OPIBUS LOCA FETA

MUSINA

LOCAL MUNICIPALITY

MUSINA LOCAL MUNICIPALITY

OVERSIGHT REPORT 2017/18

CHAIRPERSON'S REMARKS

The South African legislative framework upholds a democratic, consultative, transparent and accountable systems of governance.

Section 4 of the Local Government Municipal Systems Act (MSA) accords rights and duties to municipal councils to govern local government affairs in the best interests of the local community and to provide a system of government that is democratic, accountable and involves the local community.

Whilst section 4 (2) (d) of the Local Government Municipal Systems Act (MSA) affords a responsibility to municipal councils to ensure that municipal services are provided to the local community in a financially and environmentally sustainable manner, chapter 12 of the Local Govemment Municipal Finance Management Act sets compliance requirements for accountability through amongst others audited reports for each completed financial year.

The reports as referred to in the above paragraph translates to depiction of the health or otherwise of the institution at various levels including governance, financial viability, predetermined objectives, systems, procedures and controls.

The Local Government Municipal Finance Management Act prescribes for the compilation and auditing of Annual Financial Statements (AFS) for the municipality and its entities.

Section 127 of the Local Government Municipal Finance Management Act (MFMA) requires that a mayor of a municipality must within the prescribed period table an annual report detailing performance of a municipality during the preceding financial year, further the section provides compliance requirements to be observed by the accounting officer immediately after the annual report has been tabled.

The report as envisaged in the above paragraph must in all material terms provide a high level qualitative summary of the state of the municipality drawn from various reporting instruments, the reports access to credible information whilst empowering the reader to form an informed opinion of the municipality's achievements, challenges and limitations thereof.

Council has as empowered by section 79 of the Local Government Municipal Structures Act established the Municipal Public Accounts Committee (MPAC) to enhance council oversight on municipal activities.

A developmental local government has to place and embrace accountability, good governance, improved quality of life and pursuant of best interest of the municipality, residence, business and society in general.

By complying with provisions of section 121, 126 and 127 of the Local Government Municipal Finance Management Act (MFMA) Musina Local Municipality has stayed true to its commitment to a transparent and accountable local government institution subscribing to sound financial management practice and performance reporting on designated powers, roles and functions in furtherance of a people centred provision of municipal services.

We are mindful that against a backdrop of a changing environment, limited resources, competing needs & interests, scarcity, general standards of living, evolving compliance requirements and standards at the least the municipality must be in a position to reflect on its year that has been openly with a view to propel ongoing improvements.

Flowing from the support and cooperation of various role players, MPAC is in a position to table to council an oversight report on the Musina Local Municipality 2017/18 Annual Report.

As a collective of the Municipal Public Account Committee we forthrightly note the regression in performance of the municipality in as far as financial management and predertimed objectives as evidenced by the Auditor General's Audit Opinion on the 2017/18 municipal audit.

The above points to concerted efforts of the municipal leadership, administration and the oversight structures in ensuring sound financial management and governance practices and laying a solid base for a clean administration, improved quality of life and level of municipal services.

The delicate self-diagnostic task of objectively reviewing our performance as a municipality through the MPAC process has been made possible by the involvement, participation and support provided of council, the audit committee, Office of Auditor General, SALGA and the provincial department of Cooperative Governance Human Settlement and Traditional Affairs as well as Provincial Treasury.

The guidance and leadership of her worship the honourable Mayor is highly acknowledged, in tabling the 2017/18 annual report the mayor has enabled the municipality to self-reflect, provided a platform for review and entrench accountability in a people centred and driven governance process.

The municipal council's objectives is for a municipal administration that is sound, responsive and provides quality services to our people. The health of the municipal administration has to translate into development of our people, prosperity for residence and business, improved level and quality of services, affordability, transformation of society including economic transformation and long term viability of our institution.

The contribution of all members of Management and officials of the municipality led by the Municipal Manager Mr T.N Tshiwanammbi is noted and appreciated. We call upon this public servants to devote their energies in sustaining the change and continuous improvement trajectory and placing the people first in all their endeavours and interventions.

As the Municipal Public Accounts Committee working together with other oversight committees of council including the Audit Committee and the Financial misconduct Board we committed to follow through and take all steps that within our mandate and terms of reference to facilitate transparency and where needs be implement or direct on consequence management.

I will be failing in my duty if I do not recognise our communities and the traditional authorities for the role they play in making the municipality work towards a better life for all our people. The valued comments and inputs that council has been favoured with continues to focus the agenda of council and giving life to the ideal and constitutional imperative of "the people shall govern".

Equally the business community is acknowledged for their inputs into the local economy and the social pact needed to deliver a municipality capable of providing equitable opportunities for all.

My gratitude goes to members of the Municipal Public Accounts Committee for staying true and resolute to our oversight mandate and discharged with diligence the task at hand. I believe our collective work can be summed up in Robert Green's words *"The oak that resists the wind loses its branches one by one and with nothing to protect it, the trunk finally snaps. The oak that bends lives longer, its trunk growing wider, its roots deeper and more tenacious" – The 48 Laws of Power*

Success comes when you simply refuse to give up, with goals so strong that obstacles, failure and loss only act as motivation. Feel proud of your achievements, no matter how small they are, and create or renew a spark of determination within yourself so that you continue to work hard.

As I conclude on the 2017/18 Oversight Report I am reminded of the words of Chika Onyeani (Capitalist Nigger) ***"Most of our people go into politics to be their own bosses, rather than going into politics to serve the people"***, I wish as public representatives and public servants we may draw inspiration from this quote as we engage in our quest to better the lives of our people; fight inequality, under development.

Our people are hopeful that our collective efforts as council and administration will alter whatever their circumstance for the better.

COUNCILLOR A.P NARE
CHAIRPERSON - MPAC

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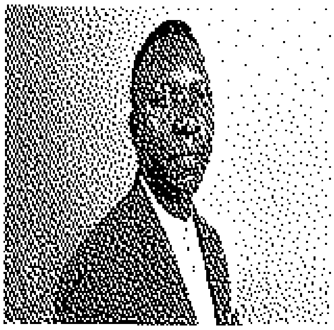
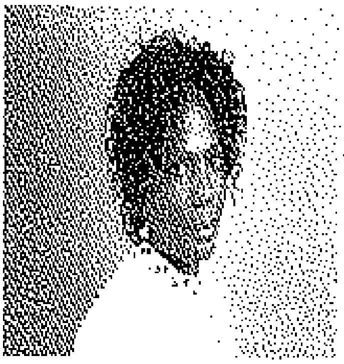
1. MUNICIPAL PUBLIC ACCOUNT COMMITTE

Chairperson. Nare A.T.P

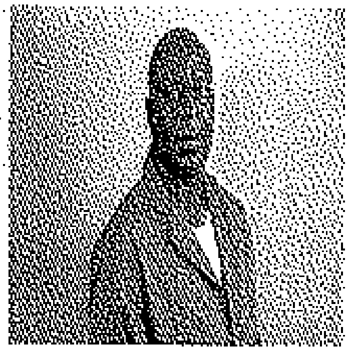
Member: Phiri S.M



Member: Magwira E.C



Member. Makhura A.D



Member: Mamafa R.A.E

2. OVERVIEW

Each municipality is required to prepare an Annual report in terms of Section 121 of the Local Government Municipal Finance Management Act (MFMA) compliant with requirements of National Treasury MFMA Circular 11, 32 and 63.

The purpose of the Annual Report is:

- ✓ To provide a record of the activities of the municipality or entity;
- ✓ To provide a report on performance in service delivery and budget implementation; and
- ✓ To promote accountability to the local community for decisions made.
- ✓ To provide information that supports revenue and expenditure decisions made

An Annual Report should include the following major elements:

- Annual performance report, comparing the years performance with the performance objectives established in the IDP, Budget and SDBIP's;
- Annual Financial statements submitted to the Auditor-General;
- Auditor-General's audit report on the financial statements.
- Other disclosures as required the MFMA in section 121, 123, 124, 125 (e.g. Councillor and Top management compensation, grants, bank accounts, investment information etc.)

Annual report

In compliance with sections 127 (2) of the Local Government Municipal Finance Management Act (MFMA) the Honourable Mayor has on 24th January 2019 under council item 10.12.01.2019 tabled the 2017/18 Annual Report (AR). Refer to a council resolution attached as **ANNEXURE A.**

The Accounting Officer has in accordance with section 127 (5) (a) & (b) made public the annual report, invited local community to submit representations in connection with the annual report refer to **ANNEXURE B.**

3. PROCESS FOLLOWED BY COUNCIL

MPAC adopted Circular 32 of the National Treasury as the guiding document for the oversight process but adhered to legislation i.e. MFMA.

The following documents relevant to the committee's responsibilities were distributed to each community member:

- National Treasury Circular 11 & 63 -- The Annual Report
- National Treasury Circular 32 - The Oversight Report
- The annual report including the report of the Auditor General and the annual performance report

All MPAC members were afforded the sufficient time to review the annual report. Meetings were convened to discuss the annual report. The committee also solicited inputs and comments on the annual report from the following:

- Invited the Auditor -General to attend a meeting of the committee to provide his perspective on the Annual report and on his audit report and to discuss with the committee, questions raised on the annual report.
- Invited the internal auditor to present the committee with his perspective on the annual report
- Public Comments were invited but none were received.
- Public hearing conducted.
- COGHSTA, Auditor General and Audit Committee were invited.

Council on the 24th January 2019 has resolved to refer the Annual Report for further processing by MPAC in accordance with section 129(1) of the Local Government Municipal Systems Act, MPAC has considered the report during its meeting of 19th, 28th February 2019, 01st, 11th, 20th and 25th March 2019 refer to the records for the MPAC meeting of 19th, 28th February 2019, 01st, 11th, 20th and 25th March 2019 attached as **ANNEXURE C**.

An advertisement was published to invite viewing, consideration and written submissions, on the Annual Report, with public submissions to be submitted to the Office of the Municipal Manager and the presence of copies of the Annual Report at municipal offices and on the website, refer to the public notice attached as **ANNEXURE D.**

In addition a notice inviting the public to a public hearing on the 2017/18 was published refer to the attached **ANNEXURE E.**

MPAC has on the 26th March 2019 convened a Public Hearing on the annual report, refer to the attached records of the Public Hearing detailing proof of attendance, questions asked to the accounting officer and the response thereof of the Public Hearing attached as **ANNEXURE F.**

Copies of the Annual Report and invites for comments as well as invitation to the public hearing were directed to the Office of the Auditor General, Provincial Treasury and Cooperative Governance Human Settlement & Traditional Affairs.

4. OVERSIGHT REPORT – KEY COMMENTS ON THE 2016/17 ANNUAL REPORT

QUESTIONS OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC) ON THE REPORT OF THE AUDITOR GENERAL TO THE MUSINA MUNICIPAL COUNCIL ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

Question 1

Regression in the audit outcomes

Executing Authority, the committee noted that the municipality's audit outcomes have regressed from unqualified audit opinion with matters of emphasis in 2016/17 to qualified audit opinion in 2017/18.

a) ***Why did the Municipality's audit outcome regress? From unqualified audit opinion in 2016/17 to qualified audit opinion in 2017/18?***
b) ***What were the root causes of this regression?***
c) ***What plan does the Municipality have to address this matter?***

Question 2

Receivables and payables from none — exchange transactions

Executing Authority, on page 113 the Auditor General (AG) was unable to obtain sufficient appropriate audit evidence for the accounts receivable from non - exchange transactions, due to the status of the accounting records. The AG was unable to determine whether any adjustment was necessary to accounts payables from non - exchange transactions in the financial statements.

On page 115, the municipality did not have adequate systems of internal control for the recording of all transactions and events and for reconciliation of these transactions and events to the financial statements.

On page 116, material impairments from non - exchange transactions were recognized as a result of irrecoverable trade receivables.

On page 122, the AG reports that an effective system of internal control for debtors and revenue was not in place, as required by section 64(2) (f) of the MFMA. Interest was not charged on all accounts in arrears, as required by section 64(2) (g) of the MFMA. Short-term debt was incurred without a resolution of the municipal council approving the debt agreement, in contravention of section 45(2)(a) of the MFMA. Short-term debt was not repaid within the financial year, as required by section 45(4) of the MFMA.

Money owed by the municipality was not always paid within 30 days, as required by section 65(2)(e) of the MFMA ***(Recurring matter from 2016/17 financial year).***

a) ***Why did the Municipality fail to update the accounts receivable and accounts payables?***
b) ***Why did the Municipality fail to provide an adequate system of***

internal control for the accounts receivable and payables?

c) ***What steps did the Municipality take to recover the trade receivables?***

d) ***Why was interest not charged on all accounts in arrears?***

e) ***Does the Municipality have a policy on receivables and payables?***

f) ***What plan did the Municipality put in place to correct this matter?***

g) ***Is documentation now available for audit?***

h) ***Why were Auditor General's recommendations from prior year not implemented?***

i) ***Where there any consequences for officials who did not exercise their duties.***

j) ***What are the challenges with record keeping system?***

k) ***Please provide council resolution of credit card approval minutes, agenda and attendance register.***

Question 3

Value Added Tax

Executing Authority, on page 114, the AG was unable to obtain sufficient appropriate audit evidence that Value Added Tax (VAT) for the current year had been properly accounted for, due to the status of the accounting records. AG was unable to confirm the Value Added Tax by alternative means as supporting evidence of the amount presented in the financial statements could not be provided.

a) ***Why did the Municipality fail to provide supporting evidence in the financial statements for VAT?***

b) ***What impact did the non-disclosure of VAT have an impact on revenue collection in the Municipality?***

c) ***What plan did the Municipality put in place to address this matter?***

Question 4

Material uncertainty relating to going concern

Executing Authority, on page 115, the municipality incurred a net loss of **R65 461 261** during the year ended 30 June 2018, and as of that date the municipality's current liabilities exceeded its current asset by **R214 101 735**. ***Recurring matter from 2016/17 financial year.***

(a) Why is the municipality continuously failing to put measures in place to ensure that current liabilities do not exceed the current assets?

(b) What cost containment measures did the municipality put in place to correct this anomaly?

(c) Provide evidence regarding the cost containment measures implemented.

Material impairments – accounts receivables

As disclosed in notes 3 and 4 to the financial statements, material impairments amounting to R8 273 186 (2016/17: R4 348 850) for exchange transactions and R23 511 239 (2016/17: 24 412 227) for non - exchange transactions were raised as a result of irrecoverable trade receivables.

Questions:

1. ***What were the circumstances for the irrecoverable debts?***
2. ***Were the write-offs done in compliance with the applicable municipal policy?***
3. ***Did some of the irrecoverable debts relate to indigents? If so, what measures are in place to verify and validate indigent information to ensure integrity of information in the indigent register?***
4. ***What is the cost of measures taken to recover the debts before it was written off?***
5. ***Please explain the current debt collection process/system in the municipality?***
6. ***What corrective measures are taken to collect debt owing to the municipality?***

Question 5

Restatement of corresponding figures and consequence management on unwanted expenditures

Executing authority, on page 116, the corresponding figures for 30 June 2017 have been restated as a result of errors in the financial statements of the municipality at, and for the year ended, 30 June 2018.

On page 121, the Municipality failed to take reasonable steps to prevent irregular expenditure amounting to **R21 734 708** and fruitless and wasteful expenditure amounting to **R2 948 074**, in contravention of section 62(1)(d) of the MFMA.

On page 122, Unauthorized, 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.

(a) Why did the municipality allow corresponding figures to be restated owing to an error discovered in the financial statements of the municipality for the financial year ended 30 June 2017?

(b) Why did the Accounting Authority allow the municipality to incur Irregular, and Fruitless and Wasteful Expenditures?

(c) Why did the Municipality fail to investigate all the unwanted expenditures incurred?

(d) Provide a breakdown of the irregular and fruitless expenditures.

(e) Who are the responsible officials for the above anomaly?

(f) Provide a comprehensive plan to deal with the unwanted expenditures for the year under review and to prevent a recurrence in future.

(g) What plans has the Accounting Officer put in place to ensure that the internal controls in the municipality is improved to ensure in-year detection of UIFW?

(h) What measures have been taken to recover the expenditure?

(i) Where the necessary disclosures made to the Mayor, Provincial Treasury, and Auditor General on discovery of these expenditure in terms of section 32 (4) of the MFMA.

Question 6

Achievement of planned targets

Executing authority, on pages 118 to 120, the AG was unable to obtain sufficient audit evidence to support the reported achievement of indicators due to a lack of technical indicator descriptions and proper performance management systems and processes that predetermined how the achievement would be measured, monitored and reported.

a) ***Why did the Municipality fail to provide the necessary audit evidence during the audit process?***

b) ***Which targets did the Municipality fail to achieve?***

c) ***What plan did the Municipality put in place to address this matter?***

d) ***If targets were changed – was it approved by council?***

e) ***What were the reasons for some targets not being achieved during the year under review?***

f) ***At the current pace of delivery and funding, when could we expect to eliminate the backlog?***

g) ***If the rate of delivery of basic service delivery is too slow to eliminate backlogs, then what do we need to do to accelerate delivery?***

Question 7

Conditional grant

Executing authority, on page 122, AG was unable to obtain sufficient appropriate audit evidence that the Municipal Infrastructure Grant and Integrated National Electrification Programme was spent for its intended purposes in accordance with the applicable grant framework, as required by section 17(1) of the DoRA.

a) ***Why did the Municipality fail to provide audit evidence regarding the spending of the conditional grant?***

b) ***How much did the Municipality spent on the Municipal Infrastructure Grant and Integrated National Electrification Programme?***

c) ***Who were responsible officials?***

d) ***What action has been taken against the responsible officials?***

e) What measures did the municipality put in place to correct this anomaly?

f) What is the process of monitoring the spending of Conditional grant?

Question 8

Internal control deficiencies

Executing authority, on page 123, the accounting officer failed to develop mechanisms of oversight and monitoring for early detection and prevention of cash flow and liquidity challenges experienced by the municipality during the period under review. The critical position of Chief Financial Officer remained vacant for full 12 months. Senior management did not adequately oversee the operations of the municipality, as the financial statements submitted for audit contained material misstatements and material findings have been identified in the annual performance report and on compliance with laws and regulations.

a) ***Why did the Municipality fail to address the liquidity challenges during the period under review?***

b) ***Why did the Municipality fail to fill the CFO position for over 12 months? Has the position been filled?***

c) ***What impact did the absence of the CFO have on the preparation of the annual financial statements?***

d) ***Why did the Municipality submit the financial statements that contained material misstatements?***

e) ***What plan did the Municipality put in place to address this anomaly?***

Question 9

Material mistatements to financial statements.

Material misstatements were once again identified in the submitted financial statements.

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

This is due to poor quality of submitted financial statement for audit.

Questions:

a) ***What is the status of progress made to address all audit findings relating to material misstatements and are they included in the action plans?***
b) ***Are the action plans monitored by Internal Audit and the Audit Committee. What is their assessment of the progress?***
c) ***What corrective measures have been taken?***

Question 10

Expenditure management.

Creditors were not always paid within 30 days.

a) What are the reasons for the late payments?

b) What percentage of suppliers has been paid outside of the 30 days of invoices received?

ANNEXURE (A)

OPIBUS LOCA FETA

MUSINA

LOCAL MUNICIPALITY

Extract from the minutes of Ordinary Council meeting held on 24 Thursday January 2019 at 14h00

10.12.01.2019	**DRAFT ANNUAL REPORT FOR 2017/2018 FINANCIAL YEAR (2/4)** **COUNCIL RESOLVED:** (a) That the tabled Annual Report is adopted and approved as a Draft Annual Report for 2017/2018. (b) That the report be handed over to the Municipal Public Accounts Committee and Audit Committee (MPAC) for consultation, input and generation of an Oversight Report. (c) That MPAC must facilitate public participation, hearing and consultation on the draft Annual Report. (d) That the process driven by MPAC to evaluate, conduct public participation, conduct public hearing as well as generation and tabling of the oversight report on the 2017/2018 Annual Report to council be completed on or before 31 March 2019. (e) That a draft oversight report be tabled to council for consideration and approval by the end of March 2019. (f) THAT the Accounting Officer discharges duties designated to him by the MFMA on the Annual Report.

Certified a true extract of the original.

TR RAMBUDA
MANAGER: LEGAL AND SECRETARIAT SERVICES

MUSINA LOCAL MUNICIPALITY
Council Resolution
Date: 28/01/2019

ANNEXURE (B)

U SAVE

MAKHADO MUNICIPALITY NOTIFICATION OF SUBMISSION OF THE APPLICATION FOR U SAVE ON STAND NO. 5223 AT MAEBANI VILLAGE IN TERMS OF SECTION 73 OF MAKHADO MUNICIPALITY SPATIAL PLANNING, LAND DEVELOPMENT AND LAND USE MANAGEMENT BY-LAW, 2016

[illegible] has lodged U SAVE application in terms of section 73 of the Makhado Municipality Spatial Planning, Land Development and Land Use Management By-Law, 2016 for rezoning of an existing business [illegible] stand number 5223 at Maebani village. The proposed application entails the construction of U SAVE measuring [illegible] in extent on the farm [illegible] at Maebani village within Makhado Local Municipality of Vhembe District. The site coordinates are as follows: 23 [illegible] South and 29 [illegible] East. The proposed site is located within a built-up residential area.

The relevant plans, documents and information are available for inspection at the office of the Municipal Manager, Makhado Local Municipality, for a period of [illegible] days. Any objection or representation pertaining to the above application must be submitted in writing to the Municipal Manager (Makhado Municipality) during the office hours from 08h00-16h00.

Address of the Applicant:
74 ELAND STREET
MAKHADO 0920
TEL: 015 [illegible] OR
082 838 4146
EMAIL: [illegible]@yahoo.co.uk OR
[illegible]@gmail.com

MASIPALA WA MAKHADO
U DIVHADZA U DISWA HA KHUMBELO YA U FHATA U SAVE KHA TSHITENTSI TSHA NOMBORO 5223 MUVHUNDUNI WA MAEBANI HO TEVHELEDZWA SECTION 73 YA MAKHADO MUNICIPALITY SPATIAL PLANNING, LAND DEVELOPMENT AND LAND USE MANAGEMENT BY-LAW 2016.

[illegible] U SAVE [illegible] Makhado Municipality Spatial Planning, Land Development and Land Use Management By-Law 2016 [illegible] 5223 Maebani [illegible] U SAVE [illegible] Maebani [illegible] Makhado [illegible] Vhembe [illegible] 23 [illegible] 29 [illegible] Makhado [illegible]

74 ELAND STREET
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Limpopo Mirror

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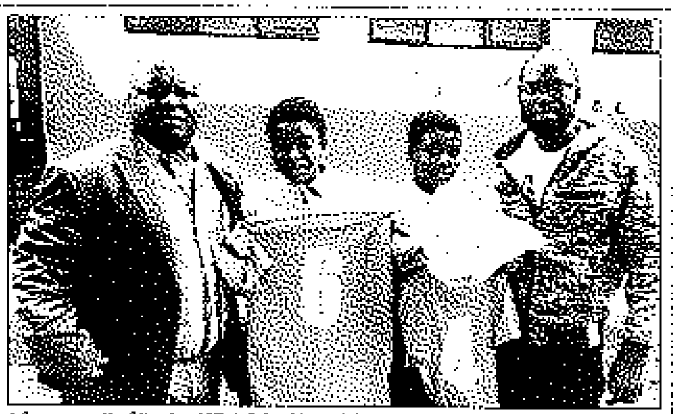

A former pupil of Swobani High School in Maibani, Mr Thabo Sephuma, recently donated 4 new netball kit, sanitary towels and R5 000 to his former school. The money will be used to buy stationery. The principal of the school, Mr Seara Tshigomana, was over the moon. "This man is doing a wonderful job for our school. He laid a good foundation that will take the pupils to a better future," he added. Photographed during the handing over of the kit are, from left to right, Seara Tshigomana, Mirelani Mhlanga, Monala Mugwala and the donor, Mr Thabo Sephuma.

NOTICE OF ENVIRONMENTAL IMPACT ASSESSMENT PROCESS

Notice is hereby given in terms of the National Environmental Management Act (Act No. 107 of 1998):
- Government Notice R982 (Environmental Impact Assessment Regulations of 4 December 2014) Section 41, as amended on 7 April 2017
- Government Notice R985 (Environmental Impact Assessment Regulations Listing Notice 3 of 4 December 2014) Activity 10(e)(i), as amended on 7 April 2017

Activity & Locality:

A Basic Environmental Assessment process (BA) will be undertaken for a proposed construction of facilities to handle and store dangerous goods such as liquid oxygen, Nitrous Oxide, Entonox, Liquid Petroleum Gas (LPG), and above ground Diesel tanks at the Siloam Hospital site in the Makhado Local Municipality, Vhembe district in Limpopo. These are part of the infrastructure and services for the hospital extension.

The Environmental application (BA) for the above dangerous goods will be submitted to The National Department of Environmental Affairs (DEA) after the initial public consultation.

Municipality: Makhado Local Municipality
Proponent: Department of Health
Consultants: AGES Limpopo (Pty) Ltd, PO Box 2526, POLOKWANE, 0700.
Telephone: 015 291 1577 (Fch H [illegible])
E-mail: [illegible]@ages-group.com / [illegible]@ages-group.com

In order to ensure that you are identified as an interested and/or affected party (I&AP) ONLY in terms of environmental concerns regarding the above-mentioned processes, please submit your name, contact information and interest in the matter to the contact person given above before [illegible] April 2019.

NO JOBS AVAILABLE

TENDERS

MUSINA LOCAL MUNICIPALITY

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE PUBLIC PARTICIPATION AND HEARING ON THE 2017/2018 ANNUAL REPORT

Notice is hereby given that a public participation and hearing on the Musina Local Municipality 2017/2018 Annual Report, as convened in terms of Section 129(4)(a) and Section 130(1) of the Municipal Finance Management Act, will be held as follows:

PUBLIC PARTICIPATION

Date:	Wednesday, 13 March 2019
Venue:	Nghwenkomi New Community Hall
Time:	10h00

PUBLIC HEARING

Date:	Friday, 22 March 2019
Venue:	Nghwenkomi New Community Hall
Time:	10h00

Stakeholders and members of the public are invited to attend.

Tel: 015 534 6100
Fax: 086 511 0049
Private Bag X611, Musina, 0900
Notice number: 12/2019/[illegible]

TN Tshiwanammbi
Municipal Manager

MAKHADO LOCAL MUNICIPALITY

NOTICE: APPLICATION FOR LGSETA FUNDED BURSARY

1. Makhado Municipality in partnership with LGSETA hereby invite applications for bursary to eleven (11) unemployed and deserving learners who are newly registered at the University of Technology to participate in the following areas of academic study:
   - Bachelor Degree: Civil Engineering x [illegible] bursaries (University of Technologies only)
   - Bachelor Degree: Electrical Engineering x 2 bursaries (University of Technologies only)
2. Requirements: Applicants must be the bona fide residents of Makhado Municipality and must have provisional registration at the University of Technology only. Applicants must attach the following certified documents with the application form:
   - Completed Makhado Municipality Bursary Application Form
   - Certified copy of South African Identity Document of applicant and of Parents/Guardians
   - Grade 12 Statement of Results
   - Proof of Income of Parents / Guardians
   - Provisional confirmation of registration at the University of Technology
   - Letter confirming residence from the Ward Councillor, Civic Structure or Traditional leader
   - Affidavit confirming indigent status
3. The application form can be obtained from Makhado Civic Centre (Office Number A002-HR Offices and Office Number B024, Ward Councillors, and any Regional Offices Such as: Dzanani and Waterval.
4. The application form will be available from 01 March 2019. LGSETA will pay to the maximum of R[illegible]000.00 per learner subject to the submission of all required documents and approval thereof.

All applications must be submitted at the Registry Office at the Makhado Civic Centre and must directed to the Municipal Manager, Makhado Municipality, Private Bag X 2596, LOUIS TRICHARDT, 0920.

The closing time and date is not later than 16:00 on or before 15 March 2019. Should you not receive any response from the Makhado Municipality by the 25th March 2019, please consider your application unsuccessful.

NB: Applicants must ensure that they sign a record Register at municipal offices when they submit their applications.

Publication Date: 01 March 2019
Closing Date: 15 March 2019 at 16h00

All enquiries must be directed to Mr [illegible] at one of the following numbers: 015 519 [illegible]

Notice No.: [illegible]/2019
Ref No: 5553 & 5/4/2

MR N.E.TSHIVHENGWA
MUNICIPAL MANAGER

MUSINA
LOCAL MUNICIPALITY

Postal Address:
Musina Local Municipality
Private Bag X611
Musina
0900

Physical Address:
21 Irwin Street
Musina
0900

Information Center
(015) 534 6100
info@musina.gov.za
www.musina.gov.za

ENQUIRIES SPEAK TO
NKELE NKADIMENG

REFERENCE NO
12

2017/2018 ANNUAL REPORT SATELLITE SUBMISSION

NAME & SURNAME	SATELLITE OFFICE	CONTACTS	SIGNATURE
Mungai Thivhavhudzi	Malale office	0796796547	Mungai T
Cenia Serenia	Madimbo office	079 746 5304	
Phumudzo Mayo	Campbell office	0826136338	
Makhura Isaac	Harper Satellite office	064 764 911	
Tshepo Duba	Musina Public Library	076 528 6605	TA3
Jane Saidi	Skoonplaas	0762982260	Saidi
ALFRED MUKATUNI	NANCEFIELD OFFICE	0715024253	

ANNEXURE (C)

MUSINA LOCAL MUNICIPALITY

OPIBUS LOCA FETA

MPAC MEETING

DATE : 25th MARCH 2019

TIME : 10H00

VENUE : MPAC OFFICE

NO.	ITEM	RESPONSIBLE PERSON
01	OPENING	CHAIRPERSON
02	WELCOME	CHAIRPERSON
03	ROLL-CALL & APOLOGIES	ALL
04	AGENDA CONFIRMATION	ALL
05	PURPOSE OF THE MEETING	CHAIRPERSON
06	BUSINESS OF THE DAY	ALL
	6.1. ALLOCATION OF QUESTIONS 6.2. PUBLIC HEARING	
07	DATE OF NEXT MEETING	ALL
08	VOTE OF THANKS	CLLR MAMAFA
09	ANNOUNCEMENT	CLLR MAKHURA
10	CLOSURE	CHAIRPERSON

MUSINA LOCAL MUNICIPALITY

MPAC MEETING

DATE : 20th MARCH 2019

TIME : 14H00

VENUE : MPAC OFFICE

NO.	ITEM	RESPONSIBLE PERSON
01	OPENING	CHAIRPERSON
02	WELCOME	CHAIRPERSON
03	ROLL-CALL & APOLOGIES	ALL
04	AGENDA CONFIRMATION	ALL
05	PURPOSE OF THE MEETING	CHAIRPERSON
06	BUSINESS OF THE DAY	ALL
	6.1. DRAFT QUESTIONS 6.2. PUBLIC PARTICIPATION & HEARING 6.3. ANNUAL REPORT	
07	DATE OF NEXT MEETING	ALL
08	VOTE OF THANKS	CLLR MAMAFA
09	ANNOUNCEMENT	CLLR MAKHURA
10	CLOSURE	CHAIRPESON

MUSINA LOCAL MUNICIPALITY

OPIBUS LOCA FETA

MPAC MEETING

ATTENDANCE REGISTER

DATE : 20TH MARCH 2019

TIME : 14H00

VENUE : MPAC OFFIEC

NAME & SURNAME	STRUCTURE / ORGANISATION	CELL NUMBER	E-MAIL ADDRESS	SIGNATURE
Nduk T.P	Chairperson	0748068980	—	
Elias Maguwa	Member	0724294975	chimaidze@gmail.com	
ALPHEUS MAMAFA	MEMBER	0823148343	alpheusm@musina.gov.za	
Dorcas Mukwevho	MEMBER	0766312331	—	

MUSINA LOCAL MUNICIPALITY

MPAC MEETING

DATE : 11 MARCH 2019

TIME : 11H30

VENUE : MPAC OFFICE

NO.	ITEM	RESPONSIBLE PERSON
01	OPENING	CLLR
02	WELCOME	CHAIRPERSON
03	ROLL-CALL & APOLOGIES	ALL
04	AGENDA CONFIRMATION	ALL
05	PURPOSE OF THE MEETING	CHAIRPERSON
06	BUSINESS OF THE DAY	ALL
	6.1. DRAFT ANNUAL REPORT QUESTIONS 6.2. PUBLIC PARTICIPATION 6.3. PUBLIC HEARING	
07	DATE OF NEXT MEETING	ALL
08	VOTE OF THANKS	CLLR
09	ANNOUNCEMENT	CLLR
10	CLOSURE	CHAIRPESON

MUSINA LOCAL MUNICIPALITY

OPIBUS LOCA FETA

MPAC MEETING

ATTENDANCE REGISTER

DATE : 11[TH] MARCH 2019

TIME : 11H30

VENUE : MPAC OFFICE

NAME & SURNAME	DESIGNATION	CELL NUMBER	E-MAIL ADDRESS	SIGNATURE
Dorcus Muavha	MPAC member	0760312337	—	Muavha D.D
Nare T.P	Chair	0795008950	—	[illegible]
Nwinda Mbangi	MPAC Coordinator	011 008 3814	mbangie@musina.gov.za	[illegible]

MUSINA MUNICIPALITY

MPAC MEETING (SCRUTINIZING ANNUAL REPORT)

DATE : DAY 02 – 1 MARCH 2017

TIME : 09H00

VENUE : MUNICIPAL COUNCIL CHAMBER

ITEM	RESPONSIBILITY	TIME
TEA	ALL	09H00 – 09H30
OPENING	CHAIRPERSON	
WELCOME	CHAIRPERSON	09H30 – 09H35
INTRODUCTION	ALL	09H35 – 09H40
ROLL-CALL & APOLOGIES	ALL	09H40 – 09H45
ACKNOWLEDGEMENT OF GUESTS	CLLR MAGWIRA	09H45 – 09H50
CONTINUATION OF SCRUTINIZING AR	ALL	09H50 – 10H50
BREAK	BREAK	10H50 – 11H00
PRESENTATION	AGSA	11H00 – 11H25
DISCUSSIONS	ALL	11H25 – 11H45
FORMULATING QUESTIONS	ALL	11H45 – 12H10
WAY FORWARD	ALL	12H10 – 12H15
VOTE OF THANKS	CLLR MAMAFA	12H15 – 12H20
ANNOUNCEMENT	CLLR MAKHURA	12H20 – 12H25
CLOSURE	CHAIRPERSON	12H25 – 12H30
LUNCH	ALL	

END OF DAY 02

MUSINA LOCAL MUNICIPALITY

OPIBUS LOCA FETA

MPAC MEETING (DRAFT ANNUAL REPORT)

ATTENDANCE REGISTER

DATE : 01st MARCH 2019

TIME : 09H00

VENUE : MUNICIPAL COUNCIL CHAMBER

NAME & SURNAME	DESIGNATION	CELL NUMBER	E-MAIL ADDRESS	SIGNATURE
Makhomisani	CLLR MPAC	0828236414	Sekgokwa	[signature]
Nowe T.P	Chairperson	0795068980	N/A	[signature]
Malange T	Makuando Chairperson	0764106290	malange-tshinane@gmail.com	T.Mal
Makhura A.D	MPAC Member	[illegible]		Makhura A.D
MAHAFA K.A.E	MPAC MEMBER	0823148342	alpheasm@musina.gov.za	[signature]
Eliot Magwira	member	0724294975	chimaidze@gmail.com	[signature]
Joe Singa	MLM Internal Audit	0832712970	joes@musina.gov.za	
Nkele Mhadireg	PMS	0792257160	nkelem@musina.gov.za	[signature]

MUSINA LOCAL MUNICIPALITY

MPAC MEETING (DRAFT ANNUAL REPORT)

ATTENDANCE REGISTER

DATE : 01st MARCH 2019

TIME : 09H00

VENUE : MUNICIPAL COUNCIL CHAMBER

NAME & SURNAME	DESIGNATION	CELL NUMBER	E-MAIL ADDRESS	SIGNATURE
Chauke Nhlamulo	Risk Management	072 718 2765	nhlamz@hotmail.com	
Bisego Sebeka	Audit manager - AGSA	015 [illegible]	bisegos@agsa.co.za	
Carine Grove	Manager AGSA	015 283 9300	carinag@agsa.co.za	
Joe Singo	Manager IA MLM	083 [illegible]	joe@musina.gov.za	
Mbangiseni Kwinda	MPAC Coordinator	071 608 3814	mbangik@musina.gov.za	

MUSINA LOCAL MUNICIPALITY

OPIBUS LOCA FETA

MPAC MEETING (DRAFT ANNUAL REPORT)

DATE : DAY 01 - 28 FEBRUARY 2019

TIME : 09H00

VENUE : MUNICIPAL COUNCIL CHAMBER

TIME	ITEM	RESPONSIBLE PERSON
	OPENING	CHAIRPERSON
	WELCOME	SPEAKER
	ROLL-CALL & APOLOGIES	ALL - Apology - Cllr Phiri
	INTRODUCTION	ALL
	ACKNOWLEDGEMENT OF GUESTS	CHAIRPERSON [illegible]
	PURPOSE OF GATHERING	CHAIRPERSON
	PRESENTATION	TREASURY
	DISCUSSION	ALL
	DRAFT ANNUAL REPORT	ALL
	DISCUSSIONS & WAY FORWARD	ALL
	LUNCH	ALL
	DRAFT QUESTIONS	LEGISLATURE
	DISCUSSIONS & WAY FORWARD	ALL
	VOTE OF THANKS	CLLR MAMAFA
	ANNOUNCEMENT	CLLR MAKHURA
	CLOSURE	CHAIRPESON

END OF DAY 01

MUSINA LOCAL MUNICIPALITY

OPIBUS LOCA FETA

MPAC MEETING (DRAFT ANNUAL REPORT)

ATTENDANCE REGISTER

DATE : 28TH FEBRUARY 2019

TIME : 09H00

VENUE : MPAC OFFICE

NAME & SURNAME	DESIGNATION	CELL NUMBER	E-MAIL ADDRESS	SIGNATURE
Ndou T.P	Chairperson	0796 88950	[illegible]	[illegible]
[illegible]	MPAC Member	[illegible]	[illegible]	Malauna [illegible]
[illegible]	MPAC Member	082 314 8593	[illegible]	[illegible]
Munmee M.E.	Researcher [illegible]	0827319114	[illegible]@limpopoleg.gov.za	[illegible]
Nkele Nkadimeng	PMS	072 225 7160	nkelen@musina.gov.za	[illegible]
Chauke Nhlamulo	Risk Management	012 778 2765	[illegible]@musina.gov.za	[illegible]
Joe Sikaga	Internal Audit	0832912890	joes@musina.gov.za	[illegible]
W.R. Mokhari	Chief Man. Legis	0824121006	william.mokhari@gmail.com	[illegible]

MUSINA LOCAL MUNICIPALITY

MPAC MEETING (DRAFT ANNUAL REPORT)

ATTENDANCE REGISTER

DATE : 28TH FEBRUARY 2019

TIME : 09H00

VENUE : MPAC OFFICE

NAME & SURNAME	DESIGNATION	CELL NUMBER	E-MAIL ADDRESS	SIGNATURE
Mbangiseni Kwinda	MPAC Coordinator	071 608 3814	mbangik@musina.gov.za	[illegible]
[illegible]	MEMBER	071 429 4975	[illegible]@gmail.com	[illegible]
Mankomnkani	SHIKAMBO – V[illegible]	082 [illegible]	Sekgokewani[illegible]@gmail	[illegible]
Buys Yolanda	DD Municipal Finance	082 397 [illegible]	BuysY@treasury.limpopo.gov.za	[illegible]
William Makhari	Unit Man Legis	082 412 [illegible]	William.M@[illegible]	[illegible]

MUSINA LOCAL MUNICIPALITY

OPIBUS LOCA FETA

MPAC MEETING

DATE : 19 FEBRUARY 2019

TIME : 11H00

VENUE : MPAC OFFICE

NO.	ITEM	RESPONSIBLE PERSON
01	OPENING	CLLR
02	WELCOME	CHAIRPERSON
03	ROLL-CALL & APOLOGIES	ALL
04	AGENDA CONFIRMATION	ALL
05	PURPOSE OF THE MEETING	CHAIRPERSON
06	MINUTES OF PREVIOUS MEETING	COORDINATOR
06	BUSINESS OF THE DAY	ALL
	6.1. DRAFT ANNUAL REPORT 6.2. COUNCIL REFFERAL 6.3. PROJECTS VISITS 6.3. NANCEFIELD Ext 4 PAVED ROAD 6.4. PUBLIC PARTICIPATION 6.5. PUBLIC HEARING 6.6.	
07	DATE OF NEXT MEETING	ALL
08	VOTE OF THANKS	CLLR
09	ANNOUNCEMENT	CLLR
10	CLOSURE	CHAIRPESON

MUSINA LOCAL MUNICIPALITY

OPIMUS LOCA FETA

MPAC MEETING

ATTENDANCE REGISTER

DATE : 19TH FEBRUARY 2019

TIME : 11H00

VENUE : MPAC OFFICE

NAME & SURNAME	DESIGNATION	CELL NUMBER	E-MAIL ADDRESS	SIGNATURE	
S.M. Phiri	Cllr	083 447 3342			10:45
T.M. Kwinda	Coordinator	011 608 3814	mbong.t@musina.gov.za		11:59
Nave T.P	Chairperson	0795068980	——		

ANNEXURE (D)

Tenders / Vacancies

RE-ADVERTISEMENT
TRADESMAN AID
Conservation Gardens and Tourism Division
(Contract until 31 March 2021)
Thohoyandou Botanical Garden
SANBI offers an all-inclusive annual salary package of R 112 272.13 (Salary level 01) (Reference Number – GTHO/1019/001)
Limpopo

The South African National Biodiversity Institute (SANBI) requires the services of [illegible]

Requirements: [illegible]

Key responsibilities: [illegible]

Please Note: • An application form (obtainable from our Offices or SANBI website www.sanbi.org.za) must accompany the CV together with a letter motivating why the applicant should be favourably considered for the position and confirming that the minimum qualifications are met (applicants lacking evidence of relevant experience will not be considered) • A skills test may be conducted as part of the selection process • Applicants must also provide the full names, telephone numbers and if possible e-mail addresses of at least three referees • Failure to submit the requested information may result in your application not being considered.

[illegible]

Contact Mr. John SiNange on 012 843 5089 or, preferably, forward the completed application form (available from www.sanbi.org.za), a cover letter, certified copies of qualifications, ID, drivers licence and concise CV via e-mail to recruitment [illegible] or fax 012 843 5211. Postal applications are to be addressed to the Assistant Director Human Resources, South African National Biodiversity Institute, Private Bag X101, Pretoria, 0001.

Closing date: [illegible] March 2019

[illegible]

SANBI

South African National Biodiversity Institute

THULAMELA MUNICIPALITY

REQUEST FOR PROPOSAL

Private Bag X5066
Thohoyandou
0950
Limpopo Province
Tel: (015) 962 7500
Fax: (015) 962 4020
(015) 962 5328

Thulamela Municipality invites capable service providers for the provision of the following service:

NOTICE NUMBER	DESCRIPTION	BID PRICE	Contact Person	EVALUATION CRITERIA
BID NO. 42/2018/2019	Request for proposal travel agent (three years contract)	To be [illegible]	[illegible]	Phase 1 Functionality; Phase 2: 80/20 preference points system will be used.

Bid documents will be available as from the 26 February 2019 between 08:00 and 16:30 at office No. 02, Thulamela Municipality, Old Agriven Building. The document can be downloaded from the E-Tender portal for free.

Interested service providers will be expected to submit the bids with the following compulsory requirements:

- Tax Clearance Compliance Status Letter or Tax Clearance Compliance Number
- Company registration documents (eg. CK)
- Proof of registration on CSD
- Proof of municipal rates and taxes or municipal service charges owed by the bidder and all of its directors not in arrears for more than 3 months. (The proof of municipal rates and taxes or municipal service charges to be submitted must not be older than three (3) months from the closing date of the bid)
- Proof of membership with relevant association for Travel Agents.
- List of similar successfully executed projects within the last 5 years with client contact details and contract values (attach appointment letters or official purchase orders.)

NB: Service providers must submit their Certified BBBEE verification certificate from verification agency accredited by South African Accreditation System only (SANAS) or sworn affidavit.

Functionality will be scored out of 100% and bidders who score less than 60% will not be considered for further evaluation. The following is the functionality schedule:

DESCRIPTION	POINTS ALLOCATED
Relevant Experience with client contact numbers and values	Max – 40 Points
CV of key personnel	Max – 20 Points
Proof of Membership with ASATA	Max – 20 Points
Methodology	Max – 20 Points

Sealed bid documents must be submitted in envelopes clearly indicating *"BID NUMBER AND DESCRIPTION"* on the outside and must reach the undersigned by depositing it into the official Bid Box at the front of the main entrance to the Civic Centre, by no later than 11:00 on 29 March 2019. All Bids received will be opened in public in the Municipality's Board Room, Civic Centre, Old Agriven Building, Thohoyandou.
The Municipality is not bound to accept the lowest or any Bid and reserves the right to accept any part of a Bid. Bids must remain valid for a period of ninety (90) days after closing date of the submission thereof.

Bids which are late, incomplete, unsigned, completed by pencil, sent by telegram, facsimile, electronically (Fax) or E-mail and without the compulsory requirements will be disqualified.

MALULEKE HE
MUNICIPAL MANAGER
Thulamela Municipality
Civic Centre
Old Agriven Building
Thohoyandou 0950

APPLICATION FOR RECTIFICATION IN TERMS OF SECTION 24G OF THE NATIONAL ENVIRONMENTAL MANAGEMENT ACT (ACT NO. 107 OF 1998), AS AMENDED FOR THE UNLAWFUL COMMENCEMENT OF A LISTED ACTIVITY: SANPARKS MANAGEMENT OFFICES, FARM HAMILTON 41, MAPUNGUBWE NATIONAL PARK, LIMPOPO PROVINCE

Notice is hereby given in terms of Section 24G of the National Environmental Management Act, 1998 (Act No. 107 of 1998) (NEMA), as amended, that South African National Parks has submitted an application to the National Department of Environmental Affairs for rectification of the unlawful commencement of a listed activity associated with the construction of new Management Offices at Hamilton Staff Village.

Description of Unlawful Activity: The unauthorised works that are the subject of this application commenced and concluded in April 2016. In summary, the activity entailed clearing of approximately [illegible] of indigenous vegetation to establish new Management Offices comprising of an office block [illegible] buildings, an outdoor parking area with 13 demarcated bays and associated infrastructure.

Listed Activity: Listing Notice 3 (GN R985) Activity No. 12 [illegible] – The clearance of an area of 300 square metres or more of indigenous vegetation [illegible]

Subject Property / Locality: Farm Hamilton 41 – Hamilton Staff Village, Mapungubwe National Park, Musina Local Municipality, Limpopo Province.

Invitation to Participate: Should you wish to be registered as an Interested and Affected Party (I&AP), or comment on the above mentioned project and application process, please submit your name, contact information and interest in the matter, in writing to the contact person indicated below, BY NOT LATER THAN 22 MARCH 2019.

Contact: Ms [illegible] Consulting (Pty) Ltd
P.O. Box [illegible]
Woodlands
[illegible]
Phone: 082 571 5556 Fax: [illegible]
E-mail: [illegible]

MAKHADO LOCAL MUNICIPALITY

Tel: (015) 519 3000 Fax: (015) 516 1195 Private Bag X2596 Makhado 0920

DRAFT ANNUAL REPORT: 2017/18 FINANCIAL YEAR

Notice is hereby given in terms of Section 127 of the Local Government: Municipal Finance Management Act (MFMA) 2003, that Makhado Local Municipality tabled the 2017/18 Draft Annual Report in terms of the provisions of Section 121 of the MFMA. The report is available for all interested parties or members of public to gain insight and deliver comments on the contents thereof. The purpose of the report is to provide a record of the activities of the municipality and to report on performance in service delivery and budget implementation as well as to promote accountability to the local community in respect of the 2017/18 financial year.

The Draft Annual Report 2017/18 is available at the following respective municipal offices and can be read during office hours from 07:30 to 13:00 and again from 14:00 to 16:00 on Monday to Friday of the week, excluding public holidays.

1. The Regional Administrator, Ms T S Mukile, Dzanani Regional Office: Dzanani Township
2. The Regional Administrator, Mr E Mabula [illegible], Waterval Regional Office: Waterval Township
3. Main Municipal Office Complex, Office of the Municipal Manager: PMS Unit or Registry of the 1st Floor, Civic Centre, 83 Krogh Street, Makhado

Enquiries must be directed to K Siguth or N Tshikosi @ 015 519 3110 or 015 519 3341. The complete Draft Annual Report is also available on the Municipality's website at www.makhado.gov.za. The last day to deliver comments is Wednesday, **06 March 2019 at 14h00**. Comments must be in writing and signed by the person / authorized person of the interest group and must be handed to any one of the Regional Administrators listed above.
Civic Center
83 Krogh Street
LOUIS TRICHARDT
0920
Notice No. 22 of 2019
File: 10/12

MR KF TSHIVHENGWA
MUNICIPAL MANAGER

MUSINA LOCAL MUNICIPALITY

PUBLIC NOTICE REGARDING THE 201/2018 ANNUAL REPORT:

In accordance with section 127(5)(a)(i) & (ii) of the Local Government Municipal Finance Management Act Number 56 of 2003 read with section 21A of the Local Government Municipal Systems Act, the Accounting Officer hereby makes public the tabled Musina Local Municipality's Annual Report for the year ended 30 June 2018 and invites the local community to submit representations in connection with the 2017/2018 annual report. Take note that copies of the 2017/2018 Annual Report are available for perusal during office hours (07h30 to 16h00) at the following municipal service points:

Musina Library (Civic Centre)
Nancefield Municipal Office
Madimbo Thusong Centre
Malala Satellite Office
Mopani Satellite Office
Harper Satellite Office
Skoonplaas Satellite Office
In addition the Annual Report is available at website www.musina.gov.za

Written representations on the 2017/2018 Annual Report must be submitted to one of the above service points or at the office of the Municipal Manager by no later than Friday, 15th March 2019 at 12h00.

Take note that subsequent to processing of the annual report by the Municipal Public Accounts Committee council will in accordance with section 129 of the Local Government Municipal Finance Management Act Number 56 of 2003 adopt an oversight report on the 2017/2018 annual report on or before the 31 March 2019 and make public the oversight report within 7 days as per section 129(3) of the Local Government Municipal Finance Management Act.

For enquiries please contact Ms Nkadimeng via telephone or fax or e-mail or post:
Tel: 015 – 534 6100
Email: nkelen@musina.gov.za
Fax: 015 534 2513
Post: Private Bag X611, MUSINA, 0900

Tel. 015 534 6100
Fax: 086 517 0045
Private Bag X611, Musina, 0900
Notice number 11/2018/19

MK Tshivhanammbi
Municipal Manager

MUSINA
LOCAL MUNICIPALITY

Postal Address:
Musina Local Municipality
Private Bag X611
Musina
0900

Physical Address:
21 Irwin Street
Musina
0900

Information Center
(015) 534 6100
info@musina.gov.za
www.musina.gov.za

ENQUIRIES SPEAK TO
NKELE NKADIMENG

REFERENCE NO
12

2017/2018 ANNUAL REPORT SATELLITE SUBMISSION

NAME & SURNAME	SATELLITE OFFICE	CONTACTS	SIGNATURE
Mungai Thivhavhudzi	Malale office	0796796547	Mungai T
[illegible]	Madimbo office	079 746 5924	[illegible]
Thumudzo Mugo	Campbell office	0826136338	[illegible]
Makhuvo Isaac	Harper Satellite office	066 746 4911	[illegible]
Tshepo Dubai	Musina Public Library	076 528 6603	TAD
Jane Saidi	Skoonplaas	0762982260	J Saidi
ALFRED MUKATXI	NANCEFIELD OFFICE	0715024253	[illegible]

ANNEXURE (E)

[illegible]

L SAVE

MAKHADO MUNICIPALITY NOTIFICATION OF SUBMISSION OF THE APPLICATION FOR L SAVE ON STAND NO: 5223 AT MAEBANI VILLAGE IN TERMS OF SECTION 75 OF MAKHADO MUNICIPALITY SPATIAL PLANNING LAND DEVELOPMENT AND LAND USE MANAGEMENT BY-LAW, 2016.

The [illegible] Trading and [illegible] (Pty) Ltd company number 2017/[illegible] has lodged L SAVE application in terms of section 75 of the Makhado Municipality Spatial Planning, Land Development and Land Use Management By-Law, 2016 for rezoning of an existing business [illegible] stand number 5223 at Maebani village. The proposed application entails the construction of L SAVE measuring 4000 m² in extent on the farm [illegible] 22S LS at Maebani village within Makhado Local Municipality of Vhembe district. The site coordinates are as follows: 23°[illegible] South and 29°[illegible] East. The proposed site is located within a rural residential area. The relevant plan, document and information are available for inspection at the office of the Municipal Manager, Makhado Local Municipality, for a period of 30 days. Any objection or representation pertaining to the above application must be submitted in writing to the Municipal Manager (Makhado Municipality) during the office hours from 8h00 [illegible] Address of the Applicant: [illegible] MAKHADO [illegible] TEL: 071 [illegible] 082 [illegible] EMAIL: [illegible] yahoo.co.uk for more information.

MASIPALA WA MAKHADO NDIVHADZO YA U DISWA HA KHUMBELO YA U FHATA L SAVE KHA TSHITENTSI TSHA NOMBORO YA 5223 MUVHUNDENI WA MAEBANI HO THEWHEDZWA SECTION 75 YA MAKHADO MUNICIPALITY SPATIAL PLANNING, LAND DEVELOPMENT AND LAND-USE MANAGEMENT BY-LAW, 2016.

Vha Khamphani ya [illegible] Trading and Supply (Pty) Ltd [illegible] nga nomboro [illegible] 2017/[illegible] vho [illegible] khumbelo ya u fhata U SAVE vho [illegible] nga u [illegible] section 75 ya Makhado Municipality Spatial Planning, Land Development and Land Use Management By-Law 2016 [illegible] tshitentsi tsha nomboro ya 5223 muvhunduni wa Maebani [illegible] L SAVE [illegible] 4000 m² [illegible] 22S LS [illegible] Maebani [illegible] Makhado [illegible] Vhembe [illegible] 23°[illegible] 29°[illegible] [illegible] Makhado [illegible] 30 [illegible] Masipala wa Makhado [illegible] Makhado [illegible] NELSON [illegible] MAKHADO, 0920 TEL: 071 [illegible] 082 [illegible] EMAIL: [illegible]

LIMPOPO MIRROR

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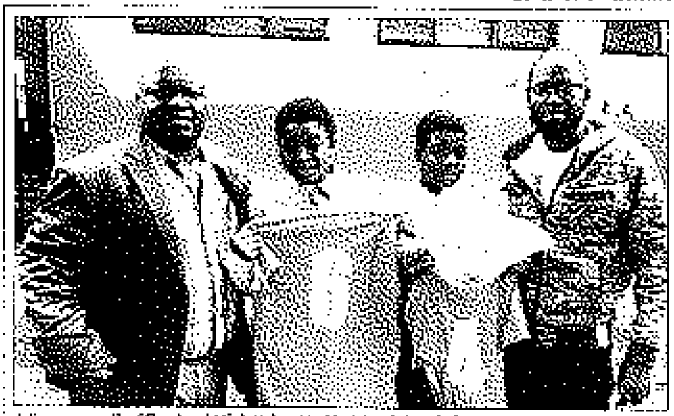


A former pupil of Swobani High School in Maebani, Mr Thabo Sephuma, recently donated a new netball kit, sanitary towels and R5 000 to his former school. The money will be used to buy stationery. The principal of the school, Mr Seara Tshigomana, was over the moon. "This man is doing a wonderful job for our school. He laid a good foundation that will take the pupils to a better future," he added. Photographed during the handing over of the kit are, from left to right, Seara Tshigomana, Mpelani Mhlanga, Mutaka Magwala and the donor, Mr Thabo Sephuma.

NOTICE OF ENVIRONMENTAL IMPACT ASSESSMENT PROCESS

Notice is hereby given in terms of the National Environmental Management Act (Act no. 107 of 1998):

- Government Notice R982 (Environmental Impact Assessment Regulations) of 4 December 2014, Section 41, as amended on 7 April 2017
- Government Notice R983 (Environmental Impact Assessment Regulations Listing Notice 1) of 4 December 2014, Activity 10(i)(ii), as amended on 7 April 2017

Activity & Locality:

A Basic Environmental Assessment process (BA) will be undertaken for a proposed construction of facilities to handle and store dangerous goods such as Liquid oxygen, Nitrous Oxide, Enhanced Liquid Petroleum Gas (LPG), and above ground Diesel tanks at the Siloam Hospital site in the Makhado Local Municipality, Vhembe district in Limpopo. These are part of the infrastructure and services for the hospital extension.

The Environmental application (BA) for the above dangerous goods will be submitted to The National Department of Environmental Affairs (DEA) after the initial public consultation.

Municipality	Makhado Local Municipality
Proponent	Department of Health
Consultants	AGES Limpopo (Pty) Ltd, PO Box 2526, POLOKWANE, 0700.
	Telephone: 015 291 1577 (Ref: [illegible])
	E-mail: [illegible]@ages-group.com / [illegible]@ages-group.com

In order to ensure that you are identified as an interested and/or affected party (I&AP), ONLY in terms of environmental concerns regarding the above-mentioned processes, please submit your name, contact information and interest to the contact person given above before or on 8 April 2019.

NO JOBS AVAILABLE

MAKHADO LOCAL MUNICIPALITY

NOTICE: APPLICATION FOR LGSETA FUNDED BURSARY

1. Makhado Municipality in partnership with LGSETA hereby invite applications for bursary for sixteen (16) interested and deserving learners who are newly registered at the University of Technology to study [illegible] in the following areas of academic study:
   Bachelor Degree: Civil Engineering x 14 bursaries (University of Technologies only)
   Bachelor Degree: Electrical Engineering x 2 bursaries (University of Technologies only)
2. Requirements: Applicants must be the bona fide residents of Makhado Municipality and must have provisional registration at the University of Technology only. Applicants must attach the following certified documents with the application form:
   - Completed Makhado Municipality Bursary Application Form
   - Certified copy of South African Identity Document of applicant and of Parents/ Guardians
   - Grade 12 Statement of Results
   - Proof of Income of Parents / Guardians
   - Provisional confirmation of registration at a University of Technology
   - Letter confirming residence from the Ward Councillor, Civic Structure or Traditional leader
   - Affidavit confirming indigent status
3. The application form can be obtained from Makhado Civic Centre (Office Number A002- HR Offices and Office Number D024 Ward Councillors, and any Regional Offices such as Dzanani and Waterval.
4. The application form will be available from 01 March 2019. LGSETA will pay to the maximum of R50 000.00 per learner subject to the submission of all required documents and approval thereof.

All applications must be submitted at the Registry Office at the Makhado Civic Centre and must directed to the Municipal Manager, Makhado Municipality, Private Bag X 2596, LOUIS TRICHARDT, 0920.

The closing time and date is not later than 16:00 on or before 15 March 2019. Should you not receive any response from the Makhado Municipality by the 29th March 2019, please consider your application unsuccessful.

NB: Applicants must ensure that they sign a record Register at municipal offices when they submit their applications.

Publication Date: 01 March 2019
Closing Date: 15 March 2019 at 16h00

All enquiries must be directed to Mr Tshifhiwa [illegible] at one of the following numbers: 015 519 3[illegible]

Notice No.: 41/2019
Ref No.: 5/5/[illegible]

MR N.E. TSHIVHENGWA
MUNICIPAL MANAGER

TENDERS

MUSINA LOCAL MUNICIPALITY

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE PUBLIC PARTICIPATION AND HEARING ON THE 2017/2018 ANNUAL REPORT

Notice is hereby given that a public participation and hearing on the Musina Local Municipality 2017/2018 Annual Report as convened in terms of Section 129(4)(a) and Section 130(1) of the Municipal Finance Management Act, will be held as follows:

PUBLIC PARTICIPATION

Date	Wednesday, 13 March 2019
Venue	Ngwelemotse New Community Hall
Time	10h00

PUBLIC HEARING

Date	Friday, 22 March 2019
Venue	Ngwelemotse New Community Hall
Time	10h00

Stakeholders and members of the public are invited to attend.

Tel: 015 534 6100
Fax: 086 517 0040
Private Bag X611, Musina, 0900
Notice number 12/2019/[illegible]

TN Tshiwanammbi
Municipal Manager

MUSINA

MUSINA LOCAL MUNICIPALITY

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE PUBLIC PARTICIPATION AND HEARING ON THE 2017/2018 ANNUAL REPORT

Notice is hereby given that a public participation and hearing on the Musina Local Municipality 2017/2018 Annual Report, as convened *in terms of Section 129(4) (a) and Section 130(1) of the Municipal Finance Management Act*, will be held as follows:

PUBLIC PARTICIPATION:

Date:	**Wednesday, 13 March 2019**
Venue:	**Ngwelemotse New Community Hall**
Time:	**10h00**

PUBLIC HEARING:

Date:	**Friday, 22 March 2019**
Venue:	**Ngwelemotse New Community Hall**
Time:	**10h00**

Stakeholders and members of the public are invited to attend.

Tel: 015 – 534 6100
Fax: 086 517 0049

TN TSHIWANAMMBI
Municipal Manager

Private Bag X611
MUSINA
0900

Notice number 12 2018/19

MUSINA

MUSINA LOCAL MUNICIPALITY

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE PUBLIC PARTICIPATION AND HEARING ON THE 2017/2018 ANNUAL REPORT

Notice is hereby given that a public participation and hearing on the Musina Local Municipality 2017/2018 Annual Report, as convened *in terms of Section 129(4) (a) and Section 130(1) of the Municipal Finance Management Act*, will be held as follows:

PUBLIC PARTICIPATION:

Date:	**Friday, 22 March 2019**
Venue:	**Old Community Hall**
Time:	**10h00**

PUBLIC HEARING:

Date:	**Friday, 26 March 2019**
Venue:	**Madimbo Thusong Centre**
Time:	**10h00**

Stakeholders and members of the public are invited to attend.

Tel: 015 – 534 6100
Fax: 086 517 0049

Private Bag X611
MUSINA
0900

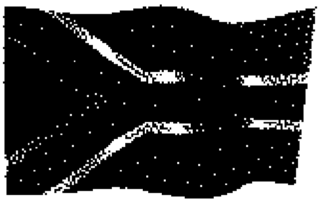
TN TSHIWANAMMBI
Municipal Manager

Notice number 13 2018/19

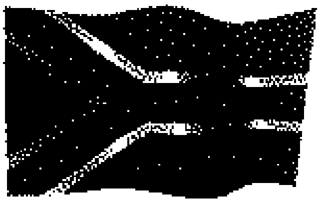
ANNEXURE (F)

RSA NATIONAL ANTHEM

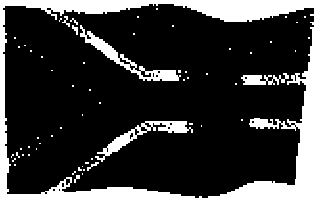
Nkosi sikelel' iAfrika
Maluphakanyisw' uphondo lwayo,
Yizwa imithandazo yethu,
Nkosi sikelela, thina lusapho lwayo.



Morena boloka setjhaba sa heso,
O fedise dintwa la matshwenyeho,
O se boloke, O se boloke setjhaba sa heso,
Setjhaba sa South Afrika - South Afrika.



Uit die blou van onse hemel,
Uit die diepte van ons see,
Oor ons ewige gebergtes,
Waar die kranse antwoord gee,



Sounds the call to come together,
And united we shall stand,
Let us live and strive for freedom,
In South Africa our land.

www.musina.gov.za
(015) 534 6100

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

MUSINA
LOCAL MUNICIPALITY

2019

PUBLIC HEARING ON 2017/18 ANNUAL REPORT

26 MARCH 2019

PROGRAMME

Venue: Madimbo Thusong Centre

Date: 26 March 2019

Time: 10 H00

Government's five priority areas:

1. Creation of decent work and sustainable livelihood
2. Education
3. Health
4. Rural development, Food Security and Land Reform
5. [illegible]

PUBLIC HEARING ON 2017/18 ANNUAL REPORT

26/MARCH/2019

OPIBUS LOCA FETA

PROGRAMME

Programme Director:
Cllr. Philemon Nare

1. **Opening: National Anthem:**
   All

2. **Welcome Remarks:**
   Chief-Whip Cllr. Fistos Mafela

3. **Acknowledgement: MPAC Member**
   Cllr Edward Mamafa

4. **Purpose of Session:MPAC Member**
   Cllr Eliot Magwira

5. ***Presentation on Annual Report 2017/2018 Financial Year:***
   Her Worship Mayor
   Cllr Mihloti Muhlope

6. **Input/Questions:**
   MPAC

7 **Clarity/ Answers:**
Her Worship Mayor
Cllr Mihloti Muhlope

7. **Vote of Thanks**
Cllr Gilbert Netshisaulu

8. **Announcements:MPAC Member**
Cllr Dorcus Makhura

9. **Closure:**
Prayer

MUSINA
LOCAL MUNICIPALITY

OPIBUS LOCA FETA

DATE : 26 MARCH 2019

TIME : 10H00

VENUE: MADIMBO THUSONG CENTRE

MPAC PUBLIC HEARING

Name & Surname	Department /Structure	Email Address	Contact Details	Signature
[illegible]	MPAC members	——	[illegible]	[illegible]
Alpheus [illegible]	MPAC MEMBER	alpheusm@musina.gov.za	082 314 8543	[illegible]
[illegible]	MPAC MEMBER	[illegible]@gmail.com	072 629 4975	[illegible]
JEREMIA [illegible]	EXCO member	[illegible]@musina.gov.za	0784361502	[illegible]
[illegible]	MM	[illegible]	082 [illegible]	[illegible]
PONDELANI [illegible]	GM Corporate Services	Pondelanim@musina.gov.za	066 475 1473	[illegible]
[illegible] Feta	SM Corporate Services	[illegible]@musina.gov.za	076 [illegible]	[illegible]
Nephawe Thomas	CFO	thomasn@musina.gov.za	063 684 7562	[illegible]
Lindon Muulang	Senior Manager Finance	[illegible]@musina.gov.za	071 600 7525	[illegible]
Ayanda [illegible]	Communications	[illegible]@musina.gov.za	071 496 2853	[illegible]
[illegible] Mulalo [illegible]	Mayor's Office	[illegible]@musina.gov.za	[illegible]	[illegible]

MUSINA

LOCAL MUNICIPALITY

OPIBUS LOCA FETA

DATE : 26 MARCH 2019

TIME : 10H00

VENUE: MADIMBO THUSONG CENTRE

MPAC PUBLIC HEARING

Name & Surname	Department /Structure	Email Address	Contact Details	Signature
Nelungwa Dorah		—	076 378 3155	[illegible]
Lucy Tshitaka	CWP		0	[illegible]
[illegible] S	Supervisor CWP	—	076 235 9119	[illegible] S
[illegible] Rosina	Ward committee	—	072 037 1974	[illegible]
Rambuda Tshithiwa	Supervisor CWP	—	072 886 2289	T. gRambs
[illegible] Sophy	CWP	—	076 442 7200	Sophy
[illegible] Lizzy	CWP	—	076 258 5565	Lizzy
[illegible] Leah	CWP	—	076 433 5756	Leah
[illegible] Leah	CWP	—	079 452 3297	Leah
Munyai [illegible]	CWP	—	[illegible]	Munyai [illegible]
[illegible] N.N	CWP	—	0715 374 4490	[illegible] N.N

MUSINA

LOCAL MUNICIPALITY

OPIBUS LOCA FETA

Name & Surname	Department /Structure	Email Address	Contact Details	Signature
Johannah Rabuli	-	-	071 468 4775	Rabali
[illegible]	-	-	07[illegible]	Mailula N
Mbou Mashuau	-	-	0796128587	[illegible]
Lisbeth Masindi			0769790365	[illegible]
Hussbuveni Netshifale	-	-	0798231[illegible]392	Netshiagieb
Annie Ndou	-	-	0793760699	Ndou A
Salphina Rabali	-	-	076 459 [illegible] [illegible]	N Rabali
Ramakokotha S	-	-		S Ramakokotha
Tshilidzi Nedoli	-	-	0792563073	Nedoli T.A
Julia Munyai	-	-	0724022686	Munyai N.J
Emely Rangani	-	-	0762456377	Rangani T.E
Joyce Hlongwani		-	072 115 6927	[illegible]
Gloria Thitili			060 884 0104	Thidiela S
Aobina Magwina	-	-	064 [illegible] [illegible]	[illegible]
Ephraim Kwinda		-	076 44[illegible] [illegible]	[illegible]
Ndou T.S	-		0726[illegible]17918	Ndou T.S
Mahatlaga T.P	-		0823990521	Nemaangani T.S
Jathro Ndou	ANC	johanz.ndou@co.za	071 571 4903	J Ndou
Sammy Rabali		[illegible]@[illegible].com	0722753830	[illegible]

MUSINA

LOCAL MUNICIPALITY

OPIBUS LOCA FETA

DATE : 26 MARCH 2019

TIME : 10H00

VENUE: MADIMBO THUSONG CENTRE

MPAC PUBLIC HEARING

Name & Surname	Department /Structure	Email Address	Contact Details	Signature
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]		[illegible]	[illegible]
Thapedi Nelly	Ward 08 Civic Secretary		0768522983	Thapedi I.N
Tsedi Rose	Ward 08 [illegible]		0737013789	T.R Tsedi
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	—	[illegible]	[illegible]
[illegible]	[illegible]	—	[illegible]	[illegible]
[illegible]	[illegible]	—	[illegible]	[illegible]
[illegible]	[illegible]	—	[illegible]	[illegible]
[illegible]	[illegible]	—	[illegible]	[illegible]
[illegible]	[illegible]	—	[illegible]	[illegible]

MUSINA

LOCAL MUNICIPALITY

OPIBUS LOCA FETA

Name & Surname	Department /Structure	Email Address	Contact Details	Signature
[illegible]	[illegible]	—	079 311 44 79	[illegible]
[illegible]	[illegible]	—	072 30 572 76	[illegible]
[illegible]	[illegible]	—	[illegible]	[illegible]
Ndwinguda Edward	Chairperson Sanc	ndwingu dane7[illegible]@gmail.com	076 085 4465	[illegible]
[illegible]	[illegible]		[illegible]	[illegible]
[illegible]	[illegible]	—	[illegible]	[illegible]
[illegible]	[illegible]	—	[illegible]	[illegible]
[illegible]	[illegible]	—	[illegible]	[illegible]
[illegible]	[illegible]		[illegible]	[illegible]
[illegible]	Chairperson [illegible]	—	0827184496	[illegible]
[illegible]	Makhado		0649069203	[illegible]
Rambuda Takalani Meredith	Madimbo	[illegible]@gmail.com	[illegible]	[illegible]
[illegible]	Royal Council		074 293 [illegible] 13	[illegible]
[illegible]	Royal Council		072367 5843	[illegible]
[illegible]	Madimbo		082 816 3689	[illegible]
[illegible]	[illegible]		072 9060 990	[illegible]
Nemalale [illegible]	MALALE		0727289062	[illegible]
[illegible] Munzhedzi	Madimbo	—	—	[illegible]
Mbangiseni Kwinda	Musina Local Munic	mbangi.k@musina.gov.za	011 [illegible]	[illegible]

OPIBUS LOCA FETA

MUSINA

LOCAL MUNICIPALITY

MUSINA MPAC DRAFT ANNUAL REPORT 2017/18 QUESTIONAIRE

Questions of the Musina Municipality on the Auditor General's findings for the 2017/18 financial year

Question 1

Regression in the audit outcomes

Executing Authority, the committee noted that the municipality's audit outcomes have regressed from unqualified audit opinion with matters of emphasis in 2016/17 to qualified audit opinion in 2017/18.

a) ***Why did the Municipality's audit outcome regress? from unqualified audit opinion in 2016/17 to qualified audit opinion in 2017/18?***

The biggest contributor to the regression was the functionality of the financial system, this functionality was affected by a number of facts,

1. *The financial system was implemented for the first time in that financial year.*
2. *Change management was an issue as the change from the old system was sudden as we were unexpectedly dumped by the old system provider, and had to implement MSCOA for the first time in that financial year.*
3. *Financial reports produced by the system could not be easily supported and the Auditor General ran out of time to audit such reports.*

b) *What were the root causes of this regression?*

1. *System generated financial reports that were not reliable*

c) *What plan does the Municipality have to address this matter?*

1. *We have since developed an audit action plan that senior management monitors implementation on a weekly basis.*
2. *The Auditor General will perform an interim audit during the month of April 2019.*

Question 2

Receivables and payables from none — exchange transactions

Executing Authority, on page 113 the Auditor General (AG) was unable to obtain sufficient appropriate audit evidence for the accounts receivable from non - exchange transactions, due to the status of the accounting records. The AG was unable to determine whether any adjustment was necessary to accounts payables from non - exchange transactions in the financial statements.

On page 115, the municipality did not have adequate systems of internal control for the recording of all transactions and events and for reconciliation of these transactions and events to the financial statements.

On page 116, material impairments from non - exchange transactions were recognized as a result of irrecoverable trade receivables.

On page 122, the AG reports that an effective system of internal control for debtors and revenue was not in place, as required by section 64(2) (f) of the MFMA. Interest was not charged on all accounts in arrears, as required by section 64(2) (g) of the MFMA. Short-term debt was incurred without a resolution of the municipal council approving the debt agreement, in contravention of section 45(2)(a) of the MFMA. Short-term debt was not repaid within the financial year, as required by section 45(4) of the MFMA.

Money owed by the municipality was not always paid within 30 days, as required by section 65(2)(e) of the MFMA ***(Recurring matter from 2016/17 financial year).***

a) ***Why did the Municipality fail to update the accounts receivable and accounts payables?***
   1. ***This category of receivable/payable from non-exchange transaction relate to water related transactions between musina and Vhembe district.***
   2. ***The auditor general could not confirm balances presented by us with those presented by the district***

b) *Why did the Municipality fail to provide an adequate system of internal control for the accounts receivable and payables?*
We have provided all water related balances to the district before submission of financial statements, it will be very difficult for us to manage internal control systems of the district to ensure that they present what we have submitted to them.

c) *What steps did the Municipality take to recover the trade receivables?*
Like it was indicated in 1 above, these are transactions between musina and Vhembe which are called related party transactions, recoverability of such may not be dealt with the same way as that of a normal debtor. There is an amount that we owe Vhembe for the revenue received on their behalf, and an amount that Vhembe owes us for payments made on their behalf.

d) *Why was interest not charged on all accounts in arrears?*
The municipality could not levy rates and taxes (billing) in time during the first half of the financial year, updates on payments on the system were also affected, as a result, It could not be reliably confirmed that any consumer account is in arrears at the time of charging interest.

e) *Does the Municipality have a policy on receivables and payables?*
Yes

f) *What plan did the Municipality put in place to correct this matter?*
We are up to date with billing and payments are updated immediately, and we are able to charge interest were accounts are in arrears.

g) *Is documentation now available for audit?*
Yes, documentation will be available for the interim audit.

h) *Why were Auditor General's recommendations from prior year not implemented?*
Most of those that were not implemented are those that require financial resources e.g. payment of creditors within 30 days, development of infrastructure maintenance plan.

i) ***Where there any consequences for officials who did not exercise their duties.***
We did not find any official to have been negligent in performing their duties.

j) ***What are the challenges with record keeping system?***
Other than a few instances of misplaced documents, we do not have general records keeping challenges.

k) ***Please provide council resolution, approval minutes, agenda and attendance register of credit card.***
Please find attached.

Question 3

Value Added Tax

Executing Authority, on page 114, the AG was unable to obtain sufficient appropriate audit evidence that Value Added Tax (VAT) for the current year had been properly accounted for, due to the status of the accounting records. AG was unable to confirm the Value Added Tax by alternative means as supporting evidence of the amount presented in the financial statements could not be provided.

a) ***Why did the Municipality fail to provide supporting evidence in the financial statements for VAT?***
We did provide supporting evidence for this item, the finding related to confirmation of VAT on water related transactions as indicated in question 2(a,b,and c)

b) ***What impact did the non-disclosure of VAT have an impact on revenue collection in the Municipality?***
A VAT receivable was disclosed on our financial statements, there was no impact on revenue collection.

c) ***What plan did the Municipality put in place to address this matter?***
The auditors will audit this area during the interim audit in April 2019

Question 4

Material uncertainty relating to going concern

Executing Authority, on page 115, the municipality incurred a net loss of **R65 461 261** during the year ended 30 June 2018, and as of that date the municipality's current liabilities exceeded its current asset by **R214 101 735**. ***Recurring matter from 2016/17 financial year.***

(a) Why is the municipality continuously failing to put measures in place to ensure that current liabilities do not exceed the current assets?

The municipality has put the following measures in place:

1. *The payment arrangement with ESKOM*
2. *The payment arrangement with department of transport*
3. *The financial recovery plan*
4. *The revenue enhancement strategy*
5. *The simplified revenue plan*

(b) What cost containment measures did the municipality put in place to correct this anomaly?

1. *Reductions of overtime costs*
2. *Reduction on s&t costs*
3. *Cutting on operational programs and projects*
4. *Reduction of catering for municipal events*

(c) Provide evidence regarding the cost containment measures implemented.

Find attached

Material impairments – accounts receivables

As disclosed in notes 3 and 4 to the financial statements, material impairments amounting to R8 273 186 (2016/17: R4 348 850) for exchange transactions and R23 511 239 (2016/17: 24 412 227) for non - exchange transactions were raised as a result of irrecoverable trade receivables.

Questions:

1. *What were the circumstances for the irrecoverable debts?*

   This assessment is based on the payment patten of individual debtors over the years (current financial year included)

2. *Were the write-offs done in compliance with the applicable municipal policy?*

   Yes

3. *Did some of the irrecoverable debts relate to indigents? If so, what measures are in place to verify and validate indigent information to ensure integrity of information in the indigent register?*

   Yes, they did, Indigent reviews are formally done every year, and credit control section will also verify the status during the year when performing their credit control duties.

4. *What is the cost of measures taken to recover the debts before it was written off?*

   Debts that are ultimately sent to council as to be written off are those of deceased consumers, if a consumer is still alive, credit control measures are implemented to recover as much as possible.

5. *Please explain the current debt collection process/system in the municipality?*

   1. *For current account, there is a due date set every month*

   2. *For arrear accounts, a notice is sent to the account holder to rectify the account within 7 days after which a works order to disconnect will be issued on conventional meters. Pre-paid meters are disconnected immediately.*

   3. *If there is continued non-payment, the account will be assessed for handing over to our lawyers.*

6. ***What corrective measures are taken to collect debt owing to the municipality?***

   Same as 5 above

Question 5

Restatement of corresponding figures and consequence management on unwanted expenditures

Executing authority, on page 116, the corresponding figures for 30 June 2017 have been restated as a result of errors in the financial statements of the municipality at, and for the year ended, 30 June 2018.

On page 121, the Municipality failed to take reasonable steps to prevent irregular expenditure amounting to **R21 734 708** and fruitless and wasteful expenditure amounting to **R2 948 074**, in contravention of section 62(1)(d) of the MFMA.

On page 122, Unauthorized, 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.

(a) Why did the municipality allow corresponding figures to be restated owing to an error discovered in the financial statements of the municipality for the financial year ended 30 June 2017?
These are misstatements that are identified after the audit is concluded that we correct during the next financial year, these are audited by the auditors during the next audit.

(b) Why did the Accounting Authority allow the municipality to incur Irregular, and Fruitless and Wasteful Expenditures?
The municipality did not incur any new irregular expenditure during the year under review, and the accounting officer was not negligent in allowing fruitless and wasteful expenditure as the cash flow position of the municipality did not allow us to avoid such expenditure.

(c) Why did the Municipality fail to investigate all the unwanted expenditures incurred?

All the unwanted expenditures were reported to council in time and council referred them to MPAC for investigation

(d) Provide a breakdown of the irregular and fruitless expenditures.

Irregular expenditure	R21 734 708
Fruitless and wasteful expenditure	R 2 948 074

(e) Who are the responsible officials for the above anomaly?

There is no official who was directly responsible as it was incurred due to cash flow constraints (Fruitless expenditure) and shortage of qualifying officials in bid committees (Irregular expenditure)

(f) Provide a comprehensive plan to deal with the unwanted expenditures for the year under review and to prevent a recurrence in future.

The only remaining unwanted expenditure is fruitless and wasteful expenditure which we are trying to prevent recurrence by improving our cash flow position through all measures in 4 (a)

(g) What plans has the Accounting Officer put in place to ensure that the internal controls in the municipality is improved to ensure in-year detection of UIFW?

We already have a process in place to detect UIFW, and report to council and other stakeholders.

(h) What measures have been taken to recover the expenditure?

As management, we have found that we can not recover the unwanted expenditure as it can not be directly linked to incompetence or negligence of any official.

(i) Where the necessary disclosures made to the Mayor, Provincial Treasury, and Auditor General on discovery of these expenditure in terms of section 32 (4) of the MFMA.

Disclosure for the 2017/18 expenditure were not made to other stakeholders except for the mayor, We have in the 2018/19 financial year put a process in place to report to other stakeholder.

Question 6

Achievement of planned targets

Executing authority, on pages 118 to 120, the AG was unable to obtain sufficient audit evidence to support the reported achievement of indicators due to a lack of technical indicator descriptions and proper performance management systems and processes that predetermined how the achievement would be measured, monitored and reported.

a) Why did the Municipality fail to provide the necessary audit evidence during the audit process?

(i) **The evidence provided by business units at times was not consistent with the expected evidence rendering such evidence as un-auditable.**

(ii) **The various implementing units did not at all times maintain proper records consistent with the technical description specified means of verification.**

(iii) **Going forward the technical description will be reviewed to ensure that means of verification are auditable and records required is within the various departments operating procedures and standards.**

(iv) **Further internal audit will be given an opportunity to review means of verification for completeness and relevance.**

b) Which targets did the Municipality fail to achieve?

Indicator	Target	Actual	Variance	Reason for Variance	Causes	Measures to Improve Performance
Number of Speed humps Constructed	4	2	2	The project / programme was envisaged to be funded from own revenue source based on estimated collection rate. The financial commitments of the municipality required re-prioritization regarding funding of programmes and resources where channel mainly towards service	The available funds and material could only permit for completion of 2 of the targeted speed humps.	The programme has been carried forward for implementr·in and completion in subsequent financial years

				delivery orientated programmes		
Routine Maintenance to Surfaced Roads	1500m2	1125m2	375m2	The project / programme was envisaged to be funded from own revenue source based on estimated collection rate. The financial commitments of the municipality required re-prioritization regarding funding of programmes and resources where channel mainly towards service delivery orientated programmes	The available funds and material could only permit for completion of original scope of work. The changing weather patterns like heavy rainfall, capacity of the stormwater drainage impacts on the lifespan and maintenance requirements	The programme has been carried forward for implementation and completion in subsequent financial years. Roads resurfacing programmes have been incorporated in the Social Labour Plans entered into with the mines to fasten the pace of repairing and developing roads.
Number of Multi-Purpose Constructed in Nancefield	1	0	1	The project is a multiyear project implemented in phases until the project can be completed.	The progress on the project was hampered by the discovery of ground contaminations that had to be treated before the project could proceed as planned imposing additional scope and funding for the project	MIG allocations are been aligned to cater for completion of the scope of work for the project
Construction of sports ground in Muswodi village	1	0	1	The project was interdicted and stopped from implementation pending finilisation of	The project was implemented at an area that later became a subject of traditional	The matter has been referred to the Provincial and National Government for

				resolution of boundary disputes	authority boundary dispute and a high court order issued to stop development pending dispute resolution	mediation and possible settlement. Consultations are ongoing to try and resolve the matter.
Internal audit projects	9	8	1	The scope of work assigned to the unit could not allow adequate time to cover the scope given the human capital allocations to the unit	The unit was under staffed and reliant on 2 officials and an intern	An additional fulltime employee has been appointed increasing the capacity to can cover the determined scope
Production of the newsletters	4	0	4	The project / programme was envisaged to be funded from own revenue source based on estimated collection rate. The financial commitments of the municipality required re-prioritization regarding funding of programmes and resources where channel mainly towards service delivery orientated programmes	The budget performance was such that projected revenue was not realized impacting on the municipality's ability to fund and afford the programme.	The programme was recommended implementation in subsequent years when the financial position has stabilized.
Training on Local Labour forums	1	0	1	The programme was suspended when SALGA issued an instruction that the programme will no longer be	The programme was to be facilitated by SALGA and suspended due to a	The programme will be re-introduced once SALGA funding commitment has been secured.

				implemented in the mode it was previously covering even labour representation due to the fact that organized labour must cater for its own capacitation for bargaining structures representation	determination made on who must be trained and frequency of training	
Number of fire exit plan, alarm and detector purchased	1	0	1	The project / programme was envisaged to be funded from own revenue source based on estimated collection rate. The financial commitments of the municipality required re-prioritization regarding funding of programmes and resources where channel mainly towards service delivery orientated programmes	The budget performance was such that projected revenue was not realized impacting on the municipality's ability to fund and afford the programme.	The programme was recommended implementation in subsequent years when the financial position has stabilized.
Number of protective clothing Purchased	304	135	169	The project / programme was envisaged to be funded from own revenue source based on estimated collection rate. The financial commitments of the municipality required re-prioritization	The budget performance was such that projected revenue was not realized impacting on the municipality's ability to fund and afford the programme.	Currently the number of items offered as protective clothing has been scaled down to minimum necessities. The frequency of supply has also been extended to cut on expenditure with due regard to a safe

				regarding funding of programmes and resources where channel mainly towards service delivery orientated programmes.		working environment
Vending points EXT 6 & 7 Hardware and VPN link	2	0	2	The project / programme was envisaged to be funded from own revenue source based on estimated collection rate. The financial commitments of the municipality required re-prioritization regarding funding of programmes and resources where channel mainly towards service delivery orientated programmes	The budget performance was such that projected revenue was not realized impacting on the municipality's ability to fund and afford the programme.	The programme was recommended implementation in subsequent years when the financial position has stabilized.
Number of customer helpdesk established	1	0	1	The project / programme was envisaged to be funded from own revenue source based on estimated collection rate. The financial commitments of the municipality required re-prioritization regarding funding of programmes and resources where channel mainly	The budget performance was such that projected revenue was not realized impacting on the municipality's ability to fund and afford the programme.	The programme was recommended implementation in subsequent years when the financial position has stabilized.

				towards service delivery orientated programmes		
Number of VOIP and Network infrastructure Installed	1	0	1	The project / programme was envisaged to be funded from own revenue source based on estimated collection rate. The financial commitments of the municipality required re-prioritization regarding funding of programmes and resources where channel mainly towards service delivery orientated programmes	The budget performance was such that projected revenue was not realized impacting on the municipality's ability to fund and afford the programme.	The programme was recommended implementation in subsequent years when the financial position has stabilized.
Electronic Performance management System	1	0	1	The project / programme was envisaged to be funded from own revenue source based on estimated collection rate. The financial commitments of the municipality required re-prioritization regarding funding of programmes and resources where channel mainly towards service delivery orientated programmes	The budget performance was such that projected revenue was not realized impacting on the municipality's ability to fund and afford the programme.	The programme was recommended implementation in subsequent years when the financial position has stabilized.
Number of ICT	140	0	140	The project /	The budget	The programme was

Hardware and Software supplied				programme was envisaged to be funded from own revenue source based on estimated collection rate. The financial commitments of the municipality required re-prioritization regarding funding of programmes and resources where channel mainly towards service delivery orientated programmes	performance was such that projected revenue was not realized impacting on the municipality's ability to fund and afford the programme.	recommended implementation in subsequent years when the financial position has stabilized. Currently maintenance work is been done to extend the working life of the existing infrastructure
Number of Biometric systems in Municipal Offices	1	0	1	The project / programme was envisaged to be funded from own revenue source based on estimated collection rate. The financial commitments of the municipality required re-prioritization regarding funding of programmes and resources where channel mainly towards service delivery orientated programmes	The budget performance was such that projected revenue was not realized impacting on the municipality's ability fund and afford the programme.	The programme was recommended implementation in subsequent years when the financial position has stabilized.
Number of LED Strategy Reviewed	1	0	1	Delays in the appointment process and change in the scope of work due to change in the	The appointed service provider was appointed with a scope of work covering the	The project is to be reprioritized once the funds have been sourced to support completion of the

				geographical space of the municipality as a consequence of redetermination of municipal boundaries	old Musina Municipality configuration of 6 wards and when the redetermination process came into effect the strategy had to cover the entirety of the newly determined 12 wards which required additional funding	project based covering the new scope of work
Number of SMME Marketing and exhibition Coordinated and Conducted	4	1	3	The project / programme was envisaged to be funded from own revenue source based on estimated collection rate. The financial commitments of the municipality required re-prioritization regarding funding of programmes and resources where channel mainly towards service delivery orientated programmes	The budget performance was such that projected revenue was not realized impacting on the municipality's ability to fund and afford the programme.	The programme was recommended implementation in subsequent years when the financial position has stabilized.
Number of applications of leaners licenses assessed	1728	1679	49	The E-natis system & service was interrupted from time to time due to technical faults requiring	Performance is reliant on functionality of the E-natis system and any interruption of	Adjust the target to reflect a realistic projection of the service need taking into account downtime. Stockpile

				maintenance from external sources (Department of Transport) which often take time to reconnect / restore or unavailability of support material	service impacts on ability to provide the service	support material
Number of speed enforcement conducted	96	77	19	Inconsistent availability of speed enforcement machines	Decommission of speed machines due to maintenance / calibration requirements	Acquire additional machines to avoid unavailability of machines due to maintenance / calibration requirements

c) What plan did the Municipality put in place to address this matter?

(a) Majority of programmes were impacted on by the financial position / performance of the municipality as a result of anticipated revenue collection/performance, a need to priorities and service key municipal debts that have accumulated overtime necessitating

(b) To this end the municipality could not afford to fund programmes and projects originally planned and approved for implementation in the financial year necessitating reprioritization taking into account the impact on service delivery.

(c) In the table above we have provided in great details per KPI and target on specific reasons, causes and measures to improve performance.

(d) Going forward the management and the municipality must consider adjusting the IDP priorities, strategies, indicators/targets and programmes to reflect the realistic financial capabilities of the municipality in the light of the financial position it finds itself in while cognizant of the changing need for services.

(e) In as far as Grant based programmes the municipality must strive to fully comply with the specific conditions of the allocated grants and to ensure that appointment processes are completed early enough to allow space for timely implementation.

(f) Each user departments will be required to and held accountable for performance of their KPI including compliance with provision of auditable portfollo of evidence.

d) If targets were changed – was it approved by council?

(a) Yes, targets were changed following the mid-year review of the budget and resultant adjuastments which impacted on targets as innitially approved as well as the findings and advice received during the prior year external audit process.
(b) An Adjusted Service Delivery and Budget Implementation Plan was tabled for council consideration and authorization/approval on the adjustments of targets,in line with Section 54 (c) and 72 of the MFMA, and for the finacial year 2017/2018 as evidenced by council resolution No. 10.7.03.2018 of a council meeting the 29 March 2018 inclusive of changes made.
(c) Some priorities were changed to improve on the quality of their description in view of the prior year findings, however given the fact that not all targets could not be changed at as they stemmed out of the IDP and the IDP was not amended and could only be reviewed in the successive year such changes have been incorporated in the 2018/19 and 2019/20 IDP review process

e) What were the reasons for some targets not being achieved during the year under review?

Indicator	Target	Actual	Variance	Reason for Variance	Causes	Measures to Improve Performance
Number of Speed umps Constructed	4	2	2	The project / programme was envisaged to be funded from own revenue source based on estimated collection rate. The financial commitments of the municipality required re-prioritization regarding funding of programmes and resources where channel mainly	The available funds and material could only permit for completion of 2 of the targeted speed humps.	The programme has been carried forward for implementation and completion in subsequent financial years

				towards service delivery orientated programmes		
Routine Maintenance to Surfaced Roads	1500m2	1125m2	375m2	The project / programme was envisaged to be funded from own revenue source based on estimated collection rate. The financial commitments of the municipality required re-prioritization regarding funding of programmes and resources where channel mainly towards service delivery orientated programmes	The available funds and material could only permit for completion of original scope of work. The changing weather patterns like heavy rainfall, capacity of the stormwater drainage impacts on the lifespan and maintenance requirements	The programme has been carried forward for implementation and completion in subsequent financial years. Roads resurfacing programmes have been incorporated in the Social Labour Plans entered to with the mines to fasten the pace of repairing and developing roads.
Number of Multi-Purpose Constructed in Nancefield	1	0	1	The project is a multiyear project implemented in phases until the project can be completed.	The progress on the project was hampered by the discovery of ground contaminations that had to be treated before the project could proceed as planned imposing additional scope and funding for the project	MIG allocations are been aligned to cater for completion of the scope of work for the project
Construction of sports ground in Muswodi village	1	0	1	The project was interdicted and stopped from implementation	The project was implemented at an area that later became a subject	The matter has been referred to the Provincial and National

				pending finilisation of resolution of boundary disputes	of traditional authority boundary dispute and a high court order issued to stop development pending dispute resolution	Government for mediation and possible settlement. Consultations are ongoing to try and resolve the matter.
Internal audit projects	9	8	1	The scope of work assigned to the unit could not allow adequate time to cover the scope given the human capital allocations to the unit	The unit was under staffed and reliant on 2 officials and an intern	An additional fulltime employee has been appointed increasing the capacity to can cover the determined scope
Production of the newsletters	4	0	4	The project / programme was envisaged to be funded from own revenue source based on estimated collection rate. The financial commitments of the municipality required re-prioritization regarding funding of programmes and resources where channel mainly towards service delivery orientated programmes	The budget performance was such that projected revenue was not realized impacting on the municipality's ability to fund and afford the programme.	The programme was recommended implementation in subsequent years when the financial position has stabilized.
Training on Local Labour forums	1	0	1	The programme was suspended when SALGA issued an instruction that the programme will no	The programme was to be facilitated by SALGA and suspended due	The programme will be re-introduced once SALGA funding commitment has been secured.

				longer be implemented in the mode it was previously covering even labour representation due to the fact that organized labour must cater for its own capacitation for bargaining structures representation	to a determination made on who must be trained and frequency of training	
Number of fire exit plan, alarm and detector purchased	1	0	1	The project / programme was envisaged to be funded from own revenue source based on estimated collection rate. The financial commitments of the municipality required re-prioritization regarding funding of programmes and resources where channel mainly towards service delivery orientated programmes	The budget performance was such that projected revenue was not realized impacting on the municipality's ability to fund and afford the programme.	The programme was recommended implementation in subsequent years when the financial position has stabilized.
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				re-prioritization regarding funding of programmes and resources where channel mainly towards service delivery orientated programmes.	programme.	regard to a safe working environment
Vending points EXT 6 & 7 Hardware and VPN link	2	0	2	The project / programme was envisaged to be funded from own revenue source based on estimated collection rate. The financial commitments of the municipality required re-prioritization regarding funding of programmes and resources where channel mainly towards service delivery orientated programmes	The budget performance was such that projected revenue was not realized impacting on the municipality's ability to fund and afford the programme.	The programme was recommended implementation in subsequent years when the financial position has stabilized.
Number of customer helpdesk established	1	0	1	The project / programme was envisaged to be funded from own revenue source based on estimated collection rate. The financial commitments of the municipality required re-prioritization regarding funding of programmes and resources where	The budget performance was such that projected revenue was not realized impacting on the municipality's ability to fund and afford the programme.	The programme was recommended implementation in subsequent years when the financial position has stabilized.

				channel mainly towards service delivery orientated programmes		
Number of VOIP and Network infrastructure Installed	1	0	1	The project / programme was envisaged to be funded from own revenue source based on estimated collection rate. The financial commitments of the municipality required re-prioritization regarding funding of programmes and resources where channel mainly towards service delivery orientated programmes	The budget performance was such that projected revenue was not realized impacting on the municipality's ability to fund and afford the programme.	The programme was recommended implementation in subsequent years when the financial position has stabilized.
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Number of ICT Hardware and Software supplied	140	0	140	The project / programme was envisaged to be funded from own revenue source based on estimated collection rate. The financial commitments of the municipality required re-prioritization regarding funding of programmes and resources where channel mainly towards service delivery orientated programmes	The budget performance was such that projected revenue was not realized impacting on the municipality's ability to fund and afford the programme.	The programme was recommended implementation in subsequent years when the financial position has stabilized. Currently maintenance work is been done to extend the working life of the existing infrastructure
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Number of LED Strategy Reviewed	1	0	1	Delays in the appointment process and change in the scope of work due to	The appointed service provider was appointed with a scope of	The project is to be reprioritized once the funds have been sourced to support

				change in the geographical space of the municipality as a consequence of redetermination of municipal boundaries	work covering the old Musina Municipality configuration of 6 wards and when the redetermination process came into effect the strategy had to cover the entirety of the newly determined 12 wards which required additional funding	completion of the project based covering the new scope of work
Number of SMME Marketing and exhibition Coordinated and Conducted	4	1	3	The project / programme was envisaged to be funded from own revenue source based on estimated collection rate. The financial commitments of the municipality required re-prioritization regarding funding of programmes and resources where channel mainly towards service delivery orientated programmes	The budget performance was such that projected revenue was not realized impacting on the municipality's ability to fund and afford the programme.	The programme was recommended implementation in subsequent years when the financial position has stabilized.
Number of applications of leaners licenses assessed	1728	1679	49	The E-natis system & service was interrupted from time to time due to technical faults	Performance is reliant on functionality of the E-natis system and any	Adjust the target to reflect a realistic projection of the service need taking into account

				requiring maintenance from external sources (Department of Transport) which often take time to reconnect / restore or unavailability of support material	interruption of service impacts on ability to provide the service	downtime. Stockpile support material
Number of speed enforcement conducted	96	77	19	Inconsistent availability of speed enforcement machines	Decommission of speed machines due to maintenance / calibration requirements	Acquire additional machines to avoid unavailability of machines due to maintenance / calibration requirements

f) ***At the current pace of delivery and funding, when could we expect to eliminate the backlog?***

(i) It is difficult to accurately projects the time it will take to eradicate / eliminate the backlog on access to key services or community needs / programmes because the backlog evolves / changes constantly as a result of amongst others demographic changes such as population growth, changes in socio economic circumstatnces, migration patterns and funding requirements amoungst others.

(ii) Further the backlogs on provision of services increases periodically as new developments / establishments / sites are developed.

(iii) The pace of eradicating the backlogs depends on funding made available to the municipality through grants and payment of municipal taxes.

g) ***If the rate of delivery of basic service delivery is too slow to eliminate backlogs, then what do we need to do to accelerate delivery?***

(i) The municipality needs to mobilise more grant funding, increase the tax base and raise more taxes by extending payment of services for areas currently not paying for municipal services.

(ii) New interventions like development levies ought to be introduced to raise funds required to upgrade services as a result of changing needs and usage of services that necessitates capacity upgrades.

(iii) Other sphere of government like the Water Service Authority must allocate more funding and implement projects to extend bulk and reticulation infrastructure to facilitate access of services.

Question 7

Conditional grant

Executing authority, on page 122, AG was unable to obtain sufficient appropriate audit evidence that the Municipal Infrastructure Grant and Integrated National Electrification Programme was spent for its intended purposes in accordance with the applicable grant framework, as required by section 17(1) of the DoRA.

a) ***Why did the Municipality fail to provide audit evidence regarding the spending of the conditional grant?***
   As far as we are aware, all audit evidence on grant expenditure were provided for audit.

b) ***How much did the Municipality spend on the Municipal Infrastructure Grant and Integrated National Electrification Programme?***

INEP	*R13 661 337*
MIG	*R24 715 202*

c) ***Who were responsible officials?***
   The is no responsible official for such an expenditure, it was due to cash flow constraints.

d) ***What action has been taken against the responsible officials?***
   None

e) ***What measures did the municipality put in place to correct this anomaly?***
   We have put measure to improve our cash flow position as stated in 4 (a)

f) ***What is the process of monitoring the spending of Conditional grant?***
   Progress on spending is monitored in all HOD meetings, district and provincial infrastructure meetings.

Question 8

Internal control deficiencies

Executing authority, on page 123, the accounting officer failed to develop mechanisms of oversight and monitoring for early detection and prevention of cash flow and liquidity challenges experienced by the municipality during the period under review. The critical position of Chief Financial Officer remained vacant for full 12 months. Senior management did not adequately oversee the operations of the municipality, as the financial statements submitted for audit contained material misstatements and material findings have been identified in the annual performance report and on compliance with laws and regulations.

a) ***Why did the Municipality fail to address the liquidity challenges during the period under review?***

The management has put all efforts to ensure that it meets current year commitments and at the same time reduce previous debts with the limited financial resources available, the liquidity challenges will hopefully be dealt with in the medium term if we all stick to the proposed measures on cost containments and revenue enhancement.

b) ***Why did the Municipality fail to fill the CFO position for over 12 months? Has the position been filled?***

(i) **The main reason for previously failing to fill the position was the unattractive salary offered, however the position has been filled since August 2018.**

(ii) **The vacancy for CFO remained unfilled for an extended period as a result of time taken to fill the vacancy informed by the prescribed processes involved in the recruitment process for feeling of a senior manager vacancy as prescribed by the applicable regulation.**

(iii) **The process includes acquiring a council resolution authorizing advertisement of the vacancy; placement of advert in the media for a period of up to 30 days; shortlisting of candidates within 21 days of closing of the advert; screening of shortlisted candidates within 14 days of shortlisting, interview of candidates within 21 days of** screening; conducting of suitability assessment checks and clearances from various accredited assessment centers and State Security Agency; Convening of council for an appointment decision; application for appointment concurrence from the Member of the Executive Responsible for Local Government in the province; Employment offering, acceptance and contracting process and serving of employment termination notice if the prospective successful candidate is employed elsewhere.

(iv) The process is quite lengthy and at times it becomes necessary to re-advertise if the recruitment process does not attract suitably qualified candidates or cannot find an appointable candidate.

(v) Further the categorization for remuneration packages payable to senior managers is not competitive with what other players in the market offers thus not assisting in attracting suitably candidates to apply and consider appointment offers favorably.

c) *What impact did the absence of the CFO have on the preparation of the annual financial statements?*

The impact will always be there on the preparation of financial statements for a municipality without a CFO.

d) *Why did the Municipality submit the financial statements that contained material misstatements?*

As indicated in previous questions, the biggest challenge in 2017/18 was the unreliable financial reports produced by the system.

e) *What plan did the Municipality put in place to address this anomaly?*

The system provider was engaged and provided with a full list of issues logged and they are busy resolving the issues. They are on site every two weeks

Question 9

Material mistatements to financial statements.

Material misstatements were once again identified in the submitted financial statements.

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

This is due to poor quality of submitted financial statement for audit.

Questions:

a) ***What is the status of progress made to address all audit findings relating to material misstatements and are they included in the action plans?***

   Yes, they are included in the action plan,

   The findings are being addressed and should now be on 60% and will be ready for the interim audit in April 2019

b) ***Are the action plans monitored by Internal Audit and the Audit Committee. What is their assessment of the progress?***
   Yes, they are assessed by the two independent parts of our governance structures.

c) ***What corrective measures have been taken?***
   With the resolution of system challenges, material misstatements should be eliminated in future.

Question 10

Expenditure management.

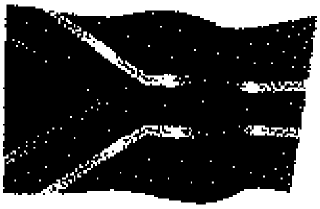
Creditors were not always paid within 30 days.

a) ***What are the reasons for the late payments?***
   Our cash flow position did not allow us to pay all creditors on time, but as we improve our cash flow, timeous payments will be much easier.

b) ***What percentage of suppliers has been paid outside of the 30 days of invoices received?***
   Approximately 55%

RSA NATIONAL ANTHEM

Nkosi sikelel' iAfrika
Maluphakanyisw' uphondo lwayo,
Yizwa imithandazo yethu,
Nkosi sikelela, thina lusapho lwayo.



Morena boloka setjhaba sa heso,
O fedise dintwa la matshwenyeho,
O se boloke, O se boloke setjhaba sa heso,
Setjhaba sa South Afrika - South Afrika.

Uit die blou van onse hemel,
Uit die diepte van ons see,
Oor ons ewige gebergtes,
Waar die kranse antwoord gee,

Sounds the call to come together,
And united we shall stand,
Let us live and strive for freedom,
In South Africa our land.

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MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

OPIBUS LOCA FETA

MUSINA
LOCAL MUNICIPALITY

2019

PUBLIC HEARING ON 2017/18

ANNUAL REPORT

26 MARCH 2019

PROGRAMME

Venue: Madimbo Thusong Centre

Date: 26 March 2019

Time: 10H00

Government's five priority areas:

1. Creation of decent work and sustainable livelihood
2. Education
3. Health
4. Rural development, Food Security and Land Reform
5. [illegible]

PUBLIC HEARING ON 2017/18 ANNUAL REPORT

26/MARCH/2019

OPIBUS LOCA FETA

PROGRAMME

Programme Director:
Cllr. Philemon Nare

1. Opening: National Anthem:
All

2. Welcome Remarks:
Chief-Whip Cllr. Fistos Mafela

3. Acknowledgement: MPAC Member
Cllr Edward Mamafa

4. Purpose of Session:MPAC Member
Cllr Eliot Magwira

5. *Presentation on Annual Report 2017/2018 Financial Year:*
Her Worship Mayor
Cllr Mihloti Muhlope

6. Input/Questions:
MPAC

7 Clarity/ Answers:
Her Worship Mayor
Cllr Mihloti Muhlope

7. Vote of Thanks
Cllr Gilbert Netshisaulu

8. Announcements:MPAC Member
Cllr Dorcus Makhura

9. Closure:
Prayer

OPIBUS LOCA FETA

MUSINA
LOCAL MUNICIPALITY

MUSINA MPAC DRAFT ANNUAL REPORT 2017/18 QUESTIONAIRE

Questions of the Musina Municipality on the Auditor General's findings for the 2017/18 financial year

Question 1

Regression in the audit outcomes

Executing Authority, the committee noted that the municipality's audit outcomes have regressed from unqualified audit opinion with matters of emphasis in 2016/17 to qualified audit opinion in 2017/18.

a) ***Why did the Municipality's audit outcome regress? from unqualified audit opinion in 2016/17 to qualified audit opinion in 2017/18?***

The biggest contributor to the regression was the functionality of the financial system, this functionality was affected by a number of facts,

1. *The financial system was implemented for the first time in that financial year.*
2. *Change management was an issue as the change from the old system was sudden as we were unexpectedly dumped by the old system provider, and had to implement MSCOA for the first time in that financial year.*
3. *Financial reports produced by the system could not be easily supported and the Auditor General ran out of time to audit such reports.*

b) ***What were the root causes of this regression?***

1. *System generated financial reports that were not reliable*

c) ***What plan does the Municipality have to address this matter?***

1. *We have since developed an audit action plan that senior management monitors implementation on a weekly basis.*
2. *The Auditor General will perform an interim audit during the month of April 2019.*

Question 2

Receivables and payables from none — exchange transactions

Executing Authority, on page 113 the Auditor General (AG) was unable to obtain sufficient appropriate audit evidence for the accounts receivable from non - exchange transactions, due to the status of the accounting records. The AG was unable to determine whether any adjustment was necessary to accounts payables from non - exchange transactions in the financial statements.

On page 115, the municipality did not have adequate systems of internal control for the recording of all transactions and events and for reconciliation of these transactions and events to the financial statements.

On page 116, material impairments from non - exchange transactions were recognized as a result of irrecoverable trade receivables.

On page 122, the AG reports that an effective system of internal control for debtors and revenue was not in place, as required by section 64(2) (f) of the MFMA. Interest was not charged on all accounts in arrears, as required by section 64(2) (g) of the MFMA. Short-term debt was incurred without a resolution of the municipal council approving the debt agreement, in contravention of section 45(2)(a) of the MFMA. Short-term debt was not repaid within the financial year, as required by section 45(4) of the MFMA.

Money owed by the municipality was not always paid within 30 days, as required by section 65(2)(e) of the MFMA ***(Recurring matter from 2016/17 financial year).***

a) Why did the Municipality fail to update the accounts receivable and accounts payables?

1. ***This category of receivable/payable from non-exchange transaction relate to water related transactions between musina and Vhembe district.***
2. ***The auditor general could not confirm balances presented by us with those presented by the district***

b) Why did the Municipality fail to provide an adequate system of internal control for the accounts receivable and payables?

We have provided all water related balances to the district before submission of financial statements, it will be very difficult for us to manage internal control systems of the district to ensure that they present what we have submitted to them.

c) What steps did the Municipality take to recover the trade receivables?

Like it was indicated in 1 above, these are transactions between musina and Vhembe which are called related party transactions, recoverability of such may not be dealt with the same way as that of a normal debtor. There is an amount that we owe Vhembe for the revenue received on their behalf, and an amount that Vhembe owes us for payments made on their behalf.

d) Why was interest not charged on all accounts in arrears?

The municipality could not levy rates and taxes (billing) in time during the first half of the financial year, updates on payments on the system were also affected, as a result, it could not be reliably confirmed that any consumer account is in arrears at the time of charging interest.

e) Does the Municipality have a policy on receivables and payables?

Yes

f) What plan did the Municipality put in place to correct this matter?

We are up to date with billing and payments are updated immediately, and we are able to charge interest were accounts are in arrears.

g) Is documentation now available for audit?

Yes, documentation will be available for the interim audit.

h) Why were Auditor General's recommendations from prior year not implemented?

Most of those that were not implemented are those that require financial resources e.g. payment of creditors within 30 days, development of infrastructure maintenance plan.

i) Where there any consequences for officials who did not exercise their duties.

We did not find any official to have been negligent in performing their duties.

j) What are the challenges with record keeping system?

Other than a few instances of misplaced documents, we do not have general records keeping challenges.

k) Please provide council resolution, approval minutes, agenda and attendance register of credit card.

Please find attached.

Question 3

Value Added Tax

Executing Authority, on page 114, the AG was unable to obtain sufficient appropriate audit evidence that Value Added Tax (VAT) for the current year had been properly accounted for, due to the status of the accounting records. AG was unable to confirm the Value Added Tax by alternative means as supporting evidence of the amount presented in the financial statements could not be provided.

a) Why did the Municipality fail to provide supporting evidence in the financial statements for VAT?

We did provide supporting evidence for this item, the finding related to confirmation of VAT on water related transactions as indicated in question 2(a,b,and c)

b) What impact did the non-disclosure of VAT have an impact on revenue collection in the Municipality?

A VAT receivable was disclosed on our financial statements, there was no impact on revenue collection.

c) What plan did the Municipality put in place to address this matter?

The auditors will audit this area during the interim audit in April 2019

Question 4

Material uncertainty relating to going concern

Executing Authority, on page 115, the municipality incurred a net loss of **R65 461 261** during the year ended 30 June 2018, and as of that date the municipality's current liabilities exceeded its current asset by **R214 101 735**. ***Recurring matter from 2016/17 financial year.***

(a) Why is the municipality continuously failing to put measures in place to ensure that current liabilities do not exceed the current assets?

The municipality has put the following measures in place:

1. *The payment arrangement with ESKOM*
2. *The payment arrangement with department of transport*
3. *The financial recovery plan*
4. *The revenue enhancement strategy*
5. *The simplified revenue plan*

(b) What cost containment measures did the municipality put in place to correct this anomaly?

1. *Reductions of overtime costs*
2. *Reduction on s&t costs*
3. *Cutting on operational programs and projects*
4. *Reduction of catering for municipal events*

(c) Provide evidence regarding the cost containment measures implemented.

Find attached

Material impairments – accounts receivables

As disclosed in notes 3 and 4 to the financial statements, material impairments amounting to R8 273 186 (2016/17: R4 348 850) for exchange transactions and R23 511 239 (2016/17: 24 412 227) for non - exchange transactions were raised as a result of irrecoverable trade receivables.

Questions:

1. ***What were the circumstances for the irrecoverable debts?***

   This assessment is based on the payment patten of individual debtors over the years (current financial year included)

2. ***Were the write-offs done in compliance with the applicable municipal policy?***

   Yes

3. ***Did some of the irrecoverable debts relate to indigents? If so, what measures are in place to verify and validate indigent information to ensure integrity of information in the indigent register?***

   Yes, they did, Indigent reviews are formally done every year, and credit control section will also verify the status during the year when performing their credit control duties.

4. ***What is the cost of measures taken to recover the debts before it was written off?***

   Debts that are ultimately sent to council as to be written off are those of deceased consumers, if a consumer is still alive, credit control measures are implemented to recover as much as possible.

5. ***Please explain the current debt collection process/system in the municipality?***

   1. ***For current account, there is a due date set every month***

   2. ***For arrear accounts, a notice is sent to the account holder to rectify the account within 7 days after which a works order to disconnect will be issued on conventional meters. Pre-paid meters are disconnected immediately.***

   3. ***If there is continued non-payment, the account will be assessed for handing over to our lawyers.***

6. ***What corrective measures are taken to collect debt owing to the municipality?***

   Same as 5 above

Question 5

Restatement of corresponding figures and consequence management on unwanted expenditures

Executing authority, on page 116, the corresponding figures for 30 June 2017 have been restated as a result of errors in the financial statements of the municipality at, and for the year ended, 30 June 2018.

On page 121, the Municipality failed to take reasonable steps to prevent irregular expenditure amounting to **R21 734 708** and fruitless and wasteful expenditure amounting to **R2 948 074**, in contravention of section 62(1)(d) of the MFMA.

On page 122, Unauthorized, 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.

(a) Why did the municipality allow corresponding figures to be restated owing to an error discovered in the financial statements of the municipality for the financial year ended 30 June 2017?
These are misstatements that are identified after the audit is concluded that we correct during the next financial year, these are audited by the auditors during the next audit.

(b) Why did the Accounting Authority allow the municipality to incur Irregular, and Fruitless and Wasteful Expenditures?
The municipality did not incur any new irregular expenditure during the year under review, and the accounting officer was not negligent in allowing fruitless and wasteful expenditure as the cash flow position of the municipality did not allow us to avoid such expenditure.

(c) *Why did the Municipality fail to investigate all the unwanted expenditures incurred?*

All the unwanted expenditures were reported to council in time and council referred them to MPAC for investigation

(d) *Provide a breakdown of the irregular and fruitless expenditures.*

Irregular expenditure	*R21 734 708*
Fruitless and wasteful expenditure	*R 2 948 074*

(e) *Who are the responsible officials for the above anomaly?*

There is no official who was directly responsible as it was incurred due to cash flow constraints (Fruitless expenditure) and shortage of qualifying officials in bid committees (Irregular expenditure)

(f) *Provide a comprehensive plan to deal with the unwanted expenditures for the year under review and to prevent a recurrence in future.*

The only remaining unwanted expenditure is fruitless and wasteful expenditure which we are trying to prevent recurrence by improving our cash flow position through all measures in 4 (a)

(g) *What plans has the Accounting Officer put in place to ensure that the internal controls in the municipality is improved to ensure in-year detection of UIFW?*

We already have a process in place to detect UIFW, and report to council and other stakeholders.

(h) *What measures have been taken to recover the expenditure?*

As management, we have found that we can not recover the unwanted expenditure as it can not be directly linked to incompetence or negligence of any official.

(i) *Where the necessary disclosures made to the Mayor, Provincial Treasury, and Auditor General on discovery of these expenditure in terms of section 32 (4) of the MFMA.*

Disclosure for the 2017/18 expenditure were not made to other stakeholders except for the mayor, We have in the 2018/19 financial year put a process in place to report to other stakeholder.

Question 6

Achievement of planned targets

Executing authority, on pages 118 to 120, the AG was unable to obtain sufficient audit evidence to support the reported achievement of indicators due to a lack of technical indicator descriptions and proper performance management systems and processes that predetermined how the achievement would be measured, monitored and reported.

a) Why did the Municipality fail to provide the necessary audit evidence during the audit process?

(i) The evidence provided by business units at times was not consistent with the expected evidence rendering such evidence as un-auditable.

(ii) The various implementing units did not at all times maintain proper records consistent with the technical description specified means of verification.

(iii) Going forward the technical description will be reviewed to ensure that means of verification are auditable and records required is within the various departments operating procedures and standards.

(iv) Further internal audit will be given an opportunity to review means of verification for completeness and relevance.

b) Which targets did the Municipality fail to achieve?

Indicator	Target	Actual	Variance	Reason for Variance	Causes	Measures to Improve Performance
Number of Speed humps Constructed	4	2	2	The project / programme was envisaged to be funded from own revenue source based on estimated collection rate. The financial commitments of the municipality required re-prioritization regarding funding of programmes and resources where channel mainly towards service	The available funds and material could only permit for completion of 2 of the targeted speed humps.	The programme has been carried forward for implement[illegible]n and completion in subsequent financial years

				delivery orientated programmes		
Routine Maintenance to Surfaced Roads	1500m2	1125m2	375m2	The project / programme was envisaged to be funded from own revenue source based on estimated collection rate. The financial commitments of the municipality required re-prioritization regarding funding of programmes and resources where channel mainly towards service delivery orientated programmes	The available funds and material could only permit for completion of original scope of work. The changing weather patterns like heavy rainfall, capacity of the stormwater drainage impacts on the lifespan and maintenance requirements	The programme has been carried forward for implementation and completion in subsequent financial years. Roads resurfacing programmes have been incorporated in the Social Labour Plans entered into with the mines to fasten the pace of repairing and developing roads.
Number of Multi-Purpose Constructed in Nancefield	1	0	1	The project is a multiyear project implemented in phases until the project can be completed.	The progress on the project was hampered by the discovery of ground contaminations that had to be treated before the project could proceed as planned imposing additional scope and funding for the project	MIG allocations are been aligned to cater for completion of the scope of work for the project
Construction of sports ground in Muswodi village	1	0	1	The project was interdicted and stopped from implementation pending finilisation of	The project was implemented at an area that later became a subject of traditional	The matter has been referred to the Provincial and National Government for

				resolution of boundary disputes	authority boundary dispute and a high court order issued to stop development pending dispute resolution	mediation and possible settlement. Consultations are ongoing to try and resolve the matter.
Internal audit projects	9	8	1	The scope of work assigned to the unit could not allow adequate time to cover the scope given the human capital allocations to the unit	The unit was under staffed and reliant on 2 officials and an intern	An additional fulltime employee has been appointed increasing the capacity to can cover the determined scope
Production of the newsletters	4	0	4	The project / programme was envisaged to be funded from own revenue source based on estimated collection rate. The financial commitments of the municipality required re-prioritization regarding funding of programmes and resources where channel mainly towards service delivery orientated programmes	The budget performance was such that projected revenue was not realized impacting on the municipality's ability to fund and afford the programme.	The programme was recommended implementation in subsequent years when the financial position has stabilized.
Training on Local Labour forums	1	0	1	The programme was suspended when SALGA issued an instruction that the programme will no longer be	The programme was to be facilitated by SALGA and suspended due to a	The programme will be re-introduced once SALGA funding commitment has been secured.

				implemented in the mode it was previously covering even labour representation due to the fact that organized labour must cater for its own capacitation for bargaining structures representation	determination made on who must be trained and frequency of training	
Number of fire exit plan, alarm and detector purchased	1	0	1	The project / programme was envisaged to be funded from own revenue source based on estimated collection rate. The financial commitments of the municipality required re-prioritization regarding funding of programmes and resources where channel mainly towards service delivery orientated programmes	The budget performance was such that projected revenue was not realized impacting on the municipality's ability to fund and afford the programme.	The programme was recommended implementation in subsequent years when the financial position has stabilized.
Number of protective clothing Purchased	304	135	169	The project / programme was envisaged to be funded from own revenue source based on estimated collection rate. The financial commitments of the municipality required re-prioritization	The budget performance was such that projected revenue was not realized impacting on the municipality's ability to fund and afford the programme.	Currently the number of items offered as protective clothing has been scaled down to minimum necessities. The frequency of supply has also been extended to cut on expenditure with due regard to a safe

				regarding funding of programmes and resources where channel mainly towards service delivery orientated programmes.		working environment
Vending points EXT 6 & 7 Hardware and VPN link	2	0	2	The project / programme was envisaged to be funded from own revenue source based on estimated collection rate. The financial commitments of the municipality required re-prioritization regarding funding of programmes and resources where channel mainly towards service delivery orientated programmes	The budget performance was such that projected revenue was not realized impacting on the municipality's ability to fund and afford the programme.	The programme was recommended implementation in subsequent years when the financial position has stabilized.
Number of customer helpdesk established	1	0	1	The project / programme was envisaged to be funded from own revenue source based on estimated collection rate. The financial commitments of the municipality required re-prioritization regarding funding of programmes and resources where channel mainly	The budget performance was such that projected revenue was not realized impacting on the municipality's ability to fund and afford the programme.	The programme was recommended implementation in subsequent years when the financial position has stabilized.

				towards service delivery orientated programmes		
Number of VOIP and Network infrastructure Installed	1	0	1	The project / programme was envisaged to be funded from own revenue source based on estimated collection rate. The financial commitments of the municipality required re-prioritization regarding funding of programmes and resources where channel mainly towards service delivery orientated programmes	The budget performance was such that projected revenue was not realized impacting on the municipality's ability to fund and afford the programme.	The programme was recommended implementation in subsequent years when the financial position has stabilized.
Electronic Performance management System	1	0	1	The project / programme was envisaged to be funded from own revenue source based on estimated collection rate. The financial commitments of the municipality required re-prioritization regarding funding of programmes and resources where channel mainly towards service delivery orientated programmes	The budget performance was such that projected revenue was not realized impacting on the municipality's ability to fund and afford the programme.	The programme was recommended implementation in subsequent years when the financial position has stabilized.
Number of ICT	140	0	140	The project /	The budget	The programme was

Hardware and Software supplied				programme was envisaged to be funded from own revenue source based on estimated collection rate. The financial commitments of the municipality required re-prioritization regarding funding of programmes and resources where channel mainly towards service delivery orientated programmes	performance was such that projected revenue was not realized impacting on the municipality's ability to fund and afford the programme.	recommended implementation in subsequent years when the financial position has stabilized. Currently maintenance work is been done to extend the working life of the existing infrastructure
Number of Biometric systems in Municipal Offices	1	0	1	The project / programme was envisaged to be funded from own revenue source based on estimated collection rate. The financial commitments of the municipality required re-prioritization regarding funding of programmes and resources where channel mainly towards service delivery orientated programmes	The budget performance was such that projected revenue was not realized impacting on the municipality's ability fund and afford the programme.	The programme was recommended implementation in subsequent years when the financial position has stabilized.
Number of LED Strategy Reviewed	1	0	1	Delays in the appointment process and change in the scope of work due to change in the	The appointed service provider was appointed with a scope of work covering the	The project is to be reprioritized once the funds have been sourced to support completion of the

				geographical space of the municipality as a consequence of redetermination of municipal boundaries	old Musina Municipality configuration of 6 wards and when the redetermination process came into effect the strategy had to cover the entirety of the newly determined 12 wards which required additional funding	project based covering the new scope of work
Number of SMME Marketing and exhibition Coordinated and Conducted	4	1	3	The project / programme was envisaged to be funded from own revenue source based on estimated collection rate. The financial commitments of the municipality required re-prioritization regarding funding of programmes and resources where channel mainly towards service delivery orientated programmes	The budget performance was such that projected revenue was not realized impacting on the municipality's ability to fund and afford the programme.	The programme was recommended implementation in subsequent years when the financial position has stabilized.
Number of applications of leaners licenses assessed	1728	1679	49	The E-natis system & service was interrupted from time to time due to technical faults requiring	Performance is reliant on functionality of the E-natis system and any interruption of	Adjust the target to reflect a realistic projection of the service need taking into account downtime. Stockpile

				maintenance from external sources (Department of Transport) which often take time to reconnect / restore or unavailability of support material	service impacts on ability to provide the service	support material
Number of speed enforcement conducted	96	77	19	Inconsistent availability of speed enforcement machines	Decommission of speed machines due to maintenance / calibration requirements	Acquire additional machines to avoid unavailability of machines due to maintenance / calibration requirements

c) ***What plan did the Municipality put in place to address this matter?***

(a) Majority of programmes were impacted on by the financial position / performance of the municipality as a result of anticipated revenue collection/performance, a need to priorities and service key municipal debts that have accumulated overtime necessitating

(b) To this end the municipality could not afford to fund programmes and projects originally planned and approved for implementation in the financial year necessitating reprioritization taking into account the impact on service delivery.

(c) In the table above we have provided in great details per KPI and target on specific reasons, causes and measures to improve performance.

(d) Going forward the management and the municipality must consider adjusting the IDP priorities, strategies, indicators/targets and programmes to reflect the realistic financial capabilities of the municipality in the light of the financial position it finds itself in while cognizant of the changing need for services.

(e) In as far as Grant based programmes the municipality must strive to fully comply with the specific conditions of the allocated grants and to ensure that appointment processes are completed early enough to allow space for timely implementation.

(f) Each user departments will be required to and held accountable for performance of their KPI including compliance with provision of auditable portfolio of evidence.

d) If targets were changed – was it approved by council?

(a) Yes, targets were changed following the mid-year review of the budget and resultant adjuastments which impacted on targets as innitially approved as well as the findings and advice received during the prior year external audit process.

(b) An Adjusted Service Delivery and Budget Implementation Plan was tabled for council consideration and authorization/approval on the adjustments of targets,in line with Section 54 (c) and 72 of the MFMA, and for the finacial year 2017/2018 as evidenced by council resolution No. 10.7.03.2018 of a council meeting the 29 March 2018 inclusive of changes made.

(c) Some priorities were changed to improve on the quality of their description in view of the prior year findings, however given the fact that not all targets could not be changed at as they stemmed out of the IDP and the IDP was not amended and could only be reviewed in the successive year such changes have been incorporated in the 2018/19 and 2019/20 IDP review process

e) What were the reasons for some targets not being achieved during the year under review?

Indicator	Target	Actual	Variance	Reason for Variance	Causes	Measures to Improve Performance
Number of Speed umps Constructed	4	2	2	The project / programme was envisaged to be funded from own revenue source based on estimated collection rate. The financial commitments of the municipality required re-prioritization regarding funding of programmes and resources where channel mainly	The available funds and material could only permit for completion of 2 of the targeted speed humps.	The programme has been carried forward for implementation and completion in subsequent financial years

				towards service delivery orientated programmes		
Routine Maintenance to Surfaced Roads	1500m2	1125m2	375m2	The project / programme was envisaged to be funded from own revenue source based on estimated collection rate. The financial commitments of the municipality required re-prioritization regarding funding of programmes and resources where channel mainly towards service delivery orientated programmes	The available funds and material could only permit for completion of original scope of work. The changing weather patterns like heavy rainfall, capacity of the stormwater drainage impacts on the lifespan and maintenance requirements	The programme has been carried forward for implementation and completion in subsequent financial years. Roads resurfacing programmes have been incorporated in the Social Labour Plans entered to with the mines to fasten the pace of repairing and developing roads.
Number of Multi-Purpose Constructed in Nancefield	1	0	1	The project is a multiyear project implemented in phases until the project can be completed.	The progress on the project was hampered by the discovery of ground contaminations that had to be treated before the project could proceed as planned imposing additional scope and funding for the project	MIG allocations are been aligned to cater for completion of the scope of work for the project
Construction of sports ground in Muswodi village	1	0	1	The project was interdicted and stopped from implementation	The project was implemented at an area that later became a subject	The matter has been referred to the Provincial and National

				pending finilisation of resolution of boundary disputes	of traditional authority boundary dispute and a high court order issued to stop development pending dispute resolution	Government for mediation and possible settlement. Consultations are ongoing to try and resolve the matter.
Internal audit projects	9	8	1	The scope of work assigned to the unit could not allow adequate time to cover the scope given the human capital allocations to the unit	The unit was under staffed and reliant on 2 officials and an intern	An additional fulltime employee has been appointed increasing the capacity to can cover the determined scope
Production of the newsletters	4	0	4	The project / programme was envisaged to be funded from own revenue source based on estimated collection rate. The financial commitments of the municipality required re-prioritization regarding funding of programmes and resources where channel mainly towards service delivery orientated programmes	The budget performance was such that projected revenue was not realized impacting on the municipality's ability to fund and afford the programme.	The programme was recommended implementation in subsequent years when the financial position has stabilized.
Training on Local Labour forums	1	0	1	The programme was suspended when SALGA issued an instruction that the programme will no	The programme was to be facilitated by SALGA and suspended due	The programme will be re-introduced once SALGA funding commitment has been secured.

				longer be implemented in the mode it was previously covering even labour representation due to the fact that organized labour must cater for its own capacitation for bargaining structures representation	to a determination made on who must be trained and frequency of training	
Number of fire exit plan, alarm and detector purchased	1	0	1	The project / programme was envisaged to be funded from own revenue source based on estimated collection rate. The financial commitments of the municipality required re-prioritization regarding funding of programmes and resources where channel mainly towards service delivery orientated programmes	The budget performance was such that projected revenue was not realized impacting on the municipality's ability to fund and afford the programme.	The programme was recommended implementation in subsequent years when the financial position has stabilized.
Number of protective clothing Purchased	304	135	169	The project / programme was envisaged to be funded from own revenue source based on estimated collection rate. The financial commitments of the municipality required	The budget performance was such that projected revenue was not realized impacting on the municipality's ability to fund and afford the	Currently the number of items offered as protective clothing has been scaled down to minimum necessities. The frequency of supply has also been extended to cut on expenditure with due

				re-prioritization regarding funding of programmes and resources where channel mainly towards service delivery orientated programmes.	programme.	regard to a safe working environment
Vending points EXT 6 & 7 Hardware and VPN link	2	0	2	The project / programme was envisaged to be funded from own revenue source based on estimated collection rate. The financial commitments of the municipality required re-prioritization regarding funding of programmes and resources where channel mainly towards service delivery orientated programmes	The budget performance was such that projected revenue was not realized impacting on the municipality's ability to fund and afford the programme.	The programme was recommended implementation in subsequent years when the financial position has stabilized.
Number of customer helpdesk established	1	0	1	The project / programme was envisaged to be funded from own revenue source based on estimated collection rate. The financial commitments of the municipality required re-prioritization regarding funding of programmes and resources where	The budget performance was such that projected revenue was not realized impacting on the municipality's ability to fund and afford the programme.	The programme was recommended implementation in subsequent years when the financial position has stabilized.

				channel mainly towards service delivery orientated programmes		
Number of VOIP and Network infrastructure Installed	1	0	1	The project / programme was envisaged to be funded from own revenue source based on estimated collection rate. The financial commitments of the municipality required re-prioritization regarding funding of programmes and resources where channel mainly towards service delivery orientated programmes	The budget performance was such that projected revenue was not realized impacting on the municipality's ability to fund and afford the programme.	The programme was recommended implementation in subsequent years when the financial position has stabilized.
Electronic Performance management System	1	0	1	The project / programme was envisaged to be funded from own revenue source based on estimated collection rate. The financial commitments of the municipality required re-prioritization regarding funding of programmes and resources where channel mainly towards service delivery orientated programmes	The budget performance was such that projected revenue was not realized impacting on the municipality's ability to fund and afford the programme.	The programme was recommended implementation in subsequent years when the financial position has stabilized.

Number of ICT Hardware and Software supplied	140	0	140	The project / programme was envisaged to be funded from own revenue source based on estimated collection rate. The financial commitments of the municipality required re-prioritization regarding funding of programmes and resources where channel mainly towards service delivery orientated programmes	The budget performance was such that projected revenue was not realized impacting on the municipality's ability to fund and afford the programme.	The programme was recommended implementation in subsequent years when the financial position has stabilized. Currently maintenance work is been done to extend the working life of the existing infrastructure
Number of Biometric systems in Municipal Offices	1	0	1	The project / programme was envisaged to be funded from own revenue source based on estimated collection rate. The financial commitments of the municipality required re-prioritization regarding funding of programmes and resources where channel mainly towards service delivery orientated programmes	The budget performance was such that projected revenue was not realized impacting on the municipality's ability fund and afford the programme.	The programme was recommended implementation in subsequent years when the financial position has stabilized.
Number of LED Strategy Reviewed	1	0	1	Delays in the appointment process and change in the scope of work due to	The appointed service provider was appointed with a scope of	The project is to be reprioritized once the funds have been sourced to support

				change in the geographical space of the municipality as a consequence of redetermination of municipal boundaries	work covering the old Musina Municipality configuration of 6 wards and when the redetermination process came into effect the strategy had to cover the entirety of the newly determined 12 wards which required additional funding	completion of the project based covering the new scope of work
Number of SMME Marketing and exhibition Coordinated and Conducted	4	1	3	The project / programme was envisaged to be funded from own revenue source based on estimated collection rate. The financial commitments of the municipality required re-prioritization regarding funding of programmes and resources where channel mainly towards service delivery orientated programmes	The budget performance was such that projected revenue was not realized impacting on the municipality's ability to fund and afford the programme.	The programme was recommended implementation in subsequent years when the financial position has stabilized.
Number of applications of leaners licenses assessed	1728	1679	49	The E-natis system & service was interrupted from time to time due to technical faults	Performance is reliant on functionality of the E-natis system and any	Adjust the target to reflect a realistic projection of the service need taking into account

				requiring maintenance from external sources (Department of Transport) which often take time to reconnect / restore or unavailability of support material	interruption of service impacts on ability to provide the service	downtime. Stockpile support material
Number of speed enforcement conducted	96	77	19	Inconsistent availability of speed enforcement machines	Decommission of speed machines due to maintenance / calibration requirements	Acquire additional machines to avoid unavailability of machines due to maintenance / calibration requirements

f) ***At the current pace of delivery and funding, when could we expect to eliminate the backlog?***

(i) **It is difficult to accurately projects the time it will take to eradicate / eliminate the backlog on access to key services or community needs / programmes because the backlog evolves / changes constantly as a result of amongst others demographic changes such as population growth, changes in socio economic circumstatnces, migration patterns and funding requirements amoungst others.**

(ii) **Further the backlogs on provision of services increases periodically as new developments / establishments / sites are developed.**

(iii) **The pace of eradicating the backlogs depends on funding made available to the municipality through grants and payment of municipal taxes.**

g) ***If the rate of delivery of basic service delivery is too slow to eliminate backlogs, then what do we need to do to accelerate delivery?***

(i) **The municipality needs to mobilise more grant funding, increase the tax base and raise more taxes by extending payment of services for areas currently not paying for municipal services.**

(ii) **New interventions like development levies ought to be introduced to raise funds required to upgrade services as a result of changing needs and usage of services that necessitates capacity upgrades.**

(iii) **Other sphere of government like the Water Service Authority must allocate more funding and implement projects to extend bulk and reticulation infrastructure to facilitate access of services.**

Question 7

Conditional grant

Executing authority, on page 122, AG was unable to obtain sufficient appropriate audit evidence that the Municipal Infrastructure Grant and Integrated National Electrification Programme was spent for its intended purposes in accordance with the applicable grant framework, as required by section 17(1) of the DoRA.

a) ***Why did the Municipality fail to provide audit evidence regarding the spending of the conditional grant?***

   As far as we are aware, all audit evidence on grant expenditure were provided for audit.

b) ***How much did the Municipality spend on the Municipal Infrastructure Grant and Integrated National Electrification Programme?***

INEP	*R13 661 337*
MIG	*R24 715 202*

c) ***Who were responsible officials?***

   The is no responsible official for such an expenditure, it was due to cash flow constraints.

d) ***What action has been taken against the responsible officials?***

   None

e) ***What measures did the municipality put in place to correct this anomaly?***

   We have put measure to improve our cash flow position as stated in 4 (a)

f) ***What is the process of monitoring the spending of Conditional grant?***

   Progress on spending is monitored in all HOD meetings, district and provincial infrastructure meetings.

Question 8

Internal control deficiencies

Executing authority, on page 123, the accounting officer failed to develop mechanisms of oversight and monitoring for early detection and prevention of cash flow and liquidity challenges experienced by the municipality during the period under review. The critical position of Chief Financial Officer remained vacant for full 12 months. Senior management did not adequately oversee the operations of the municipality, as the financial statements submitted for audit contained material misstatements and material findings have been identified in the annual performance report and on compliance with laws and regulations.

a) ***Why did the Municipality fail to address the liquidity challenges during the period under review?***

The management has put all efforts to ensure that it meets current year commitments and at the same time reduce previous debts with the limited financial resources available, the liquidity challenges will hopefully be dealt with in the medium term if we all stick to the proposed measures on cost containments and revenue enhancement.

b) ***Why did the Municipality fail to fill the CFO position for over 12 months? Has the position been filled?***

(i) **The main reason for previously failing to fill the position was the unattractive salary offered, however the position has been filled since August 2018.**

(ii) **The vacancy for CFO remained unfilled for an extended period as a result of time taken to fill the vacancy informed by the prescribed processes involved in the recruitment process for feeling of a senior manager vacancy as prescribed by the applicable regulation.**

(iii) **The process includes acquiring a council resolution authorizing advertisement of the vacancy; placement of advert in the media for a period of up to 30 days; shortlisting of candidates within 21 days of closing of the advert; screening of shortlisted candidates within 14 days of shortlisting, interview of candidates within 21 days of** screening; conducting of suitability assessment checks and clearances from various accredited assessment centers and State Security Agency; Convening of council for an appointment decision; application for appointment concurrence from the Member of the Executive Responsible for Local Government in the province; Employment offering, acceptance and contracting process and serving of employment termination notice if the prospective successful candidate is employed elsewhere.

(iv) The process is quite lengthy and at times it becomes necessary to re-advertise if the recruitment process does not attract suitably qualified candidates or cannot find an appointable candidate.

(v) Further the categorization for remuneration packages payable to senior managers is not competitive with what other players in the market offers thus not assisting in attracting suitably candidates to apply and consider appointment offers favorably.

c) *What impact did the absence of the CFO have on the preparation of the annual financial statements?*

The impact will always be there on the preparation of financial statements for a municipality without a CFO.

d) *Why did the Municipality submit the financial statements that contained material misstatements?*

As indicated in previous questions, the biggest challenge in 2017/18 was the unreliable financial reports produced by the system.

e) *What plan did the Municipality put in place to address this anomaly?*

The system provider was engaged and provided with a full list of issues logged and they are busy resolving the issues. They are on site every two weeks

Question 9

Material mistatements to financial statements.

Material misstatements were once again identified in the submitted financial statements.

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

This is due to poor quality of submitted financial statement for audit.

Questions:

a) ***What is the status of progress made to address all audit findings relating to material misstatements and are they included in the action plans?***

   Yes, they are included in the action plan,

   The findings are being addressed and should now be on 60% and will be ready for the interim audit in April 2019

b) ***Are the action plans monitored by Internal Audit and the Audit Committee. What is their assessment of the progress?***
   Yes, they are assessed by the two independent parts of our governance structures.

c) ***What corrective measures have been taken?***
   With the resolution of system challenges, material misstatements should be eliminated in future.

Question 10

Expenditure management.

Creditors were not always paid within 30 days.

a) ***What are the reasons for the late payments?***
   Our cash flow position did not allow us to pay all creditors on time, but as we improve our cash flow, timeous payments will be much easier.

b) ***What percentage of suppliers has been paid outside of the 30 days of invoices received?***
   Approximately 55%