Policies in Place to Manage Asset	YES		
			T5.3.2

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COMMENT ON ASSET MANAGEMENT:

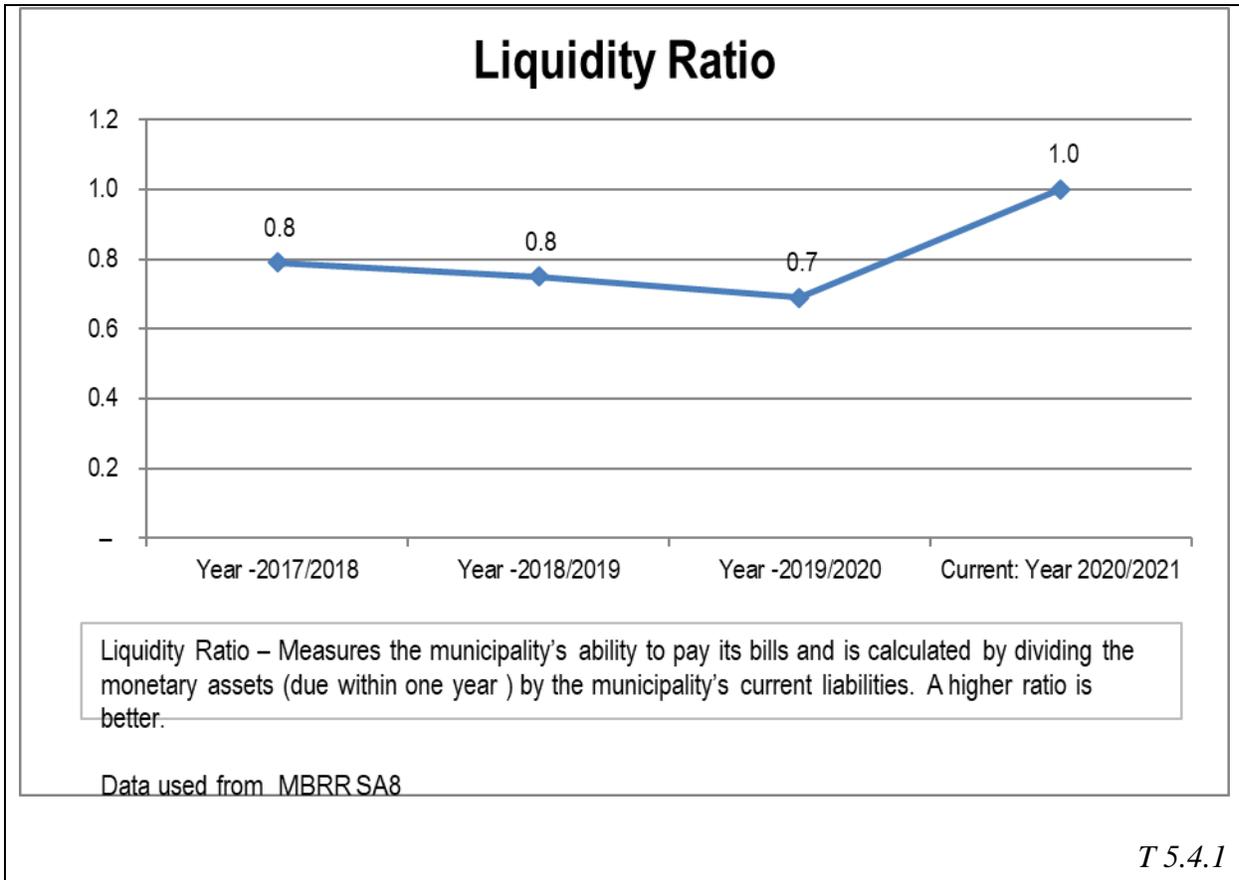
All the Municipal assets acquired are recorded and updated in the Fixed Assets Register with the most and highest assets under Infrastructure Assets.

T 5.3.3

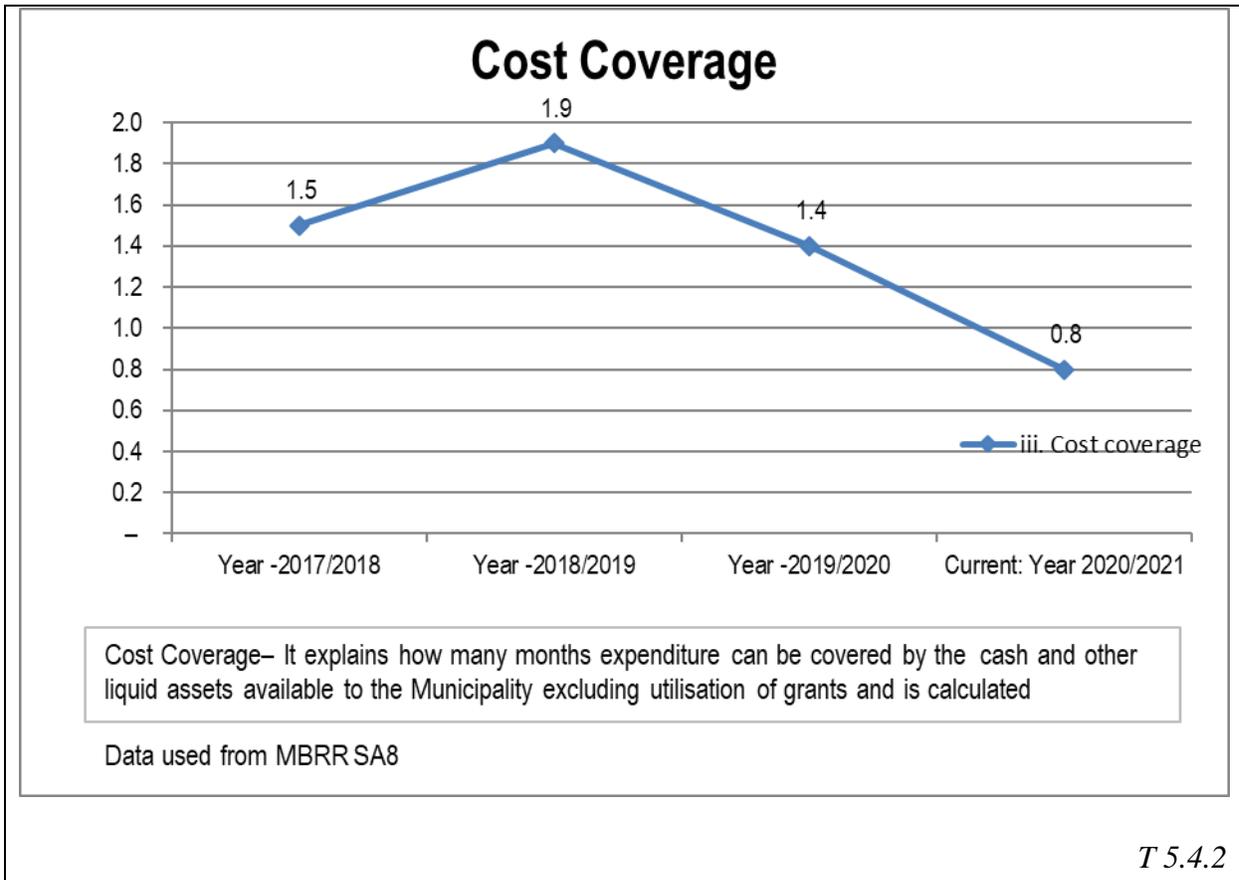
Repair and Maintenance Expenditure: Year 2020/2021				
	Original Budget	Adjustment Budget	Actual	Budget variance
Repairs and Maintenance Expenditure	25 092 996,00	29 392 996,00	24 290 238,10	3%
				<i>T 5.3.4</i>

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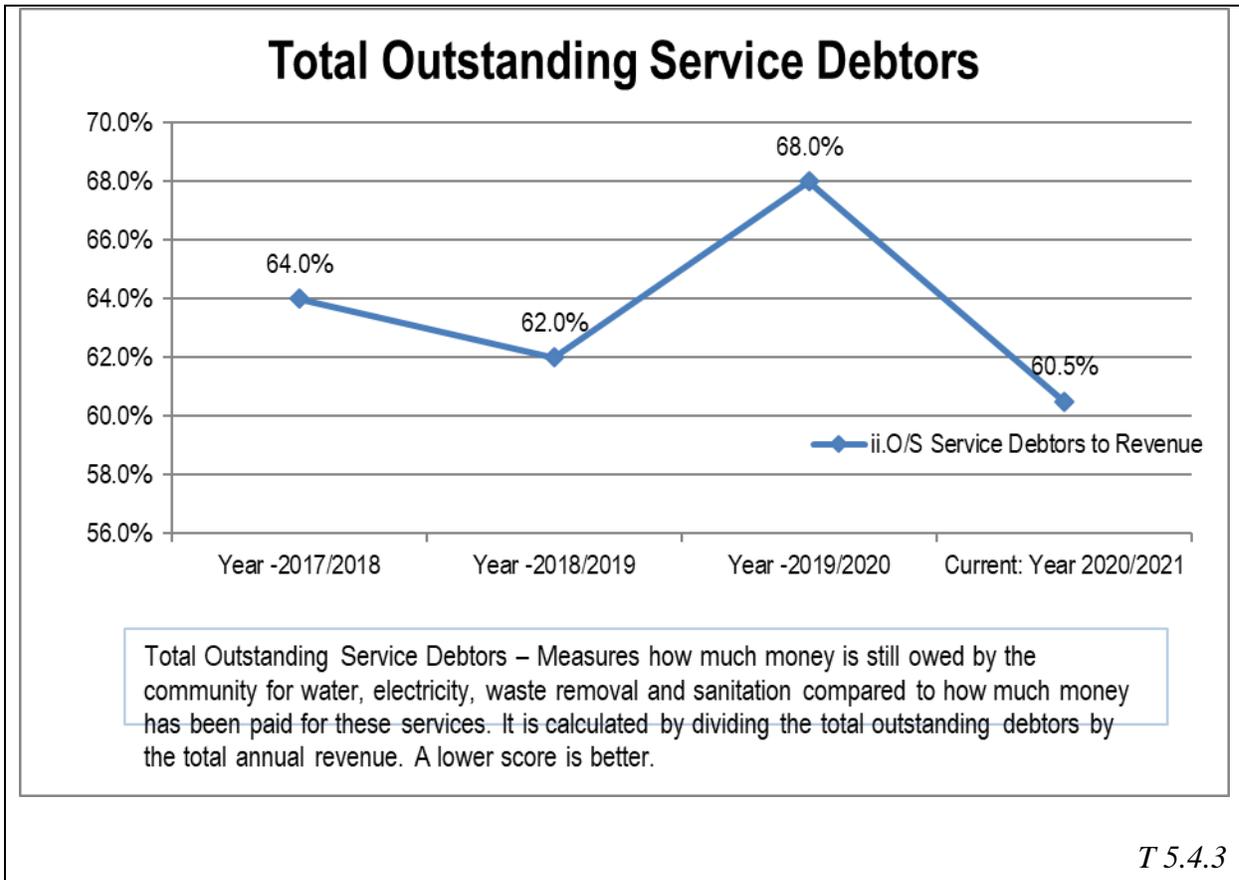
5.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS



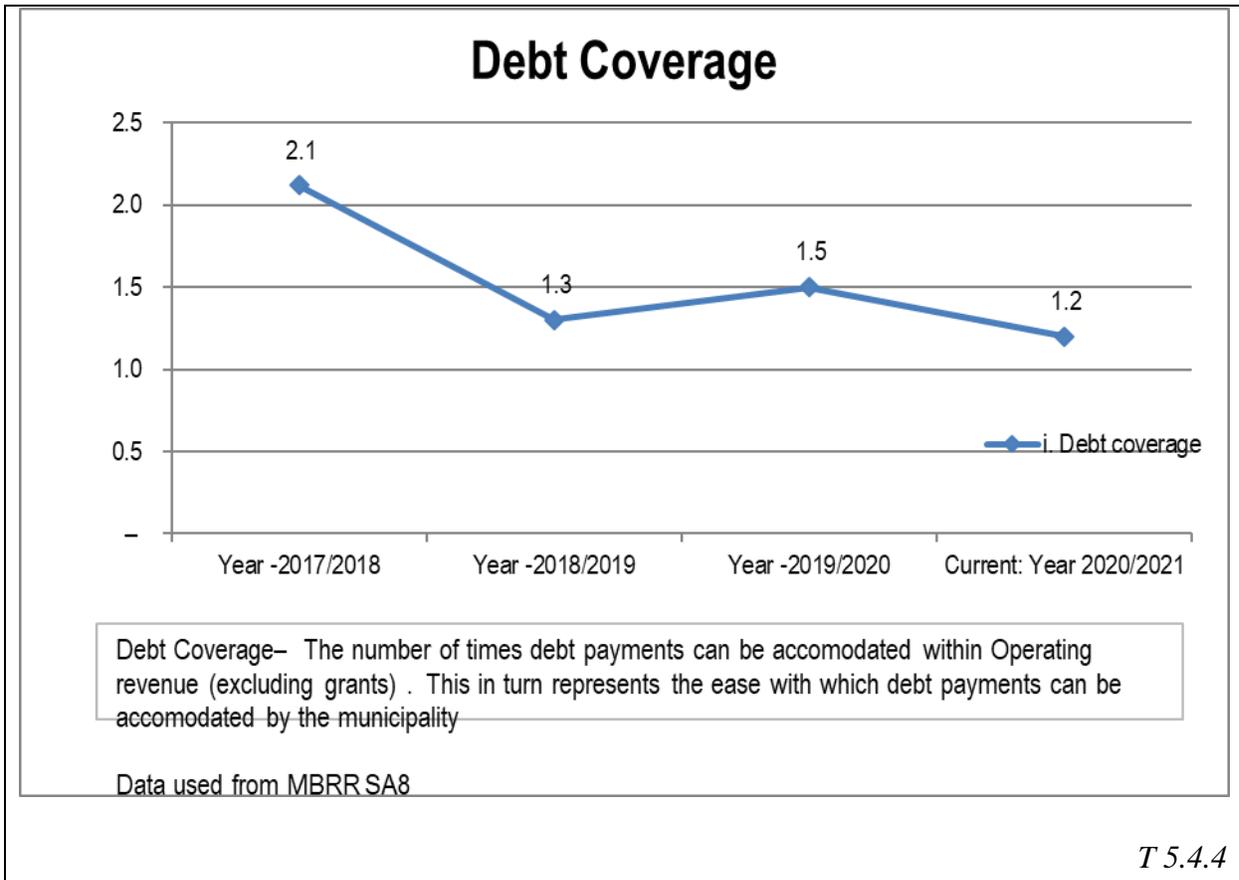
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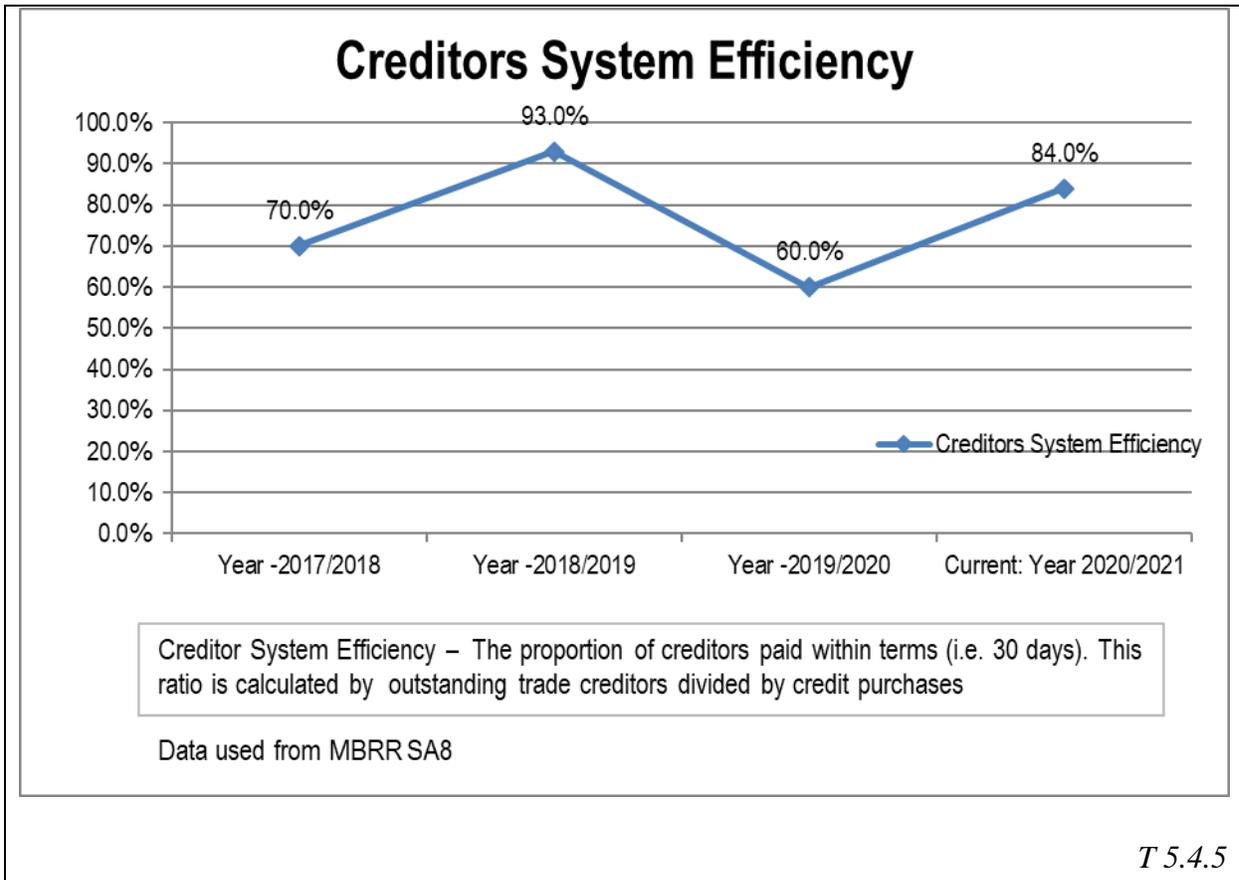
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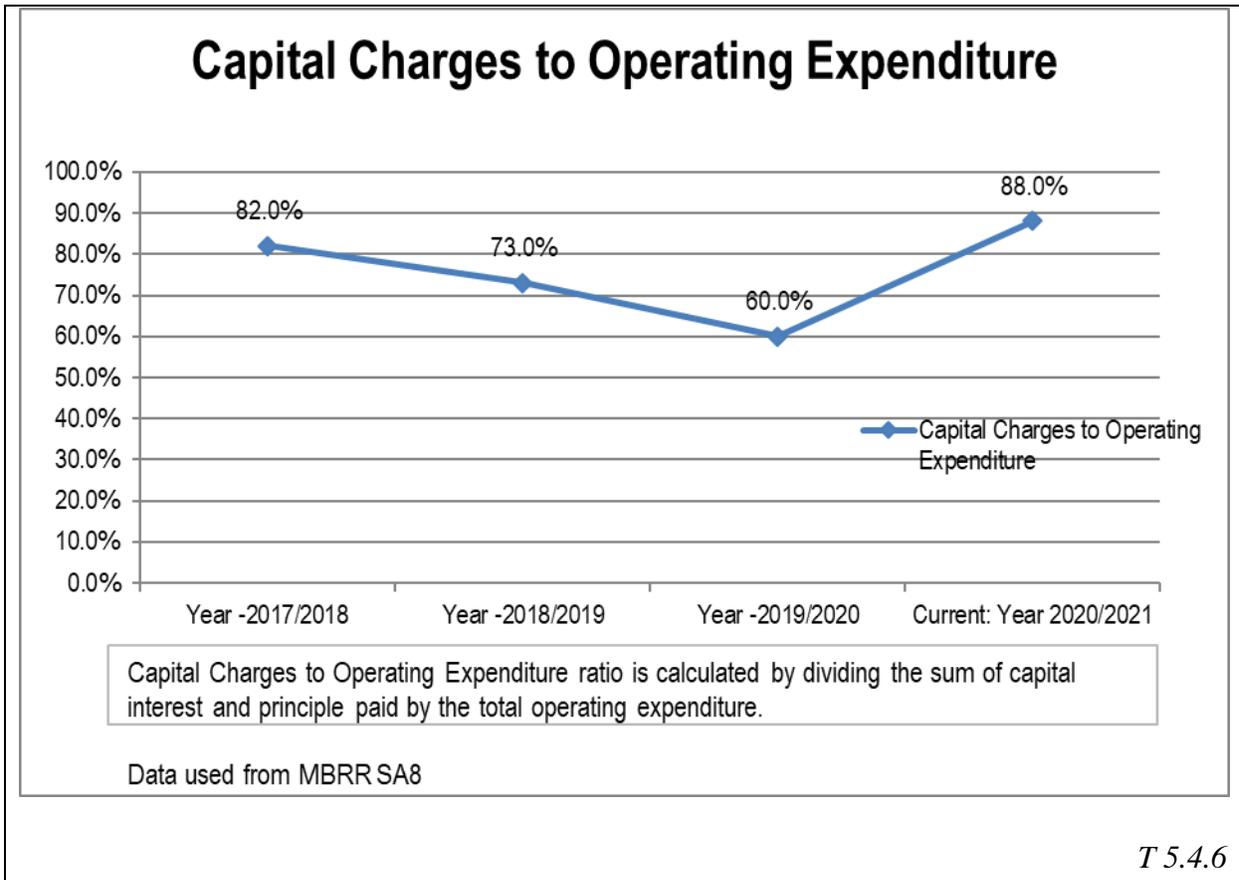
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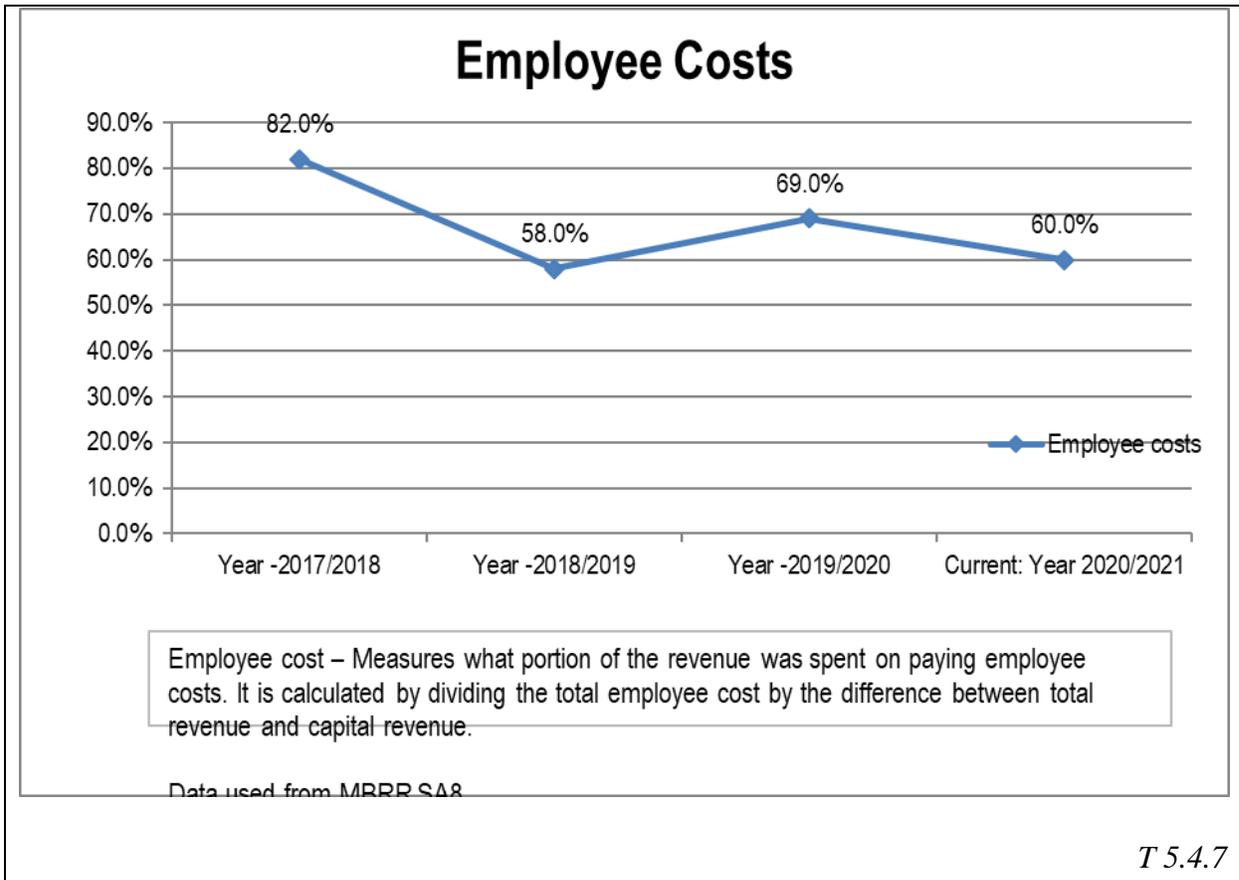
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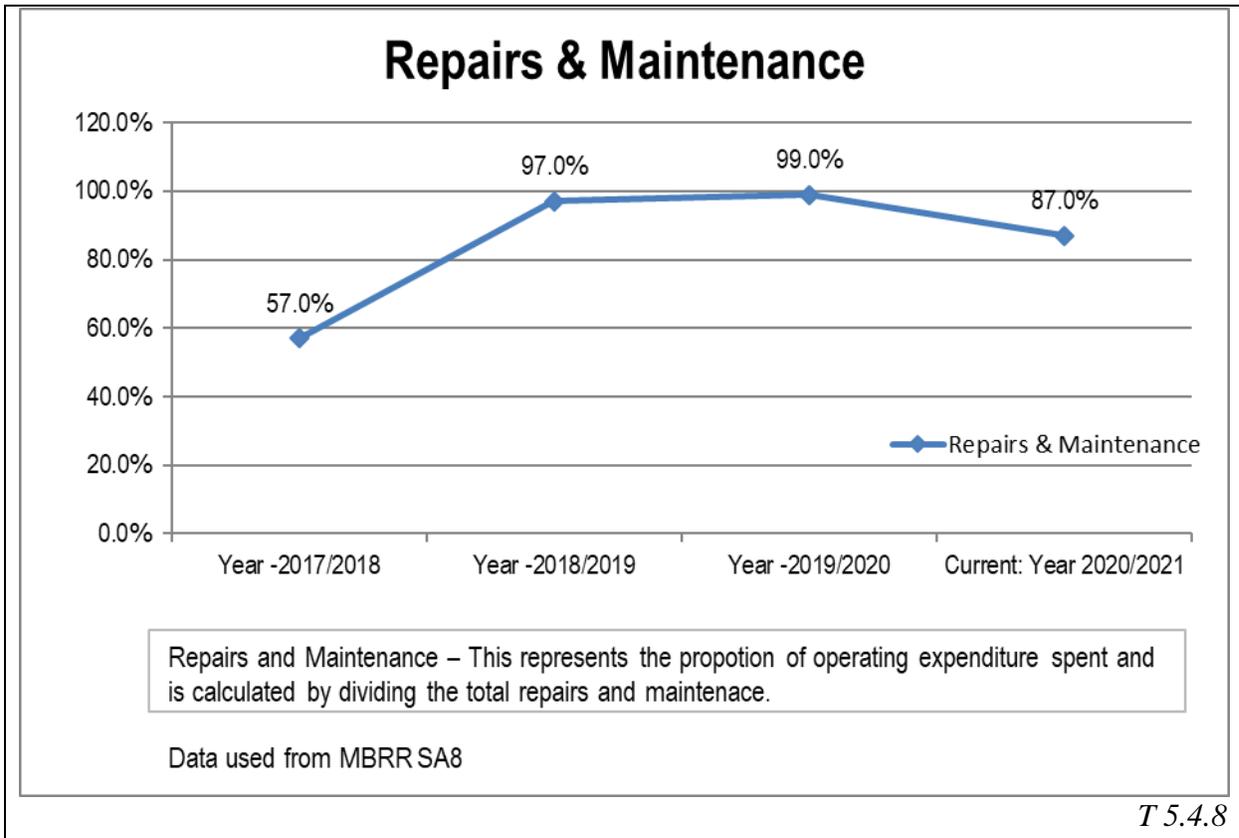
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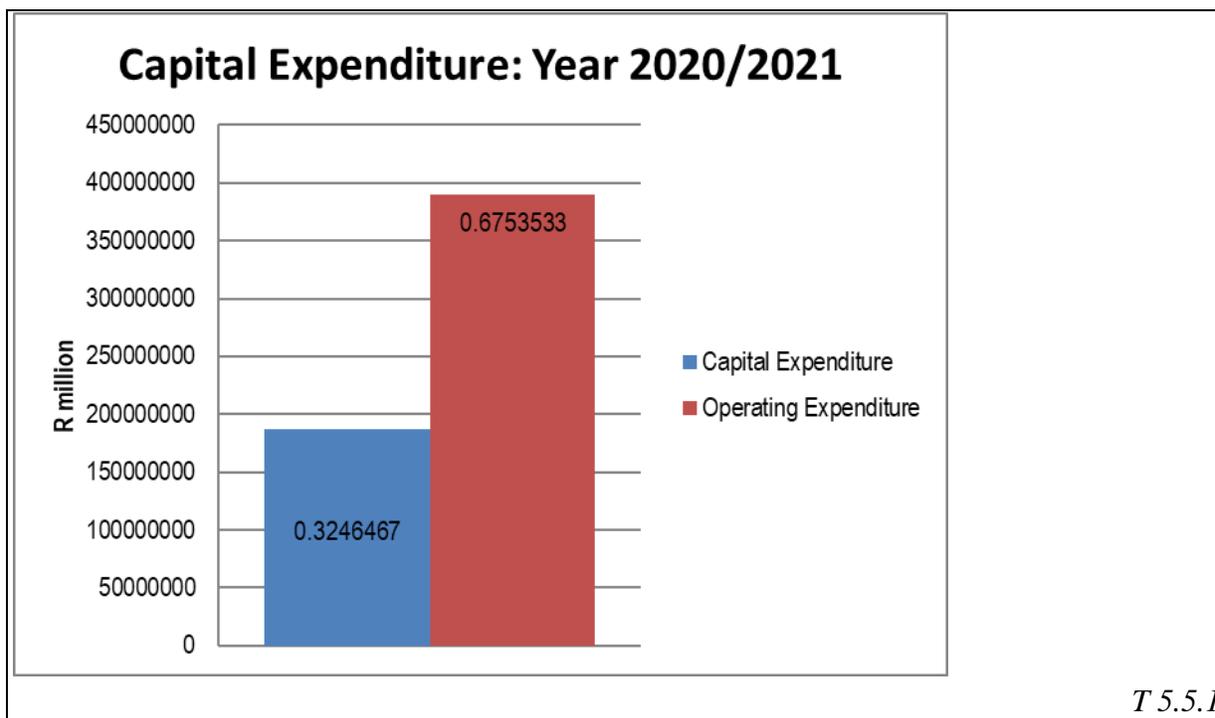
Chapter 5



Chapter 5

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

5.5 CAPITAL EXPENDITURE



R million	Original Budget	Adjustment Budget	Un-audited Full Year Total	Original Budget variance	Adjusted Budget Variance
Capital Expenditure	174	189	147	15,8%	22,3%
	174	189	147	15,8%	22,3%
Operating Expenditure	408	440	455	-11,4%	-3,5%
	408	440	355	13,0%	19,2%
Total expenditure	583	628	602	-3,3%	4,2%
	Original Budget	Adjustment Budget	Un-audited Full Year Total	Original Budget variance	Adjusted Budget Variance
Property rates	48	48	47	3,4%	3,4%
Service charges				0,3%	0,3%

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	69	69	69		
Other own revenue	291	439	428	-47,0%	2,3%
	408	556	544	-33,1%	2,2%
Employee related costs	147	147	138	6,0%	6,0%
Provision for working capital	-	-	-		
Repairs and maintenance	25	29	24	3,2%	17,4%
Bulk purchases	48	48	48	-0,4%	-0,4%
Other expenditure	189	215	176	6,8%	18,5%
	408	440	386	5,5%	12,2%
Service charges: Electricity	58	58	57	0,9%	1,7%
Grants & subsidies: Electricity	70	64	48	31,3%	25,0%
Other revenue: Electricity	0	0	0	0,0%	0,0%
	128	122	105	17,6%	13,9%
Employee related costs: Electricity	6	6		0,0%	0,0%
Provision for working capital: Electricity	0	0	-	100,0%	100,0%
Repairs and maintenance: Electricity	0	1	1	-233,6%	-26,4%
Bulk purchases: Electricity	48	48	48	-0,4%	-0,4%
Other expenditure: Electricity	3	3	0	0,0%	0,0%
	58	58	0	0,0%	0,0%
T5.5.1					

Chapter 5

5.6 SOURCES OF FINANCE

Capital Expenditure - Funding Sources: Year 2019/2020 to Year 2020/2021							
Details		Year 2019/2020	Year 2020/2021				
		Actual	Original Budget (OB)	Adjustment Budget	Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)
Source of finance							
	External loans	-	-	-	-	-	-
	Grants and subsidies	90 528 645	99 340 176	58 147 851	50 459 034	41,47%	-49,21%
	Other		74 973 504	130 564 834	97 228 129	74,15%	29,68%
Total		90528645	174313680	188712685	147 687 163	32,68%	-19,52%
<i>Percentage of finance</i>							
	External loans	0,0%	0,0%	0,0%	-	0,0%	0,0%
	Public contributions and donations	0,0%	0,0%	0,0%	-	0,0%	0,0%
	Grants and subsidies	100,0%	57,0%	30,8%	0	126,9%	252,0%
	Other	0,0%	43,0%	69,2%	1	226,9%	-152,0%
Capital expenditure							
	Water and sanitation	-	-	-	-	-	-
	Electricity	43 652 521	70 177 000	64 222 802	48 190 516	-8,48%	-31,33%
	Housing	-	-	-	-	-	-
	Roads and storm water	80 109 219	80 244 180	109271371	91 447 621	36,17%	13,96%
	Other	616 492	23 892 500	15 218 512	8 049 027	36,30%	-66,31%
Total		124378232	174313680	188712685	147 687 164	-8,62%	-83,68%
<i>Percentage of expenditure</i>							
	Water and sanitation	0,0%	0,0%	0,0%	-	0,0%	0,0%
	Electricity	35,1%	40,3%	34,0%	0	98,5%	37,4%
	Housing	0,0%	0,0%	0,0%	-	0,0%	0,0%

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Roads and storm water	64,4%	46,0%	57,9%	1	-	419,9%	-16,7%
Other	0,5%	13,7%	8,1%	0		421,4%	79,2%
							<i>T 5.6.1</i>

5.7 CAPITAL SPENDING ON 5 LARGEST PROJECTS

Capital Expenditure of 5 largest projects*					
Name of Project	Current: Year 2020/2021			Variance: Current Year 2020/2021	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
Maluti Internal Streets -Phase 4	15 000 000	19 645 137	17 703 427	-18%	-31%
COUNCIL CEMBERS	12 999 996	17 728 186	16 067 122	-24%	-36%
Cedarville Internal Roads ?Phase 3	7 229 196	11 895 397	13 395 892	-85%	-65%
Matias (Mhlangeni Vimba Mavundleni Mnqayi) INEP	9 000 000	9 263 000	8 045 082	11%	-3%
Small Location-Mpofini	9 000 000	9 000 000	7 826 087	13%	0%
					<i>T 5.7.1</i>

Chapter 5

5.8 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

Municipal Infrastructure Grant (MIG)* Expenditure Year 2021 on Service backlogs						
R' 000						
Details	Budget	Adjustment s Budget	Actual	Variance		Major condition s applied by donor (continue below if necessary)
				Budget	Adjust- ments Budget	
Infrastructure - Road transport				%	%	
<i>Roads, Pavements & Bridges</i>	4679225 0	55792252	55792252	119%	100	
<i>Storm water</i>				%	%	
Infrastructure - Electricity				%	%	
<i>Generation</i>				%	%	
<i>Transmission & Reticulation</i>	0	0	0	%	%	
<i>Street Lighting</i>				%	%	
Infrastructure - Water				%	%	
<i>Dams & Reservoirs</i>				%	%	
<i>Water purification</i>				%	%	
<i>Reticulation</i>				%	%	
Infrastructure - Sanitation				%	%	
<i>Reticulation</i>				%	%	
<i>Sewerage purification</i>				%	%	
Infrastructure - Other				%	%	
<i>Waste Management</i>				%	%	
<i>Transportation</i>				%	%	
<i>Gas</i>				%	%	
Other Specify:				%	%	
				%	%	
				%	%	
				%	%	
Total				%	%	

T 5.8.3

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5.9 CASH FLOW

Cash Flow Outcomes				
Description	Year 2019/2020	Current: Year 2020/2021		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Ratepayers and other	89 744	107 205	113 493	111 731
Government - operating	186 586	215 542	215 855	215 536
Government - capital	136 428	98 435	107 049	74 594
Interest	18 262	14 868	17 567	20 136
Dividends				
Payments				
Suppliers and employees	(248 996)	(316 914)	(326 217)	(241 258)
Finance charges	(8)		–	–
Transfers and Grants	–	(150)	(150)	(150)
NET CASH FROM/(USED) OPERATING ACTIVITIES	182 017	118 985	127 596	180 589
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE	–	43 647	43 647	
Decrease (Increase) in non-current debtors				
Decrease (increase) other non-current receivables				
Decrease (increase) in non-current investments				
Payments				
Capital assets	(134 060)	(142 082)	(160 043)	(132 113)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(134 060)	(98 435)	(116 397)	(132 113)
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Short term loans				
Borrowing long term/refinancing				
Increase (decrease) in consumer deposits				
Payments				
Repayment of borrowing				
NET CASH FROM/(USED) FINANCING				

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ACTIVITIES	–	–	–	–
NET INCREASE/ (DECREASE) IN CASH HELD	47 957	20 550	11 200	48 476
Cash/cash equivalents at the year begin:				–
Cash/cash equivalents at the year-end:		20 550	11 200	48 476
				<i>T 5.9.1</i>

5.10 BORROWING AND INVESTMENTS

INTRODUCTION TO BORROWING AND INVESTMENTS

Municipality did not have a loan that was serviced during the year of 2020/2021.

T 5.10.1

5.11 PUBLIC PRIVATE PARTNERSHIPS

PUBLIC PRIVATE PARTNERSHIPS

There were no contracts undertaken during the year through Public Private Partnership (PPP).

T 5.11.1

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COMPONENT D: OTHER FINANCIAL MATTERS

5.12 SUPPLY CHAIN MANAGEMENT

SUPPLY CHAIN MANAGEMENT

The Supply Chain Management (SCM) of Matatiele Local Municipality has been implemented in terms of Chapter 11 of Municipal Finance Management Act No.56 of 2003; SCM Regulations of 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 minimise the opportunities for fraud and corruption.

The Supply Chain Management Policy was reviewed and approved by Council during May 2019 to ensure that the policy is in line with the prescript legislative framework and to address any other issues that were raised by the Auditor General that were not included in the policy.

The Procurement threshold for 2020/2021 financial year and amounts spent are as follows: Procurement above R200,000.00 amounted in excess of R140,000,000.00. (Estimates is based on the fact that some projects were awarded on an “as and when” basis over a period not exceeding 3 years); and

Procurement through deviation from supply chain management processes amounted to R6,679,169.4.

The 2020/2021 Demand/ Procurement Management Plan was also developed and approved by the Accounting Officer on 10 June 2020. The aim of the plan is to provide a general understanding of the procedures to be followed when implementing demand management and the compilation of procurement plans.

T 5.12.1

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5.13 GRAP COMPLIANCE

GRAP COMPLIANCE

The Municipality has complied with all the standards as required by Generally Recognized Accounting Practice (GRAP).

T 5.13.1

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CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS

COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS YEAR 2020/2021

APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
Municipal Public Accounts Committee (MPAC)	<p>To review and examine:</p> <ul style="list-style-type: none"> ➤ The Financial Statements of the Municipality and its entities; ➤ The Audit Reports on the Financial Statements of the Municipality and its entities; ➤ Any Reports issued by the AG on the affairs of the Municipality and its entities; ➤ Any other Financial Statements or Reports referred to the Committee by the Council; ➤ The Mayor’s Quarterly Reports on the implementation of budget, the Service Delivery and Budget Implementation Plan (SDBIP) and the financial state of affairs of the Municipality; ➤ The Mid-Year Budget and Assessment Reports; ➤ The Annual Report of the Municipality and its entities; and ➤ Any information relating to personnel, books of accounts, records, assets and liabilities of the Council and any other source of information that may be required for the purpose of fulfilling its mandate.
Audit Committee	<ul style="list-style-type: none"> ➤ To assist Council and Management in fulfilling their oversight and management responsibilities for the financial reporting process, the system of internal control over financial reporting, the audit process, performance audit, the Municipality’s compliance with laws and regulations and the code of conduct. ➤ To perform an oversight function over the functioning of the Municipality in terms of the triple E business management principles, namely, efficiency, economic and effectiveness. ➤ To monitor and enforce compliance with the all internal control measures and performance requirements of the Municipality. ➤ To oversee and monitor the broader performance management

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Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
	<p>systems and processes of the Municipality.</p> <ul style="list-style-type: none"> ➤ To account to the Executive Committee and Council for execution of its duties in terms of submitting reports and its recommendations. ➤ To hold regular meetings on a regular basis to discharge its responsibilities in terms of its broader mandate and Charter requirements.
Rules and Order Committee	<ul style="list-style-type: none"> ➤ Provide governance and oversight role on the activities and functions of the Council, its sub-structures as well as other functionaries in relation to the functioning of the Municipality as a whole. ➤ Review of the Council meeting proceedings and related functions of which it is responsible for and make recommendations in respect of items brought before this Committee to Council.
Municipal Budget and Treasury Office (BTO) Standing Committee	<ul style="list-style-type: none"> ➤ To provide governance and oversight role to the activities and functions of the Chief Financial Officer (CFO). ➤ To review of the departmental activities and make recommendations in respect of items brought before this Committee to the Executive Committee (EXCO).
Community Services Standing Committee	<ul style="list-style-type: none"> ➤ To provide governance and oversight role to the activities and functions of the General Manager: Community Services. ➤ To review of the departmental activities and make recommendations in respect of items brought before this Committee to the Executive Committee (EXCO).
Corporate Services Standing Committee	<ul style="list-style-type: none"> ➤ To provide governance and oversight role to the activities and functions of the General Manager: Corporate Services. ➤ To preview of the departmental activities and make recommendations in respect of items brought before this Committee to the Executive Committee (EXCO).
Economic Development and Planning Standing Committee	<ul style="list-style-type: none"> ➤ To provide governance and oversight role to the activities and functions of the General Manager: Economic Development and Planning. ➤ To review of the departmental activities and make recommendations in respect of items brought before this Committee to the Executive Committee (EXCO).
Special Programmes Unit Standing Committee	<ul style="list-style-type: none"> ➤ To provide governance and oversight role to the activities and functions of the Municipal Manager in relation to Special Programs and Communication Services. ➤ To review of the departmental activities and make recommendations in respect of items brought before this Committee to the Executive Committee (EXCO).

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Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
Infrastructure Services Standing Committee	<ul style="list-style-type: none">➤ To provide governance and oversight role to the activities and functions of the General Manager: Infrastructure Services.➤ To review of the departmental activities and make recommendations in respect of items brought before this Committee to the Executive Committee (EXCO).

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6.1 AUDITOR GENERAL REPORTS YEAR 2019/2020 (PREVIOUS YEAR)

Auditor-General Report on Financial Performance Year 2019/2020	
Status of audit report 2019/20	Unqualified Audit Opinion
Non-Compliance Issues	Remedial Action Taken
CM: COAF 03: SCM: No declaration of interest in other or state by supplier or relevant official	Management will ensure that MBD forms are completed before any payments is processed by the institution.
CM: COAF 03: Planning- Human Resource Management: Municipal Annual report not reflecting minimum competency levels	The municipality accepts the findings and have commenced processes moving forward that will result to the anomaly being redressed by having the annual report including competency levels.
CM: COAF 02: Planning-Annual Internal audit plan and an internal audit program not prepared for the 2019/2020 financial year.	The staff establishment is a vision of where the institution would like to see it self. Based on the resources that were available in 2019/2020 financial year, the Council took a decision to freeze all vacant positions to address the financial challenges that were being foreseen by Council. However, in 2020/2021 financial year the Municipality has advertised for vacant positions.
CM: COAF 02: Planning-Internal audit: Internal audit did not advised the accounting officer and reported to the audit committee	All the compliance audit was scheduled to be done in the 4th quarter, however due to National local down, compliance audit assignment could not be done, since the IA staff had to work from home with limited resources. The following audits were rolled over in the 2020/2021 IA plan. SCM- Engagement letter was discussed with client in last financial period Human Resources- the report is still on draft. Asset management- the report is on final stages with management comments.
ICD: COAF 02: Internal Audit: Internal Audit Function not fully resourced	The staff establishment is a vision of where the institution would like to see it self. Based on the resources that were available in 2019/2020 financial year, the Council took a decision to freeze all vacant positions to address the financial challenges that were being foreseen by Council. However, in 2020/2021

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	financial year the Municipality has advertised for a vacant position of one (one) internal audit officer to ensure that the IA is fully resourced. The advert has been issued on 06 November 2020. The Municipality has 2 interns in place for 2019/2020 to ensure that the IA assignment are conducted
CM: COAF 02: Internal Audit: The Chief Audit Executive is not permanently appointed and Audit committee not involved in the appointment	As per the Municipality practices, all positions at task grade 16 are on contract basis, which is affecting the CAE position. AC members were consulted during the appointment of CAE for inputs. Master list was sent to AC members to assist on the shortlisting of CAE and the inputs were received from Ms Mba, an audit committee member for Alfred Nzo Internal Audit Shared Services.
CM: COAF 02: Planning-Consequence management: Investigations report deficiencies	The municipality has since appointed forensic investigators to assist MPAC on investigations of Unauthorized, fruitless and wasteful expenditure.
CM: COAF 12: Consequence Management: Unauthorised expenditure not investigated	The reported finding is identified during the current year relating to previous financial year, Management acknowledged the finding, agreed and adjusted AFS. The necessary investigation steps will be followed in due cause.
ADJ: COAF 07: Depreciation: Disclosure for Changes in Accounting Estimates not disclosed in the AFS	Adjustments will be done on the Annual Financial Statements
CM: COAF 02: Planning: AOPO-Mid-year report did not take into account the prior year annual report	Progress on resolving problems identified in the Annual Report will be included in future mid-term reports for the Matatiele Local Municipality.
CM: COAF 02: Planning: AOPO-PMS not line with the priorities, objectives, indicators and targets contained in its IDP and SDBIP.	Management will ensure that the performance management system is properly reviewed and signed off by the responsible officials to ensure proper alignment between the IDP and SDBIP.
CM: COAF 02: Planning-SCM: Quotation process non-compliance	MBD 6, section 7 is relating to subcontracting, which is not applicable on this bid because it is a quotation not a tender and was not part of the requirements. MBD 2 was not part of the requirements of the municipality

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CM: COAF 02: Planning-SCM: No evidence of declaration of interest by BSC	Currently BEC members do declare their interest in every sitting.
CM: COAF 02: Planning-SCM: Competitive bidding process - Pre-qualification non compliance	We are planning to ensure all pre-qualification is documented on Evaluation Minutes. Also Checklist for every bidder will be done.
CM: COAF 04: SCM: Competitive bidding- Contract not awarded to the recommended bidder.	Going forward person who has declared that they have spouse or family member in service of the state will be awarded.
CM: COAF 08: SCM: Bids disqualified not in accordance with pre-determined requirements	We are planning to ensure all pre-qualification is documented on Evaluation Minutes. Also Checklist for every bidder will be done.
CM: COAF 08: SCM-Local content: Minimum threshold for Local Content not stipulated	Check list will be developed to ensure no omission is done for the local Content where it is applicable.
CM: COAF 08: SCM-Local content: Declaration for local content and production not submitted and signed	Check list will be developed to ensure no omission is done for the local Content where it is applicable.
CM: COAF 08: SCM-Local content: Minimum threshold for local production and content not met	Minimum Threshold will appear in all advert where local Production is a requirement.
ICD: COAF 08: SCM-Local content: DTI not notified for successful bidders and provided with copies of contracts	DTI is being notified for bids above 200k but now all bids relating to local content will be provided to DTI even for quotes less than R30k.
T6.2.1	

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COMPONENT B: AUDITOR-GENERAL OPINION YEAR 2020/2021 (CURRENT YEAR)

6.2 AUDITOR GENERAL REPORT YEAR 2020/2021

Auditor-General Report on Financial Performance Year 2020/2021			
Status of audit report 2020/2021			
COAF Number	Reporting Area	Findings	Improvement Plan
COAF 1	Monitoring and Evaluation	1. Planning: Information not submitted	Management should ensure that information is properly filed and accessible timeously.
COAF 2	Procurement and contract management	1. Limitation of scope: Supply chain management	Management should implement consequence management and exercise proper monitoring controls over the record keeping and storage of the information so that it can be readily accessible and submit the information to the Auditor General of South Africa within required time frame.
COAF 3	Employee costs	1. Planning- HRM: Municipal annual report not reflecting minimum competency levels.	Management should implement controls to ensure that the municipality comply with the above-mentioned legislation, to ensure that the annual report includes competency levels.
COAF 3	Employee costs	2. Planning- Human Resource Management: No evidence of a competence assessment done	Management should ensure that competency assessments for all financial officials and SCM officials are conducted yearly and the evidence of such assessments having been conducted is kept.
COAF 3	Employee costs	3. Planning- Understanding of Internal controls: No compiled succession plan database.	Management should ensure that a succession plan database is maintained as per the requirements of the staff retention policy. Also, management should ensure that there is effective implementation of the different processes within the municipal policies.
COAF 3	Audit Committee and Internal Audit	4. Planning-Internal Audit: The Chief Audit Executive is not permanently appointed	Management should ensure that the chief audit executive of the municipality is permanently appointed.

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COAF 3	Audit Committee and Internal Audit	5. Planning- Understanding the audit committee : No evidence of separate meeting with internal audit	The audit committee and the internal audit unit must meet at least once a year, this meetings should take place in a setting that excludes the management of the municipality.
COAF 3	Audit Committee and Internal Audit	6. Planning - Understanding Audit Committee :Combined assurance plan not reviewed	The combined assurance framework should be reviewed in each financial year and the audit committee should report on it.
COAF 3	Internal Controls	7. Planning- Understanding of Internal controls: Control deficiencies in Risk Management	Internal audit should ensure that the municipality's risk register takes into account all emerging risks that may affect the municipality in achieving its objectives.
COAF 3	Operating expenditure	8. Planning - Expenditure: No invoice registers at user departments	Management must ensure that each user department keeps a register of all invoices received and all the registers should be reconciled with the creditors' department when it prepares its own register.
COAF 3	Predetermined objectives	9. Planning-AOPO: Performance management system does not include risk management procedures	Management should include a section in their Performance Management Systems Policy that deals with the risk management procedures that will identify and analyze performance management risks for each indicator.
COAF 3	Predetermined objectives	10. Planning - AoPO: Supporting Information does not include pictures as evidence	Management should ensure that the monthly reports for each indicator includes photographic evidence.
COAF 4	Predetermined objectives	1. AoPO: Achievement not consistent with target	Management should adjust the annual performance report to ensure that reported achievements per the annual performance report are consistent with planned targets and performance indicators as per the Service Delivery Budget implementation Plan.
COAF 4	Predetermined objectives	2. AoPO: Difference in km's reported in APR and Completion certificates	Management should ensure that in planning the indicators and targets of the municipality, all the targets are clear, measurable and time bound.

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COAF 4	Predetermined objectives	3. AoPO: Target not clearly defined	The standard should be defined by management and they should apply the standards correctly in line with all tender documents. The standard should be in line with preference point regulation 4(2) in order to ensure that people who should be disqualified are and the correct bidder wins.
COAF 4	Predetermined objectives	4. AoPO: Listings not submitted with the Annual Performance Report	Management should ensure that the listings for all indicators are submitted to the auditors together with the Annual Financial Statements.
COAF 5	Intangible assets	1. Prior period errors: Incorrect classification of period errors	Management should adjust the financial statements and disclose the change in estimate note. It further recommended that before financial statements are submitted for audit a proper review should be done.
COAF 5	Operating expenditure	2. Expenditure: No evidence of authorization for payment	Management should ensure that all remittance advice is reviewed and signed as evidence of the review.
COAF 5	Operating expenditure	3. Expenditure: Stamped invoice not signed as evidence of receipt of goods/services	Management should ensure that the stamped invoices are signed as evidence of acknowledging the receipt of goods/services. Or alternatively goods/services receipt voucher should be developed and should be signed as evidence of receipt of goods/services.
COAF 5	Operating expenditure	4. Expenditure: Invoices not recorded in the invoice register	The management should ensure that the controls in place over receiving of invoices are implemented and the invoice register is kept up to date.
COAF 5	Receivables	5. Statutory Receivables: Sundry debtors incorrectly classified	Management should ensure that there is a proper review of their sundry debtors to ensure that all receivables on the listing qualify as sundry debtors. Receivables that don't qualify as statutory receivables should be recognized separately under receivables from non-exchange transactions.
COAF 5	Receivables	6. Receivables from exchange transactions: Credit quality information not disclosed	Management should ensure that financial statements are reviewed to ensure that all Grap disclosure requirements are complied with.

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COAF 6	Immovable assets	1. PPE: Land incorrectly classified as Property Plant and Equipment	Management should reassess the land population and reclassify all investment property to investment property.
COAF 6	Immovable assets	2. PPE- Work in progress assets additions: Assets not accurately accounted	Management should ensure that a reconciliation is performed for cost capitalized to working progress and ensure that these reconciliations are reviewed. This will help ensure that capitalized costs are accurate and complete.
COAF 6	Immovable assets	3. PPE: Electrification Projects not derecognised in the correct accounting period	Management should perform a proper review of the disposal of electrification projects to ensure that disposal of electrification projects to eskom are based on supporting handover certificate and the disposal are accounted for on the correct accounting period.
COAF 6	Immovable assets	4. PPE: Electrification Projects disposal not accounted for	Management should ensure that work in progress relating to electrification projects is reviewed on monthly basis against the supporting information to ascertain the stage of the projects. Financial statements should be adjusted for the disposal of assets to eskom.
COAF 7	Procurement and Contract Management	1. SCM - Competitive Bidding: Banking contract not renewed on time	Management should ensure that procurement processes for the provision of banking services commence at least 9 months before an existing contract expires.
COAF 7	Procurement and Contract Management	2. SCM: No gifts register	Management should ensure that internal controls are adhered to and a gifts register is in place.
COAF 7	Procurement and Contract Management	3. SCM: CAATs - Connections not declared	Management should ensure that controls to detect the supplier's interest is developed and implemented.
COAF 7	Procurement and Contract Management	4. SCM: Deviations - declaration not submitted	Management must ensure that all providers who are awarded any award do submit a declaration of interest as required by the supply chain management regulation.
COAF 7	Procurement and Contract Management	5. SCM: Deviations - deviation reason not reasonable	Management should ensure that SARS returns are submitted timeously with enough time to deal with any challenges that could be experienced during the submission.

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COAF 7	Procurement and Contract Management	6. SCM-Local content- minimum threshold for local content not stipulated	Management should ensure that a minimum threshold for local content production is stipulated within either the bid specification or the advert when procuring goods or services and the threshold stipulated should not be less than that specified by National Treasury.
COAF 7	Procurement and Contract Management	7. SCM-Local content: Declaration for local content and production not submitted and signed	Management should ensure that on evaluation of bid documents the bidders that did not submit the declaration of local content are disqualified.
COAF 7	Procurement and Contract Management	8. SCM-Local content: DTI not notified for successful bidders and provided with copies of contracts	Management should ensure that Department of Trade and Industry is notified of the successful bidder and the value of the contract and also provided with copies of the contracts and the bidder's MBD 6.2 certificate.
COAF 7	Procurement and Contract Management	9. SCM: CIDB - Contractor's grading not suitable for the value of the contract	Management should ensure that all the contractors selected for the project meet all the minimum requirements.
COAF 7	Procurement and Contract Management	10. SCM Contract Management-Monthly Progress Monitoring	The management should ensure that the MFMA regulations are complied with, and the contracts are monitored on a monthly basis.
COAF 7	Procurement and Contract Management	11. SCM: Quotations - Winning bidder's tax matters not in order	Management should ensure that bid documents submitted by bidders are properly reviewed to ensure that they fully comply with the supply chain management regulations.
COAF 7	Procurement and Contract Management	12. SCM: Contract management - contract not signed	Management should ensure that controls over contract management are adhered to.
COAF 7	Procurement and Contract Management	13. SCM: Contract and Variation order supporting documents not submitted	Management should implement consequence management and exercise proper monitoring controls over the record keeping and storage of the information so that it can be readily accessible and submit the information to the Auditor General of South Africa within the required time frame.
COAF 7	Procurement and Contract Management	14. SCM: CAATS - Employee not declaring associate/partner connections	Management should ensure that there are controls over employee declarations of interest.

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COAF 7	Procurement and Contract Management	15. SCM-Panel of Contractors/Suppliers: No evidence that preference point system followed	Management should ensure that prepayments are assessed at year end to identify goods/services which have been paid for in advance or whether goods or services have been received at year end.
COAF 8	Heading 1	1. Other MFMA disclosure: No disclosure how the allocated funds were spent	Management should ensure that a properly review the financial statement for compliance with all the disclosure requirements is performed before the submission.
COAF 8	Heading 1	2. Principal vs Agent: Non-disclosure of amount received on behalf of the principal	Management should ensure that financial statements are properly reviewed before submission and that all necessary disclosures are done in accordance with GRAP.It recommended that management should amend the financial statement to reflect the disclosure omitted and correct the disclosure not accurate.
COAF 8	Heading 1	3. Segment reporting: The amount of the cash flows activities of each reportable segment not disclosed	Management should ensure that on evaluation of bid documents the bidders that did not submit the declaration of local content are disqualified.
COAF 8	Heading 1	4. Segment reporting: Additions to non-current assets not disclosed	Management should ensure that the financial statements are properly reviewed before they are submitted for audit. Financial statements should be adjusted to reflect the additions to non-current assets about each reportable segment.
COAF 8	Receivables	5. Receivables: Financial loss on amount collected on behalf of the municipality	Management should ensure that all monies collected on behalf of the municipality that are due and payable are collected and if the collecting entity is not remitting the funds proper consequence management is implemented.
COAF 9	Cash and cash equivalents	1. Cash and cash equivalents: Inaccurately disclosed	Management should ensure that a proper review of the supporting information accompanying the annual financial statements is done before they are submitted for audit.
COAF 9	Cash and cash equivalents	2. Disclosure: Segment reporting- non-disclosure of factors to identify reportable segment	Management should ensure that the financial statements are properly reviewed before they are submitted for audit.

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COAF 9	Cash and cash equivalents	3. Disclosure:Segment reporting-non-disclosure of aggregated segment	Management should ensure that the financial statements are properly reviewed before they are submitted for audit.
COAF 9	Cash and cash equivalents	4. Disclosures: Fruitless and wasteful expenditure - Internal control deficiency on the preparation of the Fruitless and wasteful expenditure register	Management should ensure that the fruitless and wasteful expenditure register is prepared in a way that the register serves as a tool for recording all fruitless and wasteful expenditures and for tracking progress in dealing with the consequences flowing from such expenditures.
COAF 9	Cash and cash equivalents	5. Disclosures: Statement of budget vs actual - Material variances not explained	Management should review the Annual Financial Statements to ensure that presentation of budget information is fairly presented as per GRAP 24.
COAF 9	Payable	6. Trade Payables: Accruals not complete at year end	Management should on preparation of annual financial statements analyzed all supporting documents for payments made after year to determine when the time good or services have been rendered.
COAF 9	Receivables	7. Payables- Presentation and disclosure not in accordance with GRAP 104	Management should update the annual financial statements to reflect the correct presentation and disclosure.
COAF 10	Compliance	1. Execution: Compliance - Revenue Management, Asset Management, AFS, APR and Annual Report, Strategic Planning & Performance Management	Management should ensure that the municipality comply with the laws and regulations applicable to the municipality to avoid noncompliance issues. Furthermore, management should design and implement proper controls that will assist the municipality to avoid noncompliance issues.
COAF 10	Compliance	2. Unauthorized expenditure: Reasonable steps were not taken to prevent unauthorized expenditure	Management should ensure that reasonable steps are taken to unauthorized expenditure.
COAF 11	Immovable assets	1. PPE: Incorrect accounting policy disclosures	Management should ensure that property, plant and equipment are properly disclosed and fairly presented in the Annual Financial Statements by implementing reviews of the Annual Financial Statements before it is signed off to be issued.

Chapter 6

COAF 12	Procurement and Contract Management	1. Execution – Contract extension not adequately done	Management should ensure that compliance with the relevant laws and regulations is always adhered to by the Municipality and that proper controls are applied and operate effectively.
COAF 13	Related parties	1. Execution: Related Parties not disclosed	Management should ensure that there are adequate controls to identify all related parties from close relationships with the councilors and management doing business with the municipality.

COMMENTS ON MFMA SECTION 71 RESPONSIBILITIES:

Section 71 of the MFMA requires municipalities to return a series of financial performance data to the National Treasury at specified intervals throughout the year. The Chief Financial Officer states that these data sets have been returned according to the reporting requirements.



MR K MEHLOMAKULU
CHIEF FINANCIAL OFFICER

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

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performance indicators	prescribe general key performance indicators that are appropriate and applicable to local government generally.
Impact	The results of achieving specific outcomes, such as reducing poverty and creating jobs.
Inputs	All the resources that contribute to the production and delivery of outputs. Inputs are "what we use to do the work". They include finances, personnel, equipment and buildings.
Integrated Development Plan (IDP)	Set out municipal goals and development plans.
National Key performance areas	<ul style="list-style-type: none"> • Service delivery & infrastructure • Economic development • Municipal transformation and institutional development • Financial viability and management • Good governance and community participation
Outcomes	The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve".
Outputs	The final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver". An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area.
Performance Indicator	Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered)
Performance Information	Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure.
Performance Standards:	The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must

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	<p>be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor.</p>
<p>Performance Targets:</p>	<p>The level of performance that municipalities and its employees strive to achieve. Performance Targets relate to current baselines and express a specific level of performance that a municipality aims to achieve within a given time period.</p>
<p>Service Delivery Budget Implementation Plan</p>	<p>Detailed plan approved by the mayor for implementing the municipality’s delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.</p>
<p>Vote:</p>	<p>One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area.</p> <p>Section 1 of the MFMA defines a “vote” as:</p> <p><i>a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and</i></p> <p><i>b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned</i></p>

APPENDICES

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APPENDIX A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
	FT/PT			%	%
Cllr. Nomasomi Mshuqwana	F/T	Council, Rules and Orders, Women's Caucus	PR	100%	0
Cllr. Momelezi Mthetheleli Mbedla	F/T	EXCO	PR	100%	0
Cllr. Sonwabile Mngenela	F/T	Whippery Committee, Rules and Orders	PR	100%	0
Cllr. Nomonde Abegail Nkukhu	F/T	EXCO, Economic Development and Planning, Women's Caucus	PR	99%	1%
Cllr. Matshepo Cecelia Setenane	F/T	EXCO, Infrastructure Services, Women's Caucus	PR	Deceased	
Cllr. Makopano Shale	F/T	EXCO, Infrastructure Services, Women's Caucus	Ward 13	90%	10%
Cllr. Nonzwakazi Ngwanya	F/T	EXCO, Budget and Treasury Office, Women's Caucus	PR	99%	1%
Cllr. Patrick Zolile Bono	P/T	EXCO, SPU and Communications	Ward 18	98%	2%
Cllr. Thembeke Dyantyi	F/T	EXCO, Corporate Services, Women's Caucus	Ward 20	96%	4%
Cllr. Sicelo Class Maphasa	P/T	EXCO, Community Services	Ward 23	98%	2%
Cllr. Sibongiseni Baba	P/T	Municipal Public Accounts Committee	Ward 14	40%	60%
Cllr. Iris Ntlokomeleng	P/T	Women's Caucus, SPU and Communications	PR	80%	20%

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Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time	Committees Allocated	*Ward and/or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
	FT/PT			%	%
Maketela					
Cllr. Mokhameleli Elias Motloli	P/T	Public Participation and Petitions Committee	Ward 12	Deceased	
Cllr. Sikhumbuzo Vikwa	P/T	Public Participation and Petitions Committee	Ward 06	86%	14%
Cllr. Polelo Alfred Mohale	P/T	Budget and Treasury, EDP	PR	85%	15%
Cllr. Nobuhle Beauty Nkomo	P/T	Municipal Public Accounts Committee, Women's Caucus	PR	65%	35%
Cllr. Winnie Khopiso Leballo	P/T	Corporate Services, Women's Caucus	PR	90%	10%
Cllr. Noma-Roma Cornelia Ludidi-Mzonke	P/T	SPU and Communications, Women's Caucus	PR	84%	16%
Cllr. Nombulelo Albertina Ganya	P/T	Women's Caucus	PR	75%	25%
Cllr. Masechaba Margaret Tsoloane	P/T	Corporate Services Women's Caucus	From 20 October 2020	98%	2%
Cllr. Shumikazi Mary-Jane Mzozoyana	P/T	SPU and Communications, Women's Caucus	Ward 01	76%	24%
Cllr. Fikile Prudence Libaziso	P/T	MPAC, Women's Caucus	Ward 02	70%	30%
Cllr. Mdibanisi Johannes Mtoto	P/T	Economic Development and Planning,	Ward 03	99%	1%
Cllr. Nonceba Preticia Xaki	P/T	Community Services, Women's Caucus	Ward 04	88%	12%
Cllr. Thabo Patrick Likobela	P/T	SPU and Communications	Ward 05	98%	2%
Cllr. Cyprian Ntlantla Sithole	P/T	Budget and Treasury	Ward 07	70%	30%
Cllr. Paulos Tlhoriso Hloele	P/T	MPAC	Ward 08	98%	2%
Cllr. Nontlantla Ignatia Makhube	P/T	Budget and Treasury	Ward 09	97%	3%
Cllr. Cynthia Nokwanda Sambane	P/T	Community Services	Ward 10	70%	30%
Cllr. Alice	P/T	Economic Development	Ward 11	90%	10%

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Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time	Committees Allocated	*Ward and/or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
	FT/PT			%	%
Ntaoleng Mpopo		and Planning, Women's Caucus			
Cllr. Nontombi Mabindisa	P/T	Women's Caucus	Ward 12 From 14 June 2021	100%	0
Cllr. Nofihli Moshoeshoe	P/T	MPAC	Ward 15	85%	15%
Cllr. Lungisani Elias Nkamba	P/T	Community Services	Ward 16	95%	5%
Cllr. Xolani Mnconywa	P/T	Economic Development and Planning	Ward 17	93%	7%-
Cllr. Joey Graham van Wyhe	P/T	Corporate Services, Budget and Treasury	Ward 19	86%	14%
Cllr. Christopher Lulamile Nxesi	P/T	Infrastructure Services	Ward 21	Deceased	
Cllr. Thandanani Mantshule	P/T	Infrastructure Development & Planning	Ward 21 From 19 November 2020	100%	0
Cllr. Hazel Mncedi Mdingi	P/T	Infrastructure Services	Ward 22	88%	12%
Cllr. Ernest Kabelo Sepuhle	P/T	Corporate Services, Budget and Treasury	Ward 24	96%	4%
Cllr. Nomfusi Sylvia Nomzwakhe Paula	P/T	Infrastructure Services, Women's Caucus	Ward 25	76%	24%
Cllr. Thabiso Levy Mohoto	P/T	MPAC	Ward 26	95%	5%
Cllr. Kenneth Charles Biggs	P/T	Budget and Treasury, Rules and Orders	PR	92%	8%
Cllr. Wonga Bongekile Potwana	P/T	Corporate Services, Infrastructure Services, MPAC (28 March 2019 – 30 June 2019)	PR	89%	3%
Cllr. Tselane Felicia Mohatla	P/T	Community Services, SPU and Communications, Economic Development and Planning, Women's Caucus	PR	95%	5%

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Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
	FT/PT			%	%
Cllr. Tsepo Samuel Sheane	P/T	EDP	PR	72%	28%
Cllr. Joseph Mabula		Community Services, Infrastructure Services	PR	70%	30%
Cllr. Wele Clement Mdolomba	P/T	EXCO, Community Services, Economic Development and Planning, Infrastructure Services	PR	90%	10%
Cllr. Thobeka Constance Mshuqwana-Galo	P/T	MPAC	PR	70%	30%
Cllr. Sibamba-Ngazibini Mgolombane	P/T	Corporate Services, Budget and Treasury, Rules and Orders, Women's Caucus	PR	40%	60%
Cllr. Nozuko Njobe	P/T	Community Services, SPU and Communications, Budget and Treasury, Public Participation and Petitions Committee, Women's Caucus	PR	70%	30%
Cllr. Mzwamadoda Stanford Booi	P/T	EXCO, Infrastructure Services, Rules and Orders	PR	85%	15%
Cllr. Leonard Tumo Mothapa	P/T	Budget and Treasury	PR	85%	15%
Cllr. Nomakhephu Mosebetsane	P/T	Community Services, SPU and Communications, Public Participation and Petitions Committee, Women's Caucus	PR	88%	12%
Cllr. Lebohang Ezekiel Stuurman	P/T	Corporate Services, Rules and Orders	PR	95%	5%
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APPENDIX C –THIRD TIER ADMINISTRATIVE STRUCTURE

Third Tier Structure	
Directorate	Director/Manager (State title and name)
Directorate: Corporate Services	General Manager: Corporate Services – Mr. N. Xolo
	Manager: Human Resources Management – Mr. K Magadla
	Manager: Administration and Council Support - Ms. K. Blignaut
	Manager: Information Communication and Technology – (Vacant)
	Manager: Public Participation and Customer care – Mr. Mbokwana
Municipal Manager’s Officer	Municipal Manager: Mr. L Matiwane
	Manager: Communication and SPU – Ms. O. Gwanya
	Manager: Strategic Governance – Mr. S. Mbongonya
	Manager: Internal Audit – Ms. K Dzingwe
	Manager: Legal Services – (Vacant)
Directorate: Infrastructure Services	General Manager: Infrastructure Services – Mr. M Lehlehla
	Manager: PO&MM – Ms. N. Ntloko
	Manager: Human Settlement and Building Control – (Vacant)
	Manager: Electricity – Mr. Z. Gqamane
Directorate: Community Services	General Manager: Community Services – Mr. SM. Mbedla
	Manager: Environmental and Solid Waste Management – Ms. D. Leeu
	Manager: Public Safety - Mr. F. Ndinisa
	Manager: Public Amenities and EPWP - Ms. A. Ganya
Directorate: BTO	CFO – Mr. K. Mehlomakulu
	Manager: Budget Planning and Investment – Ms. P. Nonkevu
	Manager: SCM – Mr. Z. Mani
	Manager: Revenue and Expenditure Management – Ms. N. Majova
	Manager: Financial Reporting and Assets Management – Mr. S. Fokazi
Directorate: EDP	General Manager: EDP - Ms. T. Ntsalla

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Third Tier Structure	
Directorate	Director/Manager (State title and name)
	Manager: Planning and Development – Ms. T. Matela
	Manager: LED – Mr. V. Ndaba
	<i>TC</i>

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APPENDIX D – FUNCTIONS OF MUNICIPALITY / ENTITY

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	No	N/A
Building regulations	Yes	N/A
Child care facilities	No	N/A
Electricity and gas reticulation	Yes	N/A
Firefighting services	Yes	N/A
Local tourism	Yes	N/A
Municipal airports	No	N/A
Municipal planning	Yes	N/A
Municipal health services	No	N/A
Municipal public transport	No	N/A
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law	Yes	N/A
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto	No	N/A
Stormwater management systems in built-up areas	Yes	N/A
Trading regulations	Yes	N/A
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems	No	N/A
Beaches and amusement facilities	No	N/A
Billboards and the display of advertisements in public places	Yes	N/A
Cemeteries, funeral parlours and crematoria	Yes	N/A
Cleansing	Yes	N/A
Control of public nuisances	Yes	N/A
Control of undertakings that sell liquor to the public	Yes	N/A
Facilities for the accommodation, care and burial of animals	Yes	N/A

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Fencing and fences	Yes	N/A
Licensing of dogs	No	N/A
Licensing and control of undertakings that sell food to the public	Yes	N/A
Local amenities	Yes	N/A
Local sport facilities	Yes	N/A
Markets	No	N/A
Municipal abattoirs	No	N/A
Municipal parks and recreation	No	N/A
Municipal roads	Yes	N/A
Noise pollution	No	N/A
Pounds	Yes	N/A
Public places	Yes	N/A
Refuse removal, refuse dumps and solid waste disposal	Yes	N/A
Street trading	Yes	N/A
Street lighting	Yes	N/A
Traffic and parking	Yes	N/A
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APPENDIX E – WARD REPORTING

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
1.	Cllr. Shumikazi Mary-Jane Mzozoyana WARD COMMITTEES: Langa Yolisa Morai Sophia Tenene Nthofela Dwili Sindiswa Mlandu Avuyile Lepheana Makhothatso Mocheso Mpho Maphela Toka Mdibaniso Khonzaphi Skhafungana Xolani	Yes	1	1	1
2.	Cllr. Fikile Prudence WARD COMMITTEES Mokhele Mathakane Makabelo Moeti Skhafungana Noxolani Moso Fumane Makie Gcwabe Bulelwa Xorhile Mzwandile Phamotse Buthelezi Gidi Nomandla Rhigala Phumlile Maphela Nkeletseng	Yes	8	15	7
3.	Cllr M.J Mtoto WARD COMMITTEES Mangobe Thapelo Mnika Mercy Mraushe Kwanele Matsepe Nontsikelelo Korjas Phumzile	Yes	7	13	6

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	Marongo Nothozama Motitimi Rorisang Bomvana Nocawe Makatisi Novusumzi Qheya Yoliswa				
4.	Cllr. Nonceba Preticia Xaki WARD COMMITTEE Ntsheare Mpho Phoko Kubutoana Lekhoana Nyakallo Nzeleni Nontsikelelo Seshea Nontsikelelo Mokoatle Molebedi Kumuwenda Felleng Matsopa Thabang Brown Ntombizodwa Mfundisi Zanele	Yes	9	12	3
5.	Cllr. Thabo Patrick Lekobela WARD COMMITTEES Nomlala Nomvula Noqeda Mandisa Mpande Nombongo Letsoisa Thabang Magqinda Mamokoena Mbele Nothobile Pasekile Ngciva Majili Mazeka Sihle Nongwadi Phumzile Jona Nomsa	Yes	6	12	6
6.	Cllr. Sikhumbuzo Vikwa WARD COMMITTEES Vusumzi Mbangwa Paulina Ramatladi Litlhare Nthoba Matumelo Sekhothu Matshidiso Lepedi Nombuliso Khalala Matiisetso Koloko Kholeka Mnyameni Mamtolo Luggedeni Lindelwa Langeni	Yes	8	12	4
7.	Cllr. Cyprian Ntlantla Sithole WARD COMMITTEES Xathwana Mborwana Gibixhego Nosikhona	Yes	7	11	4

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	Jojo Margaret Jojo Nolingisa Macala Simangele Magwetshwana Nomasonto Mtshayelo Lindelwa Mthendele Noxolo Ndaleni Silindile Tyhali				
8.	Cllr. Paulos Tlhoriso Hloele WARD COMMITTEES Mookho Koloko Sejabafi Lesapo Moeketsi Dalane Zamicebo Phambaniso Khotsofalang Moroana Disebo Tsoeu Victoria Kula Victor Mohlala Puseletso Mabaleka Mamatsela Faro	Yes	3	7	4
9	Cllr. Nontlantla Ignatia Makhube WARD COMMITTEES Zithulele Matabane Xolisile Njomle Matshepiso Shelile Sizwe Ndzimande Nolindelo Manake Madodomzi Gxathwane Mablane Ndungane Mthokozisi Sthephula Patience Buyiswa Ngqweqwe Nomaphelo Nduku	Yes	8	13	5
10.	Cllr. Cynthia Nokwanda Sambane WARD COMMITTEES Nothembelani Fisani Nomaxabiso Madikane Mvuyisi Masela Mthobeli Ndzwangu Andile Qolo Mabindisa Nomthetheli Vukile Ntlokwana ManzoloThembeka Shumi Thembeni Msizi	Yes	9	13	4

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	Ndawoyonke Ngoma				
11.	Cllr Mokhameleli Elias Motloli WARD COMMITTEES Howard Mohodi Macaswell Tamane Mphathiswa Mkhangelwa Nomzwenkosi Ntsontso Sandile Facu Diketso Taoana Majosefa Nkoko Lungile Siphamla Zamuxolo Nqothe Nomenelisi Mabindisa	Yes	10	13	3
12.	Cllr. Alice Ntaoleng Mpopo WARD COMMITTEES Dieketseng Matee Thato Rapotlo Nomawethu Hlathuka Nomzamo Mcaciso Nnete Mpopo Kabelo Nkholise Bonang Ntsane Sindiswa Lepheana Moselantja Rankhakile Moholobela Posholi	Yes	11	15	4
13.	Cllr. Francina Shale WARD COMMITTEES Mpho Motsetsoana Sello Sepolo Skhafungana Nomzwardile (Nomzwakhe Nomzuvukile Pina Ntahleng Marae Nthateng Spaere Lekhetho Tenza Temolo Ntsole Mokoae Tekete Mamakhooa Kali	Yes	8	13	5
14.	Cllr Sibongiseni Baba WARD COMMITTEES Moselantja Matumane Buntubunzima Mfulana Mahlatsinyana Tokelo Mahloane Moqabanyi	Yes	6	11	5

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	Molefe Tlaleng Isac Mangoajane Leanya Teboho Molefe Matsoloane Lebenya Mapalla Ntlou Bataung Khofu				
15.	Cllr. Mofihli Moshoeshoe WARD COMMITTEE Thuso Lebenya Mbulelo Desemele Telang Morai Banele Ngqanga Mamorapeli Hoffman Noncedile Baba Macingwane Nosajini Magcina Ndlela Mamamello Hoffman Makabelo Moqokama	Yes	12	23	11
16.	Cllr. Lungisani Elias Nkamba WARD COMMITTEES Relebohile Sopoli Motlalepula Makamole Ngqwangi Pumla Andreas Motete Mathabo Lekena Dineo Lekhatlanya Mapasa Mokoena Sibongile Masiu Baholo Mokoqama Mankhobo Bolofu	Yes	8	12	4
17.	Cllr Xolani Mnconywa WARD COMMITTEES Manelisi Mawundu Xoliswa Matungana Gcobokazi Peter Zolani Ndawo Nobabini Mbangeni Ntombovuyo Thene Mthetheleli Mtwana Thobani Lupalule Mzawupheli Sibindi Nosicelo G. Jozi	Yes	6	13	7
18.	Cllr. Patrick Zolile Bono WARD COMMITTEES Eusebia Nyokana	Yes	12	23	11

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	Nonkazimlo Mabutyana Makhaya Tuswa Zanele Ndlela Ntombentsha Mgijima Nosidima Zamisa Lungiswa Dinana Winnie Sipika Mzwandile Mlobeli Xolisile Nyamakaz				
19	Cllr. Joey Graham Van Whye WARD COMMITTEES Nazir Schaik Lubanga TK David Jackson Winston Harper Pakama Evans Collen Morrison Nosisa Kotelana Chetty Jaydeen Myers Gerald Nikho Ndleleni	Yes	12	23	11
20	Cllr. Thembeke Dyantyi WARD COMMITTEES Ntsikelelo Dingindlela Marry Mokhesi Rorisang Moorosi Noluthando Mswazi Yandiswa Dayele Nosipho Makaluza Thaka Lekena Bathandwa Nobekwa Nozuko Kakaza Zamicebo Njobe	Yes	11	20	9
	Cllr. Christopher Lulamile Nxesi WARD COMMITTEES Nomfundiso Maqashalala Thembelani Nkomazana Nantombi Khathangana Fezile Njeje Xolani Novukela Fikiswa Xaki Momelezi Mnethu Yoliswa Njeje Ongeziwe Mavathulana	Yes	8	8	0

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	Neziswa Klaas				
22	Cllr. Hazel Mncedi Mdingi WARD COMMITTEES Farrent Genda Phatheka Cezula Nkanyiso Mamfengu Themvikosi Bekezulu Novile Mzilikazi Nomthandazo Manjingolo Nontlantsi Gege Athabile Magugu Liyolo Kraai Faniswa Nyamakazi	Yes	7	13	6
23	Cllr. Sicelo Class Maphasa WARD COMMITTEES Tembeka Sinxotho Tlhalefo Pitiri Thembaletu Memela Masupuli Kakole Portia Juqu Motseki Mokhachane Tsebiso Mokaloba Mbobo Viwe Diaboea Ramangoele Thembisile Matshingana	Yes	11	18	7
24	Cllr. Ernest Kabelo Seputle WARD COMMITTEES Moses Letele Buyisile Ndyalivane Simangele Sholoko Bothata Selela Thokozile Mahase Nodalikhaya Mbobo	Yes	11	22	11
25	Cllr. Nomfusi Sylvia Nomzwakhe Paula WARD COMMITTEES Mokoto Motsamai Lebina Moshoeshoe Marorisang Lekhula Malephoto Pilipili Khothatso Sekhosana Lucky Khakane Nkhekhe Mathaba Nombulelo Gcali Bongiwe Lepheana	Yes	6	12	6

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	Mita Mhlauli				
26	Cllr. Thabiso Levy Mohoto WARD COMMITTEES Marie Van Wyk Xoliswa Patience Ngwanya Zenzele Mkhotwana Sophie Marais Sizwe Vowana Thobeka Mgilana Noloyiso Booie Zamuxolo Mboqoka Gretta Mfene Busiswa Ndevu	Yes	11	19	8

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APPENDIX F – WARD INFORMATION

Top Four Service Delivery Priorities for Ward (Highest Priority First)		
No.	Priority Name and Detail	Progress During Year 2020/2021
1.	Electricity	Funding for rural electrification sourced and connected 4525 households.
2.	Roads	63.4 km gravel road planned were completed and Matatile CBD was at 34% overall progress.
3.	Water	Alfred Nzo District Municipality function
4.	Sanitation	Alfred Nzo District Municipality function
TF3		

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APPENDIX G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE YEAR 2020/2021

Municipal Audit Committee Recommendations		
Date of Committee	Committee recommendations during Year 2020/2021	Recommendations adopted (enter Yes) If not adopted (provide explanation)
29-Jul-20	1. That the recruitment proceedings (interviewing process) followed conducted respectively for the post of 4 x Audit Committee Members within the Office of the Municipal Manager be NOTED.	CR 1024/13/02/2020
28-Oct-20	That the Matatiele Local Municipality Audit Committee report for quarter 1 of the 2020/2021 financial year ended 30 September 2020 be adopted by the Council.	CR 1147/28/10/2020
29-Jun-21	That the Audit Committee report as at 29 June 2021 be adopted by the Council.	CR 1270/29/06/2021
29-Jun-21	1. Council to appoint a member of the Audit Committee with legal expertise with the name Adv. Lufuno Tokyo Nevondwe to be the Chairperson of the Disciplinary Board.	CR 1268/29/06/2021

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APPENDIX H – LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

Long Term Contracts (20 Largest Contracts Entered into during Year 2020/2021)					
					R' 000
Name of Service Provider (Entity or Municipal Department)	Description of Services Rendered by the Service Provider	Start Date of Contract	Expiry date of Contract	Project manager	Contract Value
NSK Electrical	Masupa (pre-eng) Epiphany & Phalane) Link Line Vikinduku, Sifolweni & Ngcwengane Link line	15/10/2020.		Mr. Gqamane	R 28 851 718.96
Thake Electrical	Ramafole Plantation (pre-Eng) Lukholweni, Mkhemane & Link Line Hillside-Manzi & Phalane	15/10/2020.		Mr. Gqamane	R 27 039 500,00
Igoda Projects	Ward 18 Extensions (Pre-Eng) Epiphany, Kesa & Sdakeni	15/10/2020		Mr. Gqamane	R 19 075 000,00
MN Africa JV Capital	Rockville (pre-eng). Vikinduku-Lubaleko	15/10/2020.		Mr. Gqamane	
UBILO General Trading t/a Ubilo Security	Provision of Security Services	16/06/2020		Ms. K Blignaut	R9,999,957.48
BTMN Engineers	Moiketsi (pre-eng) Motsing (pre-eng) Mavundleni (pre-eng) Mhlangeni-Mnqayi Phase 2	15/10/2020		Mr. Gqamane	R 7 365 281.04
Innovation	Electronic	18/11/2019		Mr.	R5,220,540.0

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Government Solutions (IGS)	Performance Systems and Cascading			Mbongonya	0
Khanya Africa Networks	Implementation of EDRMS, back Scanning for five financial years	22/11/2018			R 4 983 901.74
MUNSOFT	Provision of financial system	01/11/2016			R 3 500 000.00
					<i>T.H.1</i>

APPENDIX I – MUNICIPAL ENTITY/ SERVICE PROVIDER PERFORMANCE SCHEDULE

MONITORING OF THE PERFORMANCE OF SERVICE PROVIDERS/ Assessment of the performance of External Service Provider – JULY 2020 TO JUNE 2021.

Section 116 (2)(b) of MFMA

Contracts and contract management

116. (2) The accounting officer of a municipality or municipal entity must—

(b) monitor on a monthly basis the performance of the contractor under the contract or agreement;

The monitoring of the service provider performance is ensured through the signing of the Service Level Agreement. It is currently being done by user department levels. The end user department is providing monthly reports to the SCM unit as well. Service providers who fail to perform are reported to SCM and the necessary action is taken including the termination of the contract or cancellation of an order.

<i>Assessment Key</i>	
<i>Good (G)</i>	<i>The service has been provided at acceptable standards and within the time frames stipulated in the SLA/Contract</i>
<i>Satisfactory (S)</i>	<i>The service has been provided at acceptable standards and outside of the timeframes stipulated in the SLA/Contract</i>
<i>Poor (P)</i>	<i>The service has been provided below acceptable standards</i>

Contents

Bid Number	Name of external Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Value of project	Comparison with previous year 2019/2020		Current Financial Year 2020/2021		Assessment of Service Providers Performance		
					Target	Actual	Target	Actual	G	S	P
MATAT /2018/2019 -23	Innovation Government Solutions (IGS)	18 November 2019	<ul style="list-style-type: none"> Electronic Performance Systems and Cascading 	R5,220,540.00	<ul style="list-style-type: none"> Electronic Performance Systems and Cascading 	<ul style="list-style-type: none"> Uploading of Monthly and Quarterly performance and Portfolio of Evidence (POE) for each target set on the SBIP. Producing Mid-year and quarterly report. 	<ul style="list-style-type: none"> Electronic Performance Systems and Cascading 	<ul style="list-style-type: none"> Uploading of Monthly and Quarterly performance and Portfolio of Evidence (POE) for each target set on the SBIP. Producing Mid-year and quarterly report. 			
MATAT /2020/-23	BTMN Engineers	Contract Award letter was issued on the 15/10/2020.	Moiketsi (pre-eng) Motsing (pre-eng) Mavundle ni (pre-eng) Mhlangeni-Mnqayi Phase 2	R 7 365 281.04	N/A	N/A	Project Management (Conducting site meeting & Progress reporting).	Site meetings were not conducted as the Service providers were still busy with site establishment			
	MN Africa JV	Contract Award	Rockville (pre-eng).	R 11 168 500,00	N/A	N/A	Project Management	Site meetings were not			

Contents

	Capital	letter was issued on the <u>15/10/2020</u> .	Vikinduku-Lubaleko				(Conducting site meeting & Progress reporting).	conducted as the Service providers were still busy with site establishment		
	NSK Electrical	Contract Award letter was issued on the <u>15/10/2020</u> .	Masupa (pre-eng) Mapoti (pre-eng) Epiphany & Phalane) Link Line Vikinduku, Sifolweni & Ngcwengane Link line Mafayise Mafayise Link line Sifolweni Ngcwengane}	R 28 851 718.96	N/A	N/A	Project Management (Conducting site meeting & Progress reporting).	Site meetings were not conducted as the Service providers were still busy with site establishment		
	Igoda Projects	Contract Award letter was issued on the <u>15/10/2020</u> .	Ward 18 Extensions (Pre-Eng) Epiphany Kesa & Sdakeni	R 19 075 000,00	N/A	N/A	Project Management (Conducting site meeting & Progress reporting).	Site meetings were not conducted as the Service providers were still busy with site establishment		
	Thake Electrical	Contract Award	Ramafole Plantation	R 27 039 500,00	N/A	N/A	Project Management	Site meetings were not		

Contents

		letter was issued on the <u>15/108/2020</u> .	(pre-Eng) Lukholwe ni Mkheman e & Link Line Hillside-Manzi Phalane				(Conducting site meeting & Progress reporting).	conducted as the Service providers were still busy with site establishment		
MATAT 2020/21-124	Makalane Trading Enterprise	18/02/2021	12 months	R159 930.00	Cleaning & Maintenance of Public toilets and Supply of Toilet paper at Maluti Taxi Rank	Public toilets were cleaned daily and repairs and replacements were done as part of maintenance.	Cleaning & Maintenance of Public toilets and Supply of Toilet paper	Public toilets were cleaned daily and repairs and replacements were done as part of maintenance in the month as of 31 July 2021		
MATAT 2020/21-126	Two Brothers Trading and Projects	18/02/2021	12 months	R145 000.00	Cleaning & Maintenance of Public toilets and Supply of Toilet paper in Harry Gwala Taxi Rank	Public toilets were cleaned daily and repairs and replacements were done as part of maintenance.	Cleaning & Maintenance of Public toilets and Supply of Toilet paper	Public toilets were cleaned daily and repairs and replacements were done as part of maintenance as of 31 July 2021		
MATAT 2020-2021-125	Mlambo Groove and Cocktail	18/02/2021	12 months	R194 800.00	Cleaning & Maintenance of Public toilets and Supply of Toilet paper in CBD Coffee Pot Rank	Public toilets were cleaned daily and repairs and replacements were done as part of maintenance.	Cleaning & Maintenance of Public toilets and Supply of Toilet paper	Public toilets were cleaned daily and repairs and replacements were done as part of maintenance as of 31 July 2021		
MATAT	Setha	23/06/2021	08	R176 000	N/A	N/A	Cleaning &	Public toilets		

Contents

2020-2021-183	Group	1	months	0.00			Maintenance of Public toilets and Supply of Toilet paper	were cleaned daily and repairs and replacements were done as part of maintenance as of 31 July 2021			
	AMAYEZ A	26 May 2021	Waste removal in residential area (Maluti)	R2 516 609.28	To clean streets and collect waste ,clean drains in Maluti Residential area	Cleaning and sweeping done on tarred roads. Waste collected and disposed twice a week. Cleaning of drains in Maluti Residential area	To clean, sweep streets and collect waste for disposal in the landfill site as well as clean drains in the Maluti Residential area	Cleaning collection of waste done twice a week. Waste collected and Cleaning of drains still need working on.			
	Landa and Amyo Projects	26 May 2021	Waste removal in residential area	R2 503 000.00	To clean, sweep streets and collect and dispose waste as well as open drains in Njongweville, Itsokolele, North End, Buxton Park and Matatiele Residential area.	Cleaning and Waste removal in Njongweville, Itsokolele, North End, Buxton Park and Matatiele Residential area done.	To clean, sweep streets and collect and dispose waste as well as open drains in Njongweville, Itsokolele, North End & Dark city.	Cleaning and waste removal done, service provider was emptying waste in our skips, they have been engaged to fix error. Service provider was engaged & told to clean drains.			
	Tshani Town and Regional planners	01 November, 2014	Inception report Pre-surveys and land identification study	497 679.00	Opening and Gazetting of Township register for Cedarville	Submission of application to Municipal Planning Tribunal sub done by June, 2020	Amendment of SLA (by Municipality) Suvey of township and opening township register	Letter of extension issued to the service provider- Project to commence in August			

Contents

			reports Draft township layout plans Approval of township establishment application, approval of general plans, township register							
	Complan Town and Regional Planners	03/02/17 (Middle income) 14 December, 2016 (Commercial Development)	Inception report Pre-surveys and land identification study reports Draft township layout plans Approval of township establishment application, approval	473 100.00	Opening and Gazetting of Township register for Cedarville and Matatiele	Project not done	SLA amendment by Municipality Finalisation of outstanding activities – undertake studies, survey of township	Processes for SLA amendment are on progress		

Contents

			of general plans, township register								
	Button O'Connor land surveyors	17 July, 2019 (3 year contract)	Undertake land survey activities	Rates per activity	Undertake land survey activities (closure and rezoning of open spaces, survey of municipal properties, relocation of unsuitable sites)	Land survey activities were undertaken (closure and rezoning of open spaces, subdivision of land parcels etc)	Rezoning of 15 land parcels	List of 19 sites compiled and submitted to the service provider			
	INGQAYI DESIGN ECONOMIC PARTNERSHIP	06th January 2021	Review of land audit	1 895 500.00	Review of land Audit	Review is in progress	Review of land audit	Audit report submitted and meeting held by Steering Committee and also to Stanco on 15/07/21			
RT 25	MUNSOFT	01 November 2016	Yes	R3,5m	Provision of financial system	Financial system was provided as required	Provision of financial system	Financial system is operating and consultation support is provided by the system provider on a daily bases			
	OmniRisk Solutions	01 November 2020	Insurance Cover of municipal assets	R1 960 000 and as per App letter	Insurance of procured assets	Insurance of assets and Submitted claims are attended to.	100% insurance cover of municipal assets as per council policy by	Assets Management Report detailing all assets			

Contents

				condition s.			30 June 2022.	additions which are added onto the FAR. A list of newly acquired assets submitted to Indwe Risk Services for insurance cover.		
	Protea Consulting	May 2019	Panel for financial management and accounting services	Panel rates	Implementation of tasks allocated as per letter of instruction.	Implementing tasks allocations according to specifications and progress report submitted and discussed.	Prepare & submit quarter 3GRAP compliant Interim Financial Statements.	Draft AFS GRAP complaint 2020/2021 to be submitted on the 25 August 2021 to Internal Audit, Audit Committee for reviews and comments. Final AFS will be submitted to AGSA on the 31 October 2021.		
	Sondlo CA	May 2019	Panel for financial management and accounting services	Panel rates	Implementation of tasks allocated as per letter of instruction.	Implementing tasks allocations according to specifications and progress report submitted and discussed.	MSCOA compliant transacting and Update Assets Register to achieve GRAP compliant FAR by 30 June 2022.	Fixed Assets Register as at end of June 2021 is updated with all the additions, depreciation calculation and data clean up. Also the Trial Balance is balancing with General Ledger transactions		

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								evident from MSCOA actuals balancing to zero.			
	Mathew Francis Incorporated	Contract expired on the 25 th of June 2021	Provision of legal services on civil law matters	R1710 Hourly rate	Provide legal services on civil law matters	Provision of Legal advice and legal representation in court proceedings	Provide Legal services on civil matters	Provision of Legal advice and legal representation in court applications and action proceedings Bigen Africa, Joubert; Lubbe Construction)			
	Wesley Pretorius and Associates	Contract expired on the 25 th of June 2021	Provision of legal services on civil law matters	R2250 hourly rate	N/A	N/A	Provide Legal services on civil matters	Provide legal advice (DCT Nakin v MLM)			
	UBILO General Trading t/a Ubilo Security	16 June 2020	Yes	R9,999,957.48	N/A	N/A	[1] Provision of Security Services for a period of one (1) year for the Matatiele Local Municipality (MLM) (70 Guards x 28 sites) [2] Provision of two (2) security supervisors per shift on any given day of the week [3] Provision of	The service has been provided below acceptable standards			

Contents

							two (2) Armed Response guards (Grade C) [4] Provision of two (2) Cash-in-transit guards – (Grade B)				
2018/2019-20	Vodacom	30 November 2018	Cellular phone and mobile Data cards	R 123 956.63	To provide voice lines and data lines to managers and staff as when and required	53 Voice and 58 Data lines were provided to managers and staff.	To provide voice lines and data lines to managers and staff as when and required	N/A			
	Telkom	02/4/2019	Telephones and speed dial access	R2 762 383.20	To provide 99.99% uptime on 133 telephone extensions and 119 speed dials	99.99% uptime on telephone extensions and speed dials was provided	To provide 99.99% uptime telephone extensions and speed dials	99.99% uptime on telephone extensions and speed dials was provided			
	SAGE-VIP	01/03/2020	Provision of Human Capital System	R 795 359.06	To provide 100% mSCOA compliant human capital system	There is no seamless integration between VIP and Munsoft. VIP is not 100% mSCOA compliant	To provide 100% mSCOA compliant human capital system	There is no seamless integration between VIP and Munsoft. is not 100% mSCOA compliant			
2017/2018-27	Khanya Africa Networks	22/11/2018	Implementation of EDRMS, back Scanning for five financial	R 4 983 901.74	To scan Payment vouchers, develop workflows, supply scanners, install the	Payment vouchers were scanned, workflow developed, scanners supplied, server and client installed	Scan payment vouchers, creditors workshop, workflow refinements, Provision of more licenses	Scanned payment vouchers, creditors workshop, workflow refinement, workshop was			

Contents

			years (2013/14 - 2018/19)		server and client			held for creditors and Assets		
			Develop ment of workflo ws, integratio n to Munso ft							
<i>Matat/2020 /2021-39</i>	Prime Business Investmen ts CC	<i>23 June 2021</i>	<i>Yes</i>	R642 80 4	N/A	N/A	<ol style="list-style-type: none"> 1. Formulation of a project implementation plan in accordance with the terms of reference. 2. Ensure properly specified project planning for sample sizing, instrument administration, data capturing, and data analysis and 	<ol style="list-style-type: none"> 1. Formulation of a project implementation plan in accordance with the terms of reference. 2. Ensure properly specified project planning for sample sizing, instrument administration, data capturing, and data analysis and interpretation. 3. Categorization of municipal customers. 4. Design and formulation of customer satisfaction 		

Contents

							<p>interpretation.</p> <p>3. Categorization of municipal customers.</p> <p>4. Design and formulation of customer satisfaction survey/market research tools.</p> <p>5. Presentation of survey/research tools for endorsement by management.</p> <p>6. Conduct a Survey/research covering a representative sample drawn from all its categories</p>	<p>survey/market research tools.</p> <p>5. Presentation of survey/research tools for endorsement by management.</p> <p>6. Conduct a Survey/research covering a representative sample drawn from all its categories of consumers in the 26 wards of the municipality.</p> <p>7. Conduct a customer satisfaction survey/market research in all 26 wards based participants.</p> <p>8. Distribution of approved customer satisfaction/research survey tools to all identified participants.</p>		
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APPENDICES

APPENDIX K (i): REVENUE COLLECTION PERFORMANCE BY VOTE

Revenue Collection Performance by Vote						
Vote Description	Year 2019/20	Current: Year 2020/21			Year 2020/2021 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Vote 1 - Executive and council	0	0	0	0	0	0
Vote 2 - Budget and Admin	232 576 842	304 858 875	270 300 026	273 926 910	270 300 026	273 926 910
Vote 3 - Corporate	3 614 826	380 000	380 000	3 569 647	380 000	3 569 647
Vote 4 - Development and Planning	638 318	625 000	525 000	864 841	525 000	864 841
Vote 5 - Community	14 051 160	19 096 760	20 108 960	14 878 028	20 108 960	14 878 028
Vote 6 - Infrastructure	181 361 190	154 735 833	162 648 975	159 106 490	162 648 975	159 106 490
Vote 7 - Internal Audit	0	0	0	0	0	0
Example 9 - Vote 9						
Example 10 - Vote 10						
Example 11 - Vote 11						
Example 12 - Vote 12						
Example 13 - Vote 13						
Example 14 - Vote 14						
Example 15 - Vote 15						
Total Revenue by	432					

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Vote	242	479 696	453 963	452 346	453 963	452 346
<i>T K.1</i>						

APPENDIX J – DISCLOSURES OF FINANCIAL INTERESTS

Disclosures of Financial Interests		
Period 1 July to 30 June of Year 2019/2020 (Current Year)		
Position	Name	Description of Financial interests* (Nil / Or details)
(Executive) Mayor	Cllr. M.M. Mbedla	Yes
Member of MayCo / Exco	Cllr N. Ngwanya	Yes
	Cllr. T. Dyantyi	Yes
	Cllr. N.A. Nkukhu	Yes
	Cllr. M.C. Setenane	Yes
	Cllr. S.C. Maphasa	Yes
	Cllr. W. C. Mdolomba	No
	Cllr. S.M. Mzozoyana	Yes
	Cllr. K.C. Biggs	No
	Cllr. M.S. Booi	Yes
Councillor		
	Cllr. P.A. Mohale	Yes
	Cllr. S. Mngenela	No
	Cllr. N. Mshuqwana	Yes
	Cllr. N.B. Nkomo	No
	Cllr. W.K. Leballo	No
	Cllr. I.N. Maketela	No
	Cllr. N.C. Ludidi Mzonke	No
	Cllr. N.A. Ganya	No
	Cllr. F.P. Libaziso	Yes
	Cllr. M.J. Mtoto	Yes
	Cllr. N.P. Xaki	Yes
	Cllr. T.P. Likobela	Yes
	Cllr. S. Vikwa	Yes

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	Cllr. C.N. Sithole	Yes
	Cllr. PT. Hloele	Yes
	Cllr. N.I. Makhube	Yes
	Cllr. SC.N. Sambane	Yes
	Cllr. M.E. Motloli	Yes
	Cllr. A.N. Mpopo	Yes
	Cllr. F. Shale	No
	Cllr. S. Baba	Yes
	Cllr. N. Moshoeshoe	Yes
	Cllr. L.E. Nkamba	Yes
	Cllr. X. Mnconywa	Yes
	Cllr. P.Z. Bono	No
	Cllr. J.G. Van Whye	Yes
	Cllr. C.L. Nxesi	Yes
	Cllr. H.M. Mdingi	No
	Cllr. S.C. Maphasa	No
	Cllr. E.K. Sepuhle	Yes
	Cllr. N.S. Paula	Yes
	Cllr. T.L. Mohoto	Yes
	Cllr. W.B. Potwana	No
	Cllr. T.F. Mohatla	Yes
	Cllr. T. Molefe	Yes
	Cllr. J. Mabula	Yes
	Cllr. T.S. Mshuqwana-Galo	Yes
	Cllr. S. Mgolombane	No
	Cllr. N. Njobe	No
	Cllr. L.T. Mothapa	Yes
	Cllr. N. Mosebetsane	Yes
	Cllr. L.E. Stuurman	Yes
Municipal Manager	Mr. L Matiwane	Yes
Chief Financial Officer	Mr. K. Mehломakhulu	Yes
Other S57 Officials		
	Mr. S.M. Mbedla	Yes
	Miss. T. Ntsalla	Yes
	Mr. N.R. Xolo	Yes
	Mr. M. Lehlehla	Yes
		<i>TJ</i>

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APPENDIX K: REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE

APPENDIX K (ii): REVENUE COLLECTION PERFORMANCE BY SOURCE

Revenue Collection Performance by Source						
Description	Year 2019/2020	Year 2020/2021			Year 2020/2021 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Property rates	23 042	48 190	48 190	46 575	-3%	-3%
Service charges - electricity revenue	8 456	53 291	53 291	57 095	7%	7%
Service charges - water revenue	13 219	-	-	-	-	-
Service charges - sanitation revenue	12 097	-	-	-	-	-
Service charges - refuse revenue	6 346	15 526	15 526	11 531	-35%	-35%
Service charges - other	1 510	-	-	-	-	-
Rental of facilities and equipment	5 304	500	1 245	2 109	76%	41%
Interest earned - external investments	5 304	14 650	14 650	8 825	-66%	-66%
Interest earned - outstanding debtors	4 630	11 799	11 799	13 357	12%	12%
Dividends received	9 554	-	-	-	-	-
Fines, penalties and forfeits	1 354	2 094	2 094	760	-176%	-176%
Licences and permits	2 340	4 525	4 525	3 787	-19%	-19%
Agency services	6 640	-	-	-	-	-
Transfers and subsidies	11 542	256 212	309 524	306 535	16%	-1%

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Other revenue	2 402	1 608	1 608	873	-84%	-84%
Gains on disposal of PPE	46 115	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	159 856	408 394	462 450	451 447	9,54%	-2,44%
<i>T K.2</i>						

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APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

Conditional Grants: excluding MIG R' 000						
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustments Budget	
Neighbourhood Development Partnership Grant	0	0	0	0	0	0
<i>INEP</i>	41,160	45,042	39,197	95%	87%	0
<i>FMG</i>	1,700	-	1,700	100%	0%	0
Public Transport Infrastructure and Systems Grant	0	0	0	0	0	0
<i>Other Specify:</i>	0	0	0	0	0	0
<i>Equitable share</i>	197,839	245,887	211,716	107%	86%	0
<i>EPWP</i>	3,185	-	3,185	100%	0%	0
Total	243, 884	290,929	255,798	4.88%	-12.08%	0
						T L

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APPENDIX M: CAPITAL EXPENDITURE – NEW & UPGRADE/RENEWAL PROGRAMMES

APPENDIX M (i): CAPITAL EXPENDITURE - NEW ASSETS PROGRAMME

Capital Expenditure - New Assets Programme*							
R '000							
Description	Year 2019/2020	Year 2020/2021			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
Capital expenditure by Asset Class	0	0	0	0	0	0	0
Infrastructure – Total	0	0	0	0	0	0	0
Infrastructure: Road transport – Total	0	0	0	0	0	0	0
<i>Roads, Pavements & Bridges</i>	65222	59,669	80,368	67,715	82,417	90,000	95,000
<i>Storm water</i>	0	0	0	0	0	0	0
Infrastructure: Electricity – Total	0	0	0	0	0	0	0
<i>Generation</i>	57,409	78,040	65,922	48,912	97,500	55,000	57,000
<i>Transmission & Reticulation</i>	0	0	0	0	0	0	0
<i>Street Lighting</i>	0	0	0	0	0	0	0
Infrastructure: Water – Total	0	0	0	0	0	0	0
<i>Dams & Reservoirs</i>	0	0	0	0	0	0	0
<i>Water purification</i>	0	0	0	0	0	0	0
<i>Reticulation</i>	0	0	0	0	0	0	0

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Infrastructure: Sanitation – Total	0	0	0	0	0	0	0
<i>Reticulation</i>	0	0	0	0	0	0	0
<i>Sewerage purification</i>	0	0	0	0	0	0	0
Infrastructure: Other – Total	0	0	0	0	0	0	0
<i>Waste Management</i>	0	0	0	0	0	0	0
<i>Transportation</i>	0	0	0	0	0	0	0
<i>Gas</i>	0	0	0	0	0	0	0
<i>Other</i>	0	0	0	0	0	0	0
Community – Total	0	0	0	0	0	0	0
Parks & gardens	0	0	0	0	0	0	0
Sports fields & stadia	718	5,025	8,274	5,422	0	3, 000	3,500
Swimming pools	0	0	0	0	0	0	0
Community halls	179	0	0	0	0	0	0
Libraries	0	0	0	0	0	0	0
Recreational facilities	0	0	0	0	0	0	0
Fire, safety & emergency	0	0	0	0	0	0	0
Security and policing	0	0	0	0	0	0	0
Buses	0	0	0	0	0	0	0
Clinics	0	0	0	0	0	0	0
Museums & Art Galleries	0	0	0	0	0	0	0
Cemeteries	0	1,050	1,050	50	0	0	0
Social rental housing	0	0	0	0	0	0	0
Other	9,663	10,358	9,358	3,755	6,715	9,375	8,420
<i>Table continued next page</i>							

Table continued from previous page

Capital Expenditure - New Assets Programme*
R '000

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Description	Year 2018/2019	Year 2019/2020			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
Capital expenditure by Asset Class	0	0	0	0	0	0	0
Heritage assets – Total	0	0	0	0	0	0	0
Buildings	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0
Investment properties – Total	0	0	0	0	0	0	0
Housing development	0	0	0	0	0	0	0
Other	154	0	0	0	0	0	0
Other assets	0	0	0	0	0	0	0
General vehicles	0	3,380	3,380	3,688	0	1 100	0
Specialized vehicles	0	0	0	0	800	0	0
Plant & equipment	0	1,700	154	115	0	0	0
Computers - hardware/equipment	0	1,550	1,696	1,583	4 797	0	0
Furniture and other office equipment	0	540	779	377	643	0	0
Abattoirs	0	0	0	0	0	0	0
Markets	0	0	0	0	0	0	0
Civic Land and Buildings	0	13,000	17,728	16,067	0	0	0
Other Buildings	0	0	0	0	0	0	0
Other Land	0	0	0	0	0	0	0
Surplus Assets - (Investment or Inventory)	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0
Agricultural assets	0	0	0	0	0	0	0
<i>List sub-class</i>	0	0	0	0	0	0	0

APPENDICES

Biological assets	0	0	0	0	0	0	0
<i>List sub-class</i>	0	0	0	0	0	0	0
Intangibles	0	0	0	0	0	0	0
Computers - software & programming	0	0	0	0	0	0	0
Other (<i>list sub-class</i>)	0	0	0	0	0	0	0
Total Capital Expenditure on new assets	133,347	174,313	188,712	147,687	R192,873	158,475	163,920
Specialized vehicles	0	0	0	0	0	0	0
Refuse	0	0	0	0	0	0	0
Fire	0	0	0	0	0	0	0
Conservancy	0	0	0	0	0	0	0
Ambulances	0	0	0	0	0	0	0

T M.1

APPENDIX M (ii): CAPITAL EXPENDITURE – UPGRADE/RENEWAL PROGRAMME

Capital Expenditure - New Assets Programme*							
Description	Year 2019/2020	Year 2020/2021			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
Capital expenditure by Asset Class	0	0	0	0	0	0	0
Infrastructure – Total	0	0	0	0	0	0	0
Infrastructure: Road transport – Total	0	0	0	0	0	0	0

APPENDICES

<i>Roads, Pavements & Bridges</i>	65222	59,669	80,368	67,715	82,417	90,000	95,000
<i>Storm water</i>	0	0	0	0	0	0	0
Infrastructure: Electricity – Total	0	0	0	0	0	0	0
<i>Generation</i>	57,409	78,040	65,922	48,912	97,500	55,000	57,000
<i>Transmission & Reticulation</i>	0	0	0	0	0	0	0
<i>Street Lighting</i>	0	0	0	0	0	0	0
Infrastructure: Water – Total	0	0	0	0	0	0	0
<i>Dams & Reservoirs</i>	0	0	0	0	0	0	0
<i>Water purification</i>	0	0	0	0	0	0	0
<i>Reticulation</i>	0	0	0	0	0	0	0
Infrastructure: Sanitation – Total	0	0	0	0	0	0	0
<i>Reticulation</i>	0	0	0	0	0	0	0
<i>Sewerage purification</i>	0	0	0	0	0	0	0
Infrastructure: Other – Total	0	0	0	0	0	0	0
<i>Waste Management</i>	0	0	0	0	0	0	0
<i>Transportation</i>	0	0	0	0	0	0	0
<i>Gas</i>	0	0	0	0	0	0	0
<i>Other</i>	0	0	0	0	0	0	0
Community – Total	0	0	0	0	0	0	0
<i>Parks & gardens</i>	0	0	0	0	0	0	0

APPENDICES

Sports fields & stadia	718	5,025	8,274	5,422	0	3, 000	3,500
Swimming pools	0	0	0	0	0	0	0
Community halls	179	0	0	0	0	0	0
Libraries	0	0	0	0	0	0	0
Recreational facilities	0	0	0	0	0	0	0
Fire, safety & emergency	0	0	0	0	0	0	0
Security and policing	0	0	0	0	0	0	0
Buses	0	0	0	0	0	0	0
Clinics	0	0	0	0	0	0	0
Museums & Art Galleries	0	0	0	0	0	0	0
Cemeteries	0	1,050	1,050	50	0	0	0
Social rental housing	0	0	0	0	0	0	0
Other	9,663	10,358	9,358	3,755	6,715	9,375	8,420
<i>Table continued next page</i>							

APPENDICES

APPENDIX N – CAPITAL PROGRAMME BY PROJECT YEAR 2020/2021

Capital Projects	Year 2020/2021				
	Budget	Adjustment	Actual Expenditure	Variance from original budget	Total Project Value
		Budget			
Lufefeni Electrification_(CRR)	-	311 200,00	256 188,65	100%	311 200,00
Mngeni Electrification (CRR)	-	2 965 070,00	2 343 410,66	100%	2 965 070,00
Zitapile Electrification (CRR)	-	72 510,00	63 054,78	100%	72 510,00
Mahareng Chere (CRR)	-	193 600,00	51 624,78	100%	193 600,00
Makhoba Electrification_(CRR)	-	3 944 412,00	3 699 571,62	100%	3 944 412,00
NICE FIELD	-	400 000,00	260 404,80	100%	400 000,00
Sehlabeng Electrification (CRR)	-	3 617 160,00	3 337 836,03	100%	3 617 160,00
Shenxa Electrification	6 000 000,00	6 101 940,00	4 455 678,49	-35%	6 101 940,00
Mohapi #2 Electrification	3 999 996,00	1 921 971,00	1 184 465,76	-238%	1 921 971,00
Vikinduku Lubaleko	-	9 000 000,00		-	-
Small Location-Mpofini	9 000 000,00	9 000 000,00	7 826 086,96	-15%	9 000 000,00
Mnyamaneni	7 200 000,00	7 200 000,00	6 260 445,70	-15%	7 200 000,00
Mbombo Electrification	7 128 000,00	7 128 000,00	6 198 260,88	-15%	7 128 000,00
sport centre	3 999 996,00	7 329 212,00	5 016 812,93	20%	7 329 212,00

APPENDICES

Ngcwengane bridge	459 996,00	3 179 762,00	927 431,63	50%	3 179 762,00
Mahangu access road & bridge	2 499 996,00	391 996,00	391 305,61	-539%	391 996,00
Nkasela access road	8 000 004,00	6 661 330,00	5 632 507,60	-42%	6 661 330,00
Moiketsi access road	2 499 996,00	3 044 996,00	2 417 554,78	-3%	3 044 996
Mkhemane access road	6 000 000,00	6 794 000,00	5 674 082,74	-6%	6 794 000,00
Matatiele cbd internal streets -phase 2	3 999 996,00	5 976 351,00	4 606 013,59	13%	5 976 351,00
Msukeni access road	2 000 004,00	2 940 004,00	2 605 262,79	23%	2 940 004
Lagrange Pedestrian Bridge	480 000,00	810 000,00	310 196,89	-55%	810 000,00
Cedarville Sports Centre	975 000,00	645 000,00	305 815,01	-219%	645 000,00
Matatiele CBD Internal Streets - Phase 3	999 996,00	1 100 000,00			1 100 000
Maluti Internal Streets -Phase 4	15 000 000,00	19 645 137,00	17 703 427,00	15%	19 645 137,00
Cedarville Internal Roads Phase 3	7 229 196,00	11 895 397	13 395 892	46%	11 895 397,00
Outsourced	2 499 996,00	299 996,00	122 492,94	-1941%	299 996,00
Purutle - Moyeni Access Road and Bridge	2 499 996,00	399 996,00	287 688,89	-769%	399 996,00
Magonqolweni access road	2 499 996,00	4 310 000,00	3 961 448,43	37%	4 310 000,00
Harry gwala park access road mig	2 000 004,00	1 320 004,00	1 319 789,50	-52%	1 320 004,00
Fobane Access Road	-	2 100 000,00	1 445 850,00	100%	2 100 000,00
Upgrade Luxeni Access Road	-	1 100 000,00	677 540,00	100%	1 100 000
Moqobi Access Road	-	1 300 000	1 003 577	100%	1 300 000

APPENDICES

APPENDICES

APPENDIX O – CAPITAL PROGRAMME BY PROJECT BY WARD YEAR 2020/2021

IDP. REFERENCE	ANNUAL TARGET	PROJECT NAME	WARD	2020/21
		Small Location-Mpofini (500)	22	R9,000,000.00
		Shenxa (428)	26	R 6,101,936.10
		Mohapi #2 (350)	13	R 2,187,778.17
		Mt View Substation	19	R500,000
		Lufefeni Electrification (380)	5	R311,197
		QILI Electrification (382)	18	R1,606,328
		Sehlabeng Electrification (300)	4	R3,617,162
		Makhoba Electrification (435)	9	R3,944,412
		Mahareng Chere Electrification (95)	14	R193,601
		Mngeni Electrification (570)	7	R2,965,073
PIG102.06	Replacement of 3 Transformers, substation switch gears, 50 x electrical poles, and {1500m MV Paper Cable by 30 June 2021	3 x Transformers	19 & 20	R950 000.00
		1500 m MV Paper Cable)	19& 20	R300 000.00

APPENDICES

		Substation –Switch gears	19 & 20	R1,500 ,000.00
		Christmas Lights	19	R 250 000.00
PIG102.07	Replace 100 Street Lights & 6 High Mast Lights in Matatiele CBD by 30 June 2021	Replacement of 100 Street Lights & 6 High Mast Lights	01 ,26 & 19	R 2,500 000.00
PIG103.01	95% construction of Matatiele Sport center completed by 30 June 2020	Construction of 6400m ² Extension of Matatiele Sport Center	19	R4,000,000.00

IDP. REFERENCE	ANNUAL TARGET	PROJECT NAME	WARD	2020/21
	95% construction of Hasera Access Road by 30 June 2021	Construction of 7km Hasera Access Road	11	R1,600,000
	95% Construction of Moqobi Access Road by 30 June 2021	Construction of 4.7km Moqobi Access Road	12	R1,300,000
	95% Construction of Upgrade Fobane Access Road by 30 June 2021	Upgrade 5.1 km of Fobane Access Road	23	R2,500,000
	95 % Construction of Mateu Access Road by 30 June 2021	Construction of 4.7km Mateo Access Road	8	R1,100,000
PIG102.02	100% construction of Ngcwengane bridge completed by 30 June 2021	Construction of 14m Ngcwengane Bridge	7	R460,000.00
	100% construction of LaGrange pedestrians bridge completed by 30 June 2021	Construction of LaGrange pedestrians Bridge	7	R480,000.00
PIG102.03	95% construction of Cedarville Internal Streets-Phase 3 of surfaced road completed by 30 June 2021	Construction of 5 km Cedarville Internal Streets-Phase 3	26	R11 245, 000.00
	95% completion of Maluti Internal Streets-Phase 4 of	Construction of 5 km Maluti Internal Streets- Phase 4	01	R 21 981

APPENDICES

	surfaced roads by 30 June 2021			393.00
	100% completion of Matatiele internal Streets-Phase 2 streets by 30 June 2021	Construction of 5km Matatiele internal streets- Phase 2	19	R 5 492 032.00
	10% completion of Matatiele internal Streets-Phase 3 streets by 30 June 2021	Construction of 5km Matatiele internal streets- Phase 3	19	R 1 690 774.00
	10% completion of Harry-Gwala internal Streets-by 30 June 2021	Construction of 5km Harry Gwala internal streets	20	R2,000 000.00
	95% Re-Surfacing of Matatiele Streets by 30 June 2021	Matatiele internal streets resurfacing	19	R 1,500,000.00
PIG103.02	100% construction of Cedarville Sport center completed by 30 June 2021	Construction of 6400m ² Cedarville Sport Center	26	R975,000.00
PIG102.05	Connect 4750 households in Ward 5,7,9,13,18 & 22 by 30 June 2021	Mbombo (396)	9	R7,128,000.00
		Mnyamaneni (Kesa, Sdakeni) : (400)	18	R7,200 000.00
		Matiase B (Mhlangeni, Vimba,Mavundleni,Mnqayi) 514HH	9	R9,263,000.00

IDP. REFERENCE	ANNUAL TARGET	PROJECT NAME	WARD	2020/21
PIG102.02	80% construction of Nkasela access road completed by 30 June 2021	Construction of 9 km Nkasela access road	04	8 000 000
	95% construction of Mkhemane access road completed by 30 June 2021	Construction of 5,6km Mkhemane access road	22	R 6000, 000

APPENDICES

95% construction of Moiketsi access road completed by 30 June 2021	Construction of 6km Moiketsi access road	14	R2,5 ,000.00
80% Construction of Magonqolweni road complete by 30 june 2021	Construction of magonqolweni accesss road	10	R2,5000,000.00
80% Construction of Msukeni access road complete by 30 june 2021	Construction of Msukeni access road	21	R2,000,000.00
20% Construction of Mohapi access road complete by 30 june 2021	Construction of 4.6 km Mohapi access	13	R2,500,000.00
20% Construction of Mahangu access road and bridge complete by 30 june 2021	Construction of Mahangu access road and bridge	09	R2,500,000.00
20% Construction of Purutle to Moyeni access road and bridge complete by 30 June 2021	Construction of Purutle to Moyeni access road and bridge	24	R2,500,000.00
95% Construction of Thotaneg Access Road by 30 June 2021	Upgrade 2.8km of Thotaneg Access Road	11	R 1,500,000
95% Construction of Upgrade Mbizeni Access Road by 30 June 2021	Upgrade 4.7km of Mbizeni Access Road	17	R 1,300,000
95% Construction of Upgrade Luxeni Access Road by 30 June 2021	Upgrade 1.7km Luxeni Access Road	17	R 1,100,000

APPENDICES

APPENDIX P – SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS

Not a Municipal Function

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

(Not a municipal function)

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APPENDIX R – DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY

Declaration of Loans and Grants made by the Municipality: Year 2020/2021				
All Organization or Person in receipt of Loans */Grants* provided by the municipality	Nature of project	Conditions attached to funding	Value Year 2020/2021 R' 000	Total Amount committed over previous and future years
N/A	N/A	N/A	N/A	N/A
<i>TR</i>				

APPENDICES

APPENDIX S – NATIONAL AND PROVINCIAL OUTCOMES FOR LOCAL GOVERNMENT

COMPLETED/PROJECTS ON PROGRESS FROM 2017-2020					PLANS OR PROJECTS FOR 2020/2021				
PROJECT/ PROGRAMM E	WAR D	FINANCIA L YEAR	BUDGE T	PROGRESS/STATU S	PROJECT/PROGRAMM E (INCLUDING SPECIAL PROGRAMMES PLANS)	WARD	BUDGE T 2020/202 1	BUDGE T 2021/202 2	BUDGE T 2022/202 3
Mvenyane 500	21	19/20	R77 999 423.00	Complete	Mahareng 500	13	R250 000.00	R14 000 000.00	R28 000 000.00
Queensmerc y 300	12	19/20	R42 977 466.00	Complete	Nyaniso 500	18	R505 898.00	R14 000 000.00	R28 000 000.00
Masakala 500	03	19/20	R78 537 283.97	Complete	Pote 40	07	R4 200 000.00	R4 500 000.00	
Tabachicha 500	14	19/20	R70 451 966.00	Close-out	Mposhongweni 500	09	500 000.00	R14 000 000.00	R28 000 000.00
Mdeni 30		19/20	R4 35 06625	Complete	Sandfontein/Bultfotein 164/ 100	26	R5 100 000.00	R8 5000 000.00	
					Tsitsong 100	04	R2 175 000.00		
					Maluti Destitute 200	01	R4 250 000.000	R4 250 000.00	R8 500 000.00
					Mafube 300	07	R3 750 000.00	R6 000 000.00	R7 500 00.00
					Mehloloaneng 898	16	R 5 500 000.00	R19 847 000.00	R19 847 000.00
					Maritseng 1500	01,02,0 3	R6 500 000.00	R26 000 000.00	R26 390 000.00

APPENDICES

	&06			
Zwelitsha		R7 200 000.00		
Chibini 500	05	R300 000	R3 400 000.00	R34 000 000.00

COMPLETED/PROJECTS ON PROGRESS FROM 2017-2020					PLANS OR PROJECTS FOR 2020/2021				
PROJECT/ PROGRAMM E	WAR D	FINANCIA L YEAR	BUDGE T	PROGRES S	PROJECT/PROGRAMM E	WAR D	BUDGE T 2020/2021	BUDGE T 2021/2022	BUDGE T 2022/2023
Ntataise Old Age project	1	2019/20	R 109,166.00	In progress	Ntataise Old Age project	1	109,166.00	Nil	Nil
Makabongwe Luncheon Club	20	2019/20	R 73,166.00	In progress	Makabongwe Luncheon Club	20	73,166.00	Nil	Nil
Magadla Old 4.Age	10	2019/20	R 87,566.00	In progress	Magadla Old 4.Age	10	87,566.00	Nil	Nil
Sinenjongo Old Age	26	2019/20	R 87,566.00	In progress	Sinenjongo Old Age	26	87,566.00	Nil	Nil
Phaphamani Senior	4	2019/20	R 73,166.00	In progress	Phaphamani Senior Citizen club	4	73,166.00	Nil	Nil
Phaphama-Lunda Old Age	10	2019/20	R	In progress	Phaphama-Lunda Old Age	10	99,566.00	Nil	Nil

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			99,566.00						
Thuthukanisizweold age project	5	2019/20	R 87,566.00	In progress	Thuthukanisizweold age project	5	87,566.00	Nil	Nil
Paballong Senior Citizen	15	2019/20	R 73,166.00	In progress	Paballong Senior Citizen	15	73,166.00	Nil	Nil

Siyakhula for peoples with disability	7	2019/20	R 90,688.00	In progress	Siyakhula for peoples with disability	7	90,688.00	Nil	Nil
Mamohau HCBC	13	2019/20	R 290,444.00	In progress	Mamohau HCBC	13	290,444.00	Nil	Nil
Someleze HCBC	8		R 290,444.00	In progress	Someleze HCBC	8	290,444.00	Nil	Nil
Maluti Family resource Centre	1	2019/20	R 130,000.00	In progress	Maluti Family resource Centre	1	120,000.00	Nil	Nil
Maluti Family Preservation	3	2019/20	R 123,000.00	In progress	Maluti Family Preservation	3	110,000.00	Nil	Nil
Child welfare	19	2019/20	R 502,824.75	In progress	Child welfare	19	502,824.75	Nil	Nil
PEIP Maluti F. R.C	1	2019/20	R 200,931.00	In progress	PEIP Maluti F. R.C	1	200,931.00	Nil	Nil
Bethesda Pre School	17	2019/20	R 118,800.00	In progress	MALUTI PRE-PRIMARY SCHOOL	1	269,280	Nil	Nil

APPENDICES

Boiteko preschool	6	2019/20	R 158,400.00	In progress	SUPER KIDS PRE SCHOOL	1	134,640	Nil	Nil
Mpharane Preschool	13	2019/20	R 118,800.00	In progress	OUTSPAN PRESCHOOL	3	269,280	Nil	Nil
St Nicholas Preschool	20	2019/20	R 158,400.00	In progress	TSWELO-PELE DAY CARE	4	134,640	Nil	Nil
Dikonyana Preschool	12	2019/20	R 158,400.00	In progress	VUKUZAKHE PRESCHOOL	5	134,640	Nil	Nil
Khothalang Preschool	11	2019/20	R 118,800.00	In progress	MSENTI PRE-SCHOOL	5	89,760	Nil	Nil

Khulani Zwelitsha Preschool	6	2019/20	R 158,400.00	In progress	KHUPHUKANI PRESCHOOL	5	107,712	Nil	Nil
Mabua preschool	11	2019/20	R 118,800.00	In progress	KHULANI-ZWELITSHA PRESCHOOL	6	179,520	Nil	Nil
Maluti Preschool	1	2019/20	R 237,600.00	In progress	BOITEKO PRESCHOOL	6	179,520	Nil	Nil
Masekela preschool	21	2019/20	R 118,800.00	In progress	LATELANG PRESCHOOL	7	179,520	Nil	Nil
Mechaeling preschool	8	2019/20	R 237,600.00	In progress	ENKULULEKWENI PRESCHOOL	7	89,760	Nil	Nil
Mvenyane preschool	21	2019/20	R 158,400.00	In progress	MECHAELING PREPARATORY SCHOOL	8	269,280	Nil	Nil

APPENDICES

Mzomhle Preschool	21	2019/20	R 158,400.00	In progress	PHUMELELA PRESCHOOL	9	121,176	Nil	Nil
Phamotse Kuetliso Pre school	6	2019/20	R 237,600.00	In progress	SIJOKA PRESCHOOL	10	134,640	Nil	Nil
Sijoka pre school	10	2019/20	R 99,000.00	In progress	SIBONELO PRESCHOOL	10	134,640	Nil	Nil
Tswelopele preschool	4	2019/20	R 118,800.00	In progress	MABUA PRESCHOOL	11	107,712	Nil	Nil
Vukuzakhe preschool	5	2019/20	R 118,800.00	In progress	LESEDI PRESCHOOL	11	134,640	Nil	Nil
Latelang Pre School	8	2019/20	R 118,800.00	In progress	KHOTHALANG PRESCHOOL	11	179,520	Nil	Nil
Outspan Preschool	4	2019/20	R 237,600.00	In progress	IKAHENG PRESCHOOL	12	179,520	Nil	Nil
Reahola preschool	25	2019/20	R 118,800.00	In progress	DIKONYANA PRESCHOOL	12	179,520	Nil	Nil
Likamoreng Preschool	13	2019/20	R 118,800.00	In progress	LIKAMORENG PRESCHOOL	13	112,200	Nil	Nil
Superkids Preschool	1	2019/20	R 118,800.00	In progress	MPARANE PRESCHOOL	13	130,152	Nil	Nil

APPENDICES

VOLUME II

VOLUME II: ANNUAL FINANCIAL STATEMENTS

AUDITOR-GENERAL SOUTH AFRICA
CERTIFIED
AUDITED
ANNUAL FINANCIAL STATEMENTS



MATATIELE
LOCAL MUNICIPALITY

Matatiele Local Municipality
Annual Financial Statements
for the year ended 30 June 2021

Matatiele Local Municipality

Annual Financial Statements for the year ended 30 June 2021

General Information

Executive committee

Mayor	M M Mbedla	
Speaker	N Mshuqwana	
Chief Whip	S Mnganela	
Portfolio Head: Budget and Treasury	N Ngwanya	
Portfolio Head: Economic Development	N A Nkukhu	
Portfolio Head: Community Services	S Maphasa	
Portfolio Head: Infrastructure Services	M C Setanane	From: July 2020 to September 2020
Portfolio Head: Infrastructure Services	F Shale	From: October 2020 to Current
Portfolio Head: Special Programmes	Z P Bono	
Portfolio Head: Corporate Services	T Dyantyi	
EXCO Member	K C Biggs	
EXCO Member	W C Mdolomba	
EXCO Member	M S Booï	
Chairperson: MPAC	S Baba	From: 1 July to 10 December 2020
Chairperson: MPAC	P T Hloele	From: 10 December 2020 to Current
Chairperson: Public Participation	M Motloli	From: July 2020 to November 2020
Chairperson: Women's Caucus	N Maketela	
Members of the council		
Member	F P Libaziso	
Member	M J Mtoto	
Member	N P Xaki	
Member	T P Likobela	
Member	S Vikwa	
Member	N C Sithole	
Member	N Mabindisa	From: May 2021 to Current
Member	N I Makhube	
Member	C N Sambane	
Member	N I Mpopo	
Member	M M Tsoloane	From: October 2020 to Current
Member	L E Nkamba	
Member	X Mnconywa	
Member	Z P Bono	
Member	J G van Wyhe	
Member	C L Nxesi	From: July 2020 to August 2020
Member	H M Mdingi	
Member	K E Sepuhla	
Member	N N Paula	
Member	T L Mohoto	
Member	W K Leballo	
Member	N B Nkomo	
Member	P A Mohale	
Member	I N Maketela	
Member	L E Stuurman	
Member	N R Ludidi - Mzonke	
Member	N Mosebetsane	
Member	N A Ganya	
Member	N Njobe	
Member	S N Mgolombane	
Member	T C Mshuqwana - Galo	
Member	T Molofe	
Member	T F Mahatla	
Member	T L Mothapa	
Member	W B Potwana	

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Matatiele Local Municipality

Annual Financial Statements for the year ended 30 June 2021

General Information

Member	J Mabula	
Member	S Mzozoyana	
Member	T Mantshule	From: November 2020 to Current
Municipal Manager	L Matiwane	
Shared audit committee	Adv. T W Mgidlana Ms. N I Mba CA(SA) Mr. Z Zulu	Chairperson: From 1 July 2020 to 30 July 2020 Member: From 1 July 2020 to 30 July 2020 Member: From 1 July 2020 to 30 July 2020
Audit committee	Mr A Gonzalves Mr. S Nombembe Mrs. N Ntshanga Mr. Z Zulu Mr. T Nevondwe	Chairperson: From 30 July 2020 - Current Member: From 10 May 2021 - Current
Grading of local authority	3	
Chief Finance Officer (CFO)	Mr. K Mehlomakhulu	
Accounting Officer	Mr. L Matiwane	
Registered office	102 Main Street Matatiele 4730	
Business address	102 Main Street Matatiele 4730	
Postal address	P.O. Box 35 Matatiele 4730	
Bankers	Nedbank	
Auditors	Auditor General of South Africa (AGSA)	
Registered business telephone number	039 737 8100	
Level of assurance	These annual financial statements will be audited in compliance with the applicable requirements of GRAP.	

AUDITOR-GENERAL SOUTH AFRICA
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ANNUAL FINANCIAL STATEMENTS

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Matatiele Local Municipality

Annual Financial Statements for the year ended 30 June 2021

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Matatiele Local Municipality

Annual Financial Statements for the year ended 30 June 2021

Accounting Officer's Responsibilities and Approval

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

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

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

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

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

The accounting officer has reviewed the municipality's cash flow forecast for the year to 30 June 2022 and, in the light of this review and the current financial position, he is satisfied that the municipality has or has access to adequate resources to continue in operational existence for the foreseeable future.

The financial statements are prepared on the basis that the municipality is a going concern and that the Matatiele Municipality has neither the intention nor the need to liquidate or curtail materially the scale of the municipality.

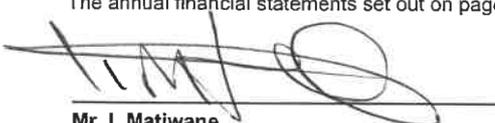
Although I am primarily responsible for the financial affairs of the municipality, they are supported by the municipality's external auditors.

I would like to bring to your attention the following material matters to your attention:

I certify that the salaries, allowances and benefits of councillors as disclosed in note 29 to these financial statements are within the upper limits of the framework envisaged in section 219 of the Constitution of the Republic of South Africa, read with the Remuneration of Public Office Bearers Act, Act 20 of 1998 and the Minister of Provincial and Local Government's determination in accordance with the Act.

The external auditor, being Auditor General of South Africa, is responsible for auditing and expressing an opinion on the municipality's annual financial statements.

The annual financial statements set out on pages 5 - 77, which have been prepared on the going concern basis, were approved.


Mr. L. Matiwane
Municipal Manager

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Matatiele Local Municipality

Annual Financial Statements for the year ended 30 June 2021

Statement of Financial Position as at 30 June 2021

	Notes	2021 R	2020 Restated* R
Assets			
Current Assets			
Inventories	3	2 137 082	1 702 594
Statutory receivables	4	64 841 965	69 008 484
Trade receivables from non-exchange transactions	5	596 537	-
VAT receivable	6	1 753 090	10 389 055
Trade receivables from exchange transactions	7	24 965 835	26 334 645
Cash and cash equivalents	8	224 422 320	153 196 487
		318 716 829	260 631 265
Non-Current Assets			
Investment property	9	4 960 309	3 698 242
Property, plant and equipment	10	1 111 728 768	1 046 247 815
Property, plant and equipment - Capitalised restoration cost	9.1	13 098 876	13 612 622
Intangible assets	11	403 318	691 517
		1 130 191 271	1 064 250 196
Total Assets		1 448 908 100	1 324 881 461
Liabilities			
Current Liabilities			
Payables from exchange transactions	12	56 734 076	49 442 432
Consumer deposits	13	369 024	345 497
Employee benefit obligation	14	1 248 000	1 030 000
Unspent conditional grants and receipts	15	4 460 918	1 752 893
Provisions	16	14 812 458	11 998 424
		77 624 476	64 569 246
Non-Current Liabilities			
Employee benefit obligation	14	15 249 003	13 586 003
Provisions	16	14 374 066	14 591 764
		29 623 069	28 177 767
Total Liabilities		107 247 545	92 747 013
Net Assets		1 341 660 555	1 232 134 448
Reserves			
Revaluation reserve	17	230 445 831	230 445 832
Accumulated surplus		1 111 214 724	1 001 688 616
Total Net Assets		1 341 660 555	1 232 134 448

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* See Note

Matatiele Local Municipality

Annual Financial Statements for the year ended 30 June 2021

Statement of Financial Performance

	Notes	2021 R	2020 Restated* R
Revenue			
Revenue from exchange transactions			
Service charges	19	68 588 657	58 434 130
Rental of facilities and equipment	20	1 241 198	803 197
Agency services	21	1 769 769	1 210 720
Licences and permits	22	2 016 795	1 346 350
Other income	23	1 029 398	3 454 169
Interest received - investment	24	22 192 486	24 528 113
Total revenue from exchange transactions		96 838 303	89 776 679
Revenue from non-exchange transactions			
Taxation revenue			
Property rates	25	46 575 491	44 903 631
Transfer revenue			
Government grants & subsidies	26	399 461 475	369 222 363
Fine receipts	27	762 403	1 397 543
Total revenue from non-exchange transactions		446 799 369	415 523 537
Total revenue	18	543 637 672	505 300 216
Expenditure			
Employee related costs	28	(118 921 908)	(115 401 766)
Remuneration of councillors	29	(19 979 057)	(20 447 212)
Remuneration of traditional leaders	30	(329 090)	(386 324)
Depreciation and amortisation	31	(41 583 209)	(47 812 168)
Finance costs	32	(725)	(3 082)
Material and stores	33	(5 763 264)	(4 015 911)
Bulk purchases	35	(48 196 231)	(43 138 390)
Contracted services	36	(94 049 162)	(81 049 384)
General Expenses	37	(32 023 768)	(34 132 948)
Total expenditure		(360 846 414)	(346 387 185)
Operating surplus		182 791 258	158 913 031
Loss on disposal of assets and liabilities		(40 623 548)	(10 312 681)
Debt impairment	34	(25 503 611)	(9 275 521)
Fair value adjustments	9	1 262 067	-
Bad debts written off	48	(8 617 754)	(4 979 701)
Landfill site provision contributions	16	217 698	(1 541 971)
		(73 265 148)	(26 109 874)
Surplus for the year		109 526 110	132 803 157

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Annual Financial Statements for the year ended 30 June 2021

Statement of Changes in Net Assets

	Revaluation reserve R	Accumulated surplus R	Total net assets R
Opening balance as previously reported	230 445 832	890 085 884	1 120 531 716
Adjustments			
Prior year adjustments	-	(21 200 425)	(21 200 425)
Balance at 01 July 2019 as restated*	230 445 832	868 885 459	1 099 331 291
Changes in net assets			
Surplus for the year	-	132 803 157	132 803 157
Total changes	-	132 803 157	132 803 157
Restated* Balance at 01 July 2020	230 445 832	1 001 688 618	1 232 134 450
Changes in net assets			
Surplus for the year	-	109 526 106	109 526 106
Total changes	-	109 526 106	109 526 106
Balance at 30 June 2021	230 445 832	1 111 214 724	1 341 660 556
Note	17		

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* See Note

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Annual Financial Statements for the year ended 30 June 2021

Cash Flow Statement

	Notes	2021 R	2020 Restated* R
Cash flows from operating activities			
Receipts			
Sale of goods and services		86 801 764	83 406 583
Grants		402 169 500	367 739 002
Interest income		22 192 486	24 528 113
Other receipts		14 617 129	12 714 208
		<u>525 780 879</u>	<u>488 387 906</u>
Payments			
Employee costs and suppliers		(307 668 557)	(303 500 850)
Finance costs		(725)	(3 082)
		<u>(307 669 282)</u>	<u>(303 503 932)</u>
Net cash flows from operating activities	38	<u>218 111 597</u>	<u>184 883 974</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	10	(147 468 541)	(155 237 125)
Proceeds from sale of property, plant and equipment	10	582 777	-
Purchase of other intangible assets	11	-	(407 320)
Net cash flows from investing activities		<u>(146 885 764)</u>	<u>(155 644 445)</u>
Net increase/(decrease) in cash and cash equivalents		71 225 833	29 239 529
Cash and cash equivalents at the beginning of the year		153 196 487	123 956 958
Cash and cash equivalents at the end of the year	8	<u>224 422 320</u>	<u>153 196 487</u>

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* See Note

Matatiele Local Municipality

Annual Financial Statements for the year ended 30 June 2021

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
	R	R	R	R	R	
Statement of Financial Performance						
Revenue						
Revenue from exchange transactions						
Service charges	68 816 568	-	68 816 568	68 588 657	(227 911)	
Rental of facilities and equipment	500 004	745 000	1 245 004	1 241 198	(3 806)	
Agency services	-	-	-	1 769 769	1 769 769	
Licences and permits	4 524 696	-	4 524 696	2 016 795	(2 507 901)	Note 52
Other income	1 608 024	-	1 608 024	1 029 398	(578 626)	Note 52
Interest received - investment	14 649 996	-	14 649 996	8 824 621	(5 825 375)	Note 52
Interest Received - Outstanding debtors	11 798 772	-	11 798 772	13 357 256	1 558 484	Note 52
Total revenue from exchange transactions	101 898 060	745 000	102 643 060	96 827 694	(5 815 366)	
Revenue from non-exchange transactions						
Taxation revenue						
Property rates	48 190 008	-	48 190 008	46 575 491	(1 614 517)	
Transfer revenue						
Government grants & subsidies	357 738 996	44 970 501	402 709 497	399 461 471	(3 248 026)	
Fine receipts	2 093 700	-	2 093 700	762 403	(1 331 297)	Note 52
Total revenue from non-exchange transactions	408 022 704	44 970 501	452 993 205	446 799 365	(6 193 840)	
Total revenue	509 920 764	45 715 501	555 636 265	543 627 059	(12 009 206)	
Expenditure						
Employee related costs	(125 230 692)	-	(125 230 692)	(118 921 908)	6 308 784	Note 52
Remuneration of councillors	(21 537 048)	-	(21 537 048)	(19 979 057)	1 557 991	Note 52
Remuneration of traditional leaders	(397 464)	-	(397 464)	(329 090)	68 374	Note 52
Depreciation and amortisation	(33 110 004)	-	(33 110 004)	(41 583 209)	(8 473 205)	Note 52
Finance costs	-	-	-	(725)	(725)	Note 52
Lease rentals on operating lease	(1 250 000)	-	(1 250 000)	(828 840)	421 160	Note 52
Stores and materials	(5 566 512)	(548 000)	(6 114 512)	(5 763 264)	351 248	Note 52
Bulk purchases	(48 000 000)	-	(48 000 000)	(48 196 231)	(196 231)	
Contracted Services	(101 278 992)	(29 831 220)	(131 110 212)	(94 049 162)	37 061 050	Note 52
General Expenses	(67 022 140)	(838 000)	(67 860 140)	(31 190 095)	36 670 045	Note 52
Total expenditure	(403 392 852)	(31 217 220)	(434 610 072)	(360 841 581)	73 768 491	
Operating surplus	106 527 912	14 498 281	121 026 193	182 785 478	61 759 285	
Loss on disposal of assets and liabilities	-	-	-	(40 623 548)	(40 623 548)	Note 52
Debt impairment	(5 000 004)	-	(5 000 004)	(25 503 611)	(20 503 607)	Note 52
Fair value adjustments	-	-	-	1 262 067	1 262 067	Note 52
Actuarial gains/losses	-	-	-	(8 617 754)	(8 617 754)	
Landfill site provision contribution	-	-	-	217 698	217 698	
	(5 000 004)	-	(5 000 004)	(73 265 148)	(68 265 144)	
Surplus before taxation	101 527 908	14 498 281	116 026 189	109 520 330	(6 505 859)	
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	101 527 908	14 498 281	116 026 189	109 520 330	(6 505 859)	

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Annual Financial Statements for the year ended 30 June 2021

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
	R	R	R	R	R	

Reconciliation

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Matatiele Local Municipality

Annual Financial Statements for the year ended 30 June 2021

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
	R	R	R	R	R	
Statement of Financial Position						
Assets						
Current Assets						
Inventories	983 977	(150 000)	833 977	2 137 082	1 303 105	Note 52
Statutory receivables	66 534 403	-	66 534 403	64 841 965	(1 692 438)	Note 52
Statutory receivables	-	-	-	596 537	596 537	
VAT receivable	-	-	-	1 753 090	1 753 090	Note 52
Consumer debtors	47 299 466	-	47 299 466	24 965 835	(22 333 631)	Note 52
Cash and cash equivalents	117 708 080	(31 847 852)	85 860 228	224 422 320	138 562 092	Note 52
	232 525 926	(31 997 852)	200 528 074	318 716 829	118 188 755	
Non-Current Assets						
Investment property	35 947 425	-	35 947 425	4 960 309	(30 987 116)	Note 52
Property, plant and equipment	1 107 176 971	14 399 005	1 121 575 976	1 111 728 768	(9 847 208)	
Property, plant and equipment - Capitalised restoration cost	-	-	-	13 098 876	13 098 876	Note 52
Intangible assets	325 910	-	325 910	403 318	77 408	Note 52
	1 143 450 306	14 399 005	1 157 849 311	1 130 191 271	(27 658 040)	
Total Assets	1 375 976 232	(17 598 847)	1 358 377 385	1 448 908 100	90 530 715	
Liabilities						
Current Liabilities						
Payables from exchange transactions	81 679 450	8 705 117	90 384 567	56 734 076	(33 650 491)	Note 52
Consumer deposits	1 268 497	-	1 268 497	369 024	(899 473)	Note 52
Employee benefit obligation	-	-	-	1 248 000	1 248 000	
Unspent conditional grants and receipts	-	-	-	4 460 918	4 460 918	
Provisions	14 440 340	-	14 440 340	14 812 458	372 118	Note 51
	97 388 287	8 705 117	106 093 404	77 624 476	(28 468 928)	
Non-Current Liabilities						
Employee benefit obligation	-	-	-	15 249 003	15 249 003	
Provisions	27 398 225	(638 520)	26 759 705	14 374 066	(12 385 639)	Note 52
	27 398 225	(638 520)	26 759 705	29 623 069	2 863 364	
Total Liabilities	124 786 512	8 066 597	132 853 109	107 247 545	(25 605 564)	
Net Assets	1 251 189 720	(25 665 444)	1 225 524 276	1 341 660 555	116 136 279	
Net Assets						
Net Assets Attributable to Owners of Controlling Entity						
Reserves						
Revaluation reserve	457 201 756	-	457 201 756	230 445 831	(226 755 925)	
Accumulated surplus	793 987 964	(25 665 444)	768 322 520	1 111 214 724	342 892 204	
Total Net Assets	1 251 189 720	(25 665 444)	1 225 524 276	1 341 660 555	116 136 279	

Matatiele Local Municipality

Annual Financial Statements for the year ended 30 June 2021

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
	R	R	R	R	R	
Cash Flow Statement						
Cash flows from operating activities						
Receipts						
Sale of goods and services	132 507 204	-	132 507 204	86 801 764	(45 705 440)	
Grants	357 738 996	41 180 001	398 918 997	402 169 500	3 250 503	
Interest income	11 798 772	14 649 996	26 448 768	22 181 877	(4 266 891)	
Other receipts	8 726 424	-	8 726 424	5 999 375	(2 727 049)	
	510 771 396	55 829 997	566 601 393	517 152 516	(49 448 877)	
Payments						
Suppliers	(370 282 848)	(24 234 917)	(394 517 765)	(298 832 188)	95 685 577	
Finance costs	-	-	-	(725)	(725)	
	(370 282 848)	(24 234 917)	(394 517 765)	(298 832 913)	95 684 852	
Net cash flows from operating activities	140 488 548	31 595 080	172 083 628	218 319 603	46 235 975	
Cash flows from investing activities						
Purchase of property, plant and equipment	(174 313 680)	(11 264 125)	(185 577 805)	(147 687 155)	37 890 650	
Proceeds from sale of property, plant and equipment	-	-	-	582 776	582 776	
Net cash flows from investing activities	(174 313 680)	(11 264 125)	(185 577 805)	(147 104 379)	38 473 426	
Cash flows from financing activities						
Increase (decrease) in consumer deposits	13 159	(13 159)	-	-	-	
Net increase/(decrease) in cash and cash equivalents	(33 811 973)	20 317 796	(13 494 177)	71 215 224	84 709 401	
Cash and cash equivalents at the beginning of the year	136 883 216	-	136 883 216	153 196 487	16 313 271	
Cash and cash equivalents at the end of the year	103 071 243	20 317 796	123 389 039	224 411 711	101 022 672	
Reconciliation						

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Matatiele Local Municipality

Annual Financial Statements for the year ended 30 June 2021

Accounting Policies

Notes	2021 R	2020 R
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1. Presentation of Annual Financial Statements

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

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

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

These accounting policies are consistent with the previous period.

1.1 Presentation currency

These annual financial statements are presented in South African Rand, which is the functional currency of the municipality. All amounts are rounded to the nearest Rand.

1.2 Going concern assumption

These annual financial statements have been prepared based on the expectation that the municipality will continue to operate as a going concern for at least the next 12 months. In preparing the financial statements, management is required to make estimates and assumptions that impact on the municipality financial statements once implemented. Actual results in the future could differ from these estimates which may be material to the mid term financial statements.

1.2.1 Comparative Information

When the presentation or classification of items in the mid term financial statements is amended, prior period comparative amounts are restated. The nature and reason for the reclassification is disclosed. Where accounting errors have been identified in the current year, the correction is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly. Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly.

1.2.1.1 Municipal Standard Chart of Accounts (mSCOA) Implementation and Reclassification

The Municipal Regulations on Standard Chart of Accounts promulgated in terms of Government Gazette 37577 dated 22 April 2014 apply to all municipalities and municipal entities and became effective from 1 July 2017.

The main objective of this regulation is to provide for a national standard in respect of uniform recording and classification of municipal budget and financial information at a transaction level by prescribing a standard chart of accounts for municipalities and municipal entities which:

- are aligned to the budget formats and accounting standards prescribed for municipalities and municipal entities and with the standard chart of accounts for national and provincial government; and
- enable uniform information sets recorded in terms of national norms and standards across the whole of government for the purposes of national policy coordination and reporting, benchmarking and performance measurement in the local government sphere.

The impact of this mSCOA regulations definitely affected the municipality's current business processes; transacting and reporting requirements.

1.3 Significant judgements and sources of estimation uncertainty

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

Matatiele Local Municipality

Annual Financial Statements for the year ended 30 June 2021

Accounting Policies

1.3 Significant judgements and sources of estimation uncertainty (continued)

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

The municipality assesses its trade receivables, held to maturity investments and loans and receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit, the surplus makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

The impairment for trade receivables, held to maturity investments and loans and receivables is calculated on a portfolio basis, based on historical loss ratios, adjusted for national and industry-specific economic conditions and other indicators present at the reporting date that correlate with defaults on the portfolio. These annual loss ratios are applied to loan balances in the portfolio and scaled to the estimated loss emergence period.

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note 16 - Provisions.

Allowance for doubtful debts

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

Debtors from 90 days and above are impaired (debtors less than 90 days are not impaired).

1.4 Investment property

Investment property is property (land or a building - or part of a building - or both) held to earn rentals or for capital appreciation or both, as well as land with no determinable future use. When Investment property is recognised as an asset i.e. probable that future economic benefits will flow to the municipality, and the cost or fair value of the investment property can be measured reliably.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement. Costs include costs incurred initially and cost incurred subsequently to add to, or to replace a part or service a property. If a replacement part is recognised in the carrying amount of the investment property, the carrying amount of the replaced part is derecognised.

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

Subsequent measurement

Investment property is measured using the fair value model. Under the fair value model, investment property is carried at its fair value at the reporting date. Any gain or loss arising from a change in the fair value of the property is included in surplus or deficit for the period in which it arises.

The municipality separately discloses expenditure to repair and maintain investment property in the notes to the annual financial statements (see note).

The municipality discloses relevant information relating to assets under construction or development, in the notes to the annual financial statements (see note).

1.5 Property, plant and equipment

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

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

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

Matatiele Local Municipality

Annual Financial Statements for the year ended 30 June 2021

Accounting Policies

1.5 Property, plant and equipment (continued)

Property, plant and equipment is initially measured at cost.

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

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

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

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

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

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

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

Subsequent measurement

- Land and Buildings
- Infrastructure
- Community Assets

The following categories of Property, plant and equipment are carried on the cost model, being the cost less accumulated depreciation and any impairment losses:

- Other property, plant and equipment
- Capital under construction.

Capital under construction is not depreciated as the asset has not been brought into use yet. Land is not depreciated as it is deemed to have an indefinite useful life.

Revaluations are made every 5 years such that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

The land and buildings are checked against deeds information to ensure that the properties included in the register are owned and controlled by the municipality.

Market values are analysed to ensure that the value reflect the fair value of the fixed asset concerned. The assets with significant high market values to their carrying values are assessed for reasonableness as per requirements of GRAP 17.

The market value is split between land and buildings using a 10:90 split respectively.

When an item of property, plant and equipment is revalued, any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

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

Matatiele Local Municipality

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Accounting Policies

1.5 Property, plant and equipment (continued)

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

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

Depreciation

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

Land is not depreciated as it is regarded as having an indefinite life. Depreciation on assets other than land is calculated on cost or revalued amount, using the straight line method, to allocate their cost to their residual values over the estimated useful lives of the assets. The depreciation method used reflects the pattern in which the assets future economic benefits or service potential are expected to be consumed by the municipality. Components of assets that are significant in relation to the whole asset and that have different useful lives are depreciated separately. The depreciation rates are initially based on the following originally estimated useful lives and thereafter on the estimated remaining useful lives as at year end:

Item	Depreciation method
Infrastructure	Straight-line
• Roads and paving	10-30 years
• Electricity	20-30 years
• Water	15-20 years
• Sewerage	15-20 years
• Landfill sites	10-65 years
• Housing	30 years
• Pedestrian mall	20 years
Community	Straight-line
• Improvements	25-30 years
• Recreational facilities	15-20 years
• Security	03-05 years
Components	
• Doors and iron	08-15 years
• Doors and iron (extensive)	15-30 years
• Fittings	05-15 years
• Fittings and fixtures	15-30 years
• Windows and glazing	08-15 years
• Windows and glazing (extensive)	15-30 years
• External roof structure/covering	15-35 years
• Floor finish	05-15 years
• Wall structure (internal)	20-50 years
• Electrical	10-30 years

Matatiele Local Municipality

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Accounting Policies

1.5 Property, plant and equipment (continued)

Other property, plant and equipment

	Straight-line
• Buildings	30 years
• Specialist vehicles	10 years
• Other vehicles	05-10 years
• Office equipment	03-07 years
• Furniture and fittings	07-10 years
• Watercraft	15 years
• Bins and containers	05-10 years
• Specialised equipment	10-15 years
• Other plant and equipment	02-15 years
• External wall	20-30 years
• Floor structure	20-40 years
• Wall painting	05-10 years
• Drainage	10-30 years
• Plumbing	10-30 years

The depreciable amount of an asset is allocated on a systematic basis over its useful life.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation method used reflects the pattern in which the asset's future economic benefits or service potential are expected to be consumed by the municipality. The depreciation method applied to an asset is reviewed at least at each reporting date and, if there has been a significant change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate.

The municipality assesses at each reporting date whether there is any indication that the municipality expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the municipality revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

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

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

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

Assets which the municipality holds for rentals to others and subsequently routinely sell as part of the ordinary course of activities, are transferred to inventories when the rentals end and the assets are available-for-sale. Proceeds from sales of these assets are recognised as revenue. All cash flows on these assets are included in cash flows from operating activities in the cash flow statement.

Reviewing the useful life of an asset on an annual basis does not require the entity to amend the previous estimate unless expectations differ from the previous estimate.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

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

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Accounting Policies

1.6 Intangible assets

An asset is identifiable if it either:

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

An intangible asset is recognised when:

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

Intangible assets are initially recognised at cost:

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

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

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

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

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

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

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

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

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

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

Item	Depreciation method	Average useful life
Computer software, other	Straight-line	3-5 years

The municipality discloses relevant information relating to assets under construction or development, in the notes to the financial statements (see note).

Subsequent measurement

Intangible assets are subsequently measured at cost less accumulated amortisation.

Intangible assets are derecognised:

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

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Matatiele Local Municipality

Annual Financial Statements for the year ended 30 June 2021

Accounting Policies

1.6 Intangible assets (continued)

The gain or loss arising from the derecognition of intangible assets is included in surplus or deficit when the asset is derecognised.

1.7 Financial instruments

The municipality has various types of Financial Instruments and these can be broadly categorised as Financial Assets, Financial Liabilities or Residual Interests in accordance with the substance of the contractual agreement. The municipality only recognises a Financial Instrument when it becomes a party to the contractual provisions of the instrument.

Initial recognition and measurement

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

The municipality does not offset a Financial Asset and a Financial Liability unless a legally enforceable right to set off the recognised amounts currently exist and the municipality intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

The Effective Interest Rate Method

The Effective Interest Method is a method of calculating the amortised cost of a Financial Asset or a Financial Liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the Financial Instrument or, when appropriate, a shorter period to the net carrying amount of the Financial Asset or Financial Liability.

Amortised cost

Amortised Cost is the amount at which the Financial Asset or Financial Liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation, using the Effective Interest Rate Method of any difference between that initial amount and the maturity amount, and minus any reduction for impairment or collectability.

Fair value method and assumptions

The fair values of Financial Instruments are determined as follows:

- The fair values of quoted investments are based on current bid prices; and
- If the market for a Financial Asset is not active (and for unlisted securities), the municipality establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models making maximum use of market inputs and relying as little as possible on entity-specific inputs.

Classification

In accordance with GRAP 104 the Financial Assets and Financial Liabilities of the municipality are classified as follows into the three categories allowed by this standard:

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Matatiele Local Municipality

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Accounting Policies

1.7 Financial instruments (continued)

- Financial assets (or financial liabilities) at amortised cost are non-derivative financial instruments with fixed or determinable payments that are not quoted in an active market. They are included in current assets or current liabilities, except for maturities greater than 12 months, which are classified as non-current. Financial assets (or financial liabilities) at amortised cost are initially recognised at fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial instrument. After initial recognition financial assets are measured at amortised cost, using the effective interest rate method less an allowance for impairment.
- Financial assets (or financial liabilities) at fair value are financial instruments that meet either of the following conditions:
 - a. derivatives;
 - b. combined instruments that are designated at fair value;
 - c. instruments held for trading;
 - d. non-derivative financial assets or financial liabilities with fixed or determinable payments that are designated at fair value at initial recognition; or
 - e. financial instruments that do not meet the definition of financial instruments at amortised cost or financial instruments at cost.
- Financial assets (or financial liabilities) at cost are investments in residual interests that do not have a quoted market price in an active market, and whose fair value cannot be reliably measured.

Included under the major classes of financial instruments below, are line items that are separately disclosed in the notes that do not meet the definition of a financial instrument (such as Prepaid expenses, Payments made in advance etc.). The balances are clearly identifiable by the naming of the line items. Such items are excluded from the balances disclose in Notes 58 and 59. In rare instances, aggregation within a line item of a note might contain both financial instruments and balances that do not meet the definition of a financial instrument. In these cases the individual line items would be assessed with reference to its significance. Where insignificant, non-financial instruments would be included in the aggregated line items that would normally meet the definition of a financial instrument. this disclosure aggregation was specifically selected to ensure comprehensive classification.

A financial asset is any asset that is a cash or contractual right to receive cash. The municipality has the following types of financial assets as reflected on the face of the Statement of Financial Position or in the notes thereto:

Class	Category
Cash and cash equivalents (*)	Financial asset measured at amortised cost
Receivables from exchange transactions	Financial asset measured at amortised cost
Receivables from non-exchange transactions	Financial asset measured at amortised cost
Finance lease receivables	Financial asset measured at amortised cost

Cash and cash equivalents include cash on hand (including petty cash) and cash with banks. Cash equivalents are both shortterm highly liquid investments, readily convertible into known amounts of cash, and fixed term deposits that are held with registered banking institutions with maturities of three months or less and are subject to an insignificant risk of change in value. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, cash with banks and call deposits held with banks.

In accordance with GRAP 104 the Financial Assets of the municipality are all classified as financial assets at amortised cost, (*) except for cash floats and petty cash, which are classified as financial assets at fair value.

A financial liability is a contractual obligation to deliver cash or another financial asset to another entity.

There are three main categories of Financial Liabilities, the classification determining how they are measured. Financial Liabilities may be measured at:

- Financial Liabilities measured at Fair Value;
- Financial Liabilities measured at Amortised Cost; or
- Financial Liabilities measured at Cost.

The entity has the following types of financial liabilities (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

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Matatiele Local Municipality

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Accounting Policies

1.7 Financial instruments (continued)

Class	Category
Other financial liabilities	Financial liability measured at amortised cost
Payables from exchange transactions	Financial liability measured at amortised cost
Consumer deposits	Financial liability measured at fair value
Unspent conditional grants and receipts	Financial liability measured at amortised cost

In accordance with GRAP 104 the Financial Liabilities of the municipality are all classified as financial liabilities at amortised cost, except for Consumer deposits, which are classified as financial liabilities at fair value.

Bank overdrafts are recorded based on the facility utilised. Finance charges on bank overdrafts are expensed as incurred.

Initial and subsequent measurement

Financial Assets

Financial Assets measured at Amortised Cost

Financial Assets at Amortised Cost are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issue of the Financial Asset. Subsequently, these assets are measured at amortised cost using the Effective Interest Method less any impairment, with interest recognised on an Effective Yield Basis.

Trade and Other Receivables (excluding Value Added Taxation, Prepayments and Operating Lease receivables) and Loans that have fixed and determinable payments that are not quoted in an active market are classified as Financial Assets at Amortised Cost.

Financial Assets measured at Fair Value

Financial Assets at Fair Value are initially measured at fair value, excluding directly attributable transaction costs. They are subsequently measured at fair value with unrealised gains or losses recognised directly in the Statement of Financial Performance.

Financial Liabilities

Financial Liabilities measured at fair value

Financial Liabilities at Fair Value are stated at fair value, with any resulted gain or loss recognised in the Statement of Financial Performance.

Financial Liabilities held at Amortised Cost

Any other Financial Liabilities are classified as Other Financial Liabilities (All Payables, Loans and Borrowings are classified as Other Liabilities) and are initially measured at fair value, net of transaction costs. Trade and Other Payables, Interest-bearing Debt including Finance Lease Liabilities, Non-interest-bearing Debt and Bank Borrowings are subsequently measured at amortised cost using the Effective Interest Rate Method. Interest expense is recognised in the Statement of Financial Performance by applying the effective interest rate.

Bank Borrowings, consisting of interest-bearing short-term bank loans, repayable on demand and overdrafts are recorded at the proceeds received. Finance costs are accounted for using the Accrual Basis and are added to the carrying amount of the bank borrowing to the extent that they are not settled in the period that they arise.

Subsequent measurement of financial assets and financial liabilities

Impairment and uncollectibility of financial assets

Financial assets, other than those at fair value, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence of impairment of Financial Assets (such as the probability of insolvency or significant financial difficulties of the debtor). If there is such evidence the recoverable amount is estimated and an impairment loss is recognised in accordance with GRAP 104.

Matatiele Local Municipality

Annual Financial Statements for the year ended 30 June 2021

Accounting Policies

1.7 Financial instruments (continued)

An allowance for impairment of receivables is established when there is objective evidence that the municipality will not be able to collect all amounts due according to the original terms of receivables. The amount of the allowance is the difference between the financial asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Future cash flows in a group of financial assets that are collectively evaluated for impairment are estimated on the basis of historical loss experience for assets with credit risk characteristics similar to those in the group. Cash flows relating to short-term receivables are not discounted where the effect of discounting is immaterial. The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in the Statement of Financial Performance. Cash flows relating to short-term receivables are not discounted where the effect of discounting is immaterial.

Initially receivables from exchange and non-exchange transactions are valued at fair value and subsequently carried at amortised cost using the effective interest rate method, less an allowance for impairment. The allowance is made in accordance with GRAP 104, whereby the recoverability of receivables is assessed individually and then collectively after grouping the assets in financial assets with similar credit risk characteristics. Government accounts are not provided for as such accounts are regarded as receivable. An estimate is made for impairment of receivables, based on past default experience of all outstanding amounts at year-end. Amounts are written off in the year during which they are identified as irrecoverable. Amounts receivable within 12 months from the date of reporting are classified as current.

Annual impairment testing is conducted on all Receivable balances. The effects of the annual impairment testing are accounted for against the Provision for Bad Debts Allowance. Changes in the carrying amount of the allowance account are recognised in the Statement of Financial Performance against the Reversal of Impairment Loss/(Impairment Loss) on Receivables. Accounts identified and written-off during the year is recognised against Bad Debts Written Off in the Statement of Financial Performance.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through the Statement of Financial Performance to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Derecognition

Financial assets

The municipality derecognises Financial Assets only when the contractual rights to the cash flows from the asset expire or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity, except when Council approves the write-off of Financial Assets due to non-recoverability.

If the municipality neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the municipality recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the municipality retains substantially all the risks and rewards of ownership of a transferred financial asset, the municipality continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial assets and financial liabilities are only offset when the municipality has a legally enforceable right to do so and expects to settle or recover the instruments on a net basis.

Financial liabilities

The municipality derecognises Financial Liabilities when, and only when, the municipality's obligations are discharged, cancelled or they expire.

The municipality recognises the difference between the carrying amount of the financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, in the Statement of Financial Performance.

1.8 Statutory receivables

Identification

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

Matatiele Local Municipality

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Accounting Policies

1.8 Statutory receivables (continued)

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

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

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

The transaction amount for a statutory receivable means the amount specified in, or calculated, levied or charged in accordance with, legislation, supporting regulations, or similar means.

Recognition

The municipality recognises statutory receivables as follows:

- if the transaction is an exchange transaction, using the policy on Revenue from exchange transactions;
- if the transaction is a non-exchange transaction, using the policy on Revenue from non-exchange transactions (Taxes and transfers); or
- if the transaction is not within the scope of the policies listed in the above or another Standard of GRAP, the receivable is recognised when the definition of an asset is met and, when it is probable that the future economic benefits or service potential associated with the asset will flow to the entity and the transaction amount can be measured reliably.

Initial measurement

The municipality initially measures statutory receivables at their transaction amount.

Subsequent measurement

The municipality measures statutory receivables after initial recognition using the cost method. Under the cost method, the initial measurement of the receivable is changed subsequent to initial recognition to reflect any:

- interest or other charges that may have accrued on the receivable (where applicable);
- impairment losses; and
- amounts derecognised.

Accrued interest

Where the municipality levies interest on the outstanding balance of statutory receivables, it adjusts the transaction amount after initial recognition to reflect any accrued interest. Accrued interest is calculated using the nominal interest rate.

Interest on statutory receivables is recognised as revenue in accordance with the policy on Revenue from exchange transactions or the policy on Revenue from non-exchange transactions (Taxes and transfers), whichever is applicable.

Other charges

Where the municipality is required or entitled in terms of legislation, supporting regulations, by-laws or similar means to levy additional charges on overdue or unpaid amounts, and such charges are levied, the entity applies the principles as stated in "Accrued interest" above, as well as the relevant policy on Revenue from exchange transactions or the policy on Revenue from non-exchange transactions (Taxes and transfers).

Impairment losses

The municipality assesses at each reporting date whether there is any indication that a statutory receivable, or a group of statutory receivables, may be impaired.

In assessing whether there is any indication that a statutory receivable, or group of statutory receivables, may be impaired, the municipality considers, as a minimum, the following indicators:

- Significant financial difficulty of the debtor, which may be evidenced by an application for debt counselling, business rescue or an equivalent.
- It is probable that the debtor will enter sequestration, liquidation or other financial re-organisation.
- A breach of the terms of the transaction, such as default or delinquency in principal or interest payments (where levied).

Matatiele Local Municipality

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Accounting Policies

1.8 Statutory receivables (continued)

- Adverse changes in international, national or local economic conditions, such as a decline in growth, an increase in debt levels and unemployment, or changes in migration rates and patterns.

If there is an indication that a statutory receivable, or a group of statutory receivables, may be impaired, the municipality measures the impairment loss as the difference between the estimated future cash flows and the carrying amount. Where the carrying amount is higher than the estimated future cash flows, the carrying amount of the statutory receivable, or group of statutory receivables, is reduced, either directly or through the use of an allowance account. The amount of the losses is recognised in surplus or deficit.

In estimating the future cash flows, an municipality considers both the amount and timing of the cash flows that it will receive in future. Consequently, where the effect of the time value of money is material, the entity discounts the estimated future cash flows using a rate that reflects the current risk-free rate and, if applicable, any risks specific to the statutory receivable, or group of statutory receivables, for which the future cash flow estimates have not been adjusted.

An impairment loss recognised in prior periods for a statutory receivable is revised if there has been a change in the estimates used since the last impairment loss was recognised, or to reflect the effect of discounting the estimated cash flows.

Any previously recognised impairment loss is adjusted either directly or by adjusting the allowance account. The adjustment does not result in the carrying amount of the statutory receivable or group of statutory receivables exceeding what the carrying amount of the receivable(s) would have been had the impairment loss not been recognised at the date the impairment is revised. The amount of any adjustment is recognised in surplus or deficit.

Derecognition

The municipality derecognises a statutory receivable, or a part thereof, when:

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

The carrying amounts of any statutory receivables transferred are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. The entity considers whether any newly created rights and obligations are within the scope of the Standard of GRAP on Financial Instruments or another Standard of GRAP. Any difference between the consideration received and the amounts derecognised and, those amounts recognised, are recognised in surplus or deficit in the period of the transfer.

1.9 Leases

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

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

Operating leases - lessor

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

1.10 Inventories

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

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

The cost of inventories is assigned using the formula. The same cost formula is used for all inventories having a similar nature and use to the municipality.

Matatiele Local Municipality

Annual Financial Statements for the year ended 30 June 2021

Accounting Policies

1.10 Inventories (continued)

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

1.11 Impairment of assets

The entity assesses at each reporting date whether there is an indication that an asset may be impaired. Where the carrying amount of an asset exceeds its recoverable amount (or recoverable service amount in the case of non-cash generating assets), the asset is considered impaired and is written down to its recoverable amount or recoverable service amount.

If the recoverable amount of an asset is estimated to be less than its carrying amount, its carrying amount is reduced to the higher of its recoverable amount and zero. Subsequent to the recognition of an impairment loss, the depreciation or amortisation charge for the asset is adjusted to allocate its remaining carrying value, less any residual value, over its remaining useful life.

Impairment losses on receivables are determined based on specific and objective evidence that assets are impaired and is measured as the difference between the carrying amount of assets and the present value of the estimated future cash flows discounted at the effective interest rate computed at initial recognition.

Impairment losses are recognised in profit or loss. If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount but limited to the carrying amount that would have been determined had no impairment loss been recognised in prior years. A reversal of an impairment loss is recognised in the profit or loss.

1.12 Derecognition of assets and liabilities

Financial assets are derecognised when the contractual rights to receive cash flows have been transferred or have expired or when substantially all the risks and rewards of ownership have passed.

All other assets are derecognised on disposal or when no future economic benefits are expected from their use.

Financial liabilities are derecognised when the relevant obligation has either been discharged, cancelled or has expired.

1.13 Employee costs

These are all costs paid by an employer in exchange for services rendered by an employee. These include employee benefits such as salaries, bonuses, housing allowance, medical and other contributions, which are recognised in the income statement during the period in which the employee renders the related service. Detailed policies can also be noted under the Employee Benefits note.

1.14 Employee benefits

Short-term employee benefits

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

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

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

Matatiele Local Municipality

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Accounting Policies

1.14 Employee benefits (continued)

Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

Payments made to industry-managed (or state plans) retirement benefit schemes are dealt with as defined contribution plans where the entity's obligation under the schemes is equivalent to those arising in a defined contribution retirement benefit plan.

Defined benefit plans

For defined benefit plans the cost of providing the benefits is determined using the projected credit method.

Actuarial valuations are conducted on an annual basis by independent actuaries separately for each plan.

Consideration is given to any event that could impact the funds up to end of the reporting period where the interim valuation is performed at an earlier date.

Past service costs are recognised immediately to the extent that the benefits are already vested, and are otherwise amortised on a straight-line basis over the average period until the amended benefits become vested.

All Actuarial gains and losses are recognised immediately in surplus or deficit when they occur.

The amount recognised in the statement of financial position represents the present value of the defined benefit obligation as adjusted for unrecognised actuarial gains and losses and unrecognised past service costs, and reduces by the fair value of plan assets.

1.15 Provisions and contingencies

Provisions are recognised when:

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

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

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 43.

1.16 Revenue from exchange transactions

Revenue from exchange transactions refers to revenue that accrued to the municipality directly in return for services rendered/goods sold, the value of which approximates the consideration received or receivable.

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

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

Recognition

Revenue from exchange transactions is only recognised once all of the following criteria have been satisfied:

- a) The entity retains neither continuing managerial involvement to the degree usually associated with ownership effective control over the goods sold;
- b) The amount of revenue can be measured reliably; and
- c) It is probable that the economic benefits or service potential associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

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Matatiele Local Municipality

Annual Financial Statements for the year ended 30 June 2021

Accounting Policies

1.16 Revenue from exchange transactions (continued)

Measurement

Revenue from exchange transactions is measured at the fair value of the consideration received or receivable taking into account the amount of any discounts and rebates allowed by the entity. Fair value is the amount for which an asset could be exchanged, or a liability, between knowledgeable, willing parties in an arm's length transaction.

Service charges relating to electricity are based on consumption. Meters are read on a quarterly basis and are recognised as revenue when invoiced. Provisional estimates of consumption are made monthly when meter readings have not been performed. The provisional estimates of consumption are recognised as revenue when invoiced. Adjustments to provisional estimates of consumption are made in the invoicing period in which meters have been read. These adjustments are recognised as revenue in the invoicing period.

Revenue from the sale of electricity prepaid meter cards is recognised at the point of sale.

Service charges relating to refuse removal are recognised on a monthly basis in arrears by applying the approved tariff to each property that has improvements. Tariffs are determined per category of property usage, and are levied monthly based on the recorded number of refuse containers per property.

Interest revenue is recognised on a time proportion basis.

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

Revenue from the sale of goods is recognised when substantially all the risks and rewards in those goods is passed to the consumer.

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

1.17 Revenue from non-exchange transactions

Revenue from non-exchange transactions refers to transactions where the municipality received revenue from another entity without directly giving approximately equal value in exchange. Revenue from non-exchange transactions is generally recognised to the extent that the related receipt or receivable qualifies for recognition as an asset and there is no liability to repay the amount.

Revenue from property rates is recognised when the legal entitlement to this revenue arises. Collection charges are recognised when such amounts are legally enforceable. Penalty interest on unpaid rates is recognised on a time proportionate basis.

Fines constitute both spot fines and summonses. Revenue from spot fines and summonses is recognised when the fine is issued.

Revenue from public contributions and donations is recognised when all conditions associated with the contribution have been met or where the contribution is to finance property, plant and equipment, when such items of property, plant and equipment qualifies for recognition and first becomes available for use by the municipality. Where public contributions have been received but the municipality has not met the related conditions, a deferred income (liability) is recognised.

Contributed property, plant and equipment is recognised when such items of property, plant and equipment qualifies for recognition and become available for use by the municipality.

Government grants

Grants, transfers and donations received or receivable are recognised when the resources that have been transferred meet the criteria for recognition as an asset. Grants without any conditions attached are recognised as revenue when the asset is recognised.

Unspent conditional grants

Matatiele Local Municipality

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Accounting Policies

1.17 Revenue from non-exchange transactions (continued)

For all conditional grants, a corresponding liability is raised to the extent that the grant, transfer or donation is conditional. The liability is transferred to revenue as and when the conditions attached to the grant are met. The unspent conditional grant liability is disclosed in the Statement of Financial Position.

1.18 Accounting by principals and agents

Identification

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

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

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

Identifying whether an entity is a principal or an agent

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

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

Binding arrangement

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

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

Assessing which entity benefits from the transactions with third parties

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

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

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

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

Recognition

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

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

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

Matatiele Local Municipality

Annual Financial Statements for the year ended 30 June 2021

Accounting Policies

1.19 Unauthorised expenditure

Unauthorised expenditure means:

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

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

1.20 Fruitless and wasteful expenditure

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

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

1.21 Irregular expenditure

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

1.22 Prepayments

The amount is not taken to profit or loss and other comprehensive income as an expense but disclosed as a current asset in the statement of financial position. The expense is only raised when it is incurred.

1.23 Accumulated Surplus

Included in the accumulated surplus is the previous years profits as well as the effects of changes in accounting policies and correction of errors.

1.24 iGRAP 1 - Probability of revenue

Initial Recognition

Revenue is recognised when it is probable that future economic benefits or service potential will flow to the entity and these benefits can be measured.

Subsequent measurement

Subsequently, the collectability of the revenue is assessed and an impairment loss is recognised where appropriate.

1.25 VAT

The Municipality accounts for Value Added Tax on the payments basis. This means that VAT is declared to the South African Revenue Services as input VAT or output VAT only when payments are made to suppliers or payments are received for goods or services.

1.26 Budget information

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

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

Matatiele Local Municipality

Annual Financial Statements for the year ended 30 June 2021

Accounting Policies

1.26 Budget information (continued)

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

The approved budget covers the fiscal period from 2020/07/01 to 2021/06/30.

1.27 Related parties

Individuals as well as their close family members, and/or entities are related parties if one party has the ability, directly or indirectly, to control or jointly control the other party or exercise significant influence over the other party in making financial and/or operating decisions. Key management personnel is defined as the Municipal Manager, Chief Financial Officer and all other managers reporting directly to the Municipal Manager or as designated by the Municipal Manager.

1.28 Commitments

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

Commitments are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes. A distinction is made between capital and current commitments. Commitments are disclosed for:

- Approved and contracted commitments, where the expenditure has been approved and the contract has been awarded at the reporting date .
- Approved but not yet contracted commitments, where the expenditure has been approved and the contract has yet to be awarded or is awaiting finalisation at the reporting date.
- Items are classified as commitments where the municipality commits itself to future transactions that will normally result in the outflow of resources.
- Contracts that are entered into before the reporting date, but goods and services have not yet been received are disclosed in the disclosure notes to the financial statements.
- Other commitments for contracts are to be non-cancelable or only cancelable at significant cost contracts should relate to something other than the business of the municipality.

1.29 Housing development fund

The Housing Development Fund was established in terms of the Housing Act, (Act No. 107 of 1997). Loans from national and provincial government used to finance housing selling schemes undertaken by the municipality were extinguished on 1 April 1998 and transferred to a Housing Development Fund. Housing selling schemes, both complete and in progress as at 1 April 1998, were also transferred to the Housing Development Fund. In terms of the Housing Act, all proceeds from housing developments, which include rental income and sales of houses, must be paid into the Housing Development Fund. Monies standing to the credit of the Housing Development Fund can be used only to finance housing developments within the municipal area subject to the approval of the Provincial MEC responsible for housing.

The following provisions are set for the creation and utilisation of the Housing Development Fund:

- The Housing Development Fund is cash-backed, and invested in accordance with the investment policy of the municipality.
- The proceeds in this fund are utilised for housing development in accordance with the National Housing Policy, and also for housing development projects approved by the MEC for Human Settlements.
- Any contributions to or from the fund are shown as transfers in the Statement of Changes in Net Assets.
- Interest earned on the investments of the fund is disclosed as interest earned in the Statement of Financial Performance.

1.30 Revaluation reserve

The surplus arising from the revaluation of property, plant and equipment is credited to a non-distributable reserve. The revaluation surplus is realised as revalued buildings are depreciated, through a transfer from the revaluation reserve to the accumulated surplus/deficit. On disposal, the net revaluation surplus is transferred to the accumulated surplus/deficit while gains or losses on disposal, based on revalued amounts, are credited or charged to the statement of financial performance.

Matatiele Local Municipality

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1.31 Deferred revenue

The calculation is done on the week commencing 15 June with the assumption that the electricity purchased in the first and second week of the month will be consumed of the financial year.

An average tariff has been applied for domestic as the municipality is on stepped tariff.

The average daily consumption is over 30,417 days for the financial year.

The indegent is not deferred.

1.32 Investment income

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

1.33 Comparative figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year.

1.34 Segment Reporting

A segment is an activity of an entity:

- that generates economic benefits or service potential (including economic benefits or service potential relating to transactions between activities of the same entity);
- whose results are regularly reviewed by management to make decisions about resources to be allocated to that activity and in assessing its performance; and
- for which separate financial information is available.

Reportable segments are the actual segments which are reported on in the segment report. They are the segments identified above or alternatively an aggregation of two or more of those segments where the aggregation criteria are met.

Measurement

The amount of each segment item reported is the measure reported to management for the purposes of making decisions about allocating resources to the segment and assessing its performance. Adjustments and eliminations made in preparing the entity's financial statements and allocations of revenues and expenses are included in determining reported segment surplus or deficit only if they are included in the measure of the segment's surplus or deficit that is used by management. Similarly, only those assets and liabilities that are included in the measures of the segment's assets and segment's liabilities that are used by management are reported for that segment. If amounts are allocated to reported segment surplus or deficit, assets or liabilities, those amounts are allocated on a reasonable basis.

If management uses only one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities in assessing segment performance and deciding how to allocate resources, segment surplus or deficit, assets and liabilities are reported in terms of that measure. If management uses more than one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities, the reported measures are those that management believes are determined in accordance with the measurement principles most consistent with those used in measuring the corresponding amounts in the entity's financial statements.

Matatiele Local Municipality

Annual Financial Statements for the year ended 30 June 2021

Notes to the Annual Financial Statements

2021	2020
R	R

2. New standards and interpretations

2.1 Standards and interpretations effective and adopted in the current year

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

Standard/ Interpretation:

- GRAP 18 on Segment Reporting
- GRAP 34 on Separate Financial Statements
- GRAP 35 on Consolidated Financial Statements
- GRAP 36 on Investments in Associates and Joint Ventures
- GRAP 37 on Joint Arrangements
- GRAP 38 on Disclosure of Interests in Other Entities
- GRAP 110 on Living and Non-living Resources
- IGRAP 20 on Adjustments to Revenue

**Effective date:
Years beginning on or
after**

01 April 2020
01 April 2020

2.2 Standards and interpretations issued, but not yet effective

Standard/ Interpretation:

- GRAP 25 on Employee Benefits
- GRAP 104 on Financial Instruments

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Matatiele Local Municipality

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Notes to the Annual Financial Statements

	2021 R	2020 R
3. Inventories		
Consumable stores	1 900 805	1 536 766
COVID-19 PPE	245 439	166 405
Medallions - at cost	2 669	2 669
	<u>2 148 913</u>	<u>1 705 840</u>
Inventories (write-downs)	(11 831)	(3 246)
	<u>2 137 082</u>	<u>1 702 594</u>

No inventory is held as security in the Matatiele Local Municipality.

4. Statutory receivables

Rates from non exchange transactions	103 001 277	91 683 275
Sundry debtors	-	11 210 507
Traffic fines debtor	4 013 649	3 606 149
Impairment	(42 172 961)	(37 491 447)
	<u>64 841 965</u>	<u>69 008 484</u>

Statutory receivables general information

The carrying value of receivables are in line with their fair value. A credit period of 30 days are granted on initial recognition of the receivable, which is considered to be in line with industry norms. Interest is charged at 10% per annum on overdue accounts.

Rates from non exchange transactions

These are the receivables as rates that are levied on the properties within the jurisdiction of Matatiele Local Municipality. The rates that are applicable to a particular property are determined using the valuation roll. Rates are determined in accordance with the Municipal Property Rates Act.

Traffic fines

These are the receivables for the fines in terms of the Road Traffic Regulations and the Municipal Bylaws where applicable. Fines are determined based on the Road Traffic Management Act.

Statutory receivables impairment

The Allowance for impairment of Receivables has been made for all consumer balances outstanding based on the payment ratio over 12 months. Based on these payment trends, management is satisfied that no further credit provision is required in excess of the current allowance.

Reconciliation of provision for impairment of statutory receivables

Opening balance	37 491 447	30 849 730
Provision for impairment	7 090 418	6 641 717
	<u>44 581 865</u>	<u>37 491 447</u>

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Matatiele Local Municipality

Annual Financial Statements for the year ended 30 June 2021

Notes to the Annual Financial Statements

	2021 R	2020 R
4. Statutory receivables (continued)		
Rates from non exchange transactions		
Current	1 065 730	873 116
31-60 days	983 152	877 121
61-90 days	1 585 620	1 674 464
91-120 days	1 555 846	1 570 831
121-365 days	10 833 643	9 728 671
Over 365 days	86 977 287	76 959 071
Impairment	(38 571 918)	(32 507 658)
	64 429 360	59 175 616
Sundry Debtors from non exchange transactions		
Current	-	289 150
31-60 days	-	6 442 931
61-90 days	-	35 495
91-120 days	-	34 407
121-365 days	-	618 294
Over 365 days	-	3 790 231
Impairment	-	(2 368 102)
	-	8 842 406
Traffic Fines from non exchange transactions		
Current	42 500	-
31-60 days	70 700	437 250
61-90 days	232 250	-
91-120 days	137 900	377 100
121-365 days	377 100	289 600
Over 365 days	3 153 199	2 502 199
Impairment	(3 601 043)	(2 615 660)
	412 606	990 489
Sundry debtors classification by type		
Consumers		
Current	-	15 986
31-60 days	-	15 986
61-90 days	-	16 046
91-120 days	-	16 046
121-365 days	-	494 909
Over 365 days	-	2 841 137
	-	3 400 110
Industrial		
Current	-	262 037
61-90 days	-	6 651
91-120 days	-	5 559
121-365 days	-	39 931
Over 365 days	-	755 155
	-	1 069 333
Government		
Over 365 days	-	9 450 895

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Matatiele Local Municipality

Annual Financial Statements for the year ended 30 June 2021

Notes to the Annual Financial Statements

	2021	2020
	R	R
5. Trade receivables from non-exchange transactions		
Sundry Debtors	596 537	-
	<hr/>	<hr/>
Current assets	596 537	-
6. VAT receivable		
VAT	1 753 090	10 389 055
<p>VAT is declared on the payments basis. Once payment is received from debtors and payments made to creditors, VAT is declared to SARS.</p>		
7. Trade receivables from exchange transactions		
Gross balances		
Electricity from exchange transactions	13 647 560	6 394 541
Refuse from exchange transactions	22 790 062	18 922 972
Principal/Agency sales electricity	23 754 860	18 076 755
Interest accrued from investments	322 547	76 379
	<hr/>	<hr/>
	60 515 029	43 470 647
Less: Allowance for impairment		
Electricity from exchange transactions	(440 582)	(532 948)
Refuse from exchange transactions	(20 305 944)	(16 603 054)
Principal/Agency sales electricity	(14 802 668)	-
	<hr/>	<hr/>
	(35 549 194)	(17 136 002)
Net balance		
Electricity from exchange transactions	13 206 978	5 861 593
Refuse from exchange transactions	2 484 118	2 319 918
Principal/Agency sales electricity	8 952 192	18 076 755
Interest accrued from investments	322 547	76 379
	<hr/>	<hr/>
	24 965 835	26 334 645
Electricity		
Current (0 -30 days)	4 321 914	3 220 964
31 - 60 days	1 586 064	875 887
61 - 90 days	1 150 551	493 570
91 - 120 days	1 437 312	531 381
121 - 365 days	4 421 433	893 496
> 365 days	730 287	379 242
	<hr/>	<hr/>
	13 647 561	6 394 540
Refuse		
Current (0 -30 days)	920 367	808 811
31 - 60 days	623 177	599 925
61 - 90 days	512 244	489 378
91 - 120 days	477 054	442 001
121 - 365 days	2 938 310	2 124 207
> 365 days	17 318 910	14 458 650
	<hr/>	<hr/>
	22 790 062	18 922 972

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Notes to the Annual Financial Statements

	2021 R	2020 R
7. Trade receivables from exchange transactions (continued)		
Principal/Agency sales electricity		
Current (0 -30 days)	7 916 462	11 693 303
91 - 120 days	15 838 398	6 383 451
	23 754 860	18 076 754
Other		
> 365 days	322 547	76 379
Summary of debtors by customer classification		
Consumers		
Current (0 -30 days)	619 181	523 674
31 - 60 days	530 130	473 993
61 - 90 days	465 466	418 521
91 - 120 days	440 654	397 805
121 - 365 days	2 797 627	2 001 842
> 365 days	16 886 020	14 026 815
	21 739 078	17 842 650
Less: Allowance for impairment	(19 832 066)	(16 118 340)
	1 907 012	1 724 310
Industrial/ commercial		
Current (0 -30 days)	10 571 345	2 740 475
31 - 60 days	394 580	344 977
61 - 90 days	232 087	128 108
91 - 120 days	15 984 036	160 153
121 - 365 days	184 149	304 221
> 365 days	727 357	750 591
	28 093 554	4 428 525
Less: Allowance for impairment	(15 717 128)	(1 017 662)
	12 376 426	3 410 863
National and provincial government		
Current (0 -30 days)	1 968 216	765 626
31 - 60 days	1 284 530	656 842
61 - 90 days	965 242	436 319
91 - 120 days	1 328 074	415 423
121 - 365 days	4 377 966	711 640
> 365 days	435 821	60 484
	10 359 849	3 046 334
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Total		
Current (0 -30 days)	13 158 742	4 029 775
31 - 60 days	2 209 241	1 475 812
61 - 90 days	1 662 795	982 948
91 - 120 days	17 752 764	973 381
121 - 365 days	7 359 742	3 017 703
> 365 days	18 371 745	32 991 029
	60 515 029	43 470 648
Less: Allowance for impairment	(35 549 194)	(17 136 003)
	24 965 835	26 334 645

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Matatiele Local Municipality

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Notes to the Annual Financial Statements

	2021 R	2020 R
7. Trade receivables from exchange transactions (continued)		
Reconciliation of allowance for impairment		
Balance at beginning of the year	(17 136 002)	(14 502 199)
Contributions to allowance	(18 413 192)	(2 633 803)
	(35 549 194)	(17 136 002)

Consumer debtors past due but not impaired

Consumer debtors which are less than 3 months past due are not considered to be impaired. At 30 June 2021, R 15 291 190 (2020: R 4 622 383) were past due but not impaired.

The ageing of amounts past due but not impaired is as follows:

1 month past due	11 857 602	3 259 333
2 months past due	1 628 231	815 799
3 months past due	1 805 357	545 562

Consumer debtors impaired

As of 30 June 2021, consumer debtors of R 60 515 029 (2020: R 43 470 647) were impaired and provided for.

The amount of the provision was R 35 549 194 as of 30 June 2021 (2020: R 17 136 002).

The ageing of these debtors is as follows:

3 to 6 months	16 068 806	1 323 079
Over 6 months	19 480 389	15 813 923

In determining the recoverability of a Consumer receivable, the municipality considers any change in the credit quality of the Consumer receivable from the date credit was initially granted up to the reporting date. The concentration of credit risk is limited due to the customer base being large and unrelated. Accordingly, the management believe that there is no further credit provision required in excess of the Allowance for Doubtful Debts.

8. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	1 250	1 250
Bank balances	11 294 244	8 420 342
Short-term deposits	213 126 826	144 774 895
	224 422 320	153 196 487

Matatiele Local Municipality

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Notes to the Annual Financial Statements

	2021		2020	
	R		R	
8. Cash and cash equivalents (continued)				
The municipality had the following bank accounts				
Account number / description	Bank statement balances		Cash book balances	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
Nedbank - Current Account (main) - 1011292106	10 146 653	4 118 418	9 778 476	1 976 744
Standard Bank- Current Account - 060435224	285 991	5 884 042	285 991	5 884 042
First National Bank - Current Account - 62108495187	1 208 559	559 555	1 208 559	559 555
Standard Bank - 60 Day Notice Account - 68600704/001	56 884 582	11 084 582	56 884 582	11 084 582
Standard Bank - 60 Day Notice Account - 68600704/002	11 127 291	10 835 542	11 127 291	10 835 542
First National Bank - Money Market - 62108496573	6 805 396	6 805 414	6 805 396	6 805 414
NedBank - Call Account - 03/77881006129/000004	79 134 993	31 348 913	79 134 993	31 348 913
NedBank - Call Account - 03/7881120797/000001	818 332	338 214	818 332	338 214
NedBank - 32 day Notice - 03/7881006129/0006	6 384 646	6 147 790	6 384 646	6 147 790
First National Bank - Money Market - 62215611121	1 970 117	1 932 765	1 970 117	1 932 765
First National Bank -Money Market - 62286478906	599 530	588 165	599 530	588 165
NedBank-Call Account -03/7881134496/000001	54 503	52 876	54 503	52 876
Nedbank - Electrification -03/7881140356	272 107	263 979	272 107	263 979
Standard Bank Call Account - 68600704/002	21 294 186	20 116 186	21 294 186	20 116 186
Nedbank MIG - 7881096624/00001	10 000	65 817	10 000	65 817
First National Bank - 62175310045	193 696	190 023	193 696	190 023
Nedbank - 03/7881006129-000009	-	54 168 548	-	54 168 548
Nedbank - Disaster Relief Fund - 03/7881160276-000001	768 859	745 893	768 859	745 893
Nedbank - COVID-19 Solidarity Fund - 03/7881160454-000001	92 995	90 189	92 995	90 189
Nedbank - 03/78811127903	26 715 591	-	26 715 591	-
Total	224 768 027	155 336 911	224 399 850	153 195 237

No investments that are held with an unregistered banks on behalf of Matatiele Local Municipality.

9. Investment property

	2021			2020		
	Cost / Valuation	Accumulated impairment	Carrying value	Cost / Valuation	Accumulated impairment	Carrying value
Investment property	4 960 309	-	4 960 309	3 698 242	-	3 698 242

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	2021 R	2020 R
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9. Investment property (continued)

Reconciliation of investment property - 2021

	Opening balance	Fair value adjustments	Total
Investment property	3 698 242	1 262 067	4 960 309

Reconciliation of investment property - 2020

	Opening balance	Transfers	Total
Investment property	35 574 602	(31 876 360)	3 698 242

All of the municipality's investment properties are held under freehold interests and no Investment Property had been pledged as security for any liabilities of the municipality and are held for capital appreciation.

There are no restrictions on the reliability of investment property or the remittance of revenue and proceeds of disposal.

There are no contractual obligations on investment property.

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

The effective date of revaluations was 1 June 2021.

The valuation was performed using data based on arms length transactions and related market evidence.

This was done by an independent and professional valuer with the Registration Number 70006/09, a member of SAIV (South African Institute of Valuers) by the name of Tshepo Patrick Mokhuwa.

Rental revenue	1 241 198	803 197
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10. Property, plant and equipment

	2021		2020	
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Cost / Valuation	Accumulated depreciation and accumulated impairment
Land	52 734 059	-	52 734 059	-
Buildings	74 129 463	(10 370 834)	63 758 629	(6 911 896)
Infrastructure	571 180 823	(84 030 205)	487 150 618	(64 892 976)
Community	153 622 359	(22 006 018)	131 616 341	(13 509 152)
Other property, plant and equipment	76 310 397	(30 762 149)	45 548 248	(25 784 978)
Capital work under construction	283 096 398	-	283 096 398	-
Assets held in consignment for Eskom	47 824 475	-	47 824 475	-
Total	1 258 897 974	(147 169 206)	1 111 728 768	(111 099 002)
			1 157 346 817	1 046 247 815

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10. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2021

	Opening balance	Additions	Disposals	Transfers	Electrification Disposals	Depreciation	Total
Land	52 734 060	-	-	-	-	-	52 734 059
Buildings	66 603 102	-	-	614 464	-	(3 458 938)	63 758 629
Infrastructure	453 600 121	1 832 386	(1 004 137)	55 885 060	-	(23 162 812)	487 150 618
Community	120 124 427	579 800	-	19 408 979	-	(8 496 864)	131 616 341
Other property, plant and equipment	43 328 823	7 993 810	(111 738)	-	-	(5 662 648)	45 548 248
Capital work under construction	309 857 282	137 062 545	(138 186)	(123 732 978)	(39 952 264)	-	283 096 398
Assets held in consignment for Eskom	-	-	-	47 824 475	-	-	47 824 475
	1 046 247 815	147 468 541	(1 254 061)	-	(39 952 264)	(40 781 262)	1 111 728 768

Reconciliation of property, plant and equipment - 2020

	Opening balance	Additions	Disposals	Transfers	Transfers from investment property	Depreciation	Total
Land	20 857 700	-	-	-	31 876 360	-	52 734 060
Buildings	69 939 151	121 931	-	-	-	(3 457 980)	66 603 102
Infrastructure	451 389 392	943 652	-	32 057 835	-	(30 790 759)	453 600 121
Community	125 420 715	-	-	1 363 143	-	(6 659 436)	120 124 427
Other property, plant and equipment	45 589 580	3 923 885	(26 400)	-	-	(6 158 245)	43 328 823
Capital work under construction	203 316 882	150 247 657	(10 286 281)	(33 420 978)	-	-	309 857 282
	916 513 420	155 237 125	(10 312 681)	-	31 876 360	(47 066 420)	1 046 247 815

9.1 Property, plant and equipment - Capitalised Restoration Cost

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Figures in Rand

10. Property, plant and equipment (continued)

Capitalised restoration cost - carrying value

13 098 877 13 612 622

The movement in capitalised restoration cost is reconciled as follows:

Cost

14 640 112 14 640 112
 (1 027 490) (513 745)
 (513 745) (513 745)
13 098 877 13 612 622

Accumulated depreciation
 Current year depreciation

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The municipality is required by relevant Environmental Legislation to rehabilitate landfill site at the closure date. The "Capitalised Restoration Cost" asset, which is capitalised in line with the requirements of GRAP 17 and iGRAP 2, relates to the initial estimate of costs involved to restore landfill site under control of the Matatiele Local Municipality.

Although this item is accounted for under Property, Plant and Equipment Standard (GRAP 17), the characteristics and nature of this item does not resemble that of normal PPE (such as the tangible nature of assets normally associated with PPE). Based on the aforementioned and in line with the requirements of GRAP 1, Capitalised Restoration Cost is disclosed as a separate item on the face of the Statement of Financial Position.

Refer to note 15 for more detail relating to this asset financed by way of a provision.

Repairs and maintenance

Repairs on buildings 1 864 156
 Repairs on equipment 3 305 444
 Repairs on mains 7 959 984
14 754 786 13 129 584

Reconciliation of Work-in-Progress 2021

	Included within Infrastructure	Included within Community	Included within Other PPE	Total
Additions/capital expenditure	139 677 210	26 102 164	117 317 024	283 096 398

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10. Property, plant and equipment (continued)

Reconciliation of Work-in-Progress 2020

	Included within Infrastructure	Included within Community	Included within Other PPE	Total
Additions/capital expenditure	170 181 607	38 425 773	101 249 902	309 857 282

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

11. Intangible assets

	2021 Cost / Valuation	2021 Accumulated amortisation and accumulated impairment	2021 Carrying value	2020 Cost / Valuation	2020 Accumulated amortisation and accumulated impairment	2020 Carrying value
Computer software	4 128 631	(3 725 313)	403 318	3 950 164	(3 258 647)	691 517

Reconciliation of intangible assets - 2021

	Opening balance	Amortisation	Total
Computer software	691 517	(288 199)	403 318

Reconciliation of intangible assets - 2020

	Opening balance	Additions	Amortisation	Total
Computer software	516 200	407 320	(232 003)	691 517

Other information

There is a register containing the information required by Section 63 of the MFMA which is available for inspection at the registered office of the Municipality.

None of the intangible assets are pledged as a security as at year end.

12. Payables from exchange transactions

Trade payables	45 611 960	39 378 173
Income received in advance	5 562 303	4 791 505
Deposits received	1 127 741	1 041 164
Bonus accrual	2 387 278	2 186 796
Payable water services	2 044 794	2 044 794
	56 734 076	49 442 432

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	2021 R	2020 R
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12. Payables from exchange transactions (continued)

Fair value of trade and other payables

The average credit period on purchases is 30 days from the receipt of the statement, as determined by the MFMA. No interest is charged for the first 30 days from the date of receipt of the invoice. Thereafter interest is charged in accordance with the credit policies of the various individual creditors that the municipality deals with. The municipality has financial risk policies in place to ensure that all payables are paid within the credit timeframe.

Income received in advance is due to payments received for hall hire, sale of municipal vacant plots and prepaid electricity.

The management of the municipality is of the opinion that the carrying value of creditors approximate their fair values.

Bonus accrual is calculated on a 13th cheque attributable to all staff.

13. Consumer deposits

Electricity	369 024	345 497
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Consumers on application for electricity connections pay consumer deposits. The deposit is repaid when the connection is terminated. Consumer deposits are refunded when a property changed ownership in the form of rental or permanent transfer(sold).

14. Employee benefit obligations

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

Carrying value

Present value of the defined benefit obligation-wholly unfunded	(14 616 003)	(15 215 831)
	(1 881 000)	599 828
	(16 497 003)	(14 616 003)
Non-current liabilities	(15 249 003)	(13 586 003)
Current liabilities	(1 248 000)	(1 030 000)
	(16 497 003)	(14 616 003)

Changes in the present value of the defined benefit obligation are as follows:

Opening balance	11 331 361	11 930 649
Contributions by plan participants	(966 813)	(835 398)
Net expense recognised in the statement of financial performance	2 847 813	236 110
	13 212 361	11 331 361

Net expense recognised in the statement of financial performance

Current service cost	1 262 000	1 649 564
Interest cost	1 329 000	1 325 339
Actuarial (gains) losses	256 813	(2 738 793)
	2 847 813	236 110

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	2021 R	2020 R
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14. Employee benefit obligations (continued)

Key assumptions used

Assumptions used at the reporting date:

Actual return on plan assets	62	62
Discount rates used	10,06 %	10,52 %
Expected rate of return on assets	7,98 %	7,98 %
Expected rate of return on reimbursement rights	1,60 %	1,60 %

Other assumptions

Assumed healthcare cost trends rates have a significant effect on the amounts recognised in surplus or deficit. A one percentage point change in assumed healthcare cost trends rates would have the following effects:

	One percentage point increase	One percentage point decrease
Effect on the aggregate of the service cost and interest cost	2 979 000	2 278 000
Effect on defined benefit obligation	13 157 000	9 452 000

Amounts for the current and previous four year are as follows:

	2021 R	2020 R	2019 R	2018 R	2017 R
Defined benefit obligation	16 497 003	14 616 000	15 215 831	15 269 222	10 789 296
Surplus (deficit)	(16 497 003)	(14 616 000)	(15 215 831)	(15 269 222)	(10 789 296)

Defined contribution plan

It is the policy of the municipality to provide retirement benefits to all its employees. A number of defined contribution provident funds, all of which are subject to the Pensions Fund Act exist for this purpose.

The municipality is under no obligation to cover any unfunded benefits.

Included in defined contribution plan information above, are the following plans which are a Multi-Employer Funds and are a Defined Benefit Plans, but due to the fact that sufficient information is not available to enable the municipality to account for the plans as a defined benefit plans. The municipality accounted for these plans as a defined contribution plans:

15. Unspent conditional grants and receipts

Unspent conditional grants and receipts comprises of:

Unspent conditional grants and receipts

Alien plant eradication grant	2 223 711	-
Library upgrade	1 512 417	1 028 103
Local economic development projects	506 537	506 537
Other grants	218 253	218 253
	4 460 918	1 752 893

Movement during the year

Balance at the beginning of the year	1 752 893	1 752 893
Additions during the year	102 565 500	-
Income recognition during the year	(99 857 475)	-
	4 460 918	1 752 893

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	2021	2020
	R	R

15. Unspent conditional grants and receipts (continued)

See note 26 for reconciliation of grants from National/Provincial Government.

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

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	2021 R		2020 R
16. Provisions			
Reconciliation of provisions - 2021			
	Opening Balance	Additions	Utilised during the year
Environmental rehabilitation	14 591 764	-	(217 698)
Leave	11 346 199	2 444 196	-
Performance bonus	652 225	581 279	(211 441)
	26 590 188	3 025 475	(429 139)
			29 186 524
Reconciliation of provisions - 2020			
	Opening Balance	Additions	Reduction due to re- measurement or settlement without cost to entity
Environmental rehabilitation	13 049 793	1 541 971	-
Leave	9 969 818	1 376 381	-
Performance bonus	798 500	-	(146 275)
	23 818 111	2 918 352	(146 275)
			26 590 188
Non-current liabilities			14 374 066
Current liabilities			14 812 458
			29 186 524
			26 590 188

Environmental rehabilitation provision

The minimum requirements for waste disposal by landfill as stated by the Department of Water Affairs and Forestry, " All land fills, except those closed prior to August 1990 when the permitting system came into effect, must be permitted before they can be legally closed. Closure will involve, inter alia, the application of final cover, top soiling, vegetating, drainage maintenance and leachate management."

The financial implications for the rehabilitation of the landfill site were performed by Hendrik Adriaan Roets, who is registered with the South African Institution of Civil Engineering. This was carried out on the 15 July 2021 for the effective date, 30 June 2021. Currently no appointment for the closure has been made, and therefore estimates have been compiled. The provision is based on a 15 year estimation.

Landfill sites generally fall into 3 categories, which are separated by the size of the landfill, the type of waste and the amount of leachate produced. The land fill site closure design is based on it falling in the G:S:B+ formation which has the following capping layers:

- 200mm Topsoil
- 300mm Compacted clay

In calculating the provision for rehabilitation, the following four items have been included:

Direct contract costs - this equates to a unit cost of 90 Rand per square meter based on previous closure of the Ducats landfill. Unit costs are used to estimate rehabilitation costs until a service provider is appointed to perform an investigation and design.

Indirect professional fees - these fees are fixed and are based on a percentage of the contract.

Indirect disbursements - These are estimated by obtaining quotations from third party service providers for similar works.

Escalation has also been considered and included in the costs.

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	2021 R	2020 R
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16. Provisions (continued)

The monetary value for the provision for the landfill site at 30 June 2021 is R14 374 065 (2020: R 14 591 764).

Environmental rehabilitation provision

Rehabilitation provision - Landfill site	14 374 065	14 591 764
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The movement in Rehabilitation Provision - Landfill Site are reconciled as follows:

Opening balance	14 591 764	13 049 793
Contribution/(reduction) during the year	(217 699)	1 541 971
	14 374 065	14 591 764

It is estimated that the site will not be rehabilitated within 1 year from the reporting date and thus there is no short term portion associated with this provision. The timing of the outflow of resources relating to this provision is uncertain, but management expects the timing to be in line with the legal requirement subsequent to the expected closure date of the site as indicated below.

The total obligation at year end is attributed to the following site:

Site	Expected Closure Date	
Matatiele Landfill Site	2023	14 374 065 14 591 764

The Environmental Specialists were utilised to determine the cost of rehabilitation of landfill site as well to assist the municipality in identifying any changes (if any) to estimated to estimated closure dates previously reported on in former entities.

The estimated area per site to be rehabilitated at year end were as follow (Rehabilitation area - per metre squared).

Matatiele Landfill Site	150 000	150 000
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The cost of rehabilitation per square metre is based on the current cost of construction at each reporting period. The cost per square metre were estimated as follows:

Matatiele Landfill Site	88	88
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Employee benefit cost provision

Leave

Staff leave accrue to the staff of the municipality on an annual basis, subject to certain conditions. The accrual is an estimate of the amount due at the reporting date.

Performance Bonus

Performance bonuses accrue to senior managers on an annual basis, subject to certain conditions. The provision is an estimate of the amount due at the reporting date.

17. Revaluation reserve

Opening balance	230 445 832	230 445 832
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	2021 R	2020 R
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17. Revaluation reserve (continued)

The revaluation reserve arose on the revaluation of land and buildings and infrastructure asset in prior periods. Where revalued land and buildings and infrastructure assets are sold, the portion of the revaluation reserve that relates to that asset, and is effectively realised, is transferred directly to accumulated surplus. The revaluation reserve is also realised through the transfer of depreciation on revalued assets to accumulated surplus. Distribution from the revaluation reserve can be made where they are in accordance with the requirements of the municipality's accounting policy and relevant case law. The payment of cash distribution out of the reserve is restricted by the terms of the municipality's accounting policy. These restrictions do not apply to any amounts transferred to accumulated surplus. The council does not currently intend to make any distributions from the revaluation reserve.

18. Revenue

Agency services	1 769 769	1 210 720
Fines receipts	762 403	1 397 543
Government grants & subsidies	399 461 471	369 222 363
Interest received - investment	22 192 486	24 528 113
Licences and permits	2 016 795	1 346 350
Other income	1 029 398	3 454 169
Property rates	46 575 491	44 903 631
Rental of facilities and equipment	1 241 198	803 197
Service charges	68 588 657	58 434 130
	543 637 668	505 300 216

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

Service charges	68 588 657	58 434 130
Rental of facilities and equipment	1 241 198	803 197
Agency services	1 769 769	1 210 720
Licences and permits	2 016 795	1 346 350
Other income - (rollup)	1 029 398	3 454 169
Interest received - investment	22 192 486	24 528 113
	96 838 303	89 776 679

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

Taxation revenue		
Property rates	46 575 491	44 903 631
Transfer revenue		
Government grants & subsidies	399 461 471	369 222 363
Fines receipts	762 403	1 397 543
	446 799 365	415 523 537

19. Service charges

Sale of electricity	57 058 073	47 644 514
Refuse removal	11 530 584	10 789 616
	68 588 657	58 434 130

The amounts disclosed above for revenue from service charges are in respect of services rendered which are billed to the consumers on a monthly basis according to approved tariffs.

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	2021 R	2020 R
20. Rental of facilities and equipment		
Hall hire	100 445	130 670
Site rental	1 129 945	659 433
Stadium hire	10 808	13 094
	1 241 198	803 197
21. Agency services		
Motor vehicle licenses	1 769 769	1 210 720
22. Licences and permits (exchange)		
Business licenses	16 528	42 442
Drivers and motor vehicle licenses	1 984 846	1 282 539
Fishing licenses	14 789	18 630
Hoarding permits	632	2 739
	2 016 795	1 346 350
23. Other income		
Ticket sales	-	76 999
Sundry services	155 943	505 174
Rezoning certificates	50 222	53 724
Pool fees	37 275	48 459
Rates certificates	22 611	23 041
Building plans	182 083	360 067
Camping fees	584	4 266
Commission fees	-	33 142
Cemetery fees	158 973	87 711
Tender documents	271 004	446 119
Actuarial gains	-	1 441 350
Demolition fees	12 707	11 426
Sub-division planning	5 684	25 477
SETA refund	109 570	327 373
Special consent	14 093	7 002
Temporary structure planning	8 649	2 839
	1 029 398	3 454 169
<p>The amounts disclosed above for other income are in respect of services rendered which are billed to or paid for by the users as the services are required according to approved tariffs.</p>		
24. Investment revenue		
Interest revenue		
Interest on short term deposits	8 835 230	12 973 083
Interest on electricity and rates	13 357 256	11 555 030
	22 192 486	24 528 113

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	2021 R	2020 R
25. Property rates		
Rates received		
Commercial	6 094 052	6 892 879
Communal land	1 529 116	1 277 597
Municipal	31 293 327	29 804 558
Residential	6 991 964	6 225 860
Vacant land	667 032	702 737
	46 575 491	44 903 631

Supplementary assessment rates are levied on the value of land and improvements, for which a valuation is performed every five years. Valuations are processed on an annual basis to take into account changes in individual property values due to alterations and subdivisions.

A new valuation roll has been implemented from 1 July 2018.

Valuations

Residential	1 363 021 289	1 373 509 889
Commercial	888 853 363	890 103 363
State	1 243 228 411	1 242 368 411
Vacant land	36 630 810	37 120 810
Municipal and local government (rural)	1 483 552 385	1 483 552 385
Exempted properties	391 482 480	390 692 480
	5 406 768 738	5 417 347 338

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	2021 R	2020 R
26. Government grants and subsidies		
Operating grants		
Equitable share	299 604 000	234 919 220
COVID-19 relief grant	-	745 000
Local government financial management grant	1 700 000	1 700 000
Expanded public works programme integrated	3 499 000	3 257 000
Nature reserve alien cleaning	1 566 789	-
	306 369 789	240 621 220
Capital grants		
Municipal infrastructure grant	60 335 000	58 255 000
Integrated national electrification programme	32 591 001	70 177 000
Library upgrade	165 686	169 143
	93 091 687	128 601 143
	399 461 476	369 222 363
Equitable Share		
In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members.		
Local government financial management grant		
Current-year receipts	1 700 000	1 700 000
Conditions met - transferred to revenue	(1 700 000)	(1 700 000)
	-	-
Conditions still to be met - remain liabilities (see note 15).		
Integrated national electrification programme grant		
Balance unspent at beginning of year	-	1 964 221
Current-year receipts	32 591 000	70 177 000
Conditions met - transferred to revenue	(32 591 000)	(70 177 000)
National Treasury forfeited funds	-	(1 964 221)
	-	-
Conditions still to be met - remain liabilities (see note 15).		
Expanded public works programme integrated grant		
Current-year receipts	3 499 000	3 257 000
Conditions met - transferred to revenue	(3 499 000)	(3 257 000)
	-	-
Conditions still to be met - remain liabilities (see note 15).		
Library upgrade		
Balance unspent at beginning of year	1 028 103	547 245
Current-year receipts	650 000	650 000
Conditions met - transferred to revenue	(165 686)	(169 142)
	1 512 417	1 028 103

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	2021 R	2020 R
26. Government grants and subsidies (continued)		
Conditions still to be met - remain liabilities (see note 15).		
Local economic development projects		
Balance unspent at beginning of year	506 537	506 537
Conditions still to be met - remain liabilities (see note 15).		
COVID-19 relief grant		
Current-year receipts	-	745 000
Conditions met - transferred to revenue	-	(745 000)
	-	-
Municipal infrastructure grant		
Current-year receipts	60 335 000	58 255 000
Conditions met - transferred to revenue	(60 335 000)	(58 255 000)
	-	-
Other grants		
Balance unspent at beginning of year	218 253	218 253
Conditions still to be met - remain liabilities (see note 15).		
Nature reserve alien cleaning		
Current-year receipts	3 790 500	-
Conditions met - transferred to revenue	(1 566 789)	-
	2 223 711	-
Conditions still to be met - remain liabilities (see note 15).		
27. Fine receipts		
Traffic:Municipal	542 627	1 164 145
Fines:Pound Fees	219 776	233 398
	762 403	1 397 543

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	2021 R	2020 R
28. Employee related costs		
Basic	76 990 971	78 516 102
Bonus	5 960 644	4 677 237
Medical aid - company contributions	5 568 691	3 781 517
UIF	537 377	548 699
SDL	998 069	1 131 035
Leave pay provision charge	3 820 941	2 989 829
Defined contribution plans	12 148 393	11 679 476
Overtime payments	2 166 597	2 359 112
Long-service awards	289 703	243 137
Car allowance	5 573 186	4 728 897
Housing benefits and allowances	4 861 336	4 740 725
Cellular and telephone allowances	6 000	6 000
	118 921 908	115 401 766

Remuneration of Municipal Manager

Annual Remuneration	675 987	5 259 272
Back pay	26 588	-
Car Allowance	282 236	311 750
Contributions to UIF, Medical and Pension Funds	60 100	1 338
Remote allowance	80 887	70 816
	1 125 798	5 643 176

Dr V. Mlokothe served as acting Municipal Manager from 1 July 2020 to 29 July 2020. Mr N.R. Xolo was the acting Municipal Manager from 30 July 2020 to 31 August 2020. Mr L. Matiwane was then appointed as the Municipal Manager on 1 September 2020.

Remuneration of Chief Finance Officer

Annual remuneration	584 225	291 285
Car Allowance	214 742	123 287
Bonus	60 000	-
Performance bonuses	166 283	40 000
Contributions to UIF, Medical and Pension Funds	1 785	1 190
Housing allowance	214 742	123 287
Remote allowance	90 497	41 741
Back pay	219 098	18 438
	1 551 372	639 228

Mr K. Mehlomakulu served as Chief Financial Officer for the entire period.

Remuneration of Corporate Services General Manager

Annual remuneration	597 663	524 141
Car Allowance	195 851	131 519
Performance Bonuses	290 321	-
Acting allowance	14 428	-
Contributions to UIF, Medical and Pension Funds	40 637	41 871
Back pay	537 786	29 763
Housing allowance	146 888	168 938
Remote allowance	106 193	62 611
	1 929 767	958 843

Mr N.R Xolo served as Corporate Services General Manager from 1 July 2020 to 31 May 2021. Mr CK Magadla was appointed to act from 1 June 2021.

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	2021 R	2020 R
28. Employee related costs (continued)		
Remuneration of Community Services General Manager		
Annual remuneration	341 462	266 115
Car allowance	362 708	394 864
Back pay	-	21 529
Contributions to UIF, Medical and Pension Funds	68 370	57 875
Housing allowance	362 708	394 864
Remote allowance	79 342	79 343
	1 214 590	1 214 590

Mr S.M. Mbedla served as Community Services General Manager for the entire period.

Remuneration of the Economic Development Planning General Manager		
Annual remuneration	348 000	348 000
Car allowance	392 732	379 868
Back pay	-	25 726
Contributions to UIF, Medical and Pension Funds	1 785	1 785
Housing allowance	392 732	379 868
Remote allowance	79 342	79 343
	1 214 591	1 214 590

Miss T. Ntsalla served as Economic Development Planning General Manager for the entire period.

Remuneration of the Infrastructure General Manager		
Annual remuneration	644 225	311 733
Car allowance	257 247	115 572
Performance Bonuses	52 895	-
Bonus	85 010	-
Contributions to UIF, Medical and Pension Funds	1 785	1 190
Housing allowance	87 227	115 572
Back pay	219 098	53 421
Remote allowance	90 496	41 741
	1 437 983	639 229

Mr. M. Lehlela served as General Manager: Infrastructure Services for the entire period

Staff leave benefits		
Municipal Manager	114 113	-
Chief Financial Officer	172 565	44 715
Community Services	171 399	147 109
EDP Manager	186 557	126 405
Corporate Services Manager	122 214	123 827
Infrastructure Manager	130 590	41 276
	897 438	483 332

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	2021 R	2020 R
29. Remuneration of councillors		
Executive Major	905 259	905 259
Speaker	733 088	733 088
Chief Whip	690 046	690 046
MPAC Chair	635 698	677 074
Executive committee	4 608 398	4 783 149
Councillors	12 406 568	12 658 596
	19 979 057	20 447 212
In-kind benefits		
The Mayor and the Speaker are full-time Councillors each have the use of separate Council owned vehicles for official duties.		
The Mayor has one driver and one mayoral aid. The Speaker has one driver and one speaker's aid.		
Mayor		
Remuneration	860 859	860 859
Telephone allowance	44 400	44 400
	905 259	905 259
Speaker		
Remuneration	688 688	688 688
Telephone allowance	44 400	44 400
	733 088	733 088
Chief Whip		
Remuneration	645 646	645 646
Telephone allowance	44 400	44 400
	690 046	690 046
MPAC Chairperson		
Remuneration	591 298	632 674
Telephone allowance	44 400	44 400
	635 698	677 074
Executive Committee Members		
Remuneration	4 219 492	4 423 549
Telephone allowance	388 906	359 600
	4 608 398	4 783 149
Councillors (Section 79)		
Remuneration	475 238	699 235
Telephone allowance	60 680	88 800
	535 918	788 035
Councillors (Ordinary)		
Remuneration	10 291 277	10 337 373
Telephone allowance	1 712 552	1 533 187
Pensioners' medical aid	402 739	-
	12 406 568	11 870 560

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	2021 R	2020 R
30. Remuneration of traditional leaders		
Remuneration of traditional leaders	329 090	386 324
31. Depreciation and amortisation		
Property, plant and equipment	41 295 010	47 580 165
Intangible assets	288 199	232 003
	41 583 209	47 812 168
32. Finance costs		
Late payments	725	3 082
33. Material and stores		
Material and stores	5 763 264	4 015 911
34. Debt impairment		
Debt impairment	25 503 611	9 275 521
35. Bulk purchases		
Electricity	48 196 231	43 138 390
<p>Bulk purchases are the cost of commodities not generated by the municipality, which the municipality distributes in the municipal area for resale to consumers. Electricity is purchased from Eskom. The municipality incurred electricity line losses of R 515 136 at a percentage of 5.67% (2020: R1 361 263 at a percentage of 9.38%) in the current year.</p> <p>Water is supplied directly to residents and businesses by the district municipality.</p>		
36. Contracted services		
Outsourced Services		
Business and Advisory	29 328 495	28 521 205
Catering Services	984 281	1 078 771
Cleaning Services	3 123 604	2 815 439
Connection / Dis-connection	86 300	-
Refuse Removal	3 987 329	5 457 211
Sewerage Services	1 800	-
Electrical	718 000	-
Consultants and Professional Services		
Business and Advisory	28 775 076	15 485 410
Legal Cost	2 696 326	2 449 932
Contractors		
Employee Wellness	248 755	303 743
Event Promoters	19 000	2 119 964
Maintenance of Unspecified Assets	14 754 787	12 980 603
Preservation/Restoration/Dismantling/Cleaning Service	1 541 324	-
Tracing Agents and Debt Collectors	72 033	402 419
Safeguard and Security	7 712 052	9 434 687
	94 049 162	81 049 384

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	2021 R	2020 R
37. General expenses		
Achievement and awards	461 226	1 479 705
Advertising	1 519 875	967 323
Bank charges	270 825	254 329
Bursaries and learnerships	2 943 509	1 508 250
Communication	437 500	199 800
Conferences and seminars	76 957	231 848
Delegate expenses	2 300 249	5 062 576
Electricity	624 356	359 574
External computer services	2 426 772	3 033 082
Hire charges	1 018 108	1 146 249
Insurance	2 539 885	2 829 178
Motor vehicle expenses	207 368	104 134
Ordinate stock written off	11 831	3 246
Other expenses	1 921 506	2 316 287
Connection fees	386 738	-
Audit fees	3 035 080	3 884 540
Retirement cost	25 000	-
Postage and courier	207 871	201 135
Printing and stationery	224 925	253 971
Remuneration to ward committees	3 087 000	3 069 000
Subscriptions and membership fees	1 684 497	1 283 730
Telephone and fax	2 290 136	2 453 852
Transport provided as part of departmental activities	284 450	434 312
Uniforms and protective clothing	2 316 201	1 355 265
Water and oil	1 721 903	1 701 562
	32 023 768	34 132 948
38. Cash generated from operations		
Surplus	109 526 106	132 803 157
Adjustments for:		
Depreciation and amortisation	41 583 209	47 812 168
Loss on sale of assets and liabilities	40 623 548	10 312 681
Debt impairment	25 503 611	9 275 521
Fair value adjustments	(1 262 067)	-
Movements in retirement benefit assets and liabilities	1 881 000	(599 828)
Movements in provisions	2 596 335	2 772 077
Correction of error - non cash prior year	-	(209 727)
Changes in working capital:		
Inventories	(434 488)	(728 821)
Trade receivables from exchange transactions	(17 044 382)	(10 293 365)
Statutory receivables	(514 995)	(5 135 584)
Trade receivables from non-exchange transactions	(3 005 441)	-
Prepayments	-	3 704 817
Payables from exchange transactions	7 291 644	5 140 316
VAT	8 635 965	(8 532 047)
Unspent conditional grants and receipts	2 708 025	(1 483 361)
Consumer deposits	23 527	45 970
	218 111 597	184 883 974

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	2021 R	2020 R
39. Unauthorised expenditure		
Opening balance as previously reported	38 546 463	8 685 931
Opening balance as restated	38 546 463	8 685 931
Add: Expenditure identified - current	69 601 085	-
Add: Expenditure identified - prior period	-	29 860 532
Less: Approved/condoned/authorised by council	(38 546 463)	-
Closing balance	69 601 085	38 546 463

On the 29th of May 2021, the MPAC oversight report recommended that an amount of R38 546 463 should be written off. After investigation, on the 29th of June 2021 as per Council Resolution CR 1271/29/06/2021 it was resolved that an amount R38 546 463 will be written off.

Analysed as follows: non-cash

Debt impairment	20 503 607	5 275 521
Depreciation and impairment	8 473 205	17 349 673
Bad debts written off	-	4 979 701
Finance charges	725	3 082
Provision of landfill site contribution expense	-	1 541 971
Loss on disposal of property, plant and equipment	40 623 548	710 584
	69 601 085	29 860 532

40. Irregular expenditure

Opening balance as previously reported	9 412 749	9 370 387
Opening balance as restated	9 412 749	9 370 387
Add: Irregular Expenditure - current	7 237 628	9 412 749
Less: Amount written off - current	(1 522 660)	(9 370 387)
Closing balance	15 127 717	9 412 749

On the 27th of May 2021, the MPAC oversight report recommended that an amount of R1 522 660 should be written off. After investigation, on the 29th of June 2021 as per Council Resolution CR 1271/29/06/2021 it was resolved that an amount R1 522 660 will be written off.

Consulting fees paid to Sondlo Chartered Accountants for the compilation of the Fixed Assets Register for an amount of R1 788 861.

Consulting fees paid to Protea Consulting for an amount of R4 555 655 for the compilation of the annual financial statements.

Supply and delivery of Protective clothing/Uniform for thirty two staff for an amount of R146 800.

Supply and delivery of concrete pipes for an amount of R746 312.

41. Fruitless and wasteful expenditure

Opening balance as previously reported	55 226	52 144
Opening balance as restated	55 226	52 144
Add: Expenditure identified - current	901 631	3 082
Less: Amounts recovered - current	(751)	-
Less: Amount written off - current	(55 226)	-
Closing balance	900 880	55 226

The municipality incurred a cost of R900 155 in the current year due to standing costs that were paid to a contractor. All other fruitless and wasteful expenditure identified will be investigated and be recovered from the relevant municipal official.

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	2021 R	2020 R
41. Fruitless and wasteful expenditure (continued)		
On the 27th of May 2021, the MPAC oversight report recommended that an amount of R55 226 should be written off. After investigation, on the 29th of June 2021 as per Council Resolution CR 1271/29/06/2021 it was resolved that an amount R55 226 will be written off.		
42. Operating lease		
The Municipality had the following operating leases in the current year:		
Kokstad Copiers - The leases are held on a monthly basis. No outstanding commitments.		
Aloe Office - The lease agreement was completed in July 2019, the new lease is held on monthly basis. No outstanding commitments.		
Nedbank - for a period of 36 months. At the reporting date the entity has outstanding commitments under operating leases which fall due as follows:		
Maxitech - The lease is held on a monthly basis for hosting the website. No outstanding commitments.		
Telkom - The lease is for a period of 5 years.		
Up to 1 year	480 427	480 421
2-5 years	1 120 995	1 601 422
	1 601 422	2 081 843
Telkom internet - The lease is for a period of 5 years.		
Up to 1 year	326 417	326 417
2-5 years	652 834	979 252
	979 251	1 305 669
Telkom VPN - The lease is for a period of 5 years.		
Up to 1 year	382 017	382 017
2-5 years	827 703	1 209 719
	1 209 720	1 591 736

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	2021 R	2020 R
43. Contingencies		
LIABILITIES		
Begin Africa vs Matatiele Local Municipality		
The municipality is being sued for non payment of services rendered. The estimated cost of the suit is R400 000.		
DCT Nakin vs Matatiele Local Municipality		
The municipality is being sued for damages of R2 086 357.00, and the case is still pending.		
Two Sisters vs Matatiele Local Municipality		
The municipality is being sued for non-payment of services rendered. The estimated cost of the suit is R300 000.		
Bono / Mbadu vs Matatiele Local Municipality		
The municipality is being sued and the nature of case cannot be clarified at this stage. The estimated cost of the suit is R70 000.		
PC Matnoloana vs Matatiele Local Municipality		
The municipality is being sued and the nature of case cannot be clarified at this stage. The estimated cost of the suit cannot be determined.		
Station Commander Matatiele Police Station & Others vs Matatiele Local Municipality		
An application has been made to restore possession to the municipality. The estimated cost is R75 000.		
Just Vision Events (Pty) Ltd vs Matatiele Local Municipality		
The nature of case cannot be clarified at this stage. The estimated cost is R6000.		
Mazasa Management Consultants vs Matatiele Local Municipality		
An application has been launched Mazasa to be declared a lawful service provider. The application was dismissed with costs. The municipality has now received a Notice of Appeal. The estimated cost is R150 000.		
Trabang Maneie vs Matatiele Local Municipality		
Urgent application launched to interdict and restrain the first respondent and further unlawful invaders from occupying or attempting to invade the Property. The estimated cost is R65 000.		
Monaio Moshoeshoe vs Matatiele Local Municipality		
Urgent application launched to interdict and restrain the first respondent and further unlawful invaders from occupying or attempting to invade the Property. The estimated cost is R130 000.		
Going Places Construction and Projects vs Matatiele Local Municipality		
This is an application to interdict the municipality. The estimated cost of the suit is R100 000.		
Joubert Darren vs Matatiele Local Municipality		
The nature of case cannot be clarified at this stage. The estimated cost is R18000.		
Ayanda Harold Shibani vs Matatiele Local Municipality		
The municipality is being sued for damages of R349 998. The estimated cost of the suit is R25 000.		

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	2021 R	2020 R
43. Contingencies (continued)		
Excellent Security Services vs Matatiele Local Municipality		
<p>This is an application to interdict the municipality from awarding of a security tender to Ubilo Security Services. The application was struck off the roll with costs. The estimated cost of the suit is R10 000.</p>		
ASSETS		
Matatiele Municipality vs Lubbe Construction		
<p>The municipality lodged a claim against the contractor for construction of the Council chamber which was not carried out with due skill, diligence and regularity. The estimated cost of the suit is R22 173 329.</p>		
Matatiele Municipality vs Branded Soul		
<p>Attorneys are in the process of recovering the legal cost as there is a possibility that the case will not be continued. The legal costs and disbursements to date amount to R36 091. The estimated cost of the suit is R15 000.</p>		
Matatiele Local Municipality vs Soul Goods		
<p>The municipality is in a process of recovering up to an amount of R55 108 from Soul Goods, the case is at advanced stages. The estimated cost of the suit is R13 000.</p>		
Matatiele Local Municipality vs Alfred Nzo District Municipality and Sisonke District Municipality		
<p>The municipality is in the process of recovering R5 676 505 from Alfred Nzo District Municipality and R2 941 249 from Sisonke District Municipality for services carried out on behalf of the respective districts, however, the outcome of the recovery is currently uncertain.</p>		
44. Commitments		
Authorised capital expenditure		
Already contracted for but not provided for		
• Property, plant and equipment	32 710 186	95 594 974
Total capital commitments		
Already contracted for but not provided for	32 710 186	95 594 974

The committed expenditure relates to property, plant and equipment contracts that will be finished in the coming years. The commitments will be financed by grants as well as own revenue.

The commitment amounts are exclusive of VAT.

The commitments for the current year will be funded as follows, Integrated National Electrification Programme R1 606 528, Municipal Infrastructure Grant R25 830 187 and from Own Operational Revenue R5 273 471.

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	2021 R	2020 R
45. Related parties		
Relationships		
General Manager: Infrastructure		Brother
Councillor		Wife
<p>Bokang Lehlehla, the brother of the General Manager Infrastructure, was a member of Maboka Contractors who were appointed to for the construction of Silo Phase 3. The expenditure incurred amounted to R 78 379 (2020: R 1 001 480).</p> <p>Mrs Bongeka Mohale, spouse of Cllr Polelo Mohale is a director of Sinalo Plastic Bag Manufacturing. The expenditure incurred amounted to R7 900.</p>		
Awards and payments to persons with relatives in the Matatiele Local Municipality:		
Bokang Lehlehla, the brother of the General Manager Infrastructure, is a member of Maboka Contractors who were appointed to for the construction of Silo Phase 3. The expenditure incurred amounted to R 78 379 (2020: R 1 001 480).	78 379	1 001 480
Mrs Bongeka Mohale, spouse of Cllr Polelo Mohale is a director of Sinalo Plastic Bag Manufacturing. The expenditure incurred amounted to R7 900.	7 900	-
	86 279	1 001 480

46. Key Sources of Estimation Uncertainty and Judgements

The following areas involve a significant degree of estimation uncertainty:

Useful lives and residual values of property, plant, and equipment
 Recoverable amounts of property, plant and equipment
 Provision for rehabilitation of landfill sites (discount rate used, number of years, amount of cash flows)
 Present value of defined benefit obligation
 Fair value of plan assets
 Provision for doubtful debts
 Impairment of assets
 Provision for long-term service award
 Contingencies

The following areas involved judgments, apart from those involving estimations disclosed above, that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

Impairment of assets
 Provisions

47. Additional disclosure in terms of Municipal Finance Management Act

Contributions to organised local government

Current year subscription / fee	1 462 410	1 241 721
Amount paid - current year	(1 462 410)	(1 241 721)
	-	-

Audit fees

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Current year subscription / fee	3 035 080	3 884 540
Amount paid - current year	(3 035 080)	(3 884 540)
	-	-

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	2021 R	2020 R
47. Additional disclosure in terms of Municipal Finance Management Act (continued)		
PAYE and UIF		
Current year subscription / fee	21 764 669	21 982 465
Amount paid - current year	(21 764 669)	(21 982 465)
	-	-

Councillors' arrear consumer accounts

The following Councillors had arrear accounts outstanding for more than 90 days at 30 June 2021:

30 June 2021	Outstanding less than 90 days R	Outstanding more than 90 days R	Total R
MN Mshuqwana	160	-	160
JG van Whye	1 049	325	1 374
T Dyantyi	160	-	160
WC Moolomba	8 106	-	8 106
SM Mzozoyana	1 029	3 690	4 719
	10 504	4 015	14 519

No Councillors had arrear accounts outstanding at 30 June 2020.

Supply chain management regulations

In terms of section 36 of the Municipal Supply Chain Management Regulations any deviation from the Supply Chain Management Policy needs to be approved by the Municipal Manager and be reported to Council for noting.

Incident		
Emergency	142 882	2 231 007
Some supplier	875 622	611 860
Impractical Impossible	470 405	2 743 826
	1 488 909	5 586 693

48. Bad debts written off

Bad debts written off	(8 617 754)	(4 979 701)
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49. Risk management

Financial risk management

The amount of interest that has been charged on outstanding debtors for the current year is R13 357 256 (2020: R11 555 030).

Liquidity risk

The municipality's risk to liquidity is a result of the funds available to cover future commitments. The municipality manages liquidity risk through an ongoing review of future commitments and credit facilities.

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	2021 R	2020 R
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49. Risk management (continued)

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The municipality only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Trade receivables comprise a widespread customer base. Management evaluated credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The utilisation of credit limits is regularly monitored. Sales to retail customers are settled in cash or using major credit cards. Credit guarantee insurance is purchased when deemed appropriate.

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

Financial instrument	2021	2020
Trade receivables	16 013 643	8 257 890
Nedbank	9 778 476	1 865 473
Standard bank	285 991	5 884 042
First National bank	1 208 559	559 555
Short Term Investments	213 126 826	144 774 895

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	2021 R	2020 R
50. Correction of Error		
Restated prior year figures 2018-2019		
The prior year figures were restated due to entries not captured in the correct period resulting in the following adjustments for 2018-2019 -.		
Cash and Bank decreased by R50 495		
SARS deducted outstanding skill development levy from the Municipal Primary Bank account for periods 2015/02 - 2017-06.		
Cash and Bank increased by R10 009		
Cheques cancelled that was never paid to creditors due to services not received for the period 2018-2019.		
Trade and Other Payables increased by R16 268		
Being invoices outstanding from 2018-2019 financial year and paid in current financial year but never raised in the 2018-19 financial year.		
Trade and Other Payables increased by R321 229		
Performance Bonus paid in the current financial year but was never accrued for middle managers in the 2018-2019 financial year.		
Intangible Assets increased by R103 119		
Certain intangible assets, which were fully depreciated, were erroneously not reviewed and useful life not reassessed at 30 June 2017. The resultant adjustment represents a correction of error as a result of this omission.		
Prepayments decreased by R780 622		
Reversal of prepayment raised in 2016-2017.		
Property, plant and equipment decreases by R20 144 939		
Eskom Projects completed and transferred in the 18-19 financial year after completion certificates were received in the current financial year		
Impact on the Financial Statements can be summarized as follows		
Statement of Financial Position effect		
Trade and Other Payables	-	(337 497)
Cash and Bank	-	(40 486)
Intangible Assets	-	103 119
Prepayments	-	(780 622)
Property, plant and equipment	-	(20 144 939)
Statement of Changes in Net Assets		
Retained income	-	21 200 425
	-	-

Restated prior year figures 2019/2020

The prior year figures were restated due to entries not captured in the correct period resulting in the following adjustments for 2019-2020.

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	2021 R	2020 R
50. Correction of Error (continued)		
Trade and other payables decreased by R56 294		
Accruals that were not raised in the 19-20 financial year amounts to R177 199, being ICT Licensing Munsoft - R176 099 and Stores and Material for an amount of R1 100. Accruals raised and no services were received due to the Covid Pandemic amounts to R233 493 an amount of R177 355 for Stores and Material and Operating Leases for R34 040.		
Bank increased by R151 758		
Cheques that was issued through cashbook and not paid due to incorrect invoices captured amounts to R151 758 for legal fees issued.		
Vat Payables decreased by R22 098		
Being the VAT portion reversed from the Accruals raised incorrectly.		
Intangible Assets decreased by R14 731		
Certain intangible assets, which were fully depreciated, were erroneously not reviewed and useful life not reassessed at 30 June 2017. The resultant adjustment represents a correction of error as a result of this omission.		
Property, plant and equipment decreases by R9 602 097		
Eskom Projects completed and transferred in the 19-20 financial year after completion certificates were received in the current financial year		
Investment Property increases by R1 371 000		
Investment property incorrectly classified as Land.		
Statement of Financial Position effect		
Trade and Other Payables	-	56 294
Cash and Bank	-	151 758
Vat Payable	-	(22 098)
Intangible Assets	-	(14 731)
Property, plant and equipment	-	(10 973 097)
Investment Property	-	1 371 000
Statement of Financial Performance		
External Computer Services (General Expenses)	-	176 100
Stores & Material	-	(176 256)
Legal Fees	-	(151 758)
Operating Leases	-	(34 040)
Amortisation	-	14 731
Loss on disposal of assets	-	9 602 097
	-	-

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2021
R

2020
R

51. Segment Reporting

Segment surplus or deficit, assets and liabilities

2021

Revenue	Community and Social Services	Energy Sources	Executive and Council	Finance and Administration	Internal Audit	Planning and Development	Public Safety	Road Transport	Waste Management	Total
Revenue from non-exchange transactions	-	-	-	-	-	-	-	-	-	-
Property rates	-	-	-	46 575 490	-	-	-	-	-	46 575 490
Fines, penalties and forfeits	-	-	-	-	-	762 403	-	-	-	762 403
Licences and permits	-	-	-	-	17 160	3 754 615	-	14 789	-	3 786 564
Transfers and subsidies	3 664 682	32 591 000	-	301 304 000	-	-	-	60 335 000	1 566 789	399 461 471
Revenue from exchange transactions	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	-	57 058 073	-	-	-	-	-	-	-	57 058 073
Service charges - refuse revenue	-	-	-	-	-	-	-	11 530 584	-	11 530 584
Rental of facilities and equipment	-	-	-	111 253	-	-	-	-	1 129 945	1 241 198
Interest earned - external investments	-	-	-	8 824 621	-	-	-	-	-	8 824 621
Interest earned - outstanding debtors	-	1 370 894	-	11 986 362	-	-	-	-	-	13 357 256
Other revenue	37 859	-	-	559 127	-	122 908	-	150 531	158 973	1 029 398
Gains on disposal of PPE	1 262 067	-	-	-	-	217 698	-	332 852	-	1 812 617
Total segment revenue	4 964 608	91 019 967	-	369 360 853	-	357 766	4 517 018	60 818 383	14 401 080	545 439 675
Entity's revenue										545 439 675

Expenditure

Employee Related Cost	3 349 615	5 666 109	2 568 710	55 915 164	2 417 526	8 331 239	17 898 086	15 191 182	7 913 364	119 250 995
Remuneration of Councillors	-	-	19 979 056	-	-	-	-	-	-	19 979 056
Debt impairment	-	-	-	25 503 611	-	-	-	-	-	25 503 611

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	Community and Social Services	Energy Sources	Executive and Council	Finance and Administration	Internal Audit	Planning and Development	Public Safety	Road Transport	Waste Management	Total
51. Segment Reporting (continued)										
Total segment liabilities	(3 345 054)	(369 024)	-	(90 496 255)	-	86 110	-	(11 869 921)	(1 286 333)	(107 280 477)
Total liabilities as per Statement of financial Position										(107 280 477)

Reportable Segments for the year ended 30 June 2021

For management purposes, the municipality is organised and operates in nine key functional segments (or business units). To this end, management monitors the operating results of these business units for the purpose of making decisions about resource allocations and assessment of performance. Revenues and expenditures relating to these business units are allocated at a transactional level. Costs relating to the governance and administration of the municipality are not allocated to these business units.

The nine key business units comprise of:

- Community and Social Services
- Energy Sources
- Executive and Council
- Finance and Administration
- Internal Audit
- Planning and Development
- Public Safety
- Road Transport
- Waste Management

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APPENDICES

Matlolo Municipality Statements for the year ended 30 June 2021

Appendix 1: Annual Financial Statements

Figures in Rand

51. Segment Reporting (continued)

The grouping of these segments is consistent with the functional classification of government activities which considers the nature of the services, the beneficiaries of such services and the fees charged for the services rendered (if any).

Management does monitor performance geographically but does not at present have reliable separate financial information for decision making purposes. Processes have been put in place to generate this information at a transaction level and in the most cost effective manner

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Maitland Local Municipality
 Annual Financial Statements for the year ended 30 June 2021

Notes to the Annual Financial Statements
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51. Segment Reporting (continued)

2020

Revenue	Community and Social Services	Energy Sources	Executive and Council	Finance and Administration	Internal Audit	Planning and Development	Public Safety	Road Transport	Waste Management	Total
Revenue from non-exchange transactions	-	-	-	-	-	-	-	-	-	-
Property rates	-	-	-	44 903 630	-	-	-	-	-	44 903 630
Fines, penalties and forfeits	-	-	-	-	-	233 398	1 164 145	-	-	1 397 543
Licences and permits	-	-	-	-	-	45 181	1 282 539	-	18 630	1 346 350
Transfers and subsidies	3 426 143	70 177 000	-	237 364 220	-	-	-	58 255 000	-	369 222 363
Service charges - electricity revenue	-	47 644 514	-	-	-	-	-	-	-	47 644 514
Service charges - refuse revenue	-	-	-	-	-	-	-	-	10 789 616	10 789 616
Rental of facilities and equipment	-	-	-	780 361	-	-	-	4 158	18 678	803 197
Interest earned - external investments	-	-	-	12 973 083	-	-	-	-	-	12 973 083
Interest earned - outstanding debtors	-	484 817	-	11 070 213	-	-	-	-	-	11 555 030
Agency services	48 459	-	-	2 776 198	-	202 774	1 210 720	334 760	91 977	1 210 720
Other revenue	-	-	-	-	-	-	-	-	-	3 454 168
Total segment revenue	3 474 602	118 306 331	-	309 867 705	-	481 353	3 657 404	58 593 918	10 918 901	505 300 214
Entity's revenue										505 300 214
Expenditure										
Employee Related Cost	1 723 058	5 303 459	7 157 558	52 630 404	1 922 495	8 652 148	16 530 221	15 212 750	6 655 976	115 788 089
Remuneration of Councilors	-	-	20 447 212	-	-	-	-	-	-	20 447 212
Debt impairment	-	-	-	14 255 222	-	-	-	47 324 434	-	61 579 656

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Mafikeng Local Municipality

Annual Financial Statements for the year ended 30 June 2021

Notes to the Annual Financial Statements

Figures in Rand

	Community and Social Services	Energy Sources	Executive and Council	Finance and Administration	Internal Audit	Planning and Development	Public Safety	Road Transport	Waste Management	Total
51. Segment Reporting (continued)										
Depreciation and asset impairment	-	-	-	487 734	-	-	-	-	-	487 734
Finance charges	-	-	-	3 082	-	-	-	-	-	3 082
Bulk purchases	-	43 138 390	-	-	-	-	-	-	-	43 138 390
Other materials	50 932	666 213	67 550	1 359 673	7 219	58 883	182 347	1 380 830	242 265	4 015 912
Contracted services	8 723 607	173 233	509 832	55 242 381	254 134	6 094 713	32 595	1 746 240	8 272 649	81 049 384
Other expenditure	1 373 928	160 103	2 713 708	24 715 294	148 953	1 175 165	435 176	659 199	2 751 414	34 132 940
Loss on disposal of PPE	-	694 184	-	26 400	-	-	-	-	1 541 971	2 252 555
Total segment expenditure	11 871 525	50 125 582	30 895 860	148 720 190	2 332 801	15 980 909	17 180 339	66 323 453	19 464 275	362 894 934
Total segment surplus/(deficit)										142 405 280
Assets										
Segment assets										
VAT	(49 884)	15 811 270	601 818	(30 186 853)	66 056	850 497	(712 835)	23 306 531	702 454	10 389 054
Cash and Bank	(22 447 663)	(169 855 531)	(10 850 007)	6 175 269 936	(2 287 647)	(18 158 264)	9 541 405	(245 145 230)	(5 127 514)	153 196 485
Inventory	(448 361)	(1 288 551)	(145 567)	5 204 506	(23 012)	(125 911)	(420 093)	(678 416)	(372 003)	1 702 592
Statutory and Exchange Receivables	18 453 854	29 692 240	118 107	38 144 198	-	-	894 532	-	8 040 198	95 343 129
Non-Currents Assets	-	137 135 064	-	852 002 767	-	1 026 342	2 781 299	101 051 755	-	1 093 997 227
Total segment assets	(4 492 054)	11 494 492	(10 275 649)	1 482 691 554	(2 244 603)	(16 407 336)	12 084 308	(121 465 360)	3 243 135	1 354 628 487
Total assets as per Statement of financial Position										1 354 628 487
Liabilities										
Segment liabilities										
Payables	(4 231 591)	(154 322)	-	(33 280 504)	-	86 810	-	(11 868 620)	(14 203)	(49 442 430)
Unspent conditional grants	(479 957)	-	-	(1 356 435)	-	82 500	-	-	-	(1 752 892)

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Mantliso Local Municipality

Annual Financial Statements for the year ended 30 June 2021

Notes to the Annual Financial Statements

Figures in Rand

	Community and Social Services	Energy Sources	Executive and Council	Finance and Administration	Internal Audit	Planning and Development	Public Safety	Road Transport	Waste Management	Total
51. Segment Reporting (continued)										
Consumer Deposits	-	(345 497)	-	-	-	-	-	-	-	(345 497)
Employee Benefit Obligation	-	-	(14 616 003)	-	-	-	-	-	-	(14 616 003)
Provisions	-	-	(26 590 188)	-	-	-	-	-	-	(26 590 188)
Total segment liabilities	(4 711 548)	(499 819)	(75 822 130)	-	169 310	-	(11 868 620)	(14 203)	(92 747 010)	(92 747 010)

Total liabilities as per Statement of financial Position

Other Information 2021	Community and Social Services	Energy Sources	Executive and Council	Finance and Administration	Internal Audit	Planning and Development	Public Safety	Road Transport	Waste Management	Total
Additions to non-current assets	(674 899)	(48 190 516)	-	(6 576 462)	-	(488 143)	(155 100)	(91 447 621)	(154 656)	(147 687 395)
Cash flows from operating activities	(7 412 671)	17 131 648	(24 449 374)	235 631 553	(3 287 214)	(17 486 022)	(14 240 130)	40 450 535	(8 018 716)	218 319 609
Cash flows from investing activities	674 899	48 190 516	-	(6 576 462)	-	(488 143)	(155 100)	(90 864 845)	(154 656)	(147 104 619)

2020	Community and Social Services	Energy Sources	Executive and Council	Finance and Administration	Internal Audit	Planning and Development	Public Safety	Road Transport	Waste Management	Total
Additions to non-current assets	(14 739 663)	(62 477 578)	(23 440 885)	(8 780 115)	-	(43 260)	(584 036)	(45 171 586)	-	(155 237 123)
Cash flows from operating activities	(9 880 283)	68 864 934	(30 895 860)	155 559 007	(2 332 800)	(15 499 556)	(13 522 936)	39 584 899	(7 003 403)	184 884 004
Cash flows from investing activities	(14 739 663)	(62 477 578)	(23 440 885)	(8 780 115)	-	(43 260)	(584 036)	(45 578 906)	-	(155 644 443)

Information about geographical areas

The municipality does not monitor segments geographically.

52. Budget variances

Methodology applied is as follows:

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Matatiele Local Municipality

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Notes to the Annual Financial Statements

	2021 R	2020 R
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52 Budget variances (continued)

The basis which has been applied in determining material variances is 10%. Income we have only provided reasons where the municipality has under achieved and for expenditure both over and under achieved where its 10% less or more than budget. The municipality treats employee costs as a major expense in its statement of financial performance hence we have provided a reason for that variance of 6%.

Reasons for budget variances on the Statement of Financial Performance

Licences and permits, variance of 55%

The extension of learners and drivers licence by department of transport has resulted into less applications for both motor licences and learners licences.

Other Income, variance of 36%

Revenue from insurance refunds, entrance fees to swimming pool and skills development refund is less than anticipated .

Interest Received - Investment, variance of 40%

Interest rates on investments made have been lower than anticipated.

Interest Received - Outstanding debtors, variance of 13%

The increase is as a result of the increase in debt book.

Fine Receipts, variance of 64%

The traffic department has been affected by the lockdown, traffic officers have been working for reduced hours , this has resulted in less fines issued .

Employee related costs, variance of 5%

Due to vacant positions that were not filled but budgeted for the 2020/2021 financial year.

Remuneration of councillors, variance of 7%

The municipality budgeted 7% for remuneration of Councillors ,4% was implemented for the 2020/21 which resulted into savings.

Remuneration of traditional leader, variance of 17%

The municipality budgeted 7% for traditional leaders, 4% was implemented for the 2020/21 which resulted into savings.

Bad Debt Written Off & Debt Impairment, variance of 410%

The municipality impairs debt on a payment rate for debt in arrears and above 90 days. The debt book increased from the previous financial years due to non willingness and inability to effect payment by consumers. The municipality could not fully implement the credit control and debt collection policy as the municipality had to relax the requirements of the policy to suit the conditions affected by the pandemic.

Depreciation & asset impairment, variance of 26%

More capital assets procured and completed than anticipated.

Finance charges, variance of 100%

Interest incurred for late payments of Eskom invoices , expenditure to be recovered from the affected employee.

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Matatiele Local Municipality

Annual Financial Statements for the year ended 30 June 2021

Notes to the Annual Financial Statements

	2021 R	2020 R
52. Budget variances (continued)		
Lease rentals on operating lease, variance of 34%		
Included on the budget was rental for printing machinery that was not procured by the end of the financial year.		
Contracted services, variance of 28%		
Savings from contracted services on legal fees , refuse removal , alternate energy ,wattle clearing projects and livestock improvement expenditure.		
Other materials, variance of 6%		
Procurement of Material & Chemicals for the wattle clearing project funded DEDEAT was delayed.		
Other expenditure, variance of 51%		
This is due to savings on operational costs i.e indigent relief , transport for departmental activities and workmen's compensation budget that was not committed at the end of the financial year as planned.		
Loss on disposal of PPE, variance of 100%		
Due to infrastructure assets that were transferred to Eskom and inventory losses.		
Fair Value adjustments, variance of 100%		
Due to Covid 19 impact assessment on Investment property.		
Cash and cash equivalents, variance of 191%		
This is due to more investments made during the financial year 2020/2021.		
Consumer debtors, variance of 62%		
Due to budget classification differences between consumer debtors and other debtors.		
Other debtors, variance of 60%		
Due to budget classification differences between consumer debtors and other debtors.		
Inventory, variance of 156%		
This is due to more stock kept for covid PPE.		
Investment property, variance of 90%		
Due to budget classification differences between PPE and investment property.		
Intangible assets, variance of 24%		
Due to re-assessment of useful life of intangible assets no longer in use.		
Consumer deposits, variance of 71%		
Due to budget classification differences between Consumer deposits and Trade & other payables.		
Trade and other payables, variance of 31%		
Due to budget classification differences between Consumer deposits and Trade & other payables.		

Matatiele Local Municipality

Annual Financial Statements for the year ended 30 June 2021

Notes to the Annual Financial Statements

	2021 R	2020 R
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52. Budget variances (continued)

Provisions, variance of 7%

Due to more employee benefit contribution obligation provision made than anticipated.

53. Principal-agent arrangements

53.1 Municipality acting as the principal

Parallax Management Consulting	5 914 972	4 252 159
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The municipality has directed Parallax Management Consulting through a binding arrangement to undertake transactions with third parties on Matatiele Local Municipality for its own benefit, which is sale of municipal electricity. There have been no changes in the contracts from the prior period. These are specialists which are used due to capacitation of the municipality and is more cost effective which provide customers to the municipality easy access to prepaid electricity.

The municipality compensate Parallax Management Consulting for the services rendered in accordance with the contractual agreement which are detailed out in the contract, amounts exclusive of VAT.

The following charges are levied for services undertaken by Parallax in fulfilling this agreement

Cloud-services AiM Solutions 4 500 meters at R154 each per month	693 000	693 000
Municipal prepaid electricity vending fixed per month	25 000	25 000
	718 000	718 000

Parallax is also entitled to claim 3% of Direct Vending, Third Party Vending, Online and Mobile Vending and 4.25% of Bank Vending.

Reconciliation of carrying amount of receivables - Municipality as the principal

Receivables	Opening balance	Revenue principal is entitled to	Less: settlements	Closing balance
Parallax Management Consulting	18 076 755	7 916 462	(2 238 357)	23 754 860

53.2 Municipality acting as an agent

Department of transport	1 769 769	1 210 720
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The municipality collects vehicle registration fees on behalf of the Department of Transport for registration of vehicles done within the municipality's jurisdiction. There have been no changes in the agreement or contracts from the prior period. The municipality is entitled to 19% of the fees collected as per the agreement as compensation for the transactions carried out. There are no liabilities or expenses that has been incurred on behalf of the Department of Transport relating to the above arrangement. No assets held by the municipality on behalf of the Department of Transport.

54. Change in estimate

The municipality conducted reassessment of useful lives of assets which resulted in change of estimate for the assets that have reached their useful lives but are still in use. The effect of the change in estimate resulted in increase of depreciation expense by R805 447.

**Mtatiela Local Municipality
Appendix A**

**Analysis of property, plant and equipment as at 30 June 2021
Cost/Revaluation**

Accumulated depreciation

	Opening Balance Rand	Additions Rand	Disposals Rand	Transfers Rand	Revaluations Rand	Other changes, movements Rand	Ch. in Balance Rand	Closing Balance Rand	Depreciation Rand	Transfers Rand	Impairment loss Rand	Closing Balance Rand	Carrying value Rand
Land													
Land	54 105 060	-	-	-	-	-	54 105 060	54 105 060	-	-	-	-	54 105 060
	54 105 060	-	-	-	-	-	54 105 060	54 105 060	-	-	-	-	54 105 060
Buildings													
Buildings	73 514 998	-	-	614 464	-	-	74 129 462	(6 911 896)	(3 458 938)	-	-	(10 370 834)	63 758 628
	73 514 998	-	-	614 464	-	-	74 129 462	(6 911 896)	(3 458 938)	-	-	(10 370 834)	63 758 628
Infrastructure													
Infrastructure	518 493 097	1 832 386	(5 029 719)	55 885 060	-	-	571 180 824	(64 892 951)	(22 482 793)	(670 019)	-	(84 030 181)	487 150 643
	518 493 097	1 832 386	(5 029 719)	55 885 060	-	-	571 180 824	(64 892 951)	(22 482 793)	(670 019)	-	(84 030 181)	487 150 643

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Mutuelle Local Municipality
Appendix A

Analysis of property, plant and equipment as at 30 June 2021
Cost/Revaluation
Accumulated depreciation

	Opening Balance Rand	Additions Rand	Disposals Rand	Transfers Rand	Revaluations Rand	Other changes, movements Rand	Closing Balance Rand	Opening Balance Rand	Disposals Rand	Transfers Rand	Depreciation Rand	Impairment loss Rand	Closing Balance Rand	Carrying value Rand
Community														
Community	133 633 579	579 800	-	19 408 979	-	-	153 622 358	(13 509 276)	(8 496 864)	-	-	-	(22 006 140)	131 616 218
	133 633 579	579 800	-	19 408 979	-	-	153 622 358	(13 509 276)	(8 496 864)	-	-	-	(22 006 140)	131 616 218
Other Property plant and equipment														
Other Property plant and equipment	69 113 801	7 993 810	(797 212)	-	-	-	76 310 399	(25 784 977)	685 467	-	(5 662 702)	-	(30 762 212)	45 548 187
	69 113 801	7 993 810	(797 212)	-	-	-	76 310 399	(25 784 977)	685 467	-	(5 662 702)	-	(30 762 212)	45 548 187
Capital under construction														
Capital under construction	339 604 445	137 281 159	(138 186)	(145 607 701)	-	-	331 139 717	-	-	-	-	-	-	331 139 717
	339 604 445	137 281 159	(138 186)	(145 607 701)	-	-	331 139 717	-	-	-	-	-	-	331 139 717

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Metropolitan Local Municipality
Appendix A

Analysis of property, plant and equipment as at 30 June 2021
Cost/Revaluation
Accumulated depreciation

	Opening Balance	Additions	Disposals	Transfers	Revaluations	Other charge/movements	Closing Balance	Disposals	Transfers	Depreciation	Impairment loss	Closing Balance	Carrying value
	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand
Total property plant and equipment	1 188 464 980	147 687 155	(5 965 117)	(69 699 198)	-	-	1 260 487 820	(3 785 815)	(670 019)	(31 614 433)	-	(147 169 367)	1 113 318 453
Land	54 105 060	-	-	-	-	-	54 105 060	-	-	-	-	-	54 105 060
Buildings	73 514 998	-	-	614 464	-	-	74 129 462	-	-	(3 458 938)	-	(10 370 834)	63 788 628
Infrastructure	518 493 097	1 832 386	(5 029 719)	55 885 060	-	-	571 180 824	4 025 582	(670 019)	(22 492 793)	-	(84 030 181)	487 150 643
Community	133 633 579	579 800	-	19 408 979	-	-	153 622 358	(8 496 864)	-	-	-	(22 006 140)	131 616 218
Other Property plant and equipment	69 113 801	7 993 810	(797 212)	-	-	-	76 310 399	685 467	-	(5 662 702)	-	(30 762 212)	45 548 187
Capital under construction	339 604 445	137 281 159	(138 186)	(145 607 701)	-	-	331 139 717	-	-	-	-	-	331 139 717
Total	1 188 464 980	147 687 155	(5 965 117)	(69 699 198)	-	-	1 260 487 820	(3 785 815)	(670 019)	(31 614 433)	-	(147 169 367)	1 113 318 453
Land	54 105 060	-	-	-	-	-	54 105 060	-	-	-	-	-	54 105 060
Buildings	73 514 998	-	-	614 464	-	-	74 129 462	-	-	(3 458 938)	-	(10 370 834)	63 788 628
Infrastructure	518 493 097	1 832 386	(5 029 719)	55 885 060	-	-	571 180 824	4 025 582	(670 019)	(22 492 793)	-	(84 030 181)	487 150 643
Community	133 633 579	579 800	-	19 408 979	-	-	153 622 358	(8 496 864)	-	-	-	(22 006 140)	131 616 218
Other Property plant and equipment	69 113 801	7 993 810	(797 212)	-	-	-	76 310 399	685 467	-	(5 662 702)	-	(30 762 212)	45 548 187
Capital under construction	339 604 445	137 281 159	(138 186)	(145 607 701)	-	-	331 139 717	-	-	-	-	-	331 139 717

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**Motatle Local Municipality
Appendix B**

**Analysis of property, plant and equipment as at 30 June 2020
Accumulated depreciation
Cost/Revaluation**

	Opening Balance	Additions	Disposals	Transfers / Transfers from Investment Property	Depreciation	Other changes, movements	Closing Balance								Carrying Value
	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand
Land															
Land	20 857 700	-	-	33 247 360	-	-	54 105 060	-	-	-	-	-	-	-	54 105 060
	20 857 700	-	-	33 247 360	-	-	54 105 060	-	54 105 060						
Buildings															
Buildings	69 939 151	121 931	-	-	(3 457 980)	-	66 603 102	-	-	-	-	-	-	-	66 603 102
	69 939 151	121 931	-	-	(3 457 980)	-	66 603 102	-	66 603 102						
Infrastructure															
Infrastructure	451 389 392	943 652	-	32 057 835	(30 790 759)	-	453 600 120	-	-	-	-	-	-	-	453 600 120
	451 389 392	943 652	-	32 057 835	(30 790 759)	-	453 600 120	-	453 600 120						

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**Mutualife Local Municipality
Appendix A**

**Analysis of property, plant and equipment as at 30 June 2020
Accumulated depreciation
Cost/Revaluation**

	Opening Balance	Additions	Disposals	Transfers / Transfers from Investment Property	Depreciation	Other changes, movements	Closing Balance									Carrying value
	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand
Community																
Community	125 420 715	-	-	1 363 143	(6 659 436)	-	120 124 422	-	-	-	-	-	-	-	-	120 124 422
	125 420 715	-	-	1 363 143	(6 659 436)	-	120 124 422	-	120 124 422							
Other Property plant and equipment																
Other Property plant and equipment	45 589 560	3 923 885	-	-	(6 158 245)	(26 400)	43 328 820	-	-	-	-	-	-	-	-	43 328 820
	45 589 560	3 923 885	-	-	(6 158 245)	(26 400)	43 328 820	-	43 328 820							
Capital under construction																
Capital under construction	223 461 821	150 247 657	-	(33 420 978)	-	(684 184)	339 604 316	-	-	-	-	-	-	-	-	339 604 316
	223 461 821	150 247 657	-	(33 420 978)	-	(684 184)	339 604 316	-	339 604 316							

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Mantle Local Municipality
Appendix A

Analysis of property, plant and equipment as at 30 June 2020
Accumulated depreciation

	Cost/Revaluation				Accumulated depreciation				Carrying value	
	Opening Balance	Additions	Disposals	Transfers / Transfers from Investment Property	Depreciation	Other changes, movements	Closing Balance			
	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand
Total property plant and equipment										
Land	20 857 700	-	-	33 247 360	-	-	54 105 060	-	-	54 105 060
Buildings	69 939 151	121 831	-	-	(3 457 980)	-	66 603 102	-	-	66 603 102
Infrastructure	451 389 392	943 652	-	32 057 835	(30 790 759)	-	453 600 120	-	-	453 600 120
Community	125 420 715	-	-	1 363 143	(6 659 436)	-	120 124 422	-	-	120 124 422
Other Property plant and equipment	45 589 580	3 923 885	-	-	(26 400)	-	43 328 820	-	-	43 328 820
Capital under construction	223 461 821	150 247 657	-	(33 420 978)	(684 184)	-	339 604 316	-	-	339 604 316
	936 658 359	155 237 125	-	33 247 360	(47 066 420)	(710 584)	1 077 365 840	-	-	1 077 365 840
Total										
Land	20 857 700	-	-	33 247 360	-	-	54 105 060	-	-	54 105 060
Buildings	69 939 151	121 831	-	-	(3 457 980)	-	66 603 102	-	-	66 603 102
Infrastructure	451 389 392	943 652	-	32 057 835	(30 790 759)	-	453 600 120	-	-	453 600 120
Community	125 420 715	-	-	1 363 143	(6 659 436)	-	120 124 422	-	-	120 124 422
Other Property plant and equipment	45 589 580	3 923 885	-	-	(26 400)	-	43 328 820	-	-	43 328 820
Capital under construction	223 461 821	150 247 657	-	(33 420 978)	(684 184)	-	339 604 316	-	-	339 604 316
	936 658 359	155 237 125	-	33 247 360	(47 066 420)	(710 584)	1 077 365 840	-	-	1 077 365 840

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**Matatiele Local Municipality
Appendix B**

**Budgeted Financial Performance (revenue and expenditure)
for the year ended 30 June 2021**

	2021/2020			2020/2019								
	Original Budget	Budget Adjustments (i.e. s28 and s31 of the MFMA)	Final Budget	Actual Outcome	Unauthorised expenditure	Variance of Actual Outcome against Adjustments	Actual Outcome of Final Budget	Actual Outcome as % of Original Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restated Audited Outcome
	Rand	Rand	Rand	Rand	Rand	Rand	Rand	%	Rand	Rand	Rand	Rand
Revenue By Source												
Service charges	68 816 568	-	68 816 568	68 588 657		(227 911)	100 %	100 %				58 434 130
Rental facilities and equipment	500 004	745 000	1 245 004	1 241 198		(3 806)	100 %	248 %				803 197
Interest received - investment	14 648 996	-	14 648 996	8 824 621		(5 825 375)	60 %	60 %				24 528 113
Property rates	48 190 008	-	48 190 008	46 575 491		(1 614 517)	97 %	97 %				44 903 631
Government grants & subsidies	357 738 996	44 970 501	402 709 497	389 461 471		(3 248 026)	99 %	112 %				369 222 363
Interest earned - outstanding debtors	11 798 772	-	11 798 772	13 357 256		1 558 484	113 %	113 %				1 397 543
Fines, penalties and forfeits	2 093 700	-	2 093 700	762 403		(1 331 297)	36 %	36 %				1 346 350
Licences and permits	4 524 696	-	4 524 696	2 016 795		(2 507 901)	45 %	45 %				1 210 720
Agency services	-	-	-	1 769 769		1 769 769	DIV/0 %	DIV/0 %				3 454 169
Other revenue	1 608 024	-	1 608 024	1 029 398		(578 626)	64 %	64 %				
Total Revenue (excluding capital transfers and contributions)	509 820 764	45 715 501	555 636 265	543 627 059		(12 009 206)	98 %	107 %				518 197 695

AUDITOR-GENERAL SOUTH AFRICA
CERTIFIED
AUDITED
ANNUAL FINANCIAL STATEMENTS

Matatiele Local Municipality

Appendix B

Revised Financial Performance (revenue and expenditure) for the year ended 30 June 2021

2020/2019

2021/2020

	Original Budget	Budget Adjustments (i.e. s28 and s31 of the MFMA)	Final Budget	Actual Outcome	Unauthorized expenditure	Variance of Actual Outcome against Adjustments	Actual Outcome as % of Budget	Revised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restated Audited Outcome
	Rand	Rand	Rand	Rand	Rand	Rand	%	Rand	Rand	Rand	Rand
Expenditure By Type											
Employee related costs	125 230 692	-	125 230 692	118 921 908	-	(6 308 784)	95 %	-	-	-	115 401 766
Remuneration of councillors	21 537 048	-	21 537 048	19 979 057	-	(1 557 991)	93 %	-	-	-	20 447 212
Remuneration of traditional leaders	397 464	-	397 464	329 090	-	(68 374)	83 %	-	-	-	386 324
Depreciation & asset impairment	33 110 004	-	33 110 004	41 583 209	-	8 473 205	126 %	-	-	-	47 812 168
Finance charges	-	-	-	725	-	725	DIV/0 %	-	-	-	3 082
Bulk purchases	48 000 000	-	48 000 000	48 196 231	-	196 231	100 %	-	-	-	43 138 390
Other materials	5 686 512	548 000	6 234 512	6 114 512	-	(351 248)	94 %	-	-	-	4 015 811
Contracted services	101 278 992	29 831 220	131 110 212	93 840 042	-	(37 270 170)	73 %	-	-	-	81 049 384
Other expenditure	67 022 140	638 000	67 660 140	32 016 939	-	(35 643 201)	47 %	-	-	-	34 132 948
Loss on disposal of PPE	-	-	-	70 370 483	-	70 370 483	DIV/0 %	-	-	-	710 584
Total Expenditure	402 142 852	31 217 220	433 360 072	431 002 948	-	(2 357 124)	99 %	-	-	-	347 087 769
Surplus/(Deficit)	107 777 912	14 498 281	122 276 193	112 624 111	-	(9 652 082)	92 %	-	-	-	171 089 926
Debt impairment	-	-	-	(25 503 611)	-	(20 503 607)	510 %	-	-	-	(9 275 521)
Fair value adjustments	(5 000 004)	-	(5 000 004)	1 262 067	-	1 262 067	DIV/0 %	-	-	-	4 979 701
Landfill site provision contribution	-	-	-	217 698	-	217 698	DIV/0 %	-	-	-	(1 541 971)
Surplus/(Deficit) after capital transfers & contributions	102 777 908	14 498 281	117 276 189	88 600 265	-	(28 675 924)	76 %	-	-	-	165 262 135
Surplus/(Deficit) after taxation	102 777 908	14 498 281	117 276 189	88 600 265	-	(28 675 924)	76 %	-	-	-	165 262 135
Surplus/(Deficit) attributable to municipality	102 777 908	14 498 281	117 276 189	88 600 265	-	(28 675 924)	76 %	-	-	-	165 262 135
Surplus/(Deficit) for the year	102 777 908	14 498 281	117 276 189	88 600 265	-	(28 675 924)	76 %	-	-	-	165 262 135

L.M.

APPENDICES

VOLUME III: ANNUAL PERFORMANCE REPORT



MATATIELE

LOCAL MUNICIPALITY

2020/2021 ANNUAL PERFORMANCE REPORT

(2020/2021 APR)

Matatiele Local Municipality

102 Main Street

Matatiele

4730

Tel: 039 737 8100

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1.0 FOREWORD BY THE MAYOR

It gives me great pleasure to present the 2020/2021 Annual Performance Report (APR) which is a detailed account of the Municipal performance for the financial year. The report is in line with the requirements of the Municipal Finance Management Act, 56 of 2003 and other relevant pieces of legislation that dictate transparency and accountability in the execution of the Municipal mandate.

Our Municipality acknowledges the significant role played by the Expanded Public Works Programme (EPWP) which serves as a fundamental tool to alleviate poverty and unemployment. **430** job opportunities were created through the Expanded Public Works Programme (EPWP).

During the Financial Year (FY), 2020/2021 (1 July 2020 to 30 June 2021) the Matatiele Local Municipality (MLM) again focussed on Service Delivery under the Key Performance Area (KPA's), Basic Service Delivery and Local Economic Development (LED), on projects that would improve the lives of the residents of Matatiele

It is the desire of the MLM to live up to its Vision and Mission, the 2020/2021 financial year been the last year for the realization of the current vision will be directed towards the auditing and evaluation of the targets and the goals that were achieved and ensuring that corrective measures are employed before the end of the five (5) year term of the current Council.



Cllr. M.M. Mbedla
Honourable Mayor

2.0 FOREWORD BY THE MUNICIPAL MANAGER (MM)

Matatiele Local Municipality's (MLM) *Annual Performance Report (APR)* was developed in terms of the provisions of Section 121 of the Municipal Finance Management Act (MFMA), 56 of 2003 together with Section 46 of the Local Government Municipal Systems Act (MSA), 32 of 2000 and other relevant legislative requirements. The Annual Report articulates the results achieved against the set objectives as embedded in the 2020/2021 **Service Delivery, Budget and Implementation Plan (SDBIP)**.

The APR serves as a yardstick to measure progress made with regards to the implementation of the 2020/2021 SDBIP. It is a culmination of quarterly reports against the predetermined objectives as set out in the Municipal SDBIP. The 2020/2021 APR reflects the Municipality's performance and achievements. A total of **115** targets as per the approved Revised 2020/2021 SDBIP were set.

The 2020/2021 financial year was both challenging and exciting as the Municipality strived to achieve the imperatives of the Integrated Development Plan. **The Municipality has endeavoured tirelessly in focusing on delivering the mandate even in the midst of increasing external and internal challenges.**

The MLM was able to successfully achieve and provide the following:

KPA: Basic Service Delivery

1. **13269** registered indigent beneficiaries were provided with free basic services such as gas, solar maintenance, rates and refuse and electricity by June 2021.
2. Maintained municipal infrastructure and public amenities: Renovation of Vela Pre-School, Renovation of Cedarville Community Hall, Renovation of Ditichereng Pre-School, Renovation of Lunda Community Hall, Renovation of Dengwane Community Hall, Renovation of Traffic Toilets, Renovation of North End Stadium and Renovation of Old Electricity Building
3. **4525** households were connected with electricity.
4. **63,4** km of access roads construction completed in wards **4, 8, 10, 11, 12, 14, 17, 21, 22 and 23**.

KPA: Local Economic Development (LED)

1. **430** job opportunities were created through the Expanded Public Works Programme (EPWP);
2. **Seventy (70)** SMMEs were supported through skills development training in Waste Management, animal production and plant production by 30 June 2021

Other four **Key Performance Areas (KPA)**s being Municipal Institutional Development and Transformation, Municipal Financial Viability and Management, Good Governance and Public Participation and Spatial Rationale have been reported as part of the Annual Performance Report.

The municipality's performance was affected by both external and internal factors resulting in some targets not been met. The municipality has recognised all the shortfalls and going forward an effort will be made to correct these.



Mr. L. Matiwane
Municipal Manager

3.0 INTRODUCTION

The purpose of this report is to present the Annual Performance Report (APR) on the performance of the municipality against Pre-determined objectives and targets as set out in the Service Delivery and Budget Implementation Plan (SDBIP) for 2020/2021 Financial Year and its ultimate revision.

Section 46 of Local Government: Municipal Systems Act 32 of 2000, which provides that: A municipality must prepare for each financial year an annual report consisting of-

- (a) A performance report reflecting –
 - i. the municipality's, and any service provider's, performance during that financial year, also in comparison with targets of and with performance in the previous financial year;
 - ii. the development and service delivery priorities and the performance targets set by the municipality for the following financial year; and
 - iii. measures that were or are to be taken to improve performance;

Chapter 3 (7) (1) of the Municipal Planning and Performance Management Regulations of 2001 states that a municipality's performance management system entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organized and managed, including determining the roles of the different role-players.

This report is thus prepared as a response to the above-mentioned legislative prescripts. The report encompasses and encapsulates respective departmental performance. The format of the report is compliant with the 2020/2021 Service Delivery and Budget Implementation Plan that was approved by the Mayor in June 2021 and its revision after the Mid-Year Performance Assessment.

The report covers the period, 1 July 2020 to 30 June 2021. Achievement and Non-achievement of Pre-determined targets have been indicated. Reasons for non- achievement and corrective measures have also been furnished where there are such instances of non-achievement of targets.

4.0 MUNICIPAL MANAGER'S QUALITY CERTIFICATE

I, **Lizo Matiwane**, in my capacity as the Municipal Manager of Matatiele Local Municipality (EC441), hereby approve the Annual Performance Report (APR) for 2020/2021 Financial Year. This Annual Performance Report is prepared in terms and in compliance with the stipulated requirements as documented in the Local Government: Municipal Finance Management Act No. 56 of 2003, Municipal Systems Act No. 32 of 2000 and Municipal Planning and Performance Management Regulations of 2001.

Signed at **Matatiele** on this **31** day of **August 2021**.

A handwritten signature in black ink, appearing to read 'L. Matiwane', is written over a solid horizontal line. Below this line is a dashed horizontal line.

Mr. L. Matiwane
Municipal Manager

5.0 PERFORMANCE MANAGEMENT PROCESSES

Council has approved a Year Planner where the sittings of all meetings are indicated for better planning.

Monthly Management Team Meetings (**MTM**) are held where managers' report monthly and quarterly on the performance progress regarding the approved SDBIP, Risk Register, Operational Matters and performance of service providers.

Quarterly Performance Reports are then submitted first to the MTM and secondly to the Standing Committee (STANCO). In these sessions, management would deliberate on actual levels of performance. In an event that a desired level of performance is not achieved, reasons for non-achievements and measures to improve performance in the ensuing quarters would also be discussed and eventually form part of a report.

After the sitting of STANCO and thirdly the performance reports would be submitted to the Executive Committee (EXCO) and finally to Council for approval.

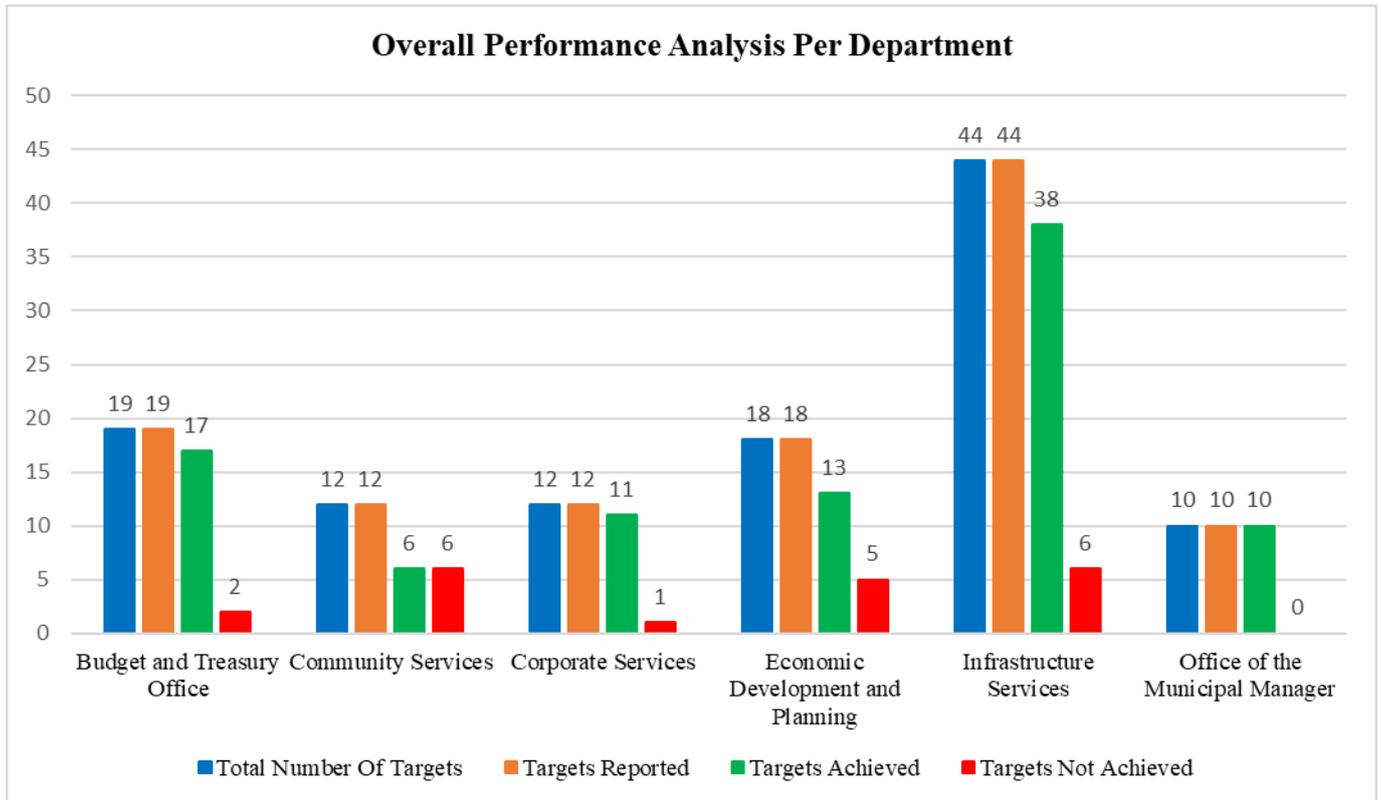
6.0 2020/2021 DEPARTMENTAL PERFORMANCE ANALYSIS**COLOUR CODING**

	Targets Not Achieved
	Targets Achieved

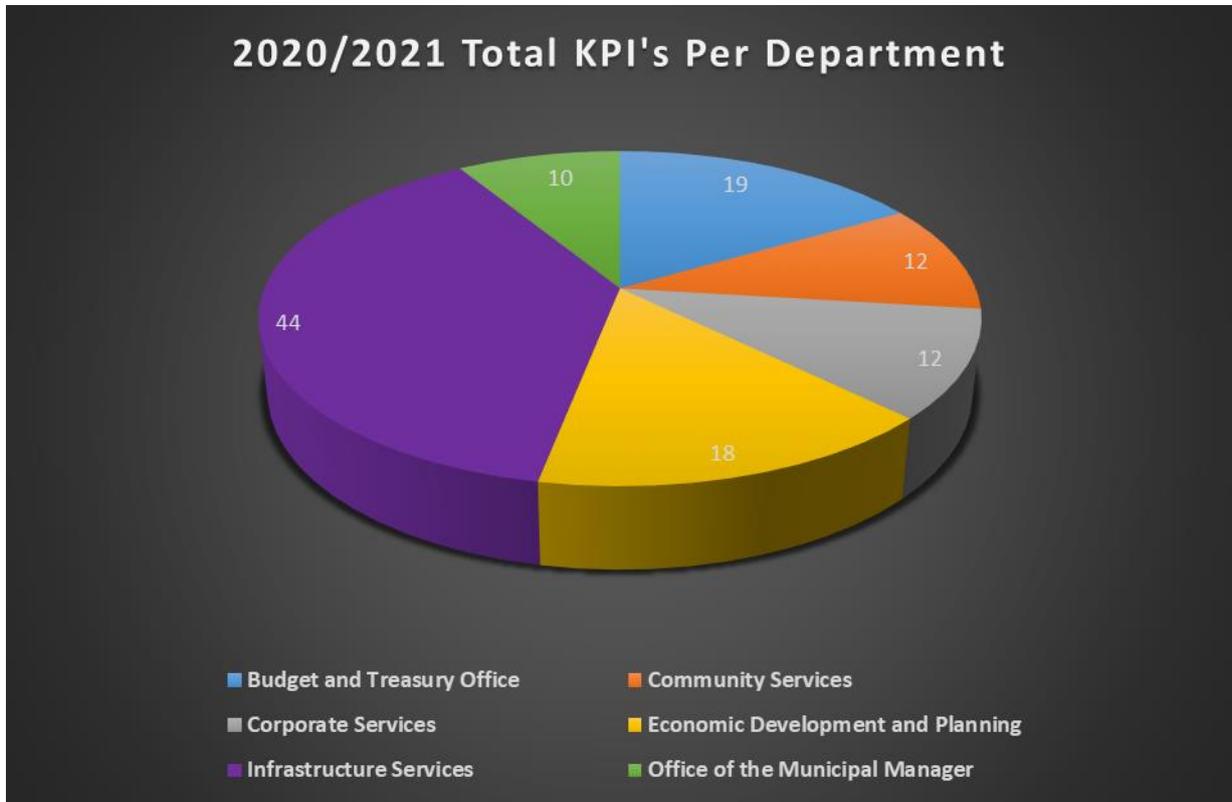
Departmental Performance Summary

DEPT	Total Number Of Targets	Targets Reported	Targets Achieved	Targets Not Achieved	Achievement Percentage
Budget and Treasury Office	19	19	17	2	89%
Community Services	12	12	6	6	50%
Corporate Services	12	12	11	1	92%
Economic Development and Planning	18	18	13	5	72%
Infrastructure Services	44	44	38	6	86%
Office of the Municipal Manager	10	10	10	0	100%
Total	115	115	95	20	83%

Overall Performance Graph Per Department:



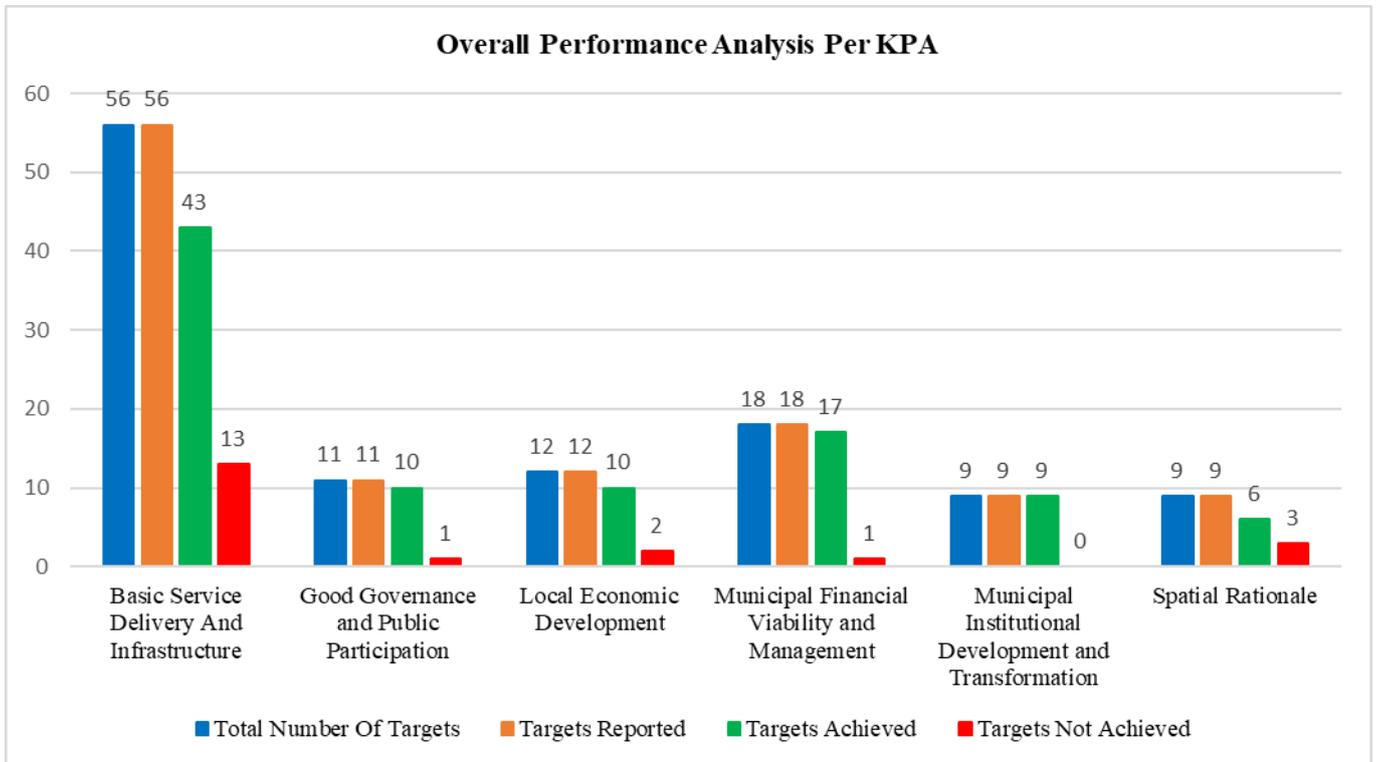
6.1 DEPARTMENTS CONTRIBUTION IN THE MUNICIPALITY'S OVERALL PERFORMANCE



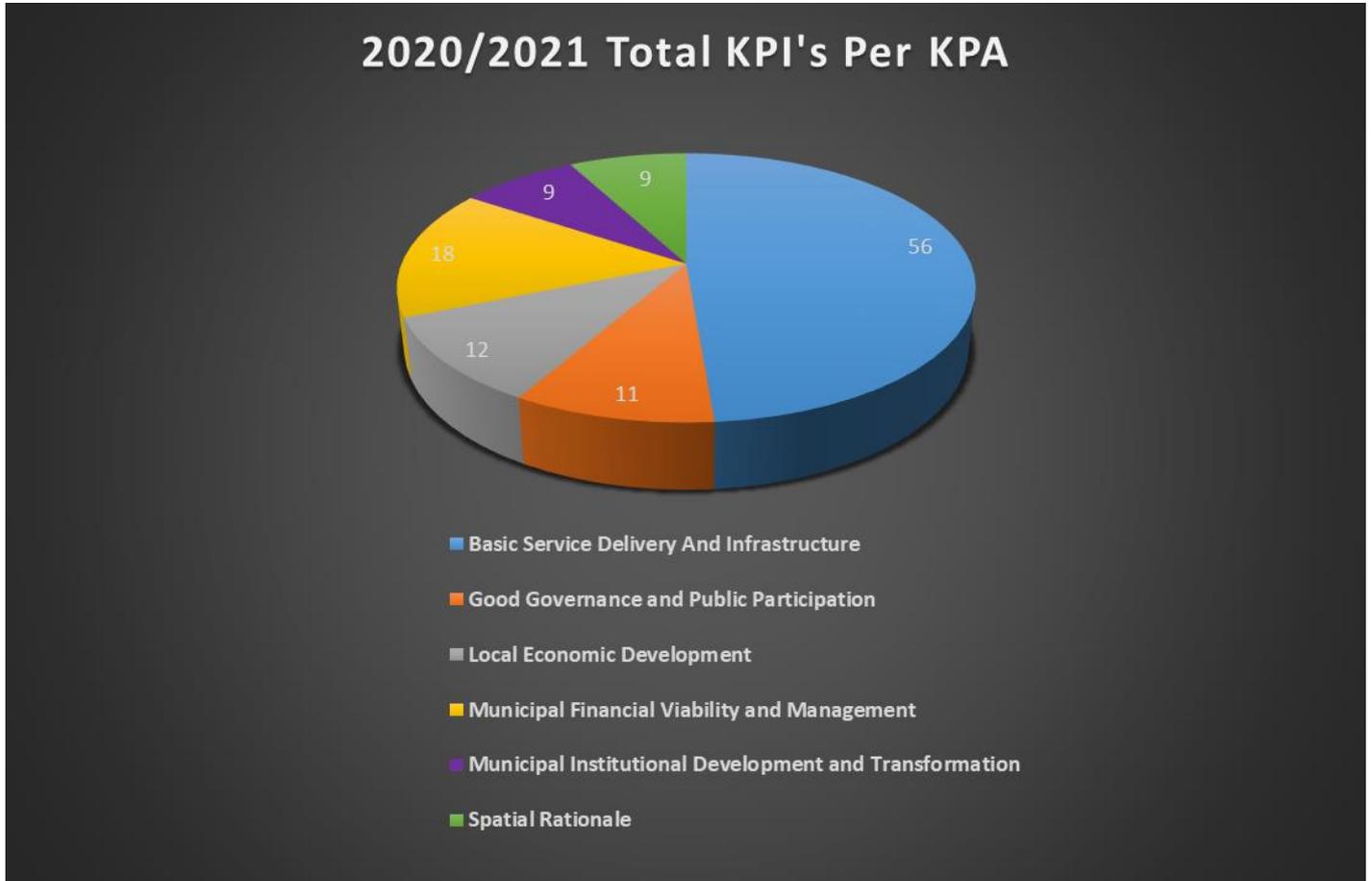
7.0 2020/2021 KPA'S PERFORMANCE ANALYSIS

KPA	Total Number Of Targets	Targets Reported	Targets Achieved	Targets Not Achieved	Achievement Percentage
Basic Service Delivery And Infrastructure	56	56	43	13	77%
Good Governance and Public Participation	11	11	10	1	91%
Local Economic Development	12	12	10	2	83%
Municipal Financial Viability and Management	18	18	17	1	94%
Municipal Institutional Development and Transformation	9	9	9	0	100%
Spatial Rationale	9	9	6	3	67%
Total	115	115	95	20	83%

Overall Performance Graph Per Key Performance Area:



7.1 KPA'S CONTRIBUTION IN THE MUNICIPALITY'S OVERALL PERFORMANCE



8.0 COMPARISON BETWEEN THREE FINANCIAL YEARS ANNUAL PERFORMANCE**8.1 KPA'S PERFORMANCE COMPARISON**

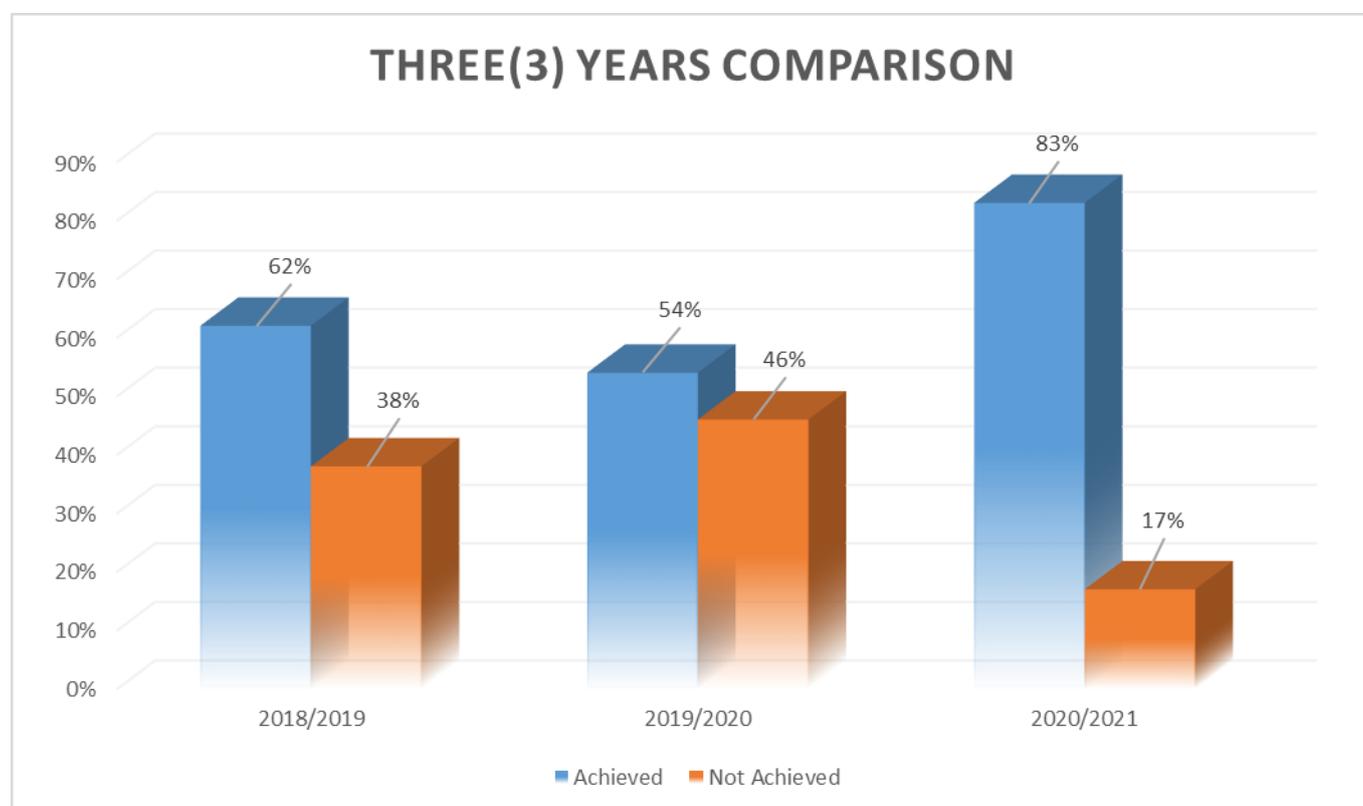
KPA	2018/2019 Annual Performance		2019/2020 Annual Performance		2020/2021 Annual Performance		Performance Improved Or Dropped Compared To 2019/2020
	Achieved	Not Achieved	Achieved	Not Achieved	Achieved	Not Achieved	
Basic Service Delivery And Infrastructure	30%	70%	33%	67%	77%	23%	↑
Good Governance and Public Participation	63%	37%	55%	45%	91%	9%	↑
Local Economic Development	60%	40%	50%	50%	83%	17%	↑
Municipal Financial Viability and Management	91%	9%	81%	19%	89%	11%	↓
Municipal Institutional Development and Transformation	82%	18%	67%	33%	100%	0%	↑
Spatial Rationale	0%	100%	14%	86%	67%	33%	↑
Overall	62%	38%	54%	46%	83%	17%	↑

8.2 DEPARTMENTAL PERFORMANCE COMPARISON BETWEEN 2019/2020 AND 2020/2021

	2019/2020 Annual Performance		2020/2021 Annual Performance		Performance Improved Or Dropped Compared To 2019/2020
	Achieved	Not Achieved	Achieved	Not Achieved	
Budget and Treasury Office	83%	17%	84%	16%	↑
Community Services	57%	43%	50%	50%	↓
Corporate Services	60%	40%	92%	8%	↑
Economic Development and Planning	27%	73%	72%	28%	↑
Infrastructure Services	18%	82%	86%	14%	↑
Office of the Municipal Manager	58%	42%	100%	0%	↑
Overall Percentage	54%	46%	83%	17%	↑

9.0 MUNICIPALITY'S OVERALL PERFORMANCE COMPARISON

	Achieved	Not Achieved
2018/2019	62%	38%
2019/2020	54%	46%
2020/2021	83%	17%



The Municipality's Annual Performance for 2020/2021 Financial Year stands at 83% when compared to the preceding 2019/2020 Financial Year's 54% Annual Performance Assessment Review.

Based on the Analysis of Annual Performance Report, the municipality performance has increased by 29% in its service delivery mandate when compared to the preceding 2019/2020 financial year.

10.0 SUMMARY OF CHALLENGES ON NONE ACHIEVED TARGETS

Based on the reasons of deviation given by the managers these are areas that were highlighted:

- In cases of appointment of service providers, on some targets the bidders were none responsive.
- There are cases whereby service providers were not performing effectively in line with the expectations
- Delays in supply of required resources for commencement of some of the projects is also a contributing factor on poor performance.
- The service providers could not achieve some of the projects due to COVID related production delays.
- Lack of sufficient budget for completion of other projects

11.0 SUMMARY OF CORRECTIVE MEASURES ON NONE ACHIEVED TARGETS

Based on the proposed corrective measures below are the highlighted areas by the managers:

- Re-advertised in 2021/2022 FY for targets where bidders were non responsive
- On poor performance of service providers, there is going to be continuous assessments whether commitments have been met including meeting commitments as well efficiency and accuracy of material and production.
- Budget for other projects will be reprioritized in 2021/2022 FY.

12.0 KPA'S PERFORMANCE SCORECARD

KPA 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE

CONSTRUCTION LEGEND

GRAVEL ROADS	SURFACED ROADS	BUILDING CONSTRUCTION	SPORTSFIELD	BRIDGES
<p>Stage 1 (10%)</p> <ul style="list-style-type: none"> <u>Contractor establishment</u> <p>The contractor will have to comply with all requirements in line with the Contract document.</p> <p>The MLM will hand over the site to the appointed bidder after the contractor has been Appointed.</p> <p>Stage 2 (20%)</p>	<p>Stage 1 (10%)</p> <ul style="list-style-type: none"> <u>Contractor establishment</u> <p>The contractor will have to comply with all requirements in line with the Contract document.</p> <p>The MLM will hand over the site to the appointed bidder after the contractor has been Appointed.</p> <p>Stage 2 (20%)</p> <ul style="list-style-type: none"> <u>Mass Earthworks</u> 	<p>Stage 1 (10%)</p> <ul style="list-style-type: none"> <u>Contractor establishment.</u> <p>The contractor will have to comply with all requirements in line with the construction laws and MLM policies before the date of establishment.</p> <p>The MLM handover the site to the appointed bidder after the contractor has been presented to the community affected.</p>	<p>Stage 1 (10%)</p> <ul style="list-style-type: none"> <u>Contractor Establishment</u> <p>The contractor will have to comply with all requirements in line with the Contract document.</p> <p>The MLM will hand over the site to the appointed bidder after the contractor has been Appointed.</p> <p>Stage 2 (20%)</p>	<p>Stage 1 Stage 1 (10%)</p> <ul style="list-style-type: none"> <u>Contractor Establishment</u> <p>The contractor will have to comply with all requirements in line with the Contract document.</p> <p>The MLM will hand over the site to the appointed bidder after the contractor has been Appointed</p>

GRAVEL ROADS	SURFACED ROADS	BUILDING CONSTRUCTION	SPORTSFIELD	BRIDGES
<p>Clear and grub</p> <ul style="list-style-type: none"> Roadbed preparation <p>The contractor will clear the existing topsoil layer of material and spoil at an agreed spoil site.</p> <p>The contractor will excavate to the agreed levels and spoil or stock pile as per the Instructions from Engineer</p> <p>Stage 3 (40%)</p> <p>Installation of pipe culverts</p> <p>Excavation of trenches to the required width and depth.</p> <p>Prepare bedding from in-situ material or imported material and compact.</p>	<p>The contractor will clear the existing layer of material and spoil at an agreed spoil site.</p> <p>The contractor will excavate to the agreed levels as per the Engineer’s designs and spoil or stock pile as per the Instructions from Engineer.</p> <p>Stage 3 (40%)</p> <ul style="list-style-type: none"> <u>Installation of pipe culverts</u> <p>Excavation of trenches to the required width and depth.</p> <p>Prepare bedding from in-situ material or imported material and compact.</p>	<p>Stage 2 (40%)</p> <ul style="list-style-type: none"> <u>Site layout:</u> <p>The contractor will be issued with construction drawings to establish a layout and indicate the pegs on each construction item.</p> <ul style="list-style-type: none"> <u>Earthworks:</u> <p>The contractor will hire tools or plant to move soil in line with the engineer’s instruction and contract the commercial material (Sabonga) to be compacted and tested for approval.</p> <p>Stage 3 (50%)</p> <ul style="list-style-type: none"> <u>Foundation for excavations:</u> 	<ul style="list-style-type: none"> <u>Earthworks</u> <p>The contractor will clear the existing layer of material and spoil at an agreed spoil site.</p> <p>The contractor will excavate to the agreed levels as per the Engineer’s designs and spoil or stock pile as per the Instructions from Engineer.</p> <p>Stage 3 (50%)</p> <ul style="list-style-type: none"> Fencing <p>Installation of fence according to the design drawings.</p> <p>Stage 4 (60%)</p>	<p>Stage 2 (40%)</p> <ul style="list-style-type: none"> Base foundation slab <p>The contractor will construct base foundation slab according to the design drawings and bending schedules issued by the Engineer</p> <p>Stage 3 (60%)</p> <ul style="list-style-type: none"> Columns / pre-cast culverts Top slabs <p>The contractor will construct top slab according to the design drawings and bending schedules issued by the Engineer</p> <p>Stage 4 (80%)</p> <ul style="list-style-type: none"> Wing walls

GRAVEL ROADS	SURFACED ROADS	BUILDING CONSTRUCTION	SPORTSFIELD	BRIDGES
<p>Lay the pipes and backfill in layers with selected backfill or imported material.</p> <p>Stage 4 (60%)</p> <ul style="list-style-type: none"> • Tipping of gravel • Processing of gravel <p>The Contractor will import gravel material from borrow pit for layer works and compact each layer as per the design specification.</p> <p>Stage 5 (80%)</p> <ul style="list-style-type: none"> • Protection Works 	<p>Lay the pipes and backfill in layers with selected backfill or imported material.</p> <p>Stage 4 (60%)</p> <ul style="list-style-type: none"> • <u>Pavement Layers</u> <p>The Contractor will import gravel material from borrow pit or commercial source for layer works and compact each layer as per the design specification.</p> <ul style="list-style-type: none"> • <u>Sealants</u> <p>Stabilization of sub base layer with cement or</p>	<p>After the compaction soil has been approved, the contractor is to dig trenches in line with the foundation plan provided by the engineer. The engineer will do site visit to inspect the foundations and the levels including compaction within the foundation bases.</p> <ul style="list-style-type: none"> • <u>Concrete casting:</u> <p>After the test results approved by engineer, the contractor will</p>	<p>Layerworks for Sportsfield and running track</p> <p>Stage 4 (80%)</p> <p>Installation of artificial turf and marking</p> <p>Stage 6 (95%)</p> <ul style="list-style-type: none"> • Practical completion certificate <p>When the sportsfield is ready for operations, the Contractor will indicate to the Engineer and a Snag list will be compiled by the Engineer/PSC.</p> <p>Stage 7 (100%)</p>	<p>The contractor will construct the wing walls according to the design drawings and bending schedules issued by the Engineer</p> <ul style="list-style-type: none"> • Protection Works <p>The installation of gabion structure to protect the unstable banks as per the design</p> <ul style="list-style-type: none"> • Road signs <p>The contractor will install the traffic control signs as indicated on the road layout drawings.</p> <p>Stage 6 (95%)</p> <ul style="list-style-type: none"> • Practical Completion

GRAVEL ROADS	SURFACED ROADS	BUILDING CONSTRUCTION	SPORTSFIELD	BRIDGES
<ul style="list-style-type: none"> Installation of road signs <p>The contractor will construct the headwalls/inlets and outlet structures or catch pits.</p> <p>The installation of gabion structure to protect the unstable banks as per the design.</p> <p>The contractor will install the traffic control signs as indicated on the road layout drawings</p> <p>Stage 6 (95%)</p> <ul style="list-style-type: none"> <u>Attending to snaglist</u> <p>A list of outstanding items</p>	<p>lime/polymer.</p> <p>Stage 5 (80%)</p> <ul style="list-style-type: none"> <u>Kerbing</u> <p>Once the Sub base layer has been completed, Concrete Kerbing will be installed with concrete channels or as per the design.</p> <ul style="list-style-type: none"> <u>Asphalt</u> <p>The contractor will install the lay the hot mix Asphalt.</p> <ul style="list-style-type: none"> <u>Protection Works</u> <p>The contractor will construct the headwalls/inlets and outlet structures or catch pits.</p> <p>The installation of gabion</p>	<p>install the reinforcement in line with the engineer’s drawings and cast concrete that has MPa indicated by engineer.</p> <p>Foundation walls will be done by contractor when engineer has approved the foundations.</p> <p>The concrete slabs will be casted only when the engineer has approved foundation walls and the compaction of soil material test results approved by engineer. The contractor to issue pests control certificate on contacted soil.</p>	<ul style="list-style-type: none"> Final Completion certificate <p>The certificate will be issued after the defect liability period has lapsed. The Engineer will visit the site and if there are no defects, the final completion certificate will be issued.</p>	<p>certificate</p> <p>When the road is ready for operations, the Contractor will indicate to the Engineer and a Snag list will be compiled by the Engineer/PSC.</p> <p>Stage 7 (100%)</p> <ul style="list-style-type: none"> Final Completion certificate <p>The certificate will be issued after the defect liability period has lapsed. The Engineer will visit the site and if there are no defects, the final completion certificate will be issued.</p>

GRAVEL ROADS	SURFACED ROADS	BUILDING CONSTRUCTION	SPORTSFIELD	BRIDGES
<p>that a contractor must attend before each completion stage is reached.</p> <ul style="list-style-type: none"> <u>Practical Completion certificate</u> <p>When the road is ready for operations, the Contractor will indicate to the Engineer and a Snag list will be compiled by the Engineer/PSC.</p> <p>Upon completion of the snag list, the contractor will hand over the site to the Community</p>	<p>structure to protect the unstable banks as per the design.</p> <p>Stage 6 (90%)</p> <ul style="list-style-type: none"> <u>Road signs</u> <p>The contractor will install the traffic control signs as indicated on the road layout drawings.</p> <ul style="list-style-type: none"> <u>Road markings</u> <p>Marking of the road (solid and broken lines)</p> <p>Stage7 (95%)</p> <ul style="list-style-type: none"> <u>Snag list:</u> <p>A list of outstanding items that a contractor must attend before each completion stage is reached.</p>	<p>Stage 4 (60%)</p> <ul style="list-style-type: none"> Building of walls <p>The building walls to be done in line with the engineers drawings and specification including material finishing. The engineer will do ongoing inspections during construction and issue instructions.</p> <ul style="list-style-type: none"> Roof installation <p>The engineer will issue instruction for roof to be installed after the approval of walls.</p> <p>The engineer will issue roof design for the contractor to buy</p>		

GRAVEL ROADS	SURFACED ROADS	BUILDING CONSTRUCTION	SPORTSFIELD	BRIDGES
<p>Stage 7(100 %)</p> <ul style="list-style-type: none"> Final Completion certificate <p>The certificate will be issued after the defect liability period has lapsed. The Engineer will visit the site and if there are no defects, the final completion certificate will be issued.</p>	<ul style="list-style-type: none"> <u>Practical Completion certificate</u> <p>When the road is ready for operations, the Contractor will indicate to the Engineer and a Snag list will be compiled by the Engineer/PSC.</p> <p>Upon completion of the snag list, the contractor will hand over the site to the Community</p> <p>Stage 8 (100%)</p> <ul style="list-style-type: none"> Final Completion certificate <p>The certificate will be issued after the defect</p>	<p>the material and including engineer designed roof structure and before delivery the manufacture is to visit the site for re-measuring and to get the correct measurements.</p> <p>Stage 5 (80%)</p> <ul style="list-style-type: none"> <u>Windows</u> <p>Window schedules will be issued to the contractor. That information has specifications.</p> <ul style="list-style-type: none"> <u>Plastering</u> <p>The specifications will be issued to the contractor and has to follow the</p>		

GRAVEL ROADS	SURFACED ROADS	BUILDING CONSTRUCTION	SPORTSFIELD	BRIDGES
	<p>liability period has lapsed. The Engineer will visit the site and if there are no defects, the final completion certificate will be issued.</p>	<p>specification and the finishing methods.</p> <ul style="list-style-type: none"> • <u>Landscaping</u> <p>The drawing will be issued for the contractor to follow and comply.</p> <p>Stage 6 (95%)</p> <ul style="list-style-type: none"> • <u>Finishes</u> <p>The specifications will be issued to the contractor and has to follow the specification and the finishing methods (painting, floor covering, ceiling, lights, plumbing and furnisher)</p> <ul style="list-style-type: none"> • <u>Landscaping</u> <p>The specifications will be issued to the contractor and has to follow the</p>		

GRAVEL ROADS	SURFACED ROADS	BUILDING CONSTRUCTION	SPORTSFIELD	BRIDGES
		<p>specification and methods (paving, tree planting and fencing).</p> <ul style="list-style-type: none"> • <u>Practical Completion certificate</u> <p>When the building is operational to be used by the community, the contractor will hand it over to the client and the engineer will issue the snag list on items that the contractor will have to attend. The retention period starts from the date of engineer issuing practical completion certificate and is a six (6) months period.</p> <p>Stage 7 (100%)</p>		

GRAVEL ROADS	SURFACED ROADS	BUILDING CONSTRUCTION	SPORTSFIELD	BRIDGES
		<ul style="list-style-type: none"> • Final Completion Certificate <p>The certificate will be issued when the engineer has visited the building and is happy with the construction overall response and quality.</p>		

Number	ID P Ref No.	Nat ion al KP A	Depar tment al Progr amme	Objec tive (As Per IDP)	Strate gies (As Per IDP)	Ward	Project Descripti on	Means of verificatio n	Baseli ne	KPI	Unit of Measur e	Actua l Bud get 2020 /202 1 FY	Annua l Target	2020/20 21 Annual Perform ance	Actua l Expe nditu re 2020/ 2021 FY	Status (Achie ved/No t Achie ved	Reaso ns for Varia nce	Measu res taken to impro ve perfor mance
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Number	ID P Ref . No.	Nat ion al KP A	Depart ment al Progr amme	Objec tive (As Per IDP)	Strate gies (As Per IDP)	Ward	Project Descripti on	Means of verificatio n	Baseli ne	KPI	Unit of Measur e	Actua l Bud get 2020 /202 1 FY	Annua l Target	2020/20 21 Annual Perform ance	Actua l Expe nditu re 2020/ 2021 FY	Status (Achie ved/Not Achie ved)	Reaso ns for Varia nce	Measu res taken to impro ve perfor mance
2.	PIG102.02		Basic Service Delivery and Infrastructure Projects, Operations and Maintenance Management	Improve access to services in rural areas through sustainable road network and buildings infrastructure and electrification.	To improve the provision basic services to rural and urban communities in the municipality.	4	Construction of 9km Nkasela access road	Bill of Quantities, Progress Reports to MTM, Completion Certificate	643.7km of existing roads	Percentage of work on access roads completed by set date	Date, KM, Stage/Percentage	R6 661 330,00	80% construction of Nkasela access road completed by 30 June 2021	95% constructed: 9km of Nkasela Access Road completed	R6 196 126.81	Achieved	None	None

Number	ID P Ref . No.	Nat ion al KP A	Depart ment al Progr amme	Objec tive (As Per IDP)	Strate gies (As Per IDP)	Ward	Project Descript ion	Means of verificatio n	Baseli ne	KPI	Unit of Measur e	Actua l Bud get 2020 /202 1 FY	Annua l Target	2020/20 21 Annual Perform ance	Actua l Expe nditu re 2020/ 2021 FY	Status (Achie ved/Not Achie ved)	Reaso ns for Varia nce	Measu res taken to impro ve perfor mance
3.		Basic Service Delivery and Infrastructure	Projects, Operations and Maintenance Management	Improve access to services in rural areas through sustainable road network and buildings infrastructure and electrification.	To improve the provision basic services to rural and urban communities in the municipality.	22	Construction of 5,6km Mkhemane access road	Bill of Quantities, Progress Reports to MTM, Completion Certificate	643.7km of existing roads	Percentage of work on access roads completed by set date	Date, KM, Stage/Percentage	R 6 794 000.00	95% construction of Mkhemane access road completed by 30 June 2021	95% constructed: 5.6km of Mkhemane Access Road	R 5 674 082.74	Achieved	None	None

Number	ID P Ref . No.	Nat ion al KP A	Depart ment al Progr amme	Objec tive (As Per IDP)	Strate gies (As Per IDP)	Ward	Project Descript ion	Means of verificatio n	Baseli ne	KPI	Unit of Measur e	Actua l Bud get 2020 /202 1 FY	Annua l Target	2020/20 21 Annual Perform ance	Actua l Expe nditu re 2020/ 2021 FY	Status (Achie ved/Not Achie ved)	Reaso ns for Varia nce	Measu res taken to impro ve perfor mance
4.			Basic Service Delivery and Infrastructure Projects, Operations and Maintenance Management	Improve access to services in rural areas through sustainable road network and buildings infrastructure and electrification.	To improve the provision basic services to rural and urban communities in the municipality.	14	Construction of 6km Moiketsi access road	Bill of Quantities, Progress Reports to MTM, Completion Certificate	643.7km of existing roads	Percentage of work on access roads completed by set date	Date, KM, Stage/Percentage	R3 044 996.00	95% construction of Moiketsi access road completed by 30 June 2021	95% constructed:6km of Moiketsi Access Road completed	R 2 417 554.78	Achieved	None	None

Number	ID P Ref . No.	Nat ion al KP A	Depart ment al Progr amme	Objec tive (As Per IDP)	Strate gies (As Per IDP)	Ward	Project Descript ion	Means of verificatio n	Baseli ne	KPI	Unit of Measur e	Actua l Bud get 2020 /202 1 FY	Annua l Target	2020/20 21 Annual Perform ance	Actua l Expe nditu re 2020/ 2021 FY	Status (Achie ved/Not Achie ved)	Reasons for Varia nce	Measu res taken to impro ve perfor mance
5.		Basic Service Delivery and Infrastructure	Operations and Maintenance Unit	Improve access to services in rural areas through sustainable road network and buildings infrastructure and electrification.	To improve the provision basic services to rural and urban communities in the municipality.	10	Construction of Magonqolweni access road	Bill of Quantities, Progress Reports	643.7km of existing roads	Percentage of work on access roads completed by set date	Date, KM, Stage/Percentage	R4 310 000.00	80% Construction of Magonqolweni Road complete by 30 June 2021	95% constructed: 6.5Km of Magonqolweni Access Road completed with Portal Culvert Bridge	R 3 961 448.43	Achieved	None	None

Number	ID P Ref . No.	Nat ion al KP A	Depart ment al Progr amme	Objec tive (As Per IDP)	Strate gies (As Per IDP)	Ward	Project Descripti on	Means of verificatio n	Baseli ne	KPI	Unit of Measur e	Actua l Bud get 2020 /202 1 FY	Annua l Target	2020/20 21 Annual Perform ance	Actua l Expe nditu re 2020/ 2021 FY	Status (Achie ved/Not Achie ved)	Reaso ns for Varia nce	Measu res taken to impro ve perfor mance
6.	PIG101.01		Basic Service Delivery and Infrastructure Projects, Operations and Maintenance Unit			21	Construct ion of Msukeni access road	Bill of Quantities, Progress Reports to MTM, Completion Certificate	643.7km of existing roads	Perce ntage of work on access roads completed by set date	Date, KM, Stage/Percentage	R2 940 000.00	80% Constr uction of Msuke ni access road complete by 30 June 2021	95% construc ted: 6.8km of Msukeni Access Road is complet ed	R 2 932 770.00	Achie ved	None	None

Number	ID P Ref. No.	National KP A	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Ward	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020 /2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
8.		Basic Service Delivery and Infrastructure	Operations and Maintenance Unit			9	Construction of Mahangu access road and bridge	Appointment letter	643.7km of existing roads	Percentage of work on access roads completed by set date	Date, KM, Stage/Percentage	R391 996.00	20% Construction of Mahangu access road and bridge complete by 30 June 2021	20% of Construction of Mahangu Access Road and Bridge not achieved and the appointment of service provider not achieved	R391 305.61	Not Achieved	The tender was cancelled and was represented to BSC on the 11 May 2021 for advert.	Contractor will be appointed first Quarter of 2021/22 FY for the implementation of the project

Number	ID P Ref . No.	Nat ion al KP A	Depart ment al Progr amme	Objec tive (As Per IDP)	Strate gies (As Per IDP)	Ward	Project Descript ion	Means of verificatio n	Baseli ne	KPI	Unit of Measur e	Actua l Bud get 2020 /202 1 FY	Annua l Target	2020/20 21 Annual Perform ance	Actua l Expe nditu re 2020/ 2021 FY	Status (Achie ved/Not Achie ved)	Reasons for Varia nce	Measu res taken to impro ve perfor mance
9.		Basic Service Delivery and Infrastructure	Operations and Maintenance Unit			24	Construct ion of Purutle to Moyeni access road and bridge	Appointme nt letter	643.7k m of existin g roads	Perce ntage of work on access roads compl eted by set date	Date, KM, Stage/P ercentage	R400 000.00	20% Constr uction of Purutle to Moyeni access road and bridge comple te by 30 June 2021	20% Constr uction of Purutle to Moyeni access Road and Bridge not Achieve d by the 30 June 2021	R287 688.89	Not Achie ved	Delay on award for the service provid er	Tender will be awarde d in the first Quarter of 2021/2 2 FY for the implem entatio n of the project

Number	ID P Ref . No.	Nat ion al KP A	Depart ment al Progr amme	Objec tive (As Per IDP)	Strate gies (As Per IDP)	Ward	Project Descripti on	Means of verificatio n	Baseli ne	KPI	Unit of Measur e	Actua l Bud get 2020 /202 1 FY	Annua l Target	2020/20 21 Annual Perform ance	Actua l Expe nditu re 2020/ 2021 FY	Status (Achie ved/Not Achie ved)	Reaso ns for Varia nce	Measu res taken to impro ve perfor mance
10.			Basic Service Delivery and Infrastructure Operations and Maintenance Unit			11	Upgrade 2.8km of Thotane g Access Road	Bill of Quantities, Progress Reports , Completion certificate	643.7k m of existin g roads	Perce ntage of work on access roads compl eted by set date	Date, KM, Stage/P ercentage	R1 500 000.00	60 % comple tion of Constr uction of Thotane g Access Road by 30 June 2021	95% construc ted:2.8k m of Thotane g Access Road.	R 984 220.00	Achie ved	None	None.

Number	ID P Ref . No.	Nat ion al KP A	Depart ment al Progr amme	Objec tive (As Per IDP)	Strate gies (As Per IDP)	Ward	Project Descripti on	Means of verificatio n	Baseli ne	KPI	Unit of Measur e	Actua l Bud get 2020 /202 1 FY	Annua l Target	2020/20 21 Annual Perform ance	Actua l Expe nditu re 2020/ 2021 FY	Status (Achie ved/Not Achie ved)	Reasons for Varia nce	Measu res taken to impro ve perfor mance
11.		Basic Service Delivery and Infrastructure	Operations and Maintenance Unit			17	Upgrade 4.7km of Mbizeni Access Road	Bill of Quantities, Progress Reports , Completion certificate	643.7k m of existin g roads	Perce ntage of work on access roads compl eted by set date	Date, KM, Stage/P ercentage	R300 000.00	60 % comple tion of Constr uction of Upgra de Mbize ni Access Road by 30 June 2021	The service provider submitte d the tender were non-responsi ve and the tender were re-advertise d.	NIL	Not Achie ved	Tender was re-adverti sed due to non respon sive of tendere rs.	The tender was adverti sed and the set target will be achieve d in 2021/2 2 FY before the Q4.

Number	ID P Ref . No.	Nat ion al KP A	Depart ment al Progr amme	Objec tive (As Per IDP)	Strate gies (As Per IDP)	Ward	Project Descripti on	Means of verificatio n	Baseli ne	KPI	Unit of Measur e	Actua l Bud get 2020 /202 1 FY	Annua l Target	2020/20 21 Annual Perform ance	Actua l Expe nditu re 2020/ 2021 FY	Status (Achie ved/Not Achie ved)	Reaso ns for Varia nce	Measu res taken to impro ve perfor mance
12.			Basic Service Delivery and Infrastructure Operations and Maintenance Unit			17	Upgrade 1.7km Luxeni Access Road	Bill of Quantities, Progress Reports , Completion certificate	643.7k m of existin g roads	Perce ntage of work on access roads compl eted by set date	Date, KM, Stage/P ercentage	R1 100 000,00	60 % comple tion of Constr uction of Upgra de Luxeni Access Road by 30 June 2021	95% complet ed (1.7km Luxeni Access Road complet ed.)	R 677 540,00	Achie ved	None	None

Number	ID P Ref. No.	National KP A	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Ward	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020 /2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
13.			Basic Service Delivery and Infrastructure Operations and Maintenance Unit			11	Construction of 7km Hasera Access Road	Bill of Quantities, Progress Reports , Completion certificate	643.7km of existing roads	Percentage of work on access roads completed by set date	Date, KM, Stage/Percentage	R1 600 000,00	60 % completion of Construction of Hasera Access Road by 30 June 2021	95% completed (6.7km Hasera Access Road completed.)	R1 418 356,78	Achieved	None	None

Number	ID P Ref. No.	National KP A	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Ward	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020 /2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
14.		Basic Service Delivery and Infrastructure	Operations and Maintenance Unit			12	Construction of 4.7km Moqobi Access Road	Bill of Quantities, Progress Reports , Completion certificate	643.7km of existing roads	Percentage of work on access roads completed by set date	Date, KM, Stage/Percentage	R1 300 000,00	60 % completion of Construction of Moqobi Access Road by 30 June 2021	95% completed (4.7km Moqhobi Access Road completed.)	R 1 003 577.00	Achieved	None	None

Number	ID P Ref . No.	Nat ion al KP A	Depart ment al Progr amme	Objec tive (As Per IDP)	Strate gies (As Per IDP)	Ward	Project Descripti on	Means of verificatio n	Baseli ne	KPI	Unit of Measur e	Actua l Bud get 2020 /202 1 FY	Annua l Target	2020/20 21 Annual Perform ance	Actua l Expe nditu re 2020/ 2021 FY	Status (Achie ved/Not Achie ved)	Reaso ns for Varia nce	Measu res taken to impro ve perfor mance
15.			Basic Service Delivery and Infrastructure Operations and Maintenance Unit			23	Upgrade 5.1 km of Fobane Access Road	Bill of Quantities, Progress Reports , Completion certificate	643.7k m of existin g roads	Perce ntage of work on access roads compl eted by set date	Date, KM, Stage/P ercentage	R2 100 000,00	60 % comple tion of Constr uction of Upgra de Fobane Access Road by 30 June 2021	95% complet ed (8.9km Fobane Access Road complet ed.)	R 1 445 850.00	Achie ved	None	None

Number	ID P Ref. No.	National KP A	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Ward	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020 /2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
16.		Basic Service Delivery and Infrastructure	Operations and Maintenance Unit			8	Construction of 4.7km Mateo Access Road	Bill of Quantities, Progress Reports Completion certificate	643.7km of existing roads	Percentage of work on access roads completed by set date	Date, KM, Stage/Percentage	R1 100 000,00	60 % completion of Construction of Mateo Access Road by 30 June 2021	95% completed (4.7km Mateo Access Road Completed.)	R 1 078 871.00	Achieved	None	None

Number	ID P Ref . No.	Nat ion al KP A	Depart ment al Progr amme	Objec tive (As Per IDP)	Strate gies (As Per IDP)	Ward	Project Descripti on	Means of verificatio n	Baseli ne	KPI	Unit of Measur e	Actua l Bud get 2020 /202 1 FY	Annua l Target	2020/20 21 Annual Perform ance	Actua l Expe nditu re 2020/ 2021 FY	Status (Achie ved/Not Achie ved)	Reaso ns for Varia nce	Measu res taken to impro ve perfor mance
17.	PIG101.01		Basic Service Delivery and Infrastructure Projects, Operations and Maintenance Unit			7	Construct ion of Ngcwengane Bridge	Bill of Quantities, Progress Reports to MTM, Completion Certificate	643.7k m of existin g roads	Perce ntage of work on access roads compl eted by set date	Date, KM, Stage/P ercentage	R3 179762.00	95% constru ction of Ngcwe ngane Bridge comple ted by 30 June 2021	95% complet ed (Ngcwe ngane Bridge complet ed)	R927 431.63	Achie ved	None	None

Number	ID P Ref . No.	Nat ion al KP A	Depart ment al Progr amme	Objec tive (As Per IDP)	Strate gies (As Per IDP)	Ward	Project Descripti on	Means of verificatio n	Baseli ne	KPI	Unit of Measur e	Actua l Bud get 2020 /202 1 FY	Annua l Target	2020/20 21 Annual Perform ance	Actua l Expe nditu re 2020/ 2021 FY	Status (Achie ved/Not Achie ved)	Reasons for Varia nce	Measu res taken to impro ve perfor mance
18.	PIG101.01		Basic Service Delivery and Infrastructure Projects, Operations and Maintenance Unit			7	Construct ion of Lagrange Pedestria n Bridge	Progress reports, BOQ and Practical completion certificates	9 existin g bridge s	Perce ntage of bridge constr ucted and compl eted by set date	Percent age, Date	R810 000 ,00	95% constru ction of Lagran ge Pedestr ian Bridge comple ted by 30 June 2021	100% complet ed (Lagran ge Pedestr ian Bridge complet ed.)	R 316 719.11	Achie ved	None	None

Number	ID P Ref . No.	Nat ion al KP A	Depart ment al Progr amme	Objec tive (As Per IDP)	Strate gies (As Per IDP)	Ward	Project Descript ion	Means of verificatio n	Baseli ne	KPI	Unit of Measur e	Actua l Bud get 2020 /202 1 FY	Annua l Target	2020/20 21 Annual Perform ance	Actua l Expe nditu re 2020/ 2021 FY	Status (Achie ved/Not Achie ved)	Reasons for Varia nce	Measu res taken to impro ve perfor mance
19.	PIG1O2.03		Basic Service Delivery and Infrastructure Projects, Operations and Maintenance Management	Improve access to services in rural areas through sustainable road network and buildings infrastructure and electrification	To improve the provision basic services to rural and urban communities in the municipality.	26	Construction of 5 km Cedarville Internal Streets-Phase 3	Bill of Quantities, Progress Reports to MTM, Completion Certificate	53.08km of surfaced roads	Percentage of work on Internal Streets completed by set date	Date, Km, Stage /Percentage	R17 524 898.30	60% construction of Cedarville Internal Streets-Phase 3 of surfaced road completed by 30 June 2021	78% of the works completed for Cedarville Internal Streets-phase 3	R17 524 898.30	Achieved	None	None

Number	ID P Ref . No.	Nat ion al KP A	Depart ment al Progr amme	Objec tive (As Per IDP)	Strate gies (As Per IDP)	Ward	Project Descript ion	Means of verificatio n	Baseli ne	KPI	Unit of Measur e	Actua l Bud get 2020 /202 1 FY	Annua l Target	2020/20 21 Annual Perform ance	Actua l Expe nditu re 2020/ 2021 FY	Status (Achie ved/Not Achie ved)	Reasons for Varia nce	Measu res taken to impro ve perfor mance
20.			Basic Service Delivery and Infrastructure Projects, Operations and Maintenance Management	Improve access to services in rural areas through sustainable road network and buildings infrastructure and electrification.	To improve the provision basic services to rural and urban communities in the municipality.	1	Construction of 5 km Maluti Internal Streets-Phase 4	Bill of Quantities, Progress Reports to MTM, Completion Certificate	53.08km of surfaced roads	Percentage of work on Internal Streets completed by set date	Date, Km, Stage /Percentage	R 19 645 137.00	95% completion of Maluti Internal Streets -Phase 4 of surfaced roads by 30 June 2021	95% completed (5km of Maluti Internal Streets - Phase 4 completed)	R 17 703 427.39	Achieved	None	None

Number	ID P Ref . No.	Nat ion al KP A	Depart ment al Progr amme	Objec tive (As Per IDP)	Strate gies (As Per IDP)	Ward	Project Descript ion	Means of verificatio n	Baseli ne	KPI	Unit of Measur e	Actua l Bud get 2020 /202 1 FY	Annua l Target	2020/20 21 Annual Perform ance	Actua l Expe nditu re 2020/ 2021 FY	Status (Achie ved/Not Achie ved)	Reaso ns for Varia nce	Measu res taken to impro ve perfor mance
21.			Basic Service Delivery and Infrastructure Projects, Operations and Maintenance Management	Improve access to services in rural areas through sustainable road network and buildings infrastructure and electrification	To improve the provision basic services to rural and urban communities in the municipality.	19	Construction of 5km Matatiele internal streets-Phase 2	Bill of Quantities, Progress Reports , Completion certificate	53.08km of surfaced roads	Percentage of work on Internal Streets completed by set date	Date, Km, Stage /Percentage	R 5 976 351.00	100% completion of Matatiele Internal Streets -Phase 2 streets by 30 June 2021	100% completed (5km Matatiele internal Streets - Phase 2 completed)	R 5 973 819.24	Achieved	None	None

Number	ID P Ref . No.	Nat ion al KP A	Depart ment al Progr amme	Objec tive (As Per IDP)	Strate gies (As Per IDP)	Ward	Project Descript ion	Means of verificatio n	Baseli ne	KPI	Unit of Measur e	Actua l Bud get 2020 /202 1 FY	Annua l Target	2020/20 21 Annual Perform ance	Actua l Expe nditu re 2020/ 2021 FY	Status (Achie ved/Not Achie ved)	Reaso ns for Varia nce	Measu res taken to impro ve perfor mance
22.		Basic Service Delivery and Infrastructure	Operations and Maintenance Unit	Improve access to services in rural areas through sustainable road network and buildings infrastructure and electrification	To improve the provision basic services to rural and urban communities in the municipality.	19	Matatiele Internal Streets Resurfacing	Bill of Quantities, Progress Reports , Completion certificate	53.08km of surfaced roads	Percentage of work on Internal Streets completed by set date	Date, Km, Stage /Percentage	R1 705 700.00	95% completion of Re-surfacing of Matatiele Streets by 30 June 2021	100% completed (1km Matatiele internal Streets Resurfacing and Road Marking Completed.)	R1 705 700.00	Achieved	None	None

Number	ID P Ref . No.	Nat ion al KP A	Depart ment al Progr amme	Objec tive (As Per IDP)	Strate gies (As Per IDP)	Ward	Project Descript ion	Means of verificatio n	Baseli ne	KPI	Unit of Measur e	Actua l Bud get 2020 /202 1 FY	Annua l Target	2020/20 21 Annual Perform ance	Actua l Expe nditu re 2020/ 2021 FY	Status (Achie ved/Not Achie ved)	Reaso ns for Varia nce	Measu res taken to impro ve perfor mance	
23.	PIG102.05		Basic Service Delivery and Infrastructure	Electricity Unit	Improve access to services in rural areas through sustainable road network and buildings infrastructure and electrification.	To improve the provision basic services to rural and urban communities in the municipality.	09	Matiasé B (Mhlangeni, & Mnqayi) 163 HH	Kickoff Meeting Minutes, Progress reports (minutes of Progress meetings) and photos	3704 House holds electrified in 2019/2020	Number of household connected to electricity by set date	Number Date	R9 263 000.00	Connect of 163 households in Ward 5 by 30 June 2021	163 households connected in Ward 5 by the 30 June 2021	R 8 005 641.00	Achieved	None	None

Number	ID P Ref . No.	Nat ion al KP A	Depart ment al Progr amme	Objec tive (As Per IDP)	Strate gies (As Per IDP)	Ward	Project Descript ion	Means of verificatio n	Baseli ne	KPI	Unit of Measur e	Actua l Bud get 2020 /202 1 FY	Annua l Target	2020/20 21 Annual Perform ance	Actua l Expe nditu re 2020/ 2021 FY	Status (Achie ved/Not Achie ved)	Reaso ns for Varia nce	Measu res taken to impro ve perfor mance
30.	PIG102.05	Basic Service Delivery and Infrastructure	Electricity Unit	Improve access to services in rural areas through sustainable road network and buildings infrastructure and electrification.	To improve the provision basic services to rural and urban communities in the municipality.	07	Mngeni :570 Households	Progress Reports (minutes of progress Meetings), Completion Certificate and photos	3704 House holds electrified in 201`9/ 20	Number of house holds connected electricity by set date	Number Date	R2 965 070.00	Connect of 570 households in Ward 7 by 30 June 2021	570 households connected (Project was completed in the first Quarter of 2020/21 Financial year)	R2 370 363.00	Achie ved	None	None

Number	ID P Ref . No.	Nat ion al KP A	Depart ment al Progr amme	Objec tive (As Per IDP)	Strate gies (As Per IDP)	Ward	Project Descript ion	Means of verificatio n	Baseli ne	KPI	Unit of Measur e	Actua l Bud get 2020 /202 1 FY	Annua l Target	2020/20 21 Annual Perform ance	Actua l Expe nditu re 2020/ 2021 FY	Status (Achie ved/Not Achie ved)	Reaso ns for Varia nce	Measu res taken to impro ve perfor mance	
31.	PIG102.05.14		Basic Service Delivery and Infrastructure	Electricity Unit	Improve access to services in rural areas through sustainable road network and buildings infrastructure and electrification .	To improve the provision basic services to rural and urban communities in the municipality.	14	Nice field - Mateleng Electrification(350)	Q1: Contract Award letter. Q2: Kickoff Meeting Minutes, Progress reports (minutes of Progress meetings) Q3: Progress Reports (minutes of progress Meetings). Q4: Progress Reports (minutes of progress Meetings), Completion Certificate and photos	3705 House holds electrified in 2019/2020	Number of household s connected to electricity by set date	Number	R400 000,00	Connect of 350 household s in Ward 14 by 30 June 2021	350 household s connected (Project was completed in the first Quarter of 2020/21 Financial year)	R 234 364,00	Achie ved	None	None

Number	ID P Ref . No.	Nat ion al KP A	Depart ment al Progr amme	Objec tive (As Per IDP)	Strate gies (As Per IDP)	Ward	Project Descript ion	Means of verificatio n	Baseli ne	KPI	Unit of Measur e	Actua l Bud get 2020 /202 1 FY	Annua l Target	2020/20 21 Annual Perform ance	Actua l Expe nditu re 2020/ 2021 FY	Status (Achie ved/Not Achie ved)	Reaso ns for Varia nce	Measu res taken to impro ve perfor mance	
32.	PIG102.05		Basic Service Delivery and Infrastructure	Electricity Unit	Improve access to services in rural areas through sustainable road network and buildings infrastructure and electrification.	To improve the provision basic services to rural and urban communities in the municipality.	05	Lufefeni : 380 Households	Progress Reports (minutes of progress Meetings), Completion Certificate and photos	3704 House holds electrified in 2019/20	Number of household to electricity connected by set date	Number Date	R311 200.00	Connect of 380 households in Ward 5 by 30 June 2021	380 households connected (Project was completed in the fourth Quarter of 2020/21 Financial year)	R 256 188.65	Achieved	None	None

Number	ID P Ref . No.	Nat ion al KP A	Depart ment al Progr amme	Objec tive (As Per IDP)	Strate gies (As Per IDP)	Ward	Project Descripti on	Means of verificatio n	Baseli ne	KPI	Unit of Measur e	Actua l Bud get 2020 /202 1 FY	Annua l Target	2020/20 21 Annual Perform ance	Actua l Expe nditu re 2020/ 2021 FY	Status (Achie ved/Not Achie ved)	Reaso ns for Varia nce	Measu res taken to impro ve perfor mance	
33.	PIG102.05		Basic Service Delivery and Infrastructure	Electricity Unit	Improve access to services in rural areas through sustainable road network and buildings infrastructure and electrification.	To improve the provision basic services to rural and urban communities in the municipality.	18	Qili : 382 HH	Progress Reports (minutes of progress Meetings), Completion Certificate and photos	3704 House holds electrified in 2019/20	Number of household to electricity connected by set date	Number Date	R 1 606 330.00	Connect of 382 households in Ward 18 by 30 June 2021	382 households connected (Project was completed in the second Quarter of 2020/21 Financial year)	R 1 340 358.94	Achieved	None	None

Number	ID P Ref . No.	Nat ion al KP A	Depart ment al Progr amme	Objec tive (As Per IDP)	Strate gies (As Per IDP)	Ward	Project Descript ion	Means of verificatio n	Baseli ne	KPI	Unit of Measur e	Actua l Bud get 2020 /202 1 FY	Annua l Target	2020/20 21 Annual Perform ance	Actua l Expe nditu re 2020/ 2021 FY	Status (Achie ved/Not Achie ved)	Reaso ns for Varia nce	Measu res taken to impro ve perfor mance	
34.	PIG102.05		Basic Service Delivery and Infrastructure	Electricity Unit	Improve access to services in rural areas through sustainable road network and buildings infrastructure and electrification.	To improve the provision basic services to rural and urban communities in the municipality.	09	Makhoba :435 Households	Progress Reports (minutes of progress Meetings), Completion Certificate and photos	3704 House holds electrified in 2019/20	Number of house holds to electricity connected by set date	Number Date	R3 944 412.00	Connect of 435 households in Ward 5 by 30 June 2021	435 households connected (Project was completed in the first Quarter of 2020/21 Financial year)	R 3 689 446.66	Achieved	None	None

Number	ID P Ref . No.	Nat ion al KP A	Depart ment al Progr amme	Objec tive (As Per IDP)	Strate gies (As Per IDP)	Ward	Project Descripti on	Means of verificatio n	Baseli ne	KPI	Unit of Measur e	Actua l Bud get 2020 /202 1 FY	Annua l Target	2020/20 21 Annual Perform ance	Actua l Expe nditu re 2020/ 2021 FY	Status (Achie ved/Not Achie ved)	Reaso ns for Varia nce	Measu res taken to impro ve perfor mance	
35.	PIG1O2.05		Basic Service Delivery and Infrastructure	Electricity Unit	Improve access to services in rural areas through sustainable road network and buildings infrastructure and electrification.	To improve the provision basic services to rural and urban communities in the municipality.	05	Chere-Mahareng : 95 Households	Progress Reports (minutes of progress Meetings), Completion Certificate and photos	3704 House holds electrified in 2019/20	Number of household to electricity connected by set date	Number Date	R 193 600.00	Connect 95 households in Chere-Mahareng 30 June 2021	95 households connected (Project was completed in the first Quarter of 2020/21 Financial year)	R 51 264.78	Achieved	None	None

Number	ID P Ref . No.	Nat ion al KP A	Depart ment al Progr amme	Objec tive (As Per IDP)	Strate gies (As Per IDP)	Ward	Project Descript ion	Means of verificatio n	Baseli ne	KPI	Unit of Measur e	Actua l Bud get 2020 /202 1 FY	Annua l Target	2020/20 21 Annual Perform ance	Actua l Expe nditu re 2020/ 2021 FY	Status (Achie ved/Not Achie ved)	Reaso ns for Varia nce	Measu res taken to impro ve perfor mance	
36.	PIG102.05		Basic Service Delivery and Infrastructure	Electricity Unit	Improve access to services in rural areas through sustainable road network and buildings infrastructure and electrification.	To improve the provision basic services to rural and urban communities in the municipality.	04	Sehlabeng: 300 Households	Progress Reports (minutes of progress Meetings), Completion Certificate and photos	3704 House holds electrified in 2019/20	Number of household to electricity connected by set date	Number Date	R 3 617 160.00	Connect of 300 household in Ward 4 by 30 June 2021	Connect ed of 300 household in Ward 4 by 30 June 2021	R 2 503 229.11	Achie ved	None	None

Number	ID P Ref . No.	Nat ion al KP A	Depart ment al Progr amme	Objec tive (As Per IDP)	Strate gies (As Per IDP)	Ward	Project Descript ion	Means of verificatio n	Baseli ne	KPI	Unit of Measur e	Actua l Bud get 2020 /202 1 FY	Annua l Target	2020/20 21 Annual Perform ance	Actua l Expe nditu re 2020/ 2021 FY	Status (Achie ved/Not Achie ved)	Reasons for Varia nce	Measu res taken to impro ve perfor mance
37.	PIG1O2.06		Basic Service Delivery and Infrastructure	Electricity Unit	Improve access to services in rural areas through sustainable road network and buildings infrastructure and electrification.	To improve the provision basic services to rural and urban communities in the municipality.	19, 20	Replacement of 3 transformers	Q1 and Q3: Contract Award letter Q2 and Q4: Delivery notes, invoices & photos	Existing Transformers, Substation Switch Gears and Ring Main Units are overloaded and aging	Number, Date	R 985 000.00	Replacement of 3 Transformers by 30 June 2021	3 Transformers were replaced by the 30 June 2021	R 550 000.00	Achieved	None	None

Number	ID P Ref . No.	Nat ion al KP A	Depart ment al Progr amme	Objec tive (As Per IDP)	Strate gies (As Per IDP)	Ward	Project Descripti on	Means of verificatio n	Baseli ne	KPI	Unit of Measur e	Actua l Bud get 2020 /202 1 FY	Annua l Target	2020/20 21 Annual Perform ance	Actua l Expe nditu re 2020/ 2021 FY	Status (Achie ved/Not Achie ved)	Reaso ns for Varia nce	Measu res taken to impro ve perfor mance	
38.	PIG102.07.01		Basic Service Delivery and Infrastructure	Electricity Unit	Improve access to services in rural areas through sustainable road network and buildings infrastructure and electrification.	To improve the provision basic services to rural and urban communities in the municipality.	19, 20	Replacement of 40 Street Lights	Q1: N/A. Q2: N/A. Q3: Award letter issued and Contract signed. Q4: Delivery note & photos.	Existing street lights & High Mast Lights in Matatiele CBD	Number of Street lights installed by set date	Number , Date	R1 400 000,00	Installation of 40 Street Lights by 30 June 2021	40 Street Lights installed by 30 the June 2021	R1 264 251.15	Achieved	None	None

Number	ID P Ref . No.	Nat ion al KP A	Depart ment al Progr amme	Objec tive (As Per IDP)	Strate gies (As Per IDP)	Ward	Project Descripti on	Means of verificatio n	Baseli ne	KPI	Unit of Measur e	Actua l Bud get 2020 /202 1 FY	Annua l Target	2020/20 21 Annual Perform ance	Actua l Expe nditu re 2020/ 2021 FY	Status (Achie ved/Not Achie ved)	Reaso ns for Varia nce	Measu res taken to impro ve perfor mance	
39.	PIG102.07.02		Basic Service Delivery and Infrastructure	Electricity Unit	Improve access to services in rural areas through sustainable road network and buildings infrastructure and electrification.	To improve the provision basic services to rural and urban communities in the municipality.	19, 20	Replacement of 3 High Mast Lights	Q1: N/A. Q2: N/A. Q3: Award letter issued and Contract signed. Q4: Delivery note & photos.	Existing street lights & High Mast Lights in Matatiele CBD	Number of High Mast Lights installed by set date	Number , Date	R 262 609.00	Installation of 3 High Mast Lights by 30 June 2021	Project was completed in the 2020/21 Financial year	R 262 608.69	Achieved	None	None

Number	ID P Ref . No.	Nat ion al KP A	Depart ment al Progr amme	Objec tive (As Per IDP)	Strate gies (As Per IDP)	Ward	Project Descripti on	Means of verificatio n	Baseli ne	KPI	Unit of Measur e	Actua l Bud get 2020 /202 1 FY	Annua l Target	2020/20 21 Annual Perform ance	Actua l Expe nditu re 2020/ 2021 FY	Status (Achie ved/Not Achie ved)	Reasons for Varia nce	Measu res taken to impro ve perfor mance
41.	PIG101.01		Basic Service Delivery and Infrastructure Projects, Operations and Maintenance Unit	Improve access to services in rural areas through sustainable road network and buildings infrastructure and electrification	To improve the provision basic services to rural and urban communities in the municipality.	26	Construction of 6400m ² Cedarville Sport Center	Q1: Practical completion certificate	6 existing sports fields	Percentage of sports center constructed and completed by set date	Percentage, Date	R645 000 ,00	100% construction of Cedarville Sport center completed by 30 June 2021	100% achieved (Construction of Cedarville sport Center completed.)	R 305 815.00	Achieved	None	None

Number	ID P Ref . No.	Nat ion al KP A	Depart ment al Progr amme	Objec tive (As Per IDP)	Strate gies (As Per IDP)	Ward	Project Descripti on	Means of verificatio n	Baseli ne	KPI	Unit of Measur e	Actua l Bud get 2020 /202 1 FY	Annua l Target	2020/20 21 Annual Perform ance	Actua l Expe nditu re 2020/ 2021 FY	Status (Achie ved/Not Achie ved)	Reasons for Varia nce	Measu res taken to impro ve perfor mance
43.	PIG105.01		Basic Service Delivery and Infrastructure Building Control/Human Settlement	Improve access to services in rural areas through sustainable road network and buildings infrastructure and electrification	To maintain municipal infrastructure and public amenities	1,19,20,26	Store building renovation	Q2 appointment letter, Q4 progress report.	Dilapidated municipal store building	% of renovations done by set date		R1 300 000.00	100% renovation of municipal stores buildings by 30 June 2021	Renovation of Municipal Stores buildings 100% completed	R 614 463.78	Achieved	None	None

Number	ID P Ref . No.	Nat ion al KP A	Depart ment al Progr amme	Objec tive (As Per IDP)	Strate gies (As Per IDP)	Ward	Project Descripti on	Means of verificatio n	Baseli ne	KPI	Unit of Measur e	Actua l Bud get 2020 /202 1 FY	Annua l Target	2020/20 21 Annual Perform ance	Actua l Expe nditu re 2020/ 2021 FY	Status (Achie ved/Not Achie ved)	Reasons for Varia nce	Measu res taken to impro ve perfor mance	
46.	PIG105.03		Basic Service Delivery and Infrastructure	Community Servi Es: Public Amenities & EPWP	Improve access to services in rural areas through sustainable road network and buildings infrastructure and electrification	To maintain municipal infrastructure and public amenities	19	Management and routine maintenance of public amenities	Q1, Q2 & Q3: Specification, Advert & Appointment letter. Q1,Q2,Q3 &Q4Invoices and report	39 Community Halls, 1 Swimming pool, 53 Pre-schools, 4 Blocks of public toilets, 4 Sport fields	Number of public amenities maintained by set date	Number & Date	R 2 110 000.00	Undertake planned and routine maintenance of 9 public amenities by 30 June 2021	Fencing of open soccer and netball fields in Itsokolele, ward 20, length 170m x width 220m, height 1,9m)	R 1 068 894.66	Not Achieved	Covid 19 effects in supply of the required steal	To be implemented in 2021/22

Number	ID P Ref . No.	Nat ion al KP A	Depart ment al Progr amme	Objec tive (As Per IDP)	Strate gies (As Per IDP)	Ward	Project Descripti on	Means of verificatio n	Baseli ne	KPI	Unit of Measur e	Actua l Bud get 2020 /202 1 FY	Annua l Target	2020/20 21 Annual Perform ance	Actua l Expe nditu re 2020/ 2021 FY	Status (Achie ved/Not Achie ved)	Reasons for Varia nce	Measu res taken to impro ve perfor mance
47.	PIG105.04		Basic Service Delivery and Infrastructure	Improve access to services in rural areas through sustainable road network and buildings infrastructure and electrification	To maintain municipal infrastructure and public amenities	19	Construction of 1 block of public toilets	Reports and Council Resolution	Existing 2 blocks of public toilet in town are not sufficient	Block of toilets constructed by set date	Number , Date	R 00.00	Construct 1 new block of public toilets by 30 June 2021	Site in ERF 53 has been identified as a new site for development of new blocks of public toilets and council meeting of 28 April 2021 approved the report		Not Achieved	Site initially identified was observed not to be conducive for the construction of public toilets due to recent business developments .. The department therefore had to	Development of 1 block of public toilets will be implemented in the 2021/22 FY.

Number	ID P Ref . No.	Nat ion al KP A	Depart ment al Progr amme	Objec tive (As Per IDP)	Strate gies (As Per IDP)	Ward	Project Descript ion	Means of verificatio n	Baseli ne	KPI	Unit of Measur e	Actua l Bud get 2020 /202 1 FY	Annua l Target	2020/20 21 Annual Perform ance	Actua l Expe nditu re 2020/ 2021 FY	Status (Achie ved/Not Achie ved)	Reaso ns for Varia nce	Measu res taken to impro ve perfor mance
49.	PIG106.07		Basic Service Delivery and Infrastructure Environment & Waste Management	Improve access to services in rural areas through sustainable road network and buildings infrastructure and electrification	Achieve sound environmental management and land use conservation management	1, 19, 20, 26	Refuse removal to residential and CBD	Q1- Q4: Weekly Service provider assessments and monthly and quarterly progress reports submitted to MTM	Waste collected in wards 1,19,20 and 26 in 2019/2020 financial year	Number of times waste removal services are provided by set date	Number and days	R5 000 000,00	Provide removal of waste Services twice a week at residential areas and daily CBD in the 1, 19, 20 and 26 by 30 June 2021	Target was achieved. Waste removal services were provided throughout the year, twice weekly in residential areas and daily in the CBD in wards 1,19,20 and 26.	R 3 987 328,95	Achieved	None	None

Number	ID P Ref . No.	Nat ion al KP A	Depart ment al Progr amme	Objec tive (As Per IDP)	Strate gies (As Per IDP)	Ward	Project Descripti on	Means of verificatio n	Baseli ne	KPI	Unit of Measur e	Actua l Bud get 2020 /202 1 FY	Annua l Target	2020/20 21 Annual Perform ance	Actua l Expe nditu re 2020/ 2021 FY	Status (Achie ved/Not Achieved)	Reasons for Variance	Measu res taken to improve performance
53.	PIG207.04	Basic Service Delivery and Infrastructure	Public Safety	Realize sustainable communities in a safe and healthy environment	To promote safer, informed and secure communities	19	Installation of traffic signals	Q1- Q4: Monthly and quarterly progress reports submitted to MTM	Intersections at Main - Jagger streets , Main- West streets need traffic signals	Number of Traffic signal intersections installed by set date	Number , Date	R1 200 000,00	Install traffic signals for two intersections in Matatiele town by 30 June 2021	Target has not been achieved .	NIL	Not Achieved	The service provider has been appointed to execute the work, however, it was appointed in the fourth quarter of 2020/ 2021 financial year.	Execution is going to start in first quarter of 2021/ 2022 financial year and will be finalized in the second quarter of 2021/ 2022 financial year.

Number	ID P Ref . No.	Nat ion al KP A	Depart ment al Progr amme	Objec tive (As Per IDP)	Strate gies (As Per IDP)	Ward	Project Descripti on	Means of verificatio n	Baseli ne	KPI	Unit of Measur e	Actua l Bud get 2020 /202 1 FY	Annua l Target	2020/20 21 Annual Perform ance	Actua l Expe nditu re 2020/ 2021 FY	Status (Achie ved/Not Achie ved)	Reasons for Varia nce	Measu res taken to impro ve perfor mance
54.	PIG207.05		Basic Service Delivery and Infrastructure	Public Safety	Realize sustainable communities in a safe and Health y environment	To promote safer, informed and secure communities	ALL	Procurement of a Road marking machine	Q1- Q3: Monthly and quarterly progress reports submitted to MTM	MLM has no road marking machine, no jack hammer and has no generator	Number , Date	R200 000,00	Procure 1 road marking machine by 30 June 2021	Procured 1 road marking machine by 30 June 2021	R 155 100,00	Achie ved	None	None

Number	ID P Ref . No.	Nat ion al KP A	Depart ment al Progr amme	Objec tive (As Per IDP)	Strate gies (As Per IDP)	Ward	Project Descripti on	Means of verificatio n	Baseli ne	KPI	Unit of Measur e	Actua l Bud get 2020 /202 1 FY	Annua l Target	2020/20 21 Annual Perform ance	Actua l Expe nditu re 2020/ 2021 FY	Status (Achie ved/Not Achie ved)	Reasons for Varia nce	Measu res taken to impro ve perfor mance
55.	PIG207.10	Basic Service Delivery and Infrastructure	Public Safety	Realize sustainable communities in a safe and Health y environment	To promote safer, informed and secure communities	19	Procurement of a traffic management system.	Q1- Q3: Monthly and quarterly progress reports submitted to MTM	MLM operates a traffic department without a traffic management system	Traffic management system procured by set date	Number , Date	R300 000,00	Procure traffic management system by 30 June 2021	The target has not been achieved .	NIL	Not Achieved	The bid was none responsive.	The project will be re-advertised in 2022/2023 financial year subject to budget availability.

KPA 2: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

Number	IDP Ref. No.	National KPA	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Ward	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020/2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
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Number	IDP Ref. No.	National KP A	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Ward	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020/2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
13	P2G3O9.03		Municipal Financial Viability and Management Revenue and Expenditure Management	Sustain a Financially viable institution that is sustainable and complies with statutes	To improve revenue enhancement through broadening revenue base and improving revenue collection	Admin	Debt Collection & Reduction	Q1 - Q4: 12 Monthly Debtors age analysis & debt collection letters issued	Debt balance R 104 M as at 31 Dec 2019/2020	Amount of debt reduced by set date	Amount, date	R600 000,00	Reduce Revenue debt by R3,000 000 by 30 June 2021	Q1 .Opening balance R146 601 769 Closing balance R185 547 112 Increase R38 945 343 Q2 Opening balance R17773 8861,43 Closing balance R16139 6173,08 Reduction R16342 688,35	R 19 358,06	Achieved	None	None
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Number	IDP Ref. No.	National KP A	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Ward	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020/2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
15	P2G3O10.02		Municipal Financial Viability and Management Financial Reporting and Asset Management	Sustain a Financially viable institution that is sustainable and complies with statutes	To strive for Clean Administration	Admin	Receive unqualified audit opinion from AGSA	Q1: N/A Q2: Signed Audit Report Q3: N/A Q4: N/A	Unqualified Audit opinion for 30 June 2018.	Signed Auditor General Report by set date	Audit Report	R3 200 000,00	Achieve an Unqualified Audit Opinion issued by the Auditor - General by 30 June 2021	The Municipality received an Unqualified Audit report from the AGSA office as at end February 2021.	R2 650 492.00	Achieved	None	None

Number	IDP Ref. No.	National KP A	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Ward	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020/2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
17	P2G3O10.05	Municipal Financial Viability and Management	Internal Audit Services	Sustain a Financially viable institution that is sustainable and complies with statutes	To strive for Clean Administration	Admin	Audit Improvement Plan 18/19	Q1 and Q2: N/A Q3 – 4: Audit improvement plan with updated status in each quarter	2 reports completed third and fourth quarter	Number of audit improvement plan reports produced by set date	Number, date	N/A	Produce 2 follow up reports on Audit Improvement Plan 1 for 9/20 by 30 June 2021	2 follow up reports on Audit Improvement Plan for 9/20 were produced and table to AC on the following dates: 27 April 2021 27 July 2021	N/A	Achieved	None	None

KPA 3: LOCAL ECONOMIC DEVELOPMENT

Number	IDP Ref. No.	National KP A	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020/2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
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Number	IDP Ref. No.	National KPA	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020/2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
1	P3G4011.01	Local Economic Development	EPWP	Reduce Inequality, Poverty and Unemployment.	To create a favourable environment for promoting a growing and sustainable local economy	Public Employment Programme (EPWP)	Q1: Spreadsheet of contracted beneficiaries, Orientation Manual (Manual and Attendance register) Q1 - Q4 Quarterly Report	418 Job opportunities created through EPWP in 2019/2020 FY	Number of Job opportunities created through EPWP by set date	Number, date	R8 297 992.00	Create 430 Job Opportunities through EPWP by 30 June 2021	430 Job Opportunities created by Q4 in 2020/21 through EPWP 1 Quarterly Incentive Grant expenditure report	R 8 235 929.64	Achieved	None	None

Number	IDP Ref. No.	National KPA	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020/2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
2	P3G4011.02	Local Economic Development	Supply Chain Management	Reduce Inequality, Poverty and Unemployment.	To create a favourable environment for promoting a growing and sustainable local economy	Supplier Development (1)	Q1 - Q4: Appointment letters, Quotation register	LED Procurement program approved provincial treasury	Percentage of procurements between R30 000.00 and R200 000.00 procured within Matatiele (locally)	Percentage, date	NA	55% of Procurement between R30 000 – R200 000 procured within Matatiele BY 30 June 2021	76 % of quotation awarded within Matatiele Local Municipality.	N/A	Achieved	We have achieved more than we planned.	None

Number	IDP Ref. No.	National KPA	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020/2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
						Supplier Development (1)					NA	10% of procurement above R200 000 procured within Matatiele BY 30 June 2021	56% of procurement above R200 000 procured within Matatiele by 30 June 2021	N/A	Achieved	None	None

Number	IDP Ref. No.	National KPA	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020/2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
3	P3G4011.04	Local Economic Development	Human Resource Management	Reduce Inequality, Poverty and Unemployment.	To create a favourable environment for promoting a growing and sustainable local economy	Implementation of Experiential Learning Programme	Q1 – Q4 Schedule of experiential trainees/student (Internship & In-service) with the municipality.	The municipality offers the experiential training (Internship & In-service) programme	Number of experiential learning Programmes done by set Date	Number, date	R450 000.00	Facilitate the implementation of municipal funded Experiential learning programmes by 30 June 2021.	Fifteen (15) in-service trainees and twenty (20) interns engaged during 2020/2021 financial year.	R 446 674.00	Achieved	None	None

Number	IDP Ref. No.	National KPA	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020/2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
5	P3G4012.03	Local Economic Development	LED	Reduce Inequality, Poverty and Unemployment.	To improve support and investment in agriculture	Coordinate livestock improvement in eight wards by 30 June 2020	Q1: Appointment letter Q2 - Q3: Pictures and reports. Q4: Monitoring Report. PLUS Q1-4 - Progress Report	Number of wards	Number of wards assisted with livestock improvement coordinated by set date	Number, date	R2 240 000,00	Coordinate livestock improvement in eight wards by 30 June 2021	400 Sheep and 400 Cattle were dosed and vaccinated in quarter 2 and quarter 3 respectively.	R 244 255,76	Achieved	None	None

Number	IDP Ref. No.	National KPA	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020/2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
6	P3G3013.01	Local Economic Development	LED	Reduce Inequality, Poverty and Unemployment.	To Support the development of SMME to participate in a diversified and growing economy	SMME Skills Development		60 SMME'S were trained in Waste Management, and animal production and plant production in 19/20 FY	Number of SMMEs trained by set date	Number, date	R250 000,00	Support 70 SMME's through skills development training in Waste Management, and animal production and plant production by 30 June 2021	70 SMMEs were trained in Waste Management, animal production and plant production in 2020/21 financial year.	R 211 400.00	Achieved	None	None

Number	IDP Ref. No.	National KPA	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020/2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
8	P3G4013.03	Local Economic Development	LED	Reduce Inequality, Poverty and Unemployment.	To Support the development of SMME to participate in a diversified and growing economy	SMME/ Co-operative Funding Support	Q1, Q2, Q3 & Q4: Attendance register and training manual. Appoint letter (SMME)	5 SMME's and cooperatives funded in 19/20	Number of SMMEs and Cooperatives funded by set date	Number, date	R60 000,00	04 SMMEs and Co-operatives supported through funding support by June 2021	Four SMMEs were supplied with goods and services during 2020/21 financial year.	NIL	Achieved	None	None

Number	IDP Ref. No.	National KPA	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020/2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
9	P3G4013.03	Local Economic Development	LED	Reduce Inequality, Poverty and Unemployment.	To Support the development of SMM E to participate in a diversified and growing economy	Hawker Stalls development	Q1 Appointment letter, Q2 Invoices and delivery note	21 Hawkers stalls in place	Number of hawker stalls acquired by set date	Number, date	R450 000,00	Acquire 10 hawker stall (shelters) for informal traders in Matatiele town by 30 June 2021	Ten hawker facilities or shelters were supplied and delivered in station road for 10 informal traders.	R400 000,00	Achieved	None	None

Number	IDP Ref. No.	National KPA	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020/2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
10	P3G5014.03	Local Economic Development	LED	Develop a Growing and Viable Tourism Sector	To promote and Market Matatiele as a Destination of choice through showcasing of tourism	Annual Tourism Indaba, held shows	Q4: Closeout report for Tourism Indaba and attendance register	Annual tourism indaba attended in 2018/19	Number of tourism programmes coordinated by set date	Number, date	NIL	Coordination and attendance of Tourism Indaba by 30 June 2021.	Tourism indaba 2021 was not attend because of covid-19 protocols that requires 1 meter social distancing among the patrons.	NIL	Not Achieved	Covid - 19 outbreak could not allow the national department of tourism to host the event.	The event will be hosted in the next financial year.

Number	IDP Ref. No.	National KPA	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020/2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
11	P3G5014.03	Local Economic Development	LED	Develop a Growing and Viable Tourism Sector	To promote and Market Matatiele as a Destination of choice through showcasing of tourism	Youth entrepreneurship (empowerment)			Number of tourism programmes coordinated by set date	Number, date	NIL	Coordination of Youth entrepreneurship (empowerment) by 30 June 2021	Advertisement was issued but due to timeframe that was attached to it ,SCM had to extend the closing date.	NIL	Not Achieved	Appointment of youth entrepreneurs for funding support.	Funding support will be given to youth entrepreneurs in the first quarter of 2021/22 financial year.

KPA 4: MUNICIPAL INSTITUTION DEVELOPMENT AND TRANSFORMATION

Number	IDPR Ref No.	National KPA	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Ward	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020/2021	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
1	P5C7020.02	Municipal Institutional Development and	Supply Chain Management	Build and strengthen the administrative and institutional Capacity of the Municipality	To provide a healthy, safe, secure and productive work environment	Admin	Municipal Fleet review	Vehicles and license registration	31 Municipal vehicles	Number of Municipal vehicles Procured by set date	Number, date	R 3 400 800.00	Procure 7 additional municipal vehicles by 30 June 2020	7 municipal vehicles has been received by end of May 2021.	R 3 400 797.34	Achieved	None	None

2	P5C7019 01	Municipal Institutional Development and Transformation	Human Resource Management	Build and strengthen the administrative and institutional Capacity of the Municipality	To build a healthy, competent and effective workforce	Admin	Staff Establishment review	Q2: Approved staff establishment Q3: Draft staff establishment. Q4: Reviewed staff establishment Council resolution/extract	2019/20 approved Staff Establishment.	Reviewed and approved Staff Establishment by set date.	Date	N/A	Approval of the reviewed 2020/2021 Staff Establishment by 30 June 2021	Approval of the reviewed 2020/2021 Staff Establishment completed by 30 June 2021	N/A	Achieved	None	None
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3	P5C7019.02	Municipal Institutional Development and	Human Resource Management	Build and strengthen the administrative and institutional Capacity of the Municipality	To build a healthy, competent and effective workforce	Admin	Implementation of training programmes	Q1- Q4 Attendance registers	Twenty (14) training programmes coordinated in 2018/2019	Number of training interventions coordinated as per WSP by set date.	Number, date	R 2 212 000.00	Coordinating of fifteen (15) training programmes in as per 2020/2021 WSP by 30 June 2021	Coordinating of nineteen (19) training programmes in as per 2020/2021 WSP by 30 June 2021	R 1 996 834.71	Achieved	None	None
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4	P5C7O20.01	Municipal Institutional Development and	Human Resource Management	Build and strengthen the administrative and institutional Capacity of the Municipality	To provide a healthy, safe, secure and productive work environment	Admin	Facilitate Wellne ss & OHS programmes	Q1- Q4 Attendance registers	4 wellne ss & progra mmes events held in 18/19	Number of welln ess & OHS progra mmes conducted by set date	Number, date	R 950 000.00	Conduct 6 wellness & OHS Programmes by 30 June 2021	Conduct ed 8 wellness & OHS Programmes by 30 June 2021	R 796 597.11	Achieved	None	None
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		Promote an efficient and Effective Working Environment	To provide a healthy, safe, secure and productive work environment	Security for municipal assets and premises	<p>Q1 – Q2: Advert, 2 sets of Minutes and 6 reports.</p> <p>Q3: 1 set of Minutes and 3 reports.</p> <p>Q4: Advert, 1 set of Minutes and 3 reports.</p>	Security policy in place	Security services provided by set date	Number, date	Provide security services for the municipality on an annual basis by 30 June 2021	Four Quarterly meetings were held on 29 September 2020, 10 December 2020, 26 March 2021 and 11 June 2021 with the Security Service Provider UBILO General Trading t/a Ubilo Security . 1 monthly meeting was held on 9 March 2021. 12 monthly reports were received from Ubilo	Achieved	None	None
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6	P5C08Q21_02	Municipal Institutional Development and Transformation	ICT (Information, Communications & Technology)	Promote an efficient and Effective Working Environment	To provide reliable and efficient ICT services to achieve optimal service delivery	Admin	Maintenance and monitoring of Data Centre and ICT Infrastructure	Q1: copy of sending Terms of reference to SCM Q2, copy Appointment letters. Q3: completion certificates Q4: N/A	Network Management policy existing network and datacentre services	Number of Municipal Data Centre and ICT Infrastructure maintained by set date	Number, date	R 8 500 000.00	Provide maintenance of Data Centre and ICT Infrastructure(1) Uninterrupted Power Supply (2) Rewiring and network redesign of BTO and EDP (3) Provision of Managed Security Services by 30 June 2021	Installation of phase 1 UPS system completed on 14 December 2020; SLA for ICT Managed Security Signed contract commenced on 01 June 2021. Rewiring Of BTO & LED Offices Completed on 30 June 2021	R 7 042 047.91	Achieved	None	None
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7	P5C08021.03	Municipal Institutional Development and Transformation	ICT (Information, Communications & Technology)	Promote an efficient and Effective Working Environment	To provide reliable and efficient ICT services to achieve optimal service delivery	Admin	Maintenance and support of end user computer peripherals	<p>Q1: Proof of sending specific information to SCM</p> <p>Q2: Appointment letter.</p> <p>Q3: delivery note</p>	Desktop and laptop use policy	Number of laptops and desktops supplied by set date	Number, date	R 900 000.00	Provision of 30 laptops by 30 June 2021	Thirty seven(37) laptops and computers delivered by 30 June 2021	R 570 750.35	Achieved	None	None
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8	P5C08021_04	Municipal Institutional Development and Transformation	ICT (Information, Communications & Technology)	Promote an efficient and Effective Working Environment	To provide reliable and efficient ICT services to achieve optimal service delivery	Admin	Provision of application and systems support	<p>Q1: copy of sending Terms of reference to SCM</p> <p>Q2, copy Appointment letters.</p> <p>Q3: completion certificates</p> <p>Q4: Completion certificates</p>	Existing Login books, customer care in place, Existing EDRMS, Website, Mime Cast solutions	Number of systems installed, maintained and monitored by set date	Number, date	R 8 500 000.00	Provision of three (3) application systems and support by 30 June 2021	Three(3) application systems (1) Website Hosting agreement commenced 01 April 2021 (2) Committee Management System implemented 30 June 2021 (3) Time and Attendance System completed and supported by 30 June 2021	R 7 042 047.91	Achieved	None	None
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9	P5C08021.06	Municipal Institutional Development and Transformation	ICT (Information, Communications & Technology)	Promote an efficient and Effective Working Environment	To provide reliable and efficient ICT services to achieve optimal service delivery	Administration	Provision of public Wi-Fi in Matatiele town, ICT Centres and number plate recognizing surveillance cameras	<p>Q1 Proof of sending specific applications to SCM</p> <p>Q2: appointment letter; completion certificate</p> <p>Q3: Delivery note; completion certificate</p> <p>Q4: completion certificate</p>	Free-Wi-Fi pilot Installed surveillance cameras No ICT Centres	Number of installed Access Points and Number Plate recognizing cameras installed by set date	Number, date	R 1 300 000.00	Provision of public Wi-Fi (3 Hot Spots), two (2) number plate recognizing surveillance cameras and establishment of one (1) ICT Centre by 30 June 2021	Four(4) Wi-Fi hotspots , Two(2) Number plate recognizing surveillance cameras and Establishment of one (1) ICT Centre completed by 30 June 2021	R 857 039.00	Achieved	None	None
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KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Number	ID P Ref No.	National KPA	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Ward	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020/2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
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Number	ID P Ref . No.	National KP A	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Ward	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020 /2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
1	P6G9O22.07		Good Governance and Public Participation	ALL	Realize an Efficient and effective implementation of Governance Systems	To Strengthen integrated planning, Risk management, performance monitoring and evaluation of municipal programmes	Admin	Development and Review of municipal policies, plans, strategies and SOP's	Q3: Adopted Frameworks, Policies, and SOPs Q4: Copy of Council extract	Number of departments with reviewed policies, plans, strategies and SOP's by set date	Number, date	R 1 300 000.00	Facilitate the annual review of municipal policies, plans, strategies and SOP'S for the 6 departments by 31 May 2021	Departmental strategic session did take place as planned, Furthermore a Council Strategic Session did take place as planned and a policy conference was attended during the fourth quarter of the 2020/2021 financial	R170 660.00	Achieved	N/A. The target was achieved as planned.	N/A. The target was achieved as planned.

Number	ID P Ref . No.	National KP A	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Ward	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020 /2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
2	P6G9022.08		Good Governance and Public Participation	Realize an Efficient and effective implementation of Governance Systems	To Strengthen integrated planning, Risk management, performance monitoring and evaluation of municipal programmes	Admin	ICT governance services: Renew Licenses, systems audit; Integrate system, sitting of ICT steering committee	Q1, Q2: Proof of payment for licensing . Q3, Q4: Proof of payment for licensing , proof of submission, Invitations and Attendance registers	Existing Deployed systems	Number of ICT governance systems performed by set date	Date	R 3 300 000.00	Perform 3 (1) Renew Licenses, (2) Cyber Security, (3) sitting of ICT steering committee ICT governance services to Ensure compliance to standards and	Three(3) Governance Services performed .(1)Renew licenses of VIP, Microsoft and Munsoft ;(2) Two(2) ICT Steering Committee Meeting set on 12 April and 28 June 2021;(3) Service	R 2 293 616.68	Achieved	None	None

Number	ID P Ref . No.	National KP A	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Ward	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020 /2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
													frameworks by 30 June 2021	provider for Cyber security assessment appointed by 30 June 2021				

Number	ID P Ref No.	National KP A	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Ward	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020 /2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
3	P6G10025.09	Good Governance & Public Participation	Public Participation and Customer Care Unit	Strengthen Communication and improve community and stakeholder participation in municipal affairs	To promote a coherent and interactive communication and participation with customers and stakeholders around service delivery issues	Admin	Customer Satisfaction Survey or Market Research	Q3: Appointment letter and Q4: Survey	Annual Customer satisfaction Survey conducted by set date	Annual Customer satisfaction Survey conducted by set date	Number & date	R 700 000.00	Conduct (1) Annual Customer Satisfaction Survey by 30 June 2021	The customer satisfaction survey was not conducted	NIL	Not Achieved	The service provider for the project was appointed by the end of the FY in June 2021.	The customer satisfaction survey will be conducted in Q2 of 2021/22 FY

Number	ID P Ref . No.	National KP A	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Ward	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020 /2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
4	P6G10025.02	Good Governance & Public Participation	Public Participation	Strengthen Communication and improve community and stakeholder participation in municipal affairs	To promote a coherent and interactive communication and participation with customers and stakeholders around service delivery	Admin	Implementation of Ward Operational Plan.	Q1, Q2, Q3 & Q4: Monthly reports on ward operational plans submitted to MTM and attendance registers of ward committee meetings	Adopted the Ward Operational Plans on 2018/2019- CR 484/12/09/2018	Number of meetings & workshop on Ward operational held by set date	Number, date	R3 300 000,00	Coordination of 12 monthly ward committee meetings and one workshop on ward operational plans by 30 June 2021	12 Monthly reports were compiled and one workshop on ward operational plans was held.	R 3 087 000,00	Achieved	None	None

Number	ID P Ref . No.	National KP A	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Ward	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020 /2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
					issues													

Number	ID P Ref No.	National KP A	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Ward	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020/2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
5	P6G9O22.01		Good Governance And Public Participation	Realize an Efficient and effective implementation of Governance Systems	To Strengthen integrated planning, Risk management, performance monitoring and evaluation of municipal programmes	Admin	IDP Review processes: I	Q1: advert and council Resolution, Public notices, attendance registers, reports Q2: advert, Public notices, attendance registers, report Q3: advert and council Resolution, Public	2017/2022 IDP document in place	Adopted 2021/22 IDP review by set date	Date	R 1 300 000.00	Development of 2021/2022 IDP Review by 31 May 2021	The 2021/2022 IDP review has been developed and adopted by council on the 27th May 2021; council resolution number CR 1262/27/05/2021	R 794 405.75	Achieved	None	None

Number	ID P Ref No.	National KP A	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Ward	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020 /2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
6	P6G10025.06		Good Governance & Public Participation Communications & Special Programmes Unit (SPU)	Strengthen Communication and improve community and stakeholder participation in municipal affairs	To promote a coherent and interactive communication and participation with customers and stakeholders around service delivery	Admin		Q1-4 - Attendance Register for IGR and LCF. PDF version of publications.	2017/22 Communications Strategy	Number of communication programmes conducted by set date	Number, date	R 1 050 000.00	Conduct 13 communications programmes for the 2020/21 action plan by 30 June 2021	13 Communications programmes actioned as follows: 1) - One Communication action plan reviewed on 30 September 2020. 2) - Five IGR Forum meetings held as	R 518 944.51	Achieved		

Number	ID P Ref . No.	National KP A	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Ward	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020 /2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
					issues									follows: 17th September 2020, 01 December 2020, 24 March 2021, 17 May 2021 and 22 June 2021. 3) - Three LCF meetings held as follows: No LCF meeting in Q1 due to lockdown regulation				

Number	ID P Ref . No.	National KP A	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Ward	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020 /2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
														s, 27th of October 2020, 30 March 2021 and 24 June 2021. 4) Four out of 6 billboards installed. 5) 1 Media partnership established with The Voice of Matat in May 2021. 6) December				

Number	ID P Ref . No.	National KP A	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Ward	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020 /2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
														2020 newsletter produced together with information sheets.				

Number	ID P Ref . No.	National KP A	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Ward	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020 /2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
7	PIG207		Basic Service Delivery and Infrastructure Community Services: Public Amenities & EPWP	Realize sustainable communities in a safe and Healthy environment	To promote safer, informed and secure communities	ALL	Promote Public knowledge and awareness programmes on Library Information and Literacy	Q1: Host 3 Q2: Host 4 Q3: Host 4 Q4: Host: 3 POE: (Attendance registers , Program mes & programme notes)	10 Public knowledge and awareness programmes on Library Information and Literacy hosted in 2019/20 FY	Number of Public knowledge and awareness programmes on Library Information and Literacy hosted by set date	Number and date	R 355 000.00	Host 14 Public knowledge and awareness programmes on Library Information and Literacy by 30 June 2021.	Hosted 14 Public knowledge and awareness programmes on Library Information and Literacy by 30 June 2021.	NIL	Achieved	None	None

Number	ID P Ref . No.	National KP A	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Ward	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020 /2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
8	P6G10025.08		Good Governance & Public Participation Communications & Special Programmes Unit (SPU)	Strengthen Communication and improve community and stakeholder participation in municipal affairs	To promote a coherent and interactive communication and participation with customers and stakeholders around service delivery	Various Wards	Q1-4 – List of students and proof of payment , Attendance Register for children, and youth activities . Invites and attendance register for	Adopted Designated groups strategy	Number of programmes on empowerment of designated groups conducted by set date	Number, date	R 1 440 000.00	Conduct 11 programmes on empowerment of designated groups by 30 June 2021	Eleven designated groups empowerment programmes conducted as follows: 43 students registered at institutions of higher learning bursaries paid for two MLM bursary	R 647 526.88	Achieved	None	None	

Number	ID P Ref . No.	Nati onal KP A	Departm ental Program me	Objecti ve (As Per IDP)	Strateg ies (As Per IDP)	Ward	Project Descri ption	Means of verificat ion	Baselin e	KPI	Unit of Meas ure	Actua l Bud get 2020 /202 1 FY	Annual Target	2020/202 1 Annual Performa nce	Actua l Expenditu re 2020/202 1 FY	Status (Achie ved/Not Achieved)	Reas ons for Variance	Meas ures taken to impro ve perfor manc e
					issues			LAC.						holders. Christmas party for OVCs replaced with Children Empowerment programme on 24 June 2021 at Bethel Village, Phuthana ng Pre-School. Conducted 4 Mayoral Cup Cluster games in				

Number	ID P Ref . No.	National KP A	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Ward	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020 /2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
														June on the following dates: 5-6 June, 12-13 June, 19-20 June and 26-27 June 2021. Four LAC meetings held as follows: 15 September 2021, 12 November 2020, 23 March 2021 and 10 May				

Number	ID P Ref . No.	National KP A	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Ward	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020 /2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
														2021. Handed over blankets and hats to 06 elderly people in each ward as part of grandparent day commemoration on the 28 – 30 June 2021. Conducted 4 Mayoral Cup Cluster games in				

Number	ID P Ref . No.	National KP A	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Ward	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020 /2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
														June on the following dates: 5-6 June, 12-13 June, 19-20 June and 26-27 June 2021. Women's Day prayer day held on 21 August 2020. World AIDS Day event held on 26				

Number	ID P Ref . No.	National KP A	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Ward	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020 /2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
														November 2020.				

Number	ID P Ref . No.	National KP A	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Ward	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020 /2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
11	P6G9022.05	Good Governance & Public Participation	Monitoring, Evaluation and Risk Management	Realize an Efficient and effective implementation of Governance Systems	To Strengthen integrated planning, Risk management, performance monitoring and evaluation of municipal programmes	Admin	Compilation of the Midyear Performance Report	Q2: Proof of distribution of Mid-year template . Q3: Council Extract	2017/18 Mid-year Performance report adopted	2020/2021 Midyear performance report approved by set date	Date	N/A	Approval of the 2020/2021 Midyear performance report by 31 January 2021	Final Mid-year report adopted by Council by 31 January 2021.	N/A	Achieved	None	None

Number	ID P Ref . No.	National KP A	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Ward	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020 /2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
12	P6G9022.06		Good Governance & Public Participation Monitoring, Evaluation and Risk Management	Realize an Efficient and effective implementation of Governance Systems	To Strengthen integrated planning, Risk management, performance monitoring and evaluation of municipal programmes	Admin	Development of 2019/2020 Annual performance report and annual report	Q1: proof of submission Q2: proof of Email to managers Q3: Annual Report (AR) and Council Resolution Number	Annual Report	Adopted reports by set date	Date	N/A	Compilation of the 2019/2020 annual performance report and Annual Report by 31 March 2021	The Annual Performance Report was completed and submitted to Auditor General on August 2020. The Annual Report was done and tabled to council by 31 March 2021.	N/A	Achieved	N/A. The targets were achieved within the set timeframes	N/A. The targets were achieved within the set timeframes

KPA 6: SPATIAL RATIONALE

Number	ID P Ref . No.	Nat ion al KP A	Depart ment al Progr amme	Objec tive (As Per IDP)	Strate gies (As Per IDP)	Ward	Project Descriptio n	Means of verific ation	Baseline	KPI	Uni t of Me asu re	Actua l Bud get 2020 /202 1 FY	Annual Target	2020/202 1 Annual Performance	Actua l Expe nditu re 2020/ 2021 FY	Status (Achie ved/N ot Achieved)	Reaso ns for Varia nce	Measu res taken to impro ve perfor mance
1	P4G6O16.01	Spatial Rationale	Development Planning	Strive toward s safe towns, offerin g more econo mic opport unities and sustain able land admini stratio	To Provide Land for Reside ntial, Comm ercial and Industr ial Develop ment	1, 19, 20, 26	Land survey activities - 1. Closure and rezoning of open spaces, 2.Rezonin g of land parcels, 3. survey of municipal land parcels, 4.Sub-division of	Q1: Submi ssion of applic ation to Survey or Gener al Q2-Q4: Survey or Gener al (SG)	50 surveyed land parcels, 16 disposed open spaces, Surveyed land parcels, Allocation s on unsuitable land (Itsokolele), Illegal allocations	Num ber of land survey activit ies coordi nated by set date	Num ber, date	R850 000,00	Coordinat e 5 land survey activities 1. Facilitates closure and rezoning of open spaces, 2. Rezoning of land parcels, 3. survey of municipal land	Submissi on of open spaces to the Surveyor General's office was done on the 17th Septembe r,2020 engage ments with land surveyor	R 468 628.47	Achieved	None	None

Number	ID P Ref. No.	National KP A	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Ward	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020 /2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
				n within the whole municipality			land parcels (illegal allocations /extension s, encroachments, 5. relocation of unsuitable land allocations	diagrams and 1 Subdivision report rezoning report	/extension s, encroachments				parcels, 4. Sub-division of land parcels (illegal allocations /extension s, encroachments, 5. relocation of unsuitable land allocations by 30 June 2021	on outstanding drainage management plan for 1 application (closure of Open Space) as per Municipal Planning Tribunal recommendation was made on 19th September, 2020- awaiting submission				

Number	ID P Ref . No.	Nat ion al KP A	Depart ment al Progr amme	Objec tive (As Per IDP)	Strate gies (As Per IDP)	Ward	Project Descriptio n	Means of verific ation	Baseline	KPI	Uni t of Me asu re	Actua l Bud get 2020 /202 1 FY	Annual Target	2020/202 1 Annual Perform ance	Actua l Expe nditu re 2020/ 2021 FY	Status (Achie ved/N ot Achie ved)	Reasons for Varia nce	Measu res taken to impro ve perfor mance
														n - submission of the application to office of the Surveyor General was made on the 03/12/2020 (new erf numbers) submission of the application to the Municipality (processing of the applicatio				

Number	ID P Ref. No.	National KP A	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Ward	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020 /2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
														n was made to on the 18.12/2020 - submission of applications to the Surveyor General's office was done on the 17th September, 2020 engagements with land surveyor on outstanding				

Number	ID P Ref . No.	Nat ion al KP A	Depart ment al Progr amme	Objec tive (As Per IDP)	Strate gies (As Per IDP)	Ward	Project Descriptio n	Means of verific ation	Baseline	KPI	Uni t of Me asu re	Actua l Bud get 2020 /202 1 FY	Annual Target	2020/202 1 Annual Perform ance	Actua l Expe nditu re 2020/ 2021 FY	Status (Achie ved/N ot Achieved)	Reasons for Varia nce	Measu res taken to impro ve perfor mance
														drainage management plan for 1 application (closure of Open Space) as per Municipal Planning Tribunal recommendation was made on 19th September, 2020- awaiting submission - approval of the				

Number	ID P Ref. No.	National KP A	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Ward	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020 /2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
														following rezoning applications were done on the 30/09/2020: erf 5447 Matatiele, erf 5488 Matatiele, Erf 1943 Matatiele, erf 5442 Matatiele, erf 1493 Matatiele and Erf 398 Matatiele - Subdivision of 5				

Number	ID P Ref. No.	National KP A	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Ward	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020 /2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
														land parcels (7 erven produced) were done and subdivision and rezoning application prepared by the land surveyor and submission of the application was done on the 12th March,2021 to the				

Number	ID P Ref. No.	National KP A	Department al Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Ward	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020 /2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
														Municipality. (to be processed) Subdivision application of 12 sites is on Circulation - Closure and Rezoning of 16 municipal land parcels (POS) is done and beacons were shown to				

Number	ID P Ref . No.	Nat ion al KP A	Depart ment al Progr amme	Objec tive (As Per IDP)	Strate gies (As Per IDP)	Ward	Project Descriptio n	Means of verific ation	Baseline	KPI	Uni t of Me asu re	Actu al Bud get 2020 /202 1 FY	Annual Target	2020/202 1 Annual Perform ance	Actua l Expendit ure 2020/202 1 FY	Status (Achie ved/N ot Achie ved)	Reasons for Varia nce	Measu res taken to impro ve perform ance
2	P4G6O16.	Spatial	Developme nt Planning	Strive toward	To Provid	19	Traffic study for	Q1: Advert	Draft SG Diagrams	Traffi c	Nu mbe	R	Conduct traffic	Drafted Terms of	R 676 304	Achie ved	None	None
														the applicants on the 20/04/21 (beacon certificate s signed) Relocatio n of unsuitabl e land allocation s was undertake n approved by the Surveyor General (in Q3-)				

Number	ID P Ref. No.	National KP A	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Ward	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020 /2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
				safe towns, offering more economic opportunities and sustainable land administration within the whole municipality	Land for Residential, Commercial and Industrial Development		general mixed use development in old landfill site area	and appointment letter Q2 – Q4: Traffic study reports from service provider and proof of submission to South African National Roads Agency	2019/20 financial year	study for old land fill site conducted by set date	r, date		study for old land fill site area by 30 June 2021	reference for appointment of a service provider- the project was advertised on the 03/09/2020 - re-advertising of the project was done on the 27 November- 07 December 2020 the service - provider				

Number	ID P Ref . No.	Nat ion al KP A	Depart ment al Progr amme	Objec tive (As Per IDP)	Strate gies (As Per IDP)	Ward	Project Descriptio n	Means of verific ation	Baseline	KPI	Uni t of Me asu re	Actua l Bud get 2020 /202 1 FY	Annual Target	2020/202 1 Annual Perform ance	Actua l Expe nditu re 2020/ 2021 FY	Status (Achie ved/N ot Achie ved)	Reasons for Varia nce	Measu res taken to impro ve perfor mance
								Limited (SANRAL)						was appointed on the 04th January, 2021 Review of planning report (existing situation) and Traffic counts were done in February Progress Report submitted on 26/02/2021 Traffic				

Number	ID P Ref. No.	National KP A	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Ward	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020/2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
														Impact Assessment submitted to SANRAL on the 12/03//2021 and studies were undertaken and submission to SANRAL was made on the 12/03/2021 - Traffic study was finalized and				

Number	ID P Ref. No.	National KP A	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Ward	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020 /2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
														submitted to SANRAL on the 12/03//2021 follow-ups with SANRAL were made on the 17/05, 07 and 21/06,21 on the application submitted on the 11th March,2021 pre-approval letter was				

Number	ID P Ref . No.	Nat ion al KP A	Depart ment al Progr amme	Objec tive (As Per IDP)	Strate gies (As Per IDP)	Ward	Project Descriptio n	Means of verific ation	Baseline	KPI	Uni t of Me asu re	Actu al Bud get 2020 /202 1 FY	Annual Target	2020/202 1 Annual Perform ance	Actua l Expenditu re 2020/ 2021 FY	Status (Achie ved/N ot Achieved)	Reasons for Variance	Measu res taken to improve performance
3	P4G6O16.0	Spatial	Developme nt Planning	Strive toward s safe	To Provide Land	19	Valuation of Municipal	Q1 - Q4: 10 Valuat	20 valued land parcels	Num ber of Munic	Numbe r,	R200	Conduct valuation of 15	Submissi on of a memo	R 126 542	Achieved	None	None
														obtained from SANRAL and signed by the Municipality on the 30/06/2021 for issuing of final approval by SANRA(awaiting final approval)				

Number	ID P Ref. No.	National KP A	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Ward	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020 /2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
				towns, offering more economic opportunities and sustainable land administration within the whole municipality	for Residential, Commercial and Industrial Development		land parcels	ion reports from Land Valuer	2019/20 financial year	ipal land parcel valuation conducted by set date	date		municipal land parcels by 30 June 2021	(MM and SCM) for appointment of a service provider was done on the 17th August, 2020 however, the response was that we have to re-advertise for the appointment of a valuer. Terms of Reference				

Number	ID P Ref. No.	National KP A	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Ward	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020 /2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
														for 15 sites (quarter 1 and 2) were drafted and submitted to SCM on the 11th September, Bid is on advertisement 29/09-07/10/20 the service provider was not yet appointed				

Number	ID P Ref. No.	National KP A	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Ward	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020 /2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
														to undertake the activity due to non-responsive bids in Q1 Correctives Measurement the project was re-advertised on the 27 November-07 December,2020-the processes				

Number	ID P Ref. No.	National KP A	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Ward	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020 /2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
														for appointment are in place appointment of a service provider was done on the 04th January, 2021 valuation of sites were done and submitted to the Municipality on the 18/03/2021				

Number	ID P Ref . No.	Nat ion al KP A	Depart ment al Progr amme	Objec tive (As Per IDP)	Strate gies (As Per IDP)	Ward	Project Descriptio n	Means of verific ation	Baseline	KPI	Uni t of Me asu re	Actu al Bud get 2020 /202 1 FY	Annual Target	2020/202 1 Annual Perform ance	Actua l Expe nditu re 2020/202 1 FY	Status (Achie ved/N ot Achie ved)	Reaso ns for Varia nce	Measu res taken to impro ve perfor mance
														Valuation of 16 land parcels was done and submission of reports done on the 18/03/21 and 23rd June,2021				

Number	ID P Ref . No.	Nat ion al KP A	Depart ment al Progr amme	Objec tive (As Per IDP)	Strate gies (As Per IDP)	Ward	Project Descriptio n	Means of verific ation	Baseline	KPI	Uni t of Me asu re	Actua l Bud get 2020 /202 1 FY	Annual Target	2020/202 1 Annual Perform ance	Actua l Expe nditu re 2020/ 2021 FY	Status (Achie ved/Not Achie ved)	Reasons for Varia nce	Measu res taken to impro ve perfor mance
4	P4G6O16.03		Spatial Rationale Development Planning	Strive toward s safe towns, offerin g more econo mic opport unities and sustain able land admini stratio n within the whole munic ipality	To Provid e Land for Reside ntial, Comm ercial and Industr ial Develo pment	19, 26	Township Register opened	Q1 – Q4: Quarte rly Report s from the service provid er Q4: report	Draft SG diagrams	Planni ng & Surve y of Comm ercial and reside ntial (middl e incom e) develo pment projec t in Cedar ville and Matati éle condu cted by set date	Date	R850 000,00	Conduct Planning & Survey of Commerci al and residential (middle income) developme nt project in Cedarville and Matatielé by 30 June 2021	Engagem ents with Finance Department were made in order to finalise internal processes for the project to be made- as a result several meetings and submission s were made/hel d with BTO- a memo for SCM to amend SLA for residential	NIL	Not Achie ved	The plann ed activit ies (under taking of releva nt studie s were not made) due to engag ement s with BTO that neede d to be undert aken to finalis e the	submis sions to SCM for amend ments of SLA were made- awaitin g SCM to finalise so that projec ts can comme nce submis sion of project extensi on period and additio nal

Number	ID P Ref . No.	Nat ion al KP A	Depart ment al Progr amme	Objec tive (As Per IDP)	Strate gies (As Per IDP)	Ward	Project Descript ion	Means of verification	Baseline	KPI	Uni t of Me asure	Actua l Budget 2020 /202 1 FY	Annual Target	2020/202 1 Annual Performance	Actua l Expendit ure 2020/ 2021 FY	Status (Achie ved/Not Achie ved)	Reasons for Variance	Measu res taken to improve performance
5	P4G6O16.04		Spatial Rationale Development Planning	Strive toward s safe towns, offerin g more economic opport unities and sustain able land admini stration within the whole municipi	To Provide Land for Reside ntial, Commercial and Industr ial Development	All wards	Appointm ent of a service provider to review land audit	Q1: Minutes of Engagem ent meetin g Q2: Appoi ntment letter. Q3 – Q4: Report s on review al of land audit	2012 land audit document	Land audit review ed by set date	Date	R 850 000,00	Review Land audit by 30 June 2021	Engagem ents with COGTA was made-draft terms of reference for appointm ent of a service provider was received on 17/08/20 20 drafting of terms of reference and	R 468 628,47	Not Achie ved	The projec t is a multi-year projec t sched uled to be finish ed during the 2021/ 2022 financ ial year	The project is planne d to be finis hed by the 30th of Septem ber 2021

Number	ID P Ref. No.	National KP A	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Ward	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020 /2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
				pality										submitted to SCM and advertisement was done on the 11 September (for appointment of a service provider) invitations to relevant Departments for nomination of land audit coordination committee				

Number	ID P Ref . No.	Nat ion al KP A	Depart ment al Progr amme	Objec tive (As Per IDP)	Strate gies (As Per IDP)	Ward	Project Descriptio n	Means of verific ation	Baseline	KPI	Uni t of Me asu re	Actua l Bud get 2020 /202 1 FY	Annual Target	2020/202 1 Annual Perform ance	Actua l Expe nditu re 2020/ 2021 FY	Status (Achie ved/N ot Achie ved)	Reasons for Varia nce	Measu res taken to impro ve perfor mance
														Members were submitted on the 02 September, 2020 and follow-ups were made on the 21 September, 2020 and response was obtained in some of the Departments by the 22 September				

Number	ID P Ref . No.	Nat ion al KP A	Depart ment al Progr amme	Objec tive (As Per IDP)	Strate gies (As Per IDP)	Ward	Project Descriptio n	Means of verific ation	Baseline	KPI	Uni t of Me asu re	Actua l Bud get 2020 /202 1 FY	Annual Target	2020/202 1 Annual Perform ance	Actua l Expe nditu re 2020/ 2021 FY	Status (Achie ved/N ot Achie ved)	Reasons for Varia nce	Measu res taken to impro ve perform ance
														r,2020 processes for appointment of a service provider were undertaken and are to be finalised by Supply Chain Management- (SCM)- Letter of intent to appoint was issued to the				

Number	ID P Ref . No.	Nat ion al KP A	Depart ment al Progr amme	Objec tive (As Per IDP)	Strate gies (As Per IDP)	Ward	Project Descriptio n	Means of verific ation	Baseline	KPI	Uni t of Me asu re	Actu al Bud get 2020 /202 1 FY	Annual Target	2020/202 1 Annual Perform ance	Actua l Expe nditu re 2020/ 2021 FY	Status (Achie ved/N ot Achiev ed)	Reasons for Varia nce	Measu res taken to impro ve perfor mance
														service provider on the 11/12/2020 (awaiting objection period and processes) The service provider was appointed on the 06th January,2021. Service provider appointed on the 06/01/21				

Number	ID P Ref . No.	Nat ion al KP A	Depart ment al Progr amme	Objec tive (As Per IDP)	Strate gies (As Per IDP)	Ward	Project Descriptio n	Means of verific ation	Baseline	KPI	Uni t of Me asu re	Actua l Bud get 2020 /202 1 FY	Annual Target	2020/202 1 Annual Perform ance	Actua l Expe nditu re 2020/ 2021 FY	Status (Achie ved/N ot Achie ved)	Reasons for Varia nce	Measu res taken to impro ve perfor mance
														Data collection is in progress SG office, valuation roll, site verification (land use)creation of shapefiles done by service provider land audit report and maps were submitted by the service provider				

Number	ID P Ref. No.	National KP A	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Ward	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020 /2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
														on the 25th June,2021 and a meeting/presentation was done on the 28th June,2021				
6	P4G6018.01	Spatial Rationale	Development Planning	Strive towards safe towns, offering more economic opportunities	To ensure implementation of SDF AND LUMPS in in line with	1, 19, 20	Small Town Revitalization programme establishments	Q1: Minutes of Engagement meeting Q2: Appointment letter. Q3 –	No STRP implemented in the municipality	Small Town Revitalisation (STR) Establishment programme	Date	R600 000,00	Coordinate the establishment of Small Town Revitalisation (STR) programme by 30 June 2021	STR was established with SALGA and later COGTA was engaged for its establishment	R 543 212.87	Achieved	None	None

Number	ID P Ref. No.	National KP A	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Ward	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020 /2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
				and sustainable land administration within the whole municipality	the SDF			Q4: Reports on establishment of STR programme		Coordinated by set date				since there was not much progress from SALGA- The following took place: - Engagements with SALGA (request for assistance) was made on the 20/07/2020 engagements were made				

Number	ID P Ref. No.	National KP A	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Ward	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020 /2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
														during the course of the quarter for preparation of the initial workshop that was held on the 10-11/09/2020 invitations to stakeholders for the workshop were done on the 28/08/20				

Number	ID P Ref . No.	Nat ion al KP A	Depart ment al Progr amme	Objec tive (As Per IDP)	Strate gies (As Per IDP)	Ward	Project Descriptio n	Means of verific ation	Baseline	KPI	Uni t of Me asu re	Actua l Bud get 2020 /202 1 FY	Annual Target	2020/202 1 Annual Perform ance	Actua l Expe nditu re 2020/ 2021 FY	Status (Achie ved/N ot Achieved)	Reasons for Varia nce	Measu res taken to impro ve perfor mance
														20 further, engagements with GoGTA was made for assistance in establishing STR Programme.. As a result a meeting was therefore held with CoGTA on the 17/03/21 with CoGTA that led to				

Number	ID P Ref . No.	Nat ion al KP A	Depart ment al Progr amme	Objec tive (As Per IDP)	Strate gies (As Per IDP)	Ward	Project Descriptio n	Means of verific ation	Baseline	KPI	Uni t of Me asu re	Actua l Bud get 2020 /202 1 FY	Annual Target	2020/202 1 Annual Perform ance	Actua l Expe nditu re 2020/ 2021 FY	Status (Achie ved/N ot Achieved)	Reasons for Varia nce	Measu res taken to impro ve perfor mance
														a submission of a proposal on the 31/03/21 for assistance to establish STR Follow-up with CoGTA was made (07/06/21) upon submission of the proposal in March,20 21 the response				

Number	ID P Ref . No.	Nat ion al KP A	Depart ment al Progr amme	Objec tive (As Per IDP)	Strate gies (As Per IDP)	Ward	Project Descriptio n	Means of verific ation	Baseline	KPI	Uni t of Me asu re	Actua l Bud get 2020 /202 1 FY	Annual Target	2020/202 1 Annual Perform ance	Actua l Expe nditu re 2020/ 2021 FY	Status (Achie ved/N ot Achieved)	Reasons for Varia nce	Measu res taken to impro ve perfor mance
														was that the projects are not yet finalised, upon approval, the project will commence around October,2021 and procurement activities will be undertaken by CoGTA and the Municipa				

Number	ID P Ref. No.	National KP A	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Ward	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020 /2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
														lity will undertake stakeholders engagements and establishment of Project Steering Committee etc.				
7	P4G6O18.02	Spatial Rationale	Development Planning	Strive towards safe towns, offering more	To ensure implementation of SDF AND	1	Appointment of a service provider to facilitate Maluti	Q1: Minutes Q2: Appointment letter. Q3 –	Tachy surveys, deed of grants, layout plans, draft	Maluti land tenure upgrade programme	Date	R600 000,00	Facilitate the Maluti Land Tenure upgrade programme by 30	Follow-ups (verbal, letters, mail) by the municipality	R 543 212.87	Not Achieved.	The Municipality assigned an existing	Further engagements by the Municipality through

Number	ID P Ref. No.	National KP A	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Ward	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020/2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
				economic opportunities and sustainable land administration within the whole municipality	LUMPS in line with the SDF		land tenure	Q4: Reports on Maluti Land Tenure upgrade programme	zoning map	facilitated by set date			June 2021	(Development Planning and Municipal Manager) and service provider and the Municipality were made to Public Works throughout the quarter but to date there has not been any concrete			Conveyance to undertake land tenure upgrade process but the project could not be implemented due to pending donati	h His Worship, the Mayor will sought. This project will be completed in the first quarter of 2021/2022 financial year

Number	ID P Ref. No.	National KP A	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Ward	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020 /2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
														response from Public Works.			on of Maluti to Municipality . as a result the planned activities which were supposed to be undertaken by the service provider	

Number	ID P Ref . No.	Nat ion al KP A	Depart ment al Progr amme	Objec tive (As Per IDP)	Strate gies (As Per IDP)	Ward	Project Descript ion	Means of verific ation	Baseline	KPI	Uni t of Me asu re	Actu al Bud get 2020 /202 1 FY	Annual Target	2020/202 1 Annual Perform ance	Actua l Expe nditu re 2020/ 2021 FY	Status (Achie ved/N ot Achie ved)	Reaso ns for Varia nce	Measu res taken to impro ve perfor mance
8	P4G6018.03		Spatial Rationale Development Planning	Strive toward s safe towns, offerin g more economic opport unities	To ensure imple mentati on of SDF AND LUMPS in in line with	All wards	Review of LUMS, Zoning maps developme nt	Revie wed LUMS , Zonin g maps develo ped	2014 LUMS	Wall-wall Land Use Managem ent System (LUM)	Nu mbe r, date	R 850 000.00	Review wall-wall Land Use Managem ent System (LUM) by 30 June 2021	Land use zones(ma ps) were submitted to the Municipa lity on the 24th May,202 1 reviewed	R 468 628.47	Achie ved	None	None
																	could not be undert aken.	

Number	ID P Ref . No.	Nat ion al KP A	Depart ment al Progr amme	Objec tive (As Per IDP)	Strate gies (As Per IDP)	Ward	Project Descriptio n	Means of verific ation	Baseline	KPI	Uni t of Me asu re	Actua l Bud get 2020 /202 1 FY	Annual Target	2020/202 1 Annual Perform ance	Actua l Expe nditu re 2020/ 2021 FY	Status (Achie ved/N ot Achie ved)	Reaso ns for Varia nce	Measu res taken to impro ve perfor mance
				and sustain able land admini stratio n within the whole munici pality	the SDF					review ed by set date				LUMS was submitted by the service provider on the 21st June,202 1				
9	P4G6018.06	Spatial Rationale	Development Planning	Strive toward s safe towns, offerin g more econo mic opport	To ensure imple mentati on of SDF AND LUMP S in in line	All wards	Appointm ent of a service provider to develop Matatiele Master plan	Q1: Appoi ntment letter, Q2 - 4, Quartely Reports	Municipali ty does not have a long term plan	Matati ele Maste r Plan develo ped by set date	Nu mbe r, date	R 3 500 000.00	Develop Matatiele Master Plan by 30 June 2021	A service provider- Ingqayi Design Development Partnership was appointed on the	R 676 304.35	Achie ved	None	None

Number	ID P Ref. No.	National KP A	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Ward	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020 /2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
				unities and sustainable land administration within the whole municipality	with the SDF									20th April,2021. an inception meeting was held on the 11th May,2021. service provider reviewed the existing plans of the Municipality such as Spatial Development Framework(SDF) and Land				

Number	ID P Ref. No.	National KP A	Departmental Programme	Objective (As Per IDP)	Strategies (As Per IDP)	Ward	Project Description	Means of verification	Baseline	KPI	Unit of Measure	Actual Budget 2020 /2021 FY	Annual Target	2020/2021 Annual Performance	Actual Expenditure 2020/2021 FY	Status (Achieved/Not Achieved)	Reasons for Variance	Measures taken to improve performance
														Use Management Scheme. The activities were undertaken and report was submitted on the 25th June,2021.				

MONITORING OF THE PERFORMANCE OF SERVICE PROVIDERS/ Assessment of the performance of External Service Provider – JULY 2020 TO JUNE 2021.

Section 116 (2)(b) of MFMA

Contracts and contract management

116. (2) The accounting officer of a municipality or municipal entity must—

(b) monitor on a monthly basis the performance of the contractor under the contract or agreement;

The monitoring of the service provider performance is ensured through the signing of the Service Level Agreement. It is currently being done at user department levels. The end user department provides monthly reports to the SCM unit as well. Service providers who fail to perform are reported to SCM and the necessary action is taken including the termination of the contract or cancellation of an order.

Example:

<i>Assessment Key</i>	
<i>Good (G) - 3</i>	<i>The service has been provided at acceptable standards and within the time frames stipulated in the SLA/Contract</i>
<i>Satisfactory (S) - 2</i>	<i>The service has been provided at acceptable standards and outside of the timeframes stipulated in the SLA/Contract</i>
<i>Poor (P) - 1</i>	<i>The service has been provided below acceptable standards</i>

MATATIELE LOCAL MUNICIPALITY

Bid Number	Name of external Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Value of project	Comparison with previous year 2019/2020		Current Financial Year 2020/2021		Assessment of Service Providers Performance		
					Target	Actual	Target	Actual	G	S	P
MATAT /2018/2019-23	Innovation Government Solutions (IGS)	18 November 2019	<ul style="list-style-type: none"> Electronic Performance Systems and Cascading 	R5,220,54 0.00	<ul style="list-style-type: none"> Electronic Performance Systems and Cascading 	<ul style="list-style-type: none"> Uploading of Monthly and Quarterly performance and Portfolio of Evidence (POE) for each target set on the SBIP. Producing Mid-year and quarterly report. 	<ul style="list-style-type: none"> Electronic Performance Systems and Cascading 	<ul style="list-style-type: none"> Uploading of Monthly and Quarterly performance and Portfolio of Evidence (POE) for each target set on the SBIP. Producing Mid-year and quarterly report. 	G		

MATAT /2020/-23	BTMN Engineers	Contract Award letter was issued on the <u>15/10/2020.</u>	Moiketsi (pre-eng) Motsing (pre-eng) Mavundlen i (pre-eng) Mhlangeni- Mnqayi Phase 2	R 7 365 281.04	N/A	N/A	Project Management (Conducting site meeting & Progress reporting).	Site meetings were not conducted as the Service providers were still busy with site establishment		
	MN Africa JV Capital	Contract Award letter was issued on the <u>15/10/2020.</u>	Rockville (pre-eng). Vikinduku- Lubaleko	R 11 168 500,00	N/A	N/A	Project Management (Conducting site meeting & Progress reporting).	Site meetings were not conducted as the Service providers were still busy with site establishment		
	NSK Electrical	Contract Award letter was issued on the	Masupa (pre-eng) Mapoti (pre-eng)	R 28 851 718.96	N/A	N/A	Project Management (Conducting site meeting & Progress reporting).	Site meetings were not conducted as the Service providers were still busy with site establishment		

		15/10/2020.	Epiphany & Phalane) Link Line Vikinduku, Sifolweni & Ngcwengane Link line Mafayise Mafayise Link line Sifolweni Ngcwengane}							
	Igoda Projects	Contract Award letter was issued on the 15/10/2020.	Ward 18 Extensions (Pre-Eng) Epiphany Kesa & Sdakeni	R 19 075 000,00	N/A	N/A	Project Management (Conducting site meeting & Progress reporting).	Site meetings were not conducted as the Service providers were still busy with site establishment		
	Thake Electrical	Contract Award letter was	Ramafole Plantation (pre-Eng)	R 27 039 500,00	N/A	N/A	Project Management (Conducting site meeting & Progress	Site meetings were not conducted as the Service providers		

		issued on the <u>15/108/2020</u> .	Lukholweni Mkhemane & Link Line Hillside-Manzi Phalane				reporting).	were still busy with site establishment		
MATAT 2020/21-124	Makalane Trading Enterprise	18/02/2021	12 months	R159 930.00	Cleaning & Maintenance of Public toilets and Supply of Toilet paper at Maluti Taxi Rank	Public toilets were cleaned daily and repairs and replacements were done as part of maintenance.	Cleaning & Maintenance of Public toilets and Supply of Toilet paper	Public toilets were cleaned daily and repairs and replacements were done as part of maintenance in the month as of 31 July 2021		
MATAT 2020/21-126	Two Brothers Trading and Projects	18/02/2021	12 months	R145 000.00	Cleaning & Maintenance of Public toilets and Supply of Toilet paper in Harry Gwala Taxi Rank	Public toilets were cleaned daily and repairs and replacements were done as part of maintenance.	Cleaning & Maintenance of Public toilets and Supply of Toilet paper	Public toilets were cleaned daily and repairs and replacements were done as part of maintenance as of 31 July 2021		
MATAT 2020-2021-125	Mlambo Groove and Cocktail	18/02/2021	12 months	R194 800.00	Cleaning & Maintenance of Public toilets and Supply of Toilet	Public toilets were cleaned daily and repairs and replacements were	Cleaning & Maintenance of Public toilets and Supply of	Public toilets were cleaned daily and repairs and replacements were		

					paper in CBD Coffee Pot Rank	done as part of maintenance.	Toilet paper	done as part of maintenance as of 31 July 2021			
MATAT 2020-2021- 183	Setha Group	23/06/2021	08 months	R176 000. 00	N/A	N/A	Cleaning & Maintenance of Public toilets and Supply of Toilet paper	Public toilets were cleaned daily and repairs and replacements were done as part of maintenance as of 31 July 2021			
	AMAYEZA	26 May 2021	Waste removal in residential area (Maluti)	R2 516 609.28	To clean streets and collect waste ,clean drains in Maluti Residential area	Cleaning and sweeping done on tarred roads. Waste collected and disposed twice a week. Cleaning of drains in Maluti Residential area	To clean, sweep streets and collect waste for disposal in the landfill site as well as clean drains in the Maluti Residential area	Cleaning collection of waste done twice a week. Waste collected and Cleaning of drains still need working on.			
	Landa and Amyo Projects	26 May 2021	Waste removal in residential area	R2 503 000.00	To clean, sweep streets and collect and dispose waste as well as open drains in Njongweville, Itsokolele, North End, Buxton Park and Matatiele Residential area.	Cleaning and Waste removal in Njongweville, Itsokolele, North End, Buxton Park and Matatiele Residential area done.	To clean, sweep streets and collect and dispose waste as well as open drains in Njongweville, Itsokolele, North End & Dark city.	Cleaning and waste removal done, service provider was emptying waste in our skips, they have been engaged to fix error. Service provider was engaged & told to clean drains.			

	Tshani Town and Regional planners	01 November, 2014	Inception report Pre-surveys and land identificati on study reports Draft township layout plans Approval of township establishe nt application, approval of general plans,towns hip register	497 679.0 0	Opening and Gazetting of Township register for Cedarville	Submission of application to Municipal Planning Tribunal sub done by June,2020	Amendment of SLA (by Municipality) Suvey of township and opening towship register	Letter of extension issued to the service provider- Project to commence in August		
	Complan Town and Regional Planners	03/02/17 (Middle income)	Inception report Pre-surveys and land identificati	473 100.0 0	Opening and Gazetting of Township register for Cedarville and Matatiele	Project not done	SLA amendment by Municipality Finalisation of outstanding activities	Processes for SLA amendment are on progress		

		14 December,2016 (Commercial Development)	on study reports Draft township layout plans Approval of township establishment application, approval of general plans,township register				– undertake studies,survey of township				
	Button O'Connor land surveyors	17 July,2019 (3 year contract)	Undertake land survey activities	Rates per activity	Undertake land survey activities (closure and rezoning of open spaces, survey of municipal properties, relocation of unsuitable sites	Land survey activities were undertaken (closure and rezoning of open spaces,subdivison of land parces etc	Rezoning of 15 land parcels	List of 19 sites compiled and submitted to the service provider			

	INGQAYI DESIGN ECONOMI C PARTNER SHIP	06th January 2021	Review of land audit	1 895 500.00	Review of land Audit	Review is in progress	Review of land audit	Audit report submitted and meeting held by Steering Committee and also to Stanco on 15/07/21		
RT 25	MUNSOFT	01 November 2016	Yes	R3,5m	Provision of financial system	Financial system was provided as required	Provision of financial system	Financial system is operating and consultation support is provided by the system provider on a daily bases		
	OmniRisk Solutions	01 November 2020	Insurance Cover of municipal assets	R1 960 00 0 and as per App letter conditions.	Insurance of procured assets	Insurance of assets and Submitted claims are attended to.	100% insurance cover of municipal assets as per council policy by 30 June 2022.	Assets Management Report detailing all assets additions which are added onto the FAR. A list of newly acquired assets submitted to Indwe Risk Services for insurance cover.		

	Protea Consulting	May 2019	Panel for financial management and accounting services	Panel rates	Implementation of tasks allocated as per letter of instruction.	Implementing tasks allocations according to specifications and progress report submitted and discussed.	Prepare & submit quarter 3GRAP compliant Interim Financial Statements.	Draft AFS GRAP complaint 2020/2021 to be submitted on the 25 August 2021 to Internal Audit, Audit Committee for reviews and comments. Final AFS will be submitted to AGSA on the 31 October 2021.		
	Sondlo CA	May 2019	Panel for financial management and accounting services	Panel rates	Implementation of tasks allocated as per letter of instruction.	Implementing tasks allocations according to specifications and progress report submitted and discussed.	MSCOA compliant transacting and Update Assets Register to achieve GRAP compliant FAR by 30 June 2022.	Fixed Assets Register as at end of June 2021 is updated with all the additions, depreciation calculation and data clean up. Also the Trial Balance is balancing with General Ledger transactions evident from MSCOA actuals balancing to		

								zero.			
	Mathew Francis Incorporated	Contract expired on the 25 th of June 2021	Provision of legal services on civil law matters	R1710 Hourly rate	Provide legal services on civil law matters	Provision of Legal advice and legal representation in court proceedings	Provide Legal services on civil matters	Provision of Legal advice and legal representation in court applications and action proceedings Bigen Africa, Joubert; Lubbe Construction)			
	Wesley Pretorius and Associates	Contract expired on the 25 th of June 2021	Provision of legal services on civil law matters	R2250 hourly rate	N/A	N/A	Provide Legal services on civil matters	Provide legal advice (DCT Nakin v MLM)			
	UBILO General Trading t/a Ubilo Security	16 June 2020	Yes	R9,999,95 7.48	N/A	N/A	[1] Provision of Security Services for a period of one (1) year for the Matatiele Local Municipality (MLM) (70 Guards x 28 sites) [2] Provision of two (2) security	The service has been provided below acceptable standards			

							supervisors per shift on any given day of the week [3] Provision of two (2) Armed Response guards (Grade C) [4] Provision of two (2) Cash-in-transit guards – (Grade B)				
2018/2019-20	Vodacom	30 November 2018	Cellular phone and mobile Data cards	R 123 956.63	To provide voice lines and data lines to managers and staff as when and required	53 Voice and 58 Data lines were provided to managers and staff.	To provide voice lines and data lines to managers and staff as when and required	N/A			
	Telkom	02/4/2019	Telephones and speed dial access	R2 762 383.20	To provide 99.99% uptime on 133 telephone extensions and 119 speed dials	99.99% uptime on telephone extensions and speed dials was provided	To provide 99.99% uptime telephone extensions and speed dials	99.99% uptime on telephone extensions and speed dials was provided			
	SAGE-VIP	01/03/2020	Provision of Human Capital	R 795 359.06	To provide 100% mSCOA compliant human	There is no seamless integration between VIP and Munsoft. VIP is not	To provide 100% mSCOA compliant human capital	There is no seamless integration between VIP and Munsoft. is			

			System		capital system	100% mSCOA compliant	system	not 100% mSCOA compliant		
2017/2018-27	Khanya Africa Networks	22/11/2018	Implementation of EDRMS, back Scanning for five financial years (2013/14 - 2018/19) Development of workflows, integration to Munsoft	R 4 983 901.74	To scan Payment vouchers, develop workflows, supply scanners, install the server and client	Payment vouchers were scanned, workflow developed, scanners supplied, server and client installed	Scan payment vouchers, creditors workshop, workflow refinements, Provision of more licenses	Scanned payment vouchers, creditors workshop, workflow refinement, workshop was held for creditors and Assets		
Matat/2020/2021-39	Prime Business Investments CC	23 June 2021	Yes	R642 804	N/A	N/A	13. Formulation of a project implementation plan in accordance with the terms of reference. 14. Ensure properly specified project	1. Formulation of a project implementation plan in accordance with the terms of reference. 2. Ensure properly specified project planning for sample sizing, instrument		

							<p>planning for sample sizing, instrument administration, data capturing, and data analysis and interpretation.</p> <p>15. Categorization of municipal customers.</p> <p>16. Design and formulation of customer satisfaction survey/market research tools.</p> <p>17. Presentation of survey/research tools for endorsement by management.</p> <p>18. Conduct a Survey/research covering a representative sample drawn from all its categories of consumers in the 26 wards</p>	<p>administration, data capturing, and data analysis and interpretation.</p> <p>3. Categorization of municipal customers.</p> <p>4. Design and formulation of customer satisfaction survey/market research tools.</p> <p>5. Presentation of survey/research tools for endorsement by management.</p> <p>6. Conduct a Survey/research covering a representative sample drawn from all its categories of consumers in the 26 wards of the municipality.</p> <p>7. Conduct a customer satisfaction</p>		
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							<p>of the municipality.</p> <p>19. Conduct a customer satisfaction survey/market research in all 26 wards based participants.</p> <p>20. Distribution of approved customer satisfaction/research survey tools to all identified participants.</p> <p>21. Collection of completed customer satisfaction survey/market research forms for data capturing.</p> <p>22. Analysis and interpretation of customer satisfaction survey/market research</p>	<p>survey/market research in all 26 wards based participants.</p> <p>8. Distribution of approved customer satisfaction/research survey tools to all identified participants.</p>		
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							information. 23. Writing of a customer satisfaction survey/market research report. 24. Presentation of the report to the municipal management and ultimately to the council.				
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ANNEXURE A1: AUDITOR GENERAL REPORT

Material impairments - Statutory receivables

8. As disclosed in notes 4 to the financial statements, material accumulated impairments loss balance of R44,5 million (2020: R37,5 million) and the net movement in these impairment allowances resulted in an impairment expense of R7 million which were incurred because of poor collections.

Material impairments – Trade receivables from exchange transactions

9. As disclosed in notes 7 to the financial statements, material accumulated impairments loss balance of R35,5 million (2020: R17,1 million) and the net movement in these impairment allowances resulted in an impairment expense of R18,4 million which were incurred because of poor collections.

Irregular Expenditure

10. As disclosed in note 40 to the financial statements, the municipality incurred irregular expenditure of R7,2 million, due to SCM regulations which were not complied with.

Unauthorised Expenditure

11. As disclosed in note 39 to the financial statements, the municipality incurred unauthorised expenditure of R69,6 million, the municipality incurred unauthorised expenditure on non-cash items.

Other matters

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

Unaudited disclosure notes (MFMA125)

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

Unaudited supplementary schedules

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

Responsibilities of the accounting officer for the financial statements

15. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with South African Standards of General Recognised Accounting Practice and the requirements of the MFMA and 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.

16. 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 accounting officer 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

17. 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 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
18. 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

19. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for the selected development priority presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.
20. My procedures address the usefulness and reliability of the reported performance information, which must be based on the municipality's approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the municipality enabled service delivery. My procedures do not extend to any disclosures or assertions relating to the extent of achievements in the current year or 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.
21. 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 priority presented in the municipality's annual performance report for the year ended 30 June 2021:

Development priority	Pages in the annual performance report
KPA 1: Basic services and infrastructure	x – x

22. 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.
23. I did not identify any material findings on the usefulness and reliability of the reported performance information for this development priority:
- KPA 1: Basic services and infrastructure.

Other matters

24. I draw attention to the matters below.

Achievement of planned targets

25. Refer to the annual performance report on page x to x for information on the achievement of planned targets for the year and management’s explanations provided for the under/over achievement of targets.

Adjustment of material misstatements

26. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were on the reported performance information of KPA 1: Basic services and infrastructure. As management subsequently corrected all the misstatements, I raised material findings on the usefulness and reliability of the reported performance information.

Report on the audit of compliance with legislation

Introduction and scope

27. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the municipality’s compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
28. The material finding on compliance with specific matters in key legislation are as follows:

Annual financial statements, performance, and annual reports

29. 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. A material misstatements of current assets identified by the auditors in the submitted financial statement were subsequently corrected, resulting in the financial statements receiving an unqualified audit opinion.

Expenditure management

30. Reasonable steps were not taken to prevent unauthorised expenditure amounting to R69,6 million, as disclosed in note 39 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the unauthorised expenditure was caused by inadequate budgeting for non-cash relating to depreciation, loss on disposal of Eskom electrification projects and debt impairment.
31. Reasonable steps were not taken to prevent irregular expenditure amounting to R7,2 million as disclosed in note 40 to the annual financial statements, as required by section 62(1)(d) of the MFMA. The majority of the irregular expenditure was caused by non-compliance with 2(1)(a) of the Preferential Procurement Policy Framework Act and 2017 Preferential Procurement Regulation 8(2).

Revenue management

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

Strategic planning & performance Management

33. The performance management system and related controls were not maintained or managed as required by municipal planning and performance management regulation 7(1). Areas affected were consistency between planned and reported targets, consistency between reported achievements and the related target furthermore, accuracy of reported performance information.

Procurement and contract management

34. Some of the invitation to tender for procurement of commodities designated for local content and production, did not stipulate the minimum threshold for local production and content as required by the 2017 preferential procurement regulation 8(2). Similar non-compliance was also reported in the prior year
35. The preference point system was not applied to some of the procurement of goods and services above R30 000 as required by section 2(1)(a) of the Preferential Procurement Policy Framework Act.
36. Some of the contracts were awarded to bidders based on preference points that were not allocated and calculated in accordance with the requirements of section 2(1)(a) of the Preferential Procurement Policy Framework Act and its regulations.

37. The performance of some of the contractors or providers was not monitored on a monthly basis, as required by section 116(2)(b) of the MFMA.

Other information

38. The accounting officer is responsible for the other information. The other information comprises the information in the annual report. The other information does not include the financial statements, the auditor's report thereon and those selected development priority presented in the development priority that have been specifically reported on in the auditor's report.
39. 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.
40. 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 priority presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
41. I have not yet received the annual report. When I do receive 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 re-issue my auditor's report amended as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

42. 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 thereon. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for opinion, the findings on the annual performance report and the findings on compliance with legislation included in this report.
43. Leadership did not adequately discharge its oversight responsibilities concerning the implementation and monitoring of internal controls to ensure sound compliance with laws and regulations.
44. The internal audit and audit committee was functional during the financial year but were not effective, this is evident by the numerous material non-compliance findings.
45. Management did not effectively review and monitor compliance with laws and regulation relating to financial reporting and performance management.

Auditor - General

Auditor-General
East London

25 January 2022



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

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 objectives 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 the 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 concerns 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 Matatiele Local Municipality’s 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 the auditor’s report. However, future events or conditions may cause a municipality to cease to continue 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.
 - obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

ANNEXURE A: ANNUAL REPORT OF THE AUDIT COMMITTEE OF THE MLM**Matatiele Local Municipality****Audit Committee Report for the year ended 30 June 2021**

We are pleased to present our report for the financial year ended 30 June 2021.

Audit committee members and attendance

The audit committee consists of the following members listed hereunder and should meet 4 times per annum as per its approved terms of reference. During the current year 5 meetings were held.

Name of member	Number of meetings attended
Mr. A.D. Gonzalves (Chairperson)	5/5
Mrs. N. Ntshanga	5/5
Mr. Z. Zulu	4/5
Mr. S. Nombembe	5/5

Audit committee responsibility

The audit committee reports that it has complied with its responsibilities arising from section 166 of the MFMA.

The audit committee also reports that it has adopted formal terms of reference as its audit committee charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

The effectiveness of internal control

In line with the MFMA, Internal Audit provides the audit committee and management with assurance that the internal controls are appropriate and effective. This is achieved by means of the risk management process, as well as the identification of corrective actions and suggested enhancements to the controls and processes. From the various reports of the Internal Auditors, there were matters reported that indicated deficiencies in the system of internal control. Accordingly, we can report that the system of internal control over financial reporting for the period under review was not entirely efficient and effective.

The quality of the in-year management and monthly/quarterly reports submitted in terms of the MFMA, MSA, and the Division of Revenue Act is satisfactory with room for improvement. Management is encouraged to implement continual focus on the recoverability of outstanding statutory and trade receivables to avoid the potential burden on future cashflows from operating activities. Management must guard against individuals that may purport their indigent status to exploit

the Municipality and for this purpose the effectiveness of internal controls must be improved in terms of the recommendations of Internal Audit.

The audit committee recommends that Management implement preventative controls to ensure that financial reporting at year end is improved to avoid material audit adjustments. The audit committee also recommends that long outstanding key vacant positions must be filled unless it can be demonstrated that these are no longer relevant. Management is encouraged to strengthen oversight over the effective implementation of preventative controls with respect to Supply Chain Management and Performance Management reporting.

Internal audit

The audit committee is satisfied that the internal audit function is operating effectively and that it has addressed the risks pertinent to the municipality.

Evaluation of the annual financial statements

The audit committee has:

- reviewed and discussed the audited financial statements to be included in the annual report, with the Auditor General South Africa,
- reviewed the Auditor General South Africa's management report and managements responses thereto,
- reviewed the entities compliance with legal and regulatory provisions,
- reviewed significant adjustments resulting from the audit.

The audit committee concurs with and accepted the Auditor General of South Africa's audit report on the annual financial statements, and is 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.

Conclusion

The Audit Committee wishes to thank Council, the Municipal Manager, the administrative staff as well as the Chief Audit Executive and her Internal Audit team for their cooperation.



CHAIRPERSON OF THE AUDIT COMMITTEE

11 November 2021

VOLUME II

ANNEXURE B: AUDIT ACTION PLAN



AUDIT IMPROVEMENT PLAN 2020/2021 FINANCIAL YEAR

Audit Findings Action Plan Monitoring Tool

Audit Opinion: Unqualified on Annual Financial Statements

COA F Number	Reporting Area	Findings	Legal Requirement	Impact	Compliance Finding	Repeat Finding from Previous Year	Root Cause	Improvement Plan	Completion Date	Person Responsible	Position
COA F 1	Monitoring and Evaluation	1. Planning: Information not submitted	Section 74(1) of the MFMA	The non-submission of information might result to limitation of scope.	No	Yes	There is a lack of proper record keeping to ensure complete and relevant information is accessible timeously.	Management should ensure that information is properly filed and accessible timeously.		Corporate Services and BTO	Corporate Services and BTO
COA F 2	Procurement and contract management	1. Limitation of scope: Supply chain management	Section 74(1) of the MFMA	The impact of the above is limitation of scope.	No	No	The cause of the above is due to the lack of internal controls over record keeping and storage of information.	Management should implement consequence management and exercise proper monitoring controls over the record keeping and storage of the information so that it can be readily accessible and submit the		Mr Z.C Matolo	Manager Supply Chain and Fleet Management

								information to the Auditor General of South Africa within required time frame.				
COA F 3	Employee costs	1. Planning-HRM: Municipal annual report not reflecting minimum competency levels.	Regulation 14(2)(b) of the Municipal Regulations on Minimum Competency Levels issued on 26 October 2018	Non-compliance with Regulation 14(2)(b) and 14(4) of the Municipal Regulations on Minimum Competency Levels.	Yes	No	Inadequate internal controls regarding compliance with laws and regulations.	Management should implement controls to ensure that the municipality comply with the above-mentioned legislation, to ensure that the annual report includes competency levels.			Mr S Mbongonya and Mr Magadla	Corporate Services and Strategic Governance Unit.
COA F 3	Employee costs	2. Planning-Human Resource Management: No evidence of a competence assessment done	Regulation 13 of the Municipal Regulations on Minimum Competency	Non-compliance with Regulation 9, 12 and 13 of the Municipal Regulations on Minimum Competency	Yes	No	Lack of controls in HR that ensure compliance with laws and regulations.	Management should ensure that competency assessments for all financial officials and SCM officials are conducted yearly and the evidence of such assessments			Mr. C.K. Magadla	Acting General Manager – Corporate Services

			Levels issued on 26 October 2018, Section 83 of the MFMA.	y Levels and section 83 and 119 Municipal Finance Management Act.				having been conducted is kept.				
COA F 3	Employee costs	3. Planning-Understanding of Internal controls: No compiled succession plan database.	Section 62(1) (c) (i) of Municipal Finance Management Act 56 of 2003	The municipality may fail to achieve its objectives in a case of any future transition.	Yes	No	This is as a result of lack of management oversight from those charged with governance over the implementation of the municipal policies.	Management should ensure that a succession plan database is maintained as per the requirements of the staff retention policy. Also, management should ensure that there is effective implementation of the different processes within the municipal policies.			Mr. C.K. Magadla	Acting General Manager – Corporate Services
COA F 3	Audit Committee and Internal Audit	4. Planning-Internal Audit: The Chief Audit Executive is not permanently appointed	MFMA circular 65	The impact of the above finding is non-compliance with MFMA	Yes	Yes	The municipality appoints senior managers and senior managers on contract	Management should ensure that the chief audit executive of the municipality is permanently appointed.			Mr. C.K. Magadla	Acting General Manager – Corporate Services

				circular 65			basis.					
COA F 3	Audit Committee and Internal Audit	5. Planning- Understanding the audit committee : No evidence of separate meeting with internal audit	Section 166(3)(b)(i) of the Municipal Finance Management Act 56 of 2003	Non-compliance with the MFMA requirements.	No	Yes	Lack of oversight from those charged with governance to ensure compliance.	The audit committee and the internal audit unit must meet at least once a year, this meetings should take place in a setting that excludes the management of the municipality.			Kungeka Dzingwe	Chief Audit Executive
COA F 3	Audit Committee and Internal Audit	6. Planning - Understanding Audit Committee :Combined assurance plan not reviewed	Public Sector Audit Committee Forum	Internal control deficiency as not in line with best practice.	Yes	No	Lack of oversight from those charged with governance.	The combined assurance framework should be reviewed in each financial year and the audit committee should report on it.			Kungeka Dzingwe	Chief Audit Executive
COA F 3	Internal Controls	7. Planning- Understanding of Internal controls: Control deficiencies in Risk Management	Section 62(1)(c)(i)	The impact of the above finding resulted in risks not taken into account and municipality not	No	No	The cause of the above finding is lack of oversight from the internal audit unit of the municipality	Internal audit should ensure that the municipality's risk register takes into account all emerging risks that may affect the municipality in achieving its			Mr S Mbongon ya	Manager Strategic Governance

				having a proactive response to the risks that lead to weak controls.			and those charged with governance.	objectives.				
COA F 3	Operating expenditure	8. Planning - Expenditure: No invoice registers at user departments	Section 62(1) of the MFMA	Expenditure and trade payables presented in the 2020-21 annual financial statements might be incomplete due to the timing difference between the receipt of invoices and the recording of them when they are transferred to the creditors' department.	Yes	No	The invoices are received by different user departments which are later sent to the creditors department.	Management must ensure that each user department keeps a register of all invoices received and all the registers should be reconciled with the creditors' department when it prepares its own register.			N. Majova	Manager - Revenue and Expenditure Management

COA F 3	Predetermined objectives	9. Planning-AOPO: Performance management system does not include risk management procedures	Section 62(1) (c) (i) of Municipal Finance Management Act 56 of 2003	The performance management system is not complete as it missing risk management procedures therefore the municipality is unable to identify performance risks and have an analysis on them to ensure that performance is measured and achieved in accordance to the system.	No	No	The Municipality has not designed and implemented performance management risk procedures.	Management should include a section in their Performance Management Systems Policy that deals with the risk management procedures that will identify and analyze performance management risks for each indicator.			Mr S Mbongonya	Manager Strategic Governance
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COA F 3	Predetermined objectives	10. Planning - AoPO: Supporting Information does not include pictures as evidence	Section 62(1) of the MFMA	The information submitted is not reliable and verifiable.	No	No	Management failure to ensure pictures are included in the quarterly report.	Management should ensure that the monthly reports for each indicator includes photographic evidence.			Mr Z Gqamane	Manager : Electricity
COA F 4	Predetermined objectives	1. AoPO: Achievement not consistent with target	Section 121(3)(f) of Municipal Finance Management Act No. 56 Of 2003	Inconsistency between reported achievements and reported planned performance targets and indicators leads to material misstatement on the above indicators which result in qualified opinion on KPA1: Basic Service Delivery and	Yes	Yes	Annual performance report was not properly reviewed.	Management should adjust the annual performance report to ensure that reported achievements per the annual performance report are consistent with planned targets and performance indicators as per the Service Delivery Budget implementation Plan.			Mr Mbongonyama	Manager : Strategic Governance

				Infrastructure.								
COA F 4	Predetermined objectives	2. AoPO: Difference in km's reported in APR and Completion certificates	Section 121(3)(f) of Municipal Finance Management Act No. 56 Of 2003	The indicators are not measurable and therefore resulting in a limitation of scope.	No	No	Management did not consider the measurability in defining their Technical Indicator Description.	Management should ensure that in planning the indicators and targets of the municipality, all the targets are clear, measurable and time bound.			Mr Mbongonya	Manager : Strategic Governance
COA F 4	Predetermined objectives	3. AoPO: Target not clearly defined	Preferential Point's Regulation: 4(2)	The impact of this finding is non-compliance with Preferential Point's Regulation 4(2) which result in irregular expenditure amounting to R7 296 273, 70	No	No	Inconsistency in management's review with regards to the prequalification and evaluation of tender documents.	The standard should be defined by management and they should apply the standards correctly in line with all tender documents. The standard should be in line with preference point regulation 4(2) in order to ensure that people who should be disqualified are and the correct bidder wins.			Mr Mbongonya	Manager : Strategic Governance

COA F 4	Predetermined objectives	4. AoPO: Listings not submitted with the Annual Performance Report	Section 45 of Municipal Systems Act No. 32 Of 2000	This will lead to a limitation of scope.	Yes	No	Management was not aware that this information is supposed to be submitted with the Annual Financial statements on the 31 August 2021.	Management should ensure that the listings for all indicators are submitted to the auditors together with the Annual Financial Statements.			Mr Mbongonya	Manager : Strategic Governance
COA F 5	Intangible assets	1. Prior period errors: Incorrect classification of period errors	GRAP 3 paragraph 04	The impact of the above finding is understatement of change in estimate disclosure and overstatement of prior period error disclosure.	No	No	The cause of the finding is that financial statements were not properly reviewed before submission	Management should adjust the financial statements and disclose the change in estimate note. It further recommended that before financial statements are submitted for audit a proper review should be done.			S. Fokazi	Manager - Financial Reporting and Assets Management

COA F 5	Operating expenditure	2. Expenditure: No evidence of authorization for payment	Section 65(2) (a) (b) (c) of Municipal Finance Management Act 56 of 2003	The impact of the above finding is a control deficiency which may result in invalid and inaccurate expenditure .	No	No	Lack of management oversight over the internal control processes	Management should ensure that all remittance advice is reviewed and signed as evidence of the review.		N. Majova	Manager - Revenue and Expenditure Management
COA F 5	Operating expenditure	3. Expenditure: Stamped invoice not signed as evidence of receipt of goods/services	Section 62(1) (c) (i) of Municipal Finance Management Act 56 of 2003	The impact of the above finding is a control deficiency which may result in invalid and inaccurate expenditure .	Yes	No	Lack of management oversight over the internal control processes	Management should ensure that the stamped invoices are signed as evidence of acknowledging the receipt of goods/services. Or alternatively goods/services receipt voucher should be developed and should be signed as evidence of receipt of goods/services.		N. Majova	Manager - Revenue and Expenditure Management

COA F 5	Operating expenditu re	4. Expenditure: Invoices not recorded in the invoice register	Section 65(2) (a) (b) (c) of Municip al Finance Manage ment Act 56 of 2003	The impact of the above finding is an internal control deficiency which may lead to understate ment of expenditure .	No	No	The cause of the finding is due to delays for submission of invoices from the user department to the creditors section.	The management should ensure that the controls in place over receiving of invoices are implemented and the invoice register is kept up to date.		N. Majova	Manager - Revenue and Expendit ure Manage ment
COA F 5	Receivabl es	5. Statutory Receivables: Sundry debtors incorrectly classified	GRAP 108 (5)	Statutory receivables are overstated by a projected amount of R11,623,19 3.00.	No	No	Misinterpret ation of the GRAP 108 requirement by managemen t.	Management should ensure that there is a proper review of their sundry debtors to ensure that all receivables on the listing qualify as sundry debtors. Receivables that don't qualify as statutory receivables should be recognized separately under receivables from non-exchange transactions.		N. Majova	Manager - Revenue and Expendit ure Manage ment

COA F 5	Receivables	6. Receivables from exchange transactions: Credit quality information not disclosed	GRAP 104 paragraph 128(c)	The impact of the above finding is non-compliance with Grap disclosure requirements.	No	No	The cause of the above finding is the financial statements were not properly reviewed before submission.	Management should ensure that financial statements are reviewed to ensure that all Grap disclosure requirements are complied with.			S. Fokazi	Manager : Financial Reporting and Assets Management
COA F 6	Immovable assets	1. PPE: Land incorrectly classified as Property Plant and Equipment	GRAP 16 paragraph 7	The above finding results in an overstatement of Land and understatement of Investment property by projected misstatement amounting to R10 566 590,00.	No	No	The municipality did not properly assess the population when they passed the adjustment to reclassify vacant land from Investment property to Land; some investment property was erroneously reclassified to Land.	Management should reassess the land population and reclassify all investment property to investment property.			S. Fokazi	Manager : Financial Reporting and Assets Management

COA F 6	Immovable assets	2. PPE- Work in progress assets additions: Assets not accurately accounted	GRAP 16 paragraph 21	The above finding results in the understatement of additions to work-in-progress by a projected misstatement amount of R 956,110.	No	No	The is no reconciliations that are performed and reviewed on the capitalization of cost to Working Progress.	Management should ensure that a reconciliation is performed for cost capitalized to working progress and ensure that these reconciliations are reviewed. This will help ensure that capitalized costs are accurate and complete.		S. Fokazi	Manager : Financial Reporting and Assets Management
COA F 6	Immovable assets	3. PPE: Electrification Projects not derecognised in the correct accounting period	Grap 17 paragraph 78	The above finding result in overstatement of loss disposal in 2021 financial year and overstatement of opening working in progress 2020 financial year by a material	No	No	The cause of the finding is that disposal are not validated to supporting documents.	Management should perform a proper review of the disposal of electrification projects to ensure that disposal of electrification projects to eskom are based on supporting handover certificate and the disposal are accounted for on the correct accounting period.		S. Fokazi	Manager : Financial Reporting and Assets Management

				factual misstatement amounting to R29 747 036.							
COA F 6	Immovable assets	4. PPE: Electrification Projects disposal not accounted for	Graph 17 paragraph 78	The above finding result understatement of loss on disposal and overstatement of work in progress by a material factual misstatement amounting to R29 136 451,21 .	No	No	The cause of the finding is that work in progress relating to electrification projects is not regularly validated against the support documents to ascertain the stage of the project.	Management should ensure that work in progress relating to electrification projects is reviewed on monthly basis against the supporting information to ascertain the stage of the projects. Financial statements should be adjusted for the disposal of assets to eskom.		S. Fokazi	Manager : Financial Reporting and Assets Management

COA F 7	Procurement and Contract Management	1. SCM - Competitive Bidding: Banking contract not renewed on time	Supply chain management regulation 30 subsection 2	This will result in non-compliance with the supply chain management regulation 30 subsection 2	No	No	This is due to management's lack of planning with regards to the renewal of the contract for banking services.	Management should ensure that procurement processes for the provision of banking services commence at least 9 months before an existing contract expires.		Mr. Z.C Matolo	Manager Supply Chain and Fleet Management
COA F 7	Procurement and Contract Management	2. SCM: No gifts register	Municipal Finance Management Act 56 of 2003 section 62	This will result in an increase in internal control deficiencies.	No	No	Lack of oversight from leadership in ensuring that internal controls are adhered to.	Management should ensure that internal controls are adhered to and a gifts register is in place.		Mr. Z.C Matolo	Manager Supply Chain and Fleet Management
COA F 7	Procurement and Contract Management	3. SCM: CAATs - Connections not declared	Municipal Supply Chain Management Regulations 13(c)	Non-compliance with Municipal Supply Chain Management Regulations 13(c) and irregular expenditure amounting	Yes	Yes	The municipality does not have control over the declarations submitted by the service providers.	Management should ensure that controls to detect the supplier's interest is developed and implemented.		Mr. Z.C Matolo	Manager Supply Chain and Fleet Management

				to R9 819 048+R484 057 = R10 303 105.								
COA F 7	Procurement and Contract Management	4. SCM: Deviations - declaration not submitted	supply chain management regulation 13 (1) (c)	Non-compliance with Municipal Supply Chain Management Regulations 13(c) and if this is reported in the future will result in irregular expenditure .	Yes	No	The municipality does not have controls over the declarations made by the service providers.	Management must ensure that all providers who are awarded any award do submit a declaration of interest as required by the supply chain management regulation.			Mr. Z.C Matolo	Manager Supply Chain and Fleet Management
COA F 7	Procurement and Contract Management	5. SCM: Deviations - deviation reason not reasonable	supply chain management regulation 36 (1) (a)	The impact of the finding is non-compliance is supply chain management regulation 36 (1) (a)	No	No	Lack of controls over timeous submissions of SARS returns.	Management should ensure that SARS returns are submitted timeously with enough time to deal with any challenges that could be			Mr. Z.C Matolo	Manager Supply Chain and Fleet Management

				which result in irregular expenditure amounting to R126 500,00.				experienced during the submission.				
COA F 7	Procurement and Contract Management	6. SCM-Local content-minimum threshold for local content not stipulated	PPR 8(2)	The impact of the above finding is material non-compliance with PPR 8(2) resulting in irregular expenditure amounting to R33 290 532,00.	No	No	Bid documentation is not properly designed in compliance with laws and regulation.	Management should ensure that a minimum threshold for local content production is stipulated within either the bid specification or the advert when procuring goods or services and the threshold stipulated should not be less than that specified by National Treasury.		Mr. Z.C Matolo	Manager Supply Chain and Fleet Management	
COA F 7	Procurement and Contract Management	7. SCM-Local content: Declaration for local content and production not submitted and signed	Regulation 8(5) of Preferential Procurement Regulations of	The impact of the above finding results in material non-compliance with	Yes	No	Bid documents not properly reviewed during evaluation process.	Management should ensure that on evaluation of bid documents the bidders that did not submit the declaration of local content are		Mr. Z.C Matolo	Manager Supply Chain and Fleet Management	

			2017	Regulation 8(5) of Preferential Procurement Regulations leading irregular expenditure amounting to R33 143 732.				disqualified.			
COA F 7	Procurement and Contract Management	8. SCM-Local content: DTI not notified for successful bidders and provided with copies of contracts	Treasury instruction notes	Non-compliance with Treasury instruction notes which is a control deficiency	Yes	No	Lack of controls on compliance with laws and regulations	Management should ensure that Department of Trade and Industry is notified of the successful bidder and the value of the contract and also provided with copies of the contracts and the bidder's MBD 6.2 certificate.		Mr. Z.C Matolo	Manager Supply Chain and Fleet Management
COA F 7	Procurement and Contract Management	9. SCM: CIDB - Contractor's grading not suitable for the value of the contract	CIDB regulation 17	The impact of the above finding is non-compliance with CIDB	No	No	Lack of controls on compliance with laws and regulations.	Management should ensure that all the contractors selected for the project meet all the minimum		Mr. Z.C Matolo	Manager Supply Chain and Fleet Management

				regulation 17 which result in an irregular expenditure amounting to R2 371 171.				requirements.				
COA F 7	Procurement and Contract Management	10. SCM Contract Management- Monthly Progress Monitoring	section 116(2)(b) of the MFMA	The above finding will result in material non-compliance with s166(2)(b) of the MFMA.	No	No	Lack of monitoring controls by management to ensure that Supply Chain Management regulations are complied with.	The management should ensure that the MFMA regulations are complied with, and the contracts are monitored on a monthly basis.		Mr. Z.C Matolo	Manager Supply Chain and Fleet Management	
COA F 7	Procurement and Contract Management	11. SCM: Quotations - Winning bidder's tax matters not in order	supply chain management regulation 16 (a)	The impact of the finding is non-compliance with supply chain management regulation 16 (a) resulting in irregular expenditure amounting	No	No	The finding is due to the lack of controls over the review and monitoring of compliance with supply chain management regulations during	Management should ensure that bid documents submitted by bidders are properly reviewed to ensure that they fully comply with the supply chain management regulations.		Mr. Z.C Matolo	Manager Supply Chain and Fleet Management	

				to R198 375.			procurement processes.					
COA F 7	Procurement and Contract Management	12. SCM: Contract management - contract not signed	Municipal Finance Management Act 56 of 2003 section 62	This will lead to increased internal control deficiencies, there is also the risk of having contracts that are not enforceable against third parties.	No	No	This is due to management not implementing contract management monitoring controls.	Management should ensure that controls over contract management are adhered to.			Mr. Z.C Matolo	Manager Supply Chain and Fleet Management
COA F 7	Procurement and Contract Management	13. SCM: Contract and Variation order supporting documents not submitted	Section 74(1) of the MFMA	The impact of the above is limitation of scope.	No	No	The cause of the above is due to the lack of internal controls over record keeping and storage of information.	Management should implement consequence management and exercise proper monitoring controls over the record keeping and storage of the information so that it can be			Mr. Z.C Matolo	Manager Supply Chain and Fleet Management

								readily accessible and submit the information to the Auditor General of South Africa within the required time frame.				
COA F 7	Procurement and Contract Management	14. SCM: CAATS - Employee not declaring associate/partner connections	supply chain management regulation 46 (2) (e)	The impact of the finding is non-compliance with Municipal Supply Chain Management Regulations 46 (2) (e).	No	Yes	This is due to a lack of controls over declarations of interest from the municipality's officials and other role players.	Management should ensure that there are controls over employee declarations of interest.			Mr. Z.C Matolo	Manager Supply Chain and Fleet Management

COA F 7	Procurement and Contract Management	15. SCM-Panel of Contractors/Suppliers: No evidence that preference point system followed	Municipal Supply Chain Regulation 28(a)(ii)	The impact of the above finding is non-compliance with Municipal Supply Chain Regulation 28(a)(ii), Section 2(1)(a)(b) Preferential Procurement Policy Framework Act 5 of 2000, Regulation 6.(1)(2)(3)(4)(5) of Preferential Procurement Regulation 2017 and Municipal Supply Chain Regulation 2(a) which result in	No	No	The cause of the finding is that the municipality incorrectly interprets the panel selection as a only one stage to follow the procurement processes	Management should ensure that prepayments are assessed at year end to identify goods/services which have been paid for in advance or whether goods or services have been received at year end.			Mr. Z.C Matolo	Manager Supply Chain and Fleet Management
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				irregular expenditure amounting to R38 741 937.								
COA F 8	Heading 1	1. Other MFMA disclosure: No disclosure how the allocated funds were spent	MFMA s123(1)-	Non-compliance with MFMA s123(1)(c) and misstatement of disclosure in annual financial statements.	No	No	Lack of proper review of financial statements before they are submitted.	Management should ensure that a properly review the financial statement for compliance with all the disclosure requirements is performed before the submission.			Ms. P. Nonkevu	Manager Budget Planning and Investments
COA F 8	Heading 1	2. Principal vs Agent: Non-disclosure of amount received on behalf of the principal	GRAP 109 paragraph 64(b)	The impact of the above finding is that the Principal vs Agent	No	No	The cause of the finding is that financial statements are not	Management should ensure that financial statements are properly reviewed before submission and			K Mehloma kulu	Chief Financial Officer

				disclosure is misstated by factual misstatement amounting to R5 913 570.00.			properly reviewed before submission.	that all necessary disclosures are done in accordance with GRAP.It recommended that management should amend the financial statement to reflect the disclosure omitted and correct the disclosure not accurate.			
COA F 8	Heading 1	3. Segment reporting: The amount of the cash flows activities of each reportable segment not disclosed	GRAP 2 paragraph 51(d)	Non-disclosure of amount of the cash flows arising from the operating, investing and financing activities of each reportable segment result in material misstatement	No	No	Lack of proper review of the financial statements before submission.	Management should ensure that on evaluation of bid documents the bidders that did not submit the declaration of local content are disqualified.		K Mehloma kulu	Chief Financial Officer

				nt of segmenting reporting in the annual financial statements.								
COA F 8	Heading 1	4. Segment reporting: Additions to non-current assets not disclosed	GRAP 18 paragraph 23(b)	Non-disclosure of additions to non-current assets about each reportable segment result in material misstatement of segmenting reporting in the annual financial statements.	No	No	Lack of proper review of the financial statements before submission.	Management should ensure that the financial statements are properly reviewed before they are submitted for audit. Financial statements should be adjusted to reflect the additions to non-current assets about each reportable segment.			K Mehloma kulu	Chief Financial Officer

COA F 8	Receivables	5. Receivables: Financial loss on amount collected on behalf of the municipality	Section 64(2)(a) of the Municipal Finance Management Act 56 of 2003	Non-compliance Section 64(2)(a) of the Municipal Finance Management Act 56 of 2003 and Section 96(a) of Local Government Municipal Systems Act No 32 of 2000 which result in a likely financial loss amounting to R14.8 million.	No	No	There is lack of consequence management for the supplier that is collecting the monies on behalf of the municipality .	Management should ensure that all monies collected on behalf of the municipality that are due and payable are collected and if the collecting entity is not remitting the funds proper consequence management is implemented.			N. Majova	Manager - Revenue and Expenditure Management
COA F 9	Cash and cash equivalents	1. Cash and cash equivalents: Inaccurately disclosed	MFMA Act 56 section 62 (1)(b)	Cash and cash equivalents is overstated by a factual amount of R 105	No	No	Inconsistencies on the accounting treatment for interest accrued during the month of	Management should ensure that a proper review of the supporting information accompanying the annual			P. Nonkevu	Manager Budget Planning and Investments

				577,47			June 2021 financial year	financial statements is done before they are submitted for audit.				
COA F 9	Cash and cash equivalents	2. Disclosure: Segment reporting- non-disclosure of factors to identify reportable segment	GRAP 18 paragraph 20(a)	Non-compliance with GRAP 18.20(a) and non-disclosure resulting misstatement.	No	No	Lack of proper review before financial statements are submitted for audit.	Management should ensure that the financial statements are properly reviewed before they are submitted for audit.			K Mehloma kulu	Chief Financial Officer
COA F 9	Cash and cash equivalents	3. Disclosure: Segment reporting-non-disclosure of aggregated segment	GRAP 18 paragraph 20(b)	Non-compliance with GRAP 18.20(b) and non-disclosure resulting misstatement.	No	No	Lack of management review of the annual financial statements before submission	Management should ensure that the financial statements are properly reviewed before they are submitted for audit.			K Mehloma kulu	Chief Financial Officer
COA F 9	Cash and cash equivalents	4. Disclosures: Fruitless and wasteful expenditure - Internal control deficiency on the preparation of the Fruitless and wasteful expenditure	MFMA circular 68	The impact of the above finding is an internal control deficiency which may result in the failure to	No	Yes	Lack of management oversight over the proper maintenance of the fruitless and wasteful expenditure	Management should ensure that the fruitless and wasteful expenditure register is prepared in a way that the register serves as a tool for			N. Majova	Manager Revenue and Expenditure Management

		register		track progress as only the current year fruitless and wasteful expenditure transactions are disclosed.			register.	recording all fruitless and wasteful expenditures and for tracking progress in dealing with the consequences flowing from such expenditures.			
COA F 9	Cash and cash equivalents	5. Disclosures: Statement of budget vs actuals - Material variances not explained	Paragraph 12(c) of GRAP 24	The non-disclosure of explanation of material differences between the budget and the actual amounts of the statement of financial position result in inadequate reporting. This omission which is a misstatement on disclosure	No	No	Lack of management oversight over the review of the Annual Financial Statements to ensure that the budget information is fairly presented as per GRAP 24.	Management should review the Annual Financial Statements to ensure that presentation of budget information is fairly presented as per GRAP 24.		P. Nonkevu	Manager Budget Planning and Investments

				in term of Grap 24.								
COA F 9	Payable	6. Trade Payables: Accruals not complete at year end	Paragrap h 24 of GRAP- 109	Payables from exchange: Accruals are understated by a projected misstateme nt amounting to R1 967 412. and expensed are understated by a projected misstateme nt amounting to R1 967 412.	Yes	No	Subsequent payments have not been analyzed to identify the accrual to be recognized at year end.	Management should on preparation of annual financial statements analyzed all supporting documents for payments made after year to determine when the time good or services have been rendered.			N. Majova	Manager - Revenue and Expendit ure Manage ment
COA F 9	Receivabl es	7. Payables- Presentation and disclosure not in accordance with GRAP 104	Paragrap h 118 of GRAP 104	The non- disclosure will result in inadequate reporting	Yes	No	Financial statements were not properly reviewed.	Management should update the annual financial statements to reflect the correct presentation and			K Mehloma kulu	Chief Financial Officer

				thus mislead the users of the financial statements.				disclosure.				
COA F 10	Compliance	1. Execution: Compliance - Revenue Management, Asset Management, AFS, APR and Annual Report, Strategic Planning & Performance Management	MFMA section 63(2)(c)	This will result in material non-compliance with the Municipal Finance Management Act and Municipal Planning and Performance Regulations. This will be reported as a qualification in the management report and the Audit Report.	No	No	Management failure to monitor and adhere to the legislated requirements	Management should ensure that the municipality comply with the laws and regulations applicable to the municipality to avoid noncompliance issues. Furthermore, management should design and implement proper controls that will assist the municipality to avoid noncompliance issues.			K Mehloma kulu	Chief Financial Officer

COA F 10	Compliance	2. Unauthorized expenditure: Reasonable steps were not taken to prevent unauthorized expenditure	Section 62(1)(d) of Municipal Finance Management Act 56 of 2003	The impact of the above finding is material non-compliance with section 62(1)(d) of Municipal Finance Management Act.	No	No	The cause of the above finding is lack of proper planning during the budgeting process.	Management should ensure that reasonable steps are taken to unauthorized expenditure.			K Mehloma kulu	Chief Financial Officer
COA F 11	Immovable assets	1. PPE: Incorrect accounting policy disclosures	section 122(1)(a) of the MFMA	Property, plant and equipment in the annual financial statements are not presented fairly and not appropriately disclosed.	No	No	Management did not implement the appropriate controls to ensure that property, plant and equipment are properly disclosed and fairly presented in the annual financial statements. This is due to inadequate reviews	Management should ensure that property, plant and equipment are properly disclosed and fairly presented in the Annual Financial Statements by implementing reviews of the Annual Financial Statements before it is signed off to be issued.			K Mehloma kulu	Chief Financial Officer

							over the financial information reported.					
COA F 12	Procurement and Contract Management	1. Execution – Contract extension not adequately done	Municipal Finance Management Act circular 62	This impact of the above finding is non-compliance with Section 116(3) of Municipal Finance Management Act 56 of 2003 which results in irregular expenditure amounting to R5 914 917	No	No	Management failed to implement proper processes to ensure that the extension of the contract meets the legal requirement.	Management should ensure that compliance with the relevant laws and regulations is always adhered to by the Municipality and that proper controls are applied and operate effectively.			Mr. Z.C Matolo	Manager Supply Chain and Fleet Management
COA F 13	Related parties	1. Execution: Related Parties not disclosed	GRAP 20.10	This will result in understatement of related parties by 1 related	Yes	No	This is caused by management's lack of adequate implementation of	Management should ensure that there are adequate controls to identify all related parties from close			Mr. Z.C Matolo	Manager Supply Chain and Fleet Management

				parties with an amount of transaction of R7 900,00.			controls to identify related parties	relationships with the councilors and management doing business with the municipality.			
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VOLUME II

ANNEXURE C: KEY PERFORMANCE INDICATORS

ANNEXURE C: KEY PERFORMANCE INDICATORS

Attached as Annexure C

Chapter: Organisational Transformation and Institutional Development –KPA 1

Annual performance as per key performance indicators in municipal transformation and organizational development

No	Indicator name	Total number of people (planned for) during the year under review	Achievement level during the year under review	Achievement percentage during the year	Comments on the gap
1	Vacancy rate for all approved and budgeted posts;	43	17	39.53%	The implemented moratorium on the filling of post was lifted in quarter 2 of 2020/21 Financial Year. The recruitment process started towards the end of a calendar year and most positions were filled in 2021/22 Financial Year.
2	Percentage of appointment in strategic positions (Municipal Manager and Section 57 Managers)	6	6	100%	The GM: Infrastructure resigned on 30 January 2019 and the CFO resigned on 30 April 2019.
3	Percentage of Section 57 Managers including Municipal Managers who attended at least 1 skill development training course within the Financial Year	6	4	66.7%	Managers were committed to other urgent work related issues.
4	Percentage of Managers in	4	4	100%	N/A

	Technical Services with a professional qualification				
5	Level of PMS effectiveness in the DM – (DM to report)	The District Municipality to report to COGTA			
6	Level of effectiveness of PMS in the LM – (LM to report)	<p>During 2020/2021 financial year employees, that is Middle Managers and staff on Task Grade (TG) 14 to 5 were assessed based on their Performance Plans.</p> <p>Submission of the (6) six section 57 managers' contract were concluded and sent to CoGTA.</p> <p>Seventeen (19) Middle Managers signed performance agreements during the 2020/2021 financial year.</p> <p>One – Hundred and seventy - eight (178) employees on TG 14 to 5 signed Individual Performance Plans (IPMS).</p> <p>Eighty – seven (87) employees were assessed during Mid-term.</p>			
7	Percentage of staff that have undergone a skills audit (including competency profiles) within the current 5 year term	335	174	52%	Budget constraints did not permit this planned target to be meet.
8	Percentage of councillors who attended a skills development training within the current 5 year term	51	51	100%	N/A
9	Percentage of staff complement with disability	2	2	100%	N/A
10	Percentage of female employees	335	164	48%	N/A
11	Percentage of employees that are aged 35 or younger	70	70	100%	N/A
12	Adoption and implementation of a HRD including Workplace Skills Plan	Workplace Skills Plan (WSP) was adopted on 25 May 2020 and 15 training intervention was planned	18 Training intervention was achieved	100%	N/A

Chapter: Basic Service delivery performance highlights (KPA 2)

Annual performance as per key performance indicators in water services (DISTRICT FUNCTION)

No	Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the FY under review (actual numbers)	Number of HH/customer reached during the FY	Percentage of achievement during the year
1	Percentage of households with access to potable water	N/A	N/A	N/A	N/A	This is the function of the Alfred Nzo District Municipality.
2	Percentage of indigent households with access to free basic potable water	N/A	N/A	N/A	N/A	This is the function of the Alfred Nzo District Municipality.
3	Percentage of households in formal settlements using buckets	N/A	N/A	N/A	N/A	This is the function of the Alfred Nzo District Municipality.

Annual performance as per key performance indicators in Electricity services

No	Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the f. year under review (actual numbers)	Number of HH/customer reached during the FY	Percentage of achievement during the year
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1	Percentage of households with access to electricity services	2630 households (H/H) were expected to benefit	7 197 H/H	3197 H/H	4525H/H	141 %
2	Percentage of indigent households with access to basic electricity services	15760 H/H	23456 H/H	15760 H/H	13269 H/H	84%
3	Percentage of indigent households with access to free alternative energy sources	6025H/H	10000H/H	6025H/H	7644H/H	126%

Annual performance as per key performance indicators in sanitation services (DISTRICT FUNTION)

No	Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the f. year under review	Number of HH/customer reached	Percentage of achievement during the year
1	Percentage of households with access to sanitation services	N/A	N/A	N/A	N/A	N/A
2	Percentage of indigent households with access to free basic sanitation services	N/A	N/A	N/A	N/A	N/A

Annual performance as per key performance indicators in road maintenance services

No	Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the f. year under review (Actual number)	Number of H/H reached during the FY	Percentage of achievement during the year
1	Percentage of households without access to gravel or graded roads	56 872H/H	232.83km	45km	63,8km	141%
2	Percentage of road infrastructure requiring upgrade	56 872H/H	694,7km	10km	12,4km	124%
3	Percentage of planned new road infrastructure actually constructed	56 872H/H	232,83km for gravel roads / 694,7km for surfaced roads	45 km for gravel roads/ 10km for surfaced roads	63,8km for gravel roads/ 12,4km for surfaced roads	2,11% for gravel roads/ 0.28% for surfaced roads
4	Percentage of Sportfield	56 872H/H	22	2	1	50%
5	Percentage of Community Halls	56 872H/H	23	0	0	0%
6	Percentage of capital budget reserved for road upgrading and maintenance effectively used.	56 872H/H	R37 171 01	R 47 783 600	R44,066,499	92%

Annual performance as per key performance indicators in waste management services

No	Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the f. year under review	Number of HH/customer reached	Percentage of achievement during the year
1	Percentage of households with access to refuse removal services	8128	N/A	8128e	8728 (Waste is removed in 3 rural areas using skip bins as transfer stations in wards 2,6 & 8.	8128
2	Existence of waste management plan (WMP)	Existing IWMP was reviewed and adopted by council. It is awaiting public participation before it can be sent to the MEC for endorsement				

Annual performance as per key performance indicators in housing and town planning services

No	Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (Actual numbers)	Target set for the f. year under review	Number of HH/customer reached	Percentage of achievement during the year
1	Percentage of households living in informal settlements	No informal settlements within the Municipality- Maluti is a less-formal township in Matatiele that was established under R293 Proclamation, the residents currently have deed of grant not title deeds.	N/A	N/A	N/A	N/A

2	Percentage of informal settlements that have been provided with basic services	N/A	N/A	N/A	N/A	N/A
4	Existence of an effective indigent policy	<p>The Indigent Policy was reviewed and adopted by the Matatiele Municipal Council on 26 March 2020 as per Council Resolution number, CR 1032/26/03/2020.</p> <p>The principles of the policy aim to;</p> <ul style="list-style-type: none"> • To ensure that the Equitable Share received annually will be utilised for the benefit of the poor only and not to subsidise rates and services charges of those who can afford to pay; • To link this policy with the Matatiele Local Municipality's IDP, local economic development (LED) initiatives and poverty alleviation Indigents; • To promote an integrated approach to free basic service delivery; and • To engage the community in the development and implementation of this policy. <p>In support of the principles the objectives of the policy are to ensure the following:</p> <ol style="list-style-type: none"> 1. The provision of basic services to the community in a sustainable manner within the financial and administrative capacity of the Council; 2. The financial sustainability of free basic services through the determination of appropriate tariffs that contribute to such sustainability through cross subsidisation; 3. Establishment of a framework for the identification and management of indigent households including a socio-economic analysis and an exit strategy; 4. The provision of procedures and guidelines for the subsidisation of basic charges and the provision of free basic energy to indigent households; 5. To ensure co-operative governance with other spheres of government; and 6. To enhance the institutional and financial capacity of the Municipality to implement the policy. 				

5	Existence of an approved SDF	An SDF (as approved in 2020) is available and has been reviewed in 2020/2021 financial year and is planned to be submitted to Council for adoption on the 28 May 2020.
6	Existence of Land Use Management System (LUMS)	LUMS in existence (since 2013). It is planned to be reviewed in 2020/2021 Financial year to be (Spatial Planning and Land Use Management Act, 2013) SPLUMA Complaint on 28 April 2021.

CHAPTER: MUNICIPAL LOCAL ECONOMIC DEVELOPMENT FRAMEWORK- (KPA 3)
Annual performance as per key performance indicators in LED

No	Indicator name	Target set for the year	Achievement level during the year (absolute figure)	Achievement percentage during the year
1	Existence of LED unit	5 Targets	3 Targets	60%
2	Percentage of LED Budget spent on LED related activities.	R11,200,000.00	R3,000,000.00	37%
3	Existence of LED strategy	Matatiele LED Strategy was successfully reviewed in 2018/2019. During the process of review of this important plan a Project Steering Committee was set up and included the following sector departments: COGTA EC, Department of Economic Development, Environment and Tourism, EDEAT, Department of Rural Development and Agrarian Reform, Department of Rural Development and Land Reform Seda, and Alfred Nzo District Municipality. The purpose of the PSC was to coordinate and hold meetings as the service provider who was appointed to develop the strategy (Urban Urcon Economists) presented on progress made on these the strategy. Subsequently the draft strategy was presented to council for endorsement. Matatiele Led strategy is due to be reviewed in 2022/23 financial year.		
4	Number of LED stakeholder forum meetings held	Four Local Economic Development Forum meetings held. These meetings were called by Led unit wherein all Led stakeholders	Four Local Economic Development Forum meetings were held in the last financial year with various stakeholders. These meetings were called by Led unit where-in all Led stakeholders	100%

No	Indicator name	Target set for the year	Achievement level during the year (absolute figure)	Achievement percentage during the year
		were invited on the same platform in order to discuss and plan local economic development programmes that could be implemented in order to stimulate the local economy.	were invited on the same platform in order to discuss and plan local economic development programmes that could be implemented in order to stimulate the local economy.	
5	Plans to stimulate second economy	Review of Matatiele LED Strategy review and Review of SMME Sector Plan were planned for 2018/19 financial year ending in June 2019.	Review of Matatiele LED Strategy review and review of SMME Sector Plan were successfully done in the last financial year 2019/2020. 'Matatiele Tourism sector plan was done in 2020/21 financial year. During the process of development and review of these important plans a project steering committee was set up for Tourism and Agriculture. The purpose of the PSC was to coordinate and hold meetings as the service providers presented on progress made on these two plans. Subsequently these plans were presented to the council where endorsements were made to these plans. The Tourism sector plan is the only plan	75%

No	Indicator name	Target set for the year	Achievement level during the year (absolute figure)	Achievement percentage during the year
			that has not been presented to councillors it has been developed during 2020/2021 financial year.	
6	Percentage of SMME that have benefited from a SMME support program	Support 10 SMMEs and Cooperatives with funding support by June 2021	<p>Six (4) SMMEs were supported with goods and services by Matatiele Local Municipality, LED unit during 2020/2021 financial year.</p> <p>(1) Makene Trading who was supported by bakery equipment,</p> <p>(2) Dipepelwana trading and projects who was supported by bakery equipment,</p> <p>(3) Mokhesi group was supported by animal feed'</p> <p>(4) Khulubuse Magongolo Trust was supported by animal feed. The total amount of expenditure that was spent to these SMMEs is R400,000.00.</p>	50%
7	Number of job opportunities created through EPWP	Create 430 jobs Opportunities through Extended Public Works Programmes by June 2021	430 Jobs were created through EPWP programme, these programmes include infrastructure related jobs like paving street and	100%

No	Indicator name	Target set for the year	Achievement level during the year (absolute figure)	Achievement percentage during the year
			surfacing of access roads, waste management programme and cleaning programmes.	
8	Number of job opportunities created through PPP	Partnership between Coega Development agency and Department of Public Works and Department of Health in the field of Construction services	A partnership between Coega Development Agency, Department of Public Works and Department of Health was signed in the field of Construction and related services in 2017. The partnership was to construct and develop Khutsong TB Hospital in Matatiele. The budget made available for this was R750 million to service the construction programme over a period of five years. Total of jobs crated so far is 2000. These jobs are spreading in the services of Electricity, Construction, Plumbing and paving.	0%

Chapter: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT (KPA 4)
Annual performance as per key performance indicators in financial viability

No	Indicator name	Target set for the year R(000)	Achievement level during the	Achievement percentage during
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			year R(000)	the year
1	Percentage expenditure of capital budget	R188 712	R147 468	78%
No	Indicator name	Target set for the year (35%) R(000)	Achievement level during the year R(000)	Achievement percentage during the year vs the operational budget
2	Salary budget as a percentage of the total operational budget	R 439 610	R 118 922	27%
4	Total municipal own revenue as a percentage of the total actual budget	R 97 974	R68 561	70%
5	Rate of municipal consumer debt reduction	Reduce Revenue debt by R3,000,000.00	Q1 .Opening balance R146 601 769 Closing balance R185 547 112 Increase R38 945 343 Q2 Opening balance R177738861 ,43 Closing balance R161396173 ,08 Reduction R16342688, 35 Q3 As at 31 March 2021 debt is reduced by R5 472 980,19 and that is over achievement of the target.	182 %
6	Percentage of MIG budget appropriately spent	R 60 335	R60 335	100%
7.	Percentage of MSIG budget appropriately spend	N/A	N/A	N/A
8	AG Audit opinion	Unqualified Without finding	Unqualified with findings	N/A
9	Functionality of the Audit Committee	4 sitting planned	5 sitting achieved	125%
10	Submission of AFS after the end of financial year	31 August 2021.	25 August 2021.	100%

Chapter: GOOD GOVERNANCE AND PUBLIC PARTICIPATION- (KPA 5)

No	Indicator name	Target set for the year R(000)	Achievement level during the year R(000)	Achievement percentage during the year
1	% of ward committees established	26 ward committees established	26 ward committees established	100%
2	% of ward committees that are functional	26 functional ward committees	18 functional ward committees	70% 8 wards are not sitting and submitting reports on a monthly basis. A scheduled programme implemented by municipal staff to assist in ensuring that the meetings take place and reports submitted.
3	Existence of an effective system to monitor CDWs	The CDW Coordinator has integrated within the municipal governance systems, specifically Public Participation Services Unit. This makes it easier to have consolidated monthly reporting for consumption of council structures.		
4	Existence of an IGR strategy	PLEASE REFER TO THE INFORMATION VERIFIED & SENT TO MS LEBENYA		
5	Effective of IGR structural meetings			
6	Existence of an effective communication strategy	<p>Matatiele local Municipality has development of a coherent, coordinated and integrated Local Government Communication System, structures and processes that respond to communication challenges and needs of communities within Matatiele municipal area.</p> <p>The current Communications plan was developed and adopted by council in 2021 and a new 5 year communication strategy & plan will be developed post 2021 local government elections.. In this FY, Communications Action Plan was reviewed by Cllrs. on 30 September 2020.</p> <p>It is the Communications team that ensured the implementation of the</p>		

		strategy as following: 13 Communications programmes actioned as follows: 1) - One Communication action plan reviewed on 30 September 2020. 2) - Five IGR Forum meetings held as follows: 17th September 2020, 01 December 2020, 24 March 2021, 17 May 2021 and 22 June 2021. 3) - Three LCF meetings held as follows: No LCF meeting in Q1 due to lockdown regulations, 27th of October 2020, 30 March 2021 and 24 June 2021. 4) Four out of 6 billboards installed. 5) 1 Media partnership established with The Voice of Matat in May 2021. 6) December 2020 newsletter produced together with information sheets.		
7	Number of mayoral imbizos conducted	Conduct 4 Public Participation Programmes (PPP) by 30 June 2021	<p>1 contractor handover of Luxeni A/R was held on 25/02/2021.</p> <p>Project visit to Taylor Bequest hospital with MEC of Public Works & Infrastructure held on 17/02/21.</p> <p>Handover of seedlings by Cllr Tsoloane on 03/03/21 to Bophelong Support Group in ward 25.</p> <p>Mayoral business advisory meeting held on 02/03/21.</p> <p>Handover of 206 temporal shelters by the Mayor on 04/03/21.</p> <p>Loud hailing on COVID-19 awareness done at Nkau & Mpharane on 11/03/21.</p> <p>Handover of 40 school shoes at Black Diamond & opening of Cedarville sports centre by Cllr. Shale on 26/03/21.</p> <p>Handover of sanitary towels to Isipho SaMahlubi NGO by Cllr. Bono on 24/03/21.</p> <p>Gold Rush and EC Gambling Board handed over Maths, Science & Technology Kits to the Lukholweni SPS on 31/03/21.</p>	100%

			<p>The SOMA was held at Matolweni village on 27th of May 2021.</p> <p>Coordinated 26 state of the ward addresses where cllrs presented 2016-21 reports on TVOM FM.</p> <p>The Mayor handed over contractors for electrification in wards 5, 7, 9, 12, 18, & 22 from 17-21/06/21.</p> <p>Contractor site handover for Mohapi A/R on 29/06/21.</p> <p>Eleven designated groups empowerment programmes conducted as follows: 43 students registered at institutions of higher learning bursaries paid for two MLM bursary holders. Christmas party for OVCs replaced with Children Empowerment programme on 24 June 2021 at Bethel Village, Phuthanang Pre-School. Conducted 4 Mayoral Cup Cluster games in June on the following dates: 5-6 June, 12-13 June, 19-20 June and 26-27 June 2021. Four LAC meetings held as follows: 15 September 2021, 12 November 2020, 23 March 2021 and 10 May 2021. Handed over blankets and hats to 06 elderly people in each ward as part of grandparent day commemoration on the 28 – 30 June 2021.</p> <p>Conducted 4 Mayoral Cup Cluster games in June on the following dates: 5-6 June, 12-13 June, 19-20 June and 26-27 June 2021.</p> <p>Women's Day prayer day held on 21 August 2020. World AIDS Day</p>	
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			event held on 26 November 2020.	
8	Existence of a fraud prevention mechanism	<p>The Fraud Prevention Plan was reviewed and adopted by the Matatiele Municipal Council on 30 May 2019 as per Council Resolution number, CR722/30/05/2019.</p> <p>In addition to promoting ethical conduct within the Municipality, the plan is also intended to assist in preventing, detecting and investigating fraud and corruption.</p> <p>This dynamic document details the steps, which have been, and will continually be taken by the Municipality to promote ethical conduct and address fraud and corruption.</p> <p>The purpose of the fraud prevention plan is summarized as follows:</p> <ul style="list-style-type: none"> • Encouraging a culture within the Municipality where all employees, the public and other stakeholders continuously behave ethically in their dealings with, or on behalf of, the Municipality; • Improving the application of systems, policies, procedures and regulations; • Encouraging all employees and other stakeholders to strive towards the prevention and detection of fraud and corruption impacting or potentially impacting on the Municipality <p>This plan applies to all corruption, fraud, theft, financial misconduct and suspected irregularities of this nature.</p> <p>It is the policy of the Municipality that fraud, or any other dishonest activities of a similar nature will not be tolerated. Such activities will be investigated and actions instituted against those found responsible. Such actions may include the laying of criminal charges, civil and administrative actions and the Municipality recoveries where applicable.</p> <p>It is the responsibility of all employees to report all incidents of fraud and corruption that may come to his/her attention to his/her supervisor. Alternatively, such reports can be made by way of submitting a report through the prescribed whistle blowing mechanism.</p>		

		All managers are responsible for the detection, prevention and investigation of fraud and corruption within their areas of responsibility.
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ANNEXURE D: OVERSIGHT REPORT ON 2020/2021 ANNUAL REPORT

MATATIELE LOCAL MUNICIPALITY



MATATIELE
LOCAL MUNICIPALITY

OVERSIGHT REPORT ON 2020/21 ANNUAL REPORT

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**MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC) REPORT
TO BE PRESENTED TO THE SPECIAL COUNCIL MEETING ON THE 29 MARCH 2022
AS AN OVERSIGHT REPORT ON THE 2020/2021 ANNUAL REPORT**

1. INTRODUCTION

The 2020/21 Annual Report for the Matatiele Local Municipality (EC441) was tabled at the Ordinary Council meeting held on the 27 January 2022 in terms of section 127(2) of the Local Government: Municipal Finance Management Act, 56 of 2003.

The purpose of the Municipality's Annual Report is to:

- 1) Provide a record of the activities of the municipality
- 2) Provide a report on performance in service delivery relative to the budget
- 3) Provide information that supports the revenue and expenditure decisions made
- 4) Promote accountability to the local community for decisions made

The oversight report is the final major step in the annual reporting process of a municipality. The oversight report is separate from the Annual Report. The Annual Report is submitted to the Council by the Mayor and is a part of the process for discharging responsibility by the executive and administration for their performance in achieving objectives and goals set by the municipality in the relevant financial year.

The oversight report follows consideration and consultation on the Annual Report and is considered to be a report of the municipal Council to the community disclosing the level of success or otherwise obtained with meeting the priority needs and stated desires of the community as contained in the IDP.

2. LEGISLATIVE MANDATE

Section 129 (1) of the Municipal Finance Management Act (Act No 56 of 2003) states that the Council of the Municipality must consider the Annual Report of the Municipality and by no later than two months from the date on which the Annual Report was tabled in the Council, adopt an Oversight Report containing the Council's comments on the Annual Report, which must include a statement whether the Council has:

1. Approved the Annual Report with or without reservations;
2. Rejected the Annual Report; or
3. Has referred the Annual Report back for revision on those components that can be revised.

3. THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC)

The Municipal Public Accounts Committee members were elected on the 29 November 2021 at the special Council meeting in terms of resolution number **CR 13/29/11/2021**. The committee is composed of nine (09) members including its Chairperson.

4. COMMENTS ON THE ANNUAL REPORT

The draft 2020/21 annual report (**46/27/01/2022**) was made public on the Municipal Website on the 28th January 2022 and published on the East Griqualand local newspaper on 28 January 2022.

As yet there are no comments or representations received.

On the review of the Annual Report MPAC considered the following:

Audited Annual financial statement audit report

- On the audit report we have noted that office of the Auditor General has identified an unauthorized expenditure of (R69.6 million) on non – cash items and irregular expenditure of (R7,2 million).
- On the audit committee report: management assured the MPAC that they endeavor to adhere to the Audit Committee recommendations in order to improve on issues of risk management, internal controls as well governance.
- On the Audit Opinion: management assured and committed that the municipality will not regress on the audit outcome and will continue to improve on the unqualified audit status.
- On the audit improvement plan: the committee notes the effort made by the management regarding the development and implementation of audit improvement plan for 2020/2021 financial year in order to address AG findings.

Investigations

- MPAC will conduct an investigation on unauthorized, irregular, fruitless and wasteful expenditure as by office of the Auditor General for year 2020/2021.
- The investigation will be done through the Internal audit office that is responsible to provide a technical support to MPAC.
- Internal audit will outsource the services, since as per their standard are prohibited to conduct investigations, but to notify the Accounting Officer whenever there are areas of concern that needs investigations.
- The process of outsourcing the service provider to conduct the investigation is in progress.
- The office of the Municipal Manager will ensure that the investigation process is completed before the end of financial period.

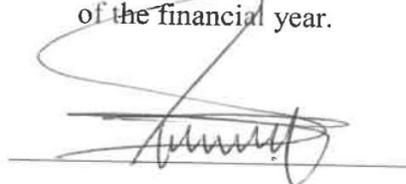
5. RESERVATIONS

Following the analysis of the annual report, the Municipal Oversight Committee has no reservations on the approval of the 2020/21 Annual Report.

6. RECOMMENDATIONS

The Municipal Public Accounts Committee (MPAC) recommends that:

1. Council approves the Oversight report on the 2020/21 annual report in terms of section 129 (1) (a) of the Local Government Municipal Finance Management Act No. 56 of 2003 without reservations.
2. That, the 2020/2021 Oversight report of the Matatiele Local Municipality is made public in terms of Section 129(3) of the Local Government Municipal Finance Management Act No. 56 of 2003.
3. The MPAC report be submitted to the provincial legislature in terms of section 132(2) of the Local Government Municipal Finance Management Act No. 56 of 2003.
4. That the council notes that the MPAC will conduct investigation on unauthorized, irregular and fruitless & wasteful expenditure reported in the audit report for 2020/2021 financial year with the assistance of the internal audit and come back to report to the council before the end of the financial year.



CLLR. M.S MOKHESI

CHAIRPERSON: MPAC