

# MUSINA LOCAL MUNICIPALITY



## 2020/2021 ANNUAL REPORT



## TABLE OF CONTENT

DESCRIPTION	PAGE NO.
<b>CHAPTER 1: MAYOR'S FOREWORD AND EXECUTIVE SUMMARY</b>	9
Component A: Mayor's Foreword	10
A1. Introduction	10
A2. Key Policy Developments	11
A3. Key Service Delivery Improvements	11
A4. Public Participation	12
A5. Agreements/ Partnerships	12
A6. Future Actions	12
A7. Conclusion	12
Component B: Executive Summary	13
B1. Municipal Manager's Overview	13
B2. Municipal Powers and Functions	16
B3. Population Details	18
<b>CHAPTER 2: GOVERNANCE</b>	20
Component A: Political and Administrative governance	21
A1. Introduction	21
A2. Political governance	21
A3. Overview public accountability and participation	21
A4. Public Meetings	22
A5. Section 79 Committees	27
A6. Administrative Governance	27
Component B: Intergovernmental relations	39
B1. Introduction to Cooperative Governance and Intergovernmental Relations	39
B2. District Intergovernmental Structure	39
B3. Provincial Intergovernmental Structure	40
Component C: Public Accountability and Participation	40
C1. Introduction	40
C2. Overview of Public Accountability and Participation	41
C3. Effectiveness of Public Meetings	41
C4. Communications, Participation and Forums	42
C5. Ward Committee Meetings and Ward Committee Establishment	42
C6. IDP Participation and Alignment	43
C7. IDP Development, Review and Implementation	43
Component D: Corporate Governance	45
D1. Risk Management	45
D2. Fraud and Anti-corruption Strategy	46
D3. Supply Chain Management	47
D4. By-Laws	48
D5. Website	49
D6. Audit Committee	49
<b>CHAPTER 3: SERVICE DELIVERY PERFORMANCE</b>	53
Component A: Basic Services	54
A1. Introduction	54
A2. Electricity Service Delivery Performance	54
A3. Waste Management	56
A4. Housing	58
Component B: Road Transport	59



Component C: Planning and Development	60
Component D: Community and Social Services	63
D1. Licensing	63
D2. Traffic	64
D3. Library Services	64
D4. Cemeteries	65
D5. Community Halls	65
Component E: Environmental Protection	65
E1. Environmental Issues	65
Component F: Health	65
F1. Clinics, Ambulances and Health Inspection	65
Component G: Security and Safety	65
G1. Police and Fire Services, Disaster Management	65
Component H: Sport and Recreation	65
H1. Community Facilities	65
Component I: Corporate Policy and Other Services	66
I1. Financial Services	66
I2. Human Resource Services	66
I3. ICT Services	67
Component J: Miscellaneous	68
Component K: Organizational Performance Scorecard	68
K1. Performance Management	69
K2. Predetermined Objectives	70
K3. Service Providers Performance	70
Component L: Economic Activities by Sector Area	72
Component M: Annual Performance Report	73
<b>CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE</b>	93
Component A: Introduction to Municipal Personnel	94
A1. Services Statistics	94
A1.1 Municipal Manager	95
A1.2 Corporate Services	95
A1.3 Budget and Treasury	96
A1.4 Technical Services	96
A1.5 Community Services	97
A1.6 EDP	97
Component B: Workforce Management	98
B1. Approved and Reviewed Policies	98
B2. Terminations	99
B3. Promotions	99
B4. Injuries and Sickneses	99
Component C: Capacitating Municipal Workforce	100
C1. Skills Development Facilitator	100
Component D: Managing the Workforce Expenditure	101
D1. Employee Expenditure	101
<b>CHAPTER 5: FINANCIAL PERFORMANCE</b>	102



Component A: Statement of Financial Statement	103
Component B: Managing workforce Expenditure	105
Component C: Spending against Capital Expenditure	108
Component D: Cash Flow Management and Investment	110
Component E: Other Financial Matters	113
<b>CHAPTER 6: AUDITOR GENERAL AUDIT FINDINGS</b>	<b>115</b>
Component A: Auditor General's Opinion	116
Component B: Audit Committee Comment	125
Component C: Audit Action Plan	128
<b>APPENDICES</b>	<b>147</b>
Appendix A: Councillors, Committee Allocation and Council Attendance	148
Appendix B: Committee and Committee Purpose	152
Appendix C: Third Tier Administrative Structure	153
Appendix D: Functions of the Municipality/ Entity	153
Appendix E: Ward Reporting	155
Appendix F: Ward Information	164
Appendix G: Recommendations of the Municipal Audit Committee	165
Appendix H: Long Term Contracts and Public partnerships	168
Appendix I: Municipal Entity/ Service Provider performance schedule	168
Appendix J: Disclosures of Financial Interests	169
Appendix K: Revenue Collection Performance	170
Appendix L: Conditional Grants Received Excluding MIG	170
Appendix M: Capital Expenditure New/ Upgrade/ Renewal Programmes including MIG	171
Appendix N: Capital Programme by Projects	171
Appendix O: Capital Programmes by projects per Ward	173
Appendix P: Service Connection Backlogs at Schools and Clinics	173
Appendix Q: Service Backlogs experienced by Community where another Sphere of Government is Responsible for Service Provision	173
Appendix R: Declaration of Loans and Grants made by Municipality	174
Appendix S & T: Declaration of Returns not made in due time under MFMA Section 71	174
Appendix U: Annual Financial Statements	174



## ACRONYMS

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



VDM : Vhembe District Municipality  
WSP : Work Skill Plan



## CATEGORY OF MUNICIPALITY

Grade 04 Local Municipality

## REGISTERED OFFICE

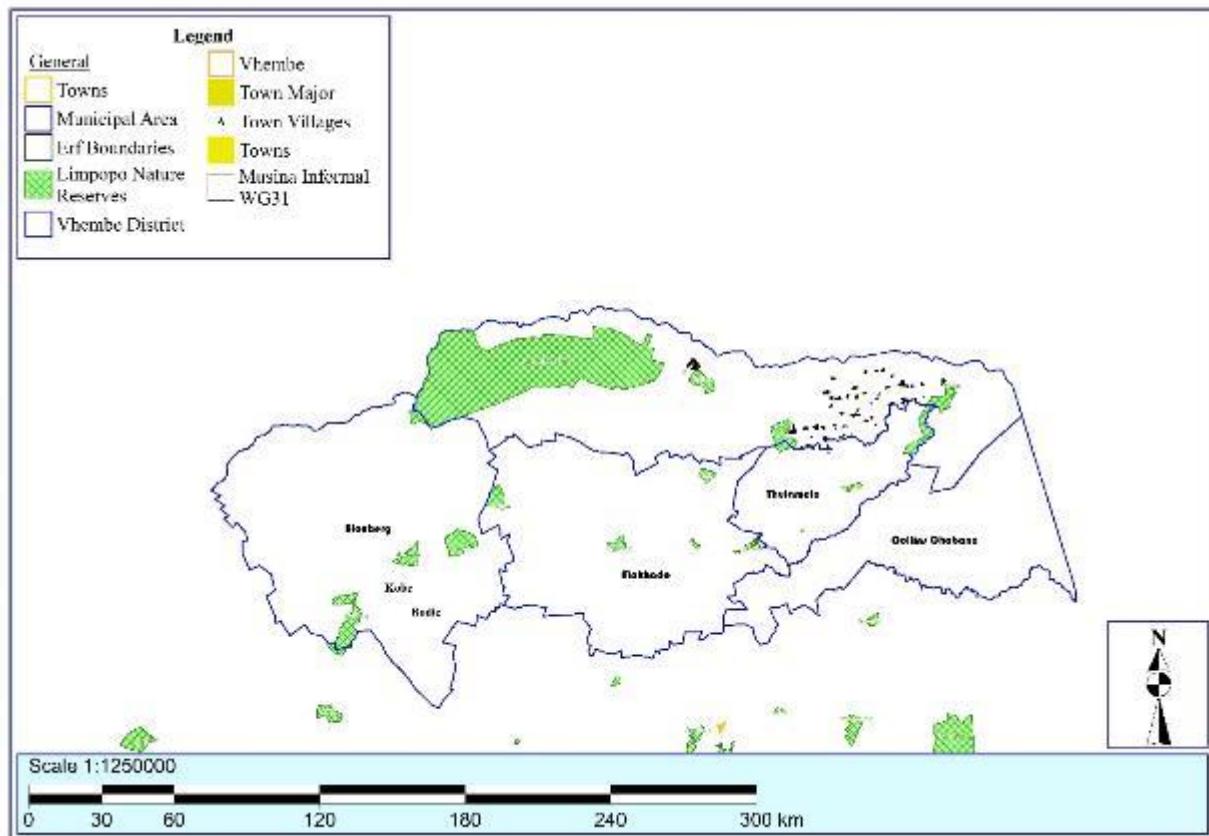
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0900

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Musina  
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## BANKERS

ABSA BANK





## **VISION**

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

## **MISSION**

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

## **MUNICIPALITY'S BROAD OBJECTIVES**

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



# **CHAPTER 1**

# **MAYOR'S FOREWORD AND**

# **EXECUTIVE SUMMARY**



## COMPONENT A: MAYOR'S FOREWORD



**Councillor Mawela Nkhanezeni Godfrey**  
Mayor: Musina Local Municipality

As a responsible municipality, we are guided by our **Mission** and **Vision** statements which serve as a blueprint for our developmental programmes. The statements read as follows:

**Mission: “Vehicle of affordable quality services and stability through socio-economic development and collective leadership”**

**Vision: “To be the vibrant, viable and sustainable gateway city to the rest of Africa”**

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

### **A1. INTRODUCTION**

It is a pleasure for me to present Musina Local Municipality 2020/2021 Draft Annual Report to our residents and other interested parties. The 2020/2021 Draft Annual Report gives a detailed review of the municipality's activities on actual performance at the end of the fiscal year reporting and further reporting on how the IDP and budget were implemented. It also describes the work of the municipality in fulfilling its Constitutional mandate and in meeting its obligations as dictated by the applicable local government legislation. Despite the effects of the economic difficult times caused by the National Corona Virus Pandemic, the municipality continued to provide quality service delivery to our community.

This report records the progress made by the Municipality in fulfilling its objectives as reflected in the Integrated Development Plan (IDP), the Budget and the Service Delivery and Budget Implementation Plan (SDBIP). It also reflects on challenges and priorities for the 2020/2021 financial year. Chapter 12 of MFMA Section 121 (1) stipulates



that every municipality must for each financial year, prepare an Annual Report following this Chapter. MLM has compiled the Annual Report to comply with legislation to give members of the community and all stakeholders the performance of the municipality as to how the IDP and budget were implemented.

## **A2. KEY POLICY DEVELOPMENTS**

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

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

## **A3. KEY SERVICE DELIVERY IMPROVEMENTS**

Let me take this opportunity to give a summary of the service delivery report in our Municipality. Our municipality is comprised of 12 wards, 24 councillors, four senior traditional leaders who seat in the council, 68 943 households, and a population of approximately 132 000 people. In terms of electricity supply, Musina Local Municipality is a license holder in the urban area. Electricity in the villages and some of the farming areas is supplied by Eskom. There is no serious backlog on electricity supply in the urban areas of Musina. We are working with Eskom to address the backlog in rural areas, especially where we have extensions and new settlements.

All areas in the urban areas of Musina have access to water daily. The majority of our villages have street taps but some villagers still complain of serious water shortages. This is being addressed by the implementation of the multi-million rand Luphephe Nwanedi Regional Water Scheme. We do not have serious challenges when it comes to refuse removal in various households in our municipality. Public institutions, government buildings and commercial properties are serviced on daily basis. Together with Coghsa, we have managed to allocate 57 houses in the financial year we are bringing to an end the remaining 23.

During the 2020/2021 financial year, the municipality provided free services to more than 3 596 indigent families at a cost of over an R4million. These are the people whose joint family monthly income is three thousand five hundred rands or less. Each beneficiary of the municipality's indigent policy receives 6 kilolitres of water, 55 kilowatts of electricity, and a hundred percent free sewer and refuse removal services every month.

Below are some of the Multiyear projects that the municipality undertook during the 2020/2021 financial year:

- Construction of the access road to Nancefield Central streets (p. segwari- J. Chisanga).



- Construction of the paved road in Nancefield phase 6 to 12.
- Construction of the paved road in Nancefield Ext 9&10.
- Construction of the Multi-Purpose Centre (Indoor Sport and Disability Centre).
- Construction of Muswodi Community Hall.
- Construction of Manenzhe Sports Facility.
- Construction of Tshovhobongweni Bridge.

#### **A4. PUBLIC PARTICIPATION**

Councillors and ward committees have the responsibility of conducting public meetings in their respective wards and submitting monthly reports to the Speaker. During the year under review, only 11 public meetings were held in 12 wards due to the challenge of the National Lockdown Pandemic. The public participation process is used to inform communities about the success and challenges that the municipality encounter during service delivery. Public participation sessions were conducted through the 2020/2021 IDP and Budget process where communities were allowed to raise their needs to be incorporated in the 2020/2021 IDP and budget. Out of the total needs raised, only prioritized and budgeted needs were incorporated in the reviewed 2020/2021 IDP and budget.

#### **A5. AGREEMENTS / PARTNERSHIPS**

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

#### **A6. FUTURE ACTIONS**

Below are some of the Multiyear projects that the municipality will take in the 2021/2022 financial year:

- Construction of the access road to Nancefield Central streets (p. segwari- J. Chisanga).
- Construction of the paved road in Nancefield phase 6 to 12.
- Construction of the Mberengeni Graveyard Fence
- Construction of Muswodi Community Hall.
- Construction of Tshikudini Community Hall
- Construction of Tshovhobongweni Bridge
- Rehabilitation of the Lesley Manyathela Stadium

#### **A.7 CONCLUSION**

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

  
\_\_\_\_\_  
CLLR MAWELA NG  
MAYOR



## COMPONENT B: EXECUTIVE SUMMARY



**Mr NT Tshwanammbi**  
Municipal Manager: Musina Local Municipality

### **B1. MUNICIPAL MANAGER'S OVERVIEW**

Musina local municipality was established in terms of the Municipal Structures Act, 117 of 1998, which provides for the establishment of municipalities, their categories, competencies, powers and functions. It is a category 4 plenary Council consisting of 24 Councillors, 12 of which are ward councillors. The municipality falls within the Vhembe District Municipality, which is made up of four local municipalities, namely Musina, Makhado, Thulamela and Collins Chabane local municipalities.

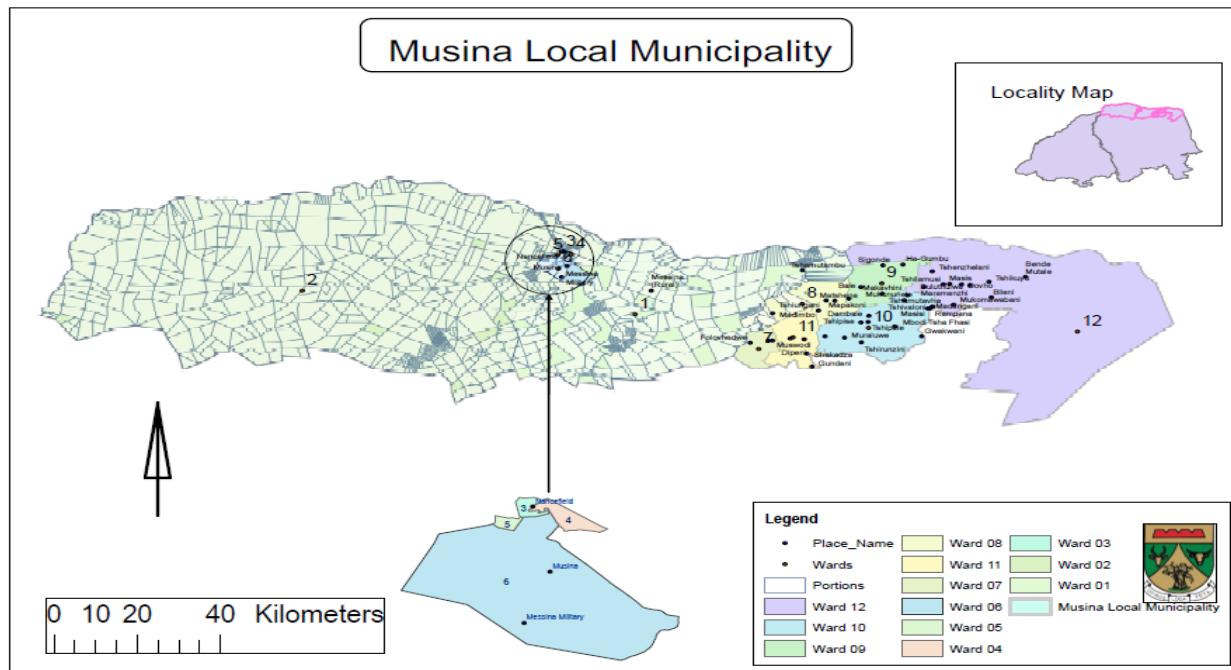
Musina Local Municipality is located in the most northern part of the Limpopo Province, bordering Botswana and Zimbabwe. It covers an area of approximately 757 829sqm that extends from the confluence of the Mogalakwena and Limpopo rivers in the West to the confluence of the Nwanedi and Limpopo rivers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

Representing the administrative wing of the municipality, we would like to thank all stakeholders who gave their time, energy and resources to contribute to the success of the municipality during the 2020/2021 financial year. Despite the challenges of the National Covid-19 pandemic we faced as a nation, we encountered many constructive plans, we are satisfied that we managed to succeed in some although we had limited resources and a shoestring budget. We have recorded many achievements but we acknowledge that there is still much to be done in our quest to bring a better life to all the people of Musina.

We, therefore, call upon everyone to play their role in the betterment of service delivery initiatives in our municipality. Let us continue to improve the lives of our people together.



## SPATIAL LOCATION MUSINA



Source: Musina Local Municipality

The map above depicts Musina local municipality's spatial location and also the location of the wards boundaries

Table 1 Strategic opportunities and Major challenges

STRATEGIC OPPORTUNITIES	MAJOR CHALLENGES
Declared Special Economic Zone and Provincial growth point	Land availability for new developments
Mining, Agriculture and Tourism	The influx of undocumented foreign Nationals
Geographic location(gateway to SADC region)	Bulk Electricity capacity
	Bulk water supply
	Maintenance and operation of ageing infrastructure

Source: Musina Local Municipality

Table 2 Birth and Death by Hospital

Birth and Death by Hospitals												
Hospital names	Number of births			Number of Deaths			Number of births			Number of Deaths		
	2018/19						2019/20					
	Total	Male	Female									
Messina Hospital	1031	562	469	242	108	134	1225	640	585	256	115	141

Source: Dept. Health, 2019



Table 5.3. HIV and AIDS District Indicator Data/prevalence

District	Vhembe District Municipality	Period	IndType	SortOrder	IndicatorName	Indicator	Period	Grand Total							
Type	(All)														
Ownership	(All)														
Province	(All)														
IndGroup	HIV														
Indicator															
106	Female condom distribution coverage (annualised)	No	0.3	0.7	0.4	0.5	0.5	0.7	0.5	0.3	0.3	6.2	0.5	0.5	1.0
107	HIV positive patients screened for TB rate	%	94.1	97.8	102.7	101.8	93.6	106.8	165.3	175.0	156.6	157.0	198.4	204.9	136.7
108	Male condom distribution coverage (annualised)	No	30.5	38.3	19.4	24.3	33.1	37.4	74.2	33.2	24.8	35.7	34.3	22.3	33.9
109	HIV positive new client initiated on IPT rate	%	52.5	57.8	68.5	86.4	83.1	69.5	65.2	72.2	70.2	75.3	75.1	80.2	71.6
110	HIV testing coverage (annualised)	%	34.0	35.4	32.6	38.3	35.2	36.4	40.2	38.1	31.1	38.3	34.9	37.1	36.0
111	HIV prevalence amongst client tested 15-49 years rate	%	6.9	5.6	6.5	5.2	5.7	5.7	5.2	5.5	5.2	5.7	5.2	5.2	5.6
112	TB/HIV co-infected client initiated on ART rate	%	36.3	38.3	29.7	39.1	36.7	33.2	46.9	36.8	36.0	36.9	38.8	41.2	37.4
113	TB/HIV co-infected client initiated on CPT rate	%	52.7	52.2	42.8	69.7	60.6	65.3	65.6	51.1	69.1	62.2	49.7	69.5	58.9
114	Sexual assault prophylaxis rate	%	78.8	70.3	60.6	70.3	59.8	75.9	72.6	65.6	70.3	68.9	66.3	69.7	69.0

#### CHILD MORTALITY RATE (%)/1000 LIVE BIRTH 2019

MUSINA HOSPITAL	
INFANT MORTALITY RATE	10.9
UNDER 1	10.9
UNDER 5	6.8

Source: Dept. Health, 2019



Table above indicate the HIV and AIDS data in the district municipality, in which HIV prevalence amongst client tested 15-49 years rate for May 2013 is 5.6% and in March 2014 is 5.2%.

## **B2. MUNICIPAL POWERS AND FUNCTIONS**

Table 3 below exhibits the powers, duties, and responsibilities assigned to Musina Local municipality and district municipality. It lists all the matters listed in Schedule 4B and 5B of the Constitution and the division between local and district municipality in terms of sections 84 (1) and 2 of the structures Act. The Schedule 4B and Schedule 5B matters are listed in the first column of the table, followed by the division of that competency between the district and local municipalities in the second and third columns.

Constitution: Competency Schedule 4B	The division in section 84(1) and (2) of the Municipal Structures Act	
	District municipality – s 84(1)	Musina Local municipality – s 84(2)
Air Pollution	No Powers	Full Powers in the Area of Jurisdiction
Building regulations	No Powers	Full Powers in the Area of Jurisdiction
Child Care Facilities	No Powers	Full Powers in the Area of Jurisdiction
Electricity and Gas Reticulation	Bulk Supply of electricity, which includes for such supply, the transmission, distribution, and where applicable the generation of electricity	Reticulation of Electricity
Fire Fighting Services	Firefighting services serving the area of the district municipality as a whole, which includes – (i) planning, co-ordination and regulation of fire services (ii) specialised firefighting services such as mountain, veld and chemical fire services (iii) co-ordination of the standardisation of infrastructure, vehicles, equipment and procedures (iv) training of fire officers	Remaining Powers in the Area of Jurisdiction
Local Tourism	Promotion of local tourism for the area of the district municipality (Does not include regulation and control of tourism industry)	Remaining Powers in the Area of Jurisdiction
Municipal Airports	Municipal airports serve the area of the district municipality as a whole. Establishment, regulation, operation and control of airport facility that serves the area of the district municipality	Airports that serve only the local municipality
Municipal Planning	Integrated development planning for the district municipality as a whole, including a framework for integrated development plans of all municipalities in the area of the district municipality	Integrated Planning for the Area of the Local Municipality
Municipal Health Services	Full Powers	No Powers
Municipal Public Transport	Regulation of passenger transport services	Establishment, operation, management and control of a municipal public transport service over- or underground for the area of the local municipality subject to district municipality's



		regulation
Municipal Public Works	Municipal public works relating to any of the above functions or any other functions assigned to the district municipality	Municipal public works relating to any of the above functions or any other functions assigned to the district municipality
Storm-water management systems	No Powers	Full Powers in the Area of Jurisdiction
Trading Regulations	No Powers	Full Powers in the Area of Jurisdiction
Water and Sanitations Services limited to potable water supply systems and domestic wastewater and sewage disposal systems	Potable Water Supply Systems, Domestic Waste-Water Disposal Systems	No Powers
Constitution: Competency Schedule 5B	The Division in sections 84(1) and (2) of the Municipal Structures Act	
	District Municipality- Section 84(1)	Local Municipality- Section 84(2)
Billboards and Display of Advertisements in Public Places	No Powers	Full powers in the area of jurisdiction
Cemeteries, Funeral Parlours and Crematoria	The Establishment, Conduct and Control of Cemeteries and Crematoria serving the Area of a major proportion of municipalities in the district	Remaining Powers in the Area of Jurisdiction
Cleansing	No Powers	Full Powers in the Areas of Jurisdiction
Control of Public Nuisances	No Powers	Full Powers in the Areas of Jurisdiction
Control of Undertakings that Sells Liquor to the Public	No Powers	Full Powers in the Areas of Jurisdiction
Facilities for the Accommodation, Care and Burial of Animals	No Powers	Full Powers in the Areas of Jurisdiction
Fencing and Fences	No Powers	Full Powers in the Areas of Jurisdiction
Licensing of Dogs	No Powers	Full Powers in the Areas of Jurisdiction
Licensing and Control of Undertakings that Sell Food to the Public	No Powers	Full Powers in the Areas of Jurisdiction
Local Amenities	No Powers	Full Powers in the Areas of Jurisdiction
Local Sport Facilities	No Powers	Full Powers in the Areas of Jurisdiction
Markets	Establishment, operation, management, control and regulation of fresh produce markets...serving the area of a major proportion of municipalities in the district Restricted to markets that sell fresh products, such as vegetables, flowers and meat and excluding car markets, utensils, souvenirs	Remaining Powers in the Area of Jurisdiction
Municipal Abattoirs	Establishment, operation, management, control and regulation of abattoirs...serving the area of a major proportion of municipalities in the district	Establishment, operation, management, control and regulation of abattoirs that serve the area of the local municipality only
Municipal Parks and Recreation	No Powers	Full Powers in the Area of Jurisdiction
Municipal Roads	Municipal roads which form an integral part of a road transport system for the area of the district municipality as a whole The establishment, operation, management, control and regulation of roads that link local municipalities within the district, fall under the authority of the district municipality	The establishment, operation, management, control and regulation of roads that serve the area of the local municipality



Pounds	No Powers	Full Powers in the Area of Jurisdiction
Public Places	No Powers	Full Powers in the Area of Jurisdiction
Refuse Removal, Refuse Dumps and Solid Waste Disposal	Solid waste disposal sites, insofar as it relates to – (i) the determination of a waste disposal strategy (ii) the regulation of waste disposal (iii) the establishment, operation and control of waste disposal sites, bulk waste transfer facilities and waste disposal facilities for more than one local municipality in the district	Remaining powers in the area of jurisdiction, including the establishment, operation, management, control and regulation of refuse dumps and of solid waste disposal sites that serve the area of
Street Trading	No Powers	Full Powers in the Area of Jurisdiction
Street Lighting	No Powers	Full Powers in the Area of Jurisdiction
Traffic and Parking	No Powers	Full Powers in the Area of Jurisdiction

### **B3. POPULATION GROWTH TRENDS**

Table 4 below depicts results from Census 2001 and Census 2011 and Community Survey 2016 comparisons with Vhembe District municipality; Musina local municipality in 2001 population was at 39 310 and by Census 2011 the population was at 68 359, and by Community Survey 2016 the population is at 132 009. The population growth from the 2001 Census, 2011 Census, and Community survey 2016 is at 63 650. Musina local municipality population growth is 63 650 compared to the District municipality's population growth of 99 228.

**TABLE 4 Population growth trends in Musina Local municipality**

CENSUS 2001(MUSINA)	39 310
Vhembe District	11 98056
CENSUS 2011(MUSINA)	68 359
Vhembe District	1 294 722
POPULATION GROWTH(MUSINA)	29 049
Vhembe District	96 666
COMMUNITY SURVEY 2016 (MUSINA)	132009
VHEMBE DISTRICT	1393950
POPULATIONN GROWTH(MUSINA)	63 650
VHEMBE DISTRICT	99 228

**SOURCE: Census 2001, CENSUS 2011 & COMMUNITY SURVEY 2016**

Table 5 below shows that the population of Vhembe District was 1 294 722 in Census 2011 and increased to 1 393 949 from the 2016 Community Survey. The information reveals that from 2011 to 2016 the population of Vhembe has increased by 99 227 people. The district population has been increasing by 1.8 % from the 1996 -2011 census and 0.8% from 2011 census-2016 community services, which means any service delivery planning involving population size must be estimated at 0.8% increment.

Population size						
Municipalities	1996	2001	% Change	2011	% change	2016
Musina	33 061	39 310	3.5	68 359	5.5	132 009

**Source: Stats SA, Community Survey 2016**



Table 7 above depicts population groups, the dominant population group is Black Africans at 127 621 of the total population followed by Whites at 3 645 and the least population group being Coloured at 337

**Table 6: Population per group**

Municipalities	Black African	Coloured	Indian/Asian	White	Other	Total population
LIM341 : Musina	127621	337	406	3645	-	132009
<b>SOURCE: Community Survey 2016</b>						

**Table 7 Population by age group**

<b>Age - broad age groups by Geography hierarchy 2016 for Person Weight</b>	LIM341 : Musina
0-14 (Children)	40200
15-34 (Youth)	58841
35-64 (Adults)	27832
65+ (Elderly)	5135

**SOURCE: COMMUNITY SURVEY 2016**

**Table 8: Main dwelling that household currently lives in by Geography hierarchy 2016**

TYPE OF DWELLING	LIM341: Musina
Formal dwelling/house or brick/concrete block structure on a	96005
Traditional dwelling/hut/structure made of traditional mater	9898
Flat or apartment in a block of flats	137
Cluster house in the complex	62
Townhouse (semi-detached house in a complex)	105
Semi-detached house	205
Formal dwelling/house/flat/room in the backyard	12693
Informal dwelling/shack in the backyard	6733
Informal dwelling/shack not in the backyard (e.g. in an informal	2066
Room/flatlet on a property or larger dwelling/servants quart	3857
Caravan/tent	34
Other	214
Unspecified	-
<b>Total</b>	<b>132009</b>

**Source: Community Survey 2016**

The Table above depicts that the total households in Musina most of the residents are staying in formal dwellings at 96 005 and there is informal dwellings at 8 799 which indicate a backlog. The total number of households in Musina is 68 934.

  
**TN TSHIWANAMMBI**  
**MUNICIPAL MANAGER**



# **CHAPTER 2**

# **GOVERNANCE**



## COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

### A1. Introduction

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

### A2. Political governance

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

- EDP & Technical services Portfolio committee
- Corporate services Portfolio committee
- Executive Committee (EXCO)
- Financial services Portfolio committee
- Community Services Portfolio committee
- Municipal Public Accounts Committee (MPAC)

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

### A3. Overview of public accountability and participation

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

- Quarterly Community report back meetings by Ward Councillors
- Quarterly Mayoral Imbizo's
- Ward Committee monthly assessment meetings
- Annual Mayoral Address
- Half-year Progress Report by the Mayor
- Annual IDP/Budget community and focused groups' consultation meetings



#### **A4. Public meetings**

#### **COMMUNICATION, PARTICIPATION AND FORUMS**

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

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

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

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

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

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

The municipality has 24 councillors comprising of 12 ward councillors, 12 PR Councillors and 5 Traditional Leaders. There is a good relationship between councillors as they work cooperatively to achieve the set goals of the municipality. Every year there is a schedule of meetings that is approved by the council, to ensure that all committees meet regularly to discuss administrative, performance, and service-delivery issues. Councillor's participation in various committees is satisfactory. For the year under review, the council held 3 ordinary and 8 special council meetings.



**The Functionality of Municipal Council and Portfolio meeting 2020/2021:**

**COUNCIL MEETINGS AND ITS COMMITTEE'S**

DATE OF MEETING	VENUE	MUNICIPALITY	TYPE OF MEETING
1. 29 July 2020	Council Chamber	Musina Local Municipality	Urgent Special Council
2. 27 August 2020	Council Chamber	Musina Local Municipality	Ordinary
3. 07 September 2020	Council Chamber	Musina Local Municipality	Urgent Special Council
4. 29 September 2020	Council Chamber	Musina Local Municipality	Urgent Special Meeting
5. 23 October 2020	Council Chamber	Municipality Local Municipality	Urgent Special Meeting
6. 19 November 2020	Council Chamber	Municipality Local Municipality	Ordinary Council Meeting
7. 14 December 2020	Council Chamber	Municipality Local Municipality	Urgent Special Meeting
8. 25 January 2021	Zoom	Zoom	Ordinary Council Meeting
9. 24 February 2021	Zoom	Zoom	Special Council Meeting
10. 24 March 2021	Council Chamber	Municipality Local Municipality	Ordinary Council Meeting
11. 22 April 2021	Council Chamber	Municipality Local Municipality	Urgent Special Meeting
12. 20 May 2021	Council Chamber	Municipality Local Municipality	Ordinary Council Meeting
13. 17 June 2021	Council Chamber	Municipality Local Municipality	Urgent Special Meeting
14. 12 July 2021	Virtual zoom		Urgent Special Meeting

**EXECUTIVE COMMITTEE**

DATE OF MEETING	VENUE	MUNICIPALITY	TYPE OF MEETING
1. 28 July 2020	Council Chamber	Musina Local Municipality	Urgent Special Meeting
2. 19 August 2020	Council Chamber	Musina Local Municipality	Ordinary Meeting
3. 07 September 2020	Council Chamber	Musina Local Municipality	Urgent Special Meeting
4. 23 September 2020	Council Chamber	Musina Local Municipality	Urgent Special Meeting
5. 22 October 2020	Council Chamber	Musina Local Municipality	Urgent Special Meeting



6. 10 November 2020	Council Chamber	Musina Local Municipality	Ordinary Meeting
7. 10 December 2020	Council Chamber	Musina Local Municipality	Urgent Special Meeting
8. 19 January 2021	Zoom	Zoom	Ordinary Meeting
9. 23 February	Zoom	Zoom	Special Meeting
10. 17 March 2021	Council Chamber	Musina Local Municipality	Ordinary Meeting
11. 22 April 2021	Council Chamber	Musina Local Municipality	Special Meeting
12. 14 May 2021	Council Chamber	Musina Local Municipality	Ordinary Meeting
13. 17 June 2021	Council Chamber	Musina Local Municipality	Special Meeting
14. 12 July 2021	Virtual Zoom		Special Meeting

#### FINANCE PORTFOLIO COMMITTEE

DATE OF MEETING	VENUE	MUNICIPALITY	TYPE OF MEETING
1. 12 August 2020	Council Chamber	Musina Local Municipality	Ordinary Portfolio Meeting
2. 18 September 2020	Council Chamber	Musina Local Municipality	Urgent Special Meeting
3. 22 October 2020	Council Chamber	Musina Local Municipality	Urgent Special Meeting
4. 03 November 2020	Council Chamber	Musina Local Municipality	Ordinary Portfolio Meeting
5. 14 January 2021	Council Chamber	Musina Local Municipality	Ordinary Portfolio Meeting
6. 19 February 2021	Council Chamber	Musina Local Municipality	Urgent Special Meeting
7. 17 March 2021	Council Chamber	Musina Local Municipality	Ordinary Portfolio Meeting
8. 11 May 2021	Council Chamber	Musina Local Municipality	Ordinary Portfolio Meeting

#### COMMUNITY SERVICES PORTFOLIO COMMITTEE

DATE OF MEETING	VENUE	MUNICIPALITY	TYPE OF MEETING
1. 02 November 2020	Traffic Centre	Musina Local Municipality	Ordinary Portfolio Meeting
2. 12 January 2021	Traffic Centre	Musina Local Municipality	Ordinary Portfolio Meeting
3. 16 March 2021	Traffic Centre	Musina Local Municipality	Ordinary Portfolio Meeting



### CORPORATE SERVICE PORTFOLIO COMMITTEE

DATE OF MEETING	VENUE	MUNICIPALITY	TYPE OF MEETING
1. 12 August 2020	Council Chamber	Musina Local Municipality	Ordinary Portfolio Meeting
2. 07 September 2020	Council Chamber	Musina Local Municipality	Special Portfolio Meeting
3. 22 September 2020	Council Chamber	Musina Local Municipality	Special Portfolio Meeting
4. 02 November 2020	Council Chamber	Musina Local Municipality	Ordinary Portfolio Meeting
5. 10 December 2020	Council Chamber	Musina Local Municipality	Special Portfolio Meeting
6. 12 January 2021	Council Chamber	Musina Local Municipality	Ordinary Portfolio Meeting
7. 12 March 2021	Council Chamber	Musina Local Municipality	Ordinary Portfolio Meeting
8. 21 April 2021	Council Chamber	Musina Local Municipality	Special Portfolio Meeting
9. 11 May 2021	Council Chamber	Musina Local Municipality	Ordinary Portfolio Meeting
10. 11 June 2021	Council Chamber	Musina Local Municipality	Special Portfolio Meeting
11. 12 July 2021	Virtual Zoom		Special Portfolio Meeting

### EDP/TECH SERVICE PORTFOLIO COMMITTEE

DATE OF MEETING	VENUE	MUNICIPALITY	TYPE OF MEETING
1. 27 July 2020	Council Chamber	Musina Local Municipality	Special Portfolio Meeting
2. 05 August 2020	Council Chamber	Musina Local Municipality	Ordinary Portfolio Meeting
3. 02 November 2020	Council Chamber	Musina Local Municipality	Ordinary Portfolio Meeting
4. 15 January 2021	Council Chamber	Musina Local Municipality	Ordinary Portfolio Meeting
5. 12 March 2021	Council Chamber	Musina Local Municipality	Ordinary Portfolio Meeting
6. 10 May 2021	Council Chamber	Musina Local Municipality	Ordinary Portfolio Meeting
7. 14 June 2021	Council Chamber	Musina Local Municipality	Ordinary Portfolio Meeting

### MPAC MEETINGS

DATE	VENUE	ORGANISATION	TYPE OF MEETING
1. 05/08/2020	Old Council Chamber	Musina Local Municipality	Ordinary Portfolio Meeting
2. 25/08/2020	Old Council Chamber	Musina Local Municipality	Ordinary Portfolio Meeting
3. 05/11/2020	Council Chamber	Musina Local Municipality	Ordinary Portfolio Meeting



4. 19/11/2020	Council Chamber	Musina Municipality	Local	Ordinary Portfolio Meeting		
5. 06/01/2021	Council Chamber	Musina Municipality	Local	Ordinary Portfolio Meeting		
6. 18/01/2021	Council Chamber	Musina Municipality	Local	Special	Urgent	Portfolio Meeting
7. 10/03/2021	Council Chamber	Musina Municipality	Local	Ordinary Portfolio Meeting		
8. 04/05/2021	Old Council Chamber	Musina Municipality	Local	Ordinary Portfolio Meeting		
9. 06/05/2021	Old Council Chamber	Musina Municipality	Local	Ordinary Portfolio Meeting		
10. 14/05/2021	Council Chamber	Musina Municipality	Local	Ordinary Portfolio Meeting		
11. 18/05/2021	Council Chamber	Musina Municipality	Local	Ordinary Portfolio Meeting		
12. 19/05/2021	Council Chamber	Musina Municipality	Local	Ordinary Portfolio Meeting		
13. 21/05/2021	Council Chamber	Musina Municipality	Local	Special	Urgent	Portfolio Meeting

#### ***Committee annual meetings***

Name of Meeting	Annual Target	Number of meetings convened	The number of meetings materialized	Total number of apologies received
<b>Council committees</b>				
Finance Portfolio	6	8	8	0
Community Services Portfolio	5	5	3	0
Corporate services Portfolio	5	7	11	0
EDP & Technical Services	5	7	7	0
Labour Forum	4	3	3	3
EXCO	6	8	8	0
Special EXCO	3	2	2	0
Ordinary Council	5	5	3	4
Special Council	4	11	11	0
MPAC	5	15	15	8
Municipal Events	3	3	0	0
Extended Management	3	3	5	0
HOD	9	9	10	4
Communicators Forum	4	2	0	0
ICT Steering	2	2	0	0
Risk Management	4	1	1	0
Audit	4	4	4	0



### MLM Councillors information

Surname and Initials	Party	Ward no./ PR	Contact number	Gender
Muhlope ME	ANC	Mayor	0765224225	Female
Netshisaulu	ANC	Speaker/ 11	0827145478	Male
Mafela MF	ANC	Chief whip/ 8	0826210414	Male
Munzhelele M	ANC	1	0834478843	Female
Shirelele ES	ANC	2	0834478865	Female
Nare T	ANC	3	0713841347	Male
Sakala SP	ANC	4	0729465237	Male
Milanzi GN	ANC	5	0738364490	Female
Netshivhulana RC	ANC	6	0786500005	Male
Khunwana KG	ANC	7	0784361502	Male
Netshipale T	ANC	9	0790247106	Male
Gadabeni R	ANC	10	0763137326	Male
Mbedzi P	ANC	12	0766287143	Male
B Ndou	ANC	PR-ANC	0661334315	Male
Mukwevho J	ANC	PR-ANC	0729923197	Female
Mavhungu AR	ANC	PR-ANC	0826406860	Female
Nyabane P	ANC	PR-ANC	0735012670	Female
Makhura D	ANC	PR-ANC	0724460952	Female
Makatu KE	DA	PR-DA	0793519287	Male
Magwira E	DA	PR-DA	0728005663	Male
Fick R	DA	PR-DA	0842113570	Male
Mamafa RE	EFF	PR-EFF	0823148343	Male
Makhesha EN	EFF	PR-EFF	0735012670	Female
Siphuga A	EFF	PR-EFF	083 925 6354	Male

### Executive committee members

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

### A5. Section 79 committees

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

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



**Table: Section 79 portfolio committees**

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

The following Cllr passed on during the 2020/2021 financial year.

Cllr Gift Phiri and Cllr KJ Khunwana ward councillors forward from ANC. May their soul rest in peace.

One Cllr from the EFF Cllr Abel Raselabe was withdrawn from his political party and replaced by Cllr Azwitamisi Siphuga.



**Councillor Mihloti Ethel Muhlope**

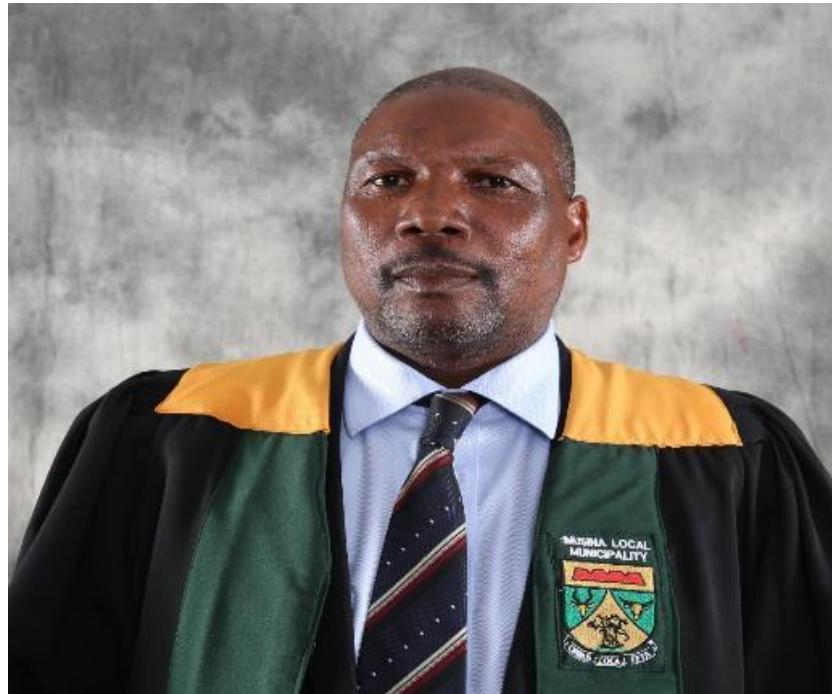
Mayor

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

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



## POWERS AND FUNCTIONS OF THE SPEAKER



**Speaker Cllr Gilbert Netshisaulu**

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

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



**Council Whip  
Cllr. Fistros Mafela**

#### **POWERS AND FUNCTIONS OF COUNCIL WHIP**

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

- Political management of council meetings and committee meetings
- Inform councillors of meetings called by the Speaker and the Mayor and ensuring that such meetings quorate
- Advises the Speaker and Mayor on the Council agenda
- Informs councillors on important matters on the relevant agenda
- Advise the Speaker on the amount of time to be allocated to speakers and the order of such speakers

#### **Addressing the Council**

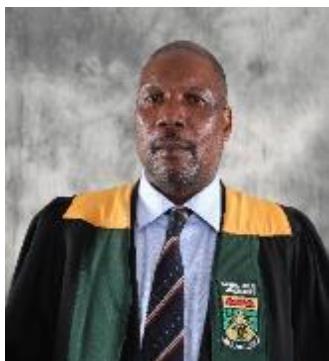
- Ensures that councillor's motions are prepared and timeously tabled in terms of the procedural rules of Council
- Assisting the Speaker in the counting of votes
- Advising the Speaker and the Mayor of urgent motions
- Advising the Speaker and Mayor on how to deal with important items
- Advising the Speaker and Mayor on how to deal with important items not disposed of at a Council meeting



## COUNCILLORS



**Cllr Mihloti Muhlope (Mayor –ANC)**



**Cllr Gilbert Netshisaulu (Speaker – ANC)**  
Ward 11



**Cllr Fistos Mafela (Chief Whip- ANC)**  
Ward 8



**Cllr Meltah Munzhelele (ANC)**  
Ward 1



**Cllr Siyaphi Shirelele (ANC)**  
Ward 2



**Cllr Phililemon Nare (ANC)**  
Ward 3



Cllr Prince Sakala (ANC)  
Ward 4



Cllr Nkele Milanzi (ANC)  
Ward 5



Cllr Rendani Netshivhulana (ANC)  
Ward 6



Cllr Jeremias Khunwana (ANC)  
Ward 7



Cllr Titus Netshipale (ANC)  
Ward 9



Cllr Rabelani Gadaben (ANC)  
Ward 10



Cllr Phillip Mbedzi (ANC)  
Ward 12



Cllr Bigboy Ndou (ANC)  
PR



Cllr Josephina Mukwevho (ANC)  
PR



Cllr Rosina Mavhungu (ANC)

PR



Cllr Peggy Nyabane (ANC)

PR



Cllr Dorcus Makhura (ANC)

PR



Cllr Ernest Makatu (DA)

PR



Cllr Elliot Magwira (DA)

PR



Cllr Reinhardt Fick (DA)

PR



Cllr Azwitamisi Siphuga (EFF)

PR



Cllr Eldah Makheshu (EFF)

PR



Cllr Edward Mamafa (EFF)

PR



## MEMBERS OF EXECUTIVE COMMITTEE



Chairperson: Muhlope ME



Member: Shirilele ES



Member: Milanzi GN



Member: Khunwana KJ



Member: Magwira C



## HEADS OF THE PORTFOLIO COMMITTEE



Portfolio Head Finance: Muhlope ME



Portfolio Head Community Services: Milanzi GN



Portfolio Head Corporate Services: Shirelele ES



Portfolio Head EDP & Technical Services:  
Khunwana KJ

## MUNICIPAL PUBLIC ACCOUNT COMMITTEE



Chairperson: Nare P.



Member: Bigboy Ndou



Member: Magwira E



Member: Makhura D



Member: Mamafa E

## FUNCTIONS OF EXECUTIVE COMMITTEE AS PER DELEGATION OF POWERS

- To report to council on all decisions taken by it;
- oversee and monitor the implementation and enforcement of the municipality's credit control and debt collection Policy and by-laws and the performance of the municipal manager in implementing the policy and by-laws;
- When necessary, evaluate or review the municipality's credit control and debt collection policy and by-laws, or the implementation of the policy and by-laws, to improve the efficiency of its credit control and debt collection mechanisms, processes and procedures;
- makes recommendations to council on proposed political structures of council;
- makes recommendations to council in respect of its legislative powers;
- gives political directions to the executive management team;
- determine strategic approaches, guidelines and growth parameters for the draft budget including tariff structures;
- delegates powers in respect of any of its powers to the mayor;

### **A6. Administrative Governance**

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

The municipality has three (3) vacant positions of Senior Managers accountable directly to the Municipal Manager namely General Manager Economic Development and Planning, General Manager Technical Services and General Manager Community Services. The administrative components of the municipality comprise seven (6) directorates and 25 managers.



**Table: MLM Management Information**

<b>Directorate</b>	<b>Designation</b>	<b>Initial and Surname</b>	<b>Gender</b>
Office of the Municipal Manager	Municipal Manager	TN Tshwanammibi	Male
	Senior Manager	M Sithole	Male
	Manager: Internal Audit	J Siaga	Male
	Manager: Risk	E Ramuthivheli	Male
	Manager: Communications	W Dzebu	Male
Corporate Services	General Manager: Corporate Services	PM Mudau	Male
	Senior Manager	PS Peta	Male
	Manager: Human Resources	R Le Loux	Female
	Manager: Legal	T Rambuda	Male
	Manager: ICT	P Eccleston	Male
Finance	Chief Financial Officer	T Nephawé	Male
	Senior Manager	L Murulana	Male
	Acting Manager: Expenditure	M. Mudzanani	Female
	Manager: Budget and Treasury	T Mokone	Male
	Manager: Supply Chain Management	M Siziba	Female
	Manager: Revenue	D Tshikota	Female
Technical	Acting General Manager: Technical	PM Mudau	Male
	Manager: Electrical Engineer	C Mathoma	Male
	Manager: Roads	M Mthombeni	Male
Community Services	General Manager: Community Services	R Morolana	Male
	Manager: Waste Management	R Kutama	Female
	Manager: Licensing	C Jombe	Male



Directorate	Designation	Initial and Surname	Gender
	Manager: Traffic	D Hlongwane	Male
	Manager: Traffic	M Mutele	Male
	Manager: Social	K Ravhuanzwo	Male
Development Planning	Acting General Manager: Development Planning	TN Tshwanammbi	Male
	Manager: Town Planning	M Mphephu	Male
	Manager: IDP	T Ncube	Male
	Acting Manager: LED	I Dzebu	Male

## COMPONENT B: INTERGOVERNMENTAL RELATIONS

### B1. INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

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

### B2. DISTRICT INTERGOVERNMENTAL STRUCTURES

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

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

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

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



**Table: District intergovernmental structures**

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

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

### **B3. PROVINCIAL INTERGOVERNMENTAL STRUCTURES**

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

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

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

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

### **C1. Introduction**

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

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

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



## **C2. Overview of public accountability and participation**

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

Due to the challenges of the National Disaster Covid 19 Regulations in 2020/2021, the municipality decided to publish the IDP for public comments on the municipal website, and the final budget and IDP public participation was done through the Radio.

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

## **C3. EFFECTIVENESS OF THE PUBLIC MEETINGS**

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

The purpose of these meetings is to give feedback and account to the community on the implementation of the IDP/Budget of the municipality. They are further utilized as a platform to agree on community needs. During the year under review 24 public meetings were held in different wards. All public meetings held were beneficial. Most of the queries raised were water-related queries and were referred to Vhembe District Municipality.

#### **C4. Communication, participation and forums**

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

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

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

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

#### **C5. Ward Committee meetings and Ward Committee Establishment.**

The municipality has established Ward Committees in all 12 Wards. All Ward Committees are functional and managed to have 100 Ward committee meetings and 12 general meetings and are administratively supported by the Office of the Mayor. All ward committee receives their stipends based on functionality reports. The final IDP/Budget document was adopted by the Council on 21 May 2020.

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



## C6. IDP PARTICIPATION AND ALIGNMENT

2 IDP Participation and Alignment Criteria*	Yes/No
Does the municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPIs in the strategic plan?	Yes
Do the IDP KPIs align with 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

## C7. Integrated Development Plan (Development, Review and Implementation)

The development and review of the integrated development plan for the financial year 2020/2021 was done internally through the involvement of the IDP/Budget steering committee and council. Communities and interested stakeholders were consulted on the formulation of IDP/Budget priorities and the setting of targets. To consolidate community and stakeholder consultations, meetings were held as per the approved Process Plan. In the year 2020, all meetings were held through virtual zoom due to covid 19 regulations. Challenge experienced is some stakeholders do not honor the invitations of meetings planned for participation.

IDP REPRESENTATIVE FORUM MEETINGS 2020/2021		
DATE	VENUE	ATTENDANCE
04 August 2020	Virtual zoom	34
10 September 2020	Virtual Zoom	47
05 November 2020	Virtual zoom	53
04 February 2021	Madimbo / Nancefiedl boardroom	63

IDP STEERING COMMITTEE MEETINGS 2020/2021		
DATE	VENUE	ATTENDANCE
24 July 2020	Virtual Zoom	18
03 September 2020	Virtual Zoom	14
08 October 2020	Virtual Zoom	17
07 January 2021	Virtual Zoom	17
11 February 2021	Virtual Zoom	16
30 April 2021	Virtual Zoom	17

**IDP PUBLIC PARTICIPATION MEETINGS 2020/2021**

WARD NO	DATE	VENUE	ATTENDANCE
01	25 April 2021	Doreen Combined school	73
02	17 April 2021	Denstaat Samaria	54
03	15 April 2021	Mushengu Brickyard	43
04	22 April 2021	Nancefiedl Boardroom	44
05	14 April 2021	Renaissance sports ground	76
06	13 April 2021	Happer Community hall	60
07	23 April 2021	Muswodi tshisimani sports ground	70
08	06 April 2021	Mabvete	85
09	29 April 2021	Manenzhe tribe	89
10	30 April 2021	Domboni Tshivaloni Mushithe	33
11	08 April 2021	Muswodi sports ground	58
12	12 April 2021	Sanari Sports ground	63

The final IDP/Budget document was adopted by the Council on 21 May 2020



## COMPONENT D: CORPORATE GOVERNANCE

### Overview of corporate governance

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

### D1. RISK MANAGEMENT

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

During the year under review, the risk management unit was fully operational but the efforts of the unit were hampered by a non-established Risk Management Committee (RMC). The Municipality did not establish an RMC due to the non-appointment of an independent chairperson and committee members. This resulted in the failure to conduct RMC quarterly meetings and produce reports to the Accounting Officer and Audit Committee. Risk champions were not appointed in all departments to assist HOD in discharging their departmental risk management responsibilities.

Strategic and operational risk registers were compiled by the unit, however, the implementation of action plans was not monitored quarterly. The municipality identified 12 strategic risks and the progress on mitigating those risks were not monitored by the committee.

#### Top risks identified:

- Service interruptions
- Unfulfilled municipal service level expectations (Community)
- Non-compliance to MSCOA
- Inability to sustain the institution financially
- MFMA sec 32 (Unauthorized, Irregular and Fruitless & wasteful expenditure).
- Fraud and corruption
- Inability to attract investors
- Lack of integrated planning
- SEZ impact on Musina unknown
- Ineffective organizational structure
- Disasters
- Inability to meet Housing Accreditation requirements



## **D2. FRAUD AND ANTI-CORRUPTION STRATEGY**

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

During the year under review, the municipality reviewed the anti-fraud and corruption policy, strategy and whistle blowing policy as part of the process to ensure effective, efficient and transparent systems of internal control.

Musina Local Municipality currently shares the anti-fraud and corruption hotline with the Vhembe District Municipality along with other municipalities within the district. During the year no cases were forwarded through the Presidential and Premier Hotline

## **D3. OVERVIEW ON SUPPLY CHAIN MANAGEMENT**

The Municipality has an SCM policy in place to minimize fraud and corruption. There are SCM committees in place that are reviewable as and when required to ensure value for money in awarding of tenders. For the year under review, 10 tenders were awarded.

- The council has adopted an SCM policy in terms of SCM regulation 3.
- The SCM unit consists of three full-time staff; three positions (Manager, Accountant SCM, and Procurement officer).
- A report on the implementation of the SCM policy is presented to the Mayor every quarter.
- Needs assessments are undertaken for each acquisition and preferential policy objectives identified.
- Threshold values in the SCM policy are aligned with values stipulated in regulation 12.
- Municipal bid documents comply with MFMA circular 25.
- Records of tenders and all other bids received and awards made.
- All bid committees were established and appointed by the Accounting officer.
- Note: MFMA S110-119; SCM Regulations 2005; and relevant MFMA circulars set out required processes and guidance manuals to help ensure that SCM arrangements provide appropriate goods and services, offer the best value for money, and minimize the opportunities for fraud and corruption.
- 05 Tenders were advertised during 20/21
- All tenders were advertised in the newspaper and on the municipal website
- 10 Tenders were evaluated, adjudicated, and awarded during 20/21
- 24 formal quotations were awarded(R30000.00 up to R200000.00)
- 122 Procurement below R30000.00
- 128 BEE beneficiation awarded for the financial year 2020/2021



Description	Members of the committee	Functions	Number of meetings	Dates
Bid specification committee	Manager IDP Manager Revenue Manager Waste and Parks Manager ICT Manager Budget & Reporting Procurement Officer	<ul style="list-style-type: none"> <li>Compile a proper and unbiased specification for a specific requirement</li> <li>Ensure proper Terms of Reference are drawn up for the service required indicating the scope of the requirements, the ratio between price and functionality, evaluation criteria as well as their weights and values</li> <li>Ensuring availability of funds</li> <li>Set ranges indicating breakdown of points, percentages as provided in the relevant sliding scales for the selected specified goals</li> </ul>	05	07/08/2020 20/08/2020 13/11/2020 27/11/2021 03/02/2021
Bid Evaluation committee	Senior Manager Finance Manager Traffic Manager Licensing Manager HR Accountant Supply Chain Manager Town Planning	<ul style="list-style-type: none"> <li>Evaluate the bids in accordance with the specifications for a specific procurement</li> <li>Evaluate as per the set-out point system and PPPFA</li> <li>Evaluate each bidder's ability to execute the contract</li> <li>Check in respect of the recommended bidder whether municipal rates and taxes and municipal services are not in arrears</li> <li>Submit to the adjudication committee a report and recommendations regarding the award of the bid or other related matters.</li> </ul>	05	27/11/2020 23/03/2021 29/03/2021 08/04/2021 18/05/2021
Bid Adjudication committee	Chief Financial Officer Senior Manager Corporate Services General Manager Corporate Services General Manager Community Services Manager Supply Chain	<ul style="list-style-type: none"> <li>Ensure that all necessary bid documents have been submitted</li> <li>Ensure that disqualifications are justified and valid and accountable reasons/motivations were furnished for passing overbids.</li> <li>Ensure that scoring has been fair, consistent, and correctly calculated and applied; and bidder's declarations of interests have been taken cognizance of.</li> <li>Make final awards or a recommendation to the Accounting Officer to make a final award; or make another recommendation to the Accounting officer on how to proceed with the relevant procurement</li> <li>Consider and rule on all recommendations /reports regarding the amendments, variations, extension, cancellations, or transfer of contracts awarded</li> </ul>	05	01/04/2020 23/03/2021 30/03/2021 14/04/2021 24/05/2021

Table: Information of SCM committees



## **D4. BY-LAWS**

### **BY-LAWS 2020/ 2021**

Section 11 (3) (m) of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) empowers municipal councils with the legislative authority to pass and implement by-laws for the betterment of the community within the terms of the legislation.

In line with section 15 of the Municipal System Act, which makes provision for municipal code of by-laws, the municipality has gazetted eleven (11) by-laws. However, enforcement of by-laws remains a challenge. There is a need, moreover, to raise public education and awareness to ensure easy compliance and enforcement of approved by-laws.

By-laws are critical in the maintenance of public order, enforcement of council objectives, and administration of municipal affairs. Through by-laws, the municipality must, in the future, regulate other critical areas that remain unregulated currently to curb un-favorable practices and to protect the interests of residents, businesses, the environment, and the state. The development and application of municipal by-laws enhance financial viability and provides mechanisms for recourse on violation of council policies.

During the period under review, the Municipality identified two (2) infrastructural by-laws to be developed, that is Building Regulations by-law and Electricity Supply by-law, which were non-existent and now those by-laws are gazetted.

The municipality has a Code of by-laws in compliance with section 15 of the Municipal Systems Act, 2000. Below is a list of By-Laws gazetted:

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



Advertising, Billboard and the display of advertisement By-Law	✓
Building Regulation By-Law	✓
Electricity Supply By-Law	✓

## **D5 WEBSITE**

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

***Table: Municipal website information***

Documents published on the Municipality's Website	Yes / No
Current annual and adjustments budgets and all budget-related documents	Yes
All current budget-related policies	Yes
The previous Annual Report 2019/2020	Yes
The Annual Report 2020/2021 published/to be published	Yes
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act 2021/2022 and resulting scorecards	Yes
All service delivery agreements 2020/2021	No
All long-term borrowing contracts 2020/2021	N/A
All supply chain management contracts above a prescribed value	No
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during Year 1	Yes
Contracts agreed in 2020/2021 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	N/A
Public-private partnership agreements referred to in section 120 made in 2020/2021	N/A
All quarterly reports tabled in the council in terms of section 52 (d) during 2020/2021	Yes

## **D6 AUDIT COMMITTEE**

The Audit Committee of the Municipality was established in terms of Section 166 of the Municipal Finance Management Act, Act 56 of 2003, the term of the four (04) Audit Committee members established by Vhembe district municipal Council with effect from 01 April 2015 came to an end on the 31<sup>st</sup> March 2018. New Audit Committee members have been appointed with effect from 01 June 2018 comprising of four (04) members for the period of three (03) years. The first meeting with the newly appointed committee was held at the Municipality on 13 July 2018. The Audit Committee reported to the council on their activities and recommendations as required by the Audit Committee Charter and section 166 of the MFMA for all four (4) quarters of 2020/2021. For the year under review, three (3) ordinary and one (01) special audit committee meeting were held.



### Audit functions

During the year under review, the municipality shared the service of an Audit and Performance Committee with Vhembe District Municipality. The purpose of the Audit and Performance Committee is to monitor oversight, quality assurance, and compliance enforcement roles. The municipality has an Internal Audit unit which report administratively to the Municipal Manager and functionally to the Audit and Performance Committee. During the year under review, the Audit and Performance Committee held the meetings as follows:

DATE	VENUE	NUMBER OF AUDIT COMMITTEE MEMBERS ATTENDED	NUMBER OF MANAGERS ATTENDED	SUPPORT MANAGEMENT	STAKEHOLDER DEPARTEMENT
13 / 10 / 2020	Virtual	4	3	4	2
21 / 10 / 2020	Virtual	4	3	4	2
26 / 03 / 2021	Virtual	4	3	4	2

### Recommendation of the Municipal Audit Committee

Date of meeting	Resolution	Responsible official	Due date	Comments / Progress	Date resolved	Status
31/10/2021	Verification of ownership of properties that are leased out	GM-Corporate Services	31/06/2021	In progress	n/a	In progress
	Development of infrastructure maintenance plan	GM-Technical Services	30/06/2021	No progress to date	n/a	No progress to date
	Reporting of UIFW expenditure	CFO	30/06/2021	No progress to date	n/a	No progress to date
	Compilation of Compliance framework	GM-Corporate Services	30/06/2021	No progress to date	n/a	No progress to date
	Development of service standards	GM-Corporate Services	30/06/2021	In progress	n/a	Draft standards in place
	Risk assessment to be finalised and the report submitted to Audit Committee	Municipal Manager	30/06/2021	Finalised	18/11/2021	



Date of meeting	Resolution	Responsible official	Due date	Comments / Progress	Date resolved	Status
	The asset module should be integrated into the financial	CFO	30/06/2021	In progress	n/a	The assets module is not yet integrated. Reporting on the
	All matters relating to SCM as identified by AGSA be corrected by management	CFO	30/06/2021	Finalised	31/03/2021	Corrections were made
31/08/2021	Annual performance report should include the budgeted figures in the targets achieved.	GM-Corporate Services	30/08/2021	Finalised	30/08/2021	
	APR to be reviewed by Internal Audit before submission to AGSA	Municipal Manager	30/08/2021	Finalised	n/a	Only the AFS were reviewed by internal audit
	Management submit a detailed report regarding the write off of VDM debt	Municipal Manager	31/12/2021	Finalised	n/a	Report is ready to be discussed in the Committee meeting
	Management submit a detailed report regarding the outstanding items on the 2019/2020 Audit Action plan	Municipal Manager	31/12/2021	Finalised	n/a	Report is ready to be discussed in the Committee meeting
28/09/2021	Internal audit plan partially approved pending the finalisation of risk assessment by RMC	Municipal Manager	20/10/2021	Finalised	18/11/2021	A risk assessment was done on 18 November 2021. The internal audit plan is updated and is to be approved by the Audit Committee in its next scheduled meeting.
	Internal audit reports referred back for	Municipal Manager	20/10/2021	Finalised	31/10/2021	Reports sent to APAC members for
	APAC meetings are scheduled at least two weeks before Council sittings to incorporate inputs from the meeting	Municipal Manager	20/10/2021	In progress	n/a	The audit committee meeting schedule is still to be approved by the committee.



Date of meeting	Resolution	Responsible official	Due date	Comments / Progress	Date resolved	Status
28/11/2021	Internal audit plan partially approved pending the finalisation of risk assessment by RMC+C20:H23	Municipal Manager	30/11/2021	Finalised	24-Jan-22	The audit action plan is in place
	Involvement of the audit committee throughout the external audit cycle	Internal audit manager	1/8/2022	Not started	n/a	To be started when the external audit cycle begins in August 2022.
	The committee requested management debriefing on the matters raised in the reports. They were concerned about the audit of performance information.	Municipal Manager	25/02/2022	Not started	n/a	Matters to be discussed in the next scheduled Audit committee meeting
	The committee requested AGSA to communicate with the audit committee chairperson if there are challenges with AFS adjustments and signing off of the audit report.	CFO	30/11/2021	Finalised	20/01/2022	Reasons for the late issuing of the audit report were communicated. The final audit report was issued on 20 January 2022.

#### Audit Committee members

Surname and initials	Appointment Date	Gender
Lambani EN	01 June 2018	Male
Nevhutalu TG	01 June 2018	Male
Ndou FO	01 June 2018	Male
Masego WK	01 June 2019	Female



# **CHAPTER 3**

# **SERVICE DELIVERY**

# **PERFORMANCE**



## COMPONENT A: BASIC SERVICES

### A1. INTRODUCTION

This component includes electricity; waste management; housing services; and a summary of free basic services. Musina Local Municipality is licensed for electrical distribution in urban areas and Eskom is responsible for reticulation in the rural areas. All households in the Musina Town and Township have access to electricity, for the year under review, we have rolled out major network upgrades at various extensions. The extension of the service in the rural area at a rate equivalent to the actual development in the area remains a challenge. The municipality provides these services with minimal interruption, such interruptions in the main are attributable to cable theft, planned and unplanned maintenance as well as ESKOM supply cuts for maintenance. It is important to note that annually the unit implements network infrastructure refurbishment programmes.

### A2. ELECTRICITY SERVICE DELIVERY LEVELS

#### ACHIEVEMENTS

During the 2020/2021 financial year, there were several things that the department has achieved pertaining to the delivery of basic services to our community. Electricity Supply By-laws were approved and gazetted for implementation from 2020/2021 financial year. The department could not achieve some of the planned activities as a result of COVID-19 pandemic and its applicable regulations.

As part of cost containment and revenue enhancement measures, we continue monitoring the performance of installed Time of Use in the substation for the purpose of comparing Eskom's monthly bill with our meter readings. We have also purchased a few important tools of trade to assist us in our daily operations.

We managed to energise the electrification project in Nancefield Extension 7 and 14 whereby approximately 619 households benefited from the project. Furthermore, we also have the obligation to ensure that all outstanding electrification projects are energised before the end of the 2021/2022 financial year. The municipality in partnership with DeBeers mine through the SLP programme paid for electricity upgrade of Notified Maximum Demand from 2MVA to 8MVA. This electricity upgrade will assist the municipality with additional power when connecting different developments in town, such as RHINO RIDGE development, Ext 17 Industrial sites, etc.

As part of compliance, we also managed to work towards achieving all the issues raised in the NERSA Audit findings as per our license agreement. The main focus was to explore other means of revenue generation and to ensure the sustainability of maximum collection following applicable frameworks/guidelines.



The municipality embarked on the different programmes for the purpose of development of ring circuits in town in order to strengthen the network and to minimise the number of breakdowns.

### **CHALLENGES**

- Copper theft.
- Eskom ran out of capacity to supply most of our villages
- Substation reached its maximum capacity and unavailability of land for substation construction.
- Eskom debt.
- NERSA Audit findings.
- Electricity losses (Technical and non-technical)
- Lack of electricity infrastructure master plan, maintenance plan, and policies.
- Lack of resources such as a Cherry Picker truck, Cable fault locator, Tools, and materials.
- Important vacant positions in the department not filled.
- Rapid housing developments with limited electricity capacity.
- Aging infrastructure.
- Servitude encroachment to our infrastructure.
- Lack of substation device to measure the quality of supply.
- SEZ plans and progress are not communicated to all departments.
- Low staff morale due to financial challenges.
- Covid-19 Pandemic

<b>Description</b>	<b>2015/2016</b>	<b>2016/2017</b>	<b>2017/2018</b>	<b>2019/2020</b>	<b>2020/2021</b>
	<b>Actual</b> <b>No.</b>	<b>Actual</b> <b>No.</b>	<b>Actual</b> <b>No.</b>	<b>Actual</b> <b>No.</b>	
<b>Formal Settlements</b>					
Total households	15 502	20589	21234	21844	23021
Households below minimum service level	390	580	711	1321	541
Proportion of households below minimum service level	2.5%	2.8%	3.3%	6.05%	2.35%
<b>Informal Settlements</b>					
Total households	0	0	0	0	0
Households below minimum service level	0	0	0	0	0
Proportion of households below minimum Service level	0	0	0	0	0



The proportion of Households with the minimum level of Basic services	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021
Electricity service connections	100%	100%	100%	94%	98%
Waste collection - kerbside collection once a week	100%	100%	100%	100%	100%

**A3. WASTE MANAGEMENT (THIS SECTION TO INCLUDE: REFUSE COLLECTIONS, WASTE DISPOSAL, STREET CLEANING, AND RECYCLING)**

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

The municipality advocates the waste hierarchy which puts disposal of waste as a last resort and puts emphasis on waste avoidance, reduction, minimisation, recycling and re-use. There are three private companies that collect recyclables from the CBD as well as from Musina Landfill Site. The municipality recycles all paper and boxes generated at the Civic Centre, municipal workshop and Traffic building. Waste management/ environmental awareness and cleaning campaigns are organized on a regular basis in order to ensure that the community is aware of the impacts of waste on their health and wellbeing as well as on the environment. A total of 16 awareness campaigns and 12 cleaning campaigns, were undertaken last year.

Description	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021
	Actual No.				
<b>Formal Settlements</b>					
Total households	43730	43730	43730	43730	43730
Households below minimum service level	22672	22672	22672	18438	18438
Proportion of households below minimum service level	51.8	51.8	51.8	42.1	42.1
<b>Informal Settlements</b>					
Total households	0	0	0	0	
Households below minimum service level					



	0	0	0	0	0
The proportion of households below minimum service level	0%	0%	0%	0%	0%
<b>Households</b>					
<b>Description</b>	<b>2016/17</b>	<b>2017/2018</b>	<b>2018/2019</b>	<b>2019/2020</b>	<b>2020/2021</b>
	<b>Actual No.</b>	<b>Actual No.</b>	<b>Actual No.</b>	<b>Actual No.</b>	
<b><u>Solid Waste Removal: (Minimum level)</u></b>	<b>20589</b>	<b>21058</b>	<b>21058</b>	<b>25292</b>	<b>25292</b>
Removed at least once a week					
<i>Minimum Service Level and Above sub-total</i>	20589	21058	21058	25295	25292
<i>Minimum Service Level and Above percentage</i>	47%	48%	48%	57.8	57.8
<b><u>Solid Waste Removal: (Below minimum level)</u></b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Other rubbish disposal	0	15328	15328	15328	15328
No rubbish disposal	23141	6104.6	6104.6	1870.6	1870.6
<i>Below Minimum Service Level sub-total</i>	0	6104.6	6104.6	1870.6	1870.6
<i>Below Minimum Service Level percentage</i>	0%	13.96%	13.96%	4.8%	4.8%
<b>Total number of households</b>	<b>43730</b>	<b>43730</b>	<b>43730</b>	<b>43730</b>	<b>43730</b>



#### A4. HOUSING

The number of houses allocated to Musina Local Municipality by COGHSTA during 2020/2021 Financial year per village is as follow:

NAME OF VILLAGE	WARD	ALLOCATION	STATUS
<b>MAKEYI DEVELOPERS (100)</b>			
<b>VILLAGES</b>	<b>WARD</b>	<b>ALLOCATION</b>	
BALE	9	10	
MALALE	9	10	
MAPAKONI	9	10	
TSHIPISE	10	10	
DAMBALE	10	6	
ZWIGODINI	10	10	
TSHIVHONGWENI	10	9	
MUKUNUNDE	10	5	
SANARI	12	5	
MARAMANZHI	12	5	
TSHENZHELANI	12	5	
MASISI	12	10	
BENNDE MUTALE	12	5	
			<b>ON GOING</b>
<b>MTTP DEVELOPERS (175)</b>			
TSHIKHUDINI	1	25	
TANDA	1	25	
FOLOVHODWE	7	20	
TSHISIMANI	7	30	
TSHITANDANI	7	3	
GUMELA	7	15	
MATSHENA	8	9	
MADIMBO	8	10	
MABVETE	8	10	
MASEA	8	10	
TSHIUNGANI	8	9	
DOMBONI	8	9	
<b>SELETE DEVELOPERS (100)</b>			
MBODI	10	5	
MURALUWE	10	5	
DOMBONI	10	5	
TSHIVALONI	10	5	
TSHIRUNZINI	10	5	
MATATANI	10	8	
MUKOVHAWABALE	11	10	
SHAKADZA	11	20	
GUDANI (GUNDANI)	11	5	
TSHITHANZHE	11	15	
MUSUNDA	11	7	



## COMPONENT B: ROADS TRANSPORT

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

Gravel Road Infrastructure					Kilometers
	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to asphalt	Gravel roads graded /maintained	
2016/17	202.1 km/ machine hour	1	2	202.1 km/ machine hour	
2017/18	0	0	0	0	
2018/19	0	0	0	0	
2019/20	none	none	none	none	
2020/21	none	none	none	none	
					T3.7.2

Paved Road Infrastructure					
Kilometres					
	Total Paved roads	New Paved roads	Existing Paved roads	Existing Paved roads maintained	Asphalt roads maintained
2016/17	80.38	2	1.6	1.6	525 m2
2017/18	0	0	1.6	1.6	525m2
2018/19	0	0	0	0	0
2019/20	4.30km	3.8km	6.8km	none	0
2020/21	14.9km	1.8km	8.6km	none	0
					T3.7.3

### COMMENT ON THE PERFORMANCE OF ROADS AND OTHER OVERALL

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



### **LIST CHALLENGES**

- a). Municipal road infrastructure is overused. The demand is less than a supply as no upgrade exists and the rate of deterioration is too high. The roads will cost more to rebuild in the future.
- b). Lack of adequate provision of funds for maintenance to municipal road infrastructure
- c). Extent of water and sanitation reticulation repairs across municipal road infrastructure accelerates the rate of road infrastructure deterioration.
- d) Maintenance is done on ad-hoc basis as no accurate or reliable master plan exists.
- e) Understaffing (current vacancy occupation rate at 39%)
- f) High mechanical breakdown of plants and machinery including small equipment required in the maintenance of roads.
- h) SCM process and delays.
- i) Unauthorised and the invasion into municipal road reserves for utility installation and others.
- j) Illegal road users and unforced by-laws (heavy truck in internal streets
- k) Ageing road infrastructure
- L) Covid-19 Pandemic

### **COMPONENT C: PLANNING AND DEVELOPMENT**

#### **LOCAL ECONOMIC DEVELOPMENT**

For the 2020/2021 financial year, the municipality has realised direct retail stores investments including the new mall, factory shop and expansion of the central business district.

#### **Intermodal facilities**

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

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

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



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

1. Nancefield Multi- Purpose Centre
2. Nancefield Ext 9 & 10 Paved road
3. Muswodi Community Hall
4. Manenzhe Sports facility.
5. EPWP project in waste management
6. LED strategy review
7. Community Works Programme

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

Sector	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021
	No	No	No		
Agric, forestry and fishing	54%	54%	54%	54%	54%
Mining and quarrying	18%	18%	18%	18%	18%
Manufacturing	5%	5%	5%	5%	5%
Wholesale and retail trade	6%	6%	6%	6%	6%
Finance, property, etc.	4%	4%	4%	4%	4%
Govt, community and social services	23%	23%	23%	23%	23%
Infrastructure services	2%	2%	2%	2%	2%
<b>SOURCE: STATS SA 2011 AND COMMUNITY SURVEY 2007.</b>					

#### **COMMENT ON LOCAL JOB OPPORTUNITIES:**

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



#### Jobs Created during 20120/2021 by LED Initiatives (Excluding EPWP projects)

Total Jobs created / Top 3 initiatives	Jobs created	Jobs lost/displaced by other initiatives	Net total jobs created in the year	Method of validating jobs created/lost
	No.	No.	No.	
2017/18	1583	0	1583	
2018/19	200 Epwp	0	1900	This includes EPWP in all sectors and CWP.
2019/20	1910	0	1910	This includes Epwp and CWP
2020/21	1920	0	1920	This includes Epwp and CWP

<b><i>Training of people in essential skills</i></b>	Number of people trained (including retrained unskilled)
2017/18	418
2018/19	433
2019/20	714
2020/21	208

#### Challenges and Opportunities

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

#### Challenges

- Disposal of Municipal land by unauthorized people,
- Inadequate business and industrial sites,
- Limited budget for settlement planning, formalization and lack of enforcement capacity to manage it,
- Mushrooming of informal settlements,
- Poorly managed government owned properties.
- Land invasion
- Access to land for development from the government sector (DPW).
- Covid-19 Pandemic



## Opportunities

- Agriculture potential
- Is a provincial growth point
- Is a host to strategic roads, i.e. the R25, N1 that provide accessibility to major urban centres and SADC countries.
- Availability of municipal land for development.
- Declaration of Special Economic Zone (SEZ)

## Major investments or Disinvestments in the municipal Area

Projects	Area	Number of Jobs Created	Challenges	Interventions
N1 Ring Road	Musina	520	Completion of project delayed	New service provider was appointed to complete the

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

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

### D1. LICENSING

#### Driving Licenses Testing Centre

Total numbers of Driving Licenses tested	888
Total number of PRDP issued	1051
Total number of Leaners licenses tested	1085

#### Vehicle Testing Station

Roadworthy vehicles tested	273
----------------------------	-----

#### Registration Authority

Total Vehicle license disc and renewal issued	10758
Total motor vehicle registered	1830

### Challenges

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



- d) Inadequate eNatis terminals.
- e) Inadequate personnel =Two more personnel to be added in order to provide better services
- f) Covid-19 Pandemic

## **D2. TRAFFIC**

Total number of traffic fines issued	9400
Total number of scholar patrol	4
Total number of road safety campaigns	4
Total number of funeral escorts	261
Total number of point duties conducted	196
Speed law enforcement conducted	96
Total number of joint operations conducted	48
Total number of internal roadblocks conducted	48
The total number of vehicles stopped and inspected	24000

### **Challenges**

**The challenges encountered during the financial year are as follows:**

Covid-19 Pandemic

Lighting

Road markings and signage

Lack of vehicles

Progression of traffic officers

Traffic Control centre

### **Comments**

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

## **D3. LIBRARY SERVICES**

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



#### **D4. CEMETERIES**

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

#### **D5. COMMUNITY HALLS**

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

### **COMPONENT E: ENVIRONMENTAL PROTECTION**

#### **E1. ENVIRONMENTAL ISSUES**

The municipality is faced with the following environmental challenges:

- Lack of strategy for extension of waste management services to rural areas
- Deforestation
- Invasion of alien species
- Mine and industrial rehabilitation
- Reduction in scenic value
- Sinkholes
- Poaching
- Depletion of soil nutrients
- Soil erosion
- Long haulage distance from the villages to the landfill site
- Unsurfaced roads in the village
- Littering and illegal dumping of waste
- Lack of backup plant and equipment
- Burning of waste and skip bins

### **COMPONENT F: HEALTH**

#### **F1. CLINICS, AMBULANCES AND HEALTH INSPECTION**

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

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

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

#### **G1. POLICE & FIRE SERVICES, DISASTER MANAGEMENT**

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

#### **H1. COMMUNITY FACILITIES**

The municipality has the following community facilities:



## **Multipurpose Stadiums**

Lesley Manyathela, Madimbo, Nancefield extension 5, Nancefield extension 6 and Nancefield Extension 7.

## **Other Stadiums**

Malale and Musina Rugby field

## **Museum**

Mapungubwe World Heritage site

## **Recreational Parks**

Nancefield Ext. 1, Eric Meyer and Nancefield Extension 5

## **COMPONENT I: CORPORATE POLICY & OTHER SERVICES**

### **I.1. FINANCIAL SERVICES**

#### **BUDGET AND REVENUE COLLECTION**

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

The Municipality had a total revenue budget of R286 676 000 million that was adjusted upwards to R359 916 000 million during budget adjustment.

The actual revenue realized is R289 508 695 million and this resulted in under-performance variance of -R71 245 104 million. Grants and subsidies amounting to R157 004 137 million were received during the financial year under review and they contributed a major portion of the total revenue base of the municipality since the grants dependency rate in thereof was 52%. The municipality had an unspent MIG of 5 351 317 million in the 2018/19 financial year and this was applied for rollover and it was appropriated during 2018/19. Adjustment budget. Including the rolled-over portion of MIG, the transfers and subsidies are comprised of R 128 010 137 million that is capital and R2 369 334 million.

### **I.2. HUMAN RESOURCE SERVICES**

The Human Resource Division as a strategic partner in the Integrated Development and Planning (IDP) and its implementation, has managed to support all departments in implementing IDP objectives. The division, amongst other areas of support, has played a role in administering staff provisioning, personnel maintenance, labour relation, training and development and organizational development during the financial year 2020/2021.

#### **Staff Provisioning**

In the financial year 2020/2021, the Municipality did not fill any position due to the new municipal transition and cashflow challenges.



## Organizational Structure

The Organizational Structure of the Municipality was reviewed and adopted by the council for implementation in May 2020.

### **I.3. ICT SERVICES**

The Information and Communication Technology (ICT) Department has the responsibility to acquire, operate and maintain information technology hardware and software to improve business processes and service delivery. The ICT department has ensured the operation of 7 servers and 150 end users notebooks and workstations during the financial year 2020/22. The municipality has all relevant licensing for its software systems which are required to complete operational procedures.

The ICT Department has reviewed 11 policies and 3 plans during the 2020/2021 financial year. The policies are driven by Corporate Governance of ICT and a number of these policies guide end-users with the appropriate behaviour and approved processes while operating on the municipal ICT equipment and systems.

The municipality has an obligation to its customers and other entities in providing information through accessible means, this is achieved through publications on our website ([www.musina.gov.za](http://www.musina.gov.za)). The website makes use of a Website Content Management System (WCMS). The use of WCMS allows the municipality to publish content in-house without the need of staff members with programming backgrounds and reduces hourly rates charged by service providers. This enables the largest contributor to municipal website content, the Communications Department, to upload articles when necessary, improving publication turnover times.

The municipality replaced redundant and outdated network based multifunction printers (MFP) to improve printing, copying and scanning services. The MFPs are centrally controlled to implement cost saving initiatives and the management of the leased assets over the contracted period.

### **ICT Challenges**

Servers, laptops and computers have exceeded their use for life. In order to remedy this challenge, the ICT Department is currently in the process of replacing these assets in a phased-in approach over 2 years. The phased-in approach will allow the municipality to reduce the pressures experienced with budgeting and expenditure limitations.

## **COMPONENT J: MISCELLANEOUS**

Musina Municipality does not have Entities

## **K. ORGANISATIONAL PERFORMANCE SCORECARD**

### **K1. PERFORMANCE MANAGEMENT**

In MLM, performance management is limited to Section 56 Managers. The municipality has not conducted the 2020/2021 mid-year assessments as a measure to detect poor performance at an early stage. Through the session, General Managers are offered an opportunity to state their challenges and be assisted by panel members based on those challenges in order to meet their set targets by the end of the financial year. All Section 54 and 56 Managers signed performance agreements and Performance Plans. Progress review of the service delivery and budget implementation plan was done every quarter.

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

#### ***Performance agreements***

<b>The signing of the performance agreement</b>		
<b>Officials</b>	<b>signed</b>	<b>not signed</b>
Municipal Manager	✓	
Chief financial officer	✓	
Acting Manager community services		✓
Acting General Manager Technical		✓
Acting General Economic development planning		✓
General Manager Corporate Services	✓	

## **K2. PREDETERMINED OBJECTIVES ANNUAL REPORT 2020/2021 PER DEPARTMENT**

The Annual Report depicts an overall performance against set key performance indicators during the financial year 2020/2021 which is a decrease comparing with the 2019/2020 financial year.

KPA	2019/2020					2020/2021				
	TOTAL ANNUAL KPI'S	TOTAL ANNUAL PERFORMANCE	TOTAL ANNUAL VARIENCE	% ANNUAL PERFORMANCE	%ANNUAL PERFORMANCE VARIENCE	TOTAL ANNUAL KPI'S	TOTAL ANNUAL PERFORMANCE	TOTAL ANNUAL VARIENCE	% ANNUAL PERFORMANCE	%ANNUAL PERFORMANCE VARIENCE
Basic service delivery	18	10	8	56%	44%	17	15	-2	80%	20%
Good governance and public participation	38	17	21	45%	55%	28	18	10	64%	36%
Municipal Transformation and organizational development	39	27	12	69%	31%	39	33	6	85%	15%
Municipal Financial viability and management	19	19	0	100%	0%	20	20	0	100%	0%
Local economic development	13	12	1	92%	8%	11	11	0	100%	0%
Social and Justice	13	5	8	38%	62%	15	11	4	73%	27%
<b>TOTAL</b>	<b>140</b>	<b>90</b>	<b>50</b>	<b>64%</b>	<b>36%</b>	<b>130</b>	<b>110</b>	<b>20</b>	<b>85%</b>	<b>15%</b>

### K3 2020/2021 SERVICE PROVIDER PERFORMANCE

TENDER NO	COMPANY NAME	DESCRIPTION	PERIOD	EFFECTIVE DATE	EXPIRY DATE	CONTRACT AMOUNT	EXPENDITURE AS AT 31 MARCH 2020 (VAT EXCL)	COMMENTS/STATUS
11 - 2018/19	MLK Engineering and Consultants, Ice burg trading	Consultant for Construction of Nancefield Ext 9 & 10 Paved Roads and Storm Water	12 Months	1-Jun-19	31-May-21	13,07 m	13,07 m	complete
8 - 2018/19	Morula Consulting Engineers and Project Managers Motla projects	Consultant for Construction of Manenzhe Sports Facility	12 Months	1-Jun-19	31-July-21	7,2 m	6,78 m	MIIG project in progress
9 - 2018/19	Oascon Solutions, Mptla projects	Consultant for Construction of Muswodi Community Hall	12 Months	1-Jun-19	31-July-21	7,944m	7,052 m	MIIG project in progress
10 - 2018/19	MLK Engineering and Consultants, Iceburg Trading	Consultant for Construction of Access Road to Nancefield Clinic	12 Months	1-Jun-19	31-August-21	14,042 m	10,32 m	MIIG project in progress
05-2019/20	T3 consulting Engineers, PK financial consultant	Construction of Tshivhongweni bridge and culvert	12 month	1-Jan-21	30- December 21	12,585 m	2,7 m	MIIG project in progress
04-2019/20	Urban technologist	Construction of Nancefield Ext 9 & 10 Paved Roads and Storm Water	12 month	1-Jan-21	30- December 21	11,52 m	9,4m	MIIG project in progress
04-2020/21	T2 tech consulting engineering	Construction of ext 6 sports facility Harper)	12 month7	01-becember-2020	30 Jun 2021	5 m	5 m	Complete



**CAPITAL PROGRAMME BY PROJECT YEAR 2020/2021**

Project Name	Consulting, Contractor	Start Date	Completion Date	Ward	Allocated Budget	% Physical Progress	% Financial Progress	Comments
Nancefield Ext. 9 & 10	MLK Engineering , Iceburg trading	04/12/2019	31/08/2020	6	4,528 m	100%	100%	Complete
Muswodi Community Hall	Oascon Solutions,Motla Projects	03/12/2019	31/08/2020	7	5,84 m	100%	100%	MIG project in progress
Manenzhe Sport Facility	Morula consulting, Motla Projects	03/12/2019	31/08/2020	9	2,87 m	100%	100%	Complete
Nancefield central streets	MLK Engineering , Iceburg Trading	01/12//2020	31/07/2021	4	R 5,96 m	75%	100%	Progress affected by Covid-19
Nancefield phase 6 to 12	UrbanTech Holdings, TBA	01/12//2020	30/08/2021	5	R 4,2 m	80%	100%	Progress affected by Covid-19
Construction of bridge and culvert :Tshivhongweni- Tshokotshoko	T3 Consulting, TBA	01/12//2020	30/08/2022	10	R 3,578 m	28%	73%	The project is on construction
Construction of multi-purpose community centre (indoor sports centre, disability and centre and youth centre)	Nduvho Construction	01/08/2017	30/11/2020	4	R12.17 m	100%	100%	Complete

## COMPONENT L: ECONOMIC ACTIVITIES BY SECTOR

### Major investments or Disinvestments in the municipal Area

Projects	Area	Number of Jobs Created	Challenges	Interventions
N1 Ring Road	Musina	520	Completion of project delayed	A new service provider was appointed to

**M. ANNUAL PERFORMANCE REPORT : INSTITUTIONAL SERVICE DELIVERY AND BUDGET IMPLMENTATION PLAN**

**KPA 1: BASIC SERVICE DELIVERY**

STRATEGIC OBJECTIVE: TO INITIATE AND IMPROVE THE QUANTITY AND QUALITY OF MUNICIPAL INFRASTRUCTURE SERVICES

**1.1 TECHNICAL SERVICES**

**CIVIL & MECHANICAL ENGINEERING SERVICES**

Key performance indicator	Baseline	20/21 Annual Target	Q 1 Actual Performance	Q2 Actual Performance	Q3 Actual Performance	Q 4 Actual Performance	20/21 Total Annual Performance	Performance Remark	20/21 Variance	Reason For Variance	Measures to Improve performance	Means of Verification
Number of Council Vehicles Serviced	13	12	4	3	5	3	15	Target achieved	+3	More Breakdown occurred more than anticipated	Align target to the demand as per the 2021/2022 planning schedule	Job cards Invoices
Number of planned and scheduled maintenance of air-conditioning units in all municipal offices	1	3	0	0	1	1	2	Target not achieved	-1	A complete servicing of air-conditioners wasn't fully undertaken as the municipality prioritised emergency services due to the national lockdown restrictions	Improve on internal controls in the 2021/2022 Financial Year	Invoices: Scheduled Maintenance Achieved
Kilometres of surfaced road maintained (clustered potholes)	0	1.6km	0	0	0	1.6 km	1.6 km	Target achieved	0	None	None	Daily Labour Returns Coldmix asphalt (CMA) usage Invoices / Deliver Notes of CMA
Number of hand held GPS and DCP Kit procured	New	2	0	0	0	2	2	Target achieved	0	None	None	Invoice / Delivery note
<b>PMU</b>												
Key performance indicator	Baseline	20/21 Annual Target	Q 1 Actual Performance	Q2 Actual Performance	Q3 Actual Performance	Q 4 Actual Performance	20/21 Total Annual Performance	Performance Remark	20/21 Variance	Reason For Variance	Measures to Improve performance	Means of Verification
Kilometers of paved roads constructed in Nancefield EXT 9&10	Layer works paving Kerbing	1.8km	Kerbing Paving Speed humps Road sings	Road marking Finishing Completed	0	0	1.8km	Target achieved	0	None	None	Completion certificate
Kilometers of access road to Nancefield central street ( Phillipom Sekhwari & John Chisanga) constructed	New	Layer works	Design	tendering	Site establishment Earth works Box cutting	Layer works	Layer works	Target achieved	0	None	None	Progress Reports



Number of Multi-purpose Community Centre (Indoor Sports Centre, Disability and Centre and Youth Centre) constructed WARD 4	One complete structure	1	1	0	0	0	1	Target achieved	0	None	None	Completion certificate
Number of sport Facility constructed in Manenzhe village	super structure and drill Borehole	1	Roofing Plastering Glazing grassing plumbing	Combi courts Painting Equipping of bore hole	Grassing Kerbing finishing	1	1	Target achieved	0	None	None	Completion certificate
Number of Tshivhongweni Bridge constructed	New	Excavation graveling	Design	Tender stage	Site establishment Clearing & grabbing Earth works	Excavation graveling	Excavation graveling	Target achieved	0	None	None	Progress Reports
Number of Muswodi Community Hall constructed	Raft Foundation beams	1	Super structure Brick work Roofing Plastering Fencing	Roofing Plumbing Plastering Landscaping	Painting Glazing Plumbing Tiling landscaping	Electricity Finishing	0	Target not achieved	-1	Project awaited for the electrification by Eskom	2020/2022 Financial Year	Completion Certificate
Kilometers of Paved Road constructed in Nancefield Phase 6&12	New	Layer works	Design	tendering	Site establishment Earth works	Stormwater Layer works	Layer works	Target achieved	0	None	None	Progress Reports
<b>ELECTRICAL ENGINEERING SERVICES</b>												
Number of transformer purchased and installed in Nancefield Ext 8	New	1	Not Applicable	Not Applicable	0	1	1	Target achieved	0	None	None	Invoice delivery note Job cards
Number of Public lights maintained	New	40	10	10	5	15	40	Target achieved	0	None	None	Job cards
Number of chain saw procured	New	2	Not Applicable	Not Applicable	0	2	2	Target achieved	0	None	None	Invoice Delivery note



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

**2.1 DEPARTMENT: MUNICIPAL MANAGER**

COMMUNICATIONS													
Key performance indicator	Baseline	20/21 Annual Target	Q 1 Actual Performance	Q2 Actual Performance	Q3 Actual Performance	Q 4 Actual Performance	20/21 Total Annual Performance	Performance Remark	20/21 Variance	Reason For Variance	Measures to Improve performance	Means of Verification	
Number of Radio and Newspaper features Released	151	96	49	48	97	28	222	Target achieved	+126	Too many activities due to covid campaungs	None	Radio and newsletter scripts	
Number of Diaries and calenders produced	3050	3000	0	3000	0	0	3000	Target achieved	0	None	None	invoices	
Number of bulk sms update, Facebook page and website issued	335	96	171	139	246	188	744	Target achieved	+648	Covid 19 awareness	None	SMS, Facebook and website produced	
SPECIAL PROGRAMMES													
Key performance indicator	Baseline	20/21 Annual Target	Q 1 Actual Performance	Q2 Actual Performance	Q3 Actual Performance	Q 4 Actual Performance	20/21 Total Annual Performance	Performance Remark	20/21 Variance	Reason For Variance	Measures to Improve performance	Means of Verification	
Number of Imbizos conducted	3	4	0	1	0	1	2	Not achieved	-2	Programme was affected by the Covid 19 restrictions as it did not allow mass gatherings	Programme will be fully implemented when restrictions are eased	Attendance register, Invitations, Programme/Agenda	
Number of Human Rights day conducted	0	1	0	0	1	0	1	Target achieved	0	None	None	Attendance register, Invitations, Programme/Agenda	
Number of freedom day conducted	0	1	0	0	0	1	1	Target achieved	0	None	None	Attendance register, Invitations, Programme/Agenda	
Number of Gender forum conducted	2	3	0	1	0	0	1	Not achieved	-2	Programme was affected by the Covid 19 restrictions as it did not allow mass gatherings	Programme will be fully implemented when restrictions are eased	Attendance register, Invitations, Programme/Agenda	
Number of senior citizen forum held	2	3	0	1	0	1	2	Not achieved	-1	Programme was affected by the Covid 19 restrictions as it did not	Programme will be fully implemented when restrictions are eased	Attendance register, Invitations, Programme/Agenda	



										allow mass gatherings		
Number of children programme conducted	2	3	0	0	0	0	0	Not achieved	-3	Programme was affected by the Covid 19 restrictions as it did not allow mass gatherings	Programme will be fully implemented when restrictions are eased	Attendance register, Invitations, Programme/Agenda
Number of moral regeneration movement forum conducted	2	3	0	0	0	0	0	Not achieved	-3	Programme was affected by the Covid 19 restrictions as it did not allow mass gatherings	Programme will be fully implemented when restrictions are eased	Attendance register, Invitations, Programme/Agenda
Number of disability forum conducted	2	4	0	2	1	1	4	Target achieved	0	None	None	Attendance register, Invitations, Programme/Agenda
Number of HIV/ AIDS programme conducted	3	3	0	3	0	0	3	Target achieved	0	None	None	Attendance register, Invitations, Programme/Agenda
Number of world aids day celebrated	1	1	0	1	0	0	1	Target achieved	0	None	None	Attendance register, Invitations, Programme/Agenda
Number of youth assistant conducted	0	1	0	0	0	0	0	Not achieved	-1	Cancelled on the eve of the program as the covid level went up and restricted gatherings	2021/2022	Attendance register, Invitations, Programme/Agenda
Number of Mayoral Bursary Receipts	9	12	0	0	10	0	10	Not achieved	-2	Budget Constrains	Align target to meet the available budget	Approval letter
Number of mayoral budget speech conducted	1	1			0	1	1	Target achieved	0	None	None	Attendance register, Invitations, Programme/Agenda



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

3.1 CORPORATE SERVICES

LEGAL SERVICES AND SECRETARIAT													
Key performance indicator	Baseline	20/21 Annual Target	Q 1 Actual Performance	Q2 Actual Performance	Q3 Actual Performance	Q 4 Actual Performance	20/21 Total Annual Performance	Performance Remark	20/21 Variance	Reason For Variance	Measures to Improve performance	Means of Verification	
Number of by-laws Developed and Reviewed	0	2	0	0	0	0	0	Not achieved	-2	No submission for the departments	None	By-laws Developed and Reviewed	
Number of by-laws Gazetted	0	2	0	0	0	2	2	Target achieved	0	None		By-laws gazetted	
Number of Litigation Register Developed for cases initiated or defended (Updated)	1	4	1	1	1	1	4	Target achieved	0	None	None	Litigation Register	
HUMAN RESOURCES MANAGEMENT													
Key performance indicator	Baseline	20/21 Annual Target	Q 1 Actual Performance	Q2 Actual Performance	Q3 Actual Performance	Q 4 Actual Performance	20/21 Total Annual Performance	Performance Remark	20/21 Variance	Reason For Variance	Measures to Improve performance	Means of Verification	
Number of Competency assessment, vetting and screening conducted	0	3	0	3	0	0	3	Target achieved	0	None	None	Assessments reports	
Number of fire equipment's maintained	92	50	0	0	50	0	50	Target achieved	0	None	None	Signed approved Memo/ Invoice	
Protective Clothing Purchased	41	1	0	1	0	0	1	Target achieved	0	None	None	Invoice Delivery note	
Medical surveillance conducted	New	1	0	1	0	0	1	Target achieved	0	None	None	Medical Reports/ Invoice	
Number of Employees Trained as per Workplace skill plan	37	65	0	65	0	0	65	Target achieved	0	None	None	Approved WSP Memo/ Report	
Number of Study bursaries provided	17	19	19	0	0	0	19	Target achieved	0	None	None	Approved WSP Memo/ Report	
Number of Learnership programmes provided	New	34	34	0	0	0	34	Target achieved	0	None		Approved WSP Memo/ Report	
INFORMATION TECHNOLOGY													
Key performance indicator	Baseline	20/21 Annual Target	Q 1 Actual Performance	Q2 Actual Performance	Q3 Actual Performance	Q 4 Actual Performance	20/21 Total Annual Performance	Performance Remark	20/21 Variance	Reason For Variance	Measures to Improve performance	Means of Verification	



Number of customer helpdesk and complains system	New	1	0	0	0	0	0	Not achieved	-1	Delay by SCM caused by the impact of corona virus national lock down where bids committees had to come	Develop a work schedule where bids committees have to come on same week rotation	System Report
Software Licensing	New	157	157	0	0	0	157	Target achieved	0	None	None	System Report
Number of Computer Hardware purchased	New	30	0	0	0	0	0	Not achieved	-30	Delay by SCM caused by the impact of corona virus national lock down where bids committees had to come to work on rotation	Develop a work schedule where bids committees have to come on same week rotation	Invoice
Number of Management of Photocopy Machines provided	12	12	3	3	3	3	12	Target achieved	0	None	None	Contract Management
<b>STRATEGIC MANAGEMENT</b>												
Key performance indicator	Baseline	20/21 Annual Target	Q 1 Actual Performance	Q2 Actual Performance	Q3 Actual Performance	Q 4 Actual Performance	20/21 Total Annual Performance	Performance Remark	20/21 Variance	Reason For Variance	Measures to Improve performance	Means of Verification
Number of strategic planning sessions coordinated	2	2	0	0	2	0	2	Target achieved	0	None	None	Attendance register



**KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT**

STRATEGIC OBJECTIVE: ENHANCE COMPLIANCE WITH LEGISLATION AND IMPROVE FINANCIAL VIABILITY

DEPARTMENT: FINANCE

**REVENUE MANAGEMENT**

Key performance indicator	Baseline	20/21 Annual Target	Q 1 Actual Performance3	Q2 Actual Performance	Q3 Actual Performance	Q 4 Actual Performance	20/21 Total Annual Performance	Performance Remark	20/21 Variance	Reason For Variance	Measures to Improve performance	Means of Verification
Free services provided to qualifying Households monthly	12	12	3	3	3	3	12	Target achieved	0	None	None	Updated Indigent register

**ASSET MANAGEMENT**

Key performance indicator	Baseline	20/21 Annual Target	Q 1 Actual Performance	Q2 Actual Performance	Q3 Actual Performance	Q 4 Actual Performance	20/21 Total Annual Performance	Performance Remark	20/21 Variance	Reason For Variance	Measures to Improve performance	Means of Verification
unbundling/impairment of infrastructure assets	1	1	0	0	0	1	1	Target achieved	0	None	None	Council Resolution



**KPA 5: LOCAL ECONOMIC DEVELOPMENT**

STRATEGIC OBJECTIVE: TO CREATE A CONDUCIVE ENVIRONMENT FOR SUSTAINABLE ECONOMIC GROWTH

**5.1 ECONOMIC DEVELOPMENT AND PLANNING**

LOCAL ECONOMIC DEVELOPMENT													
Key performance indicator	Baseline	20/21 Annual Target	Q 1 Actual Performance	Q2 Actual Performance	Q3 Actual Performance	Q 4 Actual Performance	20/21 Total Annual Performance	Performance Remark	20/21 Variance	Reason For Variance	Measures to Improve performance	Means of Verification	
Number of jobs created through poverty alleviation	190	190	0	0	190	0	190	Target achieved	0	None	None	Individual contracts	
Number of SMME Supported	14	1	0	0	1	0	1	Target achieved	0	None	None	Approved Allocation letter, Identity	
SPATIAL PLANNING													
Key performance indicator	Baseline	20/21 Annual Target	Q 1 Actual Performance	Q2 Actual Performance	Q3 Actual Performance	Q 4 Actual Performance	20/21 Total Annual Performance	Performance Remark	20/21 Variance	Reason For Variance	Measures to Improve performance	Means of Verification	
Number of street naming and numbering policies developed	1	1	0	0	0	1	1	Target achieved	0	None	None	council resolution	
Number of Supplementary valuation roll developed	1	1	0	0	0	1	1	Target achieved	0	None	None	Supplementary Valuation for 2021/22	
IDP-EDP													
Key performance indicator	Baseline	20/21 Annual Target	Q 1 Actual Performance	Q2 Actual Performance	Q3 Actual Performance	Q 4 Actual Performance	20/21 Total Annual Performance	Performance Remark	20/21 Variance	Reason For Variance	Measures to Improve performance	Means of Verification	
Number of IDP Stakeholder/ Rep forums conducted	4	4	1	1	1	1	4	Target achieved	0	None	None	Attendance Register	



A. MUNICIPAL LOWER LAYER SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

KPA 1: BASIC SERVICE DELIVERY

STRATEGIC OBJECTIVE: TO INITIATE AND IMPROVE THE QUANTITY AND QUALITY OF MUNICIPAL INFRASTRUCTURE SERVICES

1.1 TECHNICAL SERVICE

CIVIL & MECHANICAL ENGINEERING SERVICES

Key performance indicator	Baseline	20/21 Annual Target	Q 1 Actual Performance	Q2 Actual Performance	Q3 Actual Performance	Q 4 Actual Performance	20/21 Total Annual Performance	Performance Remark	20/21 Variance	Reason Variance	For	Measures to Improve performance	Means of Verification
kilometres of roads marked	1,049 km	1km	0	0	1.1 km	0	1.1 km	Target achieved	+0.1 km	More than anticipated due to heavy/ hectic traffic in town	Align target to the demand needs occurring in seasons	Daily Labour Returns	
Number of road traffic signs maintained	15	12	3	3	3	4	13	Target achieved	+1	Emergency maintenance occurred due to road accidents	Align target to the demand needs occurring in seasons	Daily Labour Returns	
Kilometres of storm water channel cleaned	1km	1km	1.30 km	0	0	0	1.30 km	Target achieved	+0.30	Extended cleaning performed due to the rainy season that caused more storm water channel polluted	Align target to the demand needs occurring in seasons	Daily Labour Returns	



KPA 2: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

STRATEGIC OBJECTIVE: TO DEEPEN DEMOCRACY AND PROMOTE ACCOUNTABILITY

2.1 DEPARTMENT: MUNICIPAL MANAGER

Key performance indicator	Baseline	20/21 Annual Target	COMMUNICATIONS									Measures to Improve performance	Means of Verification
			Q 1 Actual Performance	Q2 Actual Performance	Q3 Actual Performance	Q 4 Actual Performance	20/21 Total Annual Performance	Performance Remark	20/21 Variance	Reason For Variance			
Number of Speeches produced	36	48	13	15	7	15	50	Target achieved	+2	Covid awareness campaigns	None	Speeches produced	
RISK MANAGEMENT													
Key performance indicator	Baseline	20/21 Annual Target	Q 1 Actual Performance	Q2 Actual Performance	Q3 Actual Performance	Q 4 Actual Performance	20/21 Total Annual Performance	Performance Remark	20/21 Variance	Reason For Variance	Measures to Improve performance	Means of Verification	
Number of Strategic and operational risk register developed	1	1	1	0	0	0	1	Target achieved	0	None	None	Copy of Strategic and Operational Risk Register developed	
Number of risk Management Reports Developed	2	4	1	1	1	1	4	Target achieved	0	None	None	Quarterly Risk Management Reports	
Number of risk management committee meetings coordinated	1	4	0	0	0	0	0	Not achieved	-4	None functional risk committee	Appointment of independent risk committee	Attendance register	
SECURITY MANAGEMENT													
Key performance indicator	Baseline	20/21 Annual Target	Q 1 Actual Performance	Q2 Actual Performance	Q3 Actual Performance	Q 4 Actual Performance	20/21 Total Annual Performance	Performance Remark	20/21 Variance	Reason For Variance	Measures to Improve performance	Means of Verification	
Number of security committee meetings coordinated	0	4	1	1	1	1	4	Target achieved	0	None	None	Attendance register	
Number of Security awareness campaigns coordinated	0	4	1	1	1	1	4	Target achieved	0	None	None	Attendance register	
SPECIAL PROGRAMMES													
Number of Total Ward committee meetings held	104	144	0	10	1	0	11	Not achieved	-133	Covid regulations does not allow mass gatherings	Awaiting for the regulations to allow	Attendance register	



Number of school visited conducted	13	13	0	0	4	0	4	Not achieved	-9	Covid regulations does not allow mass gatherings	Awaitin for the regulations to allow mass gatherings	Attendance register
Number of MPAC coordinated	13	5	1	1	3	6	10	Target achieved	+5	Other special matters that neddede attecin including proects visits and events	None	Attendance register

#### INTERNAL AUDIT

Key performance indicator	Baseline	20/21 Annual Target	Q 1 Actual Performance	Q2 Actual Performance	Q3 Actual Performance	Q 4 Actual Performance	20/21 Total Annual Performance		20/21 Variance	Reason For Variance	Measures to Improve performance	Means of Verification
Number of Annual audit plan developed	1	1	0	0	0	1	1	Target achieved	0	None	None	Copy of the Annual Audit Plan
Number of audit committee meetings coordinated	3	4	0	1	1	0	2	Not achieved	-2	Audit committee not yet appointed	Appointment of the audit committee in the 2021/2022 financial year	Attendance
Number of internal audit Reports produced	4	4	1	1	1	1	4	Target achieved	0	None	None	Copy of the Internal Audit Report



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

3.1 CORPORATE SERVICES

LEGAL SERVICES AND SECRETARIAT

Key performance indicator	Baseline	20/21 Annual Target	Q 1 Actual Performance	Q2 Actual Performance	Q3 Actual Performance	Q 4 Actual Performance	20/21 Total Annual Performance	Performance Remark	20/21 Variance	Reason Variance For	Measures to Improve performance	Means of Verification
Number of Policies vetted and reviewed	35	20	0	0	0	20	20	Target achieved	0	None	None	Council Resolution
Number of Contracts developed	New	6	0	0	2	4	6	Target achieved	0	None	None	Referral note, written opinion, invoice and payment
Number of Ordinary Council Meetings held	6	5	1	1	2	1	5	Target achieved	0	None	None	Attendance register/ Council Resolution
Number of Special Council meetings held	2	2	0	2	1	1	4	Target achieved	+2	Urgent matters special attention	None	Attendance register/ Council Resolution
Number of Council Committees Meetings held	6	5	1	1	2	1	5	Target achieved	0	None	None	Attendance register/ Council Resolution

HUMAN RESOURCES MANAGEMENT

Key performance indicator	Baseline	20/21 Annual Target	Q 1 Actual Performance	Q2 Actual Performance	Q3 Actual Performance	Q 4 Actual Performance	20/21 Total Annual Performance	Performance Remark	20/21 Variance	Reason Variance For	Measures to Improve performance	Means of Verification
Number of job descriptions evaluated	15	20	0	0	0	0	0	Not achieved	-20	Provincial Evaluation meeting committee was affected by the covid 19 restrictions	2021/2022 Financial year	Copy of the jobs evaluated
Number of inspections conducted	New	4	1	1	1	1	4	Target achieved	0	None	None	Inspection report
Number of WSP submitted to LGSETA	1	1	0	0	0	1	1	Target achieved	0	None	None	Submission acknowledgement letter/
Number of Employment Equity Report developed and submitted to Department of Labour	1	1	0	0	0	1	1	Target achieved	0	None	None	Submission acknowledgement letter/
Number of cleaning services coordinated	12	12	3	3	3	3	12	Target achieved	0	None	None	Cleaning services attendance register



Number of people from employment equity target groups in the three highest levels of management	New	1	0	0	0	0	0	Not achieved	-1	Budget constrains no positions advertised in the financial year	2021/2022 Financial Year	Copy of the Advertisement
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#### INFORMATION TECHNOLOGY

Key performance indicator	Baseline	20/21 Annual Target	Q 1 Actual Performance	Q2 Actual Performance	Q3 Actual Performance	Q 4 Actual Performance	20/21 Total Annual Performance	Performance Remark	20/21 Variance	Reason For Variance	Measures to Improve performance	Means of Verification
Maintained and Updated Municipal Website	12	12	3	3	3	3	12	Target achieved	0	None	None	System report
Internet And Email Services Connectivity supplied	12	12	3	3	3	3	12	Target achieved	0	None	None	Logged calls faults reports
Number of Server room maintained	12	12	3	3	3	3	12	Target achieved	0	None	None	Signed maintained reports
Telephone Management System Maintained	12	12	3	3	3	3	12	Target achieved	0	None	None	System report
SLA and Contract Management	7	7	0	0	0	7	7	Target achieved	0	None	None	Contract Management
Number of Standard Operating Procedures Developed	1	1	0	0	0	1	1	Target achieved	0	None	None	Copy of the standards operating procedure developed

#### STRATEGIC MANAGEMENT

Key performance indicator	Baseline	20/21 Annual Target	Q 1 Actual Performance	Q2 Actual Performance	Q3 Actual Performance	Q 4 Actual Performance	20/21 Total Annual Performance	Performance Remark	20/21 Variance	Reason For Variance	Measures to Improve performance	Means of Verification
Number of performance agreement MSA section 54&56 completed and signed.	4	6	3	0	0	0	3	Not achieved	-3	No appointments of Sec 54&56 been implemented	Re- Advertisement in 2021/2022 fy	Signed copies of the Performance Agreements
Number of organizational service delivery and budget implementation plan (SDBIP) developed.	1	1	1	0	0	0	1	Target achieved	0	None	None	Copy of the signed SDBIP and Council Resolution



Number of organizational service delivery and budget implementation plan (SDBIP) reviewed.	1	1	0	1	0	0	1	Target achieved	0	None	None	Copy of the signed SDBIP and Council Resolution
Number of annual performance report developed	1	1	0	0	0	1	1	Target achieved	0	None	None	Copy of the signed APR Council Resolution
Number of annual report developed and tabled	1	1	0	0	0	1	1	Target achieved	0	None	None	Council Resolution
Number of council approved oversight report	1	1	0	0	0	1	1	Target achieved	0	None	None	Council Resolution
Number of mid-year performance report tabled and assessed	1	1	0	1	0	0	1	Target achieved	0	None	None	Council Resolution


**KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT**
**STRATEGIC OBJECTIVE: ENHANCE COMPLIANCE WITH LEGISLATION AND IMPROVE FINANCIAL VIABILITY**
**DEPARTMENT: FINANCE**
**REVENUE MANAGEMENT**

Key performance indicator	Baseline	20/21 Annual Target	Q 1 Actual Performance	Q2 Actual Performance	Q3 Actual Performance	Q 4 Actual Performance	20/21 Total Annual Performance	Performance Remark	20/21 Variance	Reason For Variance	Measures to Improve performance	Means of Verification
Number of monthly billings conducted	12	12	3	3	3	3	12	Target achieved	0	None	None	Billing Report
Irrecoverable debts Written off yearly	1	1	0	0	0	1	1	Target achieved	0	None	None	Billing Report
Number of Households with access to basic level of electricity	12	12	3	3	3	3	12	Target achieved	0	None	None	Updated Indigent register
Number of Households with access to basic level of solid waste removal	12	12	3	3	3	3	12	Target achieved	0	None	None	Updated Indigent register

**BUDGET**

Key performance indicator	Baseline	20/21 Annual Target	Q 1 Actual Performance	Q2 Actual Performance	Q3 Actual Performance	Q 4 Actual Performance	20/21 Total Annual Performance	Performance Remark	20/21 Variance	Reason For Variance	Measures to Improve performance	Means of Verification
Submission of budget time schedule to council	1	1	1	0	0	0	1	Target achieved	0	None	None	Council Resolution
Percentage of Municipality's Capital budget actually spent on Capital projects identified for a particular financial year in terms of the Municipality's IDP	100%	100%	25%	25%	25%	25%	100%	Target achieved	0	None	None	Budget Report
Percentage of Municipality's budget actually spent on implementing its workplace skills plan	100%	100%	25%	25%	25%	25%	100%	Target achieved	0	None	None	Budget Report



### EXPENDITURE

Key performance indicator	Baseline	20/21 Annual Target	Q 1 Actual Performance	Q2 Actual Performance	Q3 Actual Performance	Q 4 Actual Performance	20/21 Total Annual Performance	Performance Remark	20/21 Variance	Reason For Variance	Measures to Improve performance	Means of Verification
Number of creditors balance reduced	12	12	3	3	3	3	12	Target achieved	0	None	None	Creditors report
Number of payroll runs and reconciliations	12	12	3	3	3	3	12	Target achieved	0	None	None	PaySlips
Number of bank reconciliations compiled	12	12	3	3	3	3	12	Target achieved	0	None	None	Bank general ledger
Number of Expenditure analysis report prepared	12	12	3	3	3	3	12	Target achieved	0	None	None	Expenditure report
Number of vat 201 returns completed and submitted	12	12	3	3	3	3	12	Target achieved	0	None	None	VAT 201

### SUPPLY CHAIN AND ASSET MANAGEMENT

Key performance indicator	Baseline	20/21 Annual Target	Q 1 Actual Performance	Q2 Actual Performance	Q3 Actual Performance	Q 4 Actual Performance	20/21 Total Annual Performance	Performance Remark	20/21 Variance	Reason For Variance	Measures to Improve performance	Means of Verification
Number of stock take conducted	12	12	3	3	3	3	12	Target achieved	0	None	None	Stock taking report
Number of assets verification conducted	1	1	0	0	0	1	1	Target achieved	0	None	None	Asset Register
Awarding of tenders within 90 days of the date of tender submissions of bids evaluated, adjudicated.	100%	100%	100%	100%	100%	100%	100%	Target achieved	0	None	None	Tenders approved

### FINANCIAL MANAGEMENT

Key performance indicator	Baseline	20/21 Annual Target	Q 1 Actual Performance	Q2 Actual Performance	Q3 Actual Performance	Q 4 Actual Performance	20/21 Total Annual Performance	Performance Remark	20/21 Variance	Reason For Variance	Measures to Improve performance	Means of Verification
Number of GRAP compliant annual financial statements produced	1	1	1	0	0	0	1	Target achieved	0	None	None	Copy of the financial statements
Reconciliation of general ledger accounts	12	12	3	3	3	3	12	Target achieved	0	None	None	General Ledger Account



Financial viability expressed by the ratio indicated in GNR 796 of 24 August 2001	1	1	0	0	0	1	1	Target achieved	0	None	None	General Ledger Account
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#### KPA 5: LOCAL ECONOMIC DEVELOPMENT

##### STRATEGIC OBJECTIVE: TO CREATE A CONDUCTIVE ENVIRONMENT FOR SUSTAINABLE ECONOMIC GROWTH

###### ECONOMIC DEVELOPMENT AND PLANNING

IDP-EDP												
Key performance indicator	Baseline	20/21 Annual Target	Q 1 Actual Performance	Q2 Actual Performance	Q3 Actual Performance	Q 4 Actual Performance	20/21 Total Annual Performance	Performance Remark	20/21 Variance	Reason Variance For	Measures to Improve performance	Means of Verification
Number of IDP/BUDGET process plan approved	1	1	1	0	0	0	1	Target achieved	0	None	None	Council Resolution
Number of steering committee meetings conducted	7	7	2	2	2	1	7	Target achieved	0	None	None	Attendance Register
Number of COGHSTA 2020/21 IDP credibility rating results	1	1	1	0	0	0	1	Target achieved	0	None	None	MEC IDP Rating Assessment report
Number of Draft IDP council approved	1	1	1	0	0	0	1	Target achieved	0	None	None	Council Resolution
IDP public participation conducted	0	12	0	0	0	12	12	Target achieved	0	None	None	Attendance Register
Number of final IDP council approved	1	1	0	0	0	1	1	Target achieved	0	None	None	Attendance Register



**KPA 6: SOCIAL AND JUSTICE**

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

**COMMUNITY SERVICES**

**COMMUNITY SERVICES**

**WASTE MANAGEMENT, PARKS & RECREATION**

Key performance indicator	Baseline	20/21 Annual Target	Q 1 Actual Performance	Q2 Actual Performance	Q3 Actual Performance	Q 4 Actual Performance	20/21 Total Annual Performance	Performance Remark	20/21 Variance	Reason For Variance	Measures to Improve performance	Means of Verification
Number of resuscitation of Town Parks	New	4	0	1	1	1	3	Not achieved	-1	No enough staff to perform the task due to Covid 19 Restrictions	2021/2022 Financial Year	Maintenance schedule, pictures and site visit reports
Number of Environmental awareness campaigns conducted	24	16	0	5	5	6	16	Target achieved	0	None	None	Register of people contacted photographs
Number of Environmental clean-up campaigns conducted	10	6	0	8	2	2	12	Target achieved	+6	Additional Work was done by the Department of environmental Affairs for the opening of Awelani Eco Tourism Lodge	None	Invitation letters Programme Attendance register
Plant trees to green Musina and mitigate climate change impacts	504	765	45	165	0	717	927	Target achieved	+162	More trees were planted to prevent over grown trees from dying over the winter season	None	House hold Registers/ Signed Letters/ Signed Approved Reports/ Pictures
Number of Musina Islands beautified	3	2	0	1	0	1	2	Target achieved	0	None	None	Site visit report Photographs

**TRAFFIC**

Key performance indicator	Baseline	20/21 Annual Target	Q 1 Actual Performance	Q2 Actual Performance	Q3 Actual Performance	Q 4 Actual Performance	20/21 Total Annual Performance	Performance Remark	20/21 Variance	Reason For Variance	Measures to Improve performance	Means of Verification
Number of speed Machines calibrated	2	2	0	0	1	1	2	Target achieved	0	None	None	Invoice



Number of scholar patrols conducted	3	4	1	1	1	0	3	Not achieved	-1	Could not be performed due to covid 19	When regulations are eased and learners are back to school	School forms
Number of traffic fines issued	6737	4800	500	1200	1200	1200	4100	Not achieved	-700	Affected by the covid 19 regulations	2021/2022	Control documents
Number of road blocks conducted	40	48	9	12	12	12	45	Not achieved	-3	Affected by the covid 19 regulations	2021/2022	Road block register
Number of speed enforcement conducted	48	48	0	0	12	12	24	Target achieved	-24	Affected by the covid 19 regulations	2021/2022	Speed Reports
Number of Transport forum conducted	3	4	1	1	1	1	4	Target achieved	0	None	None	Attendance Register
<b>LICENSING</b>												
Key performance indicator	Baseline	20/21 Annual Target	Q 1 Actual Performance	Q2 Actual Performance	Q3 Actual Performance	Q 4 Actual Performance	20/21 Total Annual Performance	Performance Remark	20/21 Variance	Reason Variance For	Measures to Improve performance	Means of Verification
Number of application of learners licenses assessed	New	1062	654	378	274	472	1778	Target achieved	+716	The demand was high	Align target to the demand	Class schedule, booking register, e-natis report, learner's class summary report. Driving Licences
Number of calibrating equipment maintained	2	2	1	0	0	1	2	Target achieved	0	None	None	Calibrating certificate
Number of motor vehicle tested	New	420	168	150	125	97	540	Target achieved	+120	The demand was high	Align target to the demand	Enatis report
<b>DISASTER MANAGEMENT AND SOCIAL SERVICES</b>												
Key performance indicator	Baseline	20/21 Annual Target	Q 1 Actual Performance	Q2 Actual Performance	Q3 Actual Performance	Q 4 Actual Performance	20/21 Total Annual Performance	Performance Remark	20/21 Variance	Reason Variance For	Measures to Improve performance	Means of Verification
Number of disaster management services coordinated	New	4	1	1	1	1	4	Target achieved	0	None	None	Disaster management service reports



CAPITAL PROGRAMME BY PROJECT YEAR 2020/2021

Project Name	Consulting, Contractor	Start Date	Completion Date	Ward	Allocated Budget	% Physical Progress	% Financial Progress	Comments
Muswodi Community Hall	<u>Oascon Solution/</u> <u>Motla Projects</u>	03/12/2019	31/07/2021	7	R 948 051.49	100%	99.8%	Project Completed
Nancefield Central streets(p. segwari- J. Chisanga)	MLK Engineering Consulting / Ice burg trading	11/12/2020	31/08/2021	4	R 5 552 763.34	100%	99.6%	Project Completed
Nancefield phase 6 to 12	Urban tech/ PK Financial consulting	11/12/2020	15/09/2021	6	R 3 622 673.73	95%	90%	Construction stage, contractor is busy with storm water management
Construction of bridge & culverst from Tshivhongweni to Tshipale	T3 Consulting/ PK Financial consulting	15/01/2021	15/11/2021	10	R 10 104 264.73	65%	45%	Project on construction stage
Development of Nancefield grave yard	Nemurago Consulting/ TBA	TBA	TBA	4	R 3 838 942.84	0%	16%	On tender
Construction of Tshikhudini Community Hall	Nemurango Consulting/ TBA	TBA	TBA	1	R 4 649 314.35	0%	11.6%	On tender
Rehabilitation of Lesley Manyathela	Mulalo consulting engineers/ TBA	TBA	TBA	3	R 6 500 000	0%	0%	On tender

# **CHAPTER 4**

# **ORGANISATIONAL DEVELOPMENT PERFORMANCE**



## COMPONENT A: INTRODUCTION TO MUNICIPAL PERSONNEL

Human resource services for the municipality are reasonably effective and efficient, and relatively meet the expectations of the community at large. The department is responsible for attracting skilled workforce, motivating workforce to perform the required tasks and continuous capacity building of personnel.

The Human Resource Division as a strategic partner in the Integrated Development and Planning (IDP) and its implementation, has managed to support all departments in implementing IDP objectives. The division, amongst other areas of support has played a role in administering staff provisioning, personnel maintenance, labour relation, training and development and organizational development during the financial year 2020/2021.

### Staff Provisioning

In the financial year 2020/21, the Municipality did not fill any position due to the cash flow challenges.

### Organizational Structure

The Organizational Structure of the Municipality was reviewed and adopted by council for implementation.

### Analysis on Staffing, filling of critical posts, vacancy rate, contract and project management capacity

The Musina Local Municipality has approved Organogram which is reviewed annually in line with IDP Review process to ensure institutional readiness and capacity to implement the IDP. Table 74 below indicates that there are 666 posts of which 324 are filled and only 342 vacant positions budgeted for 2020/21 financial year.

The municipality has 3 critical vacant positions, namely General Manager Technical Services, General Manager Community Services and General Manager Economic Development and Planning which was not filled by the end of the financial year.

### A1. SERVICE STATISTICS

The employment summary in the Musina Local Municipality 2020/21

DEPARTMENT	TOTAL POSTS	FILLED POSTS			VACANT POSTS		
		No. of Posts / Gender			Funded Posts	Unfunded posts	New Proposed Posts (19/20)
		Total/Dept.	Male	Female			
Office of the Municipal Manager	55	24	17	7	14	0	0
Corporate Services	74	36	10	26	38	0	0
Finance Department	61	36	15	22	14	0	0
Development Planning	33	6	5	1	27	0	0



Community Services	254	140	79	61	110	0	0
Technical Services	261	56	31	25	138	0	0
Total Posts	728	298	157	141	352	0	0

Source: Musina Local Municipality 2020/21

#### A1.1 MUNICIPAL MANAGER

Employees – Municipal Manager							
Job Level	2019/2020		2020/2021				
	Post	Posts (Established)	Employees (Filled)	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	No	No
0 - 3	6	6	4	2	34%		
4 - 6	15	13	7	6	47%		
7 - 9	19	19	9	10	53%		
10 - 12	9	5	5	0	0%		
13 - 15	6	6	6	0	0%		
Total	55	49	31	18	37%		

Source: Musina Local Municipality 2020/21

#### A1.2 CORPORATE SERVICES

Employees							
Job Level	2019/2020		2020/2021				
	Post	Posts (Established)	Employees (Filled)	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	No	No
0 - 3	6	6	5	1	17%		
4 - 6	16	13	6	7	54%		
7 - 9	13	10	7	3	30%		
10 - 12	6	0	0	0	0%		
13 - 15	33	12	11	1	9%		
Total	74	41	31	10	25%		

Source: Musina Local Municipality 2020/21



### A1.3 BUDGET AND TREASURY OFFICE

		Employees: Finance				
Job Level	2019/2020	2020/2021				Vacancies (as a % of total posts)
	Post	Posts (Established)	Employees (Filled)	Vacancies (fulltime equivalents)	No	
No	No	No	No	No	No	
0 - 3	7	7	7	0	0	0%
4 - 6	11	11	7	4	37%	
7 - 9	32	32	18	14	44%	
10 - 12	0	0	0	0	0	0%
13 - 15	11	0	0	0	0	0%
16 - 18	0	0	0	0	0	0%
Total	61	61	34	16	27%	

Source: Musina Local Municipality 2020/21

### A1.4 TECHNICAL SERVICES, PROJECT MANAGEMENT UNIT

Employees						
Post Level	2019/2020	2020/2021				
	Post	Posts (Established)	Employees (Filled)	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	
No	No.	No.	No.	No.	%	
1 - 3	8	8	3	5	7%	
4 - 6	15	15	3	12	80%	
7 - 9	15	15	1	14	94%	
10 - 12	26	26	6	20	77%	
Minimum	187	187	42	145	78%	C
Total	251	251	55	196	78%	

Source: Musina Local Municipality 2020/21



### A1.5 COMMUNITY SERVICES

Employees		2019/20		2020/2021		
Job Level	Post	Posts (Established)	Employees (Filled)	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	
		No.	No.	No.	%	
0 – 3	7	7	3	4	58%	
4 – 6	35	35	14	21	60%	
7 – 9	80	80	25	55	69%	
10 – 12	15	15	7	8	54%	
13 – 15	117	117	68	49	42%	
<b>Total</b>	<b>254</b>	<b>254</b>	<b>117</b>	<b>137</b>	<b>54%</b>	

Source: Musina Local Municipality 2020/21

### A1.6 ECONOMIC DEVELOPMENT AND PLANNING

Employees		2019/20		2020/2021		
Job Level	Post	Posts (Established)	Employees (Filled)	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	
		No.	No.	No.	%	
0 – 3	6	6	2	4	67%	
4 – 6	24	24	4	20	84%	
7 – 9	3	3	0	3	100%	
10 – 12	0	0	0	0	0%	
13 – 15	0	0	0	0	0%	
<b>Total</b>	<b>33</b>	<b>33</b>	<b>6</b>	<b>27</b>	<b>82%</b>	

Source: Musina Local Municipality 2020/21



## COMPONENT B: WORKFORCE MANAGEMENT

### B1. 2020/2021 APPROVED AND REVIEWED POLICIES

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

No.	Policy name	Approved	Reviewed	Resolution number
1	Revised human resource management planning policy	✓		10.10.03.2020
2	Revised employment equity policy	✓		10.10.03.2020
3	Draft employment practices policy	✓		10.10.03.2020
4	Draft promotion, transfer, secondment and acting in higher positions policy	✓		10.10.03.2020
5	Draft terminations of services policy	✓		10.10.03.2020
6	Draft attendance and punctuality policy	✓		10.10.03.2020
7	Draft performance management system policy	✓		10.10.03.2020
8	Revised advances and reimbursable policy	✓		10.10.03.2020
9	Revised remuneration policy	✓		10.10.03.2020
10	Revised travel allowance policy	✓		10.10.03.2020
11	Revised overtime allowance policy	✓		10.10.03.2020
12	Draft legal aid policy	✓		10.10.03.2020
13	Draft housing allowance policy	✓		10.10.03.2020
14	Revised leave policy	✓		10.10.03.2020
15	Revised training and development policy	✓		10.10.03.2020
16	Revised succession planning policy	✓		10.10.03.2020
17	Draft internship policy	✓		10.10.03.2020
18	Revised internal bursary policy	✓		10.10.03.2020
19	Draft private work and declaration of interests policy	✓		10.10.03.2020
20	Revised sexual harassment policy	✓		10.10.03.2020
21	Draft intoxicating substances abuse policy	✓		10.10.03.2020
22	Revised HIV/AIDS policy	✓		10.10.03.2020
23	Revised occupational health and safety policy	✓		10.10.03.2020
24	Revised employee assistance programme policy	✓		10.10.03.2020
25	Revised smoking policy	✓		10.10.03.2020
26	Revised grievance procedure policy	✓		10.10.03.2020
27	Revised disciplinary procedure policy	✓		10.10.03.2020
28	Draft incapacity due to poor work performance policy	✓		10.10.03.2020
29	Draft incapacity due to ill-health/injury policy	✓		10.10.03.2020
30	Draft incapacity due to operational requirements	✓		10.10.03.2020
31	Revised human resource management communication policy	✓		10.10.03.2020
32	Revised electronic communication and information security policy	✓		10.10.03.2020
33	Draft records management policy	✓		10.10.03.2020
34	Fraud and corruption strategy	✓		10.10.03.2020
35	Risk management policy	✓		10.10.03.2020
36	Risk management strategy	✓		10.10.03.2020
37	Revised Mayoral bursary Policy	✓		10.10.03.2020
38	Draft policy for indigent burials support	✓		10.10.03.2020



### **Disciplinary Action Taken on Cases of Financial Misconduct**

<b>Position</b>	<b>Nature of Alleged Misconduct and Rand value of any loss to the municipality</b>	<b>Disciplinary action taken</b>	<b>Date Finalized</b>
None	None	None	None

### **B2. TERMINATIONS 2020/2021**

19 Terminations due to staff going on pension, passing away and resignations.

### **B3. PROMOTIONS 2020/2021**

No Promotions in the Financial Year

### **B4. INJURIES AND SICKNESSES – 2020/2021**

During the 2020/21 Financial Year Municipal staff used 805 days Sick leave and 3 Injuries happened in the Workplace. None of the injuries were serious or fatal.



## COMPONENT C: CAPACITATING MUNICIPAL WORKFORCE

### C1. CAPACITATING THE MUNICIPAL WORKFORCE (SDF)

Musina Local Municipality has developed the WSP for the year for 2020/2021 and it was submitted to LGSETA on the 28 April 2021 together with the Annual Training report for the year under review. R179 332.80 rebates were received from the LGSETA for the year under review.

Municipality has a work skills plan (WSP) that is utilised for capacity building of staff. Each department is requested to forward their training plans to corporate services in May each year, in order to be included in the WSP which serves as a guide as to how many officials should undergo training in the next financial year. The plan is also used to determine the expenditure for training. For the year under review, 72 employees and 6 councillors received different training. The WSP and annual training report were submitted to LGSETA.

#### 2020/2021 INTERNAL STAFF

Name of Program	Service Provider	Number of Beneficiaries	Gender	
			Male	Female
PFMA	PIONEER	20	8	12
MFMA	RESONANCE	13	10	3
BACHELOR OF BUSINESS ADMINISTRATION	MUSINA MUNICIPALITY	11	6	5
BUSINESS ADMINISTRATION HONORS	STADIO	2	1	1
ADCANCED DIPLOMA IN MANAGEMENT	STADIO	11	4	7
SDF CERTIFICATE	MUSINA MUNICIPALITY	3	2	1
DIPLOMA: PUBLIC SECTOR MAN	STADIO	1	1	0
OHS COURSE	SKILLFULL	1	0	1
BCOM BUSINESS MANAGEMENT	STADIO	1	1	0
DIPLOMA IN MANAGEMENT	STADIO	1	0	1
DIPLOMA : PUBLIC RELATIONS	STADIO	1	1	0
FET COLLEGE: NATIONAL SNR CERTIFICATE	NORTHERN TECH	1	1	0
MPAC AND M&E	MUSINA MUNICIPALITY	6	4	2
<b>Total</b>		<b>72</b>	<b>39</b>	<b>33</b>



## COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

### D1. EMPLOYEE EXPENDITURE

The municipality manages its workforce expenditure very well, even though we experienced challenges with our overtime cost during 2020/2021. MLM has the organisational structure that is aligned to the IDP and budget, to ensure that all workforce expenditure has been budgeted for.

The original budget for operating expenditure was R 379 312 000 that was adjusted upwards to R 416 591 000 and the actual expenditure thereof is R 405 442 709. This reflects positive variance of R 11 148 291. The major portion of operating expenditure is employee related cost that had original budget of R 165 740 000 and the budget was not adjusted, and the actual expenditure thereof is R 161 475 486 and the reflected under-spending variance is attributed to R 4 264 514.

**Table: Summary of financial overview**

Financial Overview – 2020/2021			
R'000			
Details	Original Budget	Adjustment Budget	Actual
Grants	196 355 000	233 520 000	233 098 234
Taxes, levies and tariffs	199 833 000	199 833 000	181 063 111
Other	22 236 000	31 922 000	21 144 565
Sub -Total	418 424 000	465 275 000	435 305 910
Less Expenditure	379 312 000	416 591 000	405 442 709
Total	39 112 000	48 684 000	29 863 201

**Table 13: Operating ratios**

Operating Ratios	
Detail	%
Employee Costs	39.83
Repairs & Maintenance	1
Finance Charges & Depreciation	8

**Table 14: Total capital expenditure**

Total Capital Expenditure (R'000)		
Detail	2019/20	2020/21
Original Budget	39 016 000	33 843 000
Adjustment Budget	22 765 000	38 215 000
Actual	27 744 083	37 793 234



# CHAPTER 5

# FINANCIAL PERFORMANCE



## COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

### A1. INTRODUCTION TO FINANCIAL STATEMENTS

Musina Local Municipality has handed over the 2020/2021 annual financial statements to the Auditor General (Limpopo) on 30<sup>TH</sup> August 2021 as per the Municipal Finance Management Act. The aforesaid components of the financial statements are discussed in detail below.

	Note	2019/2020	2020/2021	Restated
		<i>R (i.e. only cents)</i>	<i>R (i.e. only cents)</i>	
<b>Revenue</b>				
<b>Non-Exchange Revenue</b>				
Property Rates	<b>18</b>	21,257,109		24,787, 414
Transfers and Subsidies – Operational	<b>25</b>	146,868,000		195,305,000
Fines, Penalties and Forfeits	<b>23</b>	3,410,165		2,694,700
Other revenue		274 496		1,088,733
Donations-SANRAL		25,427,816		
<b>Exchange Revenue</b>				
Service Charges - Electricity	<b>19</b>	136,862,940		143,855 458
Service Charges – Waste Management	<b>19</b>	12 884 610		12,420,239
Rental	<b>20</b>	603,899		558 297
Interest on Investments	<b>21</b>	902,316		494 381
Interest on Receivables	<b>22</b>	2,745,587		2, 778 799
Other Revenue	<b>26</b>	9,646, 371		9, 433,830
Licences and Permits	<b>24</b>	4,113,444		2, 285, 624
<b>Total Revenue (excl. capital transfers and subsidies)</b>		<b>364,996,763</b>		<b>395,702,496</b>
<b>Expenditure</b>				
Employee Related Costs	<b>28</b>	141,060,558		150,949,955
Remuneration of Councillors	<b>29</b>	10,624,274		10,525,531



Debt Impairment / Write-off	<b>3</b>	30,831,951	30,798,422
Depreciation and Amortisation	<b>30</b>	28,717,128	28,518,998
Impairment	<b>30</b>	7,140,220	1,620,431
Finance Costs	<b>31</b>	559,944	2,620,820
Bulk Purchases	<b>32</b>	110,277,181	116,843,934
Inventory Consumed	<b>33</b>	3,465,968	3,766,783
Contracted Services	<b>34</b>	29,065,559	25,698,978
Transfers and Subsidies	<b>35</b>	3,504,000	4,339,000
Operational Costs	<b>36</b>	30,232,689	29,759,856
Loss on Disposal of Assets	<b>27</b>	-	-
<b>Total Expenditure</b>		<b>395,479,477</b>	<b>405,442,709</b>
<b>Surplus/(Deficit)</b>		-30,482,715	-9,740,233
Post-Retirement Medical aid Benefit Liability		1,049,478	-
Transfers and Subsidies – Capital	<b>25</b>	27,744,083	37,793,234
Gain on revaluation of assets	<b>27</b>	1,396,000	1,810,200
<b>Surplus/(Deficit) After Capital Transfers and Contributions</b>		<b>-293,154</b>	<b>29,863,201</b>
<b>Surplus/(Deficit) Prior year errors</b>		-	-
<b>Surplus/(Deficit) for the year</b>		<b>-293,154</b>	<b>29 863 201</b>

SOURCE: MLM MUSINA AFS

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

The Municipality had a total revenue budget of R384 581 000 that was adjusted upwards to R427 060 000 during budget adjustment.

The actual revenue realized is R397 512 676 and this resulted in under-performance variance of -29 547 324. Grants and subsidies amounting to R233 098 234 were received during the financial year under review and they contributed a major portion of the total revenue base of the municipality since the grants dependency rate in thereof was 53%. The municipality had unspent MIG of R0 in 2020/2021 financial year. The transfers and subsidies is comprised of R 195 305 000 that is operational and R37 793 234 that is capital.



## Operating grants that is inclusive of equitable share.

The total revenue budget for service charges, rental of facilities and equipment, and property taxes amounted to R 200 463 000 and the actuals thereof amounted to R 181 621 409 that gave rise to under-performance variance of R18 841 591. Motor vehicle licenses and fines contributed R 4 980 324 to the total revenue base.

## COMPONENT B: MANAGING THE WORKFORCE EXPENDITURE

### EMPLOYEE EXPENDITURE

The municipality manages its workforce expenditure very well, even though we experienced challenges with our overtime cost during 2020/2021. MLM has the organisational structure that is aligned to the IDP and budget, to ensure that all workforce expenditure has been budgeted for.

The original budget for operating expenditure was 379 312 000 that was adjusted upwards to R 416 591 000 and the actual expenditure thereof is R 405 442 709. This reflects positive variance of R 11 148 291. The major portion of operating expenditure is employee related cost that had original budget of R165 740 000 and the budget was not adjusted, and the actual expenditure thereof is R 161 475 486 and the reflected under-spending variance is attributed to 4 264 514.

**Table: Summary of financial overview**

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**Table 13: Operating ratios**

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Finance Charges & Depreciation	8



**Table 14: Total capital expenditure**

<b>Total Capital Expenditure (R'000)</b>		
<b>Detail</b>	<b>2019/20</b>	<b>2020/21</b>
Original Budget	39 016 000	33 843 000
Adjustment Budget	22 765 000	38 215 000
Actual	27 744 083	37 793 234

## **REVENUE**

### **Property rates**

The original budget for property rates for 2020/21 financial year was R 21 413 000 which was adjusted to the same amount. The actual revenue billed is R 24 787 414 this gave rise to favourable variance of R 3 374 414.

### **Service charges**

This is made up of service charges for electricity and refuse removal and the original budget thereof was R 178 420 000 that was slightly adjusted to the same amount and the actual revenue generated was R 156 275 697 that reflects a variance of R -22 144 303 of the adjusted budget.

### **Investment revenue**

Interest on investments was not budgeted for in the original budget but was R 1 174 000 which was adjustment to the same amount and the actual R 494 381 and unfavourable variance of R 679 619.

### **Transfer recognized – operational**

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

### **Other Income**

Other revenue mostly consists of sale of stands and agency fee of which 78% of the budget was realised.

### **Employee related cost**

Under performance resulted from employees who resigned in the year under review.

### **Depreciation and asset impairment**

Provision was made in the budget for capital asset depreciation and impairment and the budget thereof was R32 325 000 and the actual expenditure was R 30 139 429.

### **Materials and bulk purchases**

The major portion of this line item was mainly for purchase of electricity. The bulk purchase expenditure was within the approved budget.



### **Transfers and grants – expenditure**

Transfers and grants refer to subsidies made to indigent and pensioners consumers, external bursaries warded. The subsidies were done in the form of special rebates on property rates and free basic electricity.

The budget provision still appear to be too little in light of Equitable share allocation that amounted to R 4 339 000 since this is the source of funding thereof. The number of registered indigents is still little and hence the underspending of the budget allocated for this subsidy.

### **GRANTS**

#### **COMMENT ON OPERATING TRANSFERS AND GRANTS:**

All grants gazetted for 2020/21 financial year were received and cognizance should be taken that the above table does include capital grants. The total amount received on operational grants amounted to R 195 305 000 during the 2020/21 financial year. All grants were received from national sphere of government and nothing was gazetted to be received from the provincial government and the district municipality and/or any other source.

#### **COMMENT ON CONDITIONAL GRANTS AND GRANTS RECEIVED FROM OTHER SOURCES:**

No grants were received from other sources.

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

#### **COMMENT ON REPAIR AND MAINTENANCE EXPENDITURE:**

Repairs and maintenance of assets were done mainly on electrical infrastructure and vehicles.

### **FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS**

#### **Liquidity ratio**

Liquidity Ratio – Measures the municipality's ability to pay its bills, and is calculated by dividing the monetary assets by the municipality's current liabilities. A higher ratio is better, however the graph portrays a picture that shows a staggering liquidity ratio for 2020/21 financial year since the ratio is less than 1. This is attributed to high amount of invoices that were not paid at year end using accruals.

#### **Outstanding Debtors to revenue**

44%

Outstanding Service Debtors to Revenue - Measures how much money is still owed by the community for electricity, waste removal and other services, compared to how much money has been paid for these services. It is calculated by dividing the total outstanding debtors, by the total annual revenue thereof. A lower score is better. The graph shows that the municipality has a ratio of 44% outstanding debtors that has slightly increased by 6% when compared to 2019/20 ratio.

#### **Employee cost**



40%

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

#### **Repairs and maintenance**

1.0%

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

#### **COMMENT ON FINANCIAL RATIOS:**

The municipality is still facing a challenge of achieving threshold of operating expenditure for repairs and maintenance. Liquidity ratio is negatively affected by invoiced that are paid accruals at year end since the magnitude thereof was too high in 2020/21 financial year as those invoices are treated as current liabilities. The municipality is in a process of implementing cost containment measures as documented in the National Treasury Instruction letter number 01 and this will result in improved liquidity ratio and in addition, it will do away with unnecessary expenditure.

### **COMPONENT C: SPENDING AGAINST CAPITAL BUDGET**

#### **INTRODUCTION TO SPENDING AGAINST CAPITAL BUDGET**

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

<b>MIG</b>					
<b>PROJECT</b>	<b>Amount Paid excl Vat</b>	<b>VAT</b>	<b>Retention excl VAT</b>	<b>VAT</b>	<b>Total Amount On Paid</b>
9 & 10 Roads	3,502,129	525,319	477,695.65	71,654.35	4,576,798
Extention 6 sport centre	3,948,890	592,333	398,877.68	59,831.65	4,999,933
Multipurpose centre	1,618,158	242,724	184,050.19	22,714.05	2,067,646
Muswodi Hall	3,856,350	578,453	417,476.59	62,621.50	4,914,901
Manenzhe Sport centre	2,082,865	312,430	219,970.34	32,995.55	2,648,261
Clinic road	6,447,973	967,196	716,441.39	107,466.21	8,239,077
Tshivhongweni Bridge	1,440,029	216,004	160,003.26	24,000.49	1,840,038
6 & 12 roads	6,421,742	963,261	701,702.05	105,255.31	8,191,960
Project Fees	1,442,150	-	-	-	1,442,150
	30,760,286	4,397,720	3,276,217	486,539.11	38,920,763
				17,279.86	
<b>MIG RECONCILIATION AS 30 MAY 2021</b>				<b>19,867,715.59</b>	
Opening balance	4,372,233				
Withheld by treasury	-				
Received 2021	33,421,000				
Spent 2021	38,920,763				
Unspent 20/21	1,127,529	-			

**COMMENT ON SOURCES OF FUNDING:**

The municipality have spent 100% of their capital funding as at 30 June 2021

The original capital budget for 2020/21 financial year was R38 215 000. The actual expenditure is R37 793 234 and this reflects a variance of R 421 766.

**Funding of capital budget:**

Original budget: R33 843 000 was funded by grants

Adjusted budget: R38 215 000 was funded by grants

Actual expenditure: R37 793 234 was funded by grants



### CAPITAL SPENDING ON FIVE LARGEST PROJECTS

PROJECT	Amount Paid excl Vat	VAT	Retention excl VAT	VAT	Total Amount On Paid
Nancefield Ext. 9 & 10 Roads	3,502,129	525,319	477,695.65	71,654.35	4,576,798
Extention 6 sport centre	3,948,890	592,333	398,877.68	59,831.65	4,999,933
multi-purpose community centre (indoor sports centre, disability and centre and youth centre)	1,618,158	242,724	184,050.19	22,714.05	2,067,646
Muswodi Community Hall	3,856,350	578,453	417,476.59	62,621.50	4,914,901
Manenzhe Sport centre	2,082,865	312,430	219,970.34	32,995.55	2,648,261
Clinic road	6,447,973	967,196	716,441.39	107,466.21	8,239,077
Tshivhongweni Bridge	1,440,029	216,004	160,003.26	24,000.49	1,840,038
Nancefield phase 6 to 12	6,421,742	963,261	701,702.05	105,255.31	8,191,960
Project Fees	1,442,150	-	-	-	1,442,150
	30,760,286	4,397,720	3,276,217	486,539.11	38,920,763

#### COMMENT ON CAPITAL PROJECTS:

During 2020/2021 Financial Year, the Municipality received the Total Allocation of R 33 421 000 of MIG grant.

#### COMPONENT D: CASH FLOW MANAGEMENT AND INVESTMENTS

##### INTRODUCTION TO CASH FLOW MANAGEMENT AND INVESTMENTS



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

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

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

#### COMMENT ON CASH-FLOW OUTCOMES:

Cash and cash equivalent at the beginning of the financial year was R12 667 402 and when comparing this to the cash and cash equivalent as at end of 2018/19 financial year, the results reflects an increase in cash and cash equivalent to R12 473 161 and this portrays a positive picture about cash management of the municipality. The municipality still has an unfavourable liquidity ratio. Cognizance should be taken that the municipality is still dependent on grants since a major portion of revenue realized is made up of Transfer recognized (both operating and capital).

#### 5.10 BORROWING AND INVESTMENTS

##### INTRODUCTION TO BORROWING AND INVESTMENTS

<b>Actual Borrowings 2018/19-2020/21</b>			
<b>R'000</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
<b>Instrument</b>			
<b>Municipality</b>			
Long-term loans (annuity/reducing balance)	R 5 612 936	R 2 945 384	0
Long-term loans (non-annuity)			
Local registered stock			
Instalment credit			
Financial leases	R 515 921	R 238 137	383 714
PPP liabilities			
Finance granted by cap equipment supplier			
Marketable bonds			
Non-marketable bonds			
Bankers acceptances			
Financial derivatives			
Other securities			
<b>Municipal Total</b>			
<b>Municipal Entities</b>			
Long-term Loans (annuity/reducing balance)	-	-	
Long-term Loans (non-annuity)	-	-	
Local registered stock	-	-	
Instalment credit	-	-	
Financial leases	-	-	
PPP liabilities	-	-	



Finance granted by cap equipment supplier	–	–	
Marketable bonds	–	–	
Non-Marketable bonds	–	–	
Bankers acceptances	–	–	
Financial derivatives	–	–	
Other Securities	–	–	
<b>Entities Total</b>			

<b>Municipal and Entity Investments 2018/19- 2020/21</b>			
<b>R'000</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
<b>Investment type</b>			
<b>Municipality</b>			
Securities - national government			
Listed corporate bonds			
Deposits –bank			
Deposits -public investment commissioners			
Deposits -corporation for public deposits			
Bankers'acceptance certificates			
Negotiable certificates of deposit - Banks			
Guaranteed endowment policies (sinking)	R10 731 000	R10 731 000	R10 731 000
Repurchase agreements - Banks			
Municipal bonds			
Other			
<b>Municipal Entities</b>			
Securities - National government			
Listed corporate bonds			
Deposits – Bank			
Deposits - Public Investment Commissioners			
Deposits - Corporation for Public Deposits			
Bankers' acceptance certificates			
Negotiable certificates of deposit- Banks	–		
Guaranteed endowment policies (sinking)	–		
Repurchase agreements – Banks	–		
Municipal bonds	–		
Other	–		
<b>Entities Sub-Total</b>	–		
<b>Consolidated Total:</b>			

#### **COMMENT ON BORROWING AND INVESTMENTS:**

The Municipality has a recurring and short term investment with ABSA

#### **PUBLIC-PRIVATE PARTNERSHIPS**



Not applicable

## COMPONENT E: OTHER FINANCIAL MATTERS

### SUPPLY CHAIN MANAGEMENT

The financial statements for the 2020/21 financial year present an irregular expenditure of R 170 871 926 as opening balance and during the year irregular expenditure amounting to R23 182 104 was incurred. This leaves the municipality with overall irregular expenditure of R 194 054 030 that emanated from procurement of goods and services without fully following the supply chain management processes. For 2019/20 financial year none of the year to date irregular expenditure was condoned by Council of the municipality.

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

Municipality has SCM policy in place to minimize fraud and corruption. There are SCM committees in place that are reviewable as and when required to ensure value for money in awarding of tenders. For the year under review 10 tenders were awarded.

- The council has adopted a SCM policy in terms of SCM regulation 3.
- The SCM unit consists of three full time staff; three positions (Manager, Accountant SCM and Procurement officer).
- A report on the implementation of the SCM policy is presented to the Mayor on a quarterly basis.
- Needs assessments are undertaken for each acquisition and preferential policy objectives identified.
- Threshold values in the SCM policy are aligned with values stipulated in regulation 12.
- Municipal bid documents comply with MFMA circular 25.
- Records of tenders and all other bids received and awards made.
- All bid committees were established and appointed by the Accounting officer.
- Note: MFMA S110-119; SCM Regulations 2005; and relevant MFMA circulars set out required processes and guidance manuals to help ensure that SCM arrangements provide appropriate goods and services, offer best value for money and minimize the opportunities for fraud and corruption.
- 11 Tenders were advertised during 20/21
- All tenders were advertised on the newspaper and on municipal website
- 10 Tenders were evaluated, adjudicated and awarded during 20/21
- 24 formal quotations were awarded(R30000.00 up to R200000.00)
- 122 Procurement below R30000.00
- 128 BEE beneficiation awarded for financial year 2020/2021



## GRAP COMPLIANCE

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



# **CHAPTER 6**

# **AUDITOR GENERAL AUDIT**

# **FINDINGS**



## COMPONENT A: AUDITOR GENERAL'S OPINION

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

## Report on the audit of the financial statements

### Opinion

1. I have audited the financial statements of the Musina Local Municipality set out on pages x to x, which comprise the statement of financial position as at 30 June 2021, the statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget information with actual information for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of Musina Local Municipality as at 30 June 2021, and its financial performance and cash flows for the year then ended in accordance with Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act (Act No 56 of 2003) (MFMA) and the Division of Revenue Act, 2020 (Act No.4 of 2020)(DoRA).

### Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of my report.
4. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' International code of ethics for professional accountants (including International Independence Standards) (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### Material uncertainty relating to going concern

6. I draw attention to note 54 to the financial statements, which indicates that the municipality is experiencing liquidity challenges due to low collection of amounts owed to the municipality and is in an unfavourable net current liability position. As stated in note 54, these events or conditions, along with the other matters as set forth in note 54, indicate that a material uncertainty exists that may cast significant doubt on the municipality's ability to continue as a going concern. My opinion is not modified in respect of this matter.



## Emphasis of matters

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

### RESTATEMENT OF CORRESPONDING FIGURES

8. As disclosed in note 38 to the financial statements, the corresponding figures for 30 June 2020 have been restated as a result of errors in the financial statements of the municipality at, and for the year ended, 30 June 2021.

### Material impairment

9. As disclosed in note 3.1; 3.2 and 4.1 to the financial statements, material impairments amounting to R12 906 184 (2020: R13 255 620) for exchange transactions and R317 590 205 (2020: R286 422 347) for non-exchange transactions were raised as a result of irrecoverable exchange and non-exchange receivables.

### Material distribution losses

10. As disclosed in note 32.1 to the financial statements, material electricity losses were incurred, which represents 13.07% (2020: 11.96%) of total electricity purchased. The losses were as a result of non-technical losses such as the tampering of meters and illegal connections.

### Other matters

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

### Unaudited supplementary schedules

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

### Unaudited disclosure notes

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 thereon.

### Responsibilities of the accounting officer for the financial statements

14. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the Standards of GRAP and the requirements of the MFMA and the DoRA and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

15. In preparing the financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern, disclosing, as applicable, matters



relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

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

16. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
17. 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**

18. 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.
19. 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.
20. 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:

<b>Development priority</b>	<b>Pages in the annual performance report</b>
KPA 1: Basic service delivery	x – x



21. 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.
22. The material findings on the usefulness and reliability of the performance information of the selected development priority is as follows:

**KPA 1: BASIC SERVICE DELIVERY**

**Various Indicators**

23. I was unable to obtain sufficient appropriate audit evidence that systems and processes were established to enable consistent measurement and reliable reporting of performance against the predetermined indicator definitions for the indicators listed below. This was due to insufficient measurement definitions and processes. As a result, some supporting evidence provided for the achievement reported in the annual performance report materially differed from the reported achievement, while in other instances I was unable to obtain sufficient appropriate audit evidence. I was unable to confirm the verifiability of the indicator and the reported achievements by alternative means. Consequently, I was unable to determine whether any further adjustments were required to the reported achievements.

Indicator description	Reported achievements
Kilometres of surfaced road maintained (clustered potholes)	1.6km
Number of Public lights maintained	40

**Kilometers of access road to Nancefield central street (Phillimom Sekhwari & John Chisanga) constructed**

24. I was unable to obtain sufficient appropriate audit evidence that systems and processes were established to enable consistent measurement and reliable reporting of performance against the predetermined indicator definitions. This was due to a lack of measurement definitions and processes. I was unable to validate the existence of systems and processes by alternative means.

**Kilometers of Paved Road constructed in Nancefield Phase 6&12**

25. The planned target of indicator kilometers of paved road constructed in Nancefield Phase 6&12 was layer works, but the reported targets and achievements referred to were storm water and layer works. I was unable to obtain sufficient appropriate audit evidence that systems and processes were established to enable consistent measurement and reliable



reporting of performance against the predetermined indicator definitions. This was due to a lack of measurement definitions and processes. I was unable to validate the existence of systems and processes by alternative means.

### Other matters

26. I draw attention to the matters below.

#### ACHIEVEMENT OF PLANNED TARGETS

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

#### ADJUSTMENT OF MATERIAL MISSTATEMENTS

28. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information of KPA 1: Basic Service Delivery. As management subsequently corrected only some of the misstatements, I raised material findings on the usefulness and reliability of the reported performance information. Those that were not corrected are reported above.

## Report on the audit of compliance with legislation

### Introduction and scope

29. 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.

30. The material findings on compliance with specific matters in key legislation are as follows:

### Annual financial statements, performance and annual reports

31. 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 current assets; non- current assets; non-current liabilities, revenue; disclosures and statement of cash flow identified by the auditors in the submitted financial statement were subsequently corrected, resulting in the financial statements receiving an unqualified audit opinion.

### Expenditure management

32. Reasonable steps were not taken to prevent irregular expenditure amounting to R23 182 104 as disclosed in note 39.3 to the annual financial statements, as required by section 62(1)(d) of the MFMA. The majority of the irregular expenditure was caused by non - compliance with the Preferential Procurement Policy Framework Act, 2000 (Act No5 of 2000) and the SCM regulations.



### Procurement and contract management

33. Some of the invitations 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).
34. 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.
35. The contract performance and monitoring measures were not in place to ensure effective contract management, as required by section 116(2)(c)(ii) of the MFMA.

### Consequence management

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

### Strategic planning and performance management

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

### Other information

39. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report, which includes the audit committee's report. The other information does not include the financial statements, the auditor's report and the selected development priority presented in the annual performance report that have been specifically reported in this auditor's report.
40. 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 on it.
41. 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.
42. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to



retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

### **Internal control deficiencies**

43. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the opinion, the findings on the annual performance report and the findings on compliance with legislation included in this report.
44. Senior management did not adequately oversee the operations of the municipality, as the financial statements submitted for audit contained material misstatements, material findings have been identified in the annual performance report and several instances of non-compliance with laws and regulations were noted.
45. The municipality's reactive approach in addressing inadequate systems of internal control indicates that mitigating processes are not effective.

*Auditor General*

Polokwane

20 January 2022



*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 development priority and on the municipality’s compliance with respect to the selected subject matters.

### Financial statements

2. In addition to my responsibility for the audit of the financial statements as described in this auditor’s report, I also:
  - identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
  - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality’s internal control
  - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer
  - conclude on the appropriateness of the accounting officer’s use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the Musina Local Municipality 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 my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor’s report. However, future events or conditions may cause a municipality to cease operating as a going concern
  - evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

### Communication with those charged with governance

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



4. I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.



## COMPONENT B: AUDIT COMMITTEE COMMENT

# Audit and Performance Audit Committee Report to the Council of Musina Local municipality for the financial year ended 30 June 2021

We are pleased to present our report for the financial year ended 30 June 2021.

### Audit committee members

The Audit and Performance Audit committee has met three times during the financial year under review. The senior managers of the municipality are the permanent invitees to the Audit and Performance Audit committee meetings.

The internal audit unit has unrestricted access to bring any matter within their scope and responsibility to the attention of the committee.

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

Name of the Member	31/08/2021	28/09/2021	27/01/2021
Adv. EN Lambani Appointed 30 August 2021 (chairperson)	✓	✓	X
Mr FN Ndou Appointed 30 August 2021 (member)	✓	✓	✓
Mr NJ Marofane Appointed 30 August 2021 (member)	✓	✓	✓
Ms FJ Mudau Appointed 30 August 2021 (member)	✓	✓	✓

### LEGEND

- ✓ Attended
- X Did not attend

1

### Audit Committee responsibility

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



## **The effectiveness of internal control**

The systems of internal controls applied by the Municipality over financial management are effective, efficient and transparent. In line with the MFMA and the King IV Report on Corporate Governance requirements, Internal Audit provided the audit committee and management with assurance that the internal controls of the Municipality have been fairly designed, are efficient and effective.

This was as a result of adequate internal control processes, as well as the implementation of identified corrective actions and suggested enhancements to the controls and processes.

From the Audit Report of the Auditor-General South Africa on the annual financial statements of the municipality, it was noted that the Municipality obtained an unqualified audit opinion for the year under review which is consistent with the previous financial year.

The Audit and Performance Audit committee would like to encourage the municipality Council and management to improve this outcome. We further recommend that management implement an action plan to address all the findings raised by the Auditor General in order to strengthen the efficiency and effectiveness of the systems of internal controls over financial reporting, performance reporting and compliance with laws and regulations.

## **Evaluation of Annual Financial Statements**

The Audit and Performance Audit committee has:

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

## **Internal audit**

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

## **Risk management**

The Audit and Performance Audit committee is concerned that risk management within the municipality is not effective and recommends that this matter be given priority going forward.

Management needs to ensure that there is improved co-ordination between risk management and strategic planning functions, so that resources can be allocated in an optimal manner to address the top risks.

## **Pre-determined objectives**

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



## **Evaluation of the effectiveness of finance function**

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

### **Auditor-General of South Africa**

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

The committee concur with and accept the Auditor-General of South Africa's report on the annual financial statements and are of the opinion that the audited annual financial statements should be accepted and read together with the report of the Auditor-General of South Africa.

The auditors remained independent throughout the financial year.

### **Appreciation**

The Audit and Performance Audit committee would like to thank Municipality Council, Management and the staff for their continued commitment to improve effective control environment and good governance of Municipality.

Our appreciation is also extended to the team from the Auditor General South Africa for the value that they continue to add to the Municipality.

**Adv. EN Lambani  
Chairperson  
21 January 2022**



### COMPONENT C: AUDIT ACTION PLAN

Audit Findings	Category of Finding	Description of Finding	Finding status	Root Cause	Action Plan Description	Start Date	Completion Date	Person Responsible	Position
Other Disclosure	Matters affecting the auditor's report	COF 8.1 Consequence Management: No investigation conducted for unauthorised, irregular, fruitless and wasteful	Recurring	Financial misconduct board(FMB) established was not effective during the year to assist with the investigations. MPAC had not yet initiated the investigations. Prior years UIFW expenditure information not available.	Resuscitation of the FMB  Provide MPAC with adequate supporting information to investigate.	20-Jan-22	30-Jun-22	TN Tshwanammbi LT Nephawe	MM CFO
Predetermined Objectives	Matters affecting the auditor's report	COF 19.2 Basic Service Delivery & Infrastructure Development – Indicators not supported by appropriate evidence.	Recurring	Lack of implementation of a sound records management system to ensure that complete, relevant and accurate information is accessible and available to support performance reported	Sound records management system will be maintained throughout the year to ensure that complete, relevant and accurate information is accessible and available to support performance reported	20-Jan-22	30-Jun-22	PM Mudau	GM Corporate services
Predetermined Objectives	Matters affecting the auditor's report	COF 19.3 Basic Service Delivery & Infrastructure Development – Reported achievement s and planned targets not consistent with the planned and reported indicators.	Recurring	Actual achievements of performance indicators were not consistent with the planned targets as per the SDBIP and APR.  The indicator is a number, while the actual achievement and the target are narratives	Adequate review processes will be implemented to ensure that once the Annual Performance Report is compiled, it is quality assured to limit instances of human error and unintended representations	20-Jan-22	30-Jun-22	PM Mudau	GM Corporate services



Predetermined Objectives	Matters affecting the auditor's report	COF 23: Basic Service Delivery & Infrastructure Development – Indicators not measurable and verifiable	Recurring	Adequate processes were not in place to ensure that the reported performance information was supported by evidenced and by reliable information	Management will ensure that the performance information disclosed in the APR is supported by sufficient evidence and reliable information.	20-Jan-22	30-Jun-22	PM PS Peta	Mudau	GM Corporate services SM Corporate services
Procurement	Matters affecting the auditor's report	COF 24: Procurement and contract management – No mandatory subcontracting for tenders/bids above R30 million	New	The chief financial officer did not implement sound and proper controls measures in order to ensure that all tenders/ bids above R30 million, where it is feasible to apply subcontracting, include specific tendering condition for mandatory subcontracting to avoid non-compliance with preferential procurement regulations 9(1).	In future sound and proper controls measures will be implemented in order to ensure that all tenders/ bids above R30 million, where it is feasible to apply subcontracting, include specific tendering condition for mandatory subcontracting to avoid non-compliance with preferential procurement regulations 9(1).	20-Jan-22	30-Jun-22	LT Nephawe	CFO	
Procurement	Matters affecting the auditor's report	COF 21.7: Procurement and contract management – No evidence of approval for extension of contract by council	New	The reasons for amendment of the contracts/agreements were not tabled in council	Management will implement controls measures in order to ensure that reasons for the amendment of contracts/agreements are tabled to council before final approval of the contracts' extensions/ variations by the accounting officer	20-Jan-22	30-Jun-22	LT Nephawe	CFO	



Procurement	Matters affecting the auditor's report	COF 30.1: Procurement and contract management – Non-compliance with local production and contents requirements	New	The chief financial officer did not implement sound and proper controls measures in order to ensure that all bids/ quotations for which local production and contents requirements need to be applied have been applied and that advertises for bids/ quotations include specific conditions for local production and contents requirements.	The chief financial officer will implement sound and proper controls measures in order to ensure that all bids/ quotations for which local production and contents requirements need to be applied have been applied and that advertises for bids/ quotations include specific conditions for local production and contents requirements.	20-Jan-22	30-Jun-22	LT Nephawe	CFO
Procurement	Matters affecting the auditor's report	COF 21.1: Procurement and contract management – Non-responsive bidder awarded the contract	New	Sound and proper controls measures were not implemented in order to ensure that the evaluation of the submitted bids comply with the pre-qualification criteria of the bid to avoid non-compliance with SCM regulation 4(2) and section 112 (1) (e)-(f) of the MFMA	Sound and proper controls measures will be implemented in order to ensure that the evaluation of the submitted bids comply with the pre-qualification criteria of the bid to avoid non-compliance with SCM regulation 4(2) and section 112 (1) (e)-(f) of the MFMA	20-Jan-22	30-Jun-22	LT Nephawe	CFO



Procurement	Matters affecting the auditor's report	COF 21:3 Procurement and contract management – Non-submission of the declaration of interest forms (MBD4)	New	Sound and proper controls measures were not implemented in order to ensure that all bidders submit the completed and signed Municipal Bid Documentation (MBD4) forms when tendering/bidding for any goods or services required by the municipality to ensure compliance with SCM regulations 13(c).	Sound and proper controls measures will be implemented in order to ensure that all bidders submit the completed and signed Municipal Bid Documentation (MBD4) forms when tendering/bidding for any goods or services required by the municipality to ensure compliance with SCM regulations 13(c).	20-Jan-22	30-Jun-22	LT Nephawe	CFO
Procurement	Matters affecting the auditor's report	COF 21.6: Procurement and contract management – No monthly monitoring report for contracts/ SLA/ Agreements	New	Active contracts were not evaluated and monitored for performance to ensure compliance with the requirements of the contracts, MFMA and the SCM policy.	The accounting officer will implement sound and proper control measures in order to ensure that all active contracts are being evaluated and monitored for performance to ensure compliance with the requirements of the contracts, MFMA and the SCM policy.	20-Jan-22	30-Jun-22	LT Nephawe	CFO
Procurement	Matters affecting the auditor's report	COF 21.8: Procurement and contract management – Variation orders in excess of the original contract value	New	Sound and proper controls measures were not implemented in order to ensure that variation of orders against the original contracts in excess of the stipulated threshold are tabled to council for approval.	Controls measures will be implemented in order to ensure that variation of orders against the original contracts in excess of the stipulated threshold are tabled to council for approval	20-Jan-22	30-Jun-22	LT Nephawe	CFO



Procurement	Matters affecting the auditor's report	21.5: Procurement and contract management – No sufficient reasons provided for deviation procurement	New	Proper control measures were not implemented in order to ensure that normal supply chain management process is being followed and that where it is impractical to follow normal SCM process that a deviation process is followed where sufficient reasons are recorded for not following normal SCM process.	The chief financial officer will ensure that proper measures are implemented in order to ensure that normal SCM processes are followed and that where it is impractical to follow normal SCM processes a deviation process is followed with sufficient reasons recorded.	20-Jan-22	30-Jun-22	LT Nephawe	CFO
Other Disclosure	Other important matters	COF 13.2 Cash Flow Statements. Material variance	Recurring	The CFO did not ensure that accurate and complete statement of cash flow that is appropriately supported by reliable information is prepared and reviewed before submitting the financial statements to auditors	The CFO will ensure that the accurate statement of cash flow is prepared and reviewed. Furthermore, supporting workings for the cash flow statement should be submitted as part of the audit file and the workings should be appropriately referenced to the financial statements and related notes.	20-Jan-22	30-Jun-22	LT Nephawe	CFO
Other Disclosure	Other important matters	COF 29: Commitments – Commitment balance overstated	Recurring	Control measures were not put in place to ensure that the commitment schedule is thoroughly updated and reviewed and that all the expenditures in relation to commitments are	The CFO will put control measures in place to ensure that the commitment schedule is thoroughly updated and reviewed and that all the expenditures in relation to commitments are	20-Jan-22	30-Jun-22	LT Nephawe	CFO



				accurately recorded.	accurately recorded				
Other Disclosure	Other important matters	Contingent liabilities – Overstatement of the disclosure note	New	Review and assessment of the merits of each individual case against the GRAP standards was not done	Remote cases in the disclosure note should be removed. Assessment of cases based on the GRAP standards will be performed. The legal manager will continue keeping the cases in the litigation register and as and when the applicant enrol the matter, the cases can be disclosed again in the note.	20-Jan-22	30-Jun-22	LT Nephawe	CFO
Human Resources	Other important matters	Control deficiencies identified in human resource management	Recurring	Adequate and sufficiently skilled resources are in place	The accounting officer should ensure that effective human resource strategy is performed to address the staff vacancies based on the available budget.	20-Jan-22	30-Jun-22	TN Tshwanammbi PM Mudau	MM GM Corporate services



	Other important matters	Consequence Management: Unauthorized, irregular and fruitless & wasteful expenditures not communicated to relevant authority	Recurring	The Accounting Officer did inform the mayor, the MEC for local government in the province and the Auditor-General, in writing of any unauthorised, irregular or fruitless and wasteful expenditure incurred by the municipality.	Management will ensure compliance in terms of MFMA section 32(4)	20-Jan-22	30-Jun-22	TN Tshwanammbi LT Nephawe	MM CFO
Other Disclosure	Other important matters	Fruitless and wasteful expenditure - Interest paid on Eskom overdue account.(Potential MI)	New	The Municipal Manager did not ensure that the municipality honors their payment obligations towards Eskom to avoid the charging of interest.	The Municipal Manager will investigate the circumstances surrounding the default of the payment obligations towards Eskom and ensure that the root causes are addressed to avoid the recurrence of the breach in the new payment plan.	20-Jan-22	30-Jun-22	TN Tshwanammbi LT Nephawe	MM CFO
Other Disclosure	Other important matters	COF 12: Comparison of budget and actuals	New	Explanation for material variances between budgeted amounts and actual amounts were not provided.	Review of the AFS will be done before submission for audit.	20-Jan-22	30-Aug-22	LT Nephawe	CFO
	Other important matters	Adoption of an unfunded budget by the Municipal Council	New	Adoption of unrealistic budget. Non-compliance with MFMA no.56 of 2003 and MFMA circular 107	Management has since developed a budget funding plan that will ensure council adopts and approves a funded budget in the medium term. The funding plan was approved by council. To comply with MFMA no.56 of	20-Jan-22	30-Jun-22	LT Nephawe	CFO



					2003 and MFMA circular 107				
Records	Other important matters	COF14 :Strategic planning and budgeting - Annual budget and adjustment budgets not made public within ten working days	New	The accounting officer did not put in place controls in place to ensure that the approved budgets and supporting documentation, as well as resolutions relating to the adjustment budget were made public within ten working days after the municipal council has approved an adjustments budget.	The accounting officer should put in place controls in place to ensure that the approved budgets and supporting documentation, as well as resolutions relating to the budgets are made public within ten working days after the municipal council has approved an adjustments budget.	20-Jan-22	30-Jun-22	LT Nephawe	CFO
Other Disclosure	Other important matters	COF 32: Accounting policy – Standards issued but yet effective not complete	New	Incomplete disclosures of the accounting policies	The CFO will disclose all the standards that are not yet effective	20-Jan-22	30-Aug-22	LT Nephawe	CFO
Other Disclosure	Other important matters	COF 31: Accounting policy is inconsistent with GRAP 12	New	The CFO did not review the accounting policy to ensure that it is consistent with GRAP 12.	The CFO will review and update the accounting policy to ensure that it is in line with GRAP 12.	20-Jan-22	30-Aug-22	LT Nephawe	CFO
Movable Assets	Other important matters	COF 15.2 Asset register does not agree with the annual financial	New	Accurate and complete financial and performance reports that are supported and evidenced by	Review of the AFS will be done before submission for audit.	20-Jan-22	30-Jun-22	LT Nephawe	CFO



		statements(note 9)		reliable information were not regularly prepared. differences, exist as a result of work in progress incorrectly classified as additions instead of WIP in the asset register.					
Payments	Other important matters	COF 18.1: Expenditure: Transaction on expenditure recorded inclusive of VAT	New	Expenditure has been overstated by the VAT amount	The CFO should ensure that transactions on the expenditure are recorded exclusive of VAT.	20-Jan-22	30-Jun-22	LT Nephawe	CFO
Payments	Other important matters	COF 18.3: Expenditure: Transaction on expenditure not recorded in the correct period	New	The CFO did not ensure that transactions are recorded in the correct period	The CFO should ensure that transactions on expenditure is recorded in the correct period	20-Jan-22	30-Jun-22	LT Nephawe	CFO
Payments	Other important matters	COF 18.5: Expenditure: Payments not made within 30 days of receipt of invoice	Recurring	Municipality is still recovering from cash flow problems and as a result we are unable to always pay creditors within the required 30 days from receipt of invoice.	The CFO will review and monitor compliance with applicable laws and regulations by ensuring that payments are made within 30 days of receipt of invoice.	20-Jan-22	30-Jun-22	LT Nephawe	CFO
Other Disclosure	Other important matters	OF 36: Incorrect presentation of KWH on units consumed and purchased	New	Note 32.1 was not correctly presented in notes as the number of units KWh were presented as rand value for both current and prior year. This will be misleading to users of financial statements.	The CFO must ensure that information is correctly presented in notes of financial statements	20-Jan-22	30-Jun-22	LT Nephawe	CFO



Payments	Other important matters	COF 27: Expenditure - Electric losses outside the normal industry norm	New	Processes and procedures to keep the losses of electricity at the lowest percentage possible of the total electricity purchased from Eskom were not developed and implemented	Processes and procedures will be developed and implemented to keep the losses of electricity at the lowest percentage possible of the total electricity purchased from Eskom	20-Jan-22	30-Jun-22	LT Nephawe	CFO
Payments	Other important matters	COF 8.2: Exchange trade and other payables - Difference between the DBSA confirmation and disclosed DBSA loan amount	New	Understatement of trade and other payables from non-exchange transactions: other payables (accruals and payables) and fruitless and wasteful expenditure. adequate controls on the monthly processing and capitalisation of the interest not in place	The CFO should ensure that the arrear interest on late penalties is capitalised and update the schedule on the fruitless and wasteful expenditure.	20-Jan-22	30-Jun-22	LT Nephawe	CFO
Predetermined Objectives	Other important matters	COF 19.1 Basic Service Delivery & Infrastructure Development - Differences between the reported information and supporting evidence	New	The Senior Manager Corporate Services did not ensure that the information reported in the annual performance report agrees to the achievement as per the source document.	The Senior Manager Corporate Services should implement controls to ensure that the annual performance report is reviewed before it submitted for audit.	20-Jan-22	30-Jun-22	PM Mudau PS Peta	GM Corporate services SM Corporate services
Predetermined Objectives	Other important matters	4-COF 19.4 Basic Service Delivery & Infrastructure Development – Measures taken to improve performance	New	The Senior Manager Corporate Services did not have adequate review processes in place to ensure that once the Annual Performance Report is	The Senior Manager Corporate Services should implement quality assurance process such as having the Annual Performance Report reviewed	20-Jan-22	30-Jun-22	PM Mudau PS Peta	GM Corporate services SM Corporate services



		not disclosed.		compiled, it is quality assured to ensure that measures to improve performance on the targets which were not achieved were disclosed.	by internal audit prior to submission for audit. Management should also ensure measures to improve performance on the targets which were not achieved are disclosed				
Predetermined Objectives	Other important matters	COF 38: Predetermined objectives - No register or summary of actual performance kept	New	There are systems and processes in place that the municipality has developed to determine the completeness of the reported achievements. The impact of the above will result in limitations to determine the completeness of the reported indicators	The performance reporting unit should develop the register for each year that will be supported by the supporting evidence that agrees to the reported achievement	20-Jan-22	30-Jun-22	PM Mudau PS Peta	GM Corporate services SM Corporate services
Procurement	Other important matters	COF 4: Procurement and contract management – Scoring points not correctly calculated (Quotations)	New	Management evaluated the quotation on the amount excluding VAT. The preference points were recalculated, taking into account the quotation price inclusive of VAT and thus resulting in different points being calculated.	The chief financial officer should implement sound and proper controls measures in order to ensure that the evaluation of the submitted bids/ quotations are including VAT to avoid noncompliance with SCM prescripts and regulations	20-Jan-22	30-Jun-22	LT Nephawe	CFO
Payments	Other important matters	COF 30.2: Procurement and contract management – No evidence that DTI was notified of the local	New	The chief financial officer did not implement sound and proper controls measures in order to ensure that the	The chief financial officer should implement sound and proper controls measures in order to ensure that the	20-Jan-22	30-Jun-22	LT Nephawe	CFO



		production and contents procurement		department of trade and industry is notified of all bids/ quotations for which local production and contents requirements are applicable for the procuring of goods and/or services required.	department of trade and industry is notified of all bids/ quotations for which local production and contents requirements are applicable for the procuring of goods and/or services required.				
Procurement	Other important matters	COF 21:4 Procurement and contract management – No evidence for tax compliance status	New	The chief financial officer did not implement sound and proper control measures in order to ensure that bidders submit valid tax compliance status pin which can be verified on eFiling before the final award or that the CSD report is printed on the date of the final award of the bid to ensure compliance with the SCM prescripts.	The chief financial officer should implement sound and proper control measures in order to ensure that bidders submit valid tax compliance status pin which can be verified on eFiling before the final award or that the CSD report is printed on the date of the final award of the bid to ensure compliance with the SCM prescripts.	20-Jan-22	30-Jun-22	LT Nephawe	CFO
Procurement	Other important matters	COF 22: Procurement and contract management – Bidders declared not being in the service of the state (MBD4)	New	The chief financial officer did not implement sound and proper controls measures in order to ensure that all bidders submit correct, complete and signed declaration of interest (MBD4) forms when tendering/ bidding for any goods or services required by the	The chief financial officer should implement sound and proper controls measures in order to ensure that all bidders submit correct, complete and signed declaration of interest (MBD4) forms when tendering/ bidding for any goods or services required by the	20-Jan-22	30-Jun-22	LT Nephawe	CFO



				municipality to ensure compliance with SCM regulations 13(c).	municipality to ensure compliance with SCM regulations 13(c).				
Predetermined Objectives	Other important matters	COF 21:2 Procurement and contract management – Non-submission of the MBD forms	New	The chief financial officer did not implement sound and proper controls measures in order to ensure that all bidders submit the completed and signed Municipal Bid Documentation (MBD8) forms when tendering/bidding for any goods or services required by the municipality to ensure compliance with SCM regulations 38(1)(d), (e) & (g).	The chief financial officer should implement sound and proper controls measures in order to ensure that all bidders submit the completed and signed Municipal Bid Documentation (MBD8) forms when tendering/bidding for any goods or services required by the municipality to ensure compliance with SCM regulations 38(1)(d), (e) & (g).	20-Jan-22	30-Jun-22	LT Nephawe	CFO
	Other important matters	COF 15. Ineligible employees incorrectly included in the long service awards provision	New	Non-review of the employee report to confirm legibility under the Collective Agreement prior to submission to the valuation experts	Review the employee report for legibility in terms of the Collective Agreement prior to submission to the valuation experts	20-Jan-22	30-Jun-22	LT Nephawe	CFO



Other Disclosure	Other important matters	COF 37: Provision to rehabilitate the landfill site not accounted for in the AFS	New	The CFO did not review and monitor compliance with applicable laws and regulations pertaining to the landfill site operating licence and as a consequence did not prepare regular, accurate and complete financial information on landfill sites. The Municipality has not raised a provision to rehabilitate the landfill site	The CFO should review and monitor compliance with applicable laws and regulations pertaining to the landfill site operating licence and prepare regular, accurate and complete financial information on landfill site. The landfill site should be provided from the date the municipality started to operate the site.	20-Jan-22	30-Jun-22	LT Nephawe	CFO
Receivables	Other important matters	COF 2: Receivables from exchange non-transactions – The balance is misclassified on the Trial Balance	New	property rates receivable was misclassified as receivables from exchange transactions instead of receivables from non-exchange. The CFO did not adequately implement controls over the processing and the reconciling of the transactions.	The CFO should ensure that there is adequate review of the trial balance against the financial statements and furthermore correct the misclassification in the trial balance to reflect the correct underlying supporting schedules.	20-Jan-22	30-Jun-22	LT Nephawe	CFO
Receivables	Other important matters	COF 3: Receivables and payables from non-exchange transactions - Vhembe District Municipality account not reconciled monthly	Recurring	no monthly reconciliations for the Vhembe Municipality account	The CFO should ensure that there is a monthly processing and reconciliations of the Vhembe transactions.	20-Jan-22	30-Jun-22	LT Nephawe	CFO



Receivables	Other important matters	COF 33: Receivables exchange transactions - Government debt impaired	New	The CFO did not prepare regular, accurate and complete financial and that are supported and evidenced by reliable information.	The CFO should prepare regular, accurate and complete financial and that are supported and evidenced by reliable information.	20-Jan-22	30-Jun-22	LT Nephawe	CFO
Records	Other important matters	COF 28.3: Indigent debtors duplicated on the register	New	Oversight responsibility regarding internal controls in relation to the indigent register was not exercised	Duplicate indigent will be removed from the register	20-Jan-22	30-Jun-22	LT Nephawe	CFO
	Other important matters	COF 28.5: Internal memorandum on indigents not submitted to the municipal council.	New	The Accounting officer did not review and monitor compliance with applicable laws and regulations.	The policy will be updated to cover rare circumstance	20-Jan-22	30-Jun-22	LT Nephawe	CFO
	Other important matters	COF 28.1: Indigents applications not adequately assessed	New	The CFO did not review and monitor compliance with applicable laws and regulations in the indigent policy	The CFO should establish and communicate policies and procedures to enable and support the understanding and execution of internal control objectives, processes and responsibilities with regards to the indigents. Furthermore, the evidence that these individuals qualifies to be indigents should be submitted	20-Jan-22	30-Jun-22	LT Nephawe	CFO



Records	Other important matters	COF 28.4: Indigents register includes ID Numbers that are not on the NPR Database	New	Information on the register was incorrectly captured. Supporting ID copies were provided to auditors	Finding was resolved	20-Jan-22	30-Jun-22	LT Nephawe	CFO
Receivables	Other important matters	COF 28.2: Indigent register includes deceased persons	New	The MM did not put measures in place to ensure that the indigent register is reviewed and updated to exclude the deceased beneficiaries from the register	Upon application this people/applicants were still alive, once a person passes on, the account will be taken over by his or her dependent upon which a process to apply for subsidies will start afresh, only then will the subsidy be continued and failure to apply or not qualifying means the subsidy will be discontinued	20-Jan-22	30-Jun-22	LT Nephawe	CFO
Revenue	Other important matters	COF 13:1 Licenses and permits incorrectly classified under non-exchange revenue	New	The CFO did not review and monitor compliance with the GRAP standard.	The CFO Should review and monitor compliance with the GRAP standard.	20-Jan-22	30-Jun-22	LT Nephawe	CFO
Revenue	Other important matters	COF 16.1: VAT incorrectly accounted for on revenue transactions	New	The CFO did not review and monitor compliance with the Value Added Tax Act applicable laws and regulations	The CFO should review and monitor compliance with the Value Added Tax Act applicable laws and regulations	20-Jan-22	30-Jun-22	LT Nephawe	CFO
Revenue	Other important matters	COF 16.2 : Revenue incorrectly recognized in the general ledger inclusive of VAT	New	The CFO did not review and monitor compliance with the Value Added Tax Act applicable laws and regulations	The CFO should review and monitor compliance with the Value Added Tax Act applicable laws and regulations.	20-Jan-22	30-Jun-22	LT Nephawe	CFO



Revenue	Other important matters	OF 17: Inaccurate property rates billed on the system	New	The CFO did not implement controls over daily and monthly processing and reconciling of transactions over the billing system	The CFO should implement controls over daily and monthly processing and reconciling of transactions over the billing system	20-Jan-22	30-Jun-22	LT Nephawe	CFO
Records	Administrative matters	COF 1: General Information - Planning (Limitation of scope)	Recurring	Management did not keep full and proper records as requested in Request for Information No.1 in relation to the council resolutions, contracts/ SLAs and other general information requested for our planning to ensure that information requested is submitted to the auditors on the agreed time (within 3 days).	Management will keep full and proper records to ensure submissions within required timelines	20-Jan-22	30-Jun-22	TN Tshwanammbi	MM
	Administrative matters	COF 5: Non-functionality of the risk committee	Recurring	The risk committee was not functional and as a result risk assessment were not performed.	The Accounting Officer will establish a functional risk management committee and evaluate its performance in line with its responsibilities as stipulated in the risk management charter.	20-Jan-22	30-Jun-22	TN Tshwanammbi	MM



	Administrative matters	COF 9.2: No external quality assessment performed on the work performed by internal auditors	Recurring	The Internal auditor manager did not review and monitor compliance with internal auditing standards. Furthermore, the municipal manager did not ensure that the internal audit unit is adequately resourced.	The Internal audit manager should ensure that there is external quality assurance review performed as required by IIA standard 1312 in every 5 years' cycle.	20-Jan-22	30-Jun-22	J Siaga	Manager Internal audit
	Administrative matters	COF 7.2: The audit committee did not liaise with internal audit unit of the municipality	Recurring	Audit committee did not exercise oversight responsibility regarding the internal controls and the effectiveness of the internal audit	Audit committee must ensure that there is a scheduled meeting with internal audit separately from management in order to assess the effectiveness of internal audit and management related internal controls.	20-Jan-22	30-Jun-22	J Siaga	Manager Internal audit
Human Resources	Administrative matters	COF 10: Internal control deficiency (HR Management) - Performance evaluations not conducted	New	The Mayor and/or the accounting officer did not implement effective human resource management controls to ensure that the municipal manager and the managers directly accountable to the municipal manager are evaluated during the 2020/21 financial year.	The Mayor and/or the accounting officer should ensure that effective human resource procedures are adhered to.	20-Jan-22	30-Jun-22	LT Nephawe	CFO
Immovable Assets	Administrative matters	COF 26: Depreciation has been misstated	New	The CFO did not ensure the accuracy of depreciation	The CFO should ensure the accuracy of depreciation by reviewing the asset register	20-Jan-22	30-Jun-22	LT Nephawe	CFO



Predetermined Objectives	Administrative matters	COF 19.5 Basic Service Delivery & Infrastructure Development –Indicators not relevant	New	Administrative KPA's reported under Basic Service delivery	The selected indicators are relevant in terms of the mandate of the municipality, however, they should not be reported under basic service delivery. The municipality should report this under administrative KPA's.	20-Jan-22	30-Jun-22	PM PS Peta	Mudau	GM Corporate services SM Corporate services
Revenue	Administrative matters	COF 7.1: LG Seta income incorrectly classified under revenue from exchange transactions	New	The CFO did not review and monitor compliance with the GRAP standard	The CFO Should review and monitor compliance with the GRAP standard.	20-Jan-22	30-Jun-22	LT Nephawe	CFO	
Records	Administrative matters	COF 9.1: Donation of goods-in-kind received were not recorded in the financial records	New	The CFO did not implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial and performance reporting.	The CFO will review and apply GRAP 23 specific provisions to donations and gifts transactions	20-Jan-22	30-Jun-22	LT Nephawe	CFO	



# APPENDICES



**APPENDIX A – COUNCILLORS, COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE 2020/2021 (JULY 2020- JUNE 2021)**

**COUNCIL MEETINGS AND IT'S COMMITTEE'S**

DATE OF MEETING	VENUE	MUNICIPALITY	TYPE OF MEETING
15. 29 July 2020	Council Chamber	Musina Local Municipality	Urgent Special Council
16. 27 August 2020	Council Chamber	Musina Local Municipality	Ordinary
17. 07 September 2020	Council Chamber	Musina Local Municipality	Urgent Special Council
18. 29 September 2020	Council Chamber	Musina Local Municipality	Urgent Special Meeting
19. 23 October 2020	Council Chamber	Municipality Local Municipality	Urgent Special Meeting
20. 19 November 2020	Council Chamber	Municipality Local Municipality	Ordinary Council Meeting
21. 14 December 2020	Council Chamber	Municipality Local Municipality	Urgent Special Meeting
22. 25 January 2021	Zoom	Zoom	Ordinary Council Meeting
23. 24 February 2021	Zoom	Zoom	Special Council Meeting
24. 24 March 2021	Council Chamber	Municipality Local Municipality	Ordinary Council Meeting
25. 22 April 2021	Council Chamber	Municipality Local Municipality	Urgent Special Meeting
26. 20 May 2021	Council Chamber	Municipality Local Municipality	Ordinary Council Meeting
27. 17 June 2021	Council Chamber	Municipality Local Municipality	Urgent Special Meeting
28. 12 July 2021	Virtual zoom		Urgent Special Meeting

**EXECUTIVE COMMITTEE**

DATE OF MEETING	VENUE	MUNICIPALITY	TYPE OF MEETING
15. 28 July 2020	Council Chamber	Musina Local Municipality	Urgent Special Meeting
16. 19 August 2020	Council Chamber	Musina Local Municipality	Ordinary Meeting
17. 07 September 2020	Council Chamber	Musina Local Municipality	Urgent Special Meeting
18. 23 September 2020	Council Chamber	Musina Local Municipality	Urgent Special Meeting
19. 22 October 2020	Council Chamber	Musina Local Municipality	Urgent Special Meeting



20. 10 November 2020	Council Chamber	Musina Local Municipality	Ordinary Meeting
21. 10 December 2020	Council Chamber	Musina Local Municipality	Urgent Special Meeting
22. 19 January 2021	Zoom	Zoom	Ordinary Meeting
23. 23 February	Zoom	Zoom	Special Meeting
24. 17 March 2021	Council Chamber	Musina Local Municipality	Ordinary Meeting
25. 22 April 2021	Council Chamber	Musina Local Municipality	Special Meeting
26. 14 May 2021	Council Chamber	Musina Local Municipality	Ordinary Meeting
27. 17 June 2021	Council Chamber	Musina Local Municipality	Special Meeting
28. 12 July 2021	Virtual Zoom		Special Meeting

#### FINANCE PORTFOLIO COMMITTEE

DATE OF MEETING	VENUE	MUNICIPALITY	TYPE OF MEETING
9. 12 August 2020	Council Chamber	Musina Local Municipality	Ordinary Portfolio Meeting
10. 18 September 2020	Council Chamber	Musina Local Municipality	Urgent Special Meeting
11. 22 October 2020	Council Chamber	Musina Local Municipality	Urgent Special Meeting
12. 03 November 2020	Council Chamber	Musina Local Municipality	Ordinary Portfolio Meeting
13. 14 January 2021	Council Chamber	Musina Local Municipality	Ordinary Portfolio Meeting
14. 19 February 2021	Council Chamber	Musina Local Municipality	Urgent Special Meeting
15. 17 March 2021	Council Chamber	Musina Local Municipality	Ordinary Portfolio Meeting
16. 11 May 2021	Council Chamber	Musina Local Municipality	Ordinary Portfolio Meeting

#### COMMUNITY SERVICES PORTFOLIO COMMITTEE

DATE OF MEETING	VENUE	MUNICIPALITY	TYPE OF MEETING
4. 02 November 2020	Traffic Centre	Musina Local Municipality	Ordinary Portfolio Meeting
5. 12 January 2021	Traffic Centre	Musina Local Municipality	Ordinary Portfolio Meeting
6. 16 March 2021	Traffic Centre	Musina Local Municipality	Ordinary Portfolio Meeting



### CORPORATE SERVICE PORTFOLIO COMMITTEE

DATE OF MEETING	VENUE	MUNICIPALITY	TYPE OF MEETING
12. 12 August 2020	Council Chamber	Musina Local Municipality	Ordinary Portfolio Meeting
13. 07 September 2020	Council Chamber	Musina Local Municipality	Special Portfolio Meeting
14. 22 September 2020	Council Chamber	Musina Local Municipality	Special Portfolio Meeting
15. 02 November 2020	Council Chamber	Musina Local Municipality	Ordinary Portfolio Meeting
16. 10 December 2020	Council Chamber	Musina Local Municipality	Special Portfolio Meeting
17. 12 January 2021	Council Chamber	Musina Local Municipality	Ordinary Portfolio Meeting
18. 12 March 2021	Council Chamber	Musina Local Municipality	Ordinary Portfolio Meeting
19. 21 April 2021	Council Chamber	Musina Local Municipality	Special Portfolio Meeting
20. 11 May 2021	Council Chamber	Musina Local Municipality	Ordinary Portfolio Meeting
21. 11 June 2021	Council Chamber	Musina Local Municipality	Special Portfolio Meeting
22. 12 July 2021	Virtual Zoom		Special Portfolio Meeting

### EDP/TECH SERVICE PORTFOLIO COMMITTEE

DATE OF MEETING	VENUE	MUNICIPALITY	TYPE OF MEETING
8. 27 July 2020	Council Chamber	Musina Local Municipality	Special Portfolio Meeting
9. 05 August 2020	Council Chamber	Musina Local Municipality	Ordinary Portfolio Meeting
10. 02 November 2020	Council Chamber	Musina Local Municipality	Ordinary Portfolio Meeting
11. 15 January 2021	Council Chamber	Musina Local Municipality	Ordinary Portfolio Meeting
12. 12 March 2021	Council Chamber	Musina Local Municipality	Ordinary Portfolio Meeting
13. 10 May 2021	Council Chamber	Musina Local Municipality	Ordinary Portfolio Meeting
14. 14 June 2021	Council Chamber	Musina Local Municipality	Ordinary Portfolio Meeting

### MPAC MEETINGS

DATE	VENUE	ORGANISATION	TYPE OF MEETING
14. 05/08/2020	Old Council Chamber	Musina Local Municipality	Ordinary Portfolio Meeting
15. 25/08/2020	Old Council Chamber	Musina Local Municipality	Ordinary Portfolio Meeting
16. 05/11/2020	Council Chamber	Musina Local Municipality	Ordinary Portfolio Meeting



17. 19/11/2020	Council Chamber	Musina Municipality	Local	Ordinary Portfolio Meeting
18. 06/01/2021	Council Chamber	Musina Municipality	Local	Ordinary Portfolio Meeting
19. 18/01/2021	Council Chamber	Musina Municipality	Local	Special Urgent Portfolio Meeting
20. 10/03/2021	Council Chamber	Musina Municipality	Local	Ordinary Portfolio Meeting
21. 04/05/2021	Old Council Chamber	Musina Municipality	Local	Ordinary Portfolio Meeting
22. 06/05/2021	Old Council Chamber	Musina Municipality	Local	Ordinary Portfolio Meeting
23. 14/05/2021	Council Chamber	Musina Municipality	Local	Ordinary Portfolio Meeting
24. 18/05/2021	Council Chamber	Musina Municipality	Local	Ordinary Portfolio Meeting
25. 19/05/2021	Council Chamber	Musina Municipality	Local	Ordinary Portfolio Meeting
26. 21/05/2021	Council Chamber	Musina Municipality	Local	Special Urgent Portfolio Meeting

***Committee annual meetings***

Name of Meeting	Annual Target	Number of meetings convened	The number of meetings materialized	Total number of apologies received
<b>Council committees</b>				
Finance Portfolio	6	8	8	0
Community Services Portfolio	5	5	3	0
Corporate services Portfolio	5	7	11	0
EDP & Technical Services	5	7	7	0
Labour Forum	4	3	3	3
EXCO	6	8	8	0
Special EXCO	3	2	2	0
Ordinary Council	5	5	3	4
Special Council	4	11	11	0
MPAC	5	15	15	8
Municipal Events	3	3	0	0
Extended Management	3	3	5	0
HOD	9	9	10	4
Communicators Forum	4	2	0	0
ICT Steering	2	2	0	0
Risk Management	4	1	1	0
Audit	4	4	4	0

**SOURCE: MLM Councillors information**



## APPENDIX B – MUNICIPAL COMMITTEES & PURPOSES

<b>Committees (other than Mayoral/Executive Committee) and Purposes of Committees</b>	
Municipal Committee	Purpose of Committee
Corporate Services Portfolio Committee	Addressing relevant issues and reports
Technical Services Portfolio Committee	Addressing relevant issues and reports
Finance Portfolio Committee	Addressing relevant issues and reports
Community Services Portfolio Committee	Addressing relevant issues and reports
Economic Development Planning Services Committee	Addressing relevant issues and reports
Local labour forum	Address all employer and employee related matters
Municipal public accounts committee	Oversight committee addressing AG report, financial reporting investigating items delegated by council
Executive Committee	Give political direction to executive management and report to council
Local geographical names change(LGNC):	Deals with changing of street names within the municipal area



## APPENDIX C- ADMINISTRATIVE STRUCTURE

Designation	Initial And Surname	Gender
<b>Municipal Manager</b>	TN Tshwanammbi	Male
<b>General Manager: Corporate Services</b>	PM Mudau	Male
<b>Chief Financial Officer</b>	T Nephawe	Male
<b>Acting General Manager: Community Services</b>	PS Peta	Male
<b>Acting General Manager: Development Planning</b>	TN Tshwanammbi	Male
<b>Acting General Manager: Technical Services</b>	PM Mudau	Male
<b>Senior Manager: Corporate Services</b>	PS Peta	Male
<b>Senior Manager: Senior Manager Finance</b>	L Murulana	Male
<b>Senior Manager: Mayor Support</b>	M Sithole	Male
<b>Manager: Housing</b>	K Rhavhuanzwo	Male
<b>Manager: Budget</b>	T Mokone	Male
<b>Manager: Asset Management</b>	A Tshinavhe	Male
<b>Manager: Supply Chain Management</b>	M Siziba	Female
<b>Acting Manager: Financial Management</b>	P Makgatho	Male
<b>Acting Manager: Expenditure</b>	M Mudzanani	
<b>Manager: Revenue</b>	D Tshikota	Female
<b>Manager: Human Resources</b>	R Le Roux	Female
<b>Manager: ICT</b>	P Eccleston	Male
<b>Manager: Legal Services and Secretariat</b>	T Rammbuda	Male
<b>Manager: Waste Management</b>	R Kutama	Female
<b>Manager: Water and Sanitation</b>	M Matshili	Female
<b>Manager : Electrical Services</b>	C Mathoma	Male
<b>Manager: Civil and Roads</b>	M Mthombeni	Male
<b>Manager: Licensing</b>	C Jombe	Male
<b>Manager: Traffic</b>	D Hlongwane	Male
<b>Manager: Traffic</b>	AE Mutele	Male
<b>Acting Manager: LED</b>	I Dzebu	Male
<b>Manager: IDP</b>	T Ncube	Male
<b>Manager: Development and Town Planning</b>	M Mphephu	Male
<b>Manager: Internal Audit</b>	J Siaga	Male

## APPENDIX D - FUNCTIONS OF MUNICIPALITY

Municipal/Entity Functions	Function Applicable to Municipality (Yes/No)*	Function Applicable to Entity (yes/no)
<b>Municipal Functions</b>		
<b>Constitution, Schedule 4, Part B Functions</b>		
Air pollution	yes	N/A
Building regulations	yes	N/A
Child-care facilities	yes	N/A



<b>Municipal/Entity Functions</b>		
<b>Municipal Functions</b>	<b>Function Applicable to Municipality (Yes/No)*</b>	<b>Function Applicable to Entity (yes/no)</b>
<b>Constitution, Schedule 4, Part B Functions</b>		
Electricity and gas reticulation	yes	N/A
Fire-fighting services	yes	N/A
Local tourism	yes	N/A
Municipal airports	No	N/A
Municipal planning	yes	N/A
Municipal health services	yes	N/A
Municipal public transport	yes	
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other	yes	
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and related matters	yes	
Storm water management systems in built-up areas	yes	
Trading regulations	yes	
Water and sanitation services limited to potable water supply systems and domestic waste water and sewage disposal systems	No	Vhembe District Municipality
Beaches and amusement facilities	No	
Billboards and the display of advertisements in public places	yes	
Cemeteries, funeral parlours and crematoria	yes	
Cleansing	yes	
Control of public nuisances	yes	
Control of undertakings that sell liquor to the public	yes	
Facilities for the accommodation, care and burial of animals	yes	
Fencing and fences	yes	
Licensing of dogs	No	
Licensing and control of undertakings that sell food to the public	yes	
Local amenities	yes	
Local sport facilities	yes	
Markets	yes	
Municipal abattoirs	yes	
Municipal parks and recreation	yes	
Municipal roads	yes	
Noise pollution	yes	
Pounds	yes	
Public places	yes	
Refuse removal, refuse dumps, and solid waste disposal	yes	
Street trading	yes	
Street lighting	yes	
Traffic and parking	yes	

## APPENDIX E - WARD REPORTING

### WARD BASED MEETINGS

Ward Name (Number)	Name of Ward Councillor and Elected Ward Committee Members	PORT-FOLIO	Committee Established (Yes/No)	Number of Monthly Committee Meetings Held During Year	Number of Monthly Reports Submitted to Speakers 'Office on Time'	Number of Quarterly Public Ward Meetings Held During Year	Dates
Ward No 01	Cllr: Munzhelele WARD CORDINATOR: DIMO DANIEL <b>Ward Committees:</b> 1. MAKAMU SAMUEL 2. MUSEKW A MARUBINI 3. TSHIMAU SI NORIA 4. SINGO DAVID 5. MUDAU TSATSAW ANI 6. LIKHWAR ENI JOYCE 7. ANNAH RANTSANA 8. NETSHITA TE FHULUFHELO 9. MUNYAI RECTOR	SECRETARY/ INFRASTRUCTURE & LED WOMEN & UNEMOLYMENT HEALTH & SOCIAL DEVELOPMENT DISABILITY EDUCATION & COMMUNICATION ROADS & TRANSPORT HOUSING & DISASTER SPORTS, ARTS, & CULTURE WATER, SANITATION, & ELECTRICITY	Yes				
Ward No 02	Cllr: S Shirelele WARD CORDINATOR: A. Lebepe <b>Ward Committees:</b> 1. KOSIE MORAPA 2. SEWELA MUSIWA 3. ELISABET H MACHUSA	SECRETARY / LED & INFRASTRUCTURE WOMEN & UNEMPLOYMENT HEALTH & SOIAL DEVELOPMENT	Yes	1	1	1	24 June 2021 Ward committee meeting



Ward Name (Number)	Name of Ward Councillor and Elected Ward Committee Members	PORT-FOLIO	Committee Established (Yes/No)	Number of Monthly Committee Meetings Held During Year	Number of Monthly Reports Submitted to Speakers 'Office on Time'	Number of Quarterly Public Ward Meetings Held During Year	Dates
	4. SOPHY NDOU 5. MADAMAL ALA PETRUS 6. PHILLIP MANENZH E (Mapani) 7. ERNEST NEMAGO VHENI (Marooi) 8. MOSHAT HAMA MASEKO (Linton) 9. RINAH SEMATLA (Broombeek)	DISABILITY EDUCATION & COMMUNICATION TRANSPORT & ROADS SPORT, ARTS & CULTURE  SAFETY & SECURITY					
	10. ANNAH MOLELU	DISASTER & HOUSING					
Ward No 03	Cllr: T NARE  Coordinator A. Lebepe  <b>Ward Committees:</b>		Yes				
	1. MAHASEL A AMOS 2. SELINA MASAHA B A 3. CONSTAN CE MULEYA 4. RENDANI MANENG ENA 5. MAGGIE SINGO 6. GLORY MULEYA 7. VICKY MUDAU 8. ADAM KWINDA	EDUCATION & COMMUNICATION INFRASTRUCTURE & LED HEALTH & SOCIAL DEVELOPMENT SECRETARY & DISABILITY UNEMPLOYMENT & WOMEN WATER & SANITATION SPORTS,ARTS & CULTURE SAFETY & SECURITY		2	2	2	Ward committee meeting  25 May 2021 and 01 June 2021



Ward Name (Number)	Name of Ward Councillor and Elected Ward Committee Members	PORT-FOLIO	Committee Established (Yes/No)	Number of Monthly Committee Meetings Held During Year	Number of Monthly Reports Submitted to Speakers 'Office on Time'	Number of Quarterly Public Ward Meetings Held During Year	Dates
	9. MISHACK MUNYAI	ROADS & TRANSPORT					
	10. SYDNEY MALEMA	HOUSING & DISASTER					
	1. MAHASEL A AMOS						
Ward No 04	Cllr: P Sakala		Yes				
	Coordinator: A. Lebepe						
	<b>Ward Committees:</b>						
	1. VICTORIA BORRIE	EDUCATION & COMMUNICATION					
	2. KHATHUT SHELO TSHAKUMA	LED & INFRASTRUCTURE					
	3. AUBREY MULAUDZI	HEALTH & SOCIAL DEVELOPMENT					
	4. WILLIAM PHOSIWA	DISABILITY					
	5. PAULINA BALOYI	UNEMPLOYMENT & WOMEN					
	6. SELLO MALADZHI	SPORTS,ARTS & CULTURE					
	7. GEORGINA MACHETE	SAFETY & SECURITY					
	8. JUSTICE LANGA	SECRETARY, ROADS & TRANSPORT					
	9. MARY MOYABA	WATER & SANITATION					
	10. ELLA DHЛИWAYO	HOUSING & DISASTER					
Ward No 05	Cllr: N MILANZI		Yes				
	Ward Coordinator: A. Lebepe						
	<b>Ward Committees:</b>						
	1. MARIA MOYO	SECRETARY/UNEMPLOYMENT & GENDER					



Ward Name (Number)	Name of Ward Councillor and Elected Ward Committee Members	PORT-FOLIO	Committee Established (Yes/No)	Number of Monthly Committee Meetings Held During Year	Number of Monthly Reports Submitted to Speakers 'Office on Time	Number of Quarterly Public Ward Meetings Held During Year	Dates
	2. TEBOGO MOLEA	ROADS & TRANSPORT					
	3. MAEMU GALANE	WATER, SANITATION, & ELECTRICITY					
	4. ROSINA MAMAFYA	HOUSING & DISASTER					
	5. THOMAS MARUAN DA	SAFETY & SECURITY					
	6. KEDIBON E ASNATH DIMO	EDUCATION & COMMUNICATIONS					
	7. MICHAEL MHLANGA	SPORTS, ARTS, & CULTURE					
	8. TSHEDEZA ELIZABETH NCUBE	HEALTH & SOCIAL DEVELOPMENT					
	9. TAKALANI GLADYS MOTLOUTSI	DISABILITY					
	10. ANIA ASIYATU BANDA	INFRASTRUCTURE & LED					
Ward No 06	Cllr: C NETSHIVHULANA		Yes				
	Ward Coordinator: A. Lebepe						
	<b>Ward Committees:</b>						
	1. THABO ALBERTUS MILANZI	SECRETARY/ HOUSING & DISASTER					
	2. NOEL MUNYAI	ROADS AND TRANSPORT					
	3. BETHUEL NKHUMELI ENI MAHLAULE	WATER, SANITATION, & ELECTRICITY					
	4. ISAAC VHUTSHILONGO NDOU	UNEMPLOYMENT & GENDER					
	5. DAVID TSHIANGE OMUDAU	SAFETY & SECURITY					



Ward Name (Number)	Name of Ward Councillor and Elected Ward Committee Members	PORT-FOLIO	Committee Established (Yes/No)	Number of Monthly Committee Meetings Held During Year	Number of Monthly Reports Submitted to Speakers 'Office on Time'	Number of Quarterly Public Ward Meetings Held During Year	Dates
	6. GLORIA MOYO	EDUCATION & COMMUNICATIONS					
	7. ISAAC SEKELANI NDOU	SPORTS, ARTS, & CULTURE					
	8. MASHUDU MARIA DAILANA	HEALTH & SOCIAL DEVELOPMENT					
	9. LIVHUWANI EDITOR HLONGWANE	DISABILITY					
	10. BARBARA ANNAH PHIRI	INFRASTRUCTURE & LED					
Ward No 07	Cllr: J Khunwana		Yes				
	Ward Coordinator: A. Lebepe						
	<b>Ward Committees:</b>						
	1. TSHIFHIWA TSEISA	SECRETARY, EDUCATION & COMMUNICATION					
	2. ELIZABETH NDOU	HEALTH & SOCIAL DEVELOPMENT					
	3. CAIPHUS MASHILA	DISABILITY					
	4. SHONISA NI KWINDA	ROADS & TRANSPORT					
	5. LUFUNO MAFUNISA	SPORTS, ARTS & CULTURE					
	6. TSHIFHIWA KWINDA	INFRASTRUCTURE & LED					
	7. ELIJAH MADIGUMA	WOMEN & UNEMPLOYMENT					
	8. PIET MARUBINI	SAFETY & SECURITY					
	9. SUZAN KWINKA	HOUSING & DISASTER					
	10. MAKUNGOLA	WATER, SANITATION & ELECTRICITY					



Ward Name (Number)	Name of Ward Councillor and Elected Ward Committee Members	PORT-FOLIO	Committee Established (Yes/No)	Number of Monthly Committee Meetings Held During Year	Number of Monthly Reports Submitted to Speakers 'Office on Time'	Number of Quarterly Public Ward Meetings Held During Year	Dates
Ward No 08	Clir: MF Mafela Ward Coordinator: D Dimo <b>Ward committees</b>		Yes	1	1	1	18 June 2021 Ward committee meeting
	1. MBAVHAL ELO TAKALANI	SECRETARY/ ROADS & TRANSPORT					
	2. NARE JOHANNE S	HOUSING AND DISASTER					
	3. MUNYADZ IWA LINDIWE	EDUCATION & COMMUNICATION S					
	4. RAMBELA NI M.C.	SAFETY & SECURITY					
	5. NETHENG WE NDIVHUWO	UNEMPLOYMENT & GENDER					
	6. MUNYAI F.J.	WATER, SANITATION, & ELECTRICITY					
	7. TSHIBALO N.P.	INFRASTRUCTURE & LED					
	8. RALIYON A AGNES	DISABILITY					
	9. NARE JOHANNE S						
	10. MAANO NANCY						
Ward No 09	Clir: T Netshipale Ward Coordinator: P Mukwevho <b>Ward Committees:</b>		Yes	1	1	1	Ward committee meeting 12 October 2021
	1. NEVHULA MBA CASSWELL	INFRASTRUCTURE & LED					
	2. LIVHAND A MBONISE NI WISDOM	SAFETY & SECURITY					
	3. SEKHWA MA MAEMU FRANS	SPORTS, ARTS AND CULTURE					



Ward Name (Number)	Name of Ward Councillor and Elected Ward Committee Members	PORT-FOLIO	Committee Established (Yes/No)	Number of Monthly Committee Meetings Held During Year	Number of Monthly Reports Submitted to Speakers 'Office on Time'	Number of Quarterly Public Ward Meetings Held During Year	Dates
	4. GRACE GODZWA NA 5. MUKWEV HO EUNICE 6. RAMPHAB ANA AZWINDIN I 7. MAANO ANIKIE 8. BADZHI FLORAH 9. RAMATHU THU PINKIE 10. TSHINAV HE JULIA	EDUCATION & COMMUNICATION ROADS & TRANSPORT HEALTH & SOCIAL DEVELOPMENT WATER & SANITATION DISABILITY, ELDERLY & NGO's UNEMPLOYMENT, YOUTH 7 WOMEN HOUSING & DISASTER					
Ward No 10	Cllr: R Gadabeni Ward Coordinator: P. Mukwevho <b>Ward Committees:</b> 1. TSHIHUM E THIVHUD ZISWI RECKSON 2. LEMADE DAVID 3. THIVHAF UNI RENDANI 4. NEMALAM ANGWA L DAVID 5. MPHIGAL ALE ALUWANI 6. MAKHUV HA NALEDZA NI 7. MPHIDI ALUGUMI	INFRASTRUCTURE & LED SAFETY & SECURITY, ENERGY SPORTS, ARTS AND CULTURE EDUCATION & COMMUNICATION ROADS & TRANSPORT HEALTH AND SOCIAL DEVELOPMENT WATER & SANITATION	Yes				



Ward Name (Number)	Name of Ward Councillor and Elected Ward Committee Members	PORT-FOLIO	Committee Established (Yes/No)	Number of Monthly Committee Meetings Held During Year	Number of Monthly Reports Submitted to Speakers 'Office on Time'	Number of Quarterly Public Ward Meetings Held During Year	Dates
	8. NDOU GRACE	DISABILITY, ELDERLY & NGO's					
	9. MALINDA NORAH	UNEMPLOYMENT, YOUTH & WOMEN					
	10. NGWANE ELINAH	HOUSING & DISASTER					
Ward No 11	Clrr: G Netshisaule	Ward Coordinator: P.Mukwevho Ward Committees: 1. MUKOND ELELI H.K 2. TSHISUD ZUNGWA NE ROFHIWA 3. RAMUDZ ULI THIVHULA WI 4. MASHILA BETTINA 5. PHASANE FHUMULANI 6. NENGOV HELA NDIVHWO 7. MPOSHO MALI TSHIFHIWA 8. MUKATUN I NKHUMISENI 9. MAKUNG O AZWIFAR WI 10. GILIANA LIVHUWA NI	Yes	1	1	1	08 October 2021 Ward committee meeting
Ward No 12	Clrr: P Mbedzi	Ward Coordinator: P.Mukwevho Ward Committees	Yes				



Ward Name (Number)	Name of Ward Councillor and Elected Ward Committee Members	PORT-FOLIO	Committee Established (Yes/No)	Number of Monthly Committee Meetings Held During Year	Number of Monthly Reports Submitted to Speakers 'Office on Time	Number of Quarterly Public Ward Meetings Held During Year	Dates
	1. NETSHIS AULU THANYAN 2. JEFREY HLUNGW ANI 3. MASHULA ELIZABET H 4. MUREMA PETRUS 5. MBEDZI TSHUMBE DZO SAMSON 6. MUKHALA NGA DELLY 7. GAVHI NNDITSH ENI 8. RAMUFHI MBULAHE NI ALBERT 9. MPONDO AUBREY 10. RAMAKO KOVHU MULALO	INFRASTRUCTURE & LED SAFETY & SECURITY SPORTS, ARTS & CULTURE EDUCATION & COMMUNICATION ROADS & TRANSPORT HEALTH & SOCIAL DEVELOPMENT WATER & SANITATION DISABILITY, ELDERLY & NGO's UNEMPLOYMENT, YOUTH & WOMEN HOUSING & DISASTER					



## APPENDIX F - WARD INFORMATION

Ward Title: Ward Name (Number)								
Capital Projects: Seven Largest in 2020/2021								
Project Name	Consulting, Contractor	Start Date	Completion Date	Ward	Allocated Budget	% Physical Progress	% Financial Progress	Comments
Muswodi Community Hall	<u>Oascon Solution/</u> <u>Motla Projects</u>	03/12/2019	31/07/2021	7	R 948 051.49	100%	99.8%	Project Completed
Nancefield Central streets(p. segwari- J. Chisanga)	MLK Engineering Consulting / Ice burg trading	11/12/2020	31/08/2021	4	R 5 552 763.34	100%	99.6%	Project Completed
Nancefield phase 6 to 12	Urban tech/ PK Financial consulting	11/12/2020	15/09/2021	6	R 3 622 673.73	95%	90%	Construction stage, contractor is busy with storm water management
Construction of bridge & culverst from Tshivhongweni to Tshipale	T3 Consulting/ PK Financial consulting	15/01/2021	15/11/2021	10	R 10 104 264.73	65%	45%	Project on construction stage
Development of Nancefield grave yard	Nemurago Consulting/ TBA	TBA	TBA	4	R 3 838 942.84	0%	16%	On tender
Construction of Tshikhudini Community Hall	Nemurango Consulting/ TBA	TBA	TBA	1	R 4 649 314.35	0%	11.6%	On tender

**APPENDIX G – RECOMMENDATIONS OF THE MUNICAP AUDIT COMMITTEE**

Date of meeting	Resolution	Responsible official	Due date	Comments / Progress	Date resolved	Status
13/10/2021	Verification of ownership of properties that are leased out	GM-Corporate Services	31/06/2021	In progress	n/a	In progress
	Development of infrastructure maintenance plan	GM-Technical Services	30/06/2021	No progress to date	n/a	No progress to date
	Reporting of UIFW expenditure	CFO	30/06/2021	No progress to date	n/a	No progress to date
	Compilation of Compliance framework	GM-Corporate Services	30/06/2021	No progress to date	n/a	No progress to date
	Development of service standards	GM-Corporate Services	30/06/2021	In progress	n/a	Draft standards in place
	Risk assessment to be finalised and the report submitted to Audit Committee	Municipal Manager	30/06/2021	Finalised	18/11/2021	
	The asset module should be intergrated into the financial system. The municipality must report on the functionality of the modules.	CFO	30/06/2021	In progress	n/a	Assets module is not yet intergrated. Reporting on functionality of other modules is done.
	All matters relating to SCM as identified by AGSA be corrected by management	CFO	30/06/2021	Finalised	31/03/2021	Corrections were made



Date of meeting	Resolution	Responsible official	Due date	Comments / Progress	Date resolved	Status
31/08/2021	Annual performance report should include the budgeted figures in the targets achieved.	GM-Corporate Services	30/08/2021	Finalised	30/08/2021	
	APR to be reviewed by Internal Audit before submission to AGSA	Municipal Manager	30/08/2021	Not resolved	n/a	Only the AFS were reviewed by internal audit
	Management submit a detailed report regarding the write off of VDM debt	Municipal Manager	31/12/2021	Finalised	n/a	Report is ready to be discussed in the Committee meeting
	Management submit a detailed report regarding the outstanding items on the 2019/2020 Audit Action plan	Municipal Manager	31/12/2021	Finalised	n/a	Report is ready to be discussed in the Committee meeting
28/09/2021	Internal audit plan partially approved pending the finalisation of risk assessment by RMC	Municipal Manager	20/10/2021	Finalised	18/11/2021	Risk assessment done on 18 November 2021. Internal audit plan is updated and is to be approved by Audit committee in its next scheduled meeting.
	Internal audit reports referred back for finalisation and comments by management	Municipal Manager	20/10/2021	Finalised	31/10/2021	Reports sent to APAC members for comments



Date of meeting	Resolution	Responsible official	Due date	Comments / Progress	Date resolved	Status
j27/11/2021	APAC meetings be scheduled at least two weeks before Council sittings to incorporated inputs from the meeting	Municipal Manager	20/10/2021	In progress	n/a	Audit committee meeting schedule still to be approved by the committee.
	Internal audit plan partially approved pending the finalisation of risk assessment by RMC+C20:H23	Municipal Manager	30/11/2021	Finalised	24-Jan-22	Audit action plan is in place
	Involvement of the audit committee throughout the external audit cycle	Internal audit manager	1/8/2022	Not started	n/a	To be started when the external audit cycle begins in August 2022.
	The committee requested management debriefing on the matters raised in the reports. They were concerned on the audit of performance information.	Municipal Manager	25/02/2022	Not started	n/a	Matters to be discussed in the next scheduled Audit committee meeting
	The committee requested AGSA to communicate with the audit committee chairperson if there are challenges with AFS adjustments and signing off of the audit report.	CFO	30/11/2021	Finalised	20/01/2022	Reasons for late issuing of the audit report was communicated. The final audit report was issued on 20 January 2022.

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

NOT APPLICABLE

**APPENDIX I – MUNICIPAL ENTITY**

NOT APPLICABLE

**APPENDIX J - DISCLOSURES OF FINANCIAL INTERESTS**

<b>Disclosures of Financial Interests</b>		
<b>Period 1 July 2015 - 30 June 2016</b>		
<b>Position</b>	<b>Name</b>	<b>Description of Financial Interest*</b> <b>(Nil/or details)</b>
( Mayor)	Cllr Mihloti Muhlope	Nil
Speaker	Cllr Gilbert Netshisaulu	Nil
EXCO members	Cllr Siyaphi Shirelele	Nil
	Cllr Nkele Milanzi	Nil
	Cllr Jeremia Khunwana	Nil
	Cllr C Magwira	Nil
<b>Councillors</b>	24 councillors	Nil
Municipal Manager	Thovhedzo Tshwanammbi	Nil
Other S56 Managers		Nil
General Manager Community Services	Richard Morolana	Nil
General Manager Corporate Services	Midas Mudau	
Acting General Manager Economic Development	Thovhedzo Tshwanammbi	Nil
Chief Financial Officer	Thomas Nephawe	Nil

## APPENDIX K - REVENUE COLLECTION PERFORMANCE

	Note	2020/2021	2018/2019	Restated
		R	R	
<b>Revenue</b>				
<b>Non-Exchange Revenue</b>				
Property Rates	18	21,257,109	16,639,769	
Licences and Permits	24	4,113,444	4,920,958	
Transfers and Subsidies – Operational	25	146,868,000	128,010,137	
Fines, Penalties and Forfeits	23	3,410,165	2,926,852	
<b>Exchange Revenue</b>				
Service Charges - Electricity	19	136,862,940	129,554,791	
Service Charges – Waste Management	19	12,884,610	11,889,561	
Rental	20	603,899	269,916	
Interest on Investments	21	902,316	870,074	
Interest on Receivables	22	2,745,597	1,252,784	
Other Revenue	26	9,920,866	12,220,285	
<b>Total Revenue (excl. capital transfers and subsidies)</b>		<b>339,568,946</b>	<b>308,555,127</b>	
<b>Expenditure</b>				
Employee Related Costs	28	141,060,558	135,088,925	
Remuneration of Councillors	29	10,624,279	10,225,193	
Debt Impairment / Write-off	3 & 4	30,831,951	29,251,406	
Depreciation and Amortisation	30	27,702,359	28,411,078	
Asset Impairment	30	7,140,220	5,898,889	
Finance Costs	31	559,944	876,801	
Bulk Purchases	32	110,277,181	114,062,716	
Inventory Consumed	33	3,465,968	1,396,954	
Contracted Services	34	29,065,559	21,991,576	
Transfers and Subsidies	35	3,504,000	3,857,391	
Operational Costs	36	30,232,689	30,585,601	
Loss on Disposal of Assets	27	-	60,638	
<b>Total Expenditure</b>		<b>394,464,709</b>	<b>381,707,169</b>	
<b>Surplus/(Deficit)</b>		-54,895,762	-73,152,041	
Gain on Post Medical Aid Benefit Liability	27	1,049,478	-	
Transfers and Subsidies – Capital	25	27,744,083	19,659,334	
Gain on revaluation of Assets	27	1,396,000	837,799	



Surplus/(Deficit) After Capital Transfers and Contributions		-24,706,202	-52,654,909
Surplus/(Deficit) Prior year errors			
Surplus/(Deficit) for the year		-24,706,202	-52,654,909

#### APPENDIX L - CONDITIONAL GRANTS RECEIVED EXCLUDING MIG

GRANTS	BUDGET	EXPENDITURE	VARIANCE
INEP	3.1 M	3.1 M	None
FMG	2 365 000	2 365 000	None
EPWP	1 139 000	1 139 000	None
COVID19	447 000	447 000	None

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

PROJECT	Amount Paid excl Vat	VAT	Retention excl VAT	VAT	Total Amount On Paid
9 & 10 Roads	6,738,997	1,010,850	552,608	82,891	8,385,345
Stormwater Channel	805,000	120,750	89,444	13,417	1,028,611
Multipurpose centre	2,418,700	362,805	218,698	32,805	3,033,008
Muswodi Hall	1,768,423	206,829	140,693	21,104	2,137,048
Manenzhe Sport centre	3,250,897	487,634	343,581	51,537	4,133,650
Clinic road	711,443	106,717	-	-	818,160
Tshivhongweni Bridge	917,998	137,700	-	-	1,055,698
2& 8 roads	1,588,281	238,242	64,272	9,641	1,900,435
6 & 12 roads	595,970	89,396	-	-	685,366
Project Fees	1,400,000	-	-	-	1,400,000



	20,195,709	2,760,922	1,409,295	211,394	24,577,320
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#### APPENDIX N – CAPITAL PROGRAMME BY PROJECT YEAR 2020/2021

Capital Projects: 2020/2021								
Project Name	Consulting, Contractor	Start Date	Completion Date	Ward	Allocated Budget	% Physical Progress	% Financial Progress	Comments
Muswodi Community Hall	<u>Oascon Solution/</u> <u>Motla Projects</u>	03/12/2019	31/07/2021	7	R 948 051.49	100%	99.8%	Project Completed
Nancefield Central streets(p. segwari-Chisanga) J.	MLK Engineering Consulting / Ice burg trading	11/12/2020	31/08/2021	4	R 5 552 763.34	100%	99.6%	Project Completed
Nancefield phase 6 to 12	Urban tech/ PK Financial consulting	11/12/2020	15/09/2021	6	R 3 622 673.73	95%	90%	Construction stage, contractor is busy with storm water management
Construction of bridge & culverst from Tshivhongweni to Tshipale	T3 Consulting/ PK Financial consulting	15/01/2021	15/11/2021	10	R 10 104 264.73	65%	45%	Project on construction stage
Development of Nancefield grave yard	Nemurago Consulting/ TBA	TBA	TBA	4	R 3 838 942.84	0%	16%	On tender
Construction of Tshikhudini Community Hall	Nemurango Consulting/ TBA	TBA	TBA	1	R 4 649 314.35	0%	11.6%	On tender

#### APPENDIX O – CAPITAL PROGRAMME BY PROJECT BY WARD

#### 2017/ 2018 MIG PROJECTS



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

#### 2018/ 2019 MIG PROJECTS

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

#### 2019/2020

PROJECT NAME	PROJECT BUDGET	WARD
Nancefield ext.4 Concrete paved road	4 933 333.33	Ward 3
Nancefield Multi-purpose centre	5 000 000.00	Ward 4
Masisi Sports facility	5 233 333.33	Ward 12
Nancefield ext. 2&8 concrete Paved Road	4 000 000.0	Ward 2& 3
Nancefield Storm water channel phase 2	2 327 33.34	Ward 2& 3



## 2020/2021 MIG PROJECTS

PROJECT NAME	PROJECT BUDGET	WARD
Nancefield Ext.9 & 10 paved roads	12 000 000.00	Ward 6
Muswodi Community Hall	8 000 000.00	Ward 7
Manenzhe Sports Facility	7 000 000.00	Ward 9
Nancefield Multi-purpose Centre	12 173 164.98	Ward 4
Nancefield Stormwater phase 2	4 000 000.00	Ward 3&5
Nancefield Ext 2 & 8 paved roads	10 500 000.00	Ward 3&5

## APPENDIX P – SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS

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

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

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



## APPENDIX R - DECLARATION OF LOANS AND GRANTS MADE BY MUNICIPALITY

Declaration of Loans And Grants Made by Municipality 2020/2021				
All organisations or persons in receipt of loans*/Grants* provided by the municipality	Nature of project	Conditions attached to funding	Value 2011/12 R`000	Total amount committed over previous and future years
No grants and loans granted during the year under review				

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

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

## APPENDIX U – ANNUAL FINANCIAL STATEMENTS